

CORPORATE GOVERNANCE AND SHAREHOLDING STRUCTURE REPORT 2021

PURSUANT TO ARTICLE 123-*BIS*
OF LEGISLATIVE DECREE NO. 58/1998,
APPROVED BY THE BOARD OF DIRECTORS
ON MARCH 15, 2022
(TRADITIONAL MANAGEMENT AND CONTROL MODEL)



MISSION

Transforming customers' strategies and projects into competitive and sustainable infrastructures, plants and processes.

VALUES

Ability to innovate in technology; engineering and management expertise; consolidated experience in project management; strong problem-solving orientation; dialogue and transparency.

THE COUNTRIES IN WHICH SAIPEM OPERATES

EUROPE

Albania, Austria, Bulgaria, Cyprus, Denmark, France, Germany, Greece, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Serbia, 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, Cameroon, Congo, Côte d'Ivoire, Egypt, Equatorial Guinea, Gabon, Ghana, Kenya, Libya, Mauritania, Morocco, Mozambique, Nigeria, Senegal, South Africa, Tunisia, Uganda

MIDDLE EAST

Bahrain, Iraq, Israel, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates

FAR EAST AND OCEANIA

Australia, Bangladesh, China, India, Indonesia, Japan, Malaysia, Singapore, Taiwan, Thailand, Vietnam

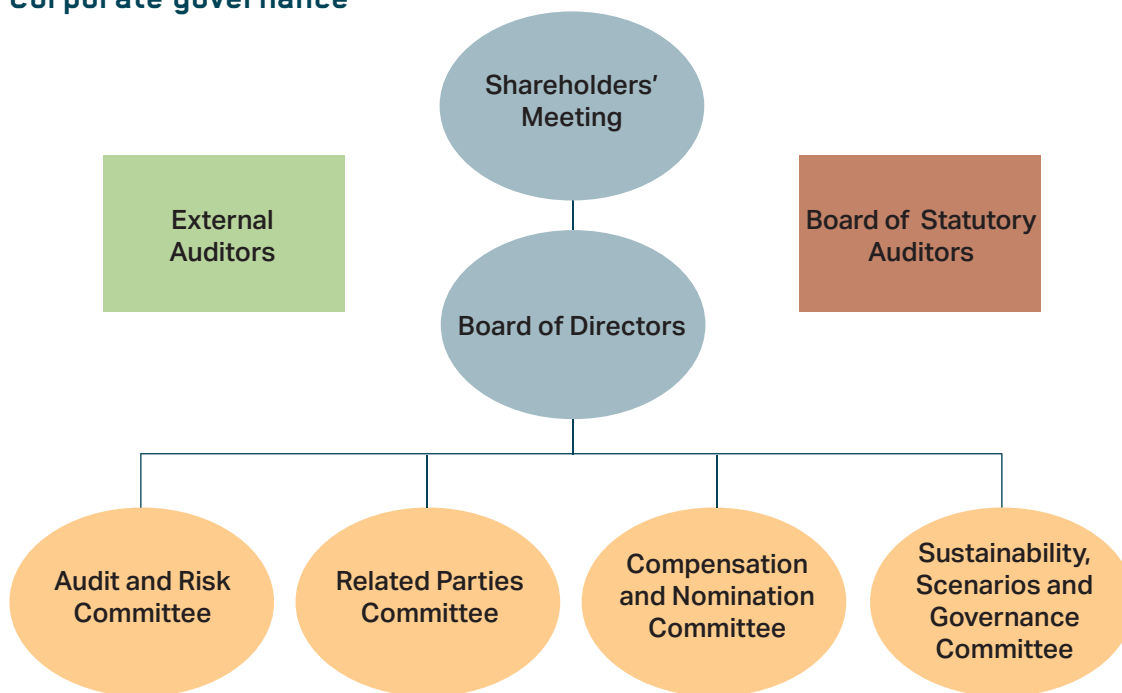
CORPORATE GOVERNANCE AND SHAREHOLDING STRUCTURE REPORT 2021

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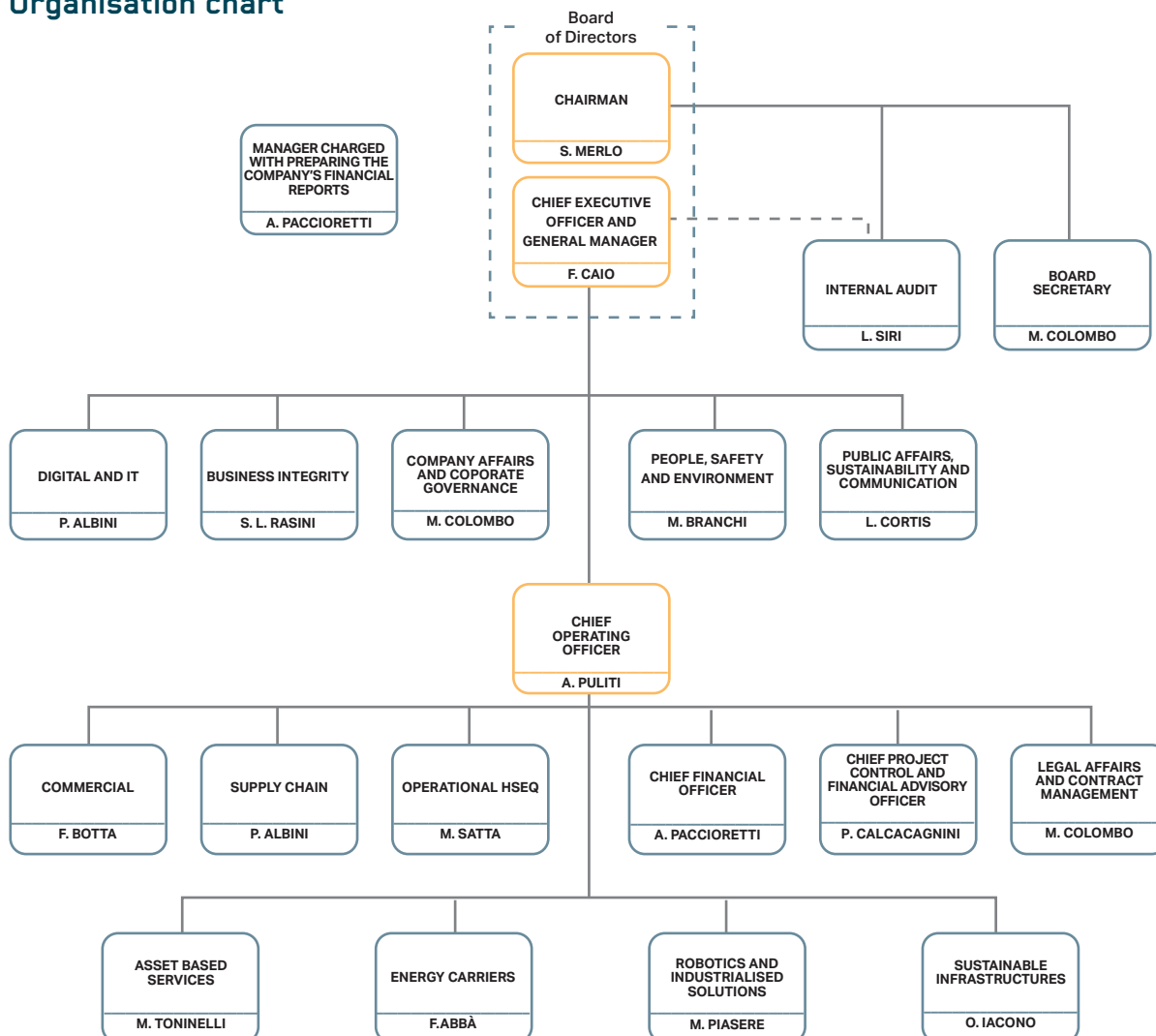
The Corporate Governance Report is published on Saipem's website at www.saipem.com, under the "Governance" section.

EXECUTIVE SUMMARY

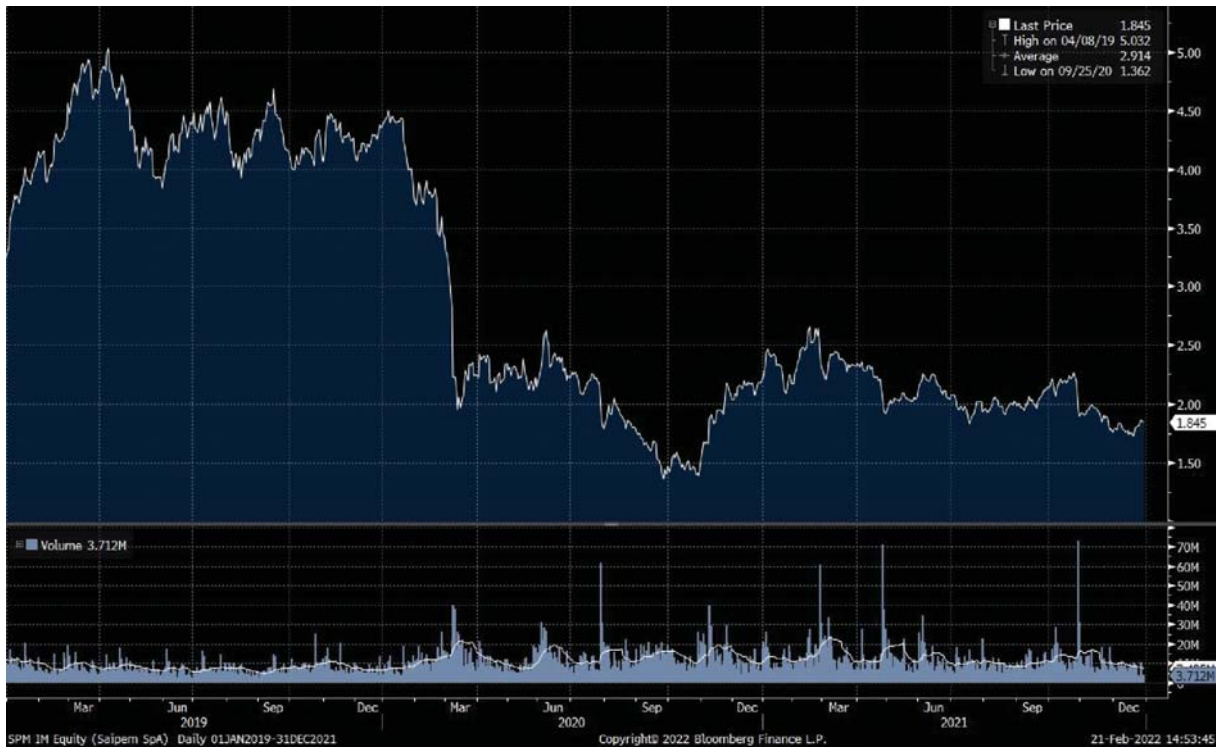
Corporate governance



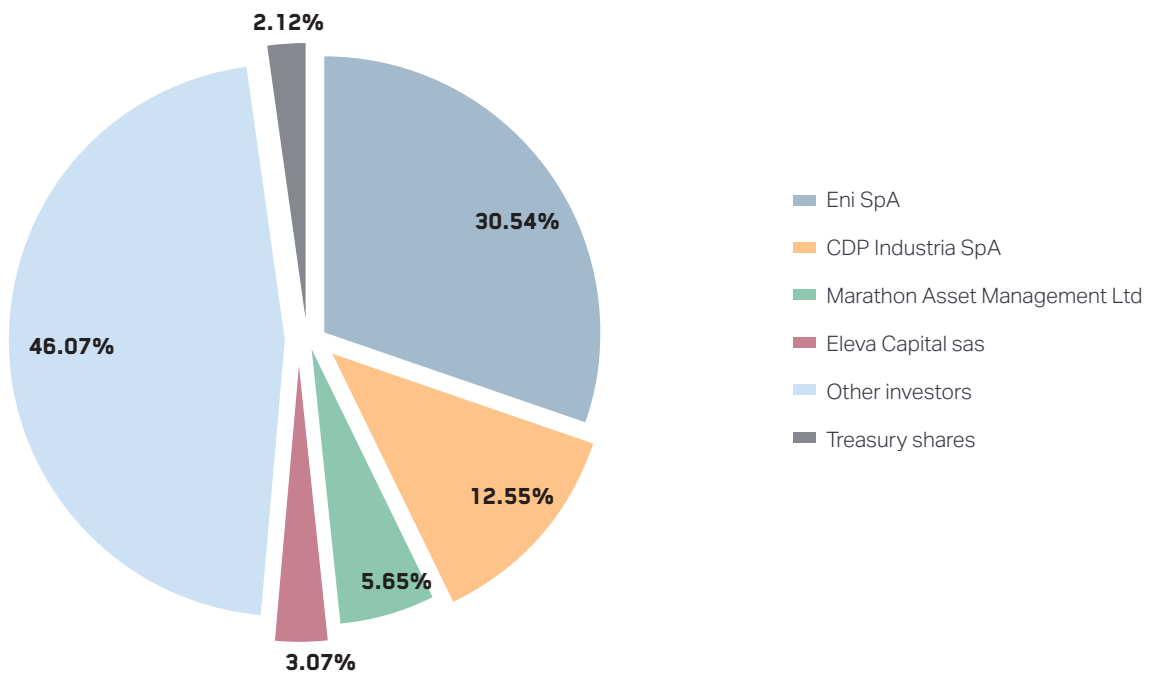
Organisation chart



Share performance, 2019-2021



Saipem Shareholders (%) as at Dec. 31, 2021



The Shareholders' Agreement in force between Eni SpA and CDP Industria SpA concerns the following shares brought by the Parties ("Syndicated Shares"):

- (i) CDP Industria, No. 126,401,182 Shares, representing approximately 12.503% of Saipem ordinary share capital; and
- (ii) Eni, No. 126,401,182 Shares, representing approximately 12.503% of Saipem ordinary share capital.

Board of Directors

Composition

In office until April 30, 2021

| Director | Office | Role | No. of other offices ^(*) | M/m ^(**) |
|----------------------|----------|---|-------------------------------------|---------------------|
| Francesco Caio | Chairman | Non-executive | 2 | M |
| Stefano Cao | CEO | Executive | - | M |
| Maria Elena Cappello | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | M |
| Claudia Carloni | Director | Non-executive | - | M |
| Paolo Fumagalli | Director | Independent (ex Leg. Decree 58/98/Code) | 1 | M |
| Federico Ferro-Luzzi | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | m |
| Ines Mazzilli | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | m |
| Paul Schapira | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | m |
| Alessandra Ferone | Director | Non-executive | - | M |

(*) Number of other Directorships or Auditor posts held in other listed companies or large companies (based on data available to the Company as at April 30, 2021).

(**) Majority list (M)/minority list (m).

In office from April 30, 2021

| Director | Office | Role | No. of other offices ^(*) | M/m ^(**) |
|------------------------------|-------------------------|---|-------------------------------------|---------------------|
| Silvia Merlo | Chairman | Independent (ex Leg. Decree 58/98/Code) | 1 | M |
| Francesco Caio | CEO and General Manager | Executive | - | M |
| Roberto Diacetti | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | m |
| Alessandra Ferone | Director | Non-executive | 1 | M |
| Patrizia Michela Giangualano | Director | Independent (ex Leg. Decree 58/98/Code) | 2 | m |
| Pier Francesco Ragni | Director | Non-executive | - | M |
| Marco Reggiani | Director | Non-executive | 1 | M |
| Paul Schapira | Director | Independent (ex Leg. Decree 58/98/Code) | 1 | m |
| Paola Tagliavini | Director | Independent (ex Leg. Decree 58/98/Code) | 3 | M |

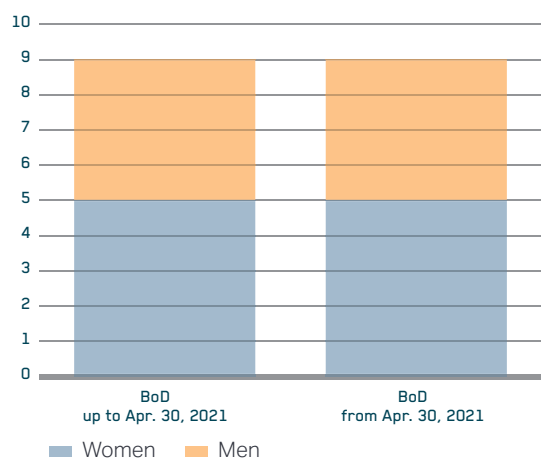
(*) Number of other Directorships or Auditor posts held in other listed companies or large companies.

(**) Majority list (M)/minority list (m).

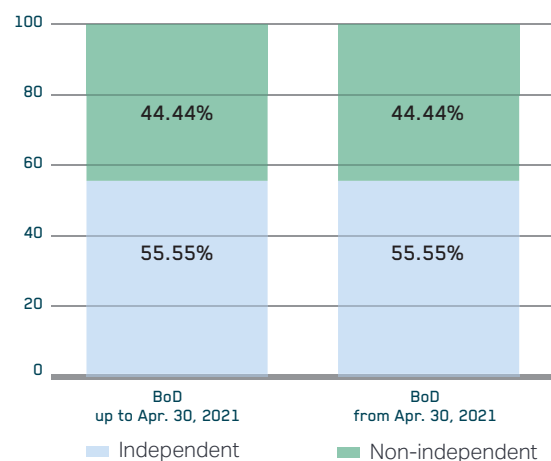
Evolution from the previous mandate

| | Previous mandate | Current mandate |
|--|------------------|-----------------|
| Number of Directors | 9 | 9 |
| Directors appointed by minority shareholders | 3 | 3 |
| % of the least represented gender in the BoD | 44.4% | 44.4% |
| % Independent Directors | 55.5% | 55.5% |
| Directors' average age | 58 | 55 |
| Chairman-CEO or Chairman-controlling shareholder | no | no |
| Existence of the Lead Independent Director | no | no |

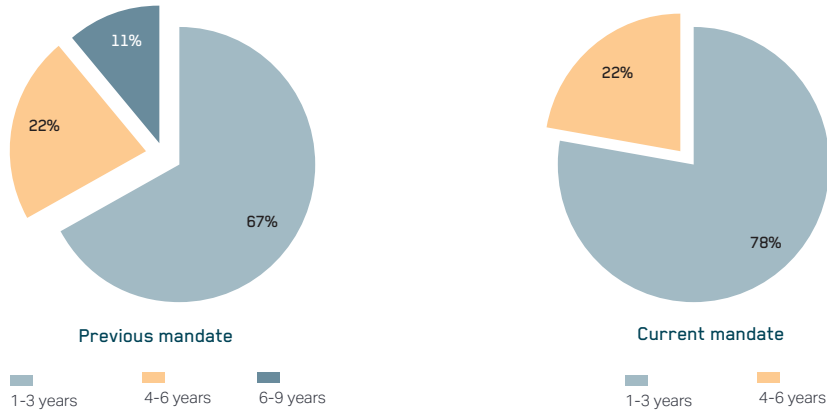
GENDER DIVERSITY



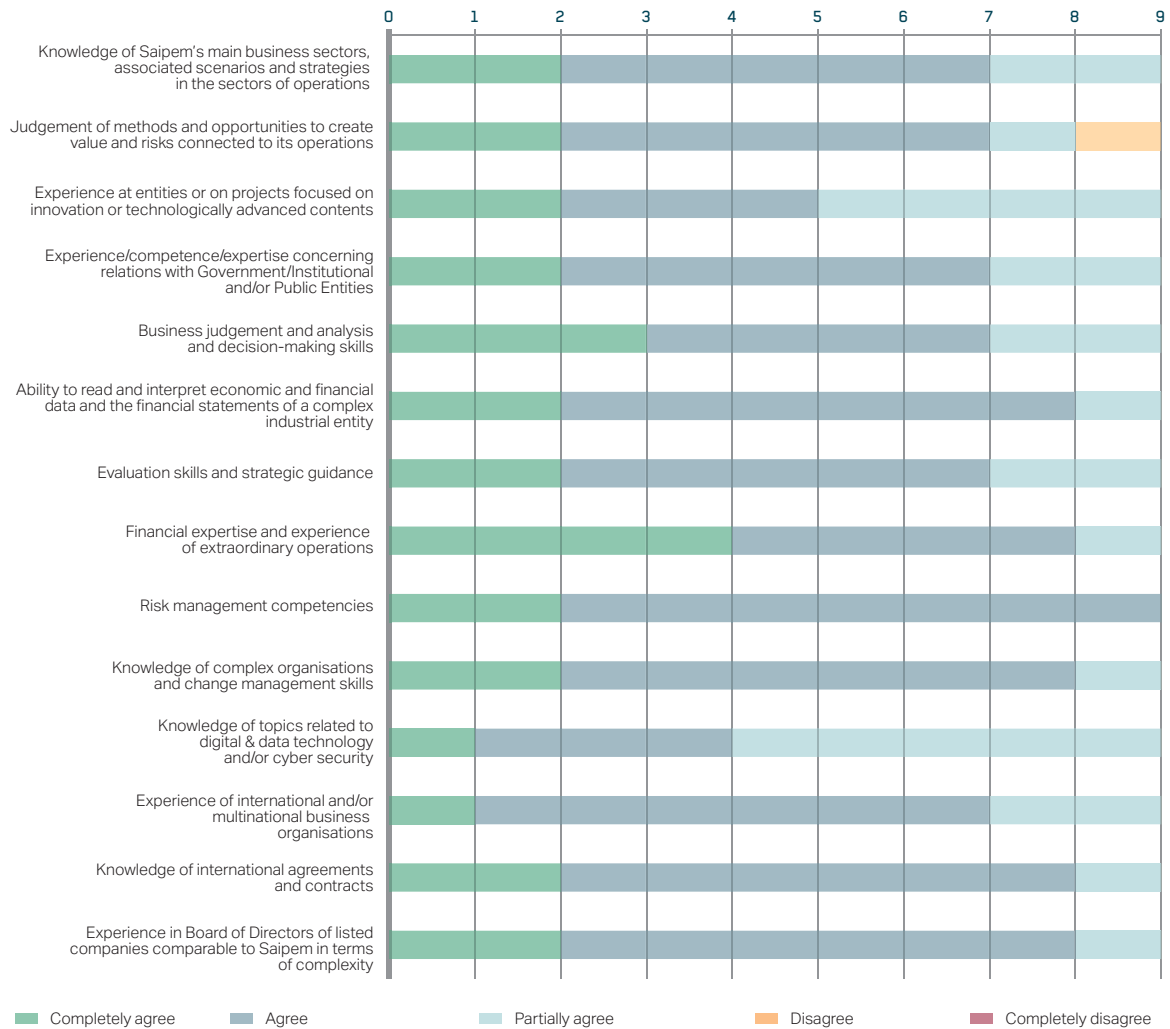
INDEPENDENT DIRECTORS



DIRECTORS' SENIORITY OF OFFICE DURING THE MANDATE



Directors' competencies from the 2020 Board Review, as expressed by each Director. It refers to the Board of Directors in office up to April 30, 2021



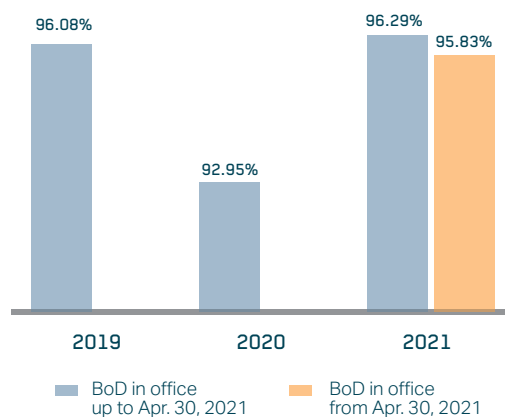
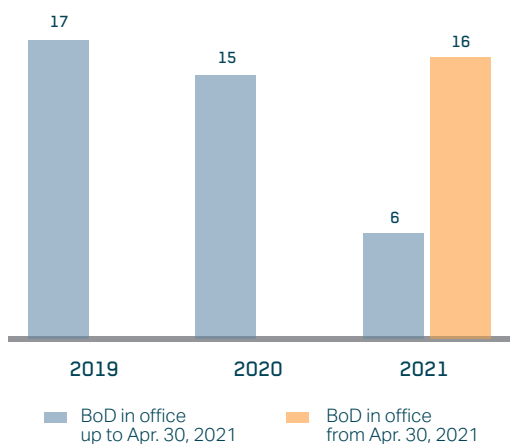
Directors' competencies from the 2021 Board Review, as expressed by each Director. It refers to the Board of Directors in office from April 30, 2021



Operation of the Board of Directors as at December 31, 2021

NUMBER OF BoD MEETINGS

AVERAGE PARTICIPATION IN BoD MEETINGS

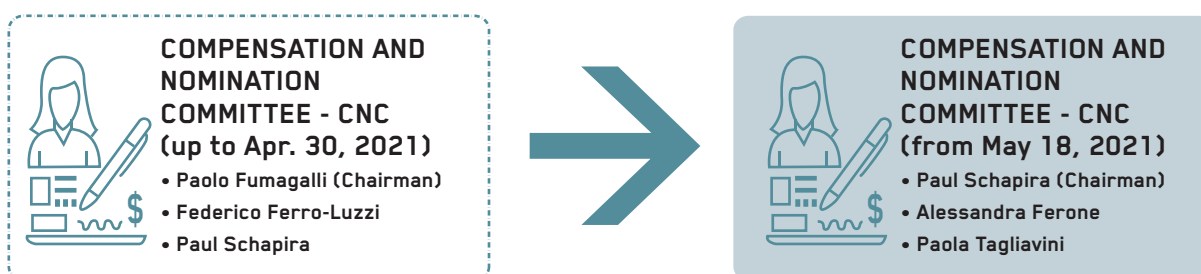


Number of Board Committee meetings and average member participation as at December 31, 2021

| Committee | Number of meetings | Participation |
|--|--------------------|---------------|
| Compensation and Nomination Committee | 14 | 100% |
| Audit and Risk Committee | 18 | 94% |
| Sustainability, Scenarios and Governance Committee | 8 | 96.87% |
| Related Parties Committee | 4 | 100% |

Board Review 2021

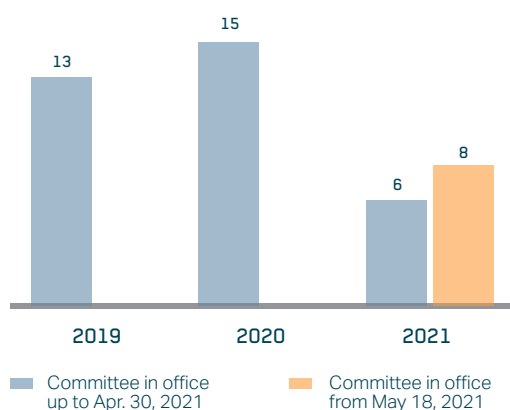
| | |
|-----------------------------|--|
| The Board Review took place | Yes |
| Evaluator | Self-assessment with the support of an independent Advisor |
| Evaluating method | Questionnaire/Individual interviews |



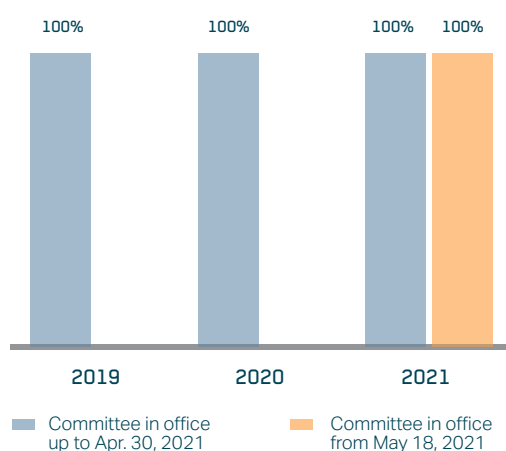
| CNC composition up to April 30, 2021 | Independent | Executive |
|--------------------------------------|-------------|---------------|
| Paolo Fumagalli (Chairman) | Yes | Non-executive |
| Federico Ferro-Luzzi | Yes | Non-executive |
| Paul Schapira | Yes | Non-executive |

| CNC composition from May 18, 2021 | Independent | Executive |
|-----------------------------------|-------------|---------------|
| Paul Schapira (Chairman) | Yes | Non-executive |
| Alessandra Ferone | No | non esecutivo |
| Paola Tagliavini | Yes | Non-executive |

NUMBER OF CNC MEETINGS



CNC PARTICIPATION





AUDIT AND RISK COMMITTEE - ARC
(up to Apr. 30, 2021)

- Ines Mazzilli (Chairman)
- Alessandra Ferone
- Paul Schapira




AUDIT AND RISK COMMITTEE - ARC
(from May 18, 2021)

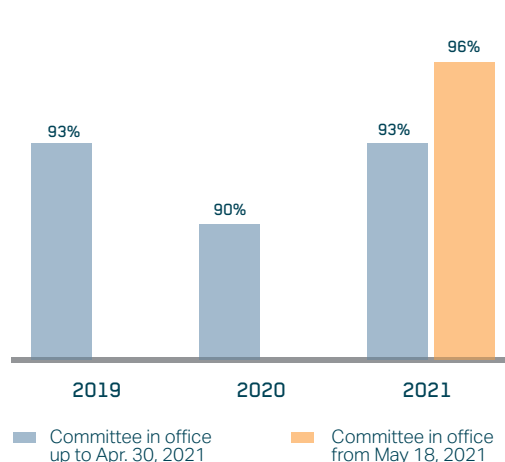
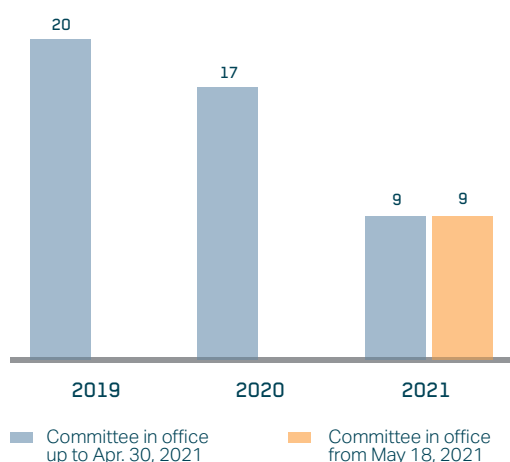
- Paola Tagliavini (Chairman)
- Roberto Diacetti
- Paul Schapira

| ARC composition up to April 30, 2021 | Independent | Executive |
|--------------------------------------|-------------|---------------|
| Ines Mazzilli (Chairman) | Yes | Non-executive |
| Alessandra Ferone | No | Non-executive |
| Paul Schapira | Yes | Non-executive |

| ARC composition from May 18, 2021 | Independent | Executive |
|-----------------------------------|-------------|---------------|
| Paola Tagliavini (Chairman) | Yes | Non-executive |
| Roberto Diacetti | Yes | Non-executive |
| Paul Schapira | Yes | Non-executive |

NUMBER OF ARC MEETINGS

ARC PARTICIPATION




SUSTAINABILITY, SCENARIOS AND GOVERNANCE COMMITTEE - SSGC
(up to Apr. 30, 2021)

- Francesco Caio (Chairman)
- Federico Ferro-Luzzi
- Claudia Carloni
- Maria Elena Cappello



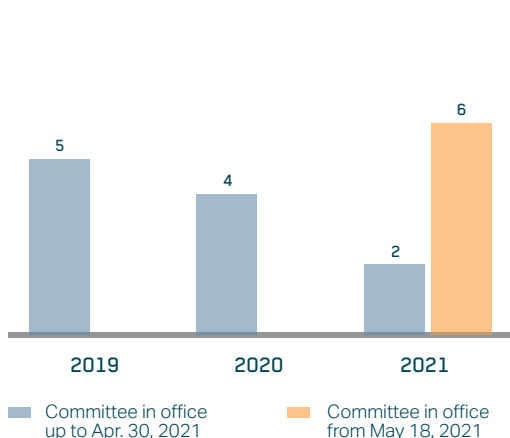

SUSTAINABILITY, SCENARIOS AND GOVERNANCE COMMITTEE - SSGC
(from May 18, 2021)

- Silvia Merlo (Chairman)
- Patrizia Michela Giangualano
- Pier Francesco Ragni
- Marco Reggiani

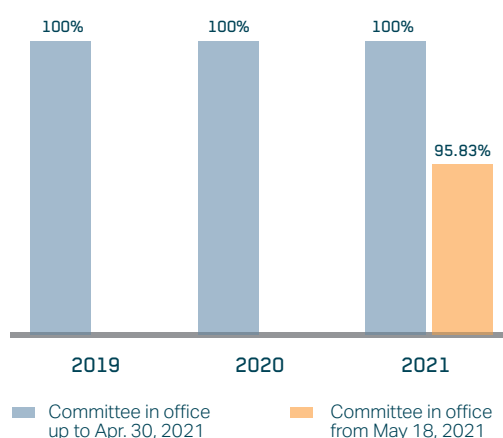
| SSGC composition up to April 30, 2021 | Independent | Executive |
|---------------------------------------|-------------|---------------|
| Francesco Caio (Chairman) | No | Non-executive |
| Federico Ferro-Luzzi | Yes | Non-executive |
| Claudia Carloni | No | Non-executive |
| Maria Elena Cappello | Yes | Non-executive |

| SSGC composition from May 18, 2021 | Independent | Executive |
|------------------------------------|-------------|---------------|
| Silvia Merlo (Chairman) | Yes | Non-executive |
| Patrizia Michela Giangualano | Yes | Non-executive |
| Pier Francesco Ragni | No | Non-executive |
| Marco Reggiani | No | Non-executive |

NUMBER OF SSGC MEETINGS



SSGC PARTICIPATION



RELATED PARTIES COMMITTEE* - RPC (up to Apr. 30, 2021)

- Ines Mazzilli (Chairman)
- Paolo Fumagalli
- Paul Schapira



RELATED PARTIES COMMITTEE* - RPC (from May 18, 2021)

- Patrizia Michela Giangualano (Chairman)
- Paola tagliavini
- Roberto Diacetti

(*) Under the provisions of the applicable legislation on transactions with related parties, and pursuant to the Audit and Risk Committee Regulations, during the previous mandate the Related Parties Committee was comprised of two independent and non-related Directors, already members of the Audit and Risk Committee, plus another non-related and independent Director Paolo Fumagalli.

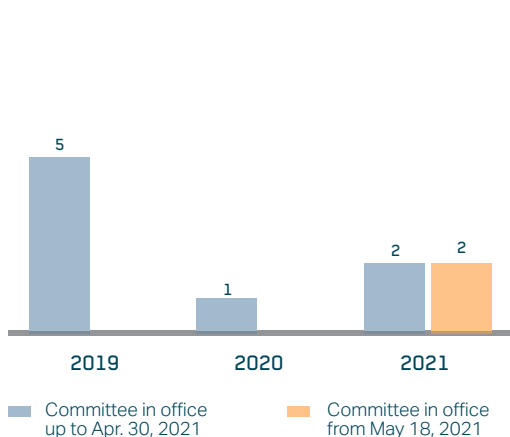
RPC composition up to April 30, 2021

| | Independent | Executive |
|--------------------------|-------------|---------------|
| Ines Mazzilli (Chairman) | Yes | Non-executive |
| Paolo Fumagalli | Yes | Non-executive |
| Paul Schapira | Yes | Non-executive |

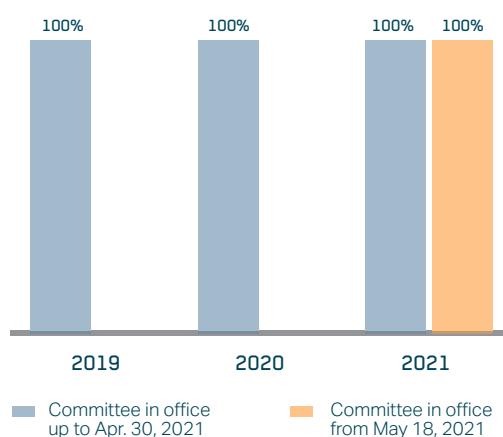
RPC composition from May 18, 2021

| | Independent | Executive |
|--------------------------------------|-------------|---------------|
| Paola Michela Giangualano (Chairman) | Yes | Non-executive |
| Paola Tagliavini | Yes | Non-executive |
| Roberto Diacetti | Yes | Non-executive |

NUMBER OF RPC MEETINGS



RPC PARTICIPATION

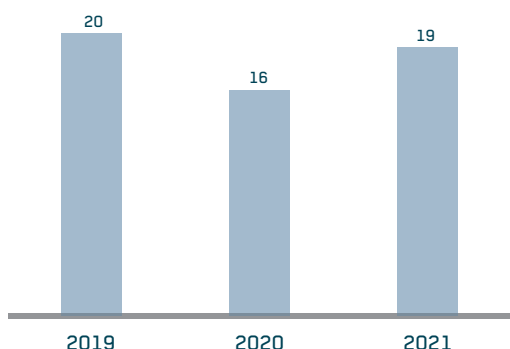


BOARD OF STATUTORY AUDITORS

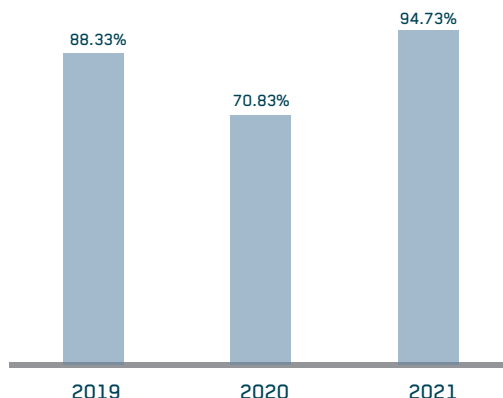
Composition of the Board of Statutory Auditors

| Statutory Auditor | Office | Role | No. other offices | M/m |
|---------------------------|-------------------|-------------|-------------------|-----|
| Giovanni Fiori | Chairman | Independent | - | m |
| Giulia De Martino | Statutory Auditor | Independent | 2 | M |
| Norberto Rosini | Statutory Auditor | Independent | - | M |
| Maria Francesca Talamonti | Alternate Auditor | Independent | 5 | M |
| Francesca Maurelli | Alternate Auditor | Independent | 3 | m |

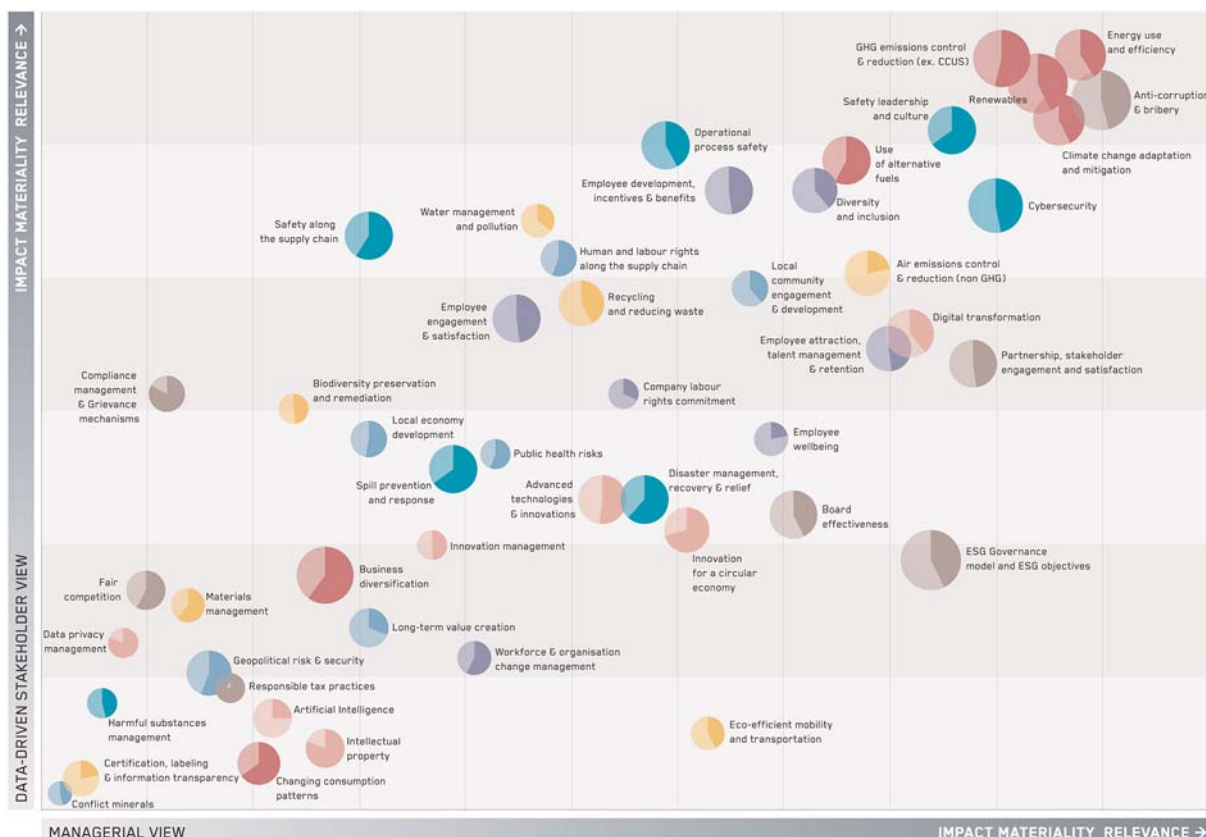
NUMBER OF BoSA MEETINGS



BoSA PARTICIPATION



2021 Materiality matrix



HOW TO READ IT

- CLIMATE CHANGE, TRANSITION TO LOW-CARBON AND ENERGY USE
- NATURAL CAPITAL MANAGEMENT AND ENVIRONMENTAL PRESERVATION (NON CLIMATE-RELATED)
- GOVERNANCE AND BUSINESS ETHICS
- HUMAN CAPITAL
- RESEARCH AND INNOVATION
- SAFE OPERATIONS
- SOCIETAL ISSUES AND LOCAL PRESENCE

GLOSSARY

Corporate Governance Code: the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana on January 31, 2020, applicable from the first financial year that begins after December 31, 2020, notwithstanding the provisions applied immediately after publication (gender quotas), while the disclosure shall be provided in the Corporate Governance and Shareholding Structure Report 2021 to be published in 2022.

