2020
REPORT ON SAIPEM’S
REMUNERATION POLICY
AND PAID COMPENSATION

APPROVED BY THE BOARD
OF DIRECTORS
ON MARCH 12, 2020
MISSION
Our mission is to implement challenging, safe and innovative projects, leveraging on the competence of our people and on the solidity, multiculturalism and integrity of our organisational model. With the ability to face and overcome the challenges posed by the evolution of the global scenarios, we must seize the opportunities to create economic and social value for all our stakeholders.

OUR VALUES
Innovation; health, safety and environment; multiculturalism; passion; integrity.

COUNTRIES IN WHICH SAIPEM OPERATES
EUROPE
Albania, Austria, Bulgaria, Croatia, Cyprus, France, Germany, Greece, Italy, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Spain, Sweden, Switzerland, Turkey, United Kingdom

AMERICAS
Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Ecuador, Guyana, Mexico, Peru, United States, Venezuela

CIS
Azerbaijan, Georgia, Kazakhstan, Russia

AFRICA
Algeria, Angola, Congo, Egypt, Ghana, Libya, Morocco, Mauritania, Mozambique, Namibia, Nigeria, Senegal, South Africa, Tunisia, Uganda

MIDDLE EAST
Iraq, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates

ESTREMO ORIENTE E OCEANIA
Australia, China, India, Indonesia, Japan, Malaysia, Pakistan, Singapore, South Korea, Taiwan, Thailand, Vietnam
REPORT ON SAIPEM’S REMUNERATION POLICY AND PAID COMPENSATION

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The Report is published in the “Governance” section of Saipem’s website (www.saipem.com)
Dear Shareholders,

In my capacity as Chairman of the Compensation and Nomination Committee and in the name of its other members, Federico Ferro-Luzzi and Paul Schapira, I am delighted to illustrate this Report on the Policy on Remuneration and Compensation paid - 2020, approved by the Board of Directors on March 12, 2020. This Report is designed to ensure utmost transparency to Shareholders and Investors with regard to the quality of our remuneration systems, highlighting their consistency with the Company’s business strategy, and to pursue the priority objective of value creation for Shareholders and stakeholders in the medium-long term whilst also attracting, retaining and motivating highly skilled professional and managerial resources.

In 2019, the Shareholders’ Meeting confirmed its appreciation for Saipem’s Remuneration Policy, which obtained a high percentage of favourable votes, thus confirming the Compensation and Nomination Committee’s constant commitment to proposing to the Board of Directors suitable guidelines for the definition and adoption of remuneration policies that are in line both with national and international best practices and benchmarks, which continue to be used to assess the adequacy of remunerations, and with all our stakeholders’ expectations.

The key new elements of the 2020 Policy are:

- the review of the Variable Short-Term Incentive Plan (STI) for all managerial resources, whose implementation will be submitted for approval to the Shareholders’ Meeting on April 29, 2020. The Plan establishes a different incentive percentage in case of over-achievement and introduces a share-based bonus, subject to a three-year deferral, with the aim of rewarding retention and spreading a corporate culture that gives value to the involvement and participation of management in value creation for all stakeholders;
- the introduction of a multiplier to be applied to the individual performance score in case of particularly important business developing initiatives, not included in the Strategic Plan but which are functional to pursue strategic objectives, identified according to the relevance standard.

When drafting the document, special attention was paid to the following points in order to pursue an increasingly clear and comprehensive description of the pillars of our remuneration policy:

- a transparent and immediate representation of information about the relevant scenario in a detailed Executive Summary;
- the alignment of variable incentive systems with the company’s strategies;
- the accurate indication of the results achieved and of the incentives paid, illustrated in the Second Section of the Report so as to provide an effective benchmark to compare performances.

The summary description of the contribution of our incentive systems to the company’s strategy and of the key points of the Policy is designed to substantially improve transparency and completeness of information. The 2020 Remuneration Policy of Saipem intends to pursue the sustainable success of business. The link between short- and long-term performance criteria and the main strategic guidelines, with respect to both business targets and non-financial targets (Environmental Social & Governance - ESG), is a valid support to our corporate strategy. The attention paid to the objectives and metrics of environmental sustainability and protection of human resources proves Saipem’s commitment:

- to personal health and safety;
- to the environment;
- to the enhancement of diversity;
- to the development of skills.

This attention is confirmed by the increased weight given to these indicators in the 2020 Company objectives for the purposes of the incentive paid to the Chief Executive Officer-CEO and management. The key role of Saipem’s commitment in the development of new technologies for emerging markets and in renewable energy sources, as well as in the reduction of emissions, also through energy efficiency initiatives, is proven by the issue of four-year plans that outline the company’s vision on the efficiency of its activities and the ensuing reduction of emissions. Staff safety is a priority and strategic objective for Saipem and is constantly monitored, controlled and guaranteed through an integrated health, safety and environment management system (ESG).

This Report also incorporates the additional changes brought to Article 123-ter of the Consolidated Law on Finance by Italian Legislative Decree May 10, 2019, No. 49.

Hoping that these improvements will be appreciated and that the decisions taken will be positively met and understood, I wish to thank you, also in the name of the other members of the Committee, for your approval of the Remuneration Policy suggested for 2020.

March 12, 2020

The Chairman of the Compensation and Nomination Committee
INTRODUCTION

This Report on Saipem’s Policy on Remuneration and Compensation paid (hereinafter, the “Report”), was approved by the Board of Directors on March 12, 2020, at the proposal of the Compensation and Nomination Committee, whose members are all non-executive, independent Directors, and has been prepared and defined in accordance with current statutory and regulatory obligations: Article 123-ter of Italian Legislative Decree No. 58 of February 24, 1998, implemented in the Consolidated Law on Finance; Article 84-ter of the Consob Issuers’ Regulation (Resolution No. 11971 of May 14, 1999 as amended) and its Annex 3A, schemes 7-bis and 7-ter; and according to the recommendations contained in the Corporate Governance Code of listed companies promoted by Borsa Italiana (hereinafter “Governance Code”), in its last version approved in July 2018 endorsed by Saipem1. In keeping with the guidelines set out in the company’s Strategic Plan, the Remuneration Policy promotes alignment of the priority objective of value creation for the shareholders in the medium-long term with the interests of management.

This 2020 Report on Saipem’s Remuneration Policy and Paid Compensation defines and illustrates:
> in Section I, the Policy adopted by Saipem SpA (“Saipem” or the “Company”) for 2020 for the remuneration of Company Directors, Statutory Auditors and Senior Managers with strategic responsibilities2, specifying the general aims pursued, the bodies involved and the procedures applied for the adoption and implementation of the Policy. The general principles and the Guidelines, defined in the first section of this Report also apply to the determination of the compensation policies of Saipem’s direct or indirect subsidiaries;
> in Section II, the compensation paid in 2019 to the Directors (with executive and non-executive duties), Statutory Auditors and Senior Managers with strategic responsibilities of Saipem.

The two sections of the Report are both preceded by a summary of the main information in order to supply the market and investors with an easy-to-read framework for understanding the key elements of the 2020 Policy. Lastly, the Report also shows, in Section II, the shares held in the company by the Directors, Statutory Auditors and by Senior Managers with strategic responsibilities and contains information regarding the implementation in 2019 of the 2019-2021 Variable Share-based Long-Term Incentive Plan, in accordance with provisions in current regulations3.

The Report shall be submitted to the Borsa Italiana and shall be made available to the public at the Company’s registered office and posted on Saipem’s website, in the “Governance” section, twenty-one days before the Shareholders’ Meeting called to approve the 2019 financial statements and to approve Section I of the same Report and to pass a non-binding resolution in favour or against Section II of the Report, in accordance with applicable legislation4.

Information related to financial instrument-based compensation plans currently in force is available in the “Governance” section of Saipem’s website5. This Report, in compliance with current legislative and regulatory obligations5, has been prepared by considering analyses and further details regarding the results of the Shareholders’ Meeting vote, and the feedback received from the shareholders and the main Proxy Advisors on the Saipem 2019 Report, their 2020 Policy indications, as well as the results of the engagement activities with the Proxy Advisors and the market practices of the main listed companies.

In particular, the following points have been considered:
> the enhance disclosure of the results achieved;
> to give greater importance to ESG issues, introducing further performance criteria within incentive systems.

On March 12, 2020, the Board of Directors of Saipem resolved to submit: (i) the Section I of the Report on the Remuneration Policy - 2020 to the binding vote of the Shareholders’ Meeting; and (ii) the Section II on compensation paid in 2019 to its consultative vote.

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1. For further information on the conditions of Saipem’s endorsement of the Governance Code, please refer to the “Governance” section of Saipem’s website (http://www.saipem.com) and to the “Corporate Governance and Shareholding Structure Report - 2019”.
2. The term “Senior Managers with strategic responsibilities”, as defined in Article 65, paragraph 1-quater of the Consob Issuers’ Regulation, refers to persons with direct or indirect planning, coordination and control responsibilities. Saipem Senior Managers with strategic responsibilities, other than Directors and Statutory Auditors, are those who sit on the Advisory Committee and, in any case, all direct reports of the Chief Executive Officer-CEO/the Chairman/the Board of Directors of Saipem SpA.
3. Article 114-bis of the Consolidated Law on Finance and Article 84-bis of the Consob Issuers’ Regulation.
Overview

2020 Remuneration Policy

The Saipem Remuneration Policy is designed: (i) to attract, motivate and retain highly skilled professional and managerial resources; (ii) to incentivise the achievement of strategic targets and the company’s sustainable growth; (iii) to promote alignment of the interests of management with the priority objective of value creation for the shareholders in the medium-long term; (iv) to promote the company’s mission and values.

The 2020 Remuneration Policy includes, as the key new element compared to 2019, the review of the Variable Short-Term Incentive Plan, designed to incentivise the achievement of annual targets, increasing the focus on overperformances and introducing a mechanism for the deferral of part of the bonus converted into shares, that incentivises and rewards the multi-year retention of management, making the latter become shareholders of the company and thus be more aligned with the interests and expectations of investors.

In addition, given that Saipem attributes importance, within the time frame of the Strategic Plan, to the execution of operations intended to increase the value of the Company and its assets, a multiplier is introduced to be applied to the points achieved on the performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard, without prejudice to the maximum limit of 130 points.

The introduction of this element is designed to orient management toward operations that can increase the value for shareholders and investors, reward extraordinary commitment and favour the motivation and retention of resources with a significant impact on the success of these operations. The Remuneration Policy contributes to the company’s strategy and to the pursuit of long-term interests in order to ensure alignment between management and shareholders.

Specifically, incentive plans are developed over a multi-year time frame through the deferral of short-term systems and the presence of a significant number of long-term incentive plans.

In defining its remuneration policy, Saipem pays attention to given issues that are complementary to the fixed economic-monetary and variable component, through benefits in kind, mainly of a health and social security nature.

The 2020 Remuneration Policy pays special attention to ESG (Environmental, Social & Governance) objectives and, in particular, to the strengthening of climate policies in accordance with objectives and ambitions defined in the light of the potential energy scenarios and their implications for the sector which Saipem works in, supporting the development of clean energy technologies and promoting the implementation of policies with a low environmental impact, examined by the Board of Directors and resulting in the so-called “Dynamic Transition”, and increasing the incidence of sustainability criteria in the short-term incentive system.

The 2020 Remuneration Policy, illustrated in detail in Section I of this Report, prescribes the following:

- for non-executive Directors, the 2020 Remuneration Policy Guidelines reflect the decisions resolved by the Shareholders’ Meeting on May 3, 2018 and do not imply changes to the Policy approved in the previous year;
- for the Chairman, the 2020 Remuneration Policy Guidelines envisage the maintenance of the compensation approved by the Board of Directors on June 28, 2018;
- for non-executive Directors who are called upon to sit on the internal Board Committees, the 2020 Remuneration Policy Guidelines reflect the decisions resolved by the Board of Directors on June 28, 2018, and on July 24, 2018, in addition to a supplementary compensation to be awarded to the most senior independent Director called upon to complete the Audit and Risk Committee with regard to the operations with associated parties, amounting to one-third of the annual remuneration contemplated for each member of the Audit and Risk Committee, without providing for any redefinition of compensation;
- for Statutory Auditors whose office expires on the day of the Shareholders’ Meeting called to approve the financial statements as at December 31, 2019, the 2020 Guidelines reflect the resolutions passed by the Shareholders’ Meeting on April 28, 2017 and thus do not imply changes to the Policy approved in the previous year;
- for Statutory Auditors who will come into office, their compensation will be set by the Shareholders’ Meeting on April 29, 2020;
- for the Chief Executive Officer-CEO, the 2020 Remuneration Policy Guidelines provide for the preservation of the fixed remuneration determined by the Board of Directors on June 28, 2018, the review of the maximum short-term incentive percentage with the aim of rewarding overperformance, consistent with the proposal to review the Short-Term Incentive system envisaged for all managerial resources, and for the introduction of a multiplier to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, in case of operations or opportunities not included in the strategic plan but which are functional to pursue key objectives, identified according to the relevance standard, without prejudice to the maximum limit of 130 points.

The 2019-2021 Variable Long-Term Incentive Plan, approved by the Shareholders’ Meeting on April 30,
2019 is also to be applied, as for all managerial resources:

- for Senior Managers with strategic responsibilities, the 2020 Guidelines establish the same remuneration instruments defined in 2019, in addition to the Variable Short-Term Incentive Plan for 2021-2023 relating to the 2020-2022 performance periods for all managerial resources, and provide for the introduction of a review of the maximum incentive percentage with the aim of rewarding overperformance, and a mechanism for the deferral of the share-based bonus that incentivises and rewards the multi-year retention of management. For senior managers who achieve the annual performance targets with at least 100 points on the 70-130 performance scale and are beneficiaries of the short-term incentive, the Plan establishes the allocation of an additional bonus, calculated as a percentage of their fixed remuneration, deferred for three years. The portion of the incentive varies on the basis of the individual performance score achieved annually and is equal to the target value, i.e. where performance is equal to 100 points, or no more than 15% of the fixed remuneration, and to the maximum value, i.e. where performance is equal to 130 points, of 22.5% of the fixed remuneration. The additional bonus is converted into Saipem shares to be assigned at the end of the deferral period to those beneficiaries who are still working with the Company. The Plan will be submitted for approval to the shareholders at the Meeting convened to approve the financial statements relative to the business year ending December 31, 2019. The conditions of the Plan are therefore described in detail in the informative document made available to the public on the company’s website (www.saipem.com), implementing the current legislation (Article 114-bis of Italian Legislative Decree No. 58/1998 and the Consob regulation of implementation). For further information on the characteristics of the Plan please refer to the section “Variable Long-Term Incentives” of this Report. Just like for the Chief Executive Officer-CEO, a multiplier is also introduced to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard, without prejudice to the maximum limit of 130 points. The table on the following page (“Executive Summary: 2020 Saipem Remuneration Policy”) shows the main elements of the 2020 Guidelines approved for the remuneration of the Chief Executive Officer-CEO, as well as of Senior Managers with strategic responsibilities (SMMR).

2019 Remuneration Report - Results of the vote held at Shareholders’ Meeting

The Shareholders’ Meeting of April 30, 2019, in accordance with current legislation (Article 123-ter, paragraph 6 of Italian Legislative Decree No. 58/1998), voted on Section I of the 2019 Remuneration Report, with 98% of the votes in favour. In 2019, the percentage of votes in favour was equal to 98% of the total number of voters, and to 94.69% of the sole institutional investors, with a total average approval rate of roughly 97.90% in the last four years. In order to constantly monitor market developments, after the Shareholders’ Meeting Saipem examined the results of that meeting and the feedback received from investors and Proxy Advisors.

### RESULTS OF VOTE HELD AT SHAREHOLDERS’ MEETING

<table>
<thead>
<tr>
<th>Year</th>
<th>In Favour</th>
<th>Against</th>
<th>Abstentions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>97.95%</td>
<td>1.35%</td>
<td>1.70%</td>
</tr>
<tr>
<td>2015</td>
<td>96.36%</td>
<td>0.94%</td>
<td>2.70%</td>
</tr>
<tr>
<td>2016</td>
<td>98.60%</td>
<td>1.20%</td>
<td>0.20%</td>
</tr>
<tr>
<td>2017</td>
<td>98.25%</td>
<td>1.55%</td>
<td>0.20%</td>
</tr>
<tr>
<td>2018</td>
<td>96.77%</td>
<td>2.47%</td>
<td>0.76%</td>
</tr>
<tr>
<td>2019</td>
<td>98.25%</td>
<td>2.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

**Notes:**
- Subject to its approval by the shareholders at the Meeting convened to approve the financial statements relative to the business year ending December 31, 2019.
VALUES AND MISSION

Our Values:
- To free creative talent
- To take care of people and of the planet
- To build trust in relationships
- To give value to different cultural identities.

The values and responsibilities that Saipem acknowledges, accepts, endorses and assumes, building a better future for all, are described in the Code of Ethics approved by the Board of Directors on March 19, 2019.

All Saipem People, with no distinctions or exceptions, make sure that their actions and conduct are in accordance with the principles and content of the Code of Ethics. Relationships among Saipem People, at all levels, shall be characterised by honesty, fairness, cooperation, equality and mutual respect.

Saipem is committed to developing the abilities and skills of management and employees, so that their energy and creativity can have full expression for the fulfillment of their potential, and to protecting working conditions as regards both mental and physical health of the workforce and their dignity. Saipem undertakes to offer, in full compliance with applicable legal and contractual provisions, equal opportunities to all its employees, making sure that each of them receives fair statutory and wage treatment exclusively based on merit and expertise, without discrimination of any kind.

GOVERNANCE OF THE COMPENSATION PROCESS

The key bodies involved are:
- Shareholders’ Meeting
- Board of Directors
- Compensation and Nomination Committee.

The Compensation and Nomination Committee defines the structure and content of the Policy on the remuneration of Directors, the Chief Executive Officer and Senior Managers, with strategic responsibilities regarding the various forms of compensation and pay, as well as the general criteria for the short- and long-term incentive plans, including any share-based plans.

The Compensation and Nomination Committee submits the Policy to the Board of Directors which approves its content for the presentation to the Shareholders’ Meeting convened to approve the annual financial statements. When establishing the remuneration of the Chief Executive Officer-CEO and of Directors assigned with special functions, the Board consults with the Board of Statutory Auditors. Where necessary, the Committee may be supported by independent experts in the field.

The Board of Directors, once the Policy has been examined and approved, submits it to the binding vote of the Shareholders’ Meeting.
OBJECTIVES AND PRINCIPLES OF THE REMUNERATION POLICY

To ensure fair remuneration, suited to the role and responsibilities assigned, in accordance with the principles of diversity, equal opportunities, the maximisation and leveraging of knowledge and skills of personnel, fairness, and non-discrimination, and with the provisions of laws, regulations and company regulations and consistent with market references and performance results.

Ref. page 15 of this Report

The 2020 Remuneration Policy introduces the following main changes to the 2019 Policy:

- The review of the Variable Short-Term Incentive Plan, focusing on overperformance and introducing a mechanism for the deferral of part of the bonus converted in shares.
- Attention for ESG indicators, weighting 25% in the Saipem Form 2020.
- The introduction of a multiplier to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard, without prejudice to the maximum limit of 130 points.
- The introduction of a new Executive Summary, which gives a more detailed and immediate indication of the key elements of Section I of this Report.
- The introduction of a new overview that introduces and summarises the main content of Section II of this Report.
- Enhanced disclosure on achieved results, shown for the year of accrual of the corresponding rights.
- The definition of the procedural conditions to be adopted in case of exceptional circumstances that require a temporary derogation from given elements of the remuneration policy.

LINK BETWEEN RESULTS AND REMUNERATION

The variable remuneration of executive roles strongly influencing Company results is characterised by a significant incidence of long-term incentive components, through an adequate differentiation of incentives in a time frame of at least three years, in accordance with the medium- and long-term nature of the business pursued.

The objectives related to the variable remuneration are predetermined, measurable and complementary to each other, in order to represent the priorities for the overall performance of the Company and divisions, in line with the Strategic Plan and with the expectations of shareholders and stakeholders, promoting a strong results-based orientation.

The incentives linked to variable compensation are paid following a scrupulous process of checking results actually achieved, assessing performance targets assigned net of the effects of exogenous variables, with a view to maximising the actual company performance arising from management action.
EXECUTIVE SUMMARY: 2020 SAIPEM REMUNERATION POLICIES

ELEMENTS OF THE REMUNERATION PACKAGE

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The 2020 Remuneration Policy Guidelines set pay-mixes coherent with managerial roles, with a greater weight given to the variable component (in particular the long-term component) for positions that have a greater influence on company results, as shown in the reported pay-mix chart, which was calculated considering the monetisation of short and long-term incentives in the hypothesis of both minimum and maximum results.</td>
<td></td>
</tr>
</tbody>
</table>

PAY-MIX CEO

<table>
<thead>
<tr>
<th>Minimum 2020</th>
<th>Target 2020</th>
<th>Maximum 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>22%</td>
<td>28%</td>
<td>31%</td>
</tr>
<tr>
<td>45%</td>
<td>50%</td>
<td>56%</td>
</tr>
<tr>
<td>135%</td>
<td>150%</td>
<td>170%</td>
</tr>
</tbody>
</table>

PAY-MIX SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES

<table>
<thead>
<tr>
<th>Minimum 2020</th>
<th>Target 2020</th>
<th>Maximum 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>36%</td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td>25%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>40%</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>20%</td>
<td>24%</td>
<td>26%</td>
</tr>
<tr>
<td>20%</td>
<td>26%</td>
<td>32%</td>
</tr>
</tbody>
</table>

VARIABLE INCENTIVE SYSTEMS 2020 - CEO

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The short- and long-term incentive systems are linked to the attainment of a series of financial/profit, business development, operating and individual targets set with a view to achieving sustainable medium-long term growth in line with the Company’s Strategic Plan and with the responsibilities assigned. Please find below the incentive percentages set out in the variable incentive systems for the Chief Executive Officer-CEO.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STI - Short-Term Incentive</th>
<th>LTI - Long-Term Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Min</td>
<td>Target</td>
</tr>
<tr>
<td>45%</td>
<td>90%</td>
</tr>
</tbody>
</table>
The variable short-term component promotes the attainment of annual budget targets. All managerial resources are included in the Plan.

The Short-Term Incentive Plan establishes the payment of a monetary incentive upon attainment of performance targets established for the previous year.

2020 CEO objectives:

- ≥ Adjusted Free Cash Flow (35% weight)
- ≥ Adjusted EBITDA (30% weight)
- ≥ ESG indicators (HSE, Diversity Opportunity, Technological Innovation and Risk Management) (25% weight)
- ≥ New contracts (10% weight).

SMSR targets: broken down on the basis of objectives assigned to top management, in relation to the area of responsibility for the role covered.

Incentives paid based on the results achieved in the previous year and evaluated on a performance scale of 70÷130 points with minimum threshold to receive the incentive set at 70 points for performance.

The incentive is paid in the year when the annual objectives of the previous year are conclusively established, based on the level of their attainment.

% incentive for CEO at target value: 90%; Max: 135%
% max incentive for SMSR at target value: 45%; Max: 67.5%

For managerial resources (excluding the CEO), an additional share-based component is included in the Variable Short Term Incentive Plan for the 2021-2023 three-year period related to the 2020-2022 performance years. In particular, for senior managers who achieve the annual performance targets with at least 100 points on the 70-130 performance scale and are beneficiaries of the short-term incentive, the Plan establishes the allocation of an additional bonus, calculated as a percentage of their fixed remuneration, deferred for three years.

The portion of the incentive varies on the basis of the individual performance score achieved annually and is equal to the target value, i.e. where performance is equal to 100 points, of no more than 15% of the fixed remuneration, and to the maximum value, i.e. where performance is equal to 130 points, of 22.5% of the fixed remuneration. The additional bonus is converted into Saipem shares to be assigned at the end of the deferral period to those beneficiaries who are still working with the Company. The Plan will be submitted for approval to the shareholders at the Meeting convened to approve the financial statements relative to the business year ending December 31, 2019.

For the Chief Executive Officer (CEO) and Senior Managers with strategic responsibilities (SMSR), a multiplier is also introduced to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, equal to 1.2 with a maximum limit of 130 points on the performance sheet, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard, without prejudice to the maximum limit of 130 points. Application of the multiplier will be set by the Board of Directors at the proposal of the Compensation and Nomination Committee. The additional portion of the bonus deriving from the application, if any, of the multiplier is subject to a 3-year deferral period and to an additional performance condition that allows for the +/-50% adjustment of the deferred amount, identified by the average performance on the Saipem sheet in the three-year deferral period. If average performance in the three-year period is below 70 points, the deferred incentive is not paid.

The introduction of this element is designed to orient management toward operations that can increase the value for shareholders and investors, reward extraordinary commitment, and favour the motivation and motivation of resources with a significant impact on the success of these operations.