Code: the Corporate Governance Code for listed Companies (July 2018) in force until December 31, 2020, approved by the Corporate Governance Committee and endorsed by Borsa Italiana SpA, ABI, Ania, Assogestioni, Assonime and Confindustria.

Committee/CG Committee/Corporate Governance Committee: the Italian Committee for Corporate Governance of listed companies, endorsed by Borsa Italiana SpA, as well as by ABI, Ania, Assogestioni, Assonime and Confindustria.

Board of Directors: the Board of Directors of the issuer.

CoSO Report: internal control system model issued by the Committee of Sponsoring Organizations of the Treadway Commission - 1992.

Issuer: issuer of stocks and shares referred to in this Report.

Year: financial year 2021, subject of this Report.

Consob Issuers' Regulations: regulations issued by Consob through Resolution No. 11971 of 1999 (and subsequent amendments) on Issuers.

Consob Market Regulations: regulations issued by Consob through Resolution No. 16191 of March 12, 2007 (and subsequent amendments) on Markets.

Consob Related Parties' Regulations: regulations issued by Consob through Resolution No. 17221 of March 12, 2010 (and subsequent amendments) on transactions with related parties.

Report: Corporate Governance and Shareholding Structure Report, which companies are required to issue in compliance with Article 123-*bis*, of Legislative Decree No. 58/1998.

TUF: Legislative Decree No. 58/1998 (TUF - Testo Unico della Finanza), issued on February 24, 1998.

Unless otherwise specified, the definitions concerning the following are those referred to in the Corporate Governance Code: **directors, executive directors, independent directors, significant shareholder, chief executive officer (CEO), management body, control body, business plan, concentrated company, large company, sustainable success, top management.**

CORPORATE GOVERNANCE AND SHAREHOLDING STRUCTURE REPORT

The Report is designed to provide a general and complete overview of Saipem SpA's ("Saipem" or "the Company") corporate governance system.

In order to comply with applicable laws and stock market listing standards, in keeping with the recommendations of Borsa Italiana SpA and of the relevant business associations, the Report also furnishes information regarding Saipem's shareholding, its compliance with the corporate governance codes established by institutional bodies and the relevant commitments to observe them, as well as the choices that the Company has made in implementing its governance.

This Report is available at Saipem's headquarters, published on Saipem's website, and sent to Borsa Italiana SpA and the authorised storage mechanism "eMarket Storage" (www.emarketstorage.com), under the terms and methods provided by current legislation.

The Company adhered to the Corporate Governance Code through a resolution by the Board of Directors dated December 17, 2020, effective from January 1, 2021, and informed the market through the 2020 Corporate Governance and Shareholding Structure Report, as well as in this Report, as required by the Code itself.

The information contained in this Report relates to the financial year 2021 and has been updated, with respect to specific matters as of March 24, 2022.

The final part of the letter accompanying the "Annual Report 2021 on the evolution of the Corporate Governance of listed companies - 9th Annual Report on the Application of the Corporate Governance Code", sent to all Chairmen of Italian listed companies (and for information to their CEOs and Chairmen of the Board of Statutory Auditors) draws attention to the recommendations made therein.

The Report makes the following recommendations:

- *"in the report on corporate governance, ensure adequate and concise information on the methods adopted in its preparation and the approach adopted in promoting the engagement with significant stakeholders. In this regard, it is recommended to provide concise information on the engagement policy with the shareholders, and possibly publish it in full, or at least its essential elements, on the Company's website;*
- *evaluate the classification of the Company with respect to the categories detailed in the Code and the options of simplification that can be applied to 'non-large' and/or 'concentrated' companies, and indicate the choices made;*
- *in the corporate governance report, provide the criteria used to assess the significance of professional, commercial or financial relationships and additional remuneration, also for the Chairman of the Board of Directors, if the latter has been identified as independent pursuant to Code;*
- *the boards of directors should prepare regulations for the Board and its committees, paying particular attention to setting the terms deemed appropriate for sending the documentation and the exclusion of general confidentiality requirements as possible exemptions from compliance with these terms. In drafting the corporate governance report, companies should also state their actual compliance with the aforementioned notice period and, where it has not been possible to comply with this deadline, explain the reasons and illustrate how adequate information was provided during the Board meeting;*
- *non-concentrated companies are invited to examine the recommendations addressed to them regarding the renewal of the Board of Directors. The Code recommends that the outgoing Board of Directors expresses, in view of its renewal, the guidelines on the composition of the new board deemed to be optimal, taking into account the results of the board evaluation, and also in the subsequent phase of the presentation of the lists, by the outgoing board and/or the shareholders. In particular, the boards of directors of 'non-concentrated' companies are invited to ask whoever presents a list that contains a number of candidates greater than half of the members to be elected to provide adequate information (in the documentation presented for filing the list) about the compliance of the list itself with the guidelines expressed by the outgoing board and to indicate the candidate to the office of Chairman;*
- *the Committee, while observing growing attention on these issues, invites companies to provide adequate information in the report on corporate governance about the actual identification and application of such measures;*
- *with regard to the remuneration policies, the Committee reiterates its recommendation for policies to set clear and measurable rules for the variable component and severance indemnities; it recommends to consider the consistency of the parameters identified for the variable remuneration with the strategic objectives of the business and the pursuit of sustainable success, and setting, if necessary, non-financial parameters. With particular reference to the remuneration linked to the achievement of environmental and social targets, the Committee recommends that companies ensure that these parameters are predetermined and measurable".*

Based on these recommendations, the Chairman has therefore shared with the Board of Directors and the Board of Statutory Auditors, at their meeting of January 13, 2022, the contents of the "Annual Report 2021 on the evolution of the Corporate Governance of listed companies - 9th Annual Report on the Application of the Corporate Governance Code", drawing their attention to the recommendations made in pages 90 to 92 of the document.

Before drafting this Report, at the proposal of the Chairman of the Board of Directors, the Sustainability, Scenarios and Governance Board Committee, at their meeting of February 18, 2022 attended by the Board of Statutory Auditors, reviewed the “Annual Report 2021 on the evolution of the Corporate Governance of listed companies - 9th Annual Report on the Application of the Corporate Governance Code”.

This review focused on the recommendations made in the Annual Report 2021, which were brought to the attention of the Board of Directors and the Board of Statutory Auditors.

At their meetings of March 4, 2022, the Sustainability, Scenarios and Governance Committee reviewed this Corporate Governance and Shareholding Structure Report and, following this review, assessed the Company's compliance to the Corporate Governance Code. The conclusions reached by the Sustainability, Scenarios and Governance Committee were shared with the Board of Directors at the meeting held on March 15, 2022.

These conclusions were also confirmed during the Board Review.

Issuer profile

Saipem is a leading global contractor with a significant local presence in strategic emerging areas such as Africa, Central Asia, America, the Middle East and South East Asia. Saipem enjoys a competitive edge for providing EPCI (Engineering, Procurement, Construction, Installation) and EPC (Engineering, Procurement, Construction) services to the Oil&Gas industry, both onshore and offshore, with a special focus on complex and technologically-advanced projects, including activities in remote areas, in deep waters and on projects involving the exploitation of gas or crude oil supplies in challenging environments. The drilling services offered by the Company stand out in many of the most critical areas of the oil industry, often thanks to synergies between onshore and offshore activities. The Company also carries out engineering services through simplified processes and innovative digitalisation models and operates in sectors such as renewable energy, infrastructure, decommissioning and maintenance, modification and operations. Saipem's ability to develop projects in critical and remote areas is ensured by the efficient coordination between local activities and the divisions and the Corporate structure (until January 13, 2022), and guaranteed by logistical support worldwide and the consolidated capacity to manage locally any difficulties that arise. This is borne out by Saipem's more than 60-year presence in this sector. Saipem has been listed on the Milan Stock Exchange since 1984.

The Saipem Group operates in over 70 countries, employing local personnel and a large number of resources from developing countries, totalling approximately 32,000 employees of 130 different nationalities.

In light of the foregoing, Saipem falls within the definition of large company provided by the Corporate Governance Code, as its capitalisation exceeded €1 billion on the last trading day of each of the 3 calendar years preceding the end of the reference year, and is also classed as a non-concentrated ownership company as the shareholders Eni SpA and CDP Industria SpA, which are parties of the current shareholders' agreement detailed below, do not hold, even through subsidiaries – trustees or third parties –, the voting majority at ordinary shareholders' meetings.

On Capital Market Day on October 28, 2021, Saipem communicated to the market that it had already launched an important efficiency plan through specific initiatives concerning the rationalisation of assets, the streamlining of the operating model, as well as a reduction in overhead costs with the aim to curb the overall cost base from 2022.

From January 14, 2022, Saipem has therefore adopted a new organisational model divided into 4 distinct business areas, each one with different dynamics, objectives and skills.

- 1) business “asset based services” (drilling, vessels, fabrication), based on a rigorous discipline of asset optimisation;
- 2) business “energy carriers”, for the design of complex plants or their conversion to low carbon with a growing focus on the best risk/return balance and with greater attention to margins;
- 3) business “robotics and industrialised solutions” for the development of the offer of modular/repeatable/scalable systems and monitoring and maintenance services based on digital technologies;
- 4) business “sustainable infrastructures”: for growth in a sector that has become strategic in the new ecosystem of energy transition and sustainable mobility.

The model has been integrated with an additional new structure designed to reinforce the execution capabilities for the Company's projects and to complete the on-going strategic review aimed at strengthening the capital and financial structure of the Group.

The new organisation envisages the following:

- the set-up of a new General Manager function with broad operative and managerial responsibilities;
- the creation of a specific unit focused on reinforcing the activity of financial planning and control of the projects and of the other Company's operations;
- the consolidation of the legal and contract management responsibilities in a corporate department within the new General Manager office.

Further details on the new organisational model are also featured in the paragraph “Events subsequent to year-end”.

Principles and values

Saipem undertakes to maintain a governance system in line with international best practice standards, able to deal with the complex situations in which Saipem operates, and with the challenges to face for sustainable development. Sustainability for Saipem means conducting its business while remaining mindful of our responsibilities towards all the stakeholders. Ensuring fair and cooperative relationships is vital for the success of our projects. Saipem's sustainability model permeates all Company processes. It is orientated towards excellence and the pursuit of long-term objectives, to prevent, mitigate and manage possible risks.

Saipem operates within the reference framework of the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the ILO - International Labour Organisation and the OECD Guidelines on Multinational Enterprises.

Any form of discrimination, corruption, forced or child labour is rejected. Saipem constantly strives to acknowledge and safeguard the dignity, freedom and equality of human beings, the protection of labour and of the freedom of trade union association, health, safety, the environment and biodiversity, as well as the set of values and principles concerning transparency, energy efficiency and sustainable development, in accordance with international institutions and conventions.

Respect for human rights is the foundation of the inclusive growth of societies and geographical areas and, consequently, of the companies that work within them. Saipem contributes to the creation of the socio-economic conditions required for the effective enjoyment of fundamental rights and promotes the professional growth and well-being of its own human resources wherever they are located. Saipem's commitment to promoting human and labour rights in its operations is reiterated in the Company's Policy on Human Rights approved in 2017.

In line with the provisions of the 2015 "UK Modern Slavery Act", Saipem annually publishes a "Saipem Modern Slavery Statement", which describes the policies and actions taken by the Saipem Group in the previous year to develop and implement measures and improve existing systems and processes, to guarantee human and labour rights and prevent modern slavery and human trafficking in its activities and its supply chain.

Management and control system

Saipem's organisational structure is based on the traditional administration and control model, comprised of the Board of Directors (central body in the corporate governance system, responsible for the management of the Company also pursuing its sustainable success – availing itself of the support provided by the Sustainability, Scenarios and Governance Committee – for instance by defining, at the proposal of the Chief Executive Officer, the strategic lines and objectives of the Company and the Group including sustainability policies and monitoring their implementation) and the Board of Statutory Auditors, with supervisory and control duties.

The Shareholders' Meeting manifests the will of the shareholders, through resolutions adopted in compliance with the law and the Company's Articles of Association.

The Shareholders' Meeting appoints the Board of Directors for a maximum term of three years.

The Shareholders' Meeting appointed the Chairman and the Board of Directors, and the latter vested the CEO with executive powers.

The Chairman has the power to represent the Company, pursuant to Article 21 of the Company's Articles of Association, together with those Directors vested with executive powers (pursuant to Article 26 of Articles of Association).

On May 18, 2021, the Board of Directors resolved to set up the following Board Committees: the Audit and Risk Committee, the Compensation and Nomination Committee, the Sustainability, Scenarios and Governance Committee and the Related Parties Committee.

The Director responsible for Internal Audit reports to the Board of Directors and, on its behalf, to the Chairman of the Board; he also reports to the Audit and Risk Committee and the CEO in his capacity as the Director responsible for the Internal Control and Risk Management System.

On June 9, 2021, the Board of Directors appointed Antonio Paccioretti, Saipem's Chief Financial Officer as of June 1, 2021, as the Director responsible for the Company's Financial Reporting, pursuant to Article 154-*bis* of Legislative Decree No. 58/1998, replacing Stefano Cavacini, who had resigned on May 31, 2021.

Regulatory System

The Regulatory System is part of Saipem's Corporate Governance and is one of the tools used by Saipem to exercise direction, coordination and control over its subsidiaries, both in Italy and abroad.

Saipem's Regulatory System is a dynamic system that is continuously improved as the internal and external context evolves. The System is organised, developed and distributed in such a way as to facilitate usability and understanding by its users.

The Regulatory System is process-based, regardless of the positioning of the respective duties within the corporate and organisational structure of Saipem SpA and its subsidiaries. All of Saipem's activities have been grouped into a map of processes involving more than one area, identifying a Process Owner for each process, responsible for defining policies, guidelines and methodologies that are common to the whole Group with regard

to the process under their responsibility or for defining the rules regarding compliance and governance issues, guaranteeing suitability over time.

Regarding Saipem's organisational structure, where applicable on the basis of the organisational responsibilities assigned to the different company functions, the Regulatory System provides for the identification of "Representatives" who are responsible for regulating work processes.

Saipem uses the Regulatory System to promote the integration of principles of compliance into company processes, with a view to disseminating the rules and standards of control established by the various compliance models, and introducing them into the operational context at the various entities. The regulatory documents contain the minimum control principles that the persons involved in the regulated process are required to adhere to in order to operate in accordance with the applicable regulations, legal requirements and other Saipem management tools, including the organisational structure, the system of powers and the strategic plan.

Furthermore, Saipem's regulatory system is based on, and is consistent with, the general framework, which comprises: legal provisions, the Articles of Association, the Corporate Governance Code, the CoSO Report, the Organisation, Management and Control Model (which includes the Code of Ethics), the Internal Control and Risk Management System and the Internal Control System over Financial Reporting.

Each company in the Group has a Regulatory System that is divided into two macro categories of regulatory documents:

- regulatory documents for steering, coordination and control issued by Saipem SpA, which, subject to their formal adoption, apply also to subsidiary companies;
- regulatory documents for company operations issued by Saipem SpA and its subsidiaries, which apply to the individual companies responsible for their issue.

The first category comprises:

- documents that define the fundamental principles and general rules of conduct that must inspire all activities carried out by Saipem (Policies);
- documents that define guidelines for company processes, as well as compliance and governance issues, identifying objectives and main activities, actors, limits, and internal and external regulatory controls, rules of conduct, authorisation levels and reporting flows (Management System Guidelines);
- documents that discipline work processes or specific issues of compliance or governance (Procedures);
- documents that define and explain criteria, methods, techniques, tools, methodologies, reporting flows, standard parameters/classifications to use for specific activities.

The second category comprises documents that define policies, principles and operating methods for a specific company context to ensure compliance with local and international legislation and/or ensure detailed regulation of sub-processes in line with the specific nature of the Company.

Regulatory documents are published on the Company's intranet and are sent to all employees of Saipem SpA and the relevant subsidiaries. Certain regulatory documents are also published on the Company's website www.saipem.com.

During 2021, with a view to continuous improvement, activities continued to ensure the verification of the regulatory body and its alignment to the evolution of the operating models and organisational structure of the Company, of the legislative/regulatory and business context, also through the periodic certification by the various Process Owners and Representatives.

Periodic monitoring activities continue to ensure the implementation of regulatory documents by the subsidiaries.

Sustainability Model

Sustainability for Saipem is a way of conducting business to create value for its stakeholders, and a pillar of its strategy in the era of the energy transition.

Saipem's Sustainability Model ("Sustainability Model") is developed and maintained so as to increase integration into governance, business and corporate processes, and respond to legislative or regulatory requirements.

The Sustainability Model aims, above all, to produce sustainable value for the Company's stakeholders, who, to various degrees and in various capacities, are engaged and periodically informed of the Company's performance on material issues of sustainability, in order to disclose and show how the various activities and initiatives contribute to the achievement of the Company's short, medium and long term objectives.

Specifically, Saipem identifies the most important sustainability drives for its business mainly through a structured materiality analysis. This fundamental process addresses not only regulatory requirements and international reference standards, but also to the best practices of major listed companies and the reference sector. Saipem's materiality analysis, which has been conducted annually for the last ten years, represents a fundamental moment of direct engagement with representatives of all categories of corporate stakeholders, both external and internal (in this case: Board of Directors, management and employees) and is supplemented by analyses of benchmarking, of the regulatory framework, and trends of emerging issues.

In 2021, a new methodology was introduced, so-called "Double Materiality", in line with the guidelines envisaged by the review of the new European Directive on sustainability disclosure (CSRD), as well as the recommendations of the Global Reporting Initiatives (GRI) and Sustainability Accounting Standard Board (SASB) standards, whose aim is, inter alia, to highlight the material issues that have the greatest impact on the value of the Company from the point of view of the financial stakeholders.

As also reported in the 2021 Consolidated Non-Financial Statement, the assessment saw the direct involvement of approximately 4,500 stakeholders, including members of the Board of Directors, and the results were presented at ad-hoc meetings of the Sustainability, Scenarios and Governance Committee (on October 13 and November 26, 2021) and the Board of Directors (on November 27, 2021).

The material topics identified are used both for strategic planning and for the definition of the contents of the corporate disclosure on sustainability (Consolidated Non-Financial Statement and Sustainability Report).

In addition to this fundamental process, Saipem's Sustainability Model is aimed at managing priority issues such as: (a) climate change, protection of the environment and ecosystems; (b) growth in the renewable energy business; (c) ensuring the respect for human and labour rights in the supply chain; (d) respect for diversity and inclusion at all levels of the organisational structure; (e) the retention and attraction of competences; (f) integrity and transparency in conducting the business.

The health and safety of Saipem's personnel and its subcontractors' is also an essential principle in any context and is fully embedded into the business model and Saipem culture.

The Sustainability Model and governance are based on:

- a) a corporate mission, values and principles set forth in Saipem's Code of Ethics and the Policies that govern corporate life towards its internal and external stakeholders;
- b) an organisation that assigns roles and responsibilities (for instance setting objectives for executives and management);

but also underpin the definition of processes and the preparation of tools, from the quantification of the shared value generated by the Company to the methodologies for evaluating innovation in backlog projects, to the ever greater integration of risk management and strategies that guide the Company in the energy transition towards a sustainable business.

On March 12, 2021, together with the "Consolidated Non-Financial Statement", in compliance with Legislative Decree No. 254/2016 on non-financial reporting, the then Saipem Board of Directors approved the Sustainability Report "Ready for the Transition", focusing on the role that the Company intends to play in the energy transition process through a sustainable business model and the ability to provide design and technological solutions to support its customers on their path towards decarbonisation. Furthermore, on June 30, 2021 and December 17, 2021, Saipem's Board of Directors approved and published on the Company website, respectively the annual declaration pursuant to the "UK Modern Slavery Act" on combating modern forms of slavery and Saipem's fourth document on the strategy to combat climate change "Shaping a Net-Zero future" drawn up in accordance with the guidelines of the Task Force on Climate Related Financial Disclosure (TCFD).

With regard to the governance set-up of sustainability within Saipem, following the updates made in 2021 to the regulations of the Sustainability, Scenarios and Governance Committee, the latter chaired by Saipem's Chairman, is responsible for assisting the Board of Directors by fulfilling a preparatory, consultative and advisory role in assessments and decision-making processes with regard to Saipem's business sustainability issues, including environmental, social and governance issues connected to the exercise of the business and its engagement with all stakeholders, Saipem's corporate social responsibility, the review of scenarios envisaged in the preparation of the strategic plan, based also on reviewing the relevant issues for the long-term value generation and corporate governance of the Company and the Group. In this context, the Committee is specifically assigned the task of verifying the general definition of the Consolidated Non-Financial Statement and the articulation of its contents, as well as its completeness and transparency of the information provided, reporting the outcome of its own assessments, through the Chairman, to the Audit and Risk Committee. The latter is called upon to assess that the periodic non-financial information is a correct representation of the business model, the strategies of the Company, the impact of its activities and the performances achieved.

The Audit and Risk Committee, in addition to supporting the Board of Directors vis-à-vis the Internal Control and Risk Management System, assesses the suitability of the periodic financial and non-financial information to correctly represent the business model, the strategies of the Company, the impact of its activities and the performances achieved, liaising with the Sustainability, Scenarios and Governance Committee with regard to periodic non-financial information.

In 2021, the Sustainability, Scenarios and Governance Committee held meetings on sustainability issues on February 17, June 22, October 13, November 26 and December 17. In particular, during the year, in addition to reviewing the aforementioned documents, it continued to monitor the adoption of the provisions contained in Legislative Decree No. 254/2016 for the purposes of the reporting and internal control system aimed at publishing the Consolidated Non-Financial Statement.

The Sustainability, Scenarios and Governance Committee and the CEO and General Manager promote the issues of sustainability within the Board of Directors; in 2021 among other relevant issues, it approved the "Net-Zero" programme with which the Company announced the target for zero net greenhouse gas emissions (Greenhouse Gas - GHG), scope 1 and 2, by 2035, reiterating, for scope 3, its role as an enabler of the energy transition in the value chain and its commitment to support its customers in reducing their carbon footprint.

From a technical and organisational standpoint, ongoing activities and the achievement of Saipem's sustainability objectives are ensured by the Sustainability Governance function and by the Sustainability Disclosure, Reporting and Performance function, whose heads report directly to the Director for "Public Affairs, Sustainability & Communication".

With regard to external commitments, Saipem has been a member of the United Nations Global Compact initiative since October 2016. The Global Compact initiative directs the commitment of the private sector through the

participation (subject to the preliminary assessment and continuous verification by the Secretariat of New York) of the major international companies committing to upholding ten principles centred on human and labour rights, environmental protection and fighting corruption. Consistently with this commitment, Saipem promotes the achievement by 2030 of the United Nations' Sustainable Development Goals (SDGs) in all the territories in which it operates.

In addition to the awards received from various international institutions and bodies, in 2021, Saipem has been included once more in the Dow Jones Sustainability Index, confirming its leadership in the Oil&Gas Equipment Services sector.

In February 2021, the international data provider Refinitiv published on its website the new Environmental Social Governance (ESG) scores for more than ten thousand companies. Saipem obtained a score of 89/100, positioning itself in the top spot for the "Oil&Gas Related Equipment and Service" sector, made up of 181 companies, with a judgement that "indicates excellent relative ESG performance and high degree of transparency in its disclosure".

In 2021, Saipem was also included in the new Euronext MIB[®] ESG index, the first ESG index dedicated to Italian blue-chip companies, based on the assessment of sustainability performance carried out by the Vigeo Eiris agency of the Moody's Group.

Code of Ethics

The Code of Ethics – chapter 8 of Model 231 – represents a compulsory general principle and clearly defines, in compliance with the provisions of law, the values that Saipem recognises and accepts, as well as the responsibilities the Company assumes both internally and externally. It imposes fairness, honesty, integrity and transparency of operations, conduct, working practices and relations, both internal and external to the Group.

Compliance with the Code by Saipem's Directors, Statutory Auditors, management and employees, as well as by all those who, within their own remits and responsibilities, operate in Italy and abroad to achieve Saipem's objectives (hereinafter "Saipem's people"), is of paramount importance, not only to guarantee compliance with legal and contractual provisions governing a party's relationship with Saipem, but also to ensure Saipem's efficiency, reliability and reputation, all of which are crucial factors in the Company's success and in improving the social circumstances in which it operates.

The Board of Directors has adopted Saipem Code of Conduct in 1999, with subsequent amendments and integrations, and in 2004 has been replaced by the "Organisation, Management and Control Model pursuant to Legislative Decree No. 231 of 2001", which from 2008 includes the Code of Ethics of Saipem SpA. The Model has been updated by the Board of Directors to reflect the legislative changes that have taken effect over time.

The Code of Ethics provides for the appointment of a Guarantor of the Code of Ethics, whose responsibilities have been delegated to the Compliance Committee and who has been granted "independent powers of initiative and control" pursuant to Article 6, paragraph 1, letter b), of Legislative Decree No. 231/2001 on the administrative liability of legal entities deriving from offenses. The duties of the Guarantor include the promotion of information and training initiatives towards Saipem's employees, who are required to observe the principles contained in the Code of Ethics.

The Compliance Committee's mandate coincides with that of the Board of Directors which appointed it. Its autonomy and independence are safeguarded by its composition, pursuant to Article 6, paragraph 1, letter b), of Legislative Decree No. 231/2001. The Compliance Committee is a Collegial Body composed of internal members and two external members, one of whom is appointed Chairman of the Compliance Committee: they are chosen among academics and professionals of proven expertise and experience in legal, economic and/or company organisation issues.

The composition of the Compliance Committee, modifications and additions, are approved through a resolution of the Board of Directors, having heard the opinions of the Audit and Risk Committee, of the Compensation and Nomination Committee and of the Board of Statutory Auditors, at the proposal of the CEO, and in agreement with the Chairman.

The Board of Directors on December 17, 2021 resolved to update, with effect from January 14, 2022, the composition of the Compliance Committee as follows: 3 external members Renato Rordorf (Chairman), Maurizio Bortolotto and Stefania Chiaruttini.

The Compliance Committee shall continue to rely on the collaboration and support of the corporate functions, which will ensure an adequate flow of information, as well as on the support of the well established technical Secretariat of the Compliance Committee.

Following the legislative changes that occurred after December 21, 2020 (the date of the previous approval of Model 231), Saipem's CEO, on December 23, 2021, approved the latest update of Saipem's Model 231 (which includes the Code of Ethics).

Moreover, on January 14, 2022, following the resolution of the Board of Directors of December 17, 2021, the latest version of Model 231 was issued which incorporated the new composition of the Compliance Committee.

Each subsidiary, directly or indirectly, both in Italy and overseas, issues its own Organisational, Management and Control Model ("OMC Model") containing the Code of Ethics, which formally nominates a Guarantor of the Code of Ethics.

Saipem is committed to ensuring the widest dissemination of the principles and contents of the Code of Ethics among Saipem's personnel and other stakeholders. All Saipem personnel are required to be conversant with the

principles that make up Saipem's Code of Ethics and the relevant procedures regulating their functions and responsibilities.

To promote the knowledge and facilitate the implementation of the Code of Ethics, the Code itself provides for the implementation of a "Code Promotion Team" reporting to the Guarantor of Saipem SpA.

The composition of the Team is defined by the CEO of Saipem SpA at the proposal of the Guarantor of the Code of Ethics. The Team is currently made up of 11 members from several departments.

The Team facilitates access throughout Saipem to every possible knowledge and clarification tool that can aid the interpretation and implementation of the Code of Ethics.

The Code of Ethics is posted on Saipem's noticeboards and on the Company's intranet and website, both in Italian and English. Furthermore, particularly well-organised is the training of personnel both at head office and in foreign subsidiaries, through class courses or e-learning.

With these initiatives, the Board of Directors further strengthened the internal control system, with the firm conviction that the Company's business activities, whose aim is the creation of value for its shareholders, must be founded on the principle of fair conduct towards all stakeholders (comprising, besides the shareholders, employees, suppliers, clients, commercial and financial partners, in addition to the communities the Group comes into contact with in the countries where it is present). Furthermore, extremely important are social initiatives promoted by Group companies striving to foster among stakeholders the awareness that only a business approach that seizes the opportunities and manages the risks resulting from economic, environmental and social development can generate long-term value for all parties involved.

In view of improving the dissemination of the principles detailed in the Code of Ethics and Model 231, in 2016 Saipem also published on its intranet site, the "Saipem Guide to Business Integrity", whose objective is to provide Saipem employees with an additional instrument that is both easy to read and consult and that will also help everyone understand and share Saipem's ethical values. This guide provides an overview of the principles and reference policies, as well as clarification and some practical cases described in the "What to do if" section. This guide is not meant to replace the Code of Ethics, Model 231 or the procedures; it is intended to aid their comprehension. During 2021, an updated version of the "Saipem Guide to Business Integrity" was published.

From 2020, in order to study and understand some very important topics, identify their critical aspects and possible solutions, four videos have been published on the Company intranet and on the Stream platform as part of the "Explore Integrity" campaign. They are all subtitled in English, Italian, French and Portuguese. In particular, the aforementioned videos relate to the following topics: "Conflict of interest", "Passive corruption", "Active corruption" and "Discrimination".

Shareholding structure

(pursuant to Article 123-bis, paragraph 1, of Legislative Decree No. 58/1998) as at December 31, 2021

Share capital distribution (pursuant to Article 123-bis, paragraph 1, letter a), of Legislative Decree No. 58/1998)

At December 31, 2021, the share capital of Saipem SpA amounted to €2,191,384,693, fully paid-up and comprising No. 1,010,966,841 ordinary shares, equal to 99.999% of the share capital, and No. 10,598 savings shares, equal to 0.001% of the share capital, all without par value and listed on the Computerised Share Trading Market (Mercato Telematico Azionario) managed by Borsa Italiana SpA (see Table 1). Shares cannot be split and each share carries the entitlement of one vote. Saipem's shareholders enjoy, and are limited by, all relevant rights afforded by law. Savings shares are convertible at par with ordinary shares, without charges or time restrictions; and they enjoy a higher dividend than ordinary shares. Specifically, following the Shareholders' Meeting held on December 2, 2015: (i) savings shares are allotted dividends on net income reported in the regularly approved financial statements, after a deduction posted to the legal reserve of up to €0.05 for each savings share; (ii) after allotment of the privileged dividend to savings shares as per point (i), residual income, as resolved by the Shareholders' Meeting, is apportioned amongst all shares, so that savings shares receive a higher overall dividend than ordinary shares, of up to €0.03 for each savings share; (iii) if savings shares are allocated a lower dividend than that indicated under (i) or (ii) during a certain fiscal year, the difference will be added to the privileged dividend over the following two fiscal years.

On April 30, 2019, the Savings Shareholders' Meeting confirmed Augusto Clerici Bagozzi as their collective representative for three years. He had already been in office for the previous three years.

No share-based incentive plans have been issued that may give way to (free or otherwise) share capital increases. As at December 31, 2021, Saipem held No. 21,394,893, treasury shares, equal to 2.12% of the ordinary share capital.

Restrictions on transfer of shares (pursuant to Article 123-bis, paragraph 1, letter b), of Legislative Decree No. 58/1998)

No restrictions exist on the transfer of shares.

Relevant shareholdings (pursuant to Article 123-bis, paragraph 1, letter c), of Legislative Decree No. 58/1998)

Based on information contained in the Shareholders' Register and notification received pursuant to Article 120 of Legislative Decree No. 58/1998, hereafter are all significant direct and/or indirect shareholdings in Saipem's share capital at December 31, 2021.

From notifications received pursuant to current legislation, the following shareholders own a stake in Saipem SpA in excess of 3%, and are not exempt from disclosure under Article 119-bis of Consob Regulation No. 11971/1999 (see also Table 1 "Shareholding structure" on page 73 of this Report):

| Shareholders | Shares held | % of capital |
|-------------------------------|-------------|--------------|
| Eni SpA | 308,767,968 | 30.54 |
| CDP Industria SpA | 126,905,637 | 12.55 |
| Marathon Asset Management Ltd | 57,070,902 | 5.65 |
| Eleva Capital sas (*) | 31,027,781 | 3.07 |

(*) On February 18, 2022, Eleva Capital sas declared that there had been a variation in its Saipem shareholding.

Shareholders by geographical area, following the 2020 dividend payout

| Shareholders | Number of shareholders | Shares held | % of capital |
|------------------------|------------------------|----------------------|---------------|
| Italy | 72,681 | 740,019,821 (*) | 73.20 |
| Other EU-member States | 492 | 52,273,361 | 5.17 |
| Americas | 369 | 152,512,412 | 15.09 |
| UK and Ireland | 192 | 40,956,229 | 4.05 |
| Other European States | 164 | 18,505,319 | 1.83 |
| Rest of the world | 143 | 6,710,297 | 0.66 |
| Total | 74,041 | 1,010,977,439 | 100.00 |

(*) Includes No. 21,394,893 treasury shares.

Shareholders by number of shares held, following the 2020 dividend payout

| Shareholders | Number of shareholders | Shares held | % of capital |
|-----------------|------------------------|----------------------|---------------|
| > 10% | 2 | 435,673,605 | 43.09 |
| > 3% | 2 | 88,098,683 | 8.72 |
| 1% - 3% | 2 | 37,987,513 | 3.76 |
| 0.5% - 1% | 6 | 49,239,444 | 4.87 |
| 0.1% - 0.5% | 58 | 123,609,880 | 12.23 |
| ≤ 0.1% | 73,970 | 254,890,835 | 25.21 |
| Treasury shares | 1 | 21,477,479 | 2.12 |
| Total | 74,041 | 1,010,977,439 | 100.00 |

Shares with special control rights (pursuant to Article 123-bis, paragraph 1, letter d), of Legislative Decree No. 58/1998)

All shareholders enjoy the same rights.

Shareholding of employees: exercise of voting rights (pursuant to Article 123-bis, paragraph 1, letter e), of Legislative Decree No. 58/1998)

Employees holding Saipem's shares enjoy the same voting rights as ordinary shareholders.

Voting rights restrictions (pursuant to Article 123-bis, paragraph 1, letter f), of Legislative Decree No. 58/1998)

No restrictions exist on voting rights.

Shareholders' agreements (pursuant to Article 123-bis, paragraph 1, letter g), of Legislative Decree No. 58/1998)

On January 22, 2022, a new agreement came into force, which was signed on January 20, 2022 between Eni SpA and CDP Industria SpA. This agreement concerns the renewal of the Shareholders' Agreement – in place between the same Parties and due to expire – involving ordinary shares of Saipem, signed on October 27, 2015 and tacitly renewed for a three-year period on January 22, 2019. The Agreement remains essentially unchanged from the previous version, although, some simplifications have been introduced and some changes have been made to update the text and adapt it to the regulatory context and to the application practice followed up to now. The "essential information" of the Shareholders' Agreement are detailed below:

1. Companies whose financial instruments are the subject of this Agreement

The Agreement concerns ordinary shares of Saipem SpA, with registered office in San Donato Milanese (Italy), Via Martiri di Cefalonia, 67, fiscal code, VAT number and Milan Companies' Register number: 00825790157. Saipem's share capital amounts to €2,191,384,693.00 and is comprised of No. 1,010,977,439 shares, all without par value, of which No. 1,010,966,841 are ordinary shares and No. 10,598 are savings shares.

2. Syndicated and Non-Syndicated Shares for the purposes of the Agreement

As indicated, the Agreement contains provisions that concern Saipem ordinary shares ("Shares").

Given that the Agreement enables – as did the Original Agreement – the joint control of the Company by Eni and CDP Industria, the parties agreed that the number of Shares assigned to the Agreement by each party will be, at any time, the same for the whole duration of the Agreement.

Specifically, on the day the Agreement came into force, the latter concerns the following Shares assigned to the Agreement by the two Parties ("Syndicated Shares"):

(i) as for CDP Industria, No. 126,401,182 Shares, equivalent to approximately 12.503% of Saipem ordinary share capital; and

(ii) as for Eni, No. 126,401,182 Shares, equivalent to approximately 12.503% of Saipem ordinary share capital.

The two Parties have assigned to the Agreement an interest totalling approximately 25.006% of the ordinary share capital of the Company (or other percentage that might result following any conversion of convertible savings shares of Saipem) which, unless otherwise agreed, will also be the maximum holding assigned to the Agreement by Eni and CDP Industria for the entire duration of said Agreement.

Under the Agreement "Non-Syndicated Shares" are shares owned from time to time by Eni and/or CDP Industria, other than Syndicated Shares.

3. Subjects which entered into the Agreement

These are:

➤ Eni SpA with registered office in Rome, Piazzale Enrico Mattei, 1, fiscal code and Rome Companies' Register number: 00484960588;

➤ CDP Industria SpA, with registered office in Rome, Via Goito, 4, fiscal code and Rome Companies' Register number: 15220231003.

Neither of these Parties exercises sole control over Saipem pursuant to Article 93 of Legislative Decree No. 58/1998.