![Incentive Curve Chart]

Ref. pages 19 and 23 of this Report
SAIPEM 2020 REPORT ON SAIPEM’S REMUNERATION POLICY AND PAID COMPENSATION

EXECUTIVE SUMMARY: 2020 SAIPEM REMUNERATION POLICIES

VARIABLE LONG-TERM INCENTIVE SYSTEM (LTI)

<table>
<thead>
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<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td>The variable long-term component fosters the alignment of the shareholders' interests with the management goals and the sustainability of value creation in the long term. All managerial resources are included in the Plan.</td>
<td>Free assignment of ordinary shares of Saipem SpA, differentiated by role on reaching the following performance conditions, measured at the end of the relevant three-year period: Three-year Vesting + Co-investment of 2 years for the Chief Executive Officer-CEO. Three-year Vesting + Retention Premium of 2 years for strategic resources.</td>
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<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td>Free assignment of ordinary shares of Saipem SpA, differentiated by role on reaching the following performance conditions, measured at the end of the relevant three-year period: Three-year Vesting + Co-investment of 2 years for the Chief Executive Officer-CEO. Three-year Vesting + Retention Premium of 2 years for strategic resources.</td>
<td>For the Chief Executive Officer-CEO, the incentive levels are equal to a target value of 100% of the fixed remuneration and a maximum value of 160% of the fixed remuneration. In addition to a further 25% of matured shares at the end of the Co-investment period. For SMSR, the incentive levels are differentiated by role, up to a maximum target value of 80% of the fixed remuneration and a maximum value of 104% of the fixed remuneration. In addition to a further 25% of matured shares at the end of the Retention Premium period. The maximum value at the end of the vesting period shall not exceed four times the value of the shares at the moment they are assigned. The shares will be allocated annually. The vesting period is three years. The Retention Premium/Co-investment period lasts two years after the vesting period.</td>
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<tr>
<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td>Supplementary social security</td>
<td>Total Shareholder Return - E&amp;C Peer Group</td>
</tr>
<tr>
<td>Supplementary healthcare fund</td>
<td>Total Shareholder Return - Drilling Peer Group</td>
</tr>
<tr>
<td>Death and disability insurance coverage</td>
<td>Adjusted Net Financial Position</td>
</tr>
<tr>
<td>Company car for business and personal use</td>
<td>Adjusted ROIC (Return on Average Invested Capital)</td>
</tr>
</tbody>
</table>

For the Chief Executive Officer-CEO, the incentive levels are equal to a target value of 100% of the fixed remuneration and a maximum value of 160% of the fixed remuneration. In addition to a further 25% of matured shares at the end of the Co-investment period. For SMSR, the incentive levels are differentiated by role, up to a maximum target value of 80% of the fixed remuneration and a maximum value of 104% of the fixed remuneration. In addition to a further 25% of matured shares at the end of the Retention Premium period. The maximum value at the end of the vesting period shall not exceed four times the value of the shares at the moment they are assigned. The shares will be allocated annually. The vesting period is three years. The Retention Premium/Co-investment period lasts two years after the vesting period.

BENEFITS

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>These supplement the compensation package in a logic of total reward through benefits in kind, mainly of a health and social security nature. Recipients: all managerial resources.</td>
<td>Supplementary social security</td>
</tr>
</tbody>
</table>

Ref. pages 22 and 25 of this Report
SUPPLEMENTARY INDEMNITIES

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Termination indemnities to protect the company also from potential competition risks. Instruments for the retention and protection of the Group’s know-how.</td>
<td>CEO: all-inclusive indemnity in case of advance termination of the current mandate, except in case of dismissal for just cause and in case of resignation caused by demotion and change of control, equal to €1,800,000. Non-competition agreement equal to €1,200,000 for the initial 12 months of duration of the agreement and €600,000 for the six months thereafter. SMR: termination indemnities (established by the national collective contract and internal policies) agreed upon on consensual termination of employment. Severance Payment up to a maximum of two years’ fixed remuneration for a Change of Control resulting in resignation or termination and/or demotion. Non-competition agreements, activated upon termination of the employment relationship (12 months salary for each year of the agreement). Minimum Term Agreements to protect know-how (12 months salary for each year of the agreement). These instruments may be implemented during the course of employment or upon termination of employment.</td>
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</table>

CLAWBACK MECHANISM

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption, through a specific Regulation approved by the Board of Directors, on the proposal of the Compensation and Nomination Committee, of clawback mechanisms.</td>
<td>The incentives are subject to a clawback regulation that allows for the return of variable components of remuneration in cases of manifestly incorrect or maliciously altered data and violation of laws and regulations, the Code of Ethics or industry regulations.</td>
</tr>
</tbody>
</table>

COMPLIANCE WITH THE LAW

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Report on Saipem’s Remuneration Policy and Paid Compensation has been prepared and defined in accordance with current statutory and regulatory obligations and with the recommendations contained in the Corporate Governance Code of listed companies promoted by Borsa Italiana.</td>
<td>In particular: EU Directive 2017/806. Article 123-ter of Italian Legislative Decree No. 58 of February 24, 1998, implemented in the Consolidated Law on Finance amended by Italian Legislative Decree No. 49/2019. Article 84-quater of the Consob Issuers’ Regulation (Resolution No. 11971 of May 14, 1999 as amended) and its Annex 3A, schemes 7-bis and 7-ter:</td>
</tr>
</tbody>
</table>
SECTION I - 2020 REMUNERATION POLICY

Governance of the remuneration process

Bodies and persons involved

The Remuneration Policy for the Saipem Board of Directors is defined in accordance with legislation and company regulations and the Saipem Governance model, which defines the bodies and persons involved as the following: Shareholders Meeting, Board of Directors and Compensation and Nomination Committee.

BODIES AND PERSONS INVOLVED

<table>
<thead>
<tr>
<th>BODY</th>
<th>ROLE AND RELEVANT ACTIVITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ Meeting</td>
<td>Establishes the compensation of the members of the Board of Directors when they are appointed and for the whole of their term of office.</td>
</tr>
</tbody>
</table>
| Board of Directors | 1. Establishes the remuneration of Directors assigned with special functions (Chairman and Chief Executive Officer-CEO) and for service on Board Committees, having consulted the Statutory Auditors.  
2. Defines performance targets and the approval of results for performance plans used to establish the variable remuneration of the Chief Executive Officer-CEO.  
3. Approves the general criteria for the remuneration of Senior Managers with strategic responsibilities.  
4. Defines the remuneration of the Internal Audit Manager in accordance with the company's Remuneration policy and having consulted the Audit and Risk Committee and the Board of Statutory Auditors. |
| Compensation and Nomination Committee | Provides support to the Board of Directors by proposing and consulting on issues regarding compensation issues. |

Saipem Compensation and Nomination Committee

Composition, appointment and powers

The Compensation Committee, which as of February 13, 2012, was renamed the “Compensation and Nomination Committee”, was established by the Board of Directors in 1999. Committee membership and appointments, its tasks and its operating procedures are regulated by a specific set of rules, which were approved by the Board of Directors and published on the Company website. In accordance with the applicable legislation and the recommendations set out in the new version of the Corporate Governance Code, of three non-executive, independent Directors. In line with the Corporate Governance Code (Article 6, paragraph 3), the Regulation also establishes that at least one member of the Committee has adequate knowledge and experience on financial and compensation matters, as evaluated by the Board at the time of appointment. The Committee, as of May 3, 2018, has the following non-executive and independent Directors: Paolo Fumagalli, Federico Ferro-Luzzi, Paul Schapira.

COMPENSATION AND NOMINATION COMMITTEE

<table>
<thead>
<tr>
<th>NAME</th>
<th>ROLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paolo Fumagalli</td>
<td>Chairman</td>
</tr>
<tr>
<td>Federico Ferro-Luzzi</td>
<td>Member</td>
</tr>
<tr>
<td>Paul Schapira</td>
<td>Member</td>
</tr>
</tbody>
</table>

13 meetings in 2019, average length: 2 hour and 19 minutes. Average attendance rate: 100%.
Furruagli as Chairman; Federico Ferro-Luzi and Paul Schapira.
The Corporate Human Resources manager or, alternatively, the People Development, Recruitment and Compensation manager, performs the role of Committee Secretary.

**Role of the Committee**
The Committee acts in a proposal and advisory role to the Board of Directors in line with the recommendations contained in the Corporate Governance Code (Article 6, paragraph 4 and Article 6, paragraph 5):
- submits for approval to the Board of Directors the Report on the Policy on Remuneration and Compensation paid and, in particular, the Policy for the remuneration of Directors and Senior Managers with strategic responsibilities, for its presentation to the Shareholders’ Meeting convened to approve the annual financial statements, within the deadlines established by law, called to approve Section I of the Report and to pass a non-binding resolution in favour or against Section II of the same Report;
- makes proposals regarding the various forms of compensation and pay of the Chairman and Executive Directors;
- makes proposals regarding the compensation of the Directors appointed to the Committees formed by the Board;
- proposes, after examining the information provided by the Chief Executive Officer-CEO, the general criteria for the remuneration of Senior Managers with strategic responsibilities, the short- and long-term incentive plans, including any share-based plans;
- proposes general criteria for the definition of the performance objectives and the approval of results of performance plans used to establish the variable remuneration of Directors vested with executive/special powers, taking into account the indications provided in this regard by the Chief Executive Officer-CEO;
- monitors the implementation of resolutions taken by the Board;
- periodically checking the adequacy, the overall consistency and the implementation of the Policy adopted and formulating proposals in this regard;
- suggests candidates for the role of Director to the Board if during the course of the financial year one or more Directorships become vacant (Article 2386, paragraph 1 of the Italian Civil Code), ensuring compliance with the regulations on the minimum number of independent Directors and on the quotas reserved for the least represented gender;
- provides input for the Board regarding the appointment of Senior Managers and of the members of the Company’s bodies whose appointment is the responsibility of the Board;
- reports to the Board on the tasks performed, at the board meeting indicated by the Chairman of the Board of Directors, at least twice yearly, and at any rate no later than the term for approval of the financial statements and the half-yearly report.
- through the Committee Chairman or another member designated by same, reports on the working procedures of its functions to the Shareholders’ Meeting convened to approve the annual financial statements;
- on the proposal of the Chief Executive Officer-CEO, examines and evaluates the criteria governing the succession plan for Senior Managers with strategic responsibility of the Company.

**Methods of implementation**
The Committee meets as often as necessary to perform its duties, normally on the dates scheduled on the yearly calendar of meetings approved by the Committee itself and is quorate when at least the majority of its members in office are present and decides with the absolute majority of those in attendance. The Chairman of the Committee convenes and presides over the meetings.

To fulfil its duties, the Committee has the right to access the necessary Company information and departments and to avail of external advisors who do not find themselves in situations that could compromise the impartiality of their opinion, within the limits of the budget approved by the Board of Directors. On a yearly basis, the Committee drafts a budget that it submits to the Board of Directors for approval.

The Chairman of the Board of Statutory Auditors, or a Statutory Auditor designated by the Chairman, may attend Committee meetings. Furthermore, other Statutory Auditors may also participate when the Board is dealing with matters for which the Board of Directors is obliged in its resolution to take account of the opinion of the Board of Statutory Auditors. At the invitation of the Committee Chairman, other parties may attend the meetings to provide information and make assessments within their field of competence in relation to individual agenda items. No Director can take part in Committee meetings where proposals are being made to the Board of Directors concerning his/her remuneration.

**Annual activities of the Compensation and Nomination Committee**
The Compensation and Nomination Committee carries out its activities according to an annual programme which consists of the following phases:
- periodically checking the adequacy, the overall consistency and the implementation of the Policy adopted in the previous year in relation to the results achieved and the compensation benchmarks supplied by specialised providers;
- definition of Policy proposals for the following year and of proposals regarding the performance targets connected with short and long-term incentive plans;

**SECTION I - 2020 REMUNERATION POLICY**
definition of proposals regarding the implementation of existing variable short and long-term incentive plans, after checking the results achieved in relation to the performance targets set out in these plans;
preparation of the Report on Saipem’s Remuneration Policy and Paid Compensation, to be submitted every year to the Shareholders’ Meeting subject to the approval of the Board of Directors;
examination of the results of voting at the Shareholders’ Meeting of the Policy approved by the Board;
monitoring of developments in the regulatory framework and the voting policy of main Proxy Advisors, as part of the preliminary activities planned to support the Policy proposals for the following year.

Activities carried out and planned
In 2019, the Committee convened on a total of 13 occasions, with an average member attendance of 100%. The Chairman of the Board of Statutory Auditors or a Statutory Auditor designated by the Chairman, took part in all the meetings which were duly recorded.
The Committee, with regard solely to remuneration issues, focused its activities, in particular, on the issues outlined in the table called "Main issues discussed in 2019" on the following page.
The Committee has scheduled at least nine meetings in 2020. At the date of approval of this Report, the first five meetings had already been held. These focused on: (i) an assessment of the compensation policies implemented in 2019 with a view to defining a compensation policy proposal for 2020; (ii) company results in 2019 and the definition of performance objectives for 2020 connected to variable incentive plans; (iii) the definition of the short-term incentive for the Chief Executive Officer-CEO; (iv) the review of the 2021-2023 Variable Short-Term Incentive Plan (STI) which introduces a share-based component and the corresponding Consob informative document; (v) the introduction of a rewarding system for operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard; (vi) the appointment of a director by co-optation; (vii) the definition of the number of treasury shares at the service of short and long-term incentive plans. During the following meetings, in line with the defined annual activities, the results of the 2020 AGM season and the definition of the short-term incentive for Internal Audit Director will be reviewed and the Variable Long-Term Incentive Plan for the Chief Executive Officer-CEO and managerial resources will be implemented.
The Committee reports regularly, through its Chairman, to the Board of Directors and the Shareholders’ Meeting convened to approve the annual financial statements on the performance of its duties, in accordance with its own Regulations, the recommendations of the Corporate Governance Code and with the aim of establishing a channel for dialogue with its shareholders and investors.
Aims and general principles of the Remuneration Policy

Aim

The Saipem Remuneration Policy is defined in accordance with the governance model adopted by the Company and the recommendations included in the Corporate Governance Code, with the aim of attracting and retaining highly skilled professional and managerial resources and aligning the priority objective of value creation for the shareholders in the medium-long term with the interests of management. The Saipem Remuneration Policy contributes to the achievement of the company mission and strategy by:

≥ promoting actions and conduct consistent with the company culture and with the principles of diversity, equal opportunities, the maximisation and leveraging of knowledge and skills of personnel, fairness, and
non-discrimination as outlined in the Code of Ethics and in the "Our people" Policy;
- recognising and rewarding responsibilities assigned, the results achieved and the quality of the professional contribution made, taking into account the specific context and compensation benchmarks;
- defining performance-based incentive systems linked to the attainment of a series of financial/profit, business development and operating targets set with a view to achieving medium-long term sustainable growth in line with the Company’s Strategic Plan and with the responsibilities assigned.

**General principles**

In line with the above aims, the remuneration paid to the Directors and the Senior Managers with strategic responsibilities is defined in accordance with the following principles and criteria.

**Remuneration of non-executive Directors**

The compensation of non-executive Directors is commensurate with the commitment required for participating in Board Committees established according to the By-laws, with differentiation between the compensation prescribed for the Chairman compared to the members of each committee, in consideration of the Chairman’s assignments, as resolved by the Board of Directors on May 3, 2018. Unless otherwise resolved by the Shareholders’ Meeting, non-executive Directors are excluded from variable incentive schemes, including share-based incentive plans.

**Remuneration of the Chief Executive Officer-CEO and of Senior Managers with strategic responsibilities**

The remuneration structure for the Chief Executive Officer-CEO and for Senior Managers with strategic responsibilities should be a balanced mix of a fixed component commensurate with the powers and/or responsibilities assigned and a variable component with a maximum limit designed to link remuneration to targets that are actually achieved. The Saipem Remuneration Policy uses merit matrices to make pay rises conditional upon the analysis of the positioning of resources in terms of internal remuneration equity and having regard to the relevant market, as well as to the assessment of individual merit and skills.

**Consistency with market benchmarks**

Overall consistency of remuneration compared with the applicable market benchmarks for similar positions or roles of a similar level of responsibility and complexity within a panel of companies comparable to Saipem, using specific benchmarks created with the support of international compensation data providers. The Senior Managers with strategic responsibilities were compared with similar positions in Italian industrial groups of comparable size to Saipem with a focus in the manufacturing, chemical, engineering and energy sectors and similar positions in the major European companies comparable to Saipem in terms of turnover and market capitalisation. The verification of compensation is carried out by using a system structured around pay ranges.

**Variable remuneration**

Variable remuneration of executive roles strongly influencing Company results, characterised by a significant incidence of long-term incentive components through an adequate differentiation of incentives, also short-term, in a time frame of at least three years, in accordance with the medium-long term nature of the business pursued.

**Predetermined, measurable and complementary objectives**

Predetermined, measurable and complementary objectives related to the variable remuneration, in order to represent the priorities for the overall performance of the Company and divisions, in line with the Strategic Plan and with the expectations of shareholders and stakeholders, promoting a strong results-based orientation. These objectives are defined in order to ensure: (i) the assessment of annual, Division and individual performance, based on a balanced score card defined according to specific objectives of the area of responsibility and in line with the objectives assigned; (ii) a significant incidence of ESG objectives (Environmental, Social & Governance) to ensure business sustainability; (iii) the valuation of overperformance; (iv) the definition of a Variable Short-Term Incentive Plan in such a way as to focus management actions on annual targets, whilst attaining sustainable results over time thanks to the deferral of a portion of the incentive; (v) the orientation of management toward operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard, thanks to the introduction of a multiplier to be applied to the points on the individual performance sheet; (vi) the definition of a Variable Long-Term Incentive Plan in such a way as to assess the company’s performance both in absolute terms, with respect to the ability to pursue economic-financial performance in the medium and long period, and in relative terms compared to competitors, with respect to the ability to generate higher levels of stock yield and of value creation than those of the company’s key international competitors and to ensure greater alignment with the interests of shareholders in the medium-long term.

**Consistency with results achieved**

Incentives linked with variable compensation paid following a scrupulous process of checking results actually achieved, assessing performance targets assigned net of the effects of exogenous variables, with a view to maximising the actual company performance arising from management action.
Benefits in line with market practice

Benefits, with a preference given to pension and insurance benefits, in line with market compensation benchmarks and compliant with local regulations to supplement and enhance the compensation package, reflecting roles and/or responsibilities assigned.

Clawback clauses to hedge risks of error and for significant violations

Adoption, through a specific Regulation approved by the Board of Directors, on the proposal of the Compensation and Nomination Committee, of clawback mechanisms that make it possible to request the return of variable components of the compensation already paid, or not to proceed with the final allocation of the Shares at the end of the vesting period or request the return of the corresponding value of the Shares already paid or to retain the corresponding value from the compensation due to the beneficiaries, where the maturation took place based on data that was later proven to be manifestly incorrect, or return of all incentives (or Shares/corresponding value) relating to the year (or years) with reference to which a fraudulent alteration of the data used to calculate the results was ascertained in order to achieve the right to the incentive and/or the commission of serious and intentional violations of laws and/or regulations, of the Code of Ethics or of company rules which are relevant to or imply an impact within the framework of the employment contract, affecting the related fiduciary relationship, in any case without prejudice to any action permitted by the law to protect the interests of the Company.

Conditions, methods and terms of application of the clawback principle

The Regulation provides for revocation of allocating Shares or the recovery of the equivalent monetary value of the shares or of Variable Monetary Incentives within a maximum of three years from the date of payment or award of shares, whenever the incentives have been determined on the basis of data relating to the results and/or performance, which are subsequently revealed to be mistaken. The Regulation also provides for the application of recovery measures within a maximum of five years from the corresponding issue or assigning for persons who are shown to be responsible for altering, due to misconduct or gross negligence, the data used to report results for assigned objectives in order to achieve the right to the incentive and/or in violation of laws and/or regulations, the Code of Ethics or company rules which are relevant to or imply an impact within the framework of the employment contract, and are of such significance as to compromise trust.

In such cases, following the outcome of audits carried out by the relevant company compliance and control functions regarding the existence of errors that impact the final results, the company must, subject to rectification of the data, review the results, and the relevant company bodies and functions must recalculate the incentives, which may lead to the possibility of total or partial recovery in relation to the results achieved and to the incentives due. Errors that do not impact the final determination of the incentive sum are to be considered of no importance.

Employee termination and non-competition agreements within pre-set limits and for the protection of interests

Additional severance pay and non-competition agreements for executive positions which are subject to a high risk of competition, defined within a specific amount or for a specific number of years of service or number of months of salary, in line with level of compensation received.

2020 Remuneration Policy Guidelines

The 2020 Remuneration Policy Guidelines provide, in the light of the evolution of the market scenario and new business challenges, for concentrating attention on the definition of the 2020 goals in line with the Company’s Strategic Plan and on the review of the Variable Short-Term Incentive Plan for Senior Managers, with a view to strengthening the alignment of the shareholders’ and management’s interests and fostering the retention of management. For the Chairman and non-executive Directors, the 2020 Guidelines reflect the decisions resolved by the Board of Directors on June 28, 2018, following the renewal of the company bodies, on the basis of the shareholders’ meeting resolutions of May 3, 2018. For the Chief Executive Officer-CEO, the 2020 Guidelines reflect the decisions resolved by the Board of Directors on June 28, 2018 and May 16, 2019, with the introduction of a new Variable Short-Term Incentive Plan for Senior Managers, with strategic responsibilities, the 2020 Guidelines confirm the structure of the compensation package set out in the 2019 Guidelines, with the introduction of the new Variable Short-Term Incentive Plan, which increases the maximum incentive percentage that best rewards overperformance.

For Senior Managers with strategic responsibilities, the 2020 Guidelines confirm the structure of the compensation package set out in the 2019 Guidelines, with the introduction of the new Variable Short-Term Incentive Plan, which increases the maximum incentive percentage and defers a portion of the incentive converted into shares, subject to its approval by the Shareholders’ Meeting. For the Chief Executive Officer-CEO and for Senior Managers with strategic responsibilities, the 2020 Guidelines also introduce a multiplier, equal to 1.2, to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard.
**Market References**

**Role** | **Remuneration Data Providers** | **Rationale** | **Benchmark**
---|---|---|---
Chief Executive Officer-CEO | Willis Towers Watson | Similar roles in Italian industrial groups comparable in size to Saipem, with a focus on the manufacturing, construction, transportation and energy sectors. Similar roles in the main European companies comparable to Saipem, with a focus on the Oil & Gas, construction and energy sectors. | Italian companies: Atlantia, Fincantieri, Leonardo, Maire Tecnimont, Prysmian, Salini Impregilo, Terna, UBI Banca. European companies: Alstom, Balfour Beatty, Bilfinger, Colas, Eiffage, Hochtief, PetroChina, Suez, Technip FMC, Wood Group. |
Senior Managers with strategic responsibilities | Willis Towers Watson | Similar roles in Italian industrial groups comparable in size to Saipem, with a focus on the manufacturing, construction, transportation and energy sectors. Similar roles in the main European companies comparable to Saipem, with a focus on the Oil & Gas, construction and energy sectors. | Italian companies: Atlantia, Fincantieri, Leonardo, Maire Tecnimont, Prysmian, Salini Impregilo, Terna, UBI Banca. European companies: Alstom, Balfour Beatty, Bilfinger, Colas, Eiffage, Hochtief, PetroChina, Suez, Technip FMC, Wood Group. |

**Chairman of the Board of Directors, Statutory Auditors and non-executive Directors**

Remuneration for the Chairman of the Board of Directors and for non-executive Directors reflects the resolutions taken by the Board of Directors on June 28, 2018.

Remuneration for the Chairman of the Board of Directors

The Policy Guidelines for the Chairman of the Board of Directors reflect the resolutions passed by the Board of Directors on June 28, 2018, which defined a fixed remuneration of €427,500, lower than the reference market median, inclusive of €60,000 remuneration for the office of Director resolved by the Shareholders’ Meeting of May 3, 2018, to which is added the compensation of €28,500 for the role of Chairman of the Corporate Governance Committee and Scenarios.

Remuneration of non-executive Directors

The Shareholders’ Meeting of May 3, 2018 set the gross annual remuneration for non-executive Directors at €50,000.

Remuneration of Statutory Auditors

The Shareholders’ Meeting of April 28, 2017 set the remuneration of Statutory Auditors, establishing the gross annual remuneration of €70,000 for the Chairman and €50,000 for each Statutory Auditor. The compensation of the Company’s Board of Statutory Auditors is commensurate with the commitment required, the importance of its role and the Company’s size and sector, consistent with Article 8.C.4 of the Corporate Governance Code. Since the ordinary Shareholders’ Meeting will be called on April 29, 2020 to decide on the renewal of the Board of Statutory Auditors and, pursuant to Article 2402 of the Italian Civil Code, on the remuneration for the entire term of its office, the Board of Statutory Auditors has provided the Company with a document containing guidelines given by the Board of Statutory Auditors of Saipem SpA to Shareholders on the membership of the new Board of Statutory Auditors, which are available in the section of the Company’s website (www.saipem.com) dedicated to the Shareholders’ Meeting and which can also be used by the Company’s Shareholders to assess the adequacy of the remuneration granted to the members of the Board of Statutory Auditors. Therefore, on April 29, 2020 the Shareholders’ Meeting will be called, inter alia, to set the
remuneration of the members of the Board of Statutory Auditors in line with the recommendations set out in Article 8 of the Corporate Governance Code and the “Guidelines to Shareholders on the membership of the new Board of Statutory Auditors”, prepared by the Board of Statutory Auditors about to lose office and available in the section of the Company’s website (www.saipem.com) dedicated to the Shareholders’ Meeting, within the limits laid down in Article 2402 of the Italian Civil Code.