Eni and CDP Industria are subject to the indirect joint control of the Italian Ministry of Economy and Finance ("MEF"). Specifically:

(i) MEF, directly and indirectly, holds a 30.33% stake in Eni's share capital (a 4.37% stake is held directly and a 25.96% stake is held through Cassa Depositi e Prestiti SpA ("CDP");

(ii) MEF holds a stake of approximately 82.77% in CDP, which in turns holds a direct 100% stake in the share capital of CDP Industria.

For the sake of completeness, the Agreement was also signed by CDP Equity SpA ("CDP Equity"), a company wholly owned by CDP, for the sole purpose of assuming, by CDP Equity, joint and several liability with CDP Industria in relation to the fulfilment of the obligations deriving from the Agreement.

4. Content of the Agreement

The main provisions of the Agreement are summed up as follows.

4.1 SAIPEM CORPORATE GOVERNANCE

4.1.1 Saipem Board of Directors

Upon expiry of the mandate of the Board of Directors in office on the Effective Date, or in the event of its early termination, the Parties agreed as follows.

Saipem's Board of Directors shall be made up of nine members and, to this end, the Parties have undertaken to propose, if necessary, and to vote at the shareholders' meeting called to appoint the new Board of Directors, to set the number of Board Directors at nine.

For the purposes of the appointment of the Board of Directors, Eni and CDP Industria undertake to jointly submit a list of six Directors and vote for them at the Shareholders' Meeting in the following order:

- candidates for the office of Chairman and Chief Executive Officer (numbered 3 and 4 respectively) nominated jointly by the Parties;
- candidates numbered 1 and 5 - nominated by Eni;
- candidates numbered 2 and 6 - nominated by CDP Industria.

Should the joint list presented by the Parties fail to receive the majority of votes at the shareholders' meeting, the Parties undertake to individually present and vote as many non-elected candidates from the list in the order in which they appear as required to complete the composition of the Board of Directors.

Unless otherwise agreed by the Parties, Eni and CDP Industria shall appoint the same number of Directors to sit on the Saipem Board, who shall (a) satisfy requirements of independence and (b) belong to the least represented gender, in both cases in accordance with the Saipem's Articles of Association ("**Articles of Association**") and/or the applicable law. Should the number of independent directors required by the Articles of Association and/or by the applicable law be odd, or should it not be possible to apply the aforementioned 50/50 principle, and taking into account any independent Directors appointed by minorities, the Parties agree that the appointment of independent Directors will be based on a criterion of alternation. The same alternation criterion shall be applied with reference to the designation of Directors belonging to the least represented gender.

In the event of the resignation or termination for another reason of one or more of the Directors appointed on the recommendation of one of the Parties, each Party (a) shall make reasonable endeavours to ensure that the Board of Directors co-opts new Directors so that the Party who has designated the outgoing Director may indicate another Director to replace him or her and (b) shall vote in favour of the appointment of the aforementioned co-opted Directors, or of any other candidates designated by the Party that had designated the outgoing Director, at the first meeting of the Company called for this purpose. The foregoing provisions shall also be applied, mutatis mutandis, in the event of resignation or termination for other reasons of one or more of the Directors designated at the joint indication of the Parties.

4.1.2 Saipem Board Committees

Without prejudice to the decision-making autonomy of Saipem's Directors and in compliance with the Company's corporate governance, for the entire duration of the Agreement, if expressly requested by one of the Parties (the "Requesting Party"), the other Party (the "Receiving Party") will do everything in its power to ensure adequate representation of the Requesting Party in the internal Board Committees (collectively, the "Committees").

4.1.3 Saipem Board of Statutory Auditors

Upon expiry of the mandate of the Board of Statutory Auditors in office on the Effective Date, or in the event of its early termination, the Parties agreed to jointly propose and to vote at the shareholders' meeting a list of Statutory Auditors comprising two Statutory Auditors and one Alternate Auditor (without prejudice to the provisions of law and the Articles of Association concerning the total number of auditors, i.e. three Statutory Auditors and two Alternate Auditors).

Candidates will be indicated according to the following progressive order:

- a candidate Statutory Auditor designated by Eni;
- a candidate Statutory Auditor designated by CDP Industria;
- a candidate Alternate Auditor designated jointly by the Parties.

Should the joint list presented by the Parties fail to receive the majority of votes at the shareholders' meeting, with the only appointed Statutory Auditor being the candidate designated by Eni, the Parties undertake to vote the latter as Chairman of the Board of Statutory Auditors.

In the event of the resignation or termination for another reason of one of the Statutory Auditors appointed on the recommendation of one of the Parties, each Party, at the shareholders' meeting called to vote on the new appointments on the board of Statutory Auditors, shall vote in favour of the appointment of the candidate designated by the Party that had designated the outgoing auditor and shall do everything in its power to have an auditor designated by the Party who originally designated the outgoing auditor. The foregoing provisions shall also be applied, mutatis mutandis, in the event of resignation or termination for other reasons of one or more of the Statutory Auditors designated at the joint indication of the Parties.

4.1.4 Common provisions

The Parties agreed that mutual commitments and obligations relating to the corporate governance of Saipem, provided in the Agreement, will be applied if allowed by law, regulations and Saipem's Articles of association.

In case of disagreement vis-à-vis the joint designation of candidates to the office of Board Director or Statutory Auditor, the presence of one or more Board Committee of Directors appointed by the Parties, or to any other possible matter related to the representation of Eni and CDP Industria on the Board, its Committees and the Board of Statutory Auditors of Saipem, the Parties shall consult in good faith in order to resolve their disagreement in the most effective and satisfactory manner for both parties.

4.1.5 Obligations of prior consultation

Eni and CDP Industria have undertaken to consult with each other to discuss and agree in good faith on a common line of conduct and a common vote prior to each Saipem shareholder's meetings and before any Saipem Board meeting is to be convened, with a view to deliberating on the following significant matters: (i) the approval or amendment to the strategic plan of Saipem and/or the Saipem Group, which they have committed to review on an

annual basis; (ii) the approval of any acquisition or sale by Saipem of companies, businesses or going concerns that have, on their own or as part of other acquisitions or sales relating to the same business unit, an enterprise value in excess of €250,000,000, to the extent that they are not inserted as one the transactions indicated in the strategic plan; and (iii) transactions involving a significant change in the perimeter of the Saipem Group's activities, only where the strategic plan that is in force on the date on which the Board of Directors has been convened therefore has been approved and/or modified and/or updated for more than 12 months.

The obligations of prior consultation will be put in place on the basis of information flows, within the limits permitted by the legislation on inside information and in compliance with the decision-making autonomy of the Directors.

Eni and CDP Industria have also undertaken to cast their vote in Saipem shareholders' meeting (with regard both to the Syndicated Shares and Non-Syndicated Shares), and, to the extent permitted under the laws and regulations that may be from time to time in force, within the limits of their powers as Saipem shareholders, making every reasonable effort to ensure that, whilst respecting the decision-making autonomy of the directors and their obligation to act on the interest of the Company, the Directors who have been respectively designated by the parties, cast their vote at the Board meeting, in accordance with the joint decision taken by Eni and CDP Industria, when they consulted each other previously.

In the absence of a prior agreement on a joint course of action to be taken and on the vote to be cast, Eni and CDP Industria undertake respectively not to vote in favour thereof (with regard to the Syndicated Shares and the Non-Syndicated Shares) and, to the extent permitted under the laws and regulations that may be from time to time in force and within the limits of their powers as members of the Company, to ensure that, whilst respecting the decision-making autonomy of the directors and their obligation to act in the interests of the Company, the Saipem Directors thus respectively designated shall not vote in favour of adopting any Board resolution dealing with the matters identified above.

4.2 CIRCULATION OF SHARES

4.2.1 Limitations for Syndicated Shares and infra-group transfers

For the entire duration of the Shareholders' Agreement, the Parties may not transfer their respective Syndicated Shares, except for the transfer, in whole or in part, of shareholdings in parent companies or subsidiaries of the Parties or, vis-à-vis CDP Industria, companies controlled by CDP, provided that: (i) the selling party has previously undertaken to repurchase from the transferee company – which has to undertake to retransfer them in turn – the assigned Syndicated Shares before the controlling relationship between the transferor and the transferee ceases; and (ii) the transferee adheres to the Shareholders' Agreement, by signing it by way of acceptance of all the provisions contained therein, taking over all of the transferor's rights and the obligations provided for under the Shareholders' Agreement, without prejudice, in any event, to the transferor's joint and several liability, who will continue to be bound, along with the transferee, to discharge all of the obligations arising from the said Shareholders' Agreement (in case of the partial sale of Syndicated Shares, the transferor and transferee shall become a single contractor for the purpose of exercising the rights provided under the said Shareholders' Agreement).

The Parties have agreed that, should CDP enter into binding agreements which would result in a change of control of CDP Industria (i.e. any fact or event which, directly or indirectly, may cause CDP to cede control of CDP Industria, it being agreed that the notion of control for this purpose is that referred to in Article 2359 of the Italian Civil Code), CDP Industria and CDP Equity shall ensure that Syndicated Shares owned by CDP Industria are transferred, before the completion of the change of control, to CDP Equity or to another company directly or indirectly controlled by CDP (identified by CDP Equity or by CDP), in accordance with the technical methods of their choosing. This transfer of Syndicated Shares of CDP Industria will entail the takeover of the Agreement by CDP Equity or by another company directly or indirectly controlled by CDP, subject to Eni's agreement.

4.2.2 Limitations for Non-Syndicated Shares

Non-Syndicated Shares may be freely transferred in whole or in part in any manner whatsoever, without prejudice to the fact that any direct or indirect transfer, by Eni, of Syndicated Shares exceeding 5% of the Saipem share capital to the same party will be subject to CDP Industria prior approval, without prejudice to share transfers to institutional financial investors (including banks, authorised intermediaries, insurance companies, investment funds and sovereign wealth funds), in relation to which the aforementioned 5% limit shall not apply.

Eni and CDP Industria have also committed, insofar as necessary, to make every reasonable effort to ensure that the Non-Syndicated Shares are transferred according to the "orderly market disposal" principle.

Non-Syndicated Shares may be freely transferred by the parties to companies or subsidiaries that are subject to the conditions described in paragraphs (i) and (ii) of the previous paragraph 4.2.1 and, with regard to the transfers of Non-Syndicated Eni Shares to parent companies or subsidiaries of Eni, also in derogation of the transfer limits referred to in this paragraph 4.2.2, on the understanding that the undertaking referred to in (ii) of paragraph 4.2.1 shall be applied only with reference to the provisions of the Shareholders' Agreement dealing with the Non-Syndicated Shares.

4.3 PROVISIONS REGULATING TAKEOVER BIDS

Eni and CDP Industria have committed, for the duration of the Shareholders' Agreement, not to enter into or participate, directly and/or indirectly, through its subsidiaries, or related parties, to any agreement or transaction, or in any case not to engage in any action (including the purchase of Shares), which might result in the Party being required to enter into, in accordance with applicable regulations (and also in consideration of the Shares that may

be held by Saipem), a mandatory takeover bid. Should one of the parties violate this prohibition, the Agreement shall automatically be terminated, pursuant to Article 1456 of the Italian Civil Code, and the defaulting party shall: (i) indemnify and hold harmless the other Party from any damages, losses, costs and expenses arising from such a breach; (ii) assume full responsibility of the mandatory takeover bid, if necessary, and/or sale of the excess stake; and (iii) pay all costs associated with the mandatory takeover bid and all other costs (including consulting fees) incurred by the other party.

4.4 DISPUTES

Under the Agreement, disputes arising from the same or otherwise related to it will be settled in accordance with the Arbitration Rules of the Milan Chamber of Arbitration by three arbitrators appointed in accordance with said Rules. The arbitration will take place in Milan.

For all measures outwith the jurisdiction of the arbitration panel, the jurisdiction will be exclusively that of the Court of Milan.

5. Duration of the Agreement

All the provisions of the Agreement came into force on the Effective Date (i.e. January 22, 2022, the date on which, as previously mentioned, the Original Agreement expired and therefore became null and void).

The Agreement shall be effective for three years from the Effective Date and shall automatically be renewed upon expiry for one further period of three years, unless terminated by either Party with notice of at least six months.

The Agreement shall become null and void, should the parties cease to be subject, directly or indirectly, to the joint control of MEF.

6. Filing of the Agreement

The Agreement was filed on January 20, 2022 with the Milan Company Register¹.

Change of control clauses (pursuant to Article 123-bis, paragraph 1, letter h), of Legislative Decree No. 58/1998)

Whenever significant agreements are entered into, modified or extinguished in the event of a change of control of the Company (Article 123-bis, paragraph 1, letter h), of Legislative Decree No. 58/1998), the following two types of clauses apply in relation to financing and bank and/or insurance guarantees:

1) current financing subject to change of control clauses, which, at December 31, 2021, amounted to a total of €3,097 million.

At December 31, 2021, a "Revolving Credit Facility" of €1 billion expiring in July 2023 has not been drawn down.

At December 31, 2021, approximately €255 million had been drawn down on the original €554 million export credit line taken out in 2016 with the guarantee of the Norwegian agency Garantiinstituttet for Eksportkreditt (GIEK).

At December 31, 2021, approximately €167 million has been drawn down on the original €260 million export credit line taken out in 2017 with the guarantee of the Dutch agency Atradius.

At December 31, 2021, bank loans were also drawn down for a total of €175 million, of which: €75 million on a line taken out in 2018, and €25 million on a line taken out in 2017 and €75 million on a line taken out in 2020.

Should Saipem cease to be controlled by the Ministry of Economy and Finance, and/or Eni SpA and/or Cassa Depositi e Prestiti SpA, the financing banks shall have the right to renegotiate in good faith, within 30 to 45 days, any changes to the terms of the agreement; banks which do not wish to pursue the financing will have the right to request the early reimbursement of their quota within 30 to 45 days from the expiry of the previous term.

Saipem has concluded the following transactions under its EMTN (Euro Medium Term Note) programme:

- > in 2016, it placed two fixed-rate bond issues maturing respectively after 4.5 and 7 years, for a total nominal value of €500 million;
- > in 2017, it placed two fixed-rate bond issues maturing respectively after 5 and 7 years, for a nominal value of €500 million each;
- > on March 3, 2020, following the exercise of the early repayment option communicated on January 31, 2020, it redeemed 100% of the nominal amount of the outstanding notes named "500,000,000 3.000% notes due 8 March 2021", issued by Saipem Finance International BV;
- > on July 7, 2020, it placed a fixed-rate bond issue maturing after 6 years, for a nominal value of €500 million;
- > on March 23, 2021, it placed a fixed-rate bond issue maturing after 7 years, for a nominal value of €500 million.

Should Saipem cease to be controlled by the Ministry of Economy and Finance, and/or Eni SpA and/or Cassa Depositi e Prestiti SpA and should this change of control cause the rating agencies to downgrade Saipem-issued bonds to below certain levels¹, the owners of Saipem-issued bonds have the right to request the early repayment of bonds.

(1) Refer to rating reduction to "non-investment grade" if rating was "investment grade" at the time of the change of control, or any rating reduction if rating was "non-investment grade" at the time of the change of control.

2) Bank or insurance guarantees subject to change of control clauses, which, at December 31, 2021, amounted to a total of €2,652 million.

At December 31, 2021, bank and insurance guarantees in the interests of the Saipem Group subject to change of control clauses amounted to approximately €2,652 million. For these guarantees, it is generally provided that, should a change of control occur, third-party credit institutions may discuss in good faith new commercial terms to be applied to existing guarantees or request that within 30 days: (a) replacement of existing guarantees with new ones issued by a different credit institution, (b) receipt of a suitable indemnification from a different credit institution or (c) a deposit for the same amount.

Statutory provisions for takeover bids (Article 104, paragraph 1-ter and Article 104-bis, paragraph 1, of Legislative Decree No. 58/1998)

In terms of takeover bids, Saipem's Articles of Association comply with the provisions of the Passivity Rule set forth in Article 104, paragraphs 1 and 1-bis, of Legislative Decree No. 58/1998, and do not provide for the application of the breakthrough provisions set forth in Article 104-bis, paragraphs 2 and 3, of Legislative Decree No. 58/1998.

Indemnification for Directors in case of dismissal (without just cause), resignation or termination following a takeover bid

In compliance with the remuneration policy guidelines for 2021, approved by the Board of Directors on March 12, 2021 and over which the Shareholders' Meeting expressed in favour on April 30, 2021, the Company entered into an agreement with the CEO appointed after the aforementioned Shareholders' Meeting. This agreement provides:

- the payment of an all-inclusive indemnity in the event of consensual termination of employment upon the expiry of the 2021-2024 mandate without renewing the position of Chief Executive Officer, or in the event of consensual termination of employment before the expiry of the 2021-2024 mandate of the Chief Executive Officer. The indemnity will not be due in the event of disciplinary dismissal as governed by Article 2122 of the Italian Civil Code: revocation for just cause from the office of director; resignation from the position of Chief Executive Officer and General Manager before the expiry of the mandate and not justified by the following causes: substantial reduction of powers, with reference to both the economic quantification of powers and their scope or affecting the position; appointment by the Company of another General Manager – and/or another Executive with powers commensurate to those of a General Manager, with consequent substantial reduction of powers; sale, transfer for consideration or free of charge and any other deed of sale of shares and debt securities, of any kind, resulting in a change of control for Saipem pursuant to Article 2359 of the Italian Civil Code. The indemnity is defined in accordance with the recommendations of the Corporate Governance Code and may not exceed the amount equal to 2-year fixed remuneration plus short-term variable remuneration at target;
- a non-competition agreement in consideration of the absolute international importance of the professional and managerial profile in the sector, as well as the institutional and business relations built globally. The Company has the option to activate the non-competition agreement against the payment of a fee to compensate the commitment taken by the Chief Executive Officer and General Manager not to carry out, for the twelve months from termination of employment, any activity in certain territories, sectors and companies that are in competition with the activities carried out by Saipem. Violation of the non-competition agreement entails the failure to pay the consideration, as well as the obligation, as a penalty, to compensate the damage as set by consensus and convention, without prejudice to Saipem's right to request specific compliance and increased compensation for damages. The non-competition agreement is defined in accordance with the recommendations of the Corporate Governance Code and may not exceed the amount equal to 2-year fixed remuneration plus short-term variable remuneration at target.

Further details are provided in the paragraph relating to the Chief Executive Officer entitled "Ancillary remuneration instruments" in Section I of the "Report on Remuneration Policy and Compensation Paid" pursuant to Article 123-ter of Legislative Decree No. 58/1998.

Directors' appointment or replacement and modifications to the Articles of Association

Procedures regulating the appointment of Board Directors are illustrated under the item "Board of Directors" (see paragraph "Appointment and replacement" on page 31).

The Board of Directors has the power to amend the Articles of Association in order to comply with the provisions of law and has all powers granted by Article 2365 of the Italian Civil Code, and Article 20 of Articles of Association (see paragraph "Board of Directors' role" on page 27).

On February 25, 2020, the then Board of Directors approved an amendment to the Articles of Association to comply with the most recent gender balance regulations in the management and control bodies of listed companies (Law No. 160 dated December 27, 2019), through the cancellation of Article 31 (transitory clause) of the Articles of Association.

Share capital increases and buy-back of treasury shares (pursuant to Article 123-bis, paragraph 1, letter m), of Legislative Decree No. 58/1998)

The Board of Directors does not have the power to increase the share capital⁽²⁾, pursuant to Article 2343 of the Italian Civil Code.

On March 13, 2020, the Company launched the buy-back programme for Saipem ordinary shares, pursuant to Article 5 of EU Regulation No. 596/2014 (MAR Regulation), approved by the Shareholders' Meeting on April 30, 2019. The Programme concerned the buy-back of the Company's own shares to cover the 2019 allocation of the 2019-2021 Long-Term Incentive Plan, as approved by the Shareholders' Meeting on April 30, 2019, pursuant to Article 84-bis, paragraph 2, of the Issuers' Regulation and Article 114-bis of Italian Legislative Decree No. 58/1998. The Programme was completed on March 18, 2020: a total of No. 7,934,080 treasury shares (representing 0.785% of the share capital) were bought back at an average price of €2.0775 per share, for a total counter-value of €16,505,959 (fees and taxes included).

On April 29, 2020, the Annual General Meeting had approved the adoption of a Short-Term Variable Incentive Plan for the years 2021-2023, linked to the performance over the period 2020-2022, as an incentive tool aimed at remunerating the performance and contribution of the management in the achievement of corporate targets for a given year.

The stock-based part of the Plan, subject to a retention clause, aimed at strengthening the alignment of shareholders' and management's interests, introducing a mechanism that also incentivises the management's long-term retention.

The Plan provides for the payment of monetary incentives in the years 2021, 2022 and 2023 to resources that achieve the annual performance targets assigned for the years 2020, 2021 and 2022; those resources who have achieved the annual performance targets will also be assigned free ordinary Shares of Saipem SpA if they remain with the Company for the following three-years.

The Plan provides for three awards of Saipem SpA ordinary shares, free of charge, subject to a retention period, one for each performance period over the years 2020, 2021 and 2022; the number of shares shall vary depending on the individual's allocation.

These shares may be outstanding shares to be bought back pursuant to Article 2357 and subs. of the Italian Civil Code or Saipem treasury shares.

The stock-based part of the Plan applies to the management of Saipem and its subsidiaries and is to be considered "of particular relevance" pursuant to Article 84-bis, paragraph 2, of the Consob Issuers' Regulation, as it applies to individuals referred to in Article 114-bis of the Legislative Decree No. 58/1998, and in particular to Saipem's Senior Managers with strategic responsibilities.

For the Chief Executive Officer, the Plan does not provide for shares allocation.

The Plan was approved under the terms and conditions detailed in the Information Document prepared in compliance with Article 114-bis of Legislative Decree No. 58/1998 and Article 84-bis, paragraph 2, of Consob Issuers' Regulations, which was made available to the public under the terms of the Law and is posted on the Company's website (www.saipem.com under the section Governance - Shareholders' Meeting).

Furthermore, the Annual General Meeting on April 29, 2020 had authorised the following treasury buy-backs:

- up to a maximum of 3,500,000 ordinary shares and, at any rate, not exceeding the maximum sum of €17,200,000, to cover the 2021 award of the 2021-2023 Short-Term Incentive Plan;
- up to a maximum of 19,000,000 ordinary shares and, at any rate, not exceeding the maximum sum of €93,000,000, to cover the 2020 award of the 2019-2021 Long-Term Incentive Plan.

The Annual General Meeting on April 30, 2021 authorised the following treasury buy-backs:

- up to a maximum of 3,500,000 ordinary shares and, at any rate, not exceeding the maximum sum of €9,800,000, to cover the 2022 award of the 2021-2023 Short-Term Incentive Plan;
- up to a maximum of 22,000,000 ordinary shares and, at any rate, not exceeding the maximum sum of €61,400,000, to cover the 2021 award of the 2019-2021 Long-Term Incentive Plan (conditions and aims of this Plan, approved by the Shareholders' Meeting on April 30, 2019, are detailed on Saipem's website www.saipem.com - section "Shareholders' Meeting" - Shareholders' Meeting 2019).

Authorisations for the buy-back of treasury shares are requested for a period of 18 months from the date of the resolution of the Shareholders' Meeting.

Buy-backs were achieved gradually as deemed appropriate through purchase on the market at a unit price not lower than the minimum and not higher than the maximum official price registered on the day of stock market trading preceding each individual buy-back transaction, decreased or increased respectively by 5% and, at any rate, at a price that is no higher than the highest price between that of the latest independent transaction and that of the highest current independent offer of purchase during the same trading session, pursuant to Article 3 of Regulation (EU) 2016/1052.

The buy-back transactions were executed so as to ensure equal treatment of shareholders, in compliance with Article 144-bis of Consob Issuers' Regulations.

(2) Refer to paragraph "Share capital distribution".

The buy-back transactions were executed in accordance with the terms established under current legislation and accepted market practices, as well as the conditions indicated in Regulation (EU) 596/2014 (Market Abuse Regulation MAR).

Treasury share buy-back programmes are carried out in compliance with safe harbour requirements, pursuant to EU Regulation No. 596/2014 (MAR), i.e. the buy-back of shares takes place through the granting of a specific mandate to an authorised intermediary, who will carry out the purchases in complete independence and without any influence whatsoever from Saipem SpA in relation to the timing of the purchases or the conditions thereof.

On September 9, 2021, the Company launched the buy-back programme for Saipem ordinary shares, pursuant to Article 5 of EU Regulation No. 596/2014 (MAR Regulation), approved by the Shareholders' Meeting on April 29, 2020. The Programme concerned the buy-back of the Company's own shares to cover: (i) the 2020 allocation of the 2019-2021 Long-Term Incentive Plan, a maximum of 17,090,920 treasury shares for a total value of €93,000,000; (ii) the 2021 allocation of the 2021-2023 Short-Term Incentive Plan, a maximum of 918,150 treasury shares for a total value of €17,200,000. On October 28, 2021, the Company informed that the buy-back programme of Saipem shares had been completed. Between September 9 and October 27, a total of No. 7,485,207 treasury shares (representing 0.74% of the share capital) were bought back as follows:

> 6,567,057 shares to cover the 2020 award of the 2019-2021 Long-Term Incentive Plan;

> 918,150 shares to cover the 2021 award of the 2021-2023 Short-Term Incentive Plan.

The average price of buy-backs was €2.0163 per share, for a total counter-value of €15,092,428.

On September 1, 2021, treasury shares of Saipem SpA were granted free of charge to the assignees of the Long-Term Incentive Plan 2016-2018, 2018 allocation, following the achievement of pre-set performance targets. Further information is available in the "2022 Report on Remuneration Policy and Compensation Paid".

The number of treasury shares held by the Company at December 31, 2021 was 21,394,893, equal to 2.12% of ordinary shares.

Direction and coordination (pursuant to Article 2497 and subsequent of the Italian Civil Code)

The new shareholding structure, resulting from the Shareholders' Agreement between Eni and FSI (subsequently CDP Equity SpA and now CDP Industria SpA), "aimed at creating a joint control of Saipem by Eni and FSI", meant that from January 22, 2016 Saipem is no longer subject to the direction and control of Eni SpA pursuant to Article 2497 of the Italian Civil Code.

The Shareholders' Agreement had a three-year duration from the closing date and expired on January 22, 2019. The parties had provided that the Shareholders' Agreement would automatically be renewed on expiry for a further period of three years, unless terminated with notice of at least six months. As neither party has given notice of termination in the six-month period preceding the expiry of the Agreement, the latter had been automatically renewed for a further three years until January 22, 2022. On January 20, 2022, Eni SpA and CDP Industria SpA entered into a new agreement, which came into force on January 22, 2022 replacing the previous Agreement, which had expired.

Compliance with the Corporate Governance Code (pursuant to Article 123-bis, paragraph 2, letter a), first part, of Legislative Decree No. 58/1998)

Saipem SpA's governance system is based on the best international practices and, in particular, on the principles set forth in the Corporate Governance Code, approved by the Corporate Governance Committee of the Italian Stock Exchange – which companies have to apply from January 1, 2021 by informing the market in the 2021 Report on Corporate Governance and Shareholding Structure – as well as on the relevant provisions set forth in the regulatory framework issued by the National Commission for Companies and the Stock Exchange (Consob).

At their meeting of December 17, 2020, the then Board of Directors approved the compliance to the principles of the Corporate Governance Code, drawing up an action plan aimed at ensuring their implementation.

In application of the aforementioned principles:

a) at the CEO's proposal, Saipem's Board of Directors sets the strategies and objectives of the Company and the Group, including the sustainability policies. For Saipem, sustainability represents the way to conduct its business to create value for its stakeholders and a pillar of its strategy in the era of the energy transition. In this context, the Sustainability Scenarios and Governance Committee carries out preliminary and advisory functions to the Board of Directors (as described in detail on page 41 of this Report) concerning evaluations and decisions relating to sustainability issues, as well as environmental, social & governance issues, connected to its business and engagement with all stakeholders, corporate social responsibility, the review of scenarios for the preparation of the strategic plan, also analysing the issues relevant to the generation of long-term value, and the corporate governance of the Company and the Group.

b) Saipem is committed to providing maximum transparency towards investors and the financial community, by building, maintaining and developing an active relationship of trust with them, which benefits both the investors themselves and the Company, with a view to creating value in the medium to long term. On February 20, 2022, the Company adopted a Policy for managing the engagement with investors (please refer to the paragraph "Relations

with shareholders" on page 66 of this Report) aimed at clearly defining the methods and the characteristics of the engagement between Saipem's current and potential shareholders and the Board of Directors.

c) Saipem's Board of Directors, appointed by the Shareholders' Meeting on April 30, 2021, is made up of 9 directors (of which one is an executive director, the Chief Executive Officer and General Manager) who possess the necessary professional profiles and experience to deal with and effectively manage the challenges facing the foreseeable evolution of the sector and the market. The composition of the Board of Directors ensures compliance with the current legislation on gender balance (please refer to "Criteria and policies on diversity" on page 34 of this document) and a fair number of independent directors, to stimulate an open and attentive debate to all stakeholders (5 out of 9 directors possess the independence requisites envisaged by Legislative Decree No. 58/1998 and by the Corporate Governance Code to which Saipem complies, as fully described in the paragraph "Independent Directors" on page 39 of this Report). On February 23, 2022, the Board of Directors, in accordance with the provisions of the Corporate Governance Code, defined the circumstances that compromise or appear to compromise the independence of the Chairman of the Board of Directors and the Directors.

d) Saipem adopts the necessary safeguards to ensure that the documentation is sent prior to Board meetings, whose timeliness, completeness and ease of access are acknowledged both in the results of the Board review and in the Regulations of the Board of Directors, adopted by the outgoing Board of Directors at their meeting of January 20, 2021 and further updated on February 23, 2022 (described in detail in the paragraph "Functions of the Board of Directors", page 36 of the Report).

At their meeting of February 24, 2021, the then Board of Directors, to align the governance of the Company with the provisions of the Corporate Governance Code and with the favourable opinion of the respective Committees, had approved the updated versions of the Regulations of the internal Board Committees. At their meeting of June 30, 2021, the Board of Directors appointed by the Shareholders' Meeting on April 30, 2021 approved the new version of the Regulations presented by the internal Board Committees appointed by the Board of Directors on May 18, 2021. The four Committees (Compensation and Nomination Committee, Control and Risk Committee, Related Parties Committee and Sustainability, Scenarios and Governance Committee) carry out preliminary and consultative functions for the Board of Directors and their composition reflects the Recommendations of the Corporate Governance Code (further details on this subject, please refer to the paragraphs dedicated to each Committee).

e) With regard to the Board Review, the outcome of the first-year's mandate is illustrated in the dedicated paragraph on page 44 of this Report.

f) The compensation set for Directors by the Shareholders' Meeting of April 30, 2021 and those set by the Board of Directors on May 18, 2021 to address the participation in the Committees are consistent with the commitment required by the Company for the performance of their office. The Report on the Remuneration Policy and compensation paid by Saipem in compliance with the recommendations of the Corporate Governance Code provides greater disclosure regarding actual results, illustrates how the Remuneration Policy contributes to the corporate strategy and the pursuit of long-term goals, adopts both financial and non-financial performance targets for variable remuneration, provides evidence of the procedure applied to exemptions and provides appropriate disclosure on the historical changes in the remuneration of directors, employees and Saipem's performance.

At their meetings of February 18, and March 4, 2022, the Sustainability, Scenarios and Governance Committee, as previously mentioned, analysed this Report on Corporate Governance and Shareholding Structure to ensure the Company's overall compliance with the Corporate Governance Code. The conclusions of the Sustainability, Scenarios and Governance Committee were shared with the Board of Directors during the Board meeting of March 15, 2022.

This Report was prepared utilising the Corporate Governance and Shareholding Structure Report format of Borsa Italiana SpA (9th Edition - January 2022)³. The Company strives to provide correct, exhaustive and effective information consistent with the characteristics of its business activities and corporate objectives, and in line with market requirements.

Saipem SpA and its subsidiaries are not subject to any non-Italian legal requirements that may influence the Corporate Governance of the Issuer.

Board of Directors

Board of Directors' role

The Board of Directors is the central body in Saipem's governance system of Saipem SpA and the Saipem Group. Article 20 of the Articles of Association requires that the Company be managed exclusively by the Board of Directors.

On April 30, 2021, the newly appointed Board of Directors resolved to grant itself the following powers by virtue of which the Board of Directors:

a) leads the Company by pursuing its sustainable success (please refer to the paragraph "Sustainability Model" on page 15 of this Report) and, consistently with this objective;

(3) The Corporate Governance and Shareholding Structure Report format of Borsa Italiana SpA, 9th Edition (January 2022), is available at www.borsaitaliana.it.

b) defines, at the proposal of the Chief Executive Officer, the strategic lines and objectives of the Company and the Group, including their sustainability policies, and monitors their implementation (please refer to the paragraph "Sustainability Model" on page 15 of this Report);

c) defines the system and the most functional rules of Corporate Governance for the Company and the Group for the performance of the business and the pursuit of its strategies, taking into account the autonomy offered by the legal system (please refer to the paragraph "Additional committees (other than those provided for by the legislation or recommended by the Code)" on page 42 of this Report). If necessary, it evaluates and promotes appropriate changes, submitting them, when applicable, to the Shareholders' Meeting;

d) promotes, in the most appropriate forms, engagement with shareholders and other important stakeholders in the Company.

Pursuant to Article 2365 of the Italian Civil Code and Article 20 of the Articles of Association, the Board of Directors has the power, normally the responsibility of the Extraordinary Shareholders' Meeting, to resolve on motions concerning:

- > mergers by incorporation of companies whose shares or stakes are owned entirely by the Company, pursuant to Article 2505 of the Italian Civil Code;
- > merger by incorporation of companies whose shares or stakes are at least 90% (ninety per cent) owned by the Company, pursuant to Article 2505-*bis* of the Italian Civil Code;
- > the proportional de-merger of companies whose shares or stakes are entirely, or at least 90% (ninety per cent), owned by the Company, pursuant to Article 2506-*ter* of the Italian Civil Code;
- > transfer of the Company's headquarters within Italy;
- > incorporation, transfer and closure of secondary offices;
- > share capital reductions in the case of shareholder's withdrawals;
- > the issue of corporate bonds and other debentures, barring the issue of bonds convertible into Company shares;
- > the amendment of the Articles of Association to comply with the provisions of law.

In addition to the powers granted by Article 2381 of the Italian Civil Code, taking into account the directions of the Corporate Governance Code of listed companies and based on Saipem's Board resolution dated April 30, 2021, Saipem's Board of Directors:

1. Sets the Group's structure under the Company and approving the Corporate Governance and Shareholding Structure Report, subject to the prior approval of the relevant Committee, if present. It approves the guidelines of the internal regulatory system, the compliance and governance Policies and Management System Guidelines. Subject to the approval of the relevant Board Committee, it implements procedures to ensure that the following are carried out in a correct and transparent manner, both in terms of procedure and substance, assessing on an annual basis the requirement for their review: transactions with related parties and transactions where a Director or a Statutory Auditor may have an interest, either directly or through a third party. At the proposal of the Chairman and in agreement with the CEO, with the aim of ensuring the correct management of Company information, the Board also adopts a procedure for the internal management and external disclosure of documents and information regarding the Company, and specifically of inside information.
2. Establishes internal corporate Committees with propositive, consultative and advisory functions, appointing their chairmen and members, defining their responsibilities, setting their remuneration, and approving their regulations and budgets.
3. At the proposal of the Nomination Committee, expresses a guideline on the maximum number of Directorships and/or auditor posts that can be held at listed companies in regulated markets (both in Italy and abroad), at financial companies, banks, insurance companies or companies of a relevant size, which is deemed compatible with the efficient performance of their office of Board Director of Saipem, also in view of their serving on Board Committees; also, prior to the appointment of the Board of Directors, it makes a recommendation, at the proposal of the Nomination Committee, on the quantitative and qualitative composition that it deems the new Board of Directors should have, taking into account the results of the Board review. It sets, at least at the beginning of its mandate, the quantitative and qualitative criteria use to assess the importance of commercial, financial and professional relationships, as well as any additional remuneration received for the office/participation in Committees that may compromise the independence of the Directors under the Corporate Governance Code.
4. Identifies, grants and revokes powers to Board Directors, setting their limitations and methods of exercise; having reviewed the proposals put forward by the Compensation and Nomination Committee and following consultation with the Board of Statutory Auditors, setting the compensation commensurate with the powers granted. The Board has the power to issue directives to delegated bodies and carry out operations within its remit.
5. Sets the guidelines for the organisational, administrative and accounting structure of the Company, including the Internal Control and Risk Management System, of subsidiaries and the Group.
6. Assesses the adequacy of the organisational, administrative and accounting structure of the Company, of the strategically relevant subsidiaries and the Group, concerning in particular the internal control and risk management system. At the proposal of the CEO, subject to the approval of the Compensation and Nomination Committee and the Audit and Risk Committee, and having consulted with the Board of Statutory Auditors, it appoints the members to the Audit and Compliance Committee to be submitted for approval at the Shareholders' Meeting of major subsidiaries, so that they can be appointed to the Board of Directors of the

same companies. Major subsidiaries are identified according to an internal classification system as “Cluster A” companies.

7. Having received the opinion of the Audit and Risk Committee, assesses the nature and risk level compatible with the strategic goals of the Company, evaluating all elements that could be important for the sustainable success of the Company and defines the aggregate risk position that the Company is prepared to take during the commercial phase in order to achieve its strategic objectives (so-called “Industrial Risk Appetite - Commercial Phase”).
8. Selects among its members one or more Directors responsible for setting up and maintaining the Internal Control and Risk Management System, pursuant to the Corporate Governance Code the Company adopted on December 17, 2020. Having reviewed the proposals from the Director responsible for setting up and maintaining the Internal Control and Risk Management System and the opinion of the Audit and Risk Committee, it sets guidelines for the Internal Control and Risk Management System, consistently with the Company’ strategy, periodically reviewing their adequacy against the business characteristics, the risk profile and its effectiveness, to ensure that main risks facing the Company and its subsidiaries are adequately identified, measured, monitored and properly managed. It also ascertains that these risks are compatible with the business model required to achieve its strategic objectives. Subject to the opinion of the Audit and Risk Committee, it (i) examines main business risks, in consideration of the peculiarities of the operations carried out by Saipem and its subsidiaries, submitted to the Director responsible for setting up and maintaining the Internal Control and Risk Management System at least every six months and (ii) evaluates every six months the adequacy and effectiveness of the Internal Control and Risk Management System against the characteristics and the risk profile of the business. It defines the principles concerning the coordination and flows of information between the various parties involved in the Internal Control and Risk Management System to maximise the efficiency of the system itself, reduce duplication of activities and ensure the effective performance of the duties of the control body.
9. Subject to the opinion of the Audit and Risk Committee and having consulted the Board of Statutory Auditors and the Director responsible for setting up and maintaining the Internal Control and Risk Management System and the Chairman, it approves, at least annually, the audit program prepared by the Director responsible for the Internal Audit function. The Board also reviews, subject to the opinion of the Audit and Risk Committee and having consulted the Board of Statutory Auditors and the CEO, the findings of the Legal Auditor in their letter of suggestions and their additional report sent to the control body.
10. Examines and approves the budgets, the strategic, industrial and financial plans of the Company and of the Group, also in consideration of the relevant issues for the generation of long-term value; this review is carried out with the support of a Committee, for which the Board sets the composition and functions, periodically monitoring their implementation, as well as the strategic agreements of the Company. It reviews and approves the plan of no-profit initiatives of the Company and approves the no-profit initiatives not included in the plan.
11. Reviews and approves the Annual Report which includes the preliminary consolidated and statutory financial statements, the interim and half-year reports, as per current legislation. The Board reviews and approves the sustainability reporting not included in the Annual Report.
12. At the proposal of the Compensation and Nomination Committee, reviews and approves the Remuneration Report and, specifically, it drafts, by means of a transparent procedure, the policy for the remuneration of Directors and Senior Managers with strategic responsibilities, which are submitted for approval to the Shareholders’ Meeting called to approve the financial statements. Pursuant to this policy, at the proposal of the Compensation and Nomination Committee and having received the opinion of the Board of Statutory Auditors, it sets the remuneration of the CEO and Directors with particular powers. The Board, having reviewed the proposals put forward by the Compensation and Nomination Committee, also sets the criteria for the remuneration of the top management of the Company and the Group, implementing incentive plans based on stock or other financial instruments approved by the Shareholders’ Meeting. It ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the policy, in light of the results achieved and other circumstances relevant to its implementation.
13. Receives information from Directors with executive powers at Board of Directors’ meetings, at least quarterly, regarding activities within their responsibility and major transactions carried out by the Company or the Group.
14. Receives information from the internal Board Committees, at the first available meeting, timely information on current activities and periodic six-monthly updates.
15. Evaluates the general management and performance of the Company and the Group, based on the information received at least quarterly from Directors with executive powers, paying particular attention to situation of conflict of interest, comparing actual interim and yearly results against budget forecasts.
16. Approves, having received a positive opinion from the relevant Committee, transactions of greater importance with related parties, in compliance with the procedure “Transactions involving interests held by Board Directors and Statutory Auditors and transactions with related parties”; it receives, at least quarterly, from the CEO, a report detailing transactions of greater and lesser importance, in line with the provisions of the aforementioned procedure. The Board reviews and grants preliminary approval to transactions that involve interests held by Board Directors and Statutory Auditors, pursuant to Article 2391 of the Italian Civil Code and the provisions of the aforementioned procedure “Transactions involving interests held by Board Directors and Statutory Auditors and transactions with related parties”.