Supplementary compensation for service on Board Committees
An additional annual remuneration will continue to be paid out to non-executive Directors for service on Board Committees. The fees, resolved by the Board of Directors at June 28, 2018 and July 24, 2018, are determined as follows:

- €42,500 for the Chairman of the Audit and Risk Committee and €33,500 for the other members.
- €28,500 for members of the Audit and Risk Committee.
- €19,500 for the other members.

Payment in the event of expiry of office or termination
For the Chairman, Statutory Auditors and non-executive Directors, no payments are provided for in the event of expiry of term of office or early termination.

Benefits
There are no benefits for the Chairman, Statutory Auditors and non-executive directors.

Chief Executive Officer-CEO
The Policy Guidelines for the Chief Executive Officer-CEO take into account the specific powers conferred in accordance with the Articles of Association, the instructions contained in the chapter “Aims and general principles of the Remuneration Policy”, as well as the remuneration levels and market best practices.

Fixed remuneration
The fixed remuneration reflects the decisions resolved by the Board of Directors on June 28, 2018, with regard to the mandates assigned, it covers both the compensation decided by the Shareholders’ Meeting for the Directors, and any compensation that might be due for participation on the Boards of Directors of subsidiaries or invested companies; the annual gross amount of €1,045,000, below the market median. It should also be noted that no forms of extraordinary compensation are envisaged in favour of the Chief Executive Officer-CEO.

Variable short-term incentives
The Variable Short-Term Incentive Plan is associated with achievement of pre-set performance results for the previous year and each is measured according to a 70-130 performance scale, in relation to the weight assigned to them (a performance below 70 points is considered zero). The total performance threshold level for incentive pay-out purposes is 70 points. The Plan provides for a compensation determined based on results achieved by Saipem in the previous year, measured on a performance scale consisting of a minimum level performance (70 points), a target level performance (100 points) and a maximum level performance (130 points), corresponding respectively to 45%, 90% and 135% of the fixed remuneration.

The 2020 targets resolved by the Board of Directors on January 14, 2020 for the 2021 Variable Short-Term Incentive Plan are in line with the business model and strategic guidelines. The structure and weight of different objectives are represented in the table below.

### 2020 Targets for the Short-Term Incentive Plan

#### Economic-Financial Targets
- Adjusted Free Cash Flow (weight: 35%)
- Adjusted EBITDA (weight: 30%)

#### Sustainability Targets
- ESG (Environmental, Social & Governance) indicators:
  - Total Recyclable Injury Frequency Rate
  - Environment (weight: 10%)
  - Energy (weight: 5%)
  - Diversity (weight: 9%)
  - Technology Innovation (weight: 20%)
  - Risk Management (weight: 5%)

#### Strategic Targets
- New contracts (weight: 10%)
The 2020 Remuneration Policy pays special attention to ESG (Environmental, Social & Governance) objectives and, in particular, to the strengthening of climate policies in accordance with objectives and ambitions defined in the light of the potential energy scenarios and their implications for the sector which Saipem works in, supporting the development of clean energy technologies and promoting the implementation of policies with a low environmental impact, examined by the Board of Directors and resulting in the so-called “Dynamic Transition”. The Policy also introduces a multiplier to be applied to the points achieved on the individual performance sheet, provided at least 100 points are achieved on the 70-130 performance scale, equal to 1.2, in case of operations or opportunities not included in the Strategic Plan but which are functional to pursue the priority objective of value creation for the shareholders, identified according to the relevance standard. Application of the multiplier will be set by the Board of Directors at the proposal of the Compensation and Nomination Committee. The maximum score achievable on the individual performance sheet is 130, for which the Chief Executive Officer-CEO will receive a short-term incentive up to 135% of the fixed remuneration. The additional portion of the bonus deriving from the application, if any, of the multiplier is subject to a 3-year deferral period and an additional performance condition that allows for the +/-50% adjustment of the deferred amount, identified by the average performance on the Saipem sheet in the three-year deferral period. If average performance in the three-year period is below 70 points, the deferred incentive is not paid.

**Variable long-term incentives**

The 2019-2021 share-based Variable Long-Term Incentive Plan (LTI) is intended for all the managerial resources with three annual allocations starting in October 2019. The Plan provides for the free assignment of ordinary Saipem shares (performance shares) subject to specific performance conditions measured at the end of the three-year reference period, after a thorough audit of the results effectively achieved by the Compensation and Nomination Committee, in support of the resolutions passed by the Board of Directors in this regard. The Plan requires that the performance conditions be measured on the basis of the following parameters:

1. **Total Shareholder Return (TSR) of the Saipem share**, measured on a three-year basis in terms of positioning relative to two reference peer groups consisting of major international companies operating in the same sectors as Saipem (50% weight):
   - **Drilling Peer Group** (15% weight): Helmerich & Payne, Nabors Industries, Seadrill Ltd.
Transocean, Valaris, Ensign Energy Services Inc, Diamond, Noble Corp Plc, Patterson-Uti Energy Inc, Precision Drilling, Odfjell Drilling, Archer Ltd. For the purpose of assigning Shares referred to the TSR criterion, Saipem must come in at least seventh (median) in both rankings relating to the two individual Peer Groups, as illustrated in the tables below.

2. Predefined economic and financial objectives for each annual assignment within the Plan. For the second assignment these objectives are the:

2.1 Adjusted Net Financial Position (NFP): objective that measures Saipem’s medium to long-term financial performance at the end of the three-year performance period (25% weight);

2.2 Adjusted Return on Average Invested Capital (ROAIC): objective that measures the yield of capital invested by the company at the end of the three-year performance period (25% weight).

In particular, the minimum and maximum values are set in line with a change in EBITDA of ±10% in the three-year period 2020-2022 with respect to the objectives of the Strategic Plan. The performance conditions operate independently of each other. This means that, in the presence of an adequate performance in at least one of the objectives, a part of the award will mature regardless of the performance achieved in the other objectives.

For all performance conditions, the attainment of the maximum level of results implies the assignment of 160% of the allocated Shares. In the event of performance that is lower than the minimum level for each performance condition, no Shares will be assigned. For the Chief Executive Officer-CEO, the incentive levels are equal to a target value of 100% and a maximum value of 160% of the fixed remuneration. The maximum value at the end of the vesting period may not exceed four times the value of the Shares at the time of allocation. If the mandate is not renewed, the shares of Matured Shares Matured at the end of the 3-year vesting period all allocation are conclusively assigned at the end of the corresponding vesting period.

<table>
<thead>
<tr>
<th>BUSINESS-BASED INDICATOR: ADJUSTED NET FINANCIAL POSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESULT (R)</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>R ≥ TGT NFP - €400M</td>
</tr>
<tr>
<td>R = TGT NFP</td>
</tr>
<tr>
<td>R = TGT NFP + €400M</td>
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<td>R ≥ TGT NFP + €400M</td>
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<td>R ≥ TGT NFP + €400M</td>
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</table>

<table>
<thead>
<tr>
<th>BUSINESS-BASED INDICATOR: ADJUSTED RETURN ON AVERAGE INVESTED CAPITAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESULT (R)</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------</td>
</tr>
<tr>
<td>R ≥ Max ROAIC</td>
</tr>
<tr>
<td>TGT ROAIC ≤ R &lt; ROAIC Max</td>
</tr>
<tr>
<td>R = TGT ROAIC</td>
</tr>
<tr>
<td>Min TGT ROAIC ≤ R ≤ TGT ROAIC</td>
</tr>
<tr>
<td>R = Min ROAIC</td>
</tr>
<tr>
<td>R ≤ Min ROAIC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PERFORMANCE AT THE END OF THE THREE-YEAR PERIOD</th>
<th>INCENTIVE (% FIXED REMUNERATION)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum</td>
<td>40% (*)</td>
</tr>
<tr>
<td>Target</td>
<td>100%</td>
</tr>
<tr>
<td>Maximum</td>
<td>160%</td>
</tr>
</tbody>
</table>

(*) In case of attainment of the minimum performance level for all indicators.
vesting period, at the performance conditions set out in the Plan.

In view of alignment with the interests of the shareholders in the medium-long term, and of the sustainability of the results achieved, for the Chief Executive Officer-CEO participation in a Co-investment scheme has been envisaged, in which 25% of the matured Shares cannot be transferred and/or sold for a period of 24 months from the end of the vesting period, at the end of which Saipem will assign, in addition to the Shares subject to the additional Co-investment period, one free Saipem Share for every Share made unavailable.

**Clawback clause**

All variable short- and long-term incentives include a clawback clause enabling the recovery of variable remuneration components found to have been paid out in error or as the result of intentional misconduct by beneficiaries, according to the conditions, methods and terms of application described in the "Aims and general principles of the Remuneration Policy" section of this Report (page 15).

**Accessory remuneration instruments**

The following payments are envisaged for the Chief Executive Officer-CEO, in line with the relevant practices and the provisions of the Recommendation of the European Commission No. 385 of April 30, 2009, and to protect the company from potential competition risks and amounting less than 24 months of the global annual remuneration:

- **Indemnities for advance termination of office.**
  - In case of advance termination of the 2018-2021 administrative mandate and in case of resignation caused by demotion, and in case of sale, transfer either for consideration or free of charge and any other disposal of Shares and credit instruments, however called, which changes the majority shareholders of Saipem under Article 2359 of the Italian Civil Code (so-called "change of control"), where this change also causes demotion, an all-inclusive indemnity of €1,850,000 is payable, whose fixed amount is set as a lump sum, pursuant to Article 2363, paragraph 3 of the Italian Civil Code. It should be noted that, in the event of resignation from the post of Chief Executive Officer-CEO, when this is not justified by demotion, said resignation must be communicated to the Board of Directors with 4 months’ notice or, alternatively, the Chief Executive Officer-CEO must pay an indemnity of €350,000.

- **Non-competition agreement.**
  - Non-competition agreement, to protect the company’s interests, in consideration of the high management profile of international standing in the Oil&Gas Services industry and the networks of institutional and business relationships built globally by the Chief Executive Officer-CEO. The non-competition agreement clause can be activated on termination of the mandate without renewal and regardless of the cause of termination. It provides for payment of a fee in recognition of the commitment undertaken by the Chief Executive Officer-CEO not to engage, for 18 months after termination of the mandate, in any activity in competition with that carried out by Saipem in relation to its company business and on the main reference markets at the international level. After the first 12 months, the Chief Executive Officer-CEO may withdraw from the non-competition agreement, waiving the fee allocated for the residual duration of the agreement (six months). The fee, decided by the Board of Directors on June 29, 2018 amounts to €1,800,000, of which €1,200,000 for the initial 12 months of duration of the agreement and €600,000 for the six months thereafter, in line with Italian best practices. Any breach of the non-competition agreement will lead to non-payment for the restitution on the part of the payee, where the violation has come to Saipem’s knowledge subsequent to payment, as well as the obligation to pay the damages consensually and conventionally determined in an amount equal to double the payment agreed, without prejudice to Saipem’s faculty to request fulfilment of the agreement in a specific form.

**Benefits**

The Chief Executive Officer-CEO will receive the benefits reserved for the entire managerial population (supplementary pension fund, healthcare, insurance coverage, car for business and personal use) plus repayment of Rome-Milan travel expenses once a week if made.
Senior Managers with strategic responsibilities

Fixed remuneration
The fixed remuneration of SMSR is set based on roles and responsibilities assigned, taking into account average levels of remuneration at other major Italian and international companies for roles of a similar level of managerial responsibility and complexity, and may be adjusted periodically in the framework of the annual salary review process which is carried out for all managers. Taking into account the relevant context and current market trends, the 2020 Guidelines will employ selective criteria designed to ensure adequate levels of competitiveness and motivation: (i) the possibility to adjust the fixed remuneration to pursue the objective of alignment with the market median, by using a system structured around pay ranges, for resources who are particularly strategic for the attainment of company results, for those who have increased their responsibilities or the coverage level of their role, for very critical professional resources with a high impact on business, using the merit matrices to make pay rises conditional upon the analysis of the positioning of resources in terms of internal remuneration equity and having regard to the relevant market, as well as to the assessment of individual merit and skills; (ii) the possibility to make very selective and extraordinary one-off payments (up to 25% of the fixed remuneration) in case of excellent quality performances for particularly important projects or for retention reasons.

Variable short-term incentives
The Variable Short-Term Incentive Plan envisages a remuneration calculated with reference to Saipem and individual performance results of the previous year and measured according to a 70-130 performance scale (below 70 points the performance of each target is deemed to be zero), with a minimum individual incentive level of 70 points, below which no bonus is payable. The incentive level differs according to the role covered and is equal (target value, i.e. performance = 100) to maximum 45% of the fixed remuneration. In case of overperformance (performance 126≤130), the incentive level is revalued by 150% and is equal to a maximum value of 67.5% of the fixed remuneration. The performance objectives of SMSR are calculated on the basis of the objectives assigned to Top Management and focus on economic-financial performance, operations, internal efficiency and sustainability (specially health and safety, environmental protection, technological and digital innovation, balanced gender diversity opportunities and risk management) as well as on individual objectives assigned in relation to the manager’s area of responsibility for the role covered, in accordance with the Company Performance Plan. For senior managers who achieve the annual performance targets with at least 100 points on the 70-130 performance scale and are beneficiaries of the short-term incentive, the Plan also establishes the allocation of an additional bonus, calculated as a percentage of their fixed remuneration, deferred for three years. The additional bonus is converted into shares (performance shares) against the achievement of performance conditions related to business objectives (measured over the three-year vesting period) and the performance of the Saipem share measured at the end of the three-year period of reference. The Plan, for the 2020 allocation, requires
that the performance conditions be measured on the basis of the following parameters:

1. Total Shareholder Return (TSR) of the Saipem share, measured on a three-year basis in terms of positioning relative to two reference peer groups consisting of major international companies operating in the same sectors as Saipem (50% weight):

2. Predefined economic and financial objectives for each annual assignment within the Plan, with a weighting of 50%. For the 2020 allocation, these objectives are the:
   2.1 Adjusted Net Financial Position (NFP) objective that measures Saipem’s medium to long-term financial performance at the end of the three-year period (25% weight);
   2.2 Adjusted Return on Average Invested Capital (ROARC): objective that measures the yield of capital invested by the company (25% weight).

For the purpose of assigning Shares referred to the TSR criterion, Saipem must come in at least seventh (median) in both rankings relating to the two individual Peer Groups, as illustrated for the Chief Executive Officer - CEO.

The performance conditions operate independently of each other. This means that, in the presence of an adequate performance in at least one of the objectives, a part of the award will mature regardless of the performance achieved in the other objectives. For all performance conditions, the attainment of the maximum level of results implies the assignment of 160% of the allocated Shares. In the event of performance that is lower than the minimum level for each performance condition, no Shares will be assigned. For Senior Managers with strategic responsibilities, the incentive levels are equal to a maximum target value of 65% and a maximum value of 104% of the fixed remuneration. The maximum value at the end of the vesting period may not exceed four times the value of the shares at the time of allocation.

The Plan further contemplates a Retention Premium of 25% of the shares allocated, at the end of the three-year vesting period, based on achievement of the performance conditions mentioned above. For a period of two years, the beneficiaries may not dispose of 25% of the Shares allocated and, at the end of that period, for every Share made unavailable, Saipem will assign an additional free share as Retention Premium. The Retention Premium aims to strengthen further the alignment of interests between management and shareholders over the medium and long-term and to act as leverage for the retention of management.

The Plan includes clauses designed to encourage retention of resources whereby, in the event of termination of the employment contract by mutual consent or assignment and/or loss of control by Saipem of the company where the beneficiary of the plan is employed during the vesting period, the beneficiary conserves the right to the incentive, which is reduced on a pro-rata basis in relation to the time elapsed between the award of the base incentive and the occurrence of the event. In the event of unilateral termination of employment, no assignment is made.

Clawback clause

The clawback clause is envisaged for Senior Managers with strategic responsibilities, and has the conditions, methods and terms of application described in the “Aims and general principles of the Remuneration Policy” section of this Report (page 15).

(1) Integrated competitor as a result of the merger of the companies Ensco plc and Rowan Companies plc into the new company Valaris plc.
SECTION I - 2020 REMUNERATION POLICY

Accessory remuneration instruments

a) Indemnities for termination of employment.
   > SMSR, like all Saipem Senior Managers, receive the termination indemnity established in the National Collective Labour Agreement, as well as any supplementary indemnities that may be agreed on an individual basis upon termination in accordance with criteria set by Saipem and whose maximum amounts are established taking into account the entitlements already provided by the National Collective Labour Agreement for Senior Managers in the event of voluntary redundancy or early retirement. These criteria take account of the actual and pensionable age of the Senior Manager at the time the contract is terminated and his/her annual remuneration. In addition, severance payments up to a maximum of two years’ fixed remuneration for a Change of Control resulting in resignation or termination and/or demotion may be established on the basis of individual termination indemnity agreements.

b) Minimum Term Agreements.
   > Minimum term agreements may be prescribed to protect the know-how with the aim of guaranteeing continuity in achieving the business objectives for a maximum amount corresponding to 12 months of the global annual remuneration per year of the agreement.

c) Non-competition agreements.
   > Specific remuneration may be envisaged for cases where the need is found to enter into non-competition agreements for a maximum amount corresponding to 12 months of the global annual remuneration per year of the agreement.

Benefits

In continuity with the remuneration policy implemented in 2019 and in accordance with the relevant collective labour agreement established at national level and supplementary agreements reached at company level for Saipem Senior Managers, Senior Managers with strategic responsibilities are granted membership of the supplementary pension fund (FOPDIRE11 or PREVINDAI12) and the Supplementary Healthcare Fund (FISDE13), death and disability insurance coverage and a company car for business and personal use.

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(11) Closed pension fund operating on a defined contribution, individual account basis, www.fopdire.it.
(12) Pension fund established in the form of an association recognised with a public deed, with contribution defined as individual capitalisation, www.previndai.it.
(13) Healthcare fund providing reimbursement of medical expenses for working and retired Senior Managers and their family members, www.fisde-eni.it.
Report on compensation paid - 2019

The Report on compensation paid in line with the new regulations is subject for the first year to the shareholders' consultative vote.

This Report illustrates the compensation paid in 2019 to the Directors (with executive and non-executive duties), Statutory Auditors and Senior Managers with strategic responsibilities, the shares held in the Company by the Directors, Statutory Auditors and by Senior Managers with strategic responsibilities of Saipem and contains information regarding the implementation in 2019 of the 2019-2021 Variable Share-based Long-Term Incentive Plan, in accordance with provisions in current regulations.

In the absence of precise legal guidelines on the content of this document, the Company has voluntarily expanded disclosure on the final results of short-term incentive plans.

Overview

<table>
<thead>
<tr>
<th>Component</th>
<th>References - Conditions for implementation - Results</th>
<th>Compensation paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed remuneration</td>
<td>Verifies compensation using benchmarks in line with the characteristics of Saipem and of the roles assigned.</td>
<td>Caio Francesco - Chairman: €456,000</td>
</tr>
<tr>
<td></td>
<td>Remuneration for the office of non-executive Director resolved by the Shareholders’ Meeting of May 3, 2018.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remuneration for the Chairman of the Board of Directors approved by the Board of Directors of June 28, 2018.</td>
<td>Cao Stefano - Chief Executive Officer-CEO: €1,045,000</td>
</tr>
<tr>
<td></td>
<td>Remuneration for the office of Chief Executive Officer-CEO resolved by the Board of Directors of June 28, 2018 and May 16, 2019.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remuneration for non-executive Directors for serving on the Committees resolved by the Board of Directors of Shareholders’ Meeting of June 28, 2018 and July 24, 2018.</td>
<td>Ferro-Luzzi Federico - Director: €99,000</td>
</tr>
</tbody>
</table>

|                           | Fixed compensation: €427,500, which covers remuneration for the role of Director, equal to €60,000. | |
|                           | Remuneration for the role of Chairman of the Sustainability, Scenarios and Governance Committee: €28,500. | |
|                           | Fixed remuneration for the 2018-2021 mandate: €1,045,000 per year, which covers remuneration for the role of Director resolved by the Shareholders’ Meeting, equal to €90,000. | |
|                           | Fixed Board meeting fees: €60,000. | |
|                           | Compensation for serving on the Sustainability, Scenarios and Governance Committee, equal to €19,500. | |
|                           | Compensation for serving on the Sustainability, Scenarios and Governance Committee, equal to €19,500. | |
|                           | Compensation equal to the pro-quota award for serving on the Associated Parties Committee, equal to €10,861. | |
|                           | Fixed Board meeting fees: €60,000. | |
|                           | Compensation for the role of Chairman of the Compensation and Nomination Committee, equal to €28,500. | |
|                           | Compensation equal to the pro-quota award for serving on the Associated Parties Committee, equal to €10,861. | |
|                           | Fixed Board meeting fees: €60,000. | |
|                           | Compensation for serving on the Audit and Risk Committee, equal to €33,500. | |
|                           | Fixed Board meeting fees: €60,000. | |
|                           | Compensation for serving on the Audit and Risk Committee, equal to €42,500. | |
### SECTION II - COMPENSATION AND OTHER INFORMATION

#### References - Conditions for implementation - Results

**2019 CEO targets:** Adjusted Free Cash Flow (35% weight); Adjusted EBITDA (30% weight); New contracts (20% weight); HSE, Risk Management and Sustainability (15% weight).

Incentives paid based on the results achieved in the previous year and evaluated on a performance scale of 70÷130 points with minimum threshold to receive the incentive set at 75 points for company performance.

Final calculation of 2019 CEO objectives: 118.83 points.

**SMSR targets:** broken down on the basis of objectives assigned to top management, in relation to the area of responsibility for the role covered.

Incentives paid based on the results achieved in the previous year and evaluated on a performance scale of 70÷130 points with minimum threshold to receive the incentive set at 70 points for individual performance.

**Free assignment of ordinary shares of Saipem SpA,** differentiated by role on reaching the following performance conditions, measured at the end of the relevant three-year period:
- Relative TSR measured in terms of relative positioning with respect to two peer groups: Engineering & Construction (35% weight) and Drilling (15% weight);
- Adjusted Net Financial Position (25% weight);
- Adjusted ROAC (25% weight).

Three-year Vesting + Co-investment of 2 years for the Chief Executive Officer-CEO.

Three-year Vesting + Retention Premium of 2 years for strategic resources.

<table>
<thead>
<tr>
<th>Component</th>
<th>References - Conditions for implementation - Results</th>
<th>Compensation paid</th>
</tr>
</thead>
</table>
| **Fixed remuneration** | **Schapira Paul - Director:** €113,000  
- Fixed Board meeting fees: €60,000.  
- Compensation for serving on the Audit and Risk Committee, equal to €33,500.  
- Compensation for serving on the Compensation and Nomination Committee, equal to €19,500.  
**Busso Mario - Chairman: Board of Statutory Auditors:**  
- Fixed Board meeting fees equal to €70,000.  
**De Martino Giulia - Statutory Auditor:**  
- Fixed Board meeting fees equal to €50,000.  
**Perotta Riccardo - Statutory Auditor:**  
- Fixed Board meeting fees equal to €50,000.  
**Senior Managers with strategic responsibilities:**  
- To the gross annual compensation, equal to €4,597,000, can be added allowances for assignments in Italy and overseas for a total amount of €53,900. | |
| **STI - Variable Short-Term Incentive** | 2019 CEO targets: Adjusted Free Cash Flow (35% weight); Adjusted EBITDA (30% weight); New contracts (20% weight); HSE, Risk Management and Sustainability (15% weight).  
Incentives paid based on the results achieved in the previous year and evaluated on a performance scale of 70÷130 points with minimum threshold to receive the incentive set at 70 points for company performance.  
Final calculation of 2019 CEO objectives: 118.83 points.  
SMSR targets: broken down on the basis of objectives assigned to top management, in relation to the area of responsibility for the role covered.  
Incentives paid based on the results achieved in the previous year and evaluated on a performance scale of 70÷130 points with minimum threshold to receive the incentive set at 70 points for individual performance. | **Cao Stefano - Chief Executive Officer-CEO:** the amount of €1,117,500 relates to the 2020 short-term incentive referred to performance in 2019.  
**SMSR:** €2,164,782 relating to the 2020 short-term incentive refers to performance in 2019. |
| **LTI - Variable Long-Term Incentive (2019-2021 Plan)** | Free assignment of ordinary shares of Saipem SpA, differentiated by role on reaching the following performance conditions, measured at the end of the relevant three-year period:  
Relative TSR measured in terms of relative positioning with respect to two peer groups: Engineering & Construction (35% weight) and Drilling (15% weight); Adjusted Net Financial Position (25% weight); Adjusted ROAC (25% weight).  
Three-year Vesting + Co-investment of 2 years for the Chief Executive Officer-CEO.  
Three-year Vesting + Retention Premium of 2 years for strategic resources. | **Cao Stefano - Chief Executive Officer-CEO:** 243,900 free Shares subject to allocation in the year.  
**SMSR:** 689,800 free Shares subject to allocation in the year. |
SAIPEM 2020 REPORT ON SAIPEM’S REMUNERATION POLICY AND PAID COMPENSATION