17. Approves possible joint venture agreements, having obtained due diligence reports on potential partners from the Anti-Corruption Legal Support Unit.
18. Resolves on the most significant and strategic economic and/or financial Company transactions, reviewing the most relevant Group industrial and financial transactions, placing particular emphasis on situations where one or more Directors hold an interest, either directly or through a third party, and on transactions with related parties. The following are considered significant operations:
 - a) contracts for the realisation of works and/or the provision of services with a risk profile exceeding that set in compliance with the Industrial Risk Appetite - Commercial Phase method approved by the Board of Directors; or contracts for the realisation of works and/or the provision of services whose value exceeds €1.5 billion; or contracts for the purchase of goods and/or services, or sub-contract work, other than investments, whose value exceeds €500 million;
 - b) capital expenditure, barring the following: (i) investments as approved in the annual budget; (ii) operational maintenance of company assets; (iii) mandatory class reinstatement upgrades of vessels; (iv) investments fully included in the bidding price of commercial initiatives; and (v) investments whose value is below €25 million or equivalent;
 - c) acquisition, disposal or transfer of holdings and/or branches exceeding €25 million in enterprise value per single act, mergers and/or splits involving companies outwith the Saipem Group;
 - d) acquisition, sale or financial leasing of land and/or buildings exceeding €2.5 million;
 - e) issue of financing in favour of companies where no stake is held or where the stake held is not a controlling stake for amounts exceeding €200 million, if the amount is proportional to the value of the stake owned; or of any amount to companies if the loan is not proportional to the share of the holding;
 - f) to sign, modify, and terminate contracts with qualified financial institutions for the issuing of surety bonds and other personal guarantees to third parties in the interest of the Company or companies in which a shareholding is held, for amounts exceeding €200 million per single act; or of any amount for the issuing of guarantee bonds in favour of companies where no share is held or where the share held is not a controlling stake if the amount is not proportional to the value of the stake owned;
 - g) to issue surety bonds and other personal guarantees to third parties in the interest of the Company or companies in which a shareholding is held (Parent Company Guarantees) for amounts exceeding €1.5 billion per single act; or of any amount for the issuing of guarantee bonds in favour of companies where no share is held or where the share held is not a controlling stake if the amount is not proportional to the value of the stake owned;
 - h) incorporation of subsidiaries or company branches;
 - i) to approve the signing of agency agreements;
 - l) issue of convertible and non-convertible bonds by the Company or its subsidiaries;
 - m) to sign, modify, and terminate contracts relating to short, medium and long-term financing, for amounts exceeding €300 million per single act or exceeding €1 billion cumulatively over one year, and for a period exceeding 10 years;
 - n) to authorise mortgages, privileges, pledges, and other collateral securities; specifically to authorise subrogations, reductions, cancellations, deferments, and any other mortgage annotations on the properties of the Company, for amounts exceeding €300 million per single act or exceeding €1 billion cumulatively over one year, and for a period exceeding 10 years; to register mortgages, to accept privileges, pledges, and other real charges; to authorise subrogations, reductions, cancellations, deferments, and any other mortgage annotations on the properties of third parties in general, for amounts exceeding €300 million per single act or exceeding €1 billion cumulatively over one year, and for a period exceeding 10 years.
19. At the Chairman's proposal and in agreement with the CEO and having consulted the Compensation and Nomination Committee, appoints and dismisses General Managers, granting them the relevant powers. Should the CEO be appointed General Manager, it is at the proposal of the Chairman.
20. At the Chairman's proposal and in agreement with the CEO, having consulted the Compensation and Nomination Committee and received the opinion of Board of Statutory Auditors, appoints and dismisses the Director responsible for the Company's Financial Reporting, ensuring that he/she is granted adequate powers and resources to carry out the duties he is vested with by law, and to ensure that the administrative and accounting procedures he put in place are actually adhered to.
21. At the Chairman's proposal and in agreement with the Officer responsible for setting up and managing the Internal Control and Risk Management System, having received the opinion of the Audit and Risk Committee, and consulted the Board of Statutory Auditors, appoints and dismisses the Director responsible for the Internal Audit function ensuring that the latter is granted adequate resources to carry out his responsibilities, setting the remuneration structure in line with the Company's compensation policies; and approves Internal Audit guidelines.
22. Appoints the Compliance Committee, pursuant to Legislative Decree No. 231/2001 et subs. (granting it the supervisory powers under Article 6, paragraph 1, letter B), of Legislative Decree No. 231/2001 et subs.), having received the opinions of the Audit and Risk Committee, the Board of Statutory Auditors and the Compensation and Nomination Committee, at the proposal of the CEO in agreement with the Chairman.
23. Through the relevant CEO functions, ensures the appointment of persons in charge of the departments responsible for engaging with shareholders and investors.

24. Drafts the proposals to be submitted to the General Shareholders' Meeting for approval.
25. At the Chairman's proposal, in agreement with the CEO, adopts a policy regulating the engagement with the shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers and describes this policy in the corporate governance report.
26. At the Chairman's proposal, it resolves the appointment and dismissal of the Secretary of the Board of Directors and defines their professional requirements and powers in its regulations.
27. Defines, with the support of the Nomination Committee, a plan for the succession of the CEO and the Executive Directors, identifying at least the procedures to be applied in the event of early termination. It ascertains the existence of adequate procedures for the succession of the top management.
28. Adopts, in accordance with the provisions of the Corporate Governance Code, regulations that define the operating rules of the Board of Directors and of the Board Committees, including the recording of the minutes of meetings and the procedures for managing the disclosure of information to the Directors.
29. Carries out all other assessments and activities envisaged for the Board of Directors by the Corporate Governance Code of January 2020, which the Company adopted on December 17, 2020.
30. Reviews and resolves on all other matters that Directors with executive powers deem appropriate for the Board to assess, due to their sensitivity and/or importance.

The Shareholders' Meeting endorsed the competition ban provided for in Article 2390 of the Italian Civil Code. Pursuant to Article 2391 of the Italian Civil Code, Directors shall inform the other Directors and the Statutory Auditors of interests they may have, on their own behalf and on behalf of third parties, in any specific Company operation.

At Board Meetings, the Chairman reminds the Board of Directors that, pursuant to Article 2391 of the Italian Civil Code, Board Directors must voice any interests they may have, directly or through a third party, related to any items on the Agenda before they are discussed. Directors have to state the nature, origin and relevance of these interests, if any.

Appointment and replacement (pursuant to Article 123-bis, paragraph 1, letter I), of Legislative Decree No. 58/1998)

The appointment of Saipem's Board Directors occurs pursuant to Article 19 of the Articles of Association, through voting lists, in order to ensure the presence of representatives designated by the minority shareholders and guarantee gender balance. The lists are filed at the Company headquarters at least 25 days prior to the Shareholders' Meeting on first or single call and published in accordance with the law and Consob regulations, together with the professional CV of each candidate and a declaration stating that they accept their candidacy to the position and that no grounds exist for ineligibility or incompatibility and that they meet the integrity and independence requirements, if applicable. The lists can be presented by shareholders who, either alone or collectively, hold voting rights equivalent to at least 1% of the entire ordinary share capital, as established by Consob with Consob Resolution No. 60 dated January 28, 2022. The Directors possess the requirements of integrity laid down by the regulatory provisions, as well as the professional requirements and experience necessary to carry out their mandate effectively and efficiently. Lists that feature three, or more than three, candidates must include both genders, in compliance with current legislation on gender balance⁴. When the number of the least-represented gender must, by law, be at least three, the lists from which most Board members are selected must include at least two candidates from the least represented gender.

Seven tenths of Directors are appointed from the list that has obtained the majority of votes (rounded down if necessary). The remaining Directors shall be selected from the other lists, provided they are not in any way, even indirectly, linked with the shareholders who have presented or voted for the list that has obtained the majority of votes. Candidates will be classified in decreasing order according to their respective ratios, and those who have received the higher ratios will be appointed. In the event that more than one candidate obtains the same ratio, the candidate on the list with no Director yet appointed, or on the list with the lowest number of Directors appointed will be elected. If these lists have yet to elect a Director, or if they have already appointed an equal number of Directors, the candidate on the list with the highest number of votes shall be appointed. In the event that the vote is still tied, the Shareholders' Meeting will vote again, but only between the candidates under ballot, and the candidate who receives the majority of votes will be elected.

Should this procedure fail to appoint the minimum number of independent Directors required by the Articles of Association, the ratio of votes is calculated for each candidate from said lists by dividing the votes received by each list by the order number of each candidate. Candidates who do not meet independence requirements with lowest ratios from all lists are replaced, starting from the last one, by independent candidates from the same list (in the order they appear on the list), or by persons who meet the independence requirements appointed by the Shareholders' Meeting through a majority vote as required by law. In the event that candidates from different lists obtain the same ratio, the candidate on the list with the highest number of Directors already appointed will be replaced, or the candidate from the list that received the fewest votes, or should the number of votes be the same, the candidate who obtains the fewest votes by the Shareholders' Meeting in an ad-hoc ballot. Should this

(4) Refer to Law No. 160 of December 27, 2019.

procedure fail to meet the requirements of regulations on gender balance, the ratio of votes is to be calculated for each candidate taken from the lists by dividing the votes received by each list by the order number of each candidate. The candidate of the most represented gender with the lowest ratio amongst candidates from all lists is replaced, provided the minimum number of independent Directors is met, by the candidate from the least represented gender with the higher order number in the same list of the replaced candidate, or by a person appointed by the Shareholders' Meeting through a majority vote, as required by law. If candidates from different lists obtain the same minimum ratio, the candidate from the list which has appointed the greater number of Directors is replaced, or the candidate from the list that obtained the fewest votes, or, if votes are equal, the candidate who obtains the fewest votes by the Shareholders' Meeting in an ad-hoc ballot.

This voting procedure is applicable only when the entire Board of Directors is to be renewed. Should the need arise for one or more Directors to be replaced during their mandate, the procedure as per Article 2386 of the Italian Civil Code shall be applied. Should the majority of Directors become unavailable, the entire Board of Directors shall be considered void. A Shareholders' Meeting shall be called by the outgoing Board to elect a new one. In any case, current legislation must be complied with vis-à-vis the minimum number of independent Directors and gender balance quotas.

When the current Board was elected in 2021, two lists of candidates were put forward, one jointly by Eni SpA and CDP Industria SpA (pursuant to the Shareholders' Agreement in force between the two companies) and the other by institutional investors.

Pursuant to Article 19 of the Articles of Association, the Directors must meet the independence and integrity requirements prescribed by regulations, and possess the professional expertise, competence and experience to carry out their mandate efficiently and effectively and they are able to dedicate sufficient time and resources to their office.

On February 23, 2022, at the proposal of the Sustainability, Scenarios and Governance Committee, the Board of Directors resolved to adopt qualitative and quantitative criteria for the purposes of ascertaining the independence requirement of Directors, as illustrated in detail in the paragraph "Independent Directors" on page 39 of this Report. Information on other Directorships or Auditors posts held by the directors in listed companies, in financial, insurance or large companies are listed below under "Maximum number of offices held at other companies".

Composition (pursuant to Article 123-bis, paragraph 2, letter d) and d-bis), of Legislative Decree No. 58/1998)

The current Board of Directors, comprising nine members, was appointed by the Shareholders' Meeting on April 30, 2021 for a three-year period, its mandate expiring at the Shareholders' Meeting called to approve the Financial Statements at December 31, 2023. At the same meeting, the shareholders appointed the Chairman of the Board of Directors. At the meeting of April 30, 2021, the Board of Directors granted the CEO the powers to manage the Company, except for the undelegable powers of the Board itself.

The Board of Directors in office until April 30, 2021 was comprised of: the Chairman Francesco Caio (non-independent, non-executive Director), the CEO Stefano Cao (non-independent, non-executive Director) and the Directors Maria Elena Cappello (independent, non-executive Director), Paolo Fumagalli (independent, non-executive Director), Claudia Carloni (non-independent, non-executive Director), Paul Schapira (independent, non-executive Director), Ines Mazzilli (independent, non-executive Director), Federico Ferro-Luzzi (independent, non-executive Director) and Alessandra Ferone (non-independent, non-executive Director), co-opted by the Board of Directors on February 5, 2020 and confirmed by the Shareholders' Meeting on April 29, 2020, replacing Pierfrancesco Latini, who had also been co-opted by the Board of Directors on December 5, 2018 replacing Leone Pattofatto.

Francesco Caio, Stefano Cao, Maria Elena Cappello, Paolo Fumagalli, Claudia Carloni and Leone Pattofatto were proposed as candidates by Eni (also in name and on behalf of CDP Equity SpA in accordance with the Shareholders' Agreement in force between the two companies), whose list obtained 43.934% of the voting shares. Federico Ferro-Luzzi, Ines Mazzilli and Paul Schapira were proposed as candidates by institutional investors, whose list obtained 16.377% of voting shares.

The Chairman, the CEO and the Directors Paolo Fumagalli, Claudia Carloni, Ines Mazzilli and Paul Schapira had been members of the Board since May 3, 2018. The Director Federico Ferro-Luzzi had been a member of the Board since May 6, 2014 – he had been elected with a one-year mandate, and had been confirmed, on April 30, 2015, for a further three years. The Director Maria Elena Cappello had been a member of the Board since April 30, 2015 for three years and had been confirmed on May 3, 2018 for a further three years. The Director Alessandra Ferone has been a member of the Board since February 5, 2020.

The shareholder CDP Industria SpA had notified Saipem (and for information the shareholder Eni SpA) that it was putting forward the candidacy of Alessandra Ferone pursuant to the provisions of the Shareholders' Agreement signed by Eni SpA and FSI on October 27, 2015.

In compliance with the recommendations of Article 4, Principle XIII, Recommendation 23 of the Corporate Governance Code and taking into account the principles of Article 2 of the same Code – which recommend that the outgoing Boards of Directors of listed companies make their recommendations to the shareholders on the quantitative and qualitative composition they deem the new Board should have – on February 24, 2021 Saipem's outgoing Board of Directors, having consulted the Sustainability, Scenarios and Governance Committee, taken into

account the outcome of the Board Review for the year 2020, in view of the renewal of the Board, provided the following advice to shareholders in terms of:

- the size of the new Board of Directors;
- the composition, i.e. the managerial and professional profiles whose presence on the new Board is deemed expedient.

The document "Saipem's Board of Directors' recommendations to the shareholders on the qualitative and quantitative composition of the new Board of Directors" is published at www.saipem.com under the section "Governance".

On March 12, 2021, the Board of Directors approved the Directors' Reports and the proposed resolutions to submit to the Shareholders' Meeting and, in compliance with Article 4, Recommendation 23, of the Corporate Governance Code, it asked the shareholders presenting a list containing more than half of the candidates to be elected to provide adequate information, together with the documentation required to file the list, concerning the compliance of the list with the recommendations made by the outgoing Board of Directors, also vis-à-vis the diversity required by Principle VII and Recommendation 8 of the same Corporate Governance Code, and to indicate their candidate for the office of Chairman of the Board, whose appointment takes place according to the procedures identified in the Articles of Association.

The Shareholders' Meeting on April 30, 2021 set the number of Directors at nine, appointing the Board of Directors for the years 2021-2022-2023, its mandate expiring at the Shareholders' Meeting called to approve the Financial Statements at December 31, 2023. The Board is made up as follows: Silvia Merlo (independent, non-executive Director), Francesco Caio (non-independent, executive Director, already Chairman in the previous board mandate), Roberto Diacetti (independent, non-executive Director), Alessandra Ferone (non-independent, non-executive Director, already Director in the previous board mandate from February 2020), Patrizia Michela Giangualano (independent, non-executive Director), Pier Francesco Ragni (non-independent, non-executive Director), Marco Reggiani (non-independent, non-executive Director), Paul Schapira (independent, non-executive Director, already Director in the previous board mandate) and Paola Tagliavini (independent, non-executive Director).

Silvia Merlo, Francesco Caio, Alessandra Ferone, Pier Francesco Ragni, Marco Reggiani and Paola Tagliavini were drawn from the list submitted jointly by Eni SpA and CDP Industria SpA, whose holding is equal to 43.095% of Saipem ordinary share capital, voted by the majority of the shareholders at the Shareholders' Meeting.

Roberto Diacetti, Patrizia Michela Giangualano and Paul Schapira were drawn from the list submitted by shareholders⁵ whose holding is equal to 1.161% of Saipem ordinary share capital, voted by the minority of shareholders at the Shareholders' Meeting.

When putting forward their candidacy, Silvia Merlo, Paola Tagliavini, Paul Schapira, Roberto Diacetti and Patrizia Michela Giangualano declared that they possessed the independence requirements provided for by Article 148, paragraph 3, of Legislative Decree No. 58/1998, as referred to in Article 147-ter, paragraph 4 of the same Legislative Decree and the recommendations of the Corporate Governance Code, which Saipem endorses.

As previously stated, on February 23, 2022, at the proposal of the Sustainability, Scenarios and Governance Committee, the Board of Directors resolved to adopt qualitative and quantitative criteria for the purposes of ascertaining the independence requirements of Directors, as illustrated in detail in the paragraph "Independent Directors" on page 39 of this Report.

The Shareholders' Meeting appointed Silvia Merlo as Chairman of the Board of Directors, at the joint proposal of the shareholders Eni SpA and CDP Industria SpA.

The résumés with the professional profile of each Director are available on the website www.saipem.com under the "Governance" section.

On April 30, 2021, the Board of Directors confirmed as Secretary of the Board of Directors Mario Colombo, General Counsel, Company Affairs and Governance.

Following the issue of Law No. 120 dated July 12, 2011 (effective from August 12, 2011) concerning the so-called "Gender quotas" and Consob Regulation No. 18098 of February 8, 2012, Article 19 of the Articles of Association had been amended to ensure equal access to the administrative and control bodies of listed companies.

With the appointment of the Board of Directors which took place at the Shareholders' Meeting of May 3, 2018, the statutory provisions on gender balance were applied for the third and last consecutive term of the Board of Directors, in accordance with the provisions of Law No. 120 dated July 12, 2011.

On February 25, 2020, Saipem's Board of Directors adopted, after a review by the Sustainability, Scenarios and Governance Committee, the statutory changes necessary to ensure compliance with the most recent legislation on gender balance (Law No. 160 dated December 27, 2019).

With the appointment of the Board of Directors by the Shareholders' Meeting on April 30, 2021, Article 147-ter, paragraph 1-ter, of Legislative Decree No. 58/1998, as amended by paragraph 302 of Law No. 160 dated

(5) Amundi Asset Management SGR SpA manager of the fund Amundi Risparmio Italia; ANIMA SGR SpA manager of the fund Anima Iniziativa Italia; Eurizon Capital S.A. manager of the fund Eurizon Fund comparto Italian Equity Opportunities; Eurizon Capital SGR SpA manager of the funds: Eurizon Progetto Italia 70, Eurizon Azioni Italia, Eurizon Progetto Italia 40, Eurizon Italian Fund - ELTIF, Eurizon PIR Italia Azioni; Fideuram Asset Management Ireland manager of the fund Fonditalia Equity Italy; Fideuram Intesa Sanpaolo Private Banking Asset Management SGR SpA manager of the funds: Fideuram Italia, Piano Azioni Italia, Piano Bilanciato Italia 50; Interfund Sicav - Interfund Equity Italy; Generali Investments Partners SpA SGR manager of the fund GIP Alleanza Obbl; Kairos Partners SGR SpA in its capacity as Management Company di Kairos International Sicav - comparto Italia; Mediobanca SGR SpA manager of the fund: Fondo Mediobanca Mid & Small Cap Italy; Mediobanca SICAV - Euro Equities; Mediolanum International Funds Limited - Challenge Funds - Challenge Italian Equity; Mediolanum Gestione Fondi SGR SpA manager of the funds: Mediolanum Flessibile Futuro Italia, Mediolanum Flessibile Sviluppo Italia; Pramerica Sicav comparto Italian Equity; Pramerica SGR SpA manager of the funds: MITO 25, MITO 50.

December 27, 2019, was applied, ensuring, for six consecutive mandates, that at least two fifths of the members of the Board of Directors are of the least represented gender. After the appointment and on an annual basis thereafter, the Directors make declarations stating they possess the independence and integrity requirements as set by the relevant regulations and the Board makes sure they are met.

At their meeting of April 30, 2021, the Board of Directors, based on the declarations provided by the Directors and on information at the Company's disposal, ascertained that all Board Directors meet the integrity requirements, and that no reasons for ineligibility or incompatibility exist, as required by current legislation. The Board of Directors also verified the independence requirements provided for by the law and the Corporate Governance Code, ascertaining that the Directors Roberto Diacetti, Patrizia Michela Giangualano, Paul Schapira and Paola Tagliavini are independent. In light of the powers and role assigned to the Chairman, Silvia Merlo is also confirmed as an independent Director. The Board of Directors is therefore made up by a majority of independent Directors, all of whom are non-executive Directors, except for the Chief Executive Officer and General Manager.

At their meeting of March 15, 2022, the Board of Directors, based on the declarations provided by the Directors and the information at the Company's disposal, ascertained that the Chairman Silvia Merlo and the Directors Roberto Diacetti, Patrizia Michela Giangualano, Paul Schapira and Paola Tagliavini continued to be independent Directors.

Criteria and policies on diversity

The appointment of Saipem's management and control bodies occurs, pursuant to Article 19 of the Articles of Association, through voting from lists (please refer to the paragraphs "Appointment and replacement" on page 31 and "Composition, appointment and functions of the Board of Statutory Auditors" on page 62 of this Report). It is therefore the shareholders' responsibility to evaluate and define the policies concerning the age, nationality, experience and professional development of the candidates, as well as their objectives, methods of implementation and results.

Concerning gender quotas Saipem has immediately aligned its Articles of Association to the relevant legislative provisions as they were introduced. Law No. 160 dated December 27, 2019, aimed at extending the effects of Law No. 120/2011, introduced a minimum quota for the "least represented" gender in administrative and control bodies, equal to two fifths of the body, which applies for six consecutive terms from its entry into force.

Saipem has therefore aligned its Articles of Association to the aforementioned legislative provisions.

In compliance with the recommendations of Article 4, Principle XIII, Recommendation 23 of the Corporate Governance Code and taking into account Articles 2 and 4 of the same Code – which recommend that the outgoing Boards of Directors of listed companies make their recommendations to the shareholders on the quantitative and qualitative composition they deem the new Board should have – upon the renewal of Saipem Board of Directors at the Shareholders' Meeting 2021, the then Board of Directors had recommended that the shareholders, in submitting the list of candidates to the office of Board Directors, ensure that the number of candidates of the least represented gender be at least two-fifths of the size they had chosen for the Administrative Body (and therefore at least four in the case of a Board of Directors composed of nine members). Furthermore, the Board of Directors had required anyone presenting a list containing more than half of the candidates to be elected to provide adequate information, in the documentation submitted for filing the list, about the compliance of the list with the recommendations made by the Board of Directors, also with reference to the diversity criteria provided for by Principle VII and Recommendation 8 of the same Corporate Governance Code, and to indicate their candidate to the office of Chairman of the Board, whose appointment takes place according to the procedures set forth in the Articles of Association.

The current composition of Saipem's corporate bodies complies with current legislation on gender balance.

In line with the principles and recommendations of the Corporate Governance Code aimed at fostering the development of diversity policies throughout the company organisation, on September 16, 2021 a dedicated organisational function was established – reporting to the Chief Human Resources, organisation and Services Officer – called "Diversity & Inclusion" aimed at:

- ensuring, in support of Top Management, the process of defining the company's Diversity & Inclusion strategy, both with reference to human capital and to the overall stakeholder system;
- ensuring the coordination of the process of drafting the portfolio of Diversity & Inclusion initiatives, setting the overall budget and priorities; supporting for this purpose the different business functions in the process of generating ideas and defining specific initiatives, as well as integrating Diversity & Inclusion requirements into their own processes; guaranteeing the direct management of the assigned initiatives;
- ensuring benchmarking with best practices in the field of Diversity & Inclusion, also to promote the evolution of the portfolio of initiatives and related management processes and promote the internal sharing of best practices;
- ensuring the drafting of periodic reporting on Diversity & Inclusion, providing the Top Management with an overall view on the progress of Diversity & Inclusion initiatives; ensuring the definition and management of an integrated system of indicators for measuring Diversity & Inclusion performance and its impact on the Company system;
- ensuring analyses, studies and position papers representing Saipem's position on Diversity & Inclusion issues; supporting company functions in the representation of the various initiatives and their results both internally and externally;
- encouraging the development of a Diversity & Inclusion oriented culture and generate management accountability on these issues, also through the definition of specific targets and their link with the broader performance evaluation system.

Maximum number of offices held at other companies

Pursuant to application criteria 1.c.2 and 1.c.3 of the old Corporate Governance Code (now Article 3, Principle XII, Recommendation 15 of the current Corporate Governance Code) to ensure that Directors can devote enough time to their office, taking into account their own professional commitments and their participation in Board Committees, the Board of Directors on February 26, 2018, at the proposal of the then Corporate Governance Committee and Scenarios, expressed the following guidelines on the maximum number of offices a Director may hold in other companies.

"With regard to Saipem's Directors, pursuant to the maximum number of administrative and control positions as defined by Article 144-duodecies of the Issuers' Regulations – the same rules apply as established by the Issuers' Regulations for members of the control bodies (Articles 144-duodecies and 144-terdecies), with the indication that:

- 1) *an executive Director should not hold the office of: (i) executive Director in any other listed company, whether Italian or foreign, or in any financial, banking or insurance company or in a company with shareholders' equity exceeding €1 billion; (ii) non-executive Director of another issuer, whether Italian or foreign, in the event that the executive Director of the same issuer is a Director of Saipem;*
- 2) *Saipem's Chairman should not hold the office of Board Director in more than four listed companies, whether Italian or foreign;*
- 3) *an executive Director should not hold the office of executive Director of another issuer, whether Italian or foreign, in the event that a non-executive Director of the same issuer is an executive Director of Saipem;*
- 4) *in accordance with the provisions introduced in 2015 by the Corporate Governance Code for listed companies, which requires that the Board of Directors take into consideration, in expressing the Board's recommendations on the maximum number of Directors' offices, the participation of Directors in Board Committees, the calculation model to be applied contained in Annex 5-bis, Table 1 of Article 144-terdecies of the Issuers' Regulation, attributes a weight of 0.10 for the office of Chairman of a Board Committee (other than the Executive Committee) and 0.05 for the office of member in a Board Committee (other than the Executive Committee);*
- 5) *a candidate for the position of non-executive Director of Saipem is allocated a fixed weight of 0.85 to take into account their future participation in Board Committees. The weight attributed to the office of commissioner/administrator of a large company under special administration is the same as the weight attributed to the office of executive Director;*
- 6) *the limit on multiple offices excludes offices held in Saipem Group companies.*

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

This guideline was confirmed by the outgoing Board of Directors which, with the resolution dated February 24, 2021, after consulting the Sustainability, Scenarios and Governance Committee, in formulating the recommendations addressed to the Shareholders presenting the lists of candidates, regarding professional skills, competencies and experience deemed suitable for an optimal composition of Saipem's Board of Directors, had expressed and underlined the importance of *"identifying the profiles capable of ensuring that adequate time could be devoted to the diligent fulfilment of the tasks assigned, also having regard to the guideline on the maximum number of offices held in management and control bodies adopted by the Board of Directors of Saipem SpA on February 26, 2018"*.

Based on the information received, listed hereunder are additional Directorships or auditor posts held by Saipem's Board Directors in other companies.

SILVIA MERLO (nominated jointly by the shareholders Eni SpA and CDP Industria SpA)

CEO of: Merlo SpA Industria Metalmeccanica, Tecnoindustrie Merlo SpA, Ibis SpA, Treemme Technology Srl; Board Director of: Sanlorenzo SpA⁶, Finanziaria Sviluppo Impresa SpA, Ergos Srl; Chairman and CEO of Movimatica Srl; Sole Shareholder and Sole Director of Kibotion Srl; Sole Director of: Alta Valdelsa - Srl, Centro Formazione e Ricerca Merlo Srl, CO.IMMI. Srl; Managing partner of: Pluto Invest s.s., Mefra s.s.

ROBERTO DIACETTI (nominated from the list put forward by institutional investors)

Board Director of: Pirelli SpA⁶, Banca Ifis SpA⁶.

ALESSANDRA FERONE (nominated jointly by the shareholders Eni SpA and CDP Industria SpA)

Board Director of: CDP Immobiliare SGR SpA, CDP Immobiliare Srl; Member of the Supervisory Board of Euronext NV⁶.

PATRIZIA MICHELA GIANGUALANO (nominated from the list put forward by institutional investors)

CEO of Inticom SpA; Board Director of: Salvatore Ferragamo SpA⁶, Leonardo SpA⁶, Epta SpA, Società per Azioni Esercizi Aeroportuali SEA, PBI.

PIER FRANCESCO RAGNI (nominated jointly by the shareholders Eni SpA and CDP Industria SpA)

Board Director of: Valvitalia SpA, Valvitalia Finanziaria SpA.

(6) Listed company.

MARCO REGGIANI (nominated jointly by the shareholders Eni SpA and CDP Industria SpA)
Chairman of the Board of Directors of Stogit SpA; Chairman of MJ Advisory Srl.

PAUL SCHAPIRA (nominated from the list put forward by institutional investors)
Board Director of: Tamburi Investment Partners SpA⁷, Epipoli SpA.

PAOLA TAGLIAVINI (nominated jointly by the shareholders Eni SpA and CDP Industria SpA)
Board Director of: Rai Way SpA⁷, Eurizon Capital SGR SpA, Interpump Group SpA, Fideuram Asset Management SGR, Eurizon Capital SA; Statutory Auditor of: OVS SpA⁷, Brembo SpA⁷.

Functions of the Board of Directors (pursuant to Article 123-bis, paragraph 2, letter d), of Legislative Decree No. 58/1998)

In 2021, the outgoing Board of Directors approved, pursuant to Article 3, Recommendation No. 11 of the Corporate Governance Code, the Rules and Regulations that govern the functions and organisation of the Board of Directors, setting forth the provisions for summoning and running Board meetings. The Rules and Regulations were further updated by the Board of Directors at their meeting of February 23, 2022. Specifically, in accordance with the aforementioned Rules and Regulations, the Chairman summons the Board of Directors' meetings, sets the agenda and notifies the Directors and the Board of Statutory Auditors generally five days prior to the Board meeting.

The Chairman organises the work of the Board and ensures that the Directors and Statutory Auditors are provided with the necessary documentation and information, promptly and reasonably in advance, to enable them to make decisions. The pre-meeting documentation is usually sent no later than the publication of the notice of meeting (at least five days prior to the date of the meeting). To this end, since 2013 a new IT platform named "BoardVantage" has been used to enable the sharing and exchange of documents, notes and messages between the Company departments and the Board of Directors, or amongst members of the Board. The system ensures the highest confidentiality through appropriate access credentials.

The meeting documentation shall be sent – in case of urgency – with a notice of not less than 24 hours; in the absence of such notice, the Board of Directors can discuss the items of the agenda, examine the related documents and take resolutions only after a unanimous decision by the Board.

As recommended by the Corporate Governance Code, the Chairman of the Board of Directors, with the assistance of the Secretary of the Board, ensures that pre-meeting and complementary information provided during the meetings are such as to enable the Directors to act in an informed manner in carrying out their roles.

Board meetings are usually held at the offices of the Company. In the event of audio or video conferencing with third party offices, it is the responsibility of the participants attending remotely to ensure the confidentiality of the communication.

To improve the Board's knowledge of the Company's operations and dynamics, the Directors of the various business areas, as well as the heads of the Staff functions are periodically invited to Board meetings to illustrate the most significant projects, strategies and market conditions in their respective areas. The Director responsible for Financial Reporting, who is also Chief Financial Officer, generally attends all Board meetings.

Before addressing each item of the Board meeting agenda, every Board Director and Statutory Auditor must voice any interests they may have, directly or through a third party, related to any items on the Agenda before they are discussed, stating the nature, origin and relevance of these interests, if any.

When resolving on items, the Directors concerned do not normally take part in the discussion and do not vote on relevant issues, leaving the meeting momentarily during the approval of those resolutions.

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

In 2021, the Board of Directors met on 22 occasions, their meetings lasting 3.11 hours on average.

Three meetings have been scheduled to take place in the first half of 2022; as of March 24, 2022, the Board has already held 15 meetings. The general public is informed of the dates of Board meetings when periodical statements and reports, required by current legislation, are to be approved.

In 2021, an average of 95.96% of Board Directors and 98.18% of independent Directors attended Board meetings. In detail, concerning the Board of Directors in office until April 30, 2021, an average of 96.29% Directors and 91.66% independent Directors attended the meetings; as for the Board of Directors in office since April 30, 2021, an average of 95.83% Directors and 98.43% independent Directors attended the meetings of the Board.

Board of Directors' induction

Following the appointment of the new Board of Directors by the Shareholders' Meeting on April 30, 2021, Saipem set up and rolled-out a board induction program to enable the Directors to progressively acquire in-depth knowledge of the Company both in terms of its industrial, operational and commercial profile, and its financial, governance and compliance profile.

(7) Listed company.

The programme, which also involved the Board of Statutory Auditors, was structured in the following modules:

- April 30, 2021: HSE and the COVID-19 emergency;
- May 18, 2021: introduction on Saipem business. In-depth review of Onshore & Offshore Drilling: market, competition, strategy and financials;
- May 27, 2021: Corporate & Key Facts and Figures (including the 2020 financial statements and the 2021 first quarter results. Competitive positioning); Financials, Organisation and Sustainability; Risk, Governance and Internal Audit; Risk & Integrity; Governance and Internal Audit;
- June 16, 2021: Offshore E&C Business: market, competition, strategy, financials; Onshore E&C Business: market, competition, strategy, financials and XSIGHT Division - Tech innovation & digital and Industrial plan.

During 2021, it was not possible to carry out off-site induction sessions due to the regulations issued to contain the spread of the COVID-19 pandemic.

Role of the Chairman of the Board of Directors

The Shareholders' Meeting on April 30, 2021 appointed Silvia Merlo as Chairman of the Board of Directors, at the joint proposal of the Shareholders Eni SpA and CDP Industria SpA.

At their meeting of April 30, 2021, the Board of Directors vested the Chairman, in addition to all responsibilities and powers granted to her by law and the Company's Articles of Association concerning the management of Corporate Bodies (Shareholders' Meeting and Board of Directors) and the legal representation of the Company, with the existing powers granted to the Chairman during the previous Board mandate. Specifically the Chairman:

- a) in agreement with the CEO and having consulted the Compensation and Nomination Committee, proposes to the Board the appointment and dismissal of General Managers. Should the Chief Executive Officer be appointed as General Manager, the proposal is made by the Chairman who, in name and on behalf of the Company, signs the relevant employment contract with the Chief Executive Officer-General Manager;
- b) proposes in agreement with the CEO, having consulted the Compensation and Nomination Committee and received the opinion of Board of Statutory Auditors, the appointment and dismissal of the Director responsible for the Company's Financial Reporting;
- c) in agreement with the Chief Executive Officer, having heard the opinion of the Audit and Risk Committee and the Board of Statutory Auditors, as well as the Compensation and Nomination Committee, makes proposals to the Board of Directors for the appointment of the members of the Compliance Committee pursuant to Legislative Decree No. 231/2001 and subsequent amendments;
- d) in agreement with the Officer responsible for setting up and maintaining the Internal Control and Risk Management System, having received the opinion of the Audit and Risk Committee, and consulted the Board of Statutory Auditors, proposes to the Board of Directors the appointment, dismissal and remuneration of the Director responsible for the Internal Audit function; the latter is not responsible for any operational area and reports hierarchically to the Board of Directors, and on its behalf to its Chairman. However, functionally the Director responsible for Internal Audit reports to the Director responsible for setting up and maintaining the Internal Control and Risk Management System;
- e) in agreement and conjunction with the CEO, makes proposals concerning extraordinary operations involving the Company's share capital and/or overall debt refinancing to be submitted for approval to the Board of Directors;
- f) manages the Company's institutional relations in Italy in addition to shareholder relations, together with the CEO, having recourse to Saipem's communication and institutional relations functions, if required;
- g) in agreement with the CEO, proposes the adoption of a policy for managing the engagement with shareholders, taking into account the engagement policies adopted by institutional investors and asset managers;
- h) in agreement with the CEO, proposes the adoption of a procedure for the internal management and external disclosure of documents and information concerning the Company with particular reference to inside information;
- i) proposes the appointment and revocation of the Secretary of the Board of Directors.

In addition to the aforementioned powers, the Chairman chairs the Shareholders' Meeting, convenes and chairs the Board of Directors' meetings and verifies the actual implementation of the resolutions taken by the Board itself.

The Secretary of the Board

Under the Corporate Governance Code, the Board of Directors, at the Chairman's proposal, appoints and revokes the Secretary of the Board. Pursuant to the Articles of Association, the Secretary can be appointed even if he or she is not a Director.

In approving its Rules and Regulations, on January 20, 2021 and further updating them on February 23, 2022, the Board specified the requirements and duties of the Secretary. In particular, pursuant to these Regulations, the Secretary must possess adequate experience and impartiality of judgment in carrying out the responsibilities envisaged for this role in the same Regulations and the relevant legislation applicable to companies listed on the Italian Stock Exchange.