<table>
<thead>
<tr>
<th>Component</th>
<th>References - Conditions for implementation - Results</th>
<th>Compensation paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>CEO: the same benefits reserved for the entire managerial population (supplementary pension fund, supplementary healthcare fund, death and disability insurance coverage, company car for business and personal use) plus repayment of Rome-Milan travel expenses once a week if made. SMSR: conditions established in the relevant collective labour agreement established at national level and supplementary agreements reached at company level for senior managers (supplementary pension fund, supplementary healthcare fund, death and disability insurance coverage, company car for business and personal use).</td>
<td>Cao Stefano - Chief Executive Officer-CEO: the amount of €18,723 includes the valuation of automobile benefits, supplementary health insurance paid by the company and the taxable amount for weekly round trip flights between Milan and Rome. SMSR: the amount of €152,330 includes the valuation of automobile benefits and supplementary health insurance and supplementary pension fund paid by the company.</td>
</tr>
<tr>
<td>Severance Payment, Non-competition Agreement and Minimum Term Agreement</td>
<td>CEO: all-inclusive indemnity in case of advance termination of the current mandate, except in case of dismissal for just cause and in case of resignation caused by demotion and change of control. Non-competition agreement. SMSR: termination indemnities agreed upon consensual termination of employment; Severance Payment for a Change of Control resulting in resignation or termination and/or demotion. Non-competition agreements: activated upon termination of the employment relationship. Minimum term agreement to protect know-how.</td>
<td>SMSR: the amount of €300,000 refers to the portions of minimum term agreements in force in 2019; the amount of €658,000 refers to the portions of non-competition agreements in force in 2019.</td>
</tr>
<tr>
<td>Shares held by Directors and other Senior Managers with strategic responsibilities</td>
<td>Shows the shares held in Saipem SpA by the Directors, Statutory Auditors and other Senior Managers with strategic responsibilities, as well as by their spouses, where not legally separated, and by their minor children, either directly or through subsidiary companies, fiduciaries or third parties, as per the Shareholders Register, communications received or other information received from the persons concerned.</td>
<td>Cao Stefano - Chief Executive Officer-CEO: 29,000 shares held as of December 31, 2019. Perotta Riccardo - Statutory Auditor: 18,400 shares held as of December 31, 2019. SMSR: 28,084 shares held as of December 31, 2019.</td>
</tr>
</tbody>
</table>

Implementation of 2019 remuneration policies

This section of the Report provides a description of the remuneration policies implemented in 2019 for the Chairman of the Board of Directors, non-executive Directors, Statutory Auditors, the Chief Executive Officer-CEO and Senior Managers with strategic responsibilities. Implementation of the 2019 Remuneration Policy, according to what has been verified by the Compensation and Nomination Committee on the periodic evaluation envisaged by the Corporate Governance Code, was found to be in line with the 2019 Remuneration policy approved by the Board of Directors on March 11, 2019, according to the provisions of the resolutions taken by the Board of Directors on May 3, 2018 and June 28, 2018, regarding the remuneration of non-executive Directors participating in Board Committees and the definition of the remuneration of the Chairman and the Chief Executive Officer-CEO. Based on the evaluation.
expressed by the Committee, the 2019 Policy is in line with the market benchmarks.

Fixed compensation

Directors
The Chairman was paid compensation for his office in the light of the powers given by the Board of Directors of June 28, 2018. This compensation includes that for the office of Director approved by the Shareholders’ Meeting on May 3, 2018. The Chairman was also paid the compensation for the post of Chairman of the Corporate Governance Committee and Scenarios. The non-executive Directors were paid the fixed remuneration resolved by the Shareholders’ Meeting on May 3, 2018. The Chief Executive Officer-CEO was paid the fee resolved by the Board of Directors on June 28, 2018. This compensation includes the amount for the position of Director, approved by the Shareholders’ Meeting of May 3, 2018, in continuity with the previous mandate.

Statutory Auditors
The Statutory Auditors were paid the fixed remuneration resolved by the Shareholders’ Meeting on April 28, 2017.

Senior Managers with strategic responsibilities
For Senior Managers with strategic responsibilities, as part of the annual salary review envisaged for all managers, in 2019 adjustments were made to the fixed remuneration for positions whose perimeter of responsibility has increased or are placed below the average market benchmarks. In 2019, extraordinary one-off payments were also made connected with excellent quality performances for particularly important projects, for a total amount of €27,000.

The sums for fixed remuneration and, as regards employment salaries, for indemnities covered under the national contract for senior managers and under supplementary company agreements, are specified in the relevant item of Table No. 1 of the chapter “Compensation paid in 2019”.

Remuneration for service on Board Committees
Non-executive Directors were paid the additional remuneration due for service on Board Committees, according to the resolution of the Board of Directors dated June 28, 2018, increased with respect to the previous mandate and below the market median, according to the criterion of differentiation between the Chairman and other members. Remuneration for service on Board Committees is shown in Table No. 1 of the section “Compensation paid in 2019”.

Variable incentives

Variable short-term incentives
Saipem results for 2019, evaluated in terms of business continuity and approved by the Board of Directors at the proposal of the Compensation and Nomination Committee in the meeting held on March 12, 2020, generated a performance score equal to 118.83 points on the measurement scale used, which sets the minimum performance level at 70 points and the maximum level at 130 points. The table shows the weights, the economic result and the performance level reached by each target in terms of weighted points.

In accordance with the 2019 Remuneration Policy Guidelines, the performance score achieved allowed for the activation of the annual monetary incentive system for the Chief Executive Officer-CEO. For the purposes of the variable remuneration, as regards Senior Managers with strategic responsibilities, the short-term incentive referred to performance in 2019 and paid out in 2020, calculated in line with the remuneration Policy, is connected to the company’s results and the individual objectives assigned based on the responsibilities of the role, in line with the Saipem

### Variable incentives

#### 2019 TARGETS FOR THE 2020 INCENTIVE PLAN

<table>
<thead>
<tr>
<th>Weight</th>
<th>Minimum</th>
<th>Central</th>
<th>Maximum</th>
<th>Final results (Min €)</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td></td>
<td></td>
<td></td>
<td>760</td>
<td>45.5</td>
</tr>
<tr>
<td>30%</td>
<td></td>
<td></td>
<td></td>
<td>1,065</td>
<td>34.33</td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
<td></td>
<td>19,747</td>
<td>26</td>
</tr>
<tr>
<td>15%</td>
<td></td>
<td></td>
<td></td>
<td>Min/Med</td>
<td>13</td>
</tr>
</tbody>
</table>

N.B. Financial statements are before IFRS.
2019 performance plan. For the purposes of the variable remuneration, the overall performance results in the payment of bonuses to the Senior Managers with strategic responsibilities, calculated with regard to the specific performances achieved depending on the levels of incentive applied, differentiated based on the position held, up to a maximum of 55.9% of the fixed remuneration, taking account of the target levels of incentive (45%) and maximum levels (58.9%) assigned. Saipem results for 2018, evaluated in terms of business continuity and approved by the Board of Directors at the proposal of the Compensation and Nomination Committee in the meeting held on March 11, 2019, generated a performance score equal to 130 points on the measurement scale used, which sets the minimum performance level at 70 points and the maximum level at 150 points. In accordance with the 2018 Remuneration Policy Guidelines, the performance score achieved allowed for the activation of the annual monetary incentive system for the Chief Executive Officer-CEO.

For the purposes of the variable remuneration, as regards Senior Managers with strategic responsibilities, the short-term incentive referred to performance in 2018 and paid out in 2019, was calculated in line with the Remuneration Policy and is connected to the company’s results and the individual objectives assigned based on the responsibilities of the role, in line with the Saipem 2018 performance plan. For the purposes of the variable remuneration, the overall performance resulted in the payment of bonuses to the Senior Managers with strategic responsibilities, calculated with regard to the specific performances achieved depending on the levels of incentive applied, differentiated based on the position held, up to a maximum of 58.4% of the fixed remuneration, taking account of the target levels of incentive (45%) and maximum levels (58.9%) assigned. The incentives awarded to the Senior Managers with strategic responsibilities are indicated under the item “Non-equity variable compensation/bonuses and other incentives” in Table No. 1, and detailed in Table No. 3 of the section “Compensation paid in 2019”. In line with the 2019 Remuneration Policy Guidelines, specific remuneration may be envisaged for cases where the need is found to enter into non-competition agreements. Accessory remuneration instruments

Accessory remuneration instruments

Indemnities for termination of office or termination or employment

During 2019 no indemnities for termination of office were deliberated and/or paid to Directors and other Senior Managers with strategic responsibilities. Non-competition agreements

For the Senior Managers with strategic responsibilities, in line with the 2019 Remuneration Policy Guidelines, specific remuneration may be envisaged for cases where the need is found to enter into non-competition agreements for a maximum amount corresponding to 12 months of the global annual remuneration per year of the agreement. In 2019, the total gross amount of €658,000 was paid for portions of non-competition agreements. Minimum term agreements

For the Senior Managers with strategic responsibilities, in line with the 2019 Remuneration Policy Guidelines, minimum term agreements may be required to protect the know-how with the goal of guaranteeing continuity in the achievement of business objectives for a maximum amount corresponding to 12 months of the global annual remuneration per year of the agreement. In 2019, the total gross amount of €300,000 was paid for portions of minimum term agreements.
SECTION II - COMPENSATION AND OTHER INFORMATION

Compensation paid in 2019

Table 1 - Compensation paid to Directors, Statutory Auditors and to Senior Managers with strategic responsibilities

The following table shows remuneration paid to Directors and Statutory Auditors, who are listed by name, and remuneration paid to Senior Managers with strategic responsibilities\(^{(14)}\), which is shown on an aggregated basis. Separate indication is supplied for compensation received from subsidiaries and/or associated companies, not including those renounced or paid into the Company. All persons who held the above-mentioned positions in the year are included in the table, even if they only held such office for a part of the year.

In particular:
- the column “Fixed compensation” shows fixed emoluments and remuneration for employed work due for the year. The amounts shown are gross before deductions for social security and tax payable by the employee. They do not include attendance fees. The footnote provides details of compensation, as well as a separate indication of any allowances and other entitlements related to employment;
- the column “Compensation for service on board Committees” shows compensation pertaining to the year paid to Directors for participation in Committees created by the Board. The footnote provides a separate indication of remuneration for each Committee on which the Director sits;
- the column “Non-equity variable compensation” shows, under “Bonuses and other incentives”, the incentives due for the year for accrual of the corresponding rights, following verification and approval of the corresponding performance results by the relevant corporate bodies, as specified in detail in Table n. 3B “Monetary Incentive Plan for Directors and other Senior Managers with strategic responsibilities”; the column “Profit sharing” does not report any amount since no profit sharing schemes are envisaged;
- the column “Non-monetary benefits” shows the taxable value of fringe benefits assigned;
- the column “Other compensation” shows any other compensation paid pertaining to the year and relating to other services performed;
- the column “Total” shows the total of the preceding items;
- the column “Fair value of equity compensation” shows the fair value for the year of stock grant plans in place as estimated in accordance with International Financial Reporting Standards which require costs to be distributed over the vesting period, as further detailed in Table No. 3A, “Incentive plans based on financial instruments other than stock options payable to Directors and to Senior Managers with strategic responsibilities”; the column “Indemnities for termination of office or employment” show indemnities accrued, including indemnities not yet paid, in relation to termination of office and/or employment or termination in the course of the year.