The Secretary supports the activities of the Chairman and, specifically helps with organising Board and Shareholders' meetings, prepares the relevant resolutions, ensures the adequacy, timeliness, completeness and clarity of information flows to the Board, in the communication with Directors, coordinating, in accordance with the agreements between the Chairman and the CEO and General Manager, the attendance of executives for the

various Company functions to Board meetings based on their area of competence, organises the Board induction and ensures that the activities of Board Committees are in line with those of the Board.

On April 30, 2021, the Board of Directors confirmed as Secretary of the Board of Directors Mario Colombo.

Executive Directors

Chief Executive Officer

In line with international best practices, which recommend avoiding the concentration of duties in one person, in 2008 Saipem resolved to separate the roles of Chairman and Chief Executive Officer-CEO, the latter being the Director who, by virtue of powers granted and their actual exercise, is the principal person responsible for the management of the Company.

The Corporate Governance Committee of Borsa Italiana believes that the separation of the aforementioned roles can strengthen the characteristics of impartiality and balance required of a Chairman of the Board, to whom the law and procedures entrust the tasks of organising the work of the Board, as well as acting as a link between executive and non-executive Directors.

The separation of the roles of Chairman and Chief Executive Officer-CEO makes the appointment of a lead independent Director unnecessary, also in view of the fact that this appointment has not been requested by Saipem independent Directors.

Francesco Caio has been executive Director since April 30, 2021; when he was appointed as CEO and General Manager. He does not hold other offices at any other Issuer. The Board vested the CEO and General Manager, the person ultimately responsible for the Company's management, with all ordinary powers to manage the Company, except for the undelegable powers and those of the Board itself. The CEO reports promptly and at least quarterly to the Board of Directors and to the Board of Statutory Auditors on activities carried out and on the most significant economic, financial and equity transactions carried out by the Company or its subsidiaries.

There are no other executive Directors on the Board.

Up to January 13, 2022, the following functions reported directly to the CEO and General Manager:

> Division Managers, responsible for the following business areas of the Company:

- Onshore E&C;
- Offshore E&C;
- Onshore Drilling;
- Offshore Drilling;
- XSIGHT;

> the Chief Financial Officer (CFO), responsible for the following functions:

- Financial Governance and Continuous Improvement;
- Planning and Control;
- Administration and Accounting;
- Tax;
- * Finance;
- Insurance and Risk Financing;
- Investor Relations;
- Strategies, M&A and New Initiatives;
- Administration, Finance and Control Onshore E&C;
- Administration, Finance and Control Offshore E&C;
- Administration, Finance and Control Onshore Drilling;
- Administration, Finance and Control Offshore Drilling;
- Administration, Finance and Control XSIGHT;

> the following managers responsible for staff and business support functions:

- Chief Human Resources, Organisation and Services Officer;
- Risk Management, Supply Chain and Business Integrity;
- General Counsel, Contract Management, Company Affairs and Governance;
- the Italian business line;
- Digital and Innovation;
- Health, Safety and Environment;
- Sustainability, Identity and Corporate Communication.

The new organisational model illustrated to the Market on October 28, 2021, Capital Market Day, came into effect on January 14, 2022. Based on this model the following functions report to the CEO and General Manager:

- > Chief Financial Officer;
- > Commercial;
- > General Counsel, Company Affairs and Governance;
- > People, Safety and Environment;
- > Business Integrity;
- > Public Affairs, Sustainability and Communication;
- > Supply Chain and Digitalisation;

- > Asset Based Services;
- > Energy Carriers;
- > Robotics and industrialised Solutions;
- > Sustainable Infrastructures.

The managers of the organisational structures in force until January 13, 2022 have maintained their responsibilities for the purposes of the 2021 financial statements, for the positions held up to that date, until the completion of their duties.

The model has been integrated with an additional new structure designed to reinforce the execution capabilities for the Company projects and to complete the on-going strategic review aimed at strengthening the capital and financial structure of the Group. The new organisation envisages the following:

- > the set-up of a new General Manager function with broad operative and managerial responsibilities;
- > the creation of a specific unit focused on reinforcing the activity of financial planning and control of the projects and of the other company's operations;
- > the consolidation of the legal and contract management responsibilities in a corporate department within the new General Manager office.

On the same day, Saipem's Board of Directors, having consulted the Compensation and Nomination Committee and the Related Parties Committee, appointed Alessandro Puliti as General Manager of the Company with effect from February 7, 2022. Moreover, Paolo Calcagnini, currently Deputy General Manager and Chief Business Officer of CDP SpA joined the management team, reporting to the new General Manager. He is responsible for a new unit focused on reinforcing the activity of financial planning and control.

As a result, the following functions report to the CEO:

- > People, Safety and Environment - Massimiliano Branchi;
- > Public Affairs, Sustainability and Communication - Loretana Cortis;
- > Company Affairs and Corporate Governance - Mario Colombo;
- > Business Integrity - Simona Livia Rasini;
- < Digital and IT - Paolo Albini.

The following functions report to the General Manager:

- > Chief Financial Officer - Antonio Paccioretti;
- > Chief Project Control and Financial Advisory Officer - Paolo Calcagnini;
- > Legal Affairs and Contract Management - Mario Colombo;
- > Operational HSEQ - Marco Satta;
- > Supply Chain - Paolo Albini;
- > Commercial - Fabrizio Botta;
- > Asset Based Services - Marco Toninelli;
- > Energy Carriers - Filippo Abbà;
- > Robotics and Industrialised Solutions - Mauro Piasere;
- > Sustainable Infrastructures - Orazio Iacono.

The Director for Internal Audit – Luigi Siri – reports hierarchically to the Board of Directors and, on its behalf, to the Chairman of the Board, except for those duties that fall under the remit of the Audit and Risk Committee and the CEO, in his capacity as Officer responsible for the Internal Control and Risk Management System.

The Secretary of the Board of Directors – Mario Colombo – report hierarchically and functionally to the Board of Directors and, on its behalf, to the Chairman of the Board.

Antonio Paccioretti, with reference to the resolution taken by the Board of Directors on June 9, 2021, is the Director responsible for the Company's Financial Reporting, having been granted.

Chairman of the Board of Directors

The Shareholders' Meeting on April 30, 2021 appointed Silvia Merlo as Chairman of the Board of Directors. The Chairman, who does not have an executive role, carries out the responsibilities granted under the law, the Articles of Association or the resolution by the Board of Directors dated April 30, 2021, indicated in the paragraph "Role of the Chairman of the Board of Directors" on page 37 of this Report. The Chairman acts as a representative of the Company, in agreement and in coordination with the Chief Executive Officer and General Manager. The Chairman is not the main person responsible for the management of the Company (it is the Chief Executive Officer) and does not represent the controlling shareholder.

Independent Directors and Lead Independent Director

Independent Directors

Article 147-ter, paragraph 3, of Legislative Decree No. 58/1998 regulating the appointment and composition of the Board of Directors provides that "at least one member shall be elected from the minority slate that obtained the largest number of votes and is not linked in any way, even indirectly, with the shareholders who presented or voted

the list which resulted first by the number of votes". Furthermore, Article 147-ter, paragraph 4, states that "in addition to what is provided for in paragraph 3, at least one of the members of the Board of Directors, or two if the Board of Directors is composed of more than seven members, should satisfy the independence requirements established for members of the Board of Auditors in Article 148 and, if provided for in the Articles of Association, the additional requirements established in codes of conduct drawn up by regulated stock exchange companies or by trade associations".

The Shareholders' Meeting on April 30, 2021 elected this Board of Directors for three years, in compliance with current legislation and the Articles of Association; the Board is comprised of a majority (five out of nine) of independent Directors.

Based on her own declaration, the powers and the role assigned to the Chairman, Silvia Merlo was confirmed as an independent Director.

The Directors who do not comply with the independence requirement are the CEO Francesco Caio and the Directors Alessandra Ferone, Pier Francesco Ragni and Marco Reggiani. At the Board Meeting of April 30, 2021, it was ascertained (as they had stated upon their candidacy) that the following Board Directors still complied with the independence requirements: the Chairman Silvia Merlo and the Directors Roberto Diacetti, Patrizia Giangualano, Paul Schapira and Paola Tagliavini. Directors are committed to inform the Board of any changes that may ensue during their mandate. This evaluation is carried out in accordance with the criteria set forth in Article 148, paragraph 3, of Legislative Decree No. 58/1998 and Article 2, Recommendation 6, of the Corporate Governance Code.

The Board of Directors met on February 23, 2022 and, at the proposal of the Sustainability, Scenarios and Governance Committee, pursuant to Article 2, Recommendation 7 of the Corporate Governance Code and Q&A in application of the same Code and in relation to the circumstances that may compromise, or appear to compromise, the independence of a Director, resolved:

- to set the "additional remuneration", which may be construed as jeopardising the independence of a Director of the Company at an amount not exceeding 30% of the "fixed" remuneration paid annually to a Director;
- to set the advantages that may derive from a significant commercial, financial or professional relationship of a Director of the Company at an amount not exceeding 30% of the "fixed" remuneration paid annually to a Director;
- to define as "close family members", for the purposes of all the circumstances that may be construed as jeopardising the independence of a Director, spouse, relatives or in-laws within the second degree.

On February 4, 2021, the Independent Directors in office until April 30, 2021 met without the other Directors being present. In 2022, the independent Directors appointed by the Shareholders' Meeting on April 30, 2021 met without the other Directors being present on January 31, February 10 and February 23, 2022. The meetings of the independent Directors were coordinated by the most senior Director, Paul Schapira, and concerned issues related to the functioning of the corporate bodies, the results of the 2021 board review and the general performance of the Company.

Lead Independent Director

Saipem has not appointed a Lead Independent Director as the conditions set out in Recommendation 13 of the Corporate Governance Code do not exist. In fact, the Chairman of the Board of Directors does not hold the role of principal responsible for the management of the Company (CEO), nor does it appear to have a controlling interest in the Company. Furthermore, the establishment of the Lead Independent Director was not requested by the independent Directors.

Management of corporate information

In 2013, the Board of Directors had approved the Management System Guideline (MSG) "Market Abuse".

In 2016, when the most recent EU Regulation on market abuse (EU Regulation 596/2014/MAR) came into force, Saipem had immediately taken measures to make the Register of parties having access to inside information compliant to the new guidelines. In 2018, Saipem started a general review of the Management System Guideline Market Abuse, which had been finalised as the regulatory framework had been completed.

The MSG "Market Abuse" established the principles and rules that Saipem SpA and the companies that it controls, directly and indirectly, in Italy and abroad must adhere to manage internal communication and external disclosure of documents and information regarding Saipem, with particular reference to Inside Information.

To this end, the MSG "Market Abuse" regulates the establishment, keeping and updating of Lists of persons with access to the aforementioned information, or to Significant Information as defined below; the identification of significant persons and the means of notifying transactions executed, including through third parties, on shares issued by Saipem SpA or on other financial instruments linked to these shares ("Internal Dealing").

To fulfil the obligation for timely publication of Inside Information, Saipem identifies and monitors flows of Significant Information (so-called Mapping). For the purposes of the Significant Information Mapping, the types of Significant Information are identified, in accordance with a matrix that links the corresponding organisational functions to the Significant Information.

The rules of conduct in this MSG have been adopted to: (a) ensure compliance with the legal, regulatory and governance provisions on the subject; (b) protect shareholders and investors, in order to prevent transactions that would be harmful to their interests through the exploitation of asymmetric information or through the dissemination

of false or misleading information; (c) protect the Company against any liability it might have for offenses committed by parties related to it.

The MSG "Market Abuse" regulates the measures and procedures relating to both the internal management and external disclosure of Inside Information and Significant Information regarding the Company and its subsidiaries.

The then Board of Directors had identified as "significant persons", for the purposes of Internal Dealing and in compliance with the Market Abuse procedure, the following: (a) members of the Company's Board of Directors and the Board of Statutory Auditors; (b) persons with management responsibilities and managers with regular access to Inside Information and who have the power to make management decisions that can affect the development and future prospects of the Saipem Group, as identified from time to time by the Board of Directors and therefore, until otherwise agreed by the Board of Directors, managers required to take part in the Advisory Committee and, in any case, the Director responsible for Financial Reporting, Division Managers and Direct Reports of the CEO or the Chairman or the Board of Directors; (c) anyone who, directly or indirectly, has a holding, calculated pursuant to Article 118 of the Issuer Regulation, of at least ten per cent (10%) of the Company's share capital, represented by shares with voting rights, and any other person that controls the Company ("Significant shareholders").

On March 15, 2022, the Board of Directors defined Saipem's Managers with Strategic Responsibilities (SRS) as individuals who perform management functions and executives who have regular access to inside information and are vested with powers to make management decisions that may affect the evolution and future prospects of the Saipem Group, as identified from time to time by the Board of Directors and therefore, until otherwise resolved by the Board of Directors: the General Manager, the Director responsible for the Company's Financial Reporting, the Chief Financial Officer, the Director of the People, Safety and Environment function, the Chief Project Control and Financial Advisory Officer, the Director for Company Affairs and Corporate Governance, the Director for Legal Affairs and Contract Management, the Director for the Commercial function, the Director of Supply Chain, the Director for Asset Based Services, the Director for Energy Carriers, the Director for Robotics and industrialised Solutions and the Director for Sustainable Infrastructures.

Pursuant to the provisions of MAR Regulations which came into force on July 3, 2016, "persons closely associated" with significant persons are also considered significant persons. Specifically: (a) a spouse, not legally separated, or a partner considered equivalent to a spouse under national law; (b) a dependent child, including the spouse's, under national law; (c) parents, relatives and the like who have shared the same house for at least one year on the date of the transaction in question; or (d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a significant person or a person referred to in letters (a), (b) or (c), which is directly or indirectly controlled by a significant person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of the significant person.

As and when provided by law, sale or purchase transactions involving Saipem shares are disclosed to Consob, Borsa Italiana and the public through the relevant section of the IT platform "eMarket SDIR" and subsequently sent to the authorised storage mechanism "eMarket Storage" (www.emarketstorage.com) and published on the Company's website.

The MSG "Market Abuse", published in 2018, has also adopted the new provisions related to the so-called "black-out period", i.e. the specific periods during which significant persons and persons closely associated with them may not execute transactions (thirty calendar days before the public disclosure of approval of financial statements or other periodic financial reports), whose calendar is constantly updated and notified to significant persons.

The latest edition of the MSG "Market Abuse" (revision 2)⁸ was published on June 30, 2020: the latest revision ensures the correct updating and alignment of the procedure with the organisational changes and training requirements within the Company. The MSG "Market Abuse" (revision 2) also provides for a periodic plan of ad-hoc training courses in e-learning mode on market abuse. This has been provided by the General Counsel, Corporate Affairs and Governance function and is aimed at the relevant Company personnel, in addition to what has already been done in this area as part of the broader training courses on offer, utilising various methods, for the enhancement of Saipem's managerial resources.

Board of Directors' Committees (pursuant to Article 123-bis, paragraph 2, letter d), of Legislative Decree No. 58/1998)

In 2018, Saipem's Board of Directors had established three Board Committees: the Audit and Risk Committee, the Compensation and Nomination Committee and the Sustainability, Scenarios and Governance Committee, merging the Compensation committee and the Nomination Committee and assigning, in part to the Audit and Risk Committee and in part to the Compensation and Nomination Committee, the responsibilities concerning related parties. In particular, during the previous mandate, the Audit and Risk Committee, for the purposes of its related parties' responsibilities, was comprised of the two non-related independent Directors, already members of this Committee plus another non-related independent Director, identified as the most senior among the other non-related independent Directors.

(8) The Management System Guideline "Market Abuse" (revision 2) is published at www.saipem.com under the section "Governance".

Considering the recommendations and principles contained in the Corporate Governance Code, with a resolution dated May 18, 2021, the newly appointed Board of Directors set up the following Board committees with consulting and advisory functions: the Compensation and Nomination Committee, the Audit and Risk Committee, the Related Parties Committee and the Sustainability, Scenarios and Governance Committee.

In defining the composition of the Committees, the Board considered both the skills and experience of the individual members – selecting the most appropriate professional profiles for the relevant tasks and also taking into consideration any experience gained at Saipem – and the number of other offices they held. Of the nine Directors appointed by the Shareholders' Meeting of April 30, 2021, three Directors (Francesco Caio, Alessandra Ferone and Paul Schapira) were already members of the Board Committees established during the previous Board mandate (Alessandra Ferone and Paul Schapira were members of the Audit and Risk Committee, Paul Schapira was a member of the Compensation and Nomination Committee, and Francesco Caio was Chairman of the Sustainability, Scenarios and Governance Committee).

The 2021 Board Review found that *"The number of Committees, their composition and the quality of their consultative and preliminary contributions are judged to be very positive"*.

Each Committee has its own rules and regulations, most recently approved by the Board of Directors on June 30, 2021, which govern, in particular, the composition, duties and functioning of the Committee itself.

In particular, the Committees are appointed by the Board of Directors (which also appoints the Chairman) and remain in office for the entire mandate of the Board itself.

The Committees usually meet, with a frequency appropriate to the proper performance of their functions, on the dates set out in the annual calendar of meetings approved by the Committees themselves, at the Company's registered office or in the place indicated in the notice of meeting.

The Secretary of each Committee is appointed by the Committee itself during their first meeting.

The meetings of the Committees are convened by means of a notice sent to the attendees by their Chairman or by the Secretary of the Committee on behalf of the Chairman.

The documentation is sent to all the members of the relevant Committee sufficiently in advance to enable them to be properly informed when participating in the meeting.

For Committee meetings to be quorate, the majority of its current members is required to be present and resolutions are passed by an absolute majority of the members present.

Committee meetings, which can also be held via video-conference, are recorded and transcribed in ad-hoc books. The minutes of meetings can be consulted by the Directors and Statutory Auditors in such a way as to ensure their confidentiality (BoardVantage or other equivalent instrument).

The Chairman of the Board of Statutory Auditors, or a Statutory Auditor designated by the latter, participates in the meetings of each Committee; however, the other statutory auditors may also participate.

More information is provided on the number of meetings held by each Committee during the year (updated to the date of approval of this Report), as well as the participation of each member in Committee meetings in Tables 3A and 3B on page 75 of this Report.

The Committees envisaged by the Corporate Governance Code (Audit and Risk Committee and Compensation and Nomination Committee) are composed of at least three Directors and, in particular, the Audit and Risk Committee is currently composed exclusively of non-executive and independent Directors; conversely, the Compensation and Nomination Committee is made up of non-executive Directors, the majority of whom are independent. The Chairmen of both Committees are both qualified as independent. The current composition of the Committees therefore reflects the recommendations of the Corporate Governance Code on the subject.

For more detailed information on the Related Parties Committee and the Sustainability, Scenarios and Governance Committee, please refer to the paragraphs "Interests of Directors and Statutory Auditors and transactions with Related Parties" on page 60 and "Additional Committees (other than those provided for by the legislation or recommended by the Code)" on page 42 of this Report.

Additional Committees (other than those provided for by the legislation or recommended by the Code)

The Sustainability, Scenarios and Governance Committee, set up through a resolution of the then Board of Directors on May 16, 2018, was chaired by the Chairman of Saipem's Board of Directors, Francesco Caio. The other members were Maria Elena Cappello, Claudia Carloni and Federico Ferro-Luzzi (also a member of the Compensation and Nomination Committee).

At their meeting of February 24, 2021, the then Board of Directors, in order to align the governance of the Company with the provisions of the Corporate Governance Code and with the favourable opinion of the respective Committees, had approved the updated versions of the Regulations of the internal Board Committees.

At their meeting of May 18, 2021, the Board of Directors appointed by the Shareholders' Meeting on April 30, 2021 appointed the following non-executive Directors as members of the Sustainability, Scenarios and Governance Committee: the Chairman of Saipem's Board of Directors, Silvia Merlo, who chairs the Committee, Patrizia Michela Giangualano, Pier Francesco Ragni and Marco Reggiani.

The Committee's Rules and Regulations provide that the Board of Statutory Auditors attend Committee meetings and, with the regulations of all the other Board Committees, was approved by the Board of Directors on June 30, 2021.

The General Counsel, Company Affairs and Governance acts as the Secretary of the Committee.

The Committee is responsible for assisting the Board of Directors by fulfilling a preparatory, consultative and advisory role in assessments and decision-making processes with regard to Sustainability issues, also understood as environmental, social and governance issues, related to Saipem's business and its engagement with all

stakeholders, Saipem's Corporate Social Responsibility and the review of scenarios envisaged in the preparation of the Strategic Plan, based also on the analysis of significant issues for the creation of long-term value and the Corporate Governance of the Company and the Group.

Specifically, the Committee has the following duties:

- a)
 1. examine the indications of sustainability policies and strategies developed by Saipem's Sustainability Committee. Express an opinion to the Board of Directors in this regard;
 2. share with the Board of Directors, and other Board committees, policies based on the principles of sustainable business, which take into account the evolution of the reference scenarios, identify opportunities and create value, also in the long-term, for stakeholders, such as: (i) ethics; (ii) environmental protection, with particular reference to the issue of climate change; (iii) socio-economic progress of the areas in which the Company operates; (iv) protection of human rights; (v) enhancement of differences and equality of treatment for all persons;
 3. review the general approach of the annual sustainability report and the articulation of its contents, as well as the completeness and transparency of the communication provided to stakeholders through the same report, expressing an opinion to the Board of Directors called to approve this document;
 4. ascertain the general layout of the non-financial statement and the articulation of its contents, as well as the completeness and transparency of the information provided in the same document, communicating the outcome of this assessment, through the Chairman of the Committee, to the Audit and Risk Committee, called to ensure that the periodic non-financial information correctly represents the business model, the strategies of the Company, the impact of its activities and its performance;
 5. monitor the implementation of the sustainability vision, in its broader meaning of purpose, approved by the Board of Directors, and propose the actions necessary to determine the stakeholder value generated by the Company, as part of its stakeholder engagement activities, contributing to the definition and adoption of a measurement model;
 6. monitor the Company's positioning with respect to the financial markets vis-à-vis sustainability issues, with particular reference to: (i) sustainable finance (i.e. green bonds); (ii) the relationship with ESG rating agencies; (iii) participation and inclusion in sustainability indices;
 7. monitor initiatives aimed at local communities and evaluate their social and environmental impact, issuing a prior opinion on the Community Initiatives Plan to the Board of Directors called to approve this document;
- b) monitoring the development of national and international laws and best practices in relation to corporate governance and updating the Board of Directors in the event of any significant changes thereto;
- c) checking the compliance of the Company's and the Group's corporate governance system with the law, with the recommendations contained in the Corporate Governance Code and with national and international best practices;
- d) monitor the positioning of the Company's Code of Ethics vis-à-vis national and international regulations and best practices, making proposals to the Board of Directors;
- e) formulating proposals to the Board of Directors for improvements to the corporate governance system of the Company and the Group's shareholding structure, where it deems these to be either necessary or appropriate;
- f) examining in advance the annual report on corporate governance to be published at the same time as the financial statements;
- g) making recommendations to the Board of Directors regarding the maximum number of board memberships a Company Director may hold on the administration and control bodies of other companies listed on regulated markets, finance, banking and insurance companies or, at any rate, companies of significant size, which can be considered compatible with the efficient performance of his/her duties as a Director of the Company, taking into account the commitment associated with this role;
- h) carrying out an assessment to ascertain the independence of each Director immediately after their appointment and during the course of their mandate whenever events occur that are relevant for the purposes of independence and, in any case, at least annually;
- i) making recommendations to the Board of Directors vis-à-vis any problematic circumstances arising in relation to application of the Director's non-competition obligation pursuant to Article 2390 of the Italian Civil Code, in cases where, for reasons of an organisational nature, the shareholders have authorised a general, advance waiver of said obligation;
- j) reviewing scenarios and guidelines for the preparation of the Company's Strategic Plan, based also on the analysis of significant issues for the creation of long-term value and expressing an opinion to the Board of Directors.

In 2021, the Sustainability, Scenarios and Governance Committee met on 8 occasions, with meetings lasting an average 1.98 hours and attended by 96.87% of members. In detail, the Sustainability, Scenarios and Governance Committee in office until April 30, 2021 met twice, with meeting lasting on average 1.8 hours and attended by 100% of its members. Conversely, the Committee set up by the Board of Directors on May 18, 2021, met 6 times, with meeting lasting an average of 2.10 hours and attended by an average of 95.83% of its members.

The Board of Statutory Auditors attended all meetings.

The Chairman of the Committee provides information to the Board of Directors on Committee activities and topics discussed after the latest Board of Directors meeting, at the earliest Board meeting possible.

The Regulations of the Sustainability, Scenarios and Governance Committee, approved by the Board of Directors at their meeting of June 30, 2021, are posted on the Company's website.

In 2021, the Sustainability, Scenarios and Governance Committee dealt with the following main issues:

- review of the 2020 Report on the evolution of the Corporate Governance of listed companies (8th Report on the application of the Corporate Governance Code) and analysis of Saipem SpA's situation;
- assessment of the alignment of Saipem's Corporate Governance system with the recommendations of the Corporate Governance Code for listed companies in force until December 31, 2020;
- presentation of the new Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana, which came into force on January 1, 2021;
- review of the draft document "Corporate Governance and Shareholding Structure Report 2020";
- review of the draft document "2020 Sustainability Report - Ready for the Transition - Enabling a Green Future";
- review of the draft "Consolidated Non-Financial Statement" (NFS);
- review of the extension of the scope of the Internal Control System over Non-Financial Reporting for the year 2020 and of the report on the effectiveness of the Internal Control System over Non-Financial Reporting for the year 2019;
- Saipem Modern Slavery Statement 2020;
- presentation of the draft of the 4th Saipem document on "Climate Change" in line with the recommendations of the Task Force on Climate Related Financial Disclosure;
- presentation of results for the Materiality Analysis 2021;
- definition of the framework of the 2021 sustainability disclosure (Consolidated Non-Financial Statement and Sustainability Report);
- Saipem sustainability rating and monitoring of its Environment, Social, Governance (ESG) positioning;
- setting the 2022 budget of the Committee - proposal to the Board of Directors;
- review of the draft document "Engagement with the Shareholders and other market operators".

In 2022, the Committee has already met on 3 occasions as of March 24, 2022.

Board review and succession of Directors - Nomination Committee

Board review

In compliance with the Corporate Governance Code, also in 2021 Saipem's Board of Directors carried out their annual review concerning the size, composition and functioning of the Board itself and its Committees.

Pursuant to Article 4, Recommendation 19 of the Corporate Governance Code, the Board of Directors entrusted the Compensation and Nomination Committee with the task of assisting with the Board review. At their meeting of October 13, 2021 the Board of Directors approved the proposal put forward by the same Committee to entrust the 2021 Board Review to the consultant Crisci & Partners, an independent company that does not perform other services for Saipem.

The objective of the Board review concerned the verification of the overall operations and functioning of the Board of Directors and its Committees.

All the subjects covered by the Board Review were examined utilising a questionnaire prepared by Crisci & Partners – filled in by the members of the Board of Directors (and for the parts within their remit by the Board of Statutory Auditors).

Crisci & Partners issued a final report (including an executive summary), which was illustrated during the Board of Directors' meeting of February 23, 2022 and from which emerged a positive evaluation by the Board of Directors.

In particular, the Board Review found that the main strengths of the Board of Directors are the adequate size of the Board, the diversity and articulation of the different competences, the professional background also on ESG issues, the induction and onboarding activities of the Directors during their first year of office. Furthermore, an additional strong point was found to be the quality of the consultative and preparatory contribution by the Board Committees.

Succession plans

In view of the current shareholding structure and the new version of the Shareholders' Agreement between Eni SpA and CDP Industria SpA, which came into force on January 22, 2022, providing as before for the joint appointment by the two shareholders of the CEO and the Chairman, Saipem's Board of Directors has not prepared any succession plans for executive Directors. At their meeting of December 14, 2016, the Board in office until May 3, 2018, had acknowledged the benchmarks for succession and contingency plans of Italian listed companies prepared by the Compensation and Nomination Committee in office until May 3, 2018.

With regard to a possible contingency plan to cover sudden and unforeseen events which may prevent the CEO or the Chairman from carrying out their duties, the Board of Directors in office until May 3, 2018 had resolved, at the same meeting, that the then Corporate Governance Committee and Scenarios review this topic and invited the Chairman of the Compensation and Nomination Committee in office until May 3, 2018 to produce a shared proposal to be submitted to the Board once the new organisation was in place.

The then Corporate Governance Committee and Scenarios, together with the then Chairman of the Compensation and Nomination Committee, had gathered and evaluated in-depth information on a possible contingency plan and had drafted the following proposals to the Board of Directors in office until May 3, 2018:

- a) contingency Plan for the CEO: should sudden and unforeseen events occur which may prevent the CEO from carrying out his duties, the Board of Directors, following an analysis of the powers granted by the CEO to his direct reports, is aware that:
- the existence of the powers granted by the CEO to his direct reports would ensure continuity of the company management; and that
 - the Board of Directors (which, should such sudden events occur, would take over the direct management of the powers that the CEO had not delegated to his reports) could – depending on the foreseeable duration of the Contingency Plan – decide to temporarily reassign all or some of those powers;
- b) Contingency Plan for the Chairman: should sudden and unforeseen events occur which may prevent the Chairman from carrying out her duties, the Board of Directors, following their analysis, found that the provisions set forth in the Company's Articles of Association detail solutions aimed at overcoming impediments and/or continued absence of the Chairman (for the purposes of calling and running Board of Directors' and shareholders' meetings) or the legal representation of the Company, and that these appear to be adequate to manage the consequences of such sudden and unforeseen events.

The then Corporate Governance Committee and Scenarios had also observed that:

- (i) as it is impossible to estimate a time frame for the application of the Contingency Plan and in the absence of a succession plan, the above recommendations will need to be verified upon the occurrence of sudden events which may prevent the CEO from carrying out his responsibilities, also with regard to the duration of the possible application of a Contingency Plan;
- (ii) should a Contingency Plan be in force, the powers granted by the CEO to his reports must be assessed by the Board of Directors, which will verify these by examining the periodic reporting of activities produced by the management;
- (iii) the flow of information from the management to the Board of Directors will be evaluated taking into account the foreseeable application of the Contingency Plan and the decisions that the Board of Directors may take on any temporary assignment of part of the CEO's powers; and that
- (iv) these assessments and their conclusions do not affect the prerogatives of the shareholders, as stated in the shareholders' agreements they signed; therefore the shareholders do not need to be involved in this regard.

The Board of Directors in office until May 3, 2018, at their meeting of July 24, 2017, had approved the aforementioned proposals.

Furthermore, Saipem defined a procedure to identify successors for strategic managerial positions.

This succession plan for the aforementioned positions is a procedure that has been in force at Saipem since 2012. It provides the following phases:

- an analytical job description for each position detailing responsibilities, the role's strategic objectives in the near future, managerial experience and competencies required to cover the role;
- assessment of the role holder and potential candidates for their succession;
- definition of succession tables listing the names of potential successors and development indications;
- assessment of the overall risk associated with the position, in consideration of the possible succession plans.

Succession plans for positions of strategic interest in Saipem represent a reference point when making decisions concerning managerial development and enhancement.

On February 25, 2022, the Compensation and Nomination Committee, at the request of the Sustainability, Scenarios and Governance Committee, reviewed the succession plans and methodology for Saipem Senior Managers with Strategic Responsibilities. The Committee maintained that, in view of the recent organisational changes that involved the Senior Managers with strategic responsibilities, the succession plans for 2022 and their risk level be updated during the year.

Compensation and Nomination Committee

The Compensation and Nomination Committee in office until April 30, 2021 was comprised of the following non-executive independent Board Directors: Paolo Fumagalli (Chairman), Paul Schapira and Federico Ferro-Luzzi. On May 18, 2021, the Board of Directors, appointed by the Shareholders' Meeting on April 30, 2021, selected as members of the Compensation and Nomination Committee the following non-executive Directors, the majority of whom are independent, ensuring that at least one member of the Committee possesses adequate knowledge and experience in finance or remuneration policies: Paul Schapira (Chairman), Alessandra Ferone and Paola Tagliavini. The Committee regulations, with the regulations of all the other Board Committees, were approved by the Board of Directors on June 30, 2021.

Under the regulations, the Corporate Head of Human Resources (now Director for Human Resources and Organisation), or on his behalf the Corporate Head of People Development, Recruitment and Compensation (now Corporate Head of People Development, Recruiting, Training and Compensation), acts as the Secretary of the Committee, responsible for drafting the minutes of meeting and assisting the Committee in its activities. The Committee fulfils a propositive and consultative role to the Board of Directors, and specifically in matters of remuneration:

- submits for approval to the Board of Directors the Report on Saipem's Remuneration Policy and Compensation paid and, in particular, the Remuneration Policy for Directors and Senior Managers with strategic responsibilities, to be submitted for approval at the Shareholders' Meeting called to approve the annual Financial Statements, as provided for by the law;

- makes proposals regarding the various forms of compensation of the Chairman and Executive Directors;
- makes proposals regarding the compensation of the Directors who sit on the Board Committees;
- examines the suggestions of the CEO and proposes the annual and long-term incentive plans, including stock-based plans, the general criteria for the compensation of Senior Managers with strategic responsibilities, identifies Company targets and reviews the results of performance plans connected to both the implementation of incentive plans and the calculation of the variable compensation of Directors with powers;
- monitors the implementation of resolutions taken by the Board;
- periodically evaluates the adequacy, overall consistency and actual implementation of the adopted policy, formulating proposals to the Board of Directors on the subject.

The Committee fulfils a propositive and consultative role to the Board of Directors, also in matters of nominations. Specifically:

- proposes 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 to 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 of Directors;
- proposes to the Board the succession plan for the CEO and executive directors, identifying the procedures to be applied in case of early terminations;
- with regard to the succession plan for Senior Managers with strategic responsibilities, at the proposal of the CEO, the Committee examines and evaluates the criteria for their succession plan, reporting to the Board of Directors so as to ensure that adequate procedures are in place to implement the succession plans.

Furthermore, the Committee:

- reports to the Board on the tasks performed, at the Board meetings 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-Year Report;
- through the Committee Chairman or another member designated by the same, reports on the working procedures of its functions to the Shareholders' Meeting convened to approve the annual financial statements;
- assists the Board in the Board review and that of its committees;
- assists the Board in expressing, in view of its renewal, the recommendations on the quantitative and qualitative composition considered optimal by the Board and its committees, taking into account the results of the Board review;
- assists the Board in the presentation of a list by the outgoing Board of Directors ensuring that it is drafted and presented in a transparent manner.

In fulfilling its duties, the Committee provides opinions, as and when required, by the current internal regulations in terms of transactions with related parties, under the terms provided in the same regulation.

The Board of Directors provides the Committee with the resources necessary to carry out its responsibilities. To fulfil its duties, the Committee has the right to access the required Company information and departments and to avail itself 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 in the Annual Report.

The Chairman of the Committee reports to the Board on the tasks performed and activities discussed at Committee meetings since the previous Board meeting at the next suitable meeting.

The Chairman of the Board of Statutory Auditors (or other Statutory Auditor designated by the latter) attends Committee meetings; other Statutory Auditors may also attend when the Committee discusses matters for approval by the Board of Directors that are subject to the mandatory opinion of the Board of Statutory Auditors. At the request of the Chairman of the Committee, other persons can be invited to attend Committee meetings to provide information and evaluations within their area of expertise on individual items on the meeting agenda.

The meetings of the Compensation and Nomination Committee are not attended by the Directors when proposals are discussed regarding their remuneration.

In 2021, the Committee convened on 14 occasions, with meetings lasting an average of 2.04 hours and attended on average by 100% of members. In detail, the Committee in office until April 30, 2021 met on 6 occasions, with meetings lasting an average of 2.28 hours and attended on average by 100% of members. The Committee appointed by the Board of Directors on May 18, 2021 convened on 8 occasions, with meetings lasting an average of 1.46 hours and attended on average by 100% of members.

The Chairman of the Board of Statutory Auditors or a Statutory Auditor attended all meetings.

The work of the Committee focused on the following:

- reviewing actual 2020 performance results and setting the 2021 targets for the long and short-term variable incentive plans;
- periodic evaluation of the remuneration policy implemented in 2020, drawing up the Remuneration guidelines for 2021 in light of recent events and Company results; evaluation of the Company's actual results for 2020, and setting performance targets for 2021 vis-à-vis variable incentive plans, in addition to the market benchmarks for similar roles at Saipem peer companies;
- definition of the proposal for the buy-back of treasury shares to service the 2021 allocation of the 2019-2021 Long-Term Incentive Plan;
- definition of the proposal for the buy-back of treasury shares to service the 2022 allocation of the 2021-2023 Short-Term Incentive Plan;

- > implementation of the 2021 Short-Term Variable Incentive Plan;
- > definition of the proposal to update the performance indicators of the Saipem 2021 Data Sheet;
- > approval of the incentive plan regulations and setting the number of shares to be awarded to managerial resources for the 2021 allocation of the Short-Term Incentive Plan;
- > 2021 allocation of shares concerning the 2018 award of the 2016-2018 Long-Term Incentive Plan for the Chief Executive Officer;
- > amendment of the regulations of the Compensation and Nomination Committee;
- > review of the benchmarks and setting the remuneration of the Chief Executive Officer, the Chairman and Directors for their membership in the Board Committees for the 2021-2024 mandate;
- > reviewing the proposal for the appointment of the Director responsible for financial reporting;
- > performance method and selection of the consultant for the 2021 Board review;
- > finalising the proposals regarding the 2021 allocation of the Long-Term Incentive Plan, approving the regulations of the plan and setting the number of shares to be awarded to the CEO and managerial resources;
- > reviewing the areas of intervention for the new 2022-2024 long-term variable incentive system;
- > setting the budget of the Compensation and Nomination Committee for the year 2022;
- > reviewing the candidates of the members of the Compliance Committee;
- > reviewing the proposed Saipem 2022 performance indicators.

The Committee scheduled at least 15 meetings to take place during 2022, 8 of which have already been held as of March 24, 2022).

In 2021 and in accordance with the organisational structure in force until January 13, 2021, the meetings of the Committee were also attended by: the Chief Executive Officer, the Chief Financial Officer, the Head of the Finance function, the Director of the Digital and Innovation function, the Head of Digital Transformation and the Director for Health, Safety and the Environment, when discussing issues under their remit. The Committee also availed itself of the services of the independent international consultancy firms Willis Towers Watson and Morrow Sodali.

The Committee reports, through the Chairman of the Committee or other person designated by the latter, on the methods used to carry out its responsibilities at the Shareholders' Meeting called to approve the Financial Statements, pursuant to the provisions set forth in the Committee's Regulations and the Corporate Governance Code, with the aim of engaging with shareholders and investors.

Further information on the Compensation and Nomination Committee is provided, in compliance with Article 123-ter of Legislative Decree No. 58/1998, in the "Report on the Remuneration Policy and Compensation Paid".

Directors' compensation

Article 123-ter of Legislative Decree No. 58/1998 has made it compulsory for listed companies to publish a "Report on the Remuneration Policy and Compensation Paid".

For all issues relating to the remuneration of Directors, Statutory Auditors and Senior Managers with strategic responsibilities, please refer to the "Report on the Remuneration Policy and Compensation Paid", which is available to the public at Saipem's registered office or on the Company's website www.saipem.com under the section "Governance" at least 21 days prior to the General Shareholders' Meeting called to approve the Financial Statements for the year 2021. At the General Shareholders' Meeting, shareholders will be required to cast a binding vote on the first section and a consultative vote on the second section of the same Report, pursuant to current legislation.

With reference to the remuneration policy, the Shareholder Rights Directive II (SHRD II) establishes that EU Member States ensure that companies develop a Directors' remuneration policy and that shareholders have the right to vote; according to the Directive, this vote is binding, unless the Member States opt for a consultative vote. The policy is required to indicate the criteria to be used, based on financial and non-financial results, taking into account, where appropriate, the criteria of corporate social responsibility.

Specifically, the Shareholder Rights Directive II introduces the following changes:

- > the vote is binding on Section I of the "Report on Remuneration Policy and Compensation Paid" (which illustrates the guidelines of the remuneration policy that will be adopted during the year for Directors, Statutory Auditors and Senior Managers with strategic responsibilities, detailing the general aims, the bodies involved and procedures used to adopt and implement the Policy) at least every three years or whenever the policy changes;
- > the vote is consultative for Section II of the "Report on Remuneration Policy and Compensation Paid" (which illustrates the compensation actually paid in the previous year to Directors, Statutory Auditors and Senior Managers with strategic responsibilities, shareholdings held and information relating to the implementation of variable incentive plans);
- > extension of the relevant perimeter to members of the control bodies;
- > the identification of the elements of the policy which, in exceptional circumstances, it is possible to temporarily derogate from and the procedural conditions for applying the derogation;
- > obligation to describe how the Company has implemented the guidelines and the vote expressed by the shareholders in defining the remuneration policy.

Legislative Decree No. 49/2019, transposing the aforementioned Directive, has amended Article 123-ter of Legislative Decree No. 58/1998 as follows:

- > changing the formal name of the "Remuneration Report" to "Report on the Remuneration Policy and Compensation Paid";

- extending the obligation to illustrate the remuneration policy also to the members of the control bodies (without prejudice to the provisions of Article 2402 of the Italian Civil Code);
- specifying that the remuneration policy “contributes to the corporate strategy, to the pursuit of long-term interests and to the sustainability of the Company and illustrates the way in which it makes this contribution”;
- introducing the binding vote (instead of the consultative vote) by the Shareholders’ Meeting on the remuneration policy referred to in the first section of the Report, also providing that the policy is subject to the vote of the Shareholders’ Meeting at least every three years (instead of on an annual basis). The shareholders’ vote is also expressly envisaged whenever there is a change in the policy);
- introducing the consultative vote on Section II of the Report (on the compensation paid).

The Decree also introduces the obligation for the external auditing firm to verify the preparation of Section II of the Report.

The Report on the Remuneration Policy and the Compensation Paid is also drawn up in compliance with Article 84-*quater* of Consob Issuers’ Regulation (Resolution No. 11971 of May 14, 1999 and subsequent amendments and additions), and the recommendations of the Corporate Governance Code for listed companies promoted by Borsa Italiana. In particular, the following points were taken into consideration in the Report on Remuneration Policy and Compensation Paid 2021: provide greater disclosure regarding the actual results; illustrate how the Remuneration Policy contributes to the corporate strategy and the pursuit of long-term interests; adopt both financial and non-financial performance targets for variable remuneration systems; provide evidence for the procedure followed when applying the exceptions; disclose the historical changes in the remuneration of Directors, employees and Saipem’s performance.

For further details relating to the remuneration of Directors: specifically concerning the remuneration policy, the remuneration of executive Directors and the top management, stock based remuneration plans, the remuneration of non-executive Directors, accruing and payment of the remuneration, indemnification of Directors in case of resignation, dismissal or termination of employment following a takeover bid, please refer to the “Report on Remuneration Policy and Compensation Paid”, pursuant to Article 123-*ter* of Legislative Decree No. 58/1998.

Internal Control and Risk Management System

Saipem is committed to promoting and maintaining an adequate Internal Control and Risk Management System consisting of a set of tools, organisational structures, procedures and Company rules and regulations aimed at helping to make informed decisions and safeguarding the Company’s assets, the efficiency and effectiveness of Company operations, the reliability of financial reporting and compliance with the laws and regulations of the Articles of Association and Company procedures.

The structure of Saipem’s internal control system constitutes an integral part of the Company’s organisational and management model; it involves – with different roles – administrative bodies, supervisory bodies, control bodies, the management and all personnel, and complies with the principles contained in the Code of Ethics and the Corporate Governance Code for Italian listed companies - 2020 edition, which Saipem’s Board of Directors adopted on December 17, 2020. This subject is regulated in the regulatory tool Management System Guideline “Internal Control and Risk Management System”.

The Internal Control system adopted by Saipem conforms to applicable regulations, is consistent with national and international best practices and is based on the relevant “CoSO Report” framework.

The main responsibilities of the Internal Control and Risk Management System are entrusted to Saipem bodies and organs equipped with the necessary powers, tools and structures to pursue its objectives.

Saipem is aware that adequate processes for the identification, measurement, management and monitoring of main risks contribute towards ensuring sound and proper Company management in line with the strategic objectives set out by the Board of Directors. Saipem promotes a preventive approach to risk management whereby the management’s decisions and activities aim to reduce the probability of negative events occurring and their associated impact. To this end, Saipem adopts risk management strategies in accordance with the nature and type of risk, such as mainly financial and industrial risks in addition to certain strategic and operational risks associated with the specific nature of the Company’s operations.

The main business risks that Saipem identifies and monitors are illustrated in the Annual Report 2021, under the section “Risk management”.

Saipem is committed to guaranteeing the integrity, transparency, fairness and efficiency of its processes through the adoption of adequate tools, rules and regulations in performing activities and exercising powers, and promotes rules of conduct inspired by the general principles of traceability and segregation of activities. Indeed, Saipem’s management – also on the basis of the risks managed – established specific control activities and monitoring processes aimed at ensuring the internal control system’s efficacy and efficiency over time. In line with this approach, Saipem has long been committed to favouring the development and diffusion of awareness towards internal control issues amongst all the Company’s personnel. In this context, Saipem manages the receipt, through easily accessible information channels, analysis and processing of notification it receives from its subsidiaries, even in confidential or anonymous form (so-called whistle-blowing), relating to internal control issues, financial reporting, the Company’s administrative responsibility, fraud or other matters⁹.

(9) Saipem fully guarantees the protection of persons that report any issues in good faith and submits the results of the preliminary investigation to the Company’s management and to the relevant control and supervisory bodies.

The internal control system is regularly verified and updated, so as to consistently guarantee its ability to monitor the main risk areas of the Company's activities, in relation to the specific nature of the Company's operational divisions and organisational structure, and in response to possible changes within the legal and regulatory framework.

Main features of the risk assessment and internal control systems for the purposes of financial reporting

Foreword

To achieve the aim of the Internal Control and Risk Management System regarding the reliability of financial information, Saipem has adopted an "Internal Control System over Financial Reporting", which is an integral part of the broader corporate Internal Control and Risk Management System, aimed at providing with reasonable certainty the reliability, accuracy and timeliness of the financial information itself and the ability of the financial reporting process to produce financial information in accordance with generally accepted accounting principles.

In accordance with the provisions of the law, the Director responsible for financial reporting is responsible for the internal control system governing financial information and, to this end, prepares the administrative and accounting procedures for the preparation of the periodic accounting documentation and any other financial disclosure, certifying, together with the Chief Executive Officer, in a specific report on the statutory financial statements, the half-year interim financial statements and the consolidated financial statements, their adequacy and effective application during the relevant period. Pursuant to Article 154-*bis* of Legislative Decree No. 58/1998, the Board of Directors ascertains whether the Director responsible for Financial Reporting has appropriate powers and means to perform the assigned duties, in addition to supervising the actual conformity to these procedures.

The Management System Guideline "Internal Control System over Financial Reporting" defines the rules and methodologies for the design, implementation, monitoring and updating of the Internal Control System on Saipem external communication for the evaluation of its effectiveness.

These regulations and methodologies have been designed in accordance with the provisions of Article 154-*bis* of Legislative Decree No. 58/1998 and reviewed in light of the provisions of the framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (CoSO) in May 2013, which detail 17 principles for the 5 components of the internal control system that, if correctly applied, guarantee its effectiveness.

The Management System Guideline "Internal Control System over Financial Reporting" applies to Saipem SpA and to all direct and indirect subsidiaries both in Italy and abroad, in compliance with international accounting standards and in consideration of their relevance for the preparation of financial reporting. All controlled companies, regardless of their relevance with respect to Saipem's internal control system, use this Management System Guideline as a reference for the design and implementation of their own internal control system, in order to ensure its adequacy in relation to the size of the company and the nature of its business.

The Internal Control System over Financial Reporting adopted by Saipem in compliance with the provisions of the CoSO Framework, is based on the following components:

- identification of the scope of application (Risk Assessment);
- identification and maintenance of controls, which in turn is subdivided in identification and updating of the following components of the Internal Control over Financial Reporting:
 - Entity Level Controls (ELC);
 - Process Level Controls (PLC);
 - IT General Controls (ITGC);
 - Segregation of Duties (SOD);
 - anti-fraud programs and controls;
 - line and independent monitoring.

The integrated operation of these components ensures both the reliability of the Financial Information and the ability of the relevant business processes to produce this Information in accordance with the relevant legislation and generally accepted accounting principles.

Main features of the risk assessment and internal control systems for the purposes of financial reporting

The design, implementation and maintenance of the internal control system are ensured through: (a) risk assessment, (b) control identification, (c) control evaluation and (d) reporting.

(a) The risk assessment process has a top-down approach aimed at identifying those organisational departments, processes and specific activities that bear the risk of unintentional errors and/or fraud, which could have a material impact on the financial statements.

The identification of companies that fall within the scope of the internal control system over financial reporting¹⁰ is based both on their contribution to the consolidated financial statements (turnover, net debt, net revenues, and profits before taxation) and their relevance in terms of processes and specific risks, whose actual occurrence could the reliability and accuracy of financial reporting. Within the companies identified as relevant for the purposes of internal control system over financial reporting, significant processes are then identified based on an analysis of quantitative factors (processes involved in the calculation of items featured in the

(10) Companies subject to internal controls include those incorporated under and regulated by non-EU member state legislations, for which the provisions of Article 15 of Consob Market Regulations apply.

financial statements which are greater than a certain percentage of profits before taxation), as well as qualitative factors (for instance: complexity of the accounting treatment used for an item; new items or significant changes in business conditions).

Risks are assessed for relevant processes and activities, i.e. potential events whose occurrence could compromise the achievement of the control objectives for financial reporting (for instance accounting assertions). These risks are prioritised in terms of their potential impact and likelihood of occurrence, based on quantitative and qualitative parameters and assuming no controls (inherent risk assessment). Saipem carries out a specific assessment on risks of fraud¹¹, using a methodology based on the "Anti-fraud Programmes and Controls" included in the Management System Guideline "Internal Controls over Financial Reporting".

- (b) Controls are defined for the individual company, processes and associated risks based on two fundamental principles: the dissemination of controls at all levels of the organisational structure, consistently with the operational responsibilities, and the sustainability of controls over time, so that their performance is integrated and compatible with operational requirements.

The structure of the control system comprises Entity Level Controls (ELC) which operate transversally within the entity (Group / individual company) and Process Level Controls (PLC).

Entity Level Controls are organised into a checklist based on the model adopted in the CoSO Report, i.e. divided into five components of the internal control system (control environment, risk assessment, control activities, IT systems and information flows, and monitoring activities) and 17 principles whose existence and correct implementation are essential to ensure the effective operation of the single components of the internal control system.

Specifically, the "control environment" component includes all activities relating to the definition of timeframes for the preparation and publication of financial results (interim and annual financial statements and associated financial calendars); the "control activities" component covers organisational and regulatory structures that guarantee the achievement of financial reporting objectives (for instance the review and updating by specific departments of rules relating to the preparation of financial statements and charts of accounts); the component "Information and communication" includes management controls over the consolidation process.

Process level controls are divided into:

- specific controls, which are identified as all activities, both manual and automated, aimed at preventing, identifying and correcting errors and irregularities occurring during operational activities;
- pervasive controls, which are structural elements of the internal control system aimed at establishing a general environment which promotes the correct execution and control of operational activities. Pervasive controls include those concerning the segregation of incompatible duties and IT general controls.

Specific controls are detailed in ad-hoc procedures which define Company processes and the "key controls", whose absence or non-implementation entails the risk of significant error/fraud in the financial statements which cannot be detected by other controls.

- (c) Entity level controls and process level controls are constantly monitored to evaluate their design and operational effectiveness over time; this is done by means of ongoing monitoring activities carried out by the managers in charge of the relevant processes/activities, and through separate evaluations carried out by the Internal Audit function and by an external consultant, in accordance with an audit plan provided by the Director responsible for the Company's Financial Reporting, which defines the audit scope and objectives to be implemented through agreed-upon audit procedures.

Monitoring activities highlight possible deficiencies in the control system; these are evaluated in terms of probability of occurrence and impact on Saipem's financial reporting and, based on their significance, are classed as "control deficiency", "significant deficiency" and/or "material weakness". When shortcomings are identified vis-à-vis the reference model, these are defined and corrective actions are promptly implemented to eliminate them.

- (d) The findings of monitoring activities regarding the state of the internal control system are periodically reported using IT tools that ensure the traceability of information relating to the adequacy of design and the operational effectiveness of controls.

On the basis of this reporting, the Director responsible for Financial Reporting draws up a half-yearly and annual report on the adequacy and effective application of the control system over financial reporting. The report, shared with the Chief Executive Officer, is sent to the Board of Directors, after examination by the Audit and Risk Committee, upon the approval of the draft statutory financial statements and the Half-Year Financial Report, in order to allow the performance of checks, as well as the assessments on the internal control system over financial reporting.

The work of the Director responsible for the Company's Financial Reporting is supported by various departments within Saipem, whose responsibilities and tasks are set out in the aforementioned Management System Guideline. Specifically, internal controls involve all levels of Saipem's organisation, from operations managers to function and administrative managers. In this organisational context, a very important figure of the internal control system is the risk owner, who carries out line monitoring activities, evaluating the design and operating effectiveness of specific and pervasive controls and producing reports on monitoring activities.

(11) Fraud: for the purposes of the Internal Control System, this refers to any intentional act or omission that may result in false representation or misleading reporting.

The Financial Reporting Internal Control System function provides operational support to the Director responsible for Financial Reporting; the former coordinates Saipem's Internal Control System on Financial Reporting (SCIF), guaranteeing methodological assistance to the functions and companies involved in the establishment and maintenance of the Control System, as well as streamlining the information flows relating to the Internal Control System on Financial Information (SCIF) to the top management and to the Director responsible for financial reporting, also preparing the reports on the state of the system. This function is also responsible for contributing to the preparation and updating of the regulatory documents of Saipem and its subsidiaries and managing training activities on the Internal Control System on Financial Information (SCIF) for Saipem's personnel, through online courses (e-learning).

The Internal Control System on Financial Information (SCIF) is constantly updated vis-à-vis the identification of new risks or to incorporate changes at organisational level, at process level or to the supporting IT systems. The SCIF is also promptly amended when information is received from the various corporate functions and control bodies following the results of (line and independent) monitoring and of Internal/External Audit activities.

Board of Directors

The Board of Directors plays a key role with regard to internal control matters, as it defines the guidelines of the organisational, management and accounting structure of the Company, its main subsidiaries and the Group as a whole. In this context, after analysing the proposals of the Audit and Risk Committee, the Board determines the nature and level of risk commensurate with the Company's strategic objectives and the guidelines for the Internal Control and Risk Management System, so as to guarantee that the major risks affecting the Company and its subsidiaries are identified, measured, managed and monitored. In defining these guidelines, the Board applies the sector regulations and takes into due consideration the reference models and national/international best practices. Since 2012, the Board of Directors has emphasised its role in guiding and evaluating the adequacy of the Internal Control and Risk Management System.

The Board assesses – on an annual basis and with the assistance of the Audit and Risk Committee – the adequacy, effectiveness and actual functionality of the Internal Control and Risk Management System as a whole, in relation to Saipem's characteristics. At the meeting held on March 15, 2022, the Board of Directors was presented with the following reports:

- Report by the Director responsible for the Company's Financial Reporting on the evaluation at December 31, 2021 of the internal controls over financial reporting, which closes by stating: *"In light of the outcome of monitoring activities, in line with indications to evaluate weaknesses, the internal control system over financial reporting in force as of December 31, 2021, is deemed to be adequate and does not present any material weaknesses for the purposes of Article 154-bis of Legislative Decree No. 58/1998.*

The statement also considers:

- *points of attention highlighted by the Director responsible for financial reporting in relation to the issues described below in this Report (Backlog review, Profit Warning reported to the market on January 31, 2022, etc.);*
- *the company reorganisation effective from January 14, 2022;*
- *the quantitative/qualitative impact of the weaknesses, both individually and on aggregate, that emerged as a result of the monitoring activities.*

This assessment refers to the Internal Control over Financial Reporting, an element of the wider Saipem Internal Control System.

The assessment for the Annual Report refers to the controls in force as of December 31, 2021, with reference to which any deficiency in design and operation was identified and assessed.

The internal control system is deemed to be adequate only in the absence of material weaknesses, i.e. weaknesses that entail a not remote risk of significant error or fraud in the financial reporting";

- assessment by the Director of Internal Audit (included in the Report by the Audit and Risk Committee on activities carried out in 2021) which closes by stating: *"Based on:*
 - *the assessments expressed in the Interim Report by the Director of Internal Audit as at June 30, 2021 issued on July 27, 2021 and the Annual Report as at December 31, 2020 issued on March 9, 2021;*
 - *activities carried out by Saipem's Internal Audit Function during the reference period, compensating controls and improvement measures implemented and/or in progress due to the observations of the Internal Control and Risk Management System highlighted by Saipem's Internal Audit function, including the preliminary outcome of the ongoing audit, which shall be completed by March 31, 2022;*
 - *main developments of the Internal Control and Risk Management System, also with reference to the organisational structure of the Saipem Group for the year 2021 and subsequent evolutions up to the date of this Report;*
 - *fraud and potential fraud that have been the subject of evaluation during the year;*
 - *the conclusions expressed in their Reports by the Compliance Committee of Saipem SpA, by the Audit and Compliance Committees/Compliance Committees of Cluster A and B companies and in the Report by the Director responsible for the Company's Financial Reporting, available as of the date of this Report;*
 - *the Half-Year reports by the Process Owners and by the Sector Process Representatives, within their respective area of competence, regarding the adequacy and overall consistency of the current regulatory*

body for coordination and control, including the exact certification by the Process Owner regarding the adequacy of the design of their own MSG;

- the results of the audit carried out by the Internal Audit Function, at the request of the Board of Statutory Auditors, on the 'Control model relating to the projects detailed in the press release dated January 31, 2022', which will be followed up during 2022, as they are relevant to ensure the correct functioning of the Internal Control and Risk Management System;

no circumstance emerged, as of the date of this Report, such that caused Saipem's Internal Control and Risk Management System to be deemed altogether inadequate";

- report by the Audit and Risk Committee (which encloses the list of internal and external evaluations supporting the conclusions of the Committee) that closes by stating: *"the Audit and Risk Committee of Saipem SpA concludes that, pursuant to Article 6, Recommendation 35.h of the Corporate Governance Code, as of the date of this Report, taking into account its investigations and based on the information received for the items under its remit, no circumstances emerged such that caused the Internal Control and Risk Management System (SCIGR) of Saipem SpA to be deemed altogether inadequate. This opinion is based: (i) on the activities performed and on information acquired by the management during the meetings held up to the date of this Report; (ii) on the evidence and assessments contained in the Reports issued, as far as their respective competence is concerned, by the Director of Internal Audit of Saipem SpA, by the Director Responsible for the Company's Financial Reporting and by the Compliance Committee of Saipem SpA; and (iii) on the opinions issued by the consultants appointed by the management of the Company, the Committee and the Board of Directors on specific topics discussed during the year, and also on the basis of audits carried out by external auditors following the profit warning issued by the Company in the press release dated January 31, 2022";*
- report by the Compliance Committee, which closes by stating *"Over the period of this Report and as far as the Compliance Committee of Saipem SpA is concerned at present and based on updates received as of the date of this Report, no elements have emerged which caused Model 231 of Saipem SpA to be deemed inadequate, nor its associated operating procedures".*

The Board of Directors has noted the opinions expressed in the aforementioned reports and considered the organisational, administrative and accounting structure of the Company to be adequate.

Director responsible for the Internal Control System

In compliance with the provisions contained in the document "Management System Guidelines - Internal Control and Risk Management System", the Board of Directors appointed, in 2015, the CEO as the Director responsible for maintaining a functional Internal Control System.

The CEO identifies the Company's main business risks, taking into account the characteristics of the activities carried out by the issuer and its subsidiaries and periodically reporting his findings for review by the Board of Directors; implements the guidelines for the Internal Control and Risk Management System approved by the Board itself; and is responsible for amending this system to suit the dynamics of the operating conditions and legislative and regulatory frameworks; provides the Board of Directors with the necessary information to fulfil its responsibilities, explaining the system for the identification, monitoring and management of risks, the relevant procedures, standards and Company departments.

The CEO also has the power to request that the Internal Audit function carry out audits on specific operational areas and/or ascertain adherence to internal corporate procedures, reporting their findings to the Chairman of the Board of Directors, the Chairman of the Audit and Risk Committee and the Chairman of the Board of Statutory Auditors. The Internal Audit function also promptly informs the Board of Directors of problems and critical issues that may emerge while fulfilling its responsibilities or that it became aware of, so that the Board of Directors may take appropriate action.

Board of Statutory Auditors

The Board of Statutory Auditors, given its role of "Committee for internal control and auditing" pursuant to Italian Legislative Decree No. 39/2010 (as amended by Legislative Decree No. 135/2016), supervises:

- compliance with the law and Articles of Association;
- adherence to fair management principles;
- the adequacy of the Company's organisational structure within each area of competence, of the Internal Control and Risk Management System, and the administrative/accounting system, as well as the reliability of the latter to provide a fair reflection of business operations;
- the implementation of corporate governance regulations contained in the Corporate Governance Code issued by Borsa Italiana to which the Company adheres;
- the adequacy of directions given by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998;
- the process of financial reporting;
- the efficiency of the internal control, internal audit and risk management systems;
- the legal audit of annual statutory and consolidated accounts;

- the independence of the external auditors, specifically for the provision of non-audit services to the audited company;
- the procedure to be applied for the appointment of external audit firm.

Audit and Risk Committee

Saipem's Board of Directors set up the Audit and Risk Committee.

Composition and operation of the Audit and Risk Committee (pursuant to Article 123-bis, paragraph 2, letter d), of Legislative Decree No. 58/1998)

The Board of Directors in office until April 30, 2021 appointed the following non-executive mostly independent Board Directors as members of the Audit and Risk Committee, pursuant to the Corporate Governance Code: Ines Mazzilli (Chairman), Paul Schapira and Alessadra Ferone.

On May 18, 2021, the Board of Directors, appointed by the Shareholders' Meeting on April 30, 2021, appointed as members of the Audit and Risk Committee the following non-executive all independent Board Directors: Paola Tagliavini (Chairman), Roberto Diacetti and Paul Schapira.

The Committee, in general, possesses adequate competencies in the areas in which the Company operates, enabling the relevant risk evaluation; at least one Committee member has adequate accounting, financial and risk management experience.

The Chairman may, from time to time, invite the Director responsible for the Internal Control and Risk Management System, the CFO, the heads of the business lines and/or other members of the Board of Directors or representatives of the corporate functions to the meetings of the Committee. or third parties, whose presence may help to support the functions of the Committee itself.

At least two representatives of the Board of Statutory Auditors participated in all the meetings of the Audit and Risk Committee.

The Regulations of the Audit and Risk Committee were approved by the Board of Directors at their meeting of June 28, 2018, with the regulations of the other Board Committees. These regulations, with the regulations of the other Board Committees were reviewed and subsequently approved by the Board of Directors on February 24, April 27 and June 30, 2021, to ensure alignment with the Corporate Governance Code and following the establishment of a Related Parties Committee.

At the Chairman's proposal, the Committee appoints a Secretary, who may or may not be a member.

Functions of the Audit and Risk Committee

The Committee assists the Board of Directors with consulting and advisory functions, supporting the assessments and decisions of the Board of Directors in carrying out its duties in relation to the Internal Control and Risk Management System, as well as those regarding the approval of the periodic reports of a financial and non-financial nature.

The Audit and Risk Committee has the following responsibilities:

- having heard the opinion of the Director responsible for financial reporting, of the independent auditors and of the Board of Statutory Auditors, the Committee evaluates whether accounting standards are utilised properly and whether they are sufficiently homogeneous for the purposes of drafting the annual financial statement and the half-year report prior to their approval by the Board of Directors;
- assesses that the periodic financial and non-financial information correctly represents the business model, the strategies of the Company, the impact of its activities and its performance, liaising, vis-à-vis the periodic non-financial information, with the Sustainability, Scenarios and Governance Committee;
- examines the content of the periodic non-financial information relevant for the purposes of the Internal Control and Risk Management System;
- when requested by the Director responsible for the Internal Control and Risk Management System, gives its opinion on specific aspects of the process for identifying major Company risks and monitoring of the legal risk and the risk of non-compliance, as well as on planning, implementation and management of the Internal Control and Risk Management System;
- supports the assessments and decisions of the Board of Directors regarding the management of risks deriving from negative issues that have come to the attention of the Board of Directors;
- examines the results of particular significance, periodic reports and indicators of Internal Audit activities;
- supervises the operations of the Internal Audit function and those of the Head of the Internal Audit function so that these are carried out under conditions of independence, due objectivity, competence and professional diligence, in compliance with the Company's Code of Ethics;
- asks the Head of the Internal Audit function of Saipem SpA to carry out audits not provided for in the Internal Audit Plan, simultaneously notifying the Chairman of the Board of Statutory Auditors of Saipem SpA;
- expresses an assessment, at least every six months, of the adequacy, effectiveness and effective functioning of the Internal Control and Risk Management System vis-à-vis the characteristics of the Company and its risk profile; to this end it reports to the Board of Directors, at least on the occasion of the approval of the Annual and Half-Year Financial Reports, on the activities carried out and on the adequacy of the Internal Control and Risk Management System, at the Board meeting indicated by the Chairman of the Board.

Until May 18, 2021, the Audit and Risk Committee, as part of its previous duties in terms of related parties, used to examine and give an opinion on the adoption of rules for transparency and substantial and procedural correctness of transactions with related parties by Saipem SpA and its subsidiaries and of those in which a Director has a direct or indirect interest, in order to ensure the principles of transparency and substantial and procedural correctness¹²; it also fulfilled any additional duties assigned to it by the Board of Directors, including examining and giving its opinion on certain transactions with reference to the relevant procedures.

The Audit and Risk Committee, in the performance of its responsibilities, has access to information and Company departments, as required, to carry out its duties. The Audit and Risk Committee can draw on the necessary financial resources, approved by the Board of Directors, to carry out its responsibilities.

The Chairman of the Committee provides reports to the Board of Directors on Committee activities and topics discussed since the latest Board of Directors meeting, at the earliest Board meeting possible.

The Committee also ensures the information flow towards the Board of Statutory Auditors to enable the prompt exchange of the information necessary for the fulfilment of their respective responsibilities within the common remit and to ensure the orderly performance of business functions.

The Audit and Risk Committee convened 20 times in 2021 (of which 2 meetings were devoted to its responsibilities concerning transactions with related parties), with meetings lasting on average 3 hours and average attendance of 95% of members. In detail, the Committee in office until April 30, 2021 met on 9 occasions, with meetings lasting an average of 2 hours and 23 minutes and attended on average by 93% of members. The Committee appointed by the Board of Directors on May 18, 2021 convened on 9 occasions, with meetings lasting an average of 3 and a half hours and attended on average by 96% of members.

All meetings were attended by at least two members of the Board of Statutory Auditors.

During these meetings, the Audit and Risk Committee:

- approved the Integrated Audit Plan and its review, prepared considering the changes in terms of emerging risks and feasibility of audits following the COVID-19 emergency; it also approved the annual 2021 budget of the Internal Audit function, having heard the opinions of the Board of Statutory Auditors and the CEO;
- reviewed the outcome of audits and progress reports for activities carried out by this function, and expressed, for the portion within its remit, a negative assurance on the adequacy and efficiency of the Internal Control and Risk Management System during 2020 and 2021;
- monitored the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function;
- reviewed and evaluated information received from the Board of Statutory Auditors and its members vis-à-vis the Internal Control and Risk Management System, with regard to preliminary investigations carried out by the Internal Audit function following the receipt of notification by whistleblowers;
- acquired the information provided by the General Counsel, Company Affairs and Governance and/or the relevant functions, with particular reference to the information relating to the monitoring of legal risk and non-compliance;
- examined the results of Risk Assessment activities conducted on Saipem SpA and on strategically relevant subsidiaries and updates of the Group's main risk map;
- met with the Director responsible for the Company's Financial Reporting, the Chairman of the Board of Statutory Auditors and the partner from the Independent Auditors to examine the main issues pertaining to the 2020 and 2021 Financial Statements, specifically reviewing the impairment test procedure;
- the Committee in office until April 30, 2021 had been assigned by the then Board of Directors certain functions provided for by the regulations in force on related party transactions, and therefore performed these functions in this area. On May 18, 2021, the Board of Directors appointed a Related Parties Committee specifically dedicated to these issues, which is independent from the Control and Risk Committee.

In 2022, as of March 24, 2022, the Committee has already met on 8 occasions.

Director responsible for the Internal Audit function

The Director responsible for the Internal Audit function, Luigi Siri, has held this position since March 10, 2015. He reports hierarchically to the Board of Directors and, on its behalf, to the Chairman of the Board, except for those duties that fall under the remit of the Audit and Risk Committee and the CEO, in his capacity as Officer responsible for the Internal Control and Risk Management System. At the Chairman's proposal in agreement with the Director responsible for the Internal Control System, subject to the favourable opinion of the Compensation and Nomination and the Audit and Risk Committees, the Board of Directors set the remuneration of the Director responsible for Internal Audit, based on the choice of compensation positioning, as well as with the more general compensation strategy applicable to managerial resources in similar roles.

The Director responsible for the Internal Audit function is responsible for overseeing that the Internal Control and Risk Management system is fully operational and effective; he is not responsible for any operative area and has direct access to all information it requires to carry out its duties.

The Audit and Risk Committee oversees the functions of the Internal Audit function vis-à-vis the relevant Board of Directors' responsibilities, monitoring and ensuring that these are fulfilled while maintaining the necessary conditions of independence, autonomy, adequacy, effectiveness and efficiency. The Director responsible for Internal Audit

(12) In relation to the provisions of the applicable legislation on transactions with related parties, if necessary and until April 30, 2021, the Audit and Risk Committee was comprised of two independent and non-related Directors, already members of the Committee, plus another non-related and independent Director chosen on the basis of seniority (Related Parties Committee).

reports to the Board of Statutory Auditors in its capacity as “Internal Control and Audit Committee” pursuant to Article 19 of Legislative Decree No. 39/2010, as amended by Legislative Decree No. 135/2016.

The Director responsible for the Internal Audit function has the powers to enter into contracts for consultancy and professional services, having access to adequate funds (up to €750,000 per transaction for contracts with juridical persons and up to €500,000 per transaction for contracts with physical persons - with no budget restrictions).

In 2021, the Internal Audit function carried out the Audit Plan approved by the Board of Directors, including assessments on the reliability of IT and accounting systems, and provided regular and periodic information on its progress to the Audit and Risk Committee, the Board of Statutory Auditors and the Compliance Committee for the parts under its remit.

On March 15, 2022, the Director responsible for the Internal Audit function released the Annual Report on the most salient activities carried out by Saipem’s Internal Audit function (covering the period January 1-December 31, 2021, containing information up to the date of issue) and expressed his opinion on the suitability of the Control and Risk Management System based on the monitoring activities carried out during the reference period.

In line with the “Standards for the Professional Practice of Internal Audit” issued by the “Institute of Internal Auditors”, the Internal Audit function is responsible for providing independent and objective activities aimed at promoting efficiency and effectiveness, improving measures in the Internal Control and Risk Management System and the Company’s organisation.

The Internal Audit function assists the Board of Directors, the Audit and Risk Committee and the Company’s management in pursuing the objectives of the organisation through a systematic professional approach, aimed at reviewing and improving processes of control, risk management and corporate governance.

Main responsibilities of the Internal Audit function are: (i) supervise the verification of the Risk Management and Internal Control System operation and appropriateness in Saipem SpA and in its subsidiaries, also supporting the evaluations by relevant company control bodies, through the integrated planning of audit and Model 231 compliance interventions and the execution of interventions, including the unplanned ones, and the monitoring of implementation of corrective measures. The audit plan, approved by the Board of Directors, after consulting the Audit and Risk Committee, the Chairman of the Board of Directors, the Chief Executive Officer and the Board of Statutory Auditors, is drawn up on the basis of a procedure that takes into account the relevance and coverage of main corporate risks; (ii) ensure specialised support to the Management on risk management and internal control fields in order to facilitate the effectiveness, the efficiency and the integration of controls within company processes; (iii) ensure the independent monitoring actions in accordance with internal control models adopted by the Company; (iv) ensure the management of preliminary investigation activities in relation to submissions, also anonymous; (v) ensure the activities related to the assignment of tasks to Independent Auditors and the administrative management of relationships with them; (vi) ensure support to the Audit and Risk Committee of Saipem SpA, also in respect of its secretariat duties, and to the Board of Statutory Auditors in ensuring that they receive the information necessary to carry out their duties; (vii) maintaining relations and ensuring proper information flows with the Compliance Committee, the Audit and Risk Committee and the Board of Statutory Auditors.

Risk Management, Supply Chain and Business Integrity

In order to strengthen the independence of the Company’s Business Integrity system and to further focus on the work carried out in analysis and continuous improvement of Saipem’s compliance system through the integrated management of a wider Risk Management system, in 2017, the then Board of Directors had approved the creation of a new Risk Management and Business Integrity function (later renamed Risk Management, Supply Chain and Business Integrity), reporting directly to the CEO and with the Business Integrity function directly under it.

The Directors of both the Risk Management, Supply Chain and Business Integrity and Business Integrity functions are appointed by the CEO.

The Business Integrity function has the following responsibilities of compliance:

- provide legal advice and assistance to Saipem and its subsidiaries on administrative/social corporate responsibility and regulations/Anti-Corruption policies;
- exercise the functions of Anti-Corruption Legal Support Unit in accordance with the relevant corporate procedures;
- ensure, for issues in its remit, the monitoring of the overall system aimed at guaranteeing compliance with applicable national and international laws on administrative/social corporate responsibility and regulations/Anti-Corruption policies;
- define, for what is in its remit, directions, operative standards and approaches in order to guarantee the homogeneous development of legal activities within Saipem and its subsidiaries, optimising the sharing and diffusion system;
- ensure the development and availability of appropriate professional skills and contribute to the definition and management of Saipem and its subsidiaries legal policies, with references to subjects in its remit;
- ensure the evaluation of results achieved by the control activities carried out by the relevant company functions/departments, contributing to address possible structural corrective measures;
- carry out the duties connected with the Technical Secretariat of the Compliance Committee of Saipem SpA and as the manager responsible for 231 Team to update the Model 231.

Furthermore, the Risk Management, Supply Chain and Business Integrity function was given the responsibility of ensuring the methodological direction and assistance to the Compliance Committees of Saipem Group companies.

The following are detailed hereafter: the Risk Management process, the organisational Model, pursuant to Legislative Decree No. 231/2001 / Compliance Committee, and Anti-Corruption procedures.

Subsequently, under Service Order No. 26/2021 dated December 13, 2021 and with effect from January 14, 2022, as part of the new Saipem organisational structure, the Business Integrity function was placed directly under the Chief Executive Officer and General Manager.

Risk Management

The Risk Management process (hereafter "RM") includes a systematic and structured risk prevention approach, which through the identification, assessment, management and monitoring process for major risks, contributes to supporting informed decision-making, as well as, where possible, transforming the major risks into opportunities and competitive advantages for the Company. Saipem, on the basis of the principles approved by the Board of Directors, developed and implemented the Integrated Risk Management Model, which forms an integral part of the internal control and Risk Management System.

The Model, developed in accordance with international principles and best practices¹³, is intended to provide both a comprehensive and summary vision of Company risks, to ensure greater consistency in the methods and instruments used to support risk management, and to strengthen the belief at all levels that adequate assessment and management of risks of different natures can influence the achievement of Company objectives and affects its value.

The Model comprises the following elements:

- (i) Risk Governance: the main framework of roles, responsibilities and information flows used in the management of main company risks; for these risks the reference model has roles and responsibilities over three levels of control¹⁴;
- (ii) Process: all activities, through which the various actors identify, measure, represent and monitor main risks which could affect the achievement of Saipem's objectives;
- (iii) Reporting: gathers Risk Assessment findings highlighting the main risks in terms of probability and potential impact, and associated treatment plans.

Within the Risk Governance until January 13, 2022, are the following bodies:

- the Advisory Committee, chaired by the CEO and comprised of Saipem's top management, has a consultative role towards the CEO vis-à-vis main topics including the evaluation of main risks faced by the Group and the identification of guidelines for their management;
- the Risk Management, Supply Chain and Business Integrity function, reporting directly to the CEO, is responsible for the development and maintenance of Saipem's risk management system, aimed at identifying, analysing, addressing and monitoring Company risks at enterprise and industrial level, in line with the guidelines set forth by the Board of Directors in terms of Internal Control and Risk Management system. Since 2017, Risk Management activities have been organised in line with the divisional business model adopted by Saipem. During 2018, the "Risk Management and Business Integrity" function was given the role of guiding and controlling Supply Chain activities, previously assigned to a Managerial Committee chaired by the CEO – and therefore the function was renamed "Risk Management, Supply Chain and Business Integrity". With particular reference to risk management activities, the organisation, until January 13, 2022, provided within the Corporate structure the "Enterprise Risk Management" and the "Industrial Risk Management" functions, reporting directly to the Director of the Risk Management, Supply Chain and Business Integrity function, which exercised direction and control at Group level on the processes under their remit, implemented through divisional risk management functions.

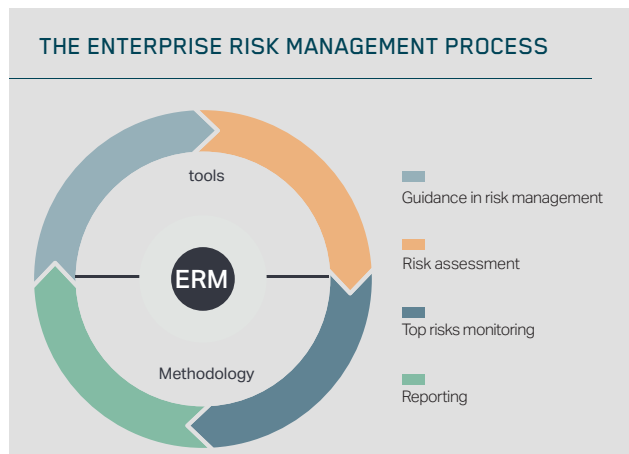
The Risk Management, Supply Chain and Business Integrity function ensured: (i) the development and management of the Enterprise Risk Management System, which is aimed at identifying, analysing, addressing and monitoring Company risks that may hinder the achievement of Saipem objectives; (ii) the enterprise risk assessment process aimed at identifying, evaluating and treating main risks, in conjunction with Saipem functions and business areas;

(iii) the implementation of industrial risk management methodology and tools for projects, both during the commercial and the execution phases, and more in general for all Saipem initiatives; (iv) the presentation of results on main risks and the related processing plans to the Advisory Committee and to the Administration, Control and Compliance Bodies.