\(^{(14)}\) There is no current legal requirement for disclosure on an individual basis.
SAIPEM 2020 REPORT ON SAIPEM’S REMUNERATION POLICY AND PAID COMPENSATION

Table 1. Compensation paid to members of management and control bodies and Senior Managers with strategic responsibilities

(€ thousand)

<table>
<thead>
<tr>
<th>Name and Surname</th>
<th>Position</th>
<th>Period of office</th>
<th>Basic salary</th>
<th>Non-equity variable compensation</th>
<th>Other compensation</th>
<th>Fair value of share options or employment agreements</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>De Martino Giulia</td>
<td>Statutory Auditor</td>
<td>01.01-31.12 2020</td>
<td>50 (a)</td>
<td>50 (b)</td>
<td>100 (a)</td>
<td>200 (a)</td>
<td>350</td>
</tr>
<tr>
<td>Caio Francesco</td>
<td>Chairman</td>
<td>01.01-31.12 2020</td>
<td>428 (a)</td>
<td>20 (b)</td>
<td>50 (a)</td>
<td>40 (a)</td>
<td>518 (a)</td>
</tr>
<tr>
<td>Cao Stefano</td>
<td>Chief Executive Officer-CEO</td>
<td>01.01-31.12 2020</td>
<td>1,049 (a)</td>
<td>1,187 (a)</td>
<td>12 (b)</td>
<td>2,509 (a)</td>
<td>3,997 (a)</td>
</tr>
<tr>
<td>Carloni Claudia</td>
<td>Director</td>
<td>01.11-31.12 2021</td>
<td>60 (a)</td>
<td>34 (b)</td>
<td>94 (a)</td>
<td>34 (b)</td>
<td>128</td>
</tr>
<tr>
<td>Cappello Maria Elena</td>
<td>Director</td>
<td>01.01-31.12 2020</td>
<td>65 (a)</td>
<td>53 (b)</td>
<td>118 (a)</td>
<td>53 (b)</td>
<td>171</td>
</tr>
<tr>
<td>Schapira Paul</td>
<td>Director</td>
<td>01.01-31.12 2021</td>
<td>60 (a)</td>
<td>34 (b)</td>
<td>94 (a)</td>
<td>34 (b)</td>
<td>128</td>
</tr>
<tr>
<td>Mazzilli Ines Maria Lina</td>
<td>Director</td>
<td>01.01-31.12 2021</td>
<td>60 (a)</td>
<td>43 (b)</td>
<td>103 (a)</td>
<td>43 (b)</td>
<td>146</td>
</tr>
<tr>
<td>Latini Pierfrancesco</td>
<td>Director</td>
<td>01.01-31.12 2021</td>
<td>60 (a)</td>
<td>34 (b)</td>
<td>94 (a)</td>
<td>34 (b)</td>
<td>128</td>
</tr>
<tr>
<td>Busso Mario</td>
<td>Chairman of the Board of Statutory Auditors</td>
<td>01.01-31.12 2020</td>
<td>70 (a)</td>
<td>70 (b)</td>
<td>140 (a)</td>
<td>70 (b)</td>
<td>210</td>
</tr>
<tr>
<td>Senior Managers with strategic responsibilities</td>
<td></td>
<td></td>
<td>4,397 (a)</td>
<td>3,213 (b)</td>
<td>252 (a)</td>
<td>351 (b)</td>
<td>7,923 (a)</td>
</tr>
</tbody>
</table>

Remarks

(*) Term of office of Directors appointed by Shareholders’ Meeting on May 3, 2018 expires at Shareholders’ Meeting convened to approve the financial statements at December 31, 2020.

(**) All Senior Managers that are required to serve on the Advisory Committee and in any case all direct reports of the Chief Executive Officer-CEO (thirteen Senior Managers).

(a) The amount corresponds to the fixed Board meeting fees (€60,000).

(b) The amount corresponds to compensation for serving on the Corporate Governance Committee and Scenarios (€28,500).

(c) The amount corresponds to compensation for serving on the Corporate Governance Committee and Scenarios (€19,500, approved by the Board of Directors’ Meeting of June 28, 2018).

(d) The amount includes paid holidays, minimum term agreements and other allowances included in the employment contract.

(e) The amount corresponds to the fixed Board meeting fees (€50,000).

(f) The amount corresponds to the fixed Board meeting fees (€60,000).
## Table 3A - Incentive plans based on financial instruments other than stock options, payable to Directors and Senior Managers with strategic responsibilities

The following table shows, on an individual basis, variable long-term monetary incentives based on financial instruments other than stock options payable to the Chief Executive Officer-CEO and, as an aggregated figure, to SMSR.

In particular:
- the column “Number and type of financial instruments” indicates the number of free shares subject to promised allocation during the year, in implementation of the Share-based Long-Term Incentive Plans;
- the column “Fair value at date of assignment” shows the total fair value of stock grant plans in place at the date of the allocation promise;
- the column “Vesting period” shows the vesting period for long-term monetary incentives awarded during the year;
- the column “Fair value pertaining to the year” shows the fair value of stock grant plans in place as estimated in accordance with International Financial Reporting Standards which require costs to be distributed over the vesting period.

The total of the column “Fair value pertaining to the year” corresponds with the amount indicated in Table No. 1.

### Table 3A - Incentive plans based on financial instruments other than stock options payable to Directors and to Senior Managers with strategic responsibilities

| Name and Surname | Office | Plan | Financial Instruments, subject to promised allocation during the year | Financial Instruments assigned during the year | Financial Instruments vesting period | Fair value at date of assignment | Vesting period | Assignment date | Market price on assignment | Financial Instruments assigned during the year | Financial Instruments vested during the year | Financial Instruments vested not vested during the year Financial Instruments vested during the year | Financial Instrument Fair value pertaining to the year | Total | Financial Instruments Fair value at date of assignment | Vesting period | Assignment date | Market price on assignment |
|------------------|-------|------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------|----------------|----------------|----------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------|---------------------------------|---------------------------------|----------------|----------------|----------------|
| Stefano Cao     | Chief Executive Officer-CEO | 2019 Long-term Incentive Plan | 243,900 | 1,293 | three-year (2) | Oct. 23, 19 | 4.029 | 69 |
| Total            |       |       | 933,700 | 4,950 | 2,509 |                  |                  |                  |                  |

(*) The number of financial instruments subject to the promised 2016 allocation has been updated by virtue of the resolution passed by the Extraordinary Shareholders’ Meeting held on April 28, 2017 which established the grouping of the ordinary and savings shares with a ratio of one new ordinary share for every 10 (ten) existing ordinary shares.

(1) All Senior Managers that are required to serve on the Advisory Committee and in any case all direct reports of the Chief Executive Officer-CEO (11 for senior managers for the plan implemented in 2016, 12 for senior managers for the plan implemented in 2017, 13 for senior managers for the plan implemented in 2018, 14 for senior managers for the plan implemented in 2019).

(2) At the end of the vesting period the plan establishes that the Chief Executive Officer-CEO cannot dispose of 25% of the matured shares for a further two years (co-investment), at the end of which the Chief Executive Officer-CEO will receive an addition free share for every share co-invested.

(3) At the end of the vesting period the plan establishes that 25% of the matured shares will be subject to a lock-up period of two years.

(4) At the end of the vesting period the plan establishes that 25% of the matured shares will be subject to a lock-up period of two years.

(5) The fair value for the year referred to the 2016 assignment is zero since the portion recognised in the course of the year represents the transfer of costs from previous years.
### Table 3B: Monetary incentive plans for Directors and other Senior Managers with strategic responsibilities

The following table shows, on an individual basis, the variable short and long-term monetary incentives payable to the Chief Executive Officer-CEO and (as an aggregated figure) to SMSR. All persons who held the above-mentioned positions during the reporting period are included in the table, even if they only held such office for a part of the year.

In particular:
- the column "Annual bonus - to be paid out/paid out" shows the variable short-term incentive for the year accrued on the basis of performance, as evaluated by the competent company bodies in relation to the targets set for the previous year;
- the column "Bonus from previous years - to be paid out/paid out" shows the short-term incentive paid out in the year, accrued on the basis of the evaluated fulfilment of the performance conditions for the previous year;
- the column "Other bonuses" shows incentives paid out on an extraordinary one-off basis in relation to the achievement of particularly important results or projects during the year.

The total of the columns "Annual bonus - to be paid out/paid out", "Bonuses from previous years - to be paid out/paid out" and "Other bonuses" corresponds to the figure show in column "Bonuses and other incentives" of No. Table 1.

<table>
<thead>
<tr>
<th>Name and Surname</th>
<th>Office</th>
<th>Plan</th>
<th>To be paid out/paid out</th>
<th>Deferred</th>
<th>Deferral period</th>
<th>No longer payable</th>
<th>Other bonuses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stefano Cao</td>
<td>Chief Executive Officer-CEO</td>
<td>2020 Short-term Incentive Plan</td>
<td>1,118</td>
<td>2019 Short-term Incentive Plan</td>
<td>1,223</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2020 Short-term Incentive Plan</td>
<td>2,165</td>
<td>2019 Short-term Incentive Plan</td>
<td>1,934</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>3,282</td>
<td>3,157</td>
<td>27</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) All Senior Managers that are required to serve on the Advisory Committee and in any case all direct reports of the Chief Executive Officer-CEO (13 senior managers).
SECTION II - COMPENSATION AND OTHER INFORMATION

**Shares held**

Table 4 - Shares held by Directors and other Senior Managers with strategic responsibilities

Pursuant to Article 84-quaerter, paragraph 4 of the Consob Issuers Regulation, the following table shows shares held in Saipem SpA by the Directors, Statutory Auditors and other Senior Managers with strategic responsibilities, as well as by their spouses, where not legally separated, and by their minor children, either directly or through subsidiary companies, fiducaries or third parties, as per the Shareholders Register, communications received or other information received from the persons concerned. The table includes all persons that held office for whole or a part of the year. The number of Shares (all of which are “ordinary”) is indicated on an individual basis for Directors and Statutory Auditors and on an aggregated basis for Senior Managers with strategic responsibilities. All shares are held as personal property.

### Table 4. Shareholdings of members of management and control bodies and of other senior managers with strategic responsibilities

<table>
<thead>
<tr>
<th>Name and Surname</th>
<th>Office</th>
<th>Company</th>
<th>Number of shares held at end of previous year</th>
<th>Number of shares purchased</th>
<th>Number of shares sold</th>
<th>Number of shares held at end of current year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stefano Cao</td>
<td>Chief Executive Officer-CEO</td>
<td>Saipem SpA</td>
<td>29,000</td>
<td></td>
<td></td>
<td>29,000</td>
</tr>
<tr>
<td>Riccardo Perotta</td>
<td>Statutory Auditor</td>
<td>Saipem SpA</td>
<td>18,400</td>
<td></td>
<td></td>
<td>18,400</td>
</tr>
<tr>
<td>Other Senior Managers with strategic responsibilities (1)</td>
<td></td>
<td>Saipem SpA</td>
<td>24,484</td>
<td>3,600</td>
<td></td>
<td>28,084</td>
</tr>
</tbody>
</table>

(1) All Senior Managers that are required to serve on the Advisory Committee and in any case all direct reports of the Chief Executive Officer-CEO (Key senior managers). The number of shares held at the end of the previous financial year takes into account those also held by senior managers who became strategic during 2019.
With reference to the 2019-2021 Share-based Variable Long-Term Incentive Plan approved by the Shareholders’ Meeting on April 30, 2019, in conformity with the conditions and objectives illustrated in the Information Document available on the internet site www.saipem.com, the following table provides the details of the 2019 allocation for the Plan, pursuant to Article 84-bis (Annex 3A, scheme No. 7) of the Consob Issuers’ Regulation.

Table No. 1 of scheme 7 in Annex 3A of Regulation No. 11971/1999

<table>
<thead>
<tr>
<th>Name and Surname or category</th>
<th>Office held (include only for named subjects)</th>
<th>Date of resolution</th>
<th>Type of financial instruments</th>
<th>Number of financial instruments</th>
<th>Assignment date</th>
<th>Purchase price of instruments</th>
<th>Market price assignment</th>
<th>Vesting period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stefano Cao</td>
<td>Chief Executive Officer-CEO</td>
<td>April 30, 2019</td>
<td>stock grant</td>
<td>243,900</td>
<td>Oct. 23, 19</td>
<td>4.029</td>
<td>3 years (1)</td>
<td></td>
</tr>
<tr>
<td>Senior Managers with strategic responsibilities (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>April 30, 2019</td>
<td>stock grant</td>
<td>689,000</td>
<td>Oct. 23, 19</td>
<td>4.029</td>
<td>3 years (2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Senior Managers</td>
<td>April 30, 2019</td>
<td>stock grant</td>
<td>3,788,000</td>
<td>Oct. 23, 19</td>
<td>4.029</td>
<td>3 years (3)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) All Senior Managers that are required to serve on the Advisory Committee and in any case all direct reports of the Chief Executive Officer-CEO (thirteen senior managers).

(2) At the end of the vesting period the plan establishes that the Chief Executive Officer-CEO cannot dispose of 25% of the matured shares for a further two years (co-investment), at the end of which the Chief Executive Officer-CEO will receive an additional free share for every share co-invested.

(3) At the end of the vesting period the plan establishes that the strategic resources cannot dispose of 25% of the matured shares for a further two years (retention premium), at the end of which the beneficiaries will receive an additional free share for every share invested.
Società per Azioni
Share Capital €2,191,384,693 fully paid up
Tax identification number and Milan, Monza-Brianza,
Local Companies Register No. 00825790157
Headquarters: San Donato Milanese (Milan) - Italy
Via Martiri di Cefalonia, 67
Information for Shareholders
Saipem SpA, Via Martiri di Cefalonia, 67
20097 San Donato Milanese (Milan) - Italy
Relations with institutional investors and financial analysts
Fax +39-0244254295
E-mail: investor.relations@saipem.com
Publications
Relazione finanziaria annuale (in Italian) drawn up
in accordance with Italian Legislative Decree No. 127
of April 9, 1991
Annual Report (in English)
Relazione finanziaria semestrale consolidata
at 30 giugno (in Italian)
Interim Financial Report as of June 30
(in English)
Making change possible - Sustainability Report 2019
(in English)
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