As part of the Risk Management, Supply Chain and Business Integrity function, the Enterprise Risk Management (ERM) process consists of four sub-processes:

- 1) guidance in risk management;
- 2) risk assessment;
- 3) top risks monitoring;
- 4) reporting.

With reference to the "guidance in risk management" sub-process, Saipem's Board of Directors, with the



(13) Refer to CoSO Report.

(14) Includes the Risk Management functions.

prior opinion of the Audit and Risk Committee, defines the Risk and Internal Control Management System policies so that major risks are correctly identified, as well as correctly measured, managed and monitored. Moreover, Saipem's Board of Directors, as part of its duties and management role, determines, with the prior opinion (even in the form of negative assurance) of the Audit and Risk Committee, the degree of compatibility of such risks with the strategic objectives of the Company. Accordingly, Saipem's Board of Directors examines the status of Saipem's major risks at least every six months, as presented by the CEO, taking into account the characteristics of the Company and the specific risk profile of each business area and single process, so as to implement an integrated risk governance policy.

The "risk assessment" sub-process defines main risks and associated remedial actions. Depending on the strategic objectives defined by the Business Area, functions/organisational units are identified that are expected to contribute significantly to their achievement. Hence, using a top-down approach, the so-called "Risk Owners" (as explained earlier) are held responsible for identifying and assessing, managing and monitoring the major risks under their responsibility, as well as any related remedial actions.

Specifically, the risk assessment activity aims at identifying and describing the main events that could affect the achievement of business objectives. It assesses risks that have been identified and provides information on which strategies and measures need to be implemented to address them.

Finally, following the risk assessment process, the most appropriate strategies are defined on how to avoid, accept, reduce, transfer or share such risks.

The "top risks monitoring" sub-process ensures the monitoring of major risks and the related treatment plans. Specifically, monitoring of top risks allows the: (i) identification of the improvement areas and critical issues for the management of major risks; (ii) analysis of these risks trends and identification of any additional treatment, also considering the adjustment and development of risk management models; (iii) timely identification and communication of new risks. Performance of the monitoring activities is documented to ensure its traceability and checking the availability of information and data obtained, as well as their repeatability.

Finally, the "reporting" sub-process ensures the reporting of activities relating to the sub-processes "risk assessment" and "top risks monitoring" to the Advisory Committee and other management, control and compliance bodies. Specifically, in order to support the Company's decision-making process, periodic risk assessment findings and monitoring data are submitted to the Advisory Committee, chaired by the CEO. The latter brings them to the attention of the Board of Directors, so that they may evaluate, at least once a year, the suitability and effectiveness of the Internal Control and Risk Management System based on Saipem's characteristics, risk profile and compatibility with Company objectives.

As part of the Risk Management process, during the first half of 2021, an annual risk assessment cycle was carried out. The evolution of the internal/external context and Saipem's strategy formed the basis for the identification, shared with the management, of strategic lines of action and mitigation/management measures for main risks identified by the assessment. The findings of this annual risk assessment cycle were presented to the Board of Directors on July 29, 2021. During the second half of 2021, an up-to-date analysis was carried out of Saipem's major risks and their identification, assessment and remedial criteria reviewed. The findings of this analysis shall be presented to the Board of Directors by March 2022.

Organisational Model, pursuant to Legislative Decree No. 231/2001 / Compliance Committee

From 2004, the Board of Directors has adopted its "Organisational, Management and Control model, pursuant to Legislative Decree No. 231/2001" and established a Compliance Committee. The Model constitutes a tool for the prevention of administrative liability of entities pursuant to the aforementioned Legislative Decree No. 231/2001.

The Boards of Directors of all subsidiaries have adopted their own Organisational, Management and Control Models, containing the Code of Ethics, and also setting up their own Compliance Committees.

Also, in order to improve corporate governance and increase efficiency in monitoring the compliance of Saipem Group subsidiaries, in 2014, a new risk-based classification system was introduced, dividing companies into the following four clusters:

- > "A" highly strategic subsidiaries;
- > "B" strategic subsidiaries and holdings;
- > "C" other operational subsidiaries;
- > "D" non-operational subsidiaries.

Therefore, new rules were introduced regulating Compliance Committees' composition in accordance with the aforementioned classification. It is noted that the Compliance Committee of Cluster "A" companies also performs the function of the Board of Statutory Auditors (Audit and Compliance Committee).

In 2016, the then Corporate Governance Committee and Scenarios, having taken into account the opinions of the Audit and Risk Committee and of the Compensation and Nomination Committee in office at the time, had proposed to the Board of Directors the adoption of new criteria for the appointment of Directors at Cluster "A" companies, i.e. the Board of Directors is to be comprised of 5 members, 2 of which are also members of the Audit and Compliance Committee.

Saipem's Compliance Committee reports on the implementation and adequacy of Model 231 and/or critical issues that may have arisen and informs on the outcome of activities carried out as part of their remit. The Compliance

Committee reports as follows: on an ongoing basis to the CEO, who informs the Board of Directors as part of the duty of disclosure of delegate powers; six-monthly to the Board of Directors, to the Audit and Risk Committee and to the Board of Statutory Auditors; in this case a Half-Year Report is produced detailing activities and the findings of audits they carried out during the period, as well as new legislative provisions they may have been issued on matters concerning the administrative liability of legal entities.

In 2021, the Compliance Committee convened on 17 occasions to carry out its role of monitoring the effectiveness and adequacy, as well as the implementation and updating of Model 231, and its function as Guarantor of the Code of Ethics (paragraph 4.2.1 of the Code of Ethics). Its activities focused on:

- systematic and periodic monitoring of legal proceedings involving Saipem, requesting regular updates from the relevant Company functions tasked with following their evolution;
- co-ordination with the functions responsible for Internal Control, those supporting the activities of the Compliance Committee, and those responsible for critical or relevant processes;
- organisational changes implemented and/or desirable in view of legal changes (new offenses) and changes in the Company's organisation;
- management of notification received, also in its capacity as Guarantor of the Code of Ethics;
- activities involving information, divulgation and training through tailored initiatives.

The Compliance Committee remains in office for the same period as the Board of Directors that appointed it.

On December 17, 2021, the Board of Directors, at the CEO's proposal and in agreement with the Chairman, having consulted the Audit and Risk Committee and received the opinions of Board of Statutory Auditors and the Compensation and Nomination Committee, resolved to update the composition of the Compliance Committee, with effect from January 14, 2022, by appointing 3 external members: Renato Rordorf (Chairman), Maurizio Bortolotto and Stefania Chiaruttini.

The Compliance Committee shall continue to avail itself of the collaboration and support of corporate functions to ensure adequate information flows, as well as of the support of the Technical Secretariat of the Compliance Committee.

Anti-corruption procedures

In line with the values that underpin Saipem's activities, namely its ability to conduct business ethically, with loyalty, fairness, transparency, honesty and integrity and its respect for, and compliance with the laws, the Board of Directors in 2010 approved the adoption of additional detailed internal procedures aimed at preventing the corruption of both Italian and foreign public officials, by improving the current compliance system. Specifically, the Board adopted the "Anti-Corruption Compliance Guideline" and complementary procedures relating to due diligence activities on third parties. These documents refer to international conventions on anti-corruption and are also in line with international best practice. These procedures were approved by the Board of Directors of all Saipem subsidiaries; at associated companies, Saipem's representatives on the Boards of Directors informed that these anti-corruption procedures had been adopted at corporate level and formally requested that the principles contained therein be adopted through similar ad-hoc procedures.

Furthermore, several years ago Saipem set up an internal "Anti-Corruption Unit Legal Support Unit" to provide Saipem employees with legal support in matters of anti-corruption.

On December 20, 2019, Saipem issued the latest revision of the "Anti-corruption" Management System Guideline, rolled out to all Saipem personnel. The Management System Guideline "Anti-Corruption" has been adopted by all Saipem subsidiaries through a Board of Directors' resolution.

Saipem's compliance and corporate governance systems in terms of anti-corruption regulations also provides for Anti-Corruption Regulatory instruments, aimed at preventing risks relating to areas and subjects that are particularly prone to corruption. Specifically, these include:

1. whistleblowing reports, anonymous or otherwise;
2. gifts, entertainment and hospitality expenses;
3. joint venture contracts - prevention of illegal activities;
4. contractual clauses concerning the administrative liability of legal entities for unlawful administrative acts deriving from offenses;
5. anti-corruption provisions included in Saipem's internal regulatory documents governing Saipem sales or acquisitions;
6. no profit and local community initiatives;
7. appointment of external lawyers;
8. purchase of third-party consultancy, supply and professional services;
9. sponsorship contracts;
10. anti-corruption provisions included in Saipem internal regulatory documents governing personnel recruitment;
11. missions and out-of-office services;
12. anti-corruption provisions included in Saipem internal regulatory accounting documents;
13. anti-corruption provisions included in Saipem internal regulatory documents governing the selection of Covered Business Partners;
14. relations with Public Officials and Relevant Private Bodies.

These subjects have been reviewed in light of the principles and updates contained in the aforementioned "Anti-corruption" Management System Guideline and are constantly updated.

External auditors

The legal audit of Saipem's financial statements is entrusted – pursuant to the law – to an external audit company registered in the Consob special registry and appointed by the Shareholders' Meeting, upon a reasoned proposal by the Board of Statutory Auditors. The current external auditors are KPMG SpA, whose mandate was approved by the Shareholders' Meeting of May 3, 2018, for the financial years 2019-2027.

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

With regard to the opinion on the consolidated financial statements, KPMG SpA is responsible for the audits carried out at subsidiary companies by other external auditors.

The external auditors have full access to all data, documents and information required to carry out their duties.

Director responsible for the Company's Financial Reporting

Pursuant to Article 21 of Articles of Association and Article 154-*bis* of Legislative Decree No. 58/1998, the Board of Directors, having heard the opinion of the Board of Statutory Auditors, having consulted the Compensation and Nomination Committee and the Audit and Risk Committee, and at the Chairman's proposal and in agreement with the CEO, appoints a Director responsible for the Company's Financial Reporting, selected from individuals who have carried out the following for at least three years:

- a) administrative and control activities in a managerial capacity at listed companies with a share capital exceeding €1 million, in Italy, in other European Union or OECD member states; or
- b) legal audits at companies under letter a); or
- c) having had a professional position in the field of or as a university professor teaching finances or accounting; or
- d) a management position at public or private companies with financial, accounting or control responsibilities.

The Board of Directors ensures that the Director responsible for the Company's Financial Reporting is granted adequate powers and has sufficient means to carry out his duties; the Board also ascertains that the administrative and accounting procedures are adhered to. The Director responsible for the Company's Financial Reporting has the power to enter into, using the most appropriate clauses including the arbitration clause, modify and terminate contracts for the provision of intellectual work and professional services, in his capacity as Director responsible for Financial Reporting pursuant to Article 154-*bis* of Legislative Decree No. 58/1998, up to the sum of €750,000 per single contract.

On June 9, 2021, the Board of Directors appointed Antonio Paccioretti, Saipem's Chief Financial Officer since June 1, 2021, as the Director responsible for the Company's Financial Reporting, pursuant to Article 154-*bis* of Legislative Decree No. 58/1998, replacing Stefano Cavacini, who had resigned on May 31, 2021.

The Board of Directors ascertained that Mr. Paccioretti met the criteria of professional competence and good repute required by the Articles of Association, which are reviewed annually.

Coordination of bodies involved in the Internal Control and Risk Management System

Saipem's Board of Directors assesses, twice yearly, the adequacy, efficacy and effective workings of the Internal Control and Risk Management System, with respect to the characteristics of the business and the risk profile assumed, with reference to the Company consistently with the Company's objectives.

As stated earlier in this Report, the Board of Directors appointed the CEO as the person responsible to set up, maintain and co-ordinate an efficient Internal Control and Risk Management system, and ensure its constant adequacy and efficiency with the support of the Audit and Risk Committee and the Director responsible for Internal Audit. The CEO implements the guidelines approved by the Board of Directors on matters concerning the Internal Control and Risk Management System.

The CEO has the power to request that the Internal Audit function carry out audits on specific areas of operation, and ensure adherence to internal regulations and procedures involving Company transactions and operations; of this, he notifies the Chairman of the Board of Directors, the Chairman of the Audit and Risk Committee and the Chairman of the Board of Statutory Auditors; the CEO reports promptly to the Audit and Risk Committee (or the Board of Directors) any critical issues or problems that emerged during this activity or that he has become aware of, so that the Audit and Risk Committee (or the Board of Directors) may take appropriate action.

The Audit and Risk Committee assists the Board of Directors with consulting and advisory functions, supporting the assessments and decisions of the Board of Directors in carrying out its duties in relation to the Internal Control and Risk Management System, as well as those regarding the approval of the periodic reports of a financial and non-financial nature. At the proposal of its Chairman, the Committee appoints a Secretary, who may or may not be a member.

The Chairman of the Board of Statutory Auditors, or a Statutory Auditor designated by the latter, attends Committee meetings. Other Statutory Auditors may also participate. The Chairman may, from time to time, invite the Director responsible for the Internal Control and Risk Management System, the CFO, and/or other members of the Board of Directors or of Company functions, or third parties, to attend the meetings of the Committee, when their presence may help the Committee improve the performance of its duties.

All information required by the Board of Directors to assess the Internal Control and Risk Management System is reviewed by Saipem's Audit and Risk Committee, which carries out all preparatory activities and reports directly to Saipem's Board of Directors, as part of its periodic reporting, by issuing specific opinions.

All information is also shared through specific meetings, at which the Committee gathers:

- information on the Internal Control and Risk Management System related to Saipem processes through periodic meetings with the management and relevant functions of the Company;
- periodic reports of the Compliance Committee, including in its capacity as Guarantor of the Code of Ethics;
- the results, periodic reports and indicators of Internal Audit activities;
- investigations and examinations conducted by third parties regarding the Internal Control and Risk Management System;
- the reports pursuant to the Compliance and Governance Models adopted in connection with the applicable laws;
- reporting of risks; statements on the adequacy of the regulatory system made by the various process owners or sector representatives; other information required by corporate procedures;
- the information made available by the General Counsel, Company Affairs and Governance and/or the competent functions, with particular reference to information relating to the monitoring of the legal risk and the risk of non-compliance;
- information relating to problems and critical points emerging during the monitoring of the Internal Control and Risk Management System put forward by the Director in charge of the Internal Control and Risk Management System.

In order to guarantee the timely exchange of information for the performance of their respective duties and to facilitate the coordination of business in common areas of concern, the Audit and Risk Committee ensures that a two-way flow of information is established between it and the Board of Statutory Auditors, thereby ensuring that the Company's transactions are conducted in an orderly fashion.

The Audit and Risk Committee reports to the Board of Directors, at least upon the approval of the Annual and Half-Year interim report, regarding the work performed and the adequacy (even in the form of negative assurance) of the Internal Control and Risk Management System.

The Internal Audit function carries out independent and objective assurance and consulting activities aimed at improving Saipem's efficiency and effectiveness. The Internal Audit Function supports the Company's functions and management and control bodies in accomplishing their objectives by providing a systematic, disciplined and value-adding approach in order to evaluate and improve the effectiveness of risk management, control and governance processes.

The main duties of the Internal Audit function include the assignment of duties to and the administrative management of relations with the external auditors, notwithstanding the responsibilities of the Board of Statutory Auditors in their capacity as the Committee for Internal Control and Legal Audit. It ensures that information is shared with the Compliance Committee, the Audit and Risk Committee and the Board of Statutory Auditors. The Audit and Risk Committee supervises the operations of the Internal Audit function and those of the Head of the Internal Audit function so that these are carried out under conditions of independence, due objectivity, competence and professional diligence, in compliance with the Company's Code of Ethics; however, the Head of the Internal Audit Function reports hierarchically to the Board of Directors and, on its behalf, to its Chairman, and the management of the functional relationship with the Head of Internal Audit is the responsibility of the Head of the Internal Control and Risk Management System.

Interests of Directors and Statutory Auditors and transactions with related parties

In order to implement Article 2391-*bis* of the Italian Civil Code, Consob approved a Regulation on March 12, 2010 which obliged listed companies to adopt procedures not later than December 1, 2010, aimed at guaranteeing full transparency, as well as procedural and effective fairness for transactions with related parties.

Also in light of the recommendations of the then applicable Corporate Governance Code issued by Borsa Italiana SpA, in 2010, Saipem's Board of Directors had unanimously approved the first edition of the procedure "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties", effective from January 1, 2011 and which has been updated several times to comply with the evolutions of the regulatory framework. From that date, the latter had superseded the procedure "Code of practice regulating operations with related parties" approved by Saipem's Board of Directors on July 7, 2003.

In the exercise of its functions *vis-à-vis* transactions with related parties, the then Audit and Risk Committee, comprised wholly of independent Directors pursuant to the then applicable Corporate Governance Code and the aforementioned Regulation, has expressed a preliminary opinion in favour of the adoption of this procedure.

An internal operational procedure had also been issued in 2016 "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties", aimed at further regulating activities, roles and responsibilities of all parties involved in the procedure itself.

The Related Parties Committee has been monitoring and periodically reporting to the Board of Directors, the legislative evolution of the implementation, in Italy, through the Legislative Decree No. 49/2019, of Directive 2017/828/EU (Shareholders Right Directive - SHRD II), which amended the previous Directive 2007/36/EC in relation to the promotion of the long-term shareholders commitment and which regulates, amongst other things, information and procedural controls for significant transactions with related parties. This monitoring activity was aimed at

identifying the updates that the procedure has required following the introduction of the new regulations. On December 11, 2020, Consob published some amendments to the Regulations on transactions with related parties, which came into force on July 1, 2021. Companies have had to adapt their procedures to the new provisions of the Regulation on transactions with related parties as of June 30, 2021.

Saipem promptly took action by putting in place a specific programme structured as follows:

- January 29, 2021 - presentation to the Related Parties Committee of the main changes made by Consob to the new Regulations on transactions with related parties approved on December 11, 2020;
- by April 21, 2021 - review of Saipem's MSG "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties" and of the Regulations of the Related Parties Committee - presentation to the Related Parties Committee held on the same date;
- April 27, 2021 - presentation to the Board of Directors of the review of Saipem's MSG "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties", and that of the Regulations of the Related Parties Committee, subject to the favourable opinion of the Related Parties Committee;
- from April 28, 2021 - issue of the review of Saipem's MSG "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties" and of the updated Regulations of the Related Parties Committee and their publication on Saipem's intranet and website.

The review of the Management System Guidelines (MSG) "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties" concerned in particular:

- the implementation of amendments made to Consob regulation on Related Parties' Transactions;
- confirmation of the overall structure of the information and procedural safeguards already in line with Consob regulation on Related Parties' Transactions (e.g. identification of transactions of very small amounts);
- confirmation of not availing itself of the right to have procedures for urgency cases and of the so-called "Whitewash", provided for by Article 8, paragraph 2, of the Regulations for Related Parties' Transactions, i.e., the right of the Shareholders' Meeting to approve transactions of greater importance should the independent Directors be against them;
- some formal improvements in the text (definitions, cases for ordinary transactions).

On May 18, 2021, the Board of Directors resolved, pursuant to and for the purposes of Article 4 of Consob Regulation on Related Parties' Transactions (Consob resolution No. 17221 dated March 12, 2010 and subsequent amendments) and of the Management System Guideline (MSG) "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties", the Related Parties Committee composed of at least three non-executive Directors, all of whom are independent.

The Management System Guideline (MSG) "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties" sets out the principles and rules that Saipem and its subsidiaries must comply with in order to ensure the transparency and substantial and procedural fairness of transactions with related parties or with parties involving the interests of Directors and Statutory Auditors of Saipem, entered into by the Company or its subsidiaries.

The procedure reflects the definitions and provisions of Consob Regulation on Related Parties' Transactions: transactions have been divided into transactions of greater importance, transactions of lesser importance, and exempted transactions, with different procedures and disclosures to be followed, based on the type and relevance of the transactions.

Specifically, the Board of Directors reserves the right to approve transactions of greater importance, subject to the Related Parties Committee being in favour, having been involved in negotiations and having received complete and timely information. For transactions of lesser importance, the Related Parties Committee, expresses a reasoned, albeit not binding, opinion on the interest the Company may have in a transaction and the expedience and substantial fairness of its terms.

The procedure has also identified transactions of very small amounts, which are excluded from the procedure, as well as other types of transactions, which, due to the nature of the revenue and/or cost, are deemed to be regular transactions as they were completed in market-equivalent or standard terms and therefore are excluded from the procedure even if they are not of small amounts.

This procedure attributes a major role to independent Directors, as members of the Related Parties Committee. In terms of the duty of information to the public, Saipem's procedure fully reflects the provisions of Consob Regulation on Related Parties' Transactions.

The procedure envisages a specific discipline regulating transactions in which a Board Director or Statutory Auditor may hold an interest, on their own behalf or on behalf of a third party; the procedure details the checks and evaluations required in the preparatory and approval stages, as well as the reasons for the transactions involving a vested interest by a Director or a Statutory Auditor, notwithstanding the requirement of a reasoned opinion issued by the Related Parties Committee when a transaction requires approval by the Board of Directors.

The Sustainability, Scenarios and Governance Committee, in agreement with the Related Parties Committee, proposed that the Board of Directors, at their meeting of March 15, 2022, approve the review of the Management System Guideline (MSG) "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties" so as to establish a flow of information from the management to the Related Parties Committee and then to the Board of Directors, involving all the transactions carried out with entities of interest as defined by current legislation.

The procedure defines timeframes, responsibilities and verification tools by the interested parties, in addition to the flows of information required for the correct application of the regulations.

Board Directors, Statutory Auditors, General Managers and Senior Managers with strategic responsibilities declare every six months all transactions they may have entered into involving Saipem SpA and/or its subsidiaries, either directly or through a third party. They also declare potential significant relations for the purposes of the identification of related parties (for example, close relatives).

Board Directors and Statutory Auditors declare, every six months, or sooner in the event of changes, any potential interests they may hold in the Company and the Group.

Amounts of transactions of a commercial, financial or other nature with related parties, a description of the most relevant types of transaction, their incidence on the balance sheet, income statement and financial flows are detailed in the consolidated and statutory financial statements of Saipem SpA.

In 2021, the CEO in office until April 30, 2021 and the CEO in office from April 30, 2021 provided periodical updates to the Board of Directors and the Board of Statutory Auditors of transactions entered into with related parties.

Related Parties Committee

With regard to the provisions of the applicable legislation on transactions with related parties and in compliance with the Audit and Risk Committee's Regulations, during the previous Board mandate, the Related Parties Committee was comprised, in addition to two independent and non-related members of the Audit and Risk Committee, of another non-related and independent Director, Mr. Paolo Fumagalli.

At their meeting held on February 24, 2021, the Board of Directors in office until the Shareholders' Meeting of April 30, 2021, in order to align the governance of the Company with the provisions of the Corporate Governance Code and with the favourable opinion of the respective Committees, had approved an update of the Rules and Regulations of the Audit and Risk Committee also in its capacity in terms of Related Party Transactions.

On May 18, 2021, pursuant to and for the purposes of Article 4 of the Consob Regulation on Related Parties' Transactions (Consob resolution 17221 dated March 12, 2010 and subsequent amendments) and of the Management System Guideline "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties", the Board of Directors resolved to set up a Related Parties Committee composed of at least three non-executive Directors, all independent.

The Rules and Regulations of the Related Parties Committee, approved by Saipem's Board of Directors at the meeting on June 30, 2021, are published on the Company's website.

The Committee performs the functions set forth by the current legislation on related parties' transactions and by the aforementioned MSG. Specifically the Committee: (i) examines and gives its opinion on the adoption of rules for transparency and substantial and procedural correctness of transactions with related parties carried out by the Company and its subsidiaries and of those in which a Director has a direct or indirect interest, in order to ensure the principles of transparency and substantial and procedural correctness; (ii) provides, where required, prior and reasoned opinions on transactions of lesser and greater importance, which do not fall within the cases of exemption, vis-à-vis the interest of Saipem SpA – as well as the relevant directly and/or indirectly controlled companies that may be involved – in carrying out the transactions themselves, as well as on the expediency and substantial correctness of their conditions; (iii) verifies the correct application of the conditions for the exemption for transactions of greater importance defined as ordinary and carried out at market or standard conditions. The Committee receives information on the application of cases of exemption in accordance with the methods and timeframes set forth in the aforementioned Management System Guideline "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties"; (iv) fulfils any additional responsibilities under the current relevant legislation on matters of transactions with related parties.

With regard to the provisions of the applicable legislation on transactions with related parties, in 2021, the Committee met a total of 4 times, with an average duration of 1.05 hours and an average participation of 100% of its members. In detail, the Committee in office until April 30, 2021 met twice for an average duration of 0.57 hours, with an average participation of 100% of its members. The Committee in office from May 18, 2021 met twice for an average duration of 1.12 hours with an average participation of 100% of its members.

In 2022, as of March 24, 2022, the Committee has already held 5 meetings.

Board of Statutory Auditors¹⁵

Composition, appointment and functions of the Board of Statutory Auditors

The Board of Statutory Auditors, pursuant to Article 149 of Legislative Decree No. 58/1998, monitors:

- > compliance with the law and the Articles of Association;
- > that management principles are correctly adhered to;
- > the adequacy of the Company organisational structure, the internal control system and the administrative/accounting system, and the reliability of the latter to clearly reflect the Company's position;
- > the implementation of corporate governance regulations contained in the Codes of Practice issued by Stock Exchange management companies and/or professional associations, which the Company has made a public declaration to adhere to;
- > the adequacy of directions given by the Company to its subsidiaries.

(15) The professional résumés of Statutory Auditors are published on Saipem's website www.saipem.com under the section "Governance".

The Board of Statutory Auditors, in its capacity as the Committee for Internal Audit and the Audit of accounts, carries out the duties provided in Article 19 of Legislative Decree No. 39/2010. Pursuant to the latter, as amended by Legislative Decree No. 135/2016, the Board of Statutory Auditors submits a documented proposal to the Shareholders' Meeting, concerning the granting of auditing responsibilities, as well as remuneration for the external auditors, and, in case of revocation of the external auditors' mandate by the Shareholders' Meeting, must be consulted in advance.

Whenever a Statutory Auditor has a vested interest, on their own behalf or on behalf of a third party, in a certain transaction entered into by the issuer, they shall promptly inform the other Statutory Auditors and the Chairman of the Board of Directors detailing the nature, terms, origin and size of their interests. As part of their remit, Statutory Auditors may ask the Internal Audit function to audit specific areas of business and/or Company operations. The Board of Statutory Auditors and the Audit and Risk Committee can rely on a timely and prompt exchange of information they deem relevant in the fulfilment of their duties.

On February 25, 2020, Saipem's then Board of Directors had adopted, after a review by the Sustainability, Scenarios and Governance Committee, the statutory changes necessary to ensure compliance with the most recent legislation on gender balance provided for by Law No. 160 dated December 27, 2019.

Specifically, in light of the changes introduced on gender balance by Law No. 160/2020 and, more importantly, the changes made to Articles 147-ter and 148 of Legislative Decree No. 58/1998, the Board of Directors of the Company had verified that the statutory provisions comply with the requirements of the new legislation, with the sole exception of the transitional clause in Article 31 which provided for "The provisions of Articles 19 and 27 aimed at ensuring compliance with current gender balance legislation shall apply to the first three renewals of the Board of Directors and of the Board of Statutory Auditors occurring after August 12, 2012". As the new criteria for the appointment of corporate bodies apply from January 1, 2020 for six consecutive mandates, the Board of Directors had repealed this transitional clause with a Board resolution on February 25, 2020, pursuant to Article 20, last paragraph of the Articles of Association, to comply with regulatory provisions.

The Board of Statutory Auditors, appointed by the Shareholders' Meeting on April 29, 2020 in compliance with the legislation on gender balance currently in force, is comprised of three Statutory Auditors and two Alternates. The Statutory Auditors' mandate lasts three years, expiring at the Shareholders' Meeting called to approve the financial statements at December 31, 2022.

The Statutory Auditors perform their office with total autonomy and independence, even from the shareholders who elected them. With regard to the remuneration of the Board of Statutory Auditors, the Shareholders' Meeting, at the time of their appointment and at the joint proposal of the shareholders Eni SpA and CDP Industria SpA, to maintain the current remuneration, setting the annual gross remuneration of the Chairman of the Board of Statutory Auditors and of all Statutory Auditors at €70,000 and €50,000, respectively, plus reimbursement of expenses, deeming it fair and in line with the benchmark of comparable companies.

Pursuant to Article 27 of the Articles of Association, Statutory Auditors are appointed from voting lists; one Statutory Auditor and one Alternate Auditor are appointed from the list put forward by the minority shareholders. The filing, presentation and publication of lists are governed by Article 19 of Articles of Association and Consob regulations vis-à-vis appointments of management and control bodies, the same regulations governing the appointment of members of the Board of Directors.

Lists are structured in two sections: the first comprises candidates for the office of Statutory Auditor, the second candidates for the office of Alternate Auditor. Lists that, considering both sections, present three or more candidates for the appointment of the majority of members to the Board of Statutory Auditors, must include, in the list of Statutory Auditors, candidates of both genders in order to comply with current gender balance legislation. Should the Alternate Auditors' section feature two candidates, these will have to be of different genders.

Two Statutory Auditors and one Alternate Auditor are selected from the list which receives the majority of votes. The remaining Statutory Auditor and Alternate Auditor are selected by allocating each candidate a ratio, obtained by dividing the votes received by each list by the progressive number of Statutory Auditors still to be appointed. In the event that more than one candidate obtains the same ratio, the candidate on the list with no Auditors yet appointed or on the list with the lowest number of Auditors appointed will be elected. If these lists have yet to elect a Statutory Auditor, or if they have already appointed an equal number of Auditors, the candidate on the list with the highest number of votes will be appointed. In the case of another tie, the Shareholders' Meeting will vote again, but only amongst the candidates under ballot, and the candidate who receives the majority of votes will be elected.

The Shareholders' Meeting appoints the Chairman of the Board of Statutory Auditors from the list put forward by the minority shareholders.

Should the procedure for the appointment of Statutory Auditors fail to meet the requirements of regulations on gender balance, the ratio of votes is calculated for each candidate taken from the Statutory Auditors sections of the various lists, by dividing the votes received by each list by the order number of each candidate. The candidate of the most represented gender with the lowest ratio amongst candidates from all lists is replaced, by the candidate from the least represented gender with the higher order number in the same Statutory Auditors section of the list of the replaced candidate, or in the Alternate Auditors section of the same list of the replaced candidate (in this case, the latter replaces as Alternate Auditor who took their place). If by doing so the gender balance legislation is still not met, the candidate is replaced by a person appointed by the Shareholders' Meeting through a majority vote as required by law, so as to ensure that the composition of the Board of Statutory Auditors is compliant with the law and the Articles of Association. If candidates from different lists obtained the same ratio, the candidate from the list which has appointed the greater number of Statutory Auditors is replaced, or the candidate from the list that

obtained the fewest votes, or, if votes are equal, the candidate who obtains the fewest votes by the Shareholders' Meeting in an ad-hoc ballot.

If, for any reason, Statutory Auditors cannot be appointed by the aforementioned procedures, the Shareholders' Meeting shall make the appointments through a majority vote as required by law, so as to ensure that the composition of the Board of Statutory Auditors is compliant with the law and the Articles of Association.

In the event of the replacement of an Auditor from the list that has received the majority of votes, the Alternate Auditor from the same list fills the vacant position; in the event of a replacement of an Auditor from other lists, the Alternate Auditor from those lists fills the vacant position. If the replacement fails to meet gender balance requirements, the Shareholders' Meeting must be called promptly to ensure compliance with this legislation.

This voting procedure from lists is only applicable whenever the entire Board of Statutory Auditors is replaced. Pursuant to Article 27 of the Articles of Association, lists may be presented by voting shareholders who, individually or with others, hold voting shares representing at least to 1% of the ordinary share capital, as set forth in Consob's Resolution No. 60 dated January 28, 2022.

Lists enclose declarations by each candidate stating that they meet the integrity and independence requirements (see Article 148, paragraph 3, of Legislative Decree No. 58/1998) provided by law alongside their professional résumé.

The current Board of Statutory Auditors, appointed by the Shareholders' Meeting on April 29, 2020, are Giovanni Fiori (Chairman), Giulia De Martino (Statutory Auditor), Norberto Rosini (Statutory Auditor), Maria Francesca Talamonti (Alternate Auditor) and Francesca Michela Maurelli (Alternate Auditor). Giulia De Martino, Norberto Rosini and Maria Francesca Talamonti have been drawn from the list presented jointly by Eni SpA and CDP Industria SpA, whose overall holding is equal to 43.095% of Saipem's ordinary share capital, voted by the majority of shareholders at the Annual General Meeting. Giovanni Fiori and Francesca Michela Maurelli have been drawn from the list presented by shareholders, whose overall holding is equal to 1.07188% of Saipem's ordinary share capital, voted by the minority¹⁶ of shareholders at the Annual General Meeting. Giovanni Fiori has been appointed Chairman of the Board of Statutory Auditors by the Shareholders' Meeting, as he has been drawn from the minority list.

The personal and professional résumés of Statutory Auditors are published on www.saipem.com under the section "Governance".

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

On May 12, 2020, the newly appointed Board of Statutory Auditors had assessed the suitability of members and the adequate composition of the body, vis-à-vis the requirements of professional skills, competence, integrity and independence required by the legislation.

Lastly, on December 13, 2021, the Board of Statutory Auditors verified that all its members still met the requirements of professional skills, competence, integrity and independence required both by the law (Article 148, paragraph 3, of Legislative Decree No. 58/1998) and by the Corporate Governance Code for Statutory Auditors of listed companies, informing the Company so that the results of this assessment could be disclosed to the market in the corporate governance report.

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

For this purpose, amongst others, the Board of Statutory Auditors has a Secretary. This role is held by Simone Negri, senior manager of Saipem SpA.

The Board of Statutory Auditors ensured the independence of the external auditors, ascertaining that they met all of the legal requirements and evaluating the nature and size of services other than accounting audits they provided to the Company and its subsidiaries directly, or through associated companies.

The Board of Statutory Auditors liaised closely with the Internal Audit function and the Audit and Risk Committee, attending Committee meetings, some of which were also attended by the Director of the Internal Audit function.

The Chairman of the Board of Statutory Auditors, one Statutory Auditor designated by the latter or the whole Board of Statutory Auditors attends the meetings of the Sustainability, Scenarios and Governance Committee, the Related Parties Committee and of the Compensation and Nomination Committee.

Meetings of the Board of Statutory Auditors may be held via video or tele-conference link.

The Board of Statutory Auditors of Saipem SpA in office since April 29, 2020, met 19 times in 2021 with an average meeting duration of 2.38 hours. The meetings were attended by an average of 94.73% of Statutory Auditors, while the Board of Statutory Auditors attended all meetings of the Board of Directors held in 2021, with an average attendance of 100% of Statutory Auditors.

In 2022, as of March 24, 2022, the Board of Statutory Auditors has already met on 12 occasions.

(16) As follows: Amundi Asset Management SGR SpA managing the fund Amundi Risparmio Italia; Anima SGR SpA managing the fund: Anima Alto Potenziale Italia, Anima Iniziativa Italia; ARCA Fondi SGR SpA managing the fund Arca Azioni Italia; Eurizon Capital SA managing the fund Eurizon Fund comparti Italian Equity Opportunities, Equity Italy Smart Volatility; Eurizon Capital SGR SpA managing the funds: Eurizon Progetto Italia 70, Eurizon Azioni Italia, Eurizon PIR Italia Azioni, Eurizon Progetto Italia 40; Fidelity International - Fid Funds - SICAV; Fideuram Asset Management Ireland managing the fund Fonditalia Equity Italy; Fideuram Investimenti SGR SpA managing the funds: Fideuram Italia, Piano Azioni Italia, Piano Bilanciato Italia 50, Piano Bilanciato Italia 30; Interfund Sicav - Interfund Equity Italy; Generali Investments Partners SGR SpA managing the fund Alleanza Obbligazionario; Generali Investments Luxembourg SA - Generali Investments Sicav; Legal & General Assurance (Pension Management) Limited; Mediolanum Gestione Fondi SGR SpA managing the funds Mediolanum Flessibile Futuro Italia, Mediolanum Flessibile Sviluppo Italia; Mediolanum International Funds Ltd - Challenge Funds - Challenge Italian Equity.

In 2021, the Board of Statutory Auditors carried out audit and control activities relating to the following areas of: (i) compliance with the law and the deed of incorporation; (ii) compliance with the principles of good administration; (iii) adequacy and efficiency of the organisational structure, of the internal accounting system and the administrative/accounting system, the reliability of the latter to provide a fair reflection of business operations, and the general integrity of the financial reporting process; (iv) methods of implementation of corporate governance regulations adopted by the Company; (v) the adequacy of directions given by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998; (vi) the implementation of the procedure for the preparation of the "Consolidated Non-Financial Statement", pursuant to Legislative Decree No. 254 dated December 30, 2016.

Based on information received by the management and having carried out their checks, the main activities carried out by the Board of Statutory Auditors in 2021, included:

- approval of the Annual Audit Plan;
- monitoring of the Integrated Risk Assessment System;
- review and evaluation of results of Internal Audit activities;
- meetings with the Company's top financial managers, the partner of the external Auditors to review the main items of the annual financial statements and interim reports;
- periodic exchange of information with the auditing firm in the areas under their remit;
- acknowledging the measures implemented by the Company to comply with Legislative Decree No. 231/2001, paying particular attention to the compliance, training and analysis of sensitive processes, as well as the updating of Model 231 of Saipem SpA (which includes the Code of Ethics) and associated enclosures;
- monitoring the preparation, publication, verification and compliance of the "Consolidated Non-Financial Statement" pursuant to Legislative Decree No. 254 dated December 30, 2016 (through Resolution No. 21274 of February 20, 2020, Consob set the parameters envisaged by Article 6 of the regulation adopted with Resolution No. 20267 dated January 18, 2018 to sample check the non-financial statements published in 2019. In executive Resolution No. 61 of February 4, 2022, Consob listed the entities that, from January 1 to December 31 2021, published the non-financial statement relating to the year 2020);
- supervising, with the Company's Audit and Risk Committee, Saipem's financial reporting process, for issues under their respective remit;
- monitoring the organisational structure and power allocation at the basis of the decision-making process within the Saipem Group;
- periodic analysis of notification, even in confidential or anonymous form (whistleblowing), that are received by Saipem, assessing their contents and proposed corrective measures;
- monitoring the actual application of the procedure adopted by the Company on Related Parties' Transactions;
- acquisition of the periodic reports by the Compliance Committees of all subsidiaries;
- supervising the updating of the clustering process as detailed previously in the document: a classification model for the subsidiaries, divided into "Clusters", determined based on drivers that take into account both the quantitative size of the individual entity and the qualitative levels of risk it is potentially subject to (Saipem's Technical Compliance Committee – made up of the heads of various corporate functions – proposed, in agreement with the Chief Executive Officer and General Manager, to postpone the clustering update for the year 2021, following the definition of the new operating company model which came into force on January 14, 2022, while continuing to ensure transparency of information towards the Board of Directors and the control bodies of the Company);
- monitoring of ongoing judicial proceedings and the periodic updates provided by the Legal Department at Board meetings;
- monitoring of the analysis and preparation process of the 2022-2025 Strategic Plan updated by the Board of Directors, which forms the basis of the economic and financial strengthening of the Company, as well as evaluating the main strategic options offered by the market;
- monitoring of the decision-making process adopted by the Company;
- review of the updated version of the Shareholders' Agreement between the two main shareholders (Eni and CDP Equity SpA, formerly Fondo Strategico Italiano SpA and now CDP Industria SpA), last published in December 21, 2022, pursuant to Article 130 of Consob Issuers Regulation No. 11971/1999;
- supervising the introduction of a new organisation, (which, as stated previously, the Company introduced from January 14, 2022) in addition to the new organisational structure updated by Saipem on February 4, 2022, which provided for the establishment of a new general management with extensive operational and management powers; the establishment of a unit aimed at strengthening the planning and financial control of projects and other management activities; the concentration of legal and contractual activities in a corporate function within the new general management;
- providing information to the Board of Directors, on the outcome of the statutory audit of the accounts, accompanied by the additional report, as per Article 11 of the European Regulations, and associated observations. In compliance with Article 19, paragraph 1, letter a), of Legislative Decree No. 39/2010, the Board of Statutory Auditors (as the Internal Control and Audit Committee) informed the administrative body of the results of the statutory audit of the accounts for the 2021 financial year, sending the additional report pursuant to Article 11 of European Regulation 537/2014.

Pursuant to Article 27 of the Articles of Association, Statutory Auditors may hold positions as members of administrative and control bodies at other companies; however, these are limited by Consob's Issuers' Regulations,

Article 144-*terdecies*. In any case, pursuant to the aforementioned regulation, candidates already holding the office of Statutory Auditor at five listed companies may not be appointed as Auditors, and if elected, shall forfeit their office. Based on information received, we list hereafter the other offices (as Board Directors or Statutory Auditor) held by Saipem's Statutory Auditors in other companies.

GIOVANNI FIORI (Chairman) selected from the list put forward by institutional investors

Chairman of the Board of Directors of: Elettra 1938 SpA, CFI SpA, Sonick SpA; Chairman of the Board of Statutory Auditors of Italo SpA; Special Commissioner of: Selta SpA, Alitalia LAI SpA in liquidazione, Alitalia Servizi SpA in liquidazione, Alitalia Express SpA, Alitalia Airport SpA, Volare SpA, Ilva Pali Dalmine SpA in amministrazione straordinaria, Scala SpA in amministrazione straordinaria, Selfin SpA, Met Sviluppo Srl, Pietro Mazzoni Ambiente SpA; Liquidator of: Fonderia F.lli Carnevale Srl, Eurostretch SpA, Smart Brands Srl, Sport Village Società Sportiva Dilettantistica a Responsabilità Limitata.

GIULIA DE MARTINO (Statutory Auditor) selected from the list put forward jointly by the shareholders Eni SpA and CDP Industria SpA

Chairman of the Board of Directors of INPS Servizi SpA; Chairman of the Board of Statutory Auditors of: NovaSIM SpA in liquidazione, Versalis SpA, Wise Dialog Bank SpA; Statutory Auditor of: Autostrade per l'Italia SpA, Società Italiana, Traforo del Monte Bianco SpA, e-geos SpA, Eni Trading & Shipping SpA, Eni Trade & Biofuels SpA, AGI SpA, International Energy Services SpA, Floaters SpA, Servizi Colleferro società consortile per azioni, Società di Servizi Comprensoriali e di Sviluppo Immobiliare Srl; Member of the Supervisory Board of: Credito Cooperativo Interprovinciale Veneto in liquidazione coatta amministrativa, Valore Italia Holding di Partecipazioni SpA, Fondazione MEDOR (Gruppo Leonardo), Ente Ecclesiastico Miulli, Ipbsim SpA in liquidazione coatta amministrativa; Liquidator of Advam Partners SGR SpA in L.c.a.; Alternate Auditor of: Leonardo Global Solutions SpA, C.R.N. SpA, Ferretti SpA, Basic Net SpA¹⁷, Zago SpA, Stretto di Messina SpA in liquidazione, Buzzi Unicem SpA¹⁷, Raccordo Autostradale Valle d'Aosta SpA, Cassa Lombarda SpA, Ecofuel SpA, EniPower SpA, Ferretti International Holding SpA.

NORBERTO ROSINI (Statutory Auditor) selected from the list put forward jointly by the shareholders Eni SpA and CDP Industria SpA

Statutory Auditor of: Technologies for Water Services SpA, Rosetti Marino SpA; Chairman of the Board of Directors of Fronti Advisor Srl; Board Director of Tenacitas Società Semplice; Sole Director of: Gironofra Re Srl, Frontipa Services Srl; Co-Director of Nofra Srl.

MARIA FRANCESCA TALAMONTI (Alternate Auditor) selected from the list put forward jointly by the shareholders Eni SpA and CDP Industria SpA

Chairman of the Board of Statutory Auditors of: BasicNet SpA¹⁷, Servizi Aerei SpA; Statutory Auditor of: Armonia SGR SpA, Bluwater SpA, Digitouch SpA¹⁷, PLC SpA¹⁷, PS Parchi SpA, Raffineria di Milazzo ScpA, Raffineria di Gela SpA, Acea SpA¹⁷, D-Share SpA, Magicland SpA; Alternate Auditor of: Eni Global Energy Markets SpA, MBDA Italia SpA, Eni Fuel SpA, International Energy Services SpA, Reale Compagnia SpA, Eniservizi SpA, Sigemi Srl, Sirti Srl, Charme Capital Partners SGR SpA, PS Reti SpA, AGI SpA, Poste Italiane SpA¹⁷; Sole Director of: Bramito SPV Srl, Convento SPV Srl, Vette SPV Srl, New Levante SPV Srl, Ponente SPV Srl.

FRANCESCA MICHELA MAURELLI (Alternate Auditor) selected from the list put forward by institutional investors

Chairman of the Board of Statutory Auditors of: Credito Valtellinese SpA, Autogrill SpA¹⁷; Alternate Auditor of: Europ Assistance Italia SpA, Europ Assistance Trade SpA, Genertel SpA, International Energy Services SpA, Acea Energia SpA¹⁷, Acquedotto del Fiora SpA, A Reti SpA, PLC SpA già Industria e Innovazione SpA¹⁷; Board Director of Oxy Capital Italia Srl; Sole Director of: Cosmo SPV Srl, Corallo SPV Srl, Resloc IT Srl, Ge.fin Srl.

Relations with shareholders

Access to information

Saipem maintains a constant engagement with shareholders and financial market analysts, ensuring the timely disclosure of comprehensive information on Company activities, and is limited only by the confidentiality requirements afforded to certain information. Information for investors, the market and the media is disseminated via press releases, and periodic meetings with institutional investors, the financial community and journalists, in addition to the comprehensive information made available and constantly updated on the Company website.

Relations with investors and financial analysts are maintained by the Head of the Investor Relations function, Massimiliano Cominelli. Information of interest is posted on Saipem's website or can be requested via email from: investor.relations@saipem.com.

The Company Affairs function maintains relations with retail shareholders, for matters under its remit, answering their requests and providing clarification and with all shareholders providing Company documentation also through dedicated IT channels.

(17) Listed company.

Information of interest to investors is posted on Saipem's website at www.saipem.com or can be requested via email from: segreteria.societaria@saipem.com.

The Public Affairs, Sustainability and Communication function, headed by Loretana Cortis, reports directly to the CEO and General Manager and is responsible for strengthening Saipem's reputation and image towards its stakeholders through the development of relationships, the dissemination of the Saipem brand and its values, as well as the development of a sustainable corporate business model. The Public Affairs, Sustainability and Communication function oversees at group level: (a) the management of institutional relations, legislative and regulatory affairs; (b) the management of social media and media relations, the image and corporate identity, through the definition and implementation of advertising, promotional, cultural and sponsorship initiatives; (c) the management of corporate marketing activities aimed at promoting Saipem as a whole; (d) the promotion and application of policies, strategies and principles of Saipem's sustainability model; (e) the planning and implementation of sustainability initiatives and disclosure on sustainability performance.

Shareholders engagement

On February 20, 2022, the Board of Directors of Saipem SpA, at the Chairman's proposal and in agreement with the Chief Executive Officer, having consulted the Sustainability, Scenarios and Governance Committee, approved the "Policy for the engagement with shareholders and other interested parties" to manage the engagement with current and potential Saipem shareholders and other interested parties, so as to implement Recommendation No. 3 of the Corporate Governance Code, taking into consideration the engagement policies adopted by institutional investors and asset managers.

Saipem is committed to promoting maximum transparency towards investors and the financial community, through the fostering, maintenance and development of an active relationship of trust with them, which benefits both investors and the Company, with a view to creating value in the medium-long term.

This Policy is available on the Saipem website at www.saipem.com, under the section Investor Relations.

This Policy governs the traditional Engagement tools, as well as the Engagement between the Board of Directors and the Interested Parties.

The Policy promotes: (a) the principle of transparency of the information provided in the Engagement, based on which the information provided must be clear, complete, correct, truthful and not misleading; (b) compliance with current laws and regulations, as well as internal governance rules, in particular those relating to the prevention of market abuse and the disclosure of inside information, also ensuring the application of the principles of collaboration and transparency with the supervisory authorities; (c) sustainability as an integral part of the business, aimed at guaranteeing long-term growth and the creation of value through the effective engagement of the stakeholders.

The Policy governs the relations between the Company and the interested parties in relation to the following matters: (a) corporate strategy (strategic plan, announced investments, targets, etc.), the internal control and risk management system, also vis-à-vis financial reporting, as well as the definition of the nature and level of risk compatible with the strategic objectives of the Company, also with a view to pursuing sustainable success; (b) capital structure; (c) the operating performance, the financial statements and the periodic financial results, the performance of Saipem shares and other financial instruments issued by the Company; (d) the policy on dividends, buy-back programs; (e) transactions announced, or carried out, by Saipem and its subsidiaries of significant strategic, economic or financial importance, in addition to transactions announced or carried out with related parties; (f) proposals for amendments to the Articles of Association; (g) the corporate governance system, the appointment and composition of the corporate bodies (including internal Board committees), also with reference to their size, professional skills, integrity, independence and/or diversity; (h) various environmental, social and sustainability issues included in the so-called ESG (Environmental, Social, Governance) remit, through the involvement of the Public Affairs Sustainability and Communication function; (i) the remuneration policy for Directors and Senior Managers with strategic responsibilities; (l) policies on transparency and corporate communication towards the market, as well as their implementation, extraordinary and/or particularly significant events which have occurred, and which may significantly affect Saipem's prospects and/or its reputation; (m) the adoption of acts falling within the scope of Article 104 of the Consolidated Law on Finance.

The Board of Directors provides direction, supervision and monitoring in the application of this Policy and, generally, in the pursuit of the Engagement. It is promptly informed of the development and significant content of the Engagement with Interested Parties.

The Board of Directors delegates the management of the Engagement with interested parties to the Chief Executive Officer. The Engagement for issues relating to the system and quality of corporate governance, the statutory structures, the appointment processes and the rules on the composition of the corporate bodies (including internal board committees), also in terms of their size and requirements of professional skills, integrity, independence and diversity, the remuneration policies for Directors and the transparency and disclosure to the market ("corporate governance issues"), is entrusted to the CEO in coordination with the Chairman (who avails herself of the support of the Secretary of the Board of Directors).

Concerning transactions with related parties and issues that may highlight a conflict of interest of the Chief Executive Officer, or that the Chief Executive Officer may consider potentially controversial, the Chief Executive Officer can request that the Board of Directors assess the existence of the Company's interest to engage with one or more Interested Parties and provide indications on how to manage the Engagement.

The Chairman ensures, in agreement with the Chief Executive Officer and with the support of the Secretary of the Board, that the Board of Directors is periodically informed on how the Engagement is managed and, in any case, is

informed at their next meeting of the development and significant content of Engagement events that have taken place, as well as any requests for Engagement that have been refused.

Saipem maintains constant interaction with its shareholders, potential investors, analysts and all other financial markets operators. In order to provide a full and detailed representation of financial data and strategies, Saipem's top management presents the company results (quarterly, half-yearly and annual results) and strategy to the market through dedicated conference calls.

In particular, Saipem interacts with its shareholders and other interested parties through its website, press releases, the Annual General Shareholders' Meeting, which represents the institutional meeting between the Company and its shareholders and meetings with the financial community, institutional investors and analysts, which are generally scheduled upon the disclosure of the periodic and annual financial reports and are announced to the public well in advance.

The Investor Relations function guarantees a continuous and transparent interaction between the Company and the market, from whom interested parties may request information. The Investor Relations function strives to ensure that a prompt response is provided to all appropriate requests.

The Secretary of the Board of Directors interacts with the interested parties in coordination with the Investor Relator, in particular on corporate governance issues.

The Engagement between the Company and interested parties may take place as provided for in the Policy and can be initiated:

- a) at the written request of an interested party to the Investor Relations function, specifying at least the topic or topics to be discussed in the Engagement; the reasons why the interested party intends to engage; the Engagement method proposed by the interested party; the individuals who may wish to take part in the Engagement on behalf of the interested party; the Company functions they wish to engage with and the reasons for their Engagement; and the approximate timeframes of the Engagement; or,
- b) at the initiative of the Company, by organising collective or bilateral meetings with one or more interested parties, in which one or more Directors and/or Executives of the Company may also participate when required, with the support of the relevant business functions.

The Investor Relations function, in coordination with the Secretary of the Board of Directors, monitors the requests for Engagement received from Interested Parties. The Secretary ensures a timely flow of information to the Chairman and the CEO.

The Chief Executive Officer, in coordination with the Chairman, whenever the engagement concerns Corporate Governance issues, evaluates whether to:

- a) accept the Engagement request or start the Engagement, putting in place, in case of acceptance or start of Engagement, any consequent activities deemed necessary or appropriate, even deciding to engage in a different way to that proposed by the interested party, or,
- b) reject the Engagement request, considering the best interests of the Company and on the basis of the evaluation criteria adopted and/or any other relevant circumstances, including cases in which the Engagement request, especially with reference to a Two-Way Engagement, concerns Inside information or pending blackout periods.

Should a Director, other than the Chief Executive Officer, receive a request for Engagement or information from investors, they are required to promptly inform the Secretary of the Board of Directors, who will inform the Chief Executive Officer and the Chairman for appropriate action.

To decide whether or not to accept a request for Engagement received from an interested party, or to engage with the latter, and establish the engagement procedures, the Chief Executive Officer, in coordination with the Chairman where the request for dialogue concerns Corporate Governance issues, carries out a case-by-case assessment, in the best interests of the Company, and taking into account the following factors:

- a) compliance with any relevant legal, regulatory and/or self-regulatory limitations;
- b) the relevance of the topics with the issues evaluated as possible Engagement subjects;
- c) the seriousness of the request and the significance of the topics covered by the request;
- d) the potential interest in the topic to be discussed for a large number of investors or for investors of a certain importance and/or with particular characteristics and/or for the market,
- e) the foreseeable usefulness of the Engagement, also with a view to creating value in the medium-long term, and taking into account previous Engagement experiences;
- f) the size, characteristics and type of the investor requesting or receiving the Engagement, and the nature and investment strategy of the same; their conduct in previous interactions with the Company or their voting at Shareholders' Meetings and the approach they are likely to take with respect to the matters to be discussed in the Engagement, also considering their engagement policies;
- g) the characteristics of activism initiatives implemented by the investor involved in the Engagement with the Company or other issuers, including the types and forms of activism previously adopted by the same investor, as well as any situations of conflict of interest, even if potential.

Whenever the Engagement request is accepted or an Engagement is initiated, the Chief Executive Officer in coordination with the Chairman, if the engagement concerns Corporate Governance issues:

- i. may refuse Two-Way Engagement requests in favour of a One-Way Engagement (or vice-versa), especially in potentially problematic situations, including cases in which a request for a Two-Way Engagement concerns Inside information or is presented pending a blackout period;
- ii. defines the specific methods of conducting the Engagement, which may take place Bilaterally or Collectively;

- iii. adopts the most appropriate measures to guarantee the confidentiality of Inside information, by also requesting the signing of confidentiality agreements;
- iv. depending on the modality of the meeting, the topics under discussion and/or the requests received from the interested parties, he may invite the Chairman, and/or other Directors to participate in and support the Engagement, in view of their expertise within the Board (for instance their chairing of a Board Committee), as well as other Company Executives with the most appropriate knowledge and/or relevant competencies in relation to the topic subject of the Engagement. As a general principle, the Directors called to participate in the meetings are not subject to the mandate given by the parties who presented their candidacy and/or voted for their appointment.

The Investor Relations function communicates the decisions that were taken to the interested party who requested the Engagement.

Should the CEO decide to refuse an Engagement request, in agreement with the Chairman where the Engagement request concerns corporate governance issues and with the support of the Secretary, he promptly informs the Board of Directors and then ensures that notification is given to the interested party by the Investor Relations function, indicating the reasons for the refusal.

The Engagement can also be started at the initiative of the Company, by organising One-Way, Two-Way, Collective or Bilateral meetings with one or more interested parties. The requests for Engagement initiated by the Company will be transmitted by the Investor Relations function, in coordination with the Secretary, to the relevant department of the interested party.

During the engagement between the interested parties and the Company, only the topics that have been previously anticipated and agreed upon between the Company and the interested parties can be addressed, unless otherwise assessed by the Chief Executive Officer. In any case, information of a confidential or privileged nature or capable in any way of harming the interests of the Company or the Saipem Group may not be disclosed.

At the end of the Engagement, the Chief Executive Officer and the other Directors who may have taken part in the meeting draw up a brief report with the support of the Investor Relations function and/or other parties identified by them. These reports are shared, if he did not participate in the meeting, with the Chief Executive Officer and are always sent to the Chairman in order to ensure that the information is subsequently and exhaustively shared with Saipem's Board of Directors.

The Sustainability, Scenarios and Governance Committee verifies at least annually the adequacy of the provisions contained in the "Policy for the engagement with shareholders and other interested parties" vis-à-vis the applicable provisions of the Law, the Corporate Governance Code and the relevant best practices, submitting, in agreement with the Chairman and the Chief Executive Officer, any proposed amendments or additions to the Board of Directors.

Shareholders' Meeting (pursuant to Article 123-bis, paragraph 1, letter l), paragraph 1, letter c), of Legislative Decree No. 58/1998)

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

The functions of the ordinary Shareholders' Meeting are regulated by Article 2364 of the Italian Civil Code, with the exception of those matters for which the Board of Directors is responsible, in accordance with Article 20 of the Articles of Association.

The Shareholders' Meeting of January 30, 2001 had approved the shareholders' meetings regulations (posted on Saipem's website www.saipem.com) to ensure smooth and effective meetings proceedings and, specifically, to safeguard every shareholder's right to intervene on items under discussion.

Following the issue of Legislative Decree No. 49 of May 10, 2019, which implements in Italy Directive 2017/828/EU issued by the European Parliament and Council and amended the previous Directive 2007/36/EC in relation to the promotion of the long-term shareholders commitment, for which Member States were required to issue the laws, regulations and administrative provisions necessary to comply with the aforementioned Directive by June 10, 2019, the Company has been monitoring, since 2017, the evolution of the regulatory framework to update the rules and tools necessary to best meet the needs of shareholders.

Legislative Decree No. 49 of May 10, 2019, as stated before, amended the provisions of the Italian Civil Code concerning transactions with related parties, and intervened on Legislative Decree No. 58/1998, modifying the provisions related to the identification of shareholders, the remuneration of Directors and the right to ask questions, introducing a new section on the transparency obligations of institutional investors and proxy advisors, and updating sanctions. Specifically, the Annual General Meeting is called by publishing a notice on the Company's website, in addition to all other methods set forth in Consob Regulations and in compliance with the law and current legislation.

The legitimate attendance at shareholders' meetings and the exercise of voting rights is confirmed by a statement to the Company from the accredited intermediary, in compliance with their accounting records, on behalf of the shareholder entitled to vote.

This statement is based on the intermediary accounting records registered at the end of the seventh trading day prior to the date of the Shareholders' Meeting on first call. Credit and debit records after this deadline shall not be

considered for the purpose of legitimising the exercise of voting rights at the Shareholders' Meeting. Statements issued by the intermediaries must reach the Company by the end of the third trading day prior to the Shareholders' Meeting on first call.

Shareholders who, solely or jointly, represent at least one fortieth of the share capital may request, within ten days from publication of the calling of the Shareholders' Meeting, detailing items they wish to be added to the meeting agenda.

Shareholders entitled to vote may delegate others to represent them at the Shareholders' Meeting, pursuant to the law. To do so, they must present a request either in writing, or electronically. The electronic proxy can be filled in on Saipem's website and sent via certified e-mail, under the terms advised in the notice of Shareholders' Meeting and in compliance with current legislation and regulations. Pursuant to Article 135-*undecies* of Legislative Decree No. 59/1998, for the 2021 General Shareholders' Meeting, the Company appointed Mr. Dario Trevisan as shareholders' representative, whom the shareholders could confer a proxy free of charge with voting instructions on one or more proposals on the agenda.

The Board of Directors did not deem it necessary to define a new corporate governance system as suggested by the Format for the Corporate Governance and Shareholding Structure Report - IX edition (January 2022).

At the Shareholders' Meeting called to approve the Annual Report, the Board of Directors reports on activities that occurred during the year, both through reports in the financial statements, made public prior to the meeting through methods as provided by the law and current regulations, and by answering questions and requests for clarification posed by the shareholders.

At the Shareholders' Meeting, votes are usually cast using remote controls, which facilitate the shareholders in exercising their rights and ensure that the voting results are immediately available.

Due to the COVID-19 emergency and in accordance with the provisions of Article 106, paragraph 4, Legislative Decree No. 18 dated March 17, 2020 converted, with amendments, into Law No. 27 ("Decree No. 18/2020") and extended by paragraph 6 of Article 3 of the Law Decree No. 183 of December 31, 2020, converted, with amendments, into Law No. 21 dated February 26, 2021, aimed at minimising movements and gatherings, the notice summoning the General Annual Meeting of shareholders to be held on April 30, 2021 was published on the Company's website and sent to the Stock Exchange via the "eMarket sdir" system on March 18, 2021 and an extract thereof was published in the newspaper *Il Sole 24 Ore* on March 19, 2021. The notice of meeting specified that participation and voting by the shareholders could take place exclusively through a specific proxy having been granted to the Designated Representative (Mr. Dario Trevisan), pursuant to Article 135-*undecies* of Legislative Decree No. 58 of February 24, 1998. The Company has also provided for the possibility to confer proxies and/or sub-proxies, pursuant to Article 135-*novies* of Legislative Decree No. 58 of February 24, 1998, with specific written voting instructions, for those shareholders who decided not to make use of the proxies pursuant to Article 135-*undecies* of Legislative Decree No. 58 of February 24, 1998.

In compliance with all the provisions aimed at containing the spread of COVID-19, the Annual General Meeting of shareholders held on April 30, 2021 was held at the registered office of Saipem SpA: the only personnel attending in person were: the Notary, acting as Secretary of the Shareholders' Meeting, the Designated Representative, the Chairman of the Board of Statutory Auditors, the Secretary of the Board of Directors, a limited number of Company Secretariat personnel and technical support staff of the Company; Directors and Statutory Auditors attended via videoconference link.

The aforementioned emergency regulations have been further extended until July 31, 2022, on the basis of the provisions of Article 3, paragraph 1, of Law Decree No. 228 dated December 30, 2021, which states that *"The term referred to in Article 106, paragraph 7, of Law Decree No. 18 dated March 17, 2020, converted, with amendments, by Law No. 27 dated April 24, 2020, concerning the holding of Shareholders' Meetings by companies and entities, is extended until July 31, 2022"*.

The Ordinary and Extraordinary Shareholders' Meeting – as well as the Special Meeting of Savings Shareholders – of May 17, 2022 shall take place in the same way as the previous year due to the extension of the aforementioned emergency regulatory provisions.

With regard to the share performance, please refer to the paragraph "Saipem SpA share performance" in Saipem's Annual Report and check at www.saipem.com, under the section Investor Relations - shares/share performance.

Saipem Corporate Governance additional practices (pursuant to Article 123-bis, paragraph 2, letter a), second part, of Legislative Decree No. 58/1998)

In 2021, the in-depth study launched in 2013 of corporate governance best practices continued with the aim of further reviewing the corporate governance of the Saipem Group.

The following is a summary of the main activities carried out from 2021 up to March 24, 2022:

- the Boards of the main foreign subsidiaries carried out an annual Board Review in for the 2021 financial year and included its outcome in the Audit & Compliance Committee report;
- to implement a new strategy presented to the Market on October 28, 2021, Capital Market Day, Saipem adopted a new organisational model on January 14, 2022, based on 4 distinct business areas, each one with different dynamics, objectives, skills, as described in the following paragraph. As a consequence, for instance, the Business Integrity function was separated from the Risk Management and Supply Chain function and now reports directly to the CEO and General Manager.

From February 7, 2022, the model has been integrated with an additional new structure designed to reinforce the execution capabilities for the Company projects and to complete the on-going strategic review aimed at strengthening the capital and financial structure of the Group.

The new organisation envisages the following:

- the set-up of a new General Manager function with broad operative and managerial responsibilities;
 - the creation of a specific unit focused on reinforcing the activity of financial planning and control of the projects and of the other company's operations;
 - the consolidation of the legal and contract management responsibilities in a corporate department within the new General Manager office;
- in light of the new organisational structure, on March 15, 2022, at the proposal of the Sustainability, Scenarios and Governance Committee, the Board of Directors identified Saipem's executives with strategic responsibilities, i.e. senior managers who have regular access to inside information and have the power to adopt management decisions that may affect the evolution and future prospects of the Saipem Group, as identified from time to time by the Board of Directors and therefore, until otherwise resolved by the Board of Directors: the General Manager, the Director responsible for the Company's Financial Reporting, the Chief Financial Officer, the Director of the People, Safety and Environment function, the Chief Project Control and Financial Advisory Officer, the Director for Company Affairs and Corporate Governance, the Director for Legal Affairs and Contract Management, the Director for the Commercial function, the Director of Supply Chain, the Director for Asset Based Services, the Director for Energy Carriers, the Director for Robotics and industrialised Solutions and the Director for Sustainable Infrastructures.

Events subsequent to year-end

Events that have occurred since the end of 2021 are detailed in the paragraph "Executive Directors - Chief Executive Officer" on page 38 of this Report.

Considerations on the letter by the Chairman of the Corporate Governance Committee of Borsa Italiana dated December 3, 2021¹⁸

The final part of the letter accompanying the "Annual Report 2021 on the evolution of the Corporate Governance of listed companies - 9th Annual Report on the Application of the Corporate Governance Code", sent to all Chairmen of Italian listed companies (and for information to their CEOs and Chairmen of the Board of Statutory Auditors) draws attention to the recommendations made therein.

The Report makes the following recommendations:

- *"in the report on corporate governance, ensure adequate and concise information on the methods adopted in its preparation and the approach adopted in promoting the engagement with significant stakeholders. In this regard, it is recommended to provide concise information on the engagement policy with the shareholders, and possibly publish it in full, or at least its essential elements, on the Company's website;*
- *evaluate the classification of the Company with respect to the categories detailed in the Code and the options of simplification that can be applied to 'non-large' and/or 'concentrated' companies, and indicate the choices made;*
- *in the corporate governance report, provide the criteria used to assess the significance of professional, commercial or financial relationships and additional remuneration, also for the Chairman of the Board of Directors, if the latter has been identified as independent pursuant to Code;*
- *the boards of directors should prepare regulations for the Board and its committees, paying particular attention to setting the terms deemed appropriate for sending the documentation and the exclusion of general confidentiality requirements as possible exemptions from compliance with these terms. In drafting the corporate governance report, companies should also state their actual compliance with the aforementioned notice period and, where it has not been possible to comply with this deadline, explain the reasons and illustrate how adequate information was provided during the Board meeting;*
- *non-concentrated companies are invited to examine the recommendations addressed to them regarding the renewal of the Board of Directors. The Code recommends that the outgoing board of directors expresses, in view of its renewal, the guidelines on the composition of the new board deemed to be optimal, taking into account the results of the board evaluation, and also in the subsequent phase of the presentation of the lists, by the outgoing board and/or the shareholders. In particular, the boards of directors of 'non-concentrated' companies are invited to ask whoever presents a list that contains a number of candidates greater than half of the members to be elected to provide adequate information (in the documentation presented for filing the list) about the compliance of the list itself with the guidelines expressed by the outgoing board and to indicate the candidate to the office of Chairman;*
- *the Committee, while observing growing attention on these issues, invites companies to provide adequate information in the report on corporate governance about the actual identification and application of such measures;*

(18) The Corporate Governance Committee of Borsa Italiana.

➤ *with regard to the remuneration policies, the Committee reiterates its recommendation for policies to set clear and measurable rules for the variable component and severance indemnities; it recommends to consider the consistency of the parameters identified for the variable remuneration with the strategic objectives of the business and the pursuit of sustainable success, and setting, if necessary, non-financial parameters. With particular reference to the remuneration linked to the achievement of environmental and social targets, the Committee recommends that companies ensure that these parameters are predetermined and measurable*".

The Report also reiterates *"that the considerations concerning the Committee's recommendations and the possible planned or undertaken initiatives are clearly reported in the next corporate governance report in order to emphasise the issuer's unflagging attention to the quality of its governance"*.

The Chairman has therefore shared with the Board of Directors and the Board of Statutory Auditors the contents of the document, at their meeting of January 13, 2022, drawing their attention to the recommendations made on pages 90 to 92 of the document.

Before drafting this Report, at the proposal of the Chairman of the Board of Directors, the Board Committee Sustainability, Scenarios and Governance Committee, at their meeting of February 18, 2022 attended by the Chairman of the Board of Statutory Auditors, reviewed the *"Annual Report 2021 on the evolution of the Corporate Governance of listed companies - 9th Annual Report on the Application of the Corporate Governance Code"*, sent to all Chairmen of Italian listed companies (and for information to their Managing Directors-CEOs and Chairmen of the Board of Statutory Auditors) by the Corporate Governance Committee of Borsa Italiana.

The review focused on the recommendations made in the Annual Report 2021, which were brought to the attention of the whole Board of Directors and the Board of Statutory Auditors.

The Sustainability, Scenarios and Governance Committee examined this Corporate Governance and Shareholding Structure Report for compliance with the aforementioned recommendations and, more generally, assessed the Company's compliance to the Corporate Governance Code, at their meeting of March 4, 2022. The conclusions reached by the Sustainability, Scenarios and Governance Committee were shared with the Board of Directors at the meeting of March 15, 2022.

Tables

Table 1. Shareholding structure

Shareholding structure as at December 31, 2021

| | Shares | Voting rights | Listed Market /not listed | Rights and obligations |
|----------------------------------|---------------|---------------|---|---|
| Ordinary shares | 1,010,966,841 | 1,010,966,841 | Computerised Share Trading Market (Mercato Telematico Azionario Italia - MTA) | Dividend/entitled to vote at the Shareholders' Meeting |
| Preferred shares | - | - | - | - |
| Shares with multiple voting | - | - | - | - |
| Other types of voting shares | - | - | - | - |
| Savings shares | 10,598 | 10,598 | Computerised Share Trading Market (Mercato Telematico Azionario Italia - MTA) | Convertible into ordinary shares without time restrictions / dividend per share €0.03 higher than ordinary shares / dividend per share up to €0.05 higher than ordinary shares if profits were recorded / not entitled to vote at the Shareholders' Meeting |
| Convertible savings shares | - | - | - | - |
| Other types of non voting shares | - | - | - | - |
| Other | - | - | - | - |

Other financial instruments

| | Listed Market /not listed | Instruments in circulation | Type of share to be converted/exercised | Number of share to be converted/exercised |
|-------------------|---------------------------|----------------------------|---|---|
| Convertible bonds | - | - | - | - |
| Warrant | - | - | - | - |

Relevant shareholdings as at December 31, 2021

| Declarant | Direct Shareholder | % of ordinary capital | % of voting capital |
|---|-------------------------------|-----------------------|---------------------|
| Cassa Depositi e Prestiti SpA | CDP Industria SpA | 12.55 | 12.55 |
| Ministero dell'Economia e delle Finanze | Eni SpA | 30.54 | 30.54 |
| Marathon Asset Management Ltd | Marathon Asset Management Ltd | 5.65 | 5.65 |
| Eleva Capital sas | Eleva Capital sas | 3.07 | 3.07 |

(*) On February 18, 2022, Eleva Capital declared that there had been a variation in its Saipem shareholding.

Table 2A. Structure of the Board of Directors (up to April 30, 2021)

| Board of Directors | | | | | | | | | | | | | |
|---|----------------------|---------------|----------------------------------|-----------------|-------------------------|--------------------------------------|---------------------------|-------|-----------|-------------------|------------------------------|-----------------------------------|-----------------------------------|
| Office | Members | Year of birth | First appointment ⁽¹⁾ | In office since | In office until | List (put forward by) ⁽²⁾ | List (M/m) ⁽³⁾ | Exec. | Non exec. | Indep. under Code | Indep. under Leg. Dec. 58/98 | Other offices held ⁽⁴⁾ | Meeting attendance ⁽⁵⁾ |
| Chairman | Francesco Caio | 1957 | 2018 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | | X | | | 2 | 6/6 |
| CEO* | Stefano Cao | 1951 | 1997 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | X | | | | - | 6/6 |
| Director | Maria Elena Cappello | 1968 | 2015 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | | X | X | X | 2 | 5/6 |
| Director | Claudia Carloni | 1967 | 2018 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | | X | | | - | 5/6 |
| Director | Paolo Fumagalli | 1960 | 2018 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | | X | X | X | 1 | 6/6 |
| Director | Federico Ferro-Luzzi | 1968 | 2014 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | m | | X | X | X | 2 | 6/6 |
| Director | Ines Mazzilli | 1962 | 2018 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | m | | X | X | X | 2 | 6/6 |
| Director | Paul Schapira | 1964 | 2018 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | m | | X | X | X | 2 | 6/6 |
| Director | Alessandra Ferone | 1970 | 2020 | May 3, 2018 | Approv. Fin. Stat. 2020 | Shareholders | M | | X | | | - | 6/6 |
| Directors terminated during the year | | | | | | | | | | | | | |
| Director | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Number of meetings held during the year: 6 | | | | | | | | | | | | | |
| Minimum <i>quorum</i> required for the presentation of lists by minority shareholders for election of one or more members (pursuant to Article 147-ter of Legislative Decree No. 58/1998): 1% | | | | | | | | | | | | | |

Table 2B. Structure of the Board of Directors (from April 30, 2021)

| Board of Directors | | | | | | | | | | | | | |
|---|------------------------------|---------------|----------------------------------|-----------------|-------------------------|--------------------------------------|---------------------------|-------|-----------|-------------------|------------------------------|-----------------------------------|-----------------------------------|
| Office | Members | Year of birth | First appointment ⁽¹⁾ | In office since | In office until | List (put forward by) ⁽²⁾ | List (M/m) ⁽³⁾ | Exec. | Non exec. | Indep. under Code | Indep. under Leg. Dec. 58/98 | Other offices held ⁽⁴⁾ | Meeting attendance ⁽⁵⁾ |
| Chairman | Silvia Merlo | 1968 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | | X | X | X | 1 | 16/16 |
| CEO* | Francesco Caio | 1957 | 2018 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | X | | | | - | 16/16 |
| Director | Roberto Diacetti | 1973 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | m | | X | X | X | 2 | 16/16 |
| Director | Alessandra Ferone | 1970 | 2020 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | | X | | | 1 | 13/16 |
| Director | Patrizia Michela Giangualano | 1959 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | m | | X | X | X | 2 | 15/16 |
| Director | Pier Francesco Ragni | 1971 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | | X | | | - | 15/16 |
| Director | Marco Reggiani | 1968 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | | X | | | 1 | 16/16 |
| Director | Paul Schapira | 1964 | 2018 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | m | | X | X | X | 1 | 16/16 |
| Director | Paola Tagliavini | 1968 | 2021 | Apr. 4, 2021 | Approv. Fin. Stat. 2023 | Shareholders | M | | X | X | X | 3 | 16/16 |
| Directors terminated during the year | | | | | | | | | | | | | |
| Director | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Number of meetings held during the year: 16 | | | | | | | | | | | | | |
| Minimum <i>quorum</i> required for the presentation of lists by minority shareholders for election of one or more members (pursuant to Article 147-ter of Legislative Decree No. 58/1998): 1% | | | | | | | | | | | | | |

These symbols are to be found in the "Office" column:

- The Director responsible for the Internal Control and Risk Management System.
- Δ The Officer mainly responsible for the management of the Issuer, i.e. the Chief Executive Officer (CEO).
- ◻ Lead Independent Director (LID).

(1) The first year in which a Director has ever been appointed in the Board of Directors of the Issuer.

(2) The list from which every Director has been selected, either Shareholders or BoD.

(3) "M" denotes the list from which a member has been appointed ("M": majority list; "m": minority list; "Board of Directors": list presented by the Board of Directors).

(4) Other Directorships or Auditor posts held by a Director in other companies listed either in Italy or abroad, and/or in financial, banking, insurance or large companies. Full details of these additional offices are provided inside this Report (based on the information held by the Company as at April 30, 2021).

(5) Participation to meetings of the Board of Directors (out of the total number of meetings held).

Table 3A: Structure of the Board Committees (up to April 30, 2021)

| Office/Qualification | Board of Directors Members | Related Parties Committee | | Audit and Risk Committee | | Compensation and Nomination Committee | | Sustainability, Scenarios and Governance Committee | |
|---|-------------------------------|------------------------------|-----|-----------------------------|-----|--|-----|---|-----|
| | | (1) | (2) | (1) | (2) | (1) | (2) | (1) | (2) |
| Chairman of the BoD - non-executive - non-independent | Francesco Caio | | | | | | | 2/2 | C |
| CEO | Stefano Cao | | | | | | | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Maria Elena Cappello | | | | | | | 2/2 | M |
| Non-executive - non-independent Director | Claudia Carloni | | | | | | | 2/2 | M |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Paolo Fumagalli | 2/2 | M | | | 6/6 | C | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Federico Ferro-Luzzi | | | | | 6/6 | M | 2/2 | M |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Ines Mazzilli | 2/2 | C | 9/9 | C | | | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Paul Schapira | 2/2 | M | 9/9 | M | 6/6 | M | | |
| Non-executive - non-independent Director | Alessandra Ferone | | | 7/9 | M | | | | |
| Directors terminated during the year | | | | | | | | | |
| Executive/Non-executive Director - indep. under Code and/or under Leg. Dec. 58/98/non independent | Name | | | | | | | | |
| Members who are not directors | | | | | | | | | |
| Executive of the Issuer/Other | Name | | | | | | | | |
| Meetings held during the year: | | 2 | | 9 | | 6 | | 2 | |

Table 3B: Structure of the Board Committees (from May 18, 2021)

| Office/Qualification | Board of Directors Members | Related Parties Committee | | Audit and Risk Committee | | Compensation and Nomination Committee | | Sustainability, Scenarios and Governance Committee | |
|---|-------------------------------|------------------------------|-----|-----------------------------|-----|--|-----|---|-----|
| | | (1) | (2) | (1) | (2) | (1) | (2) | (1) | (2) |
| Chairman of the Board of Directors Non-executive indep. under Code and Leg. Dec. 58/98 | Silvia Merlo | | | | | | | 6/6 | C |
| CEO | Francesco Caio | | | | | | | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Roberto Diacetti | 2/2 | M | 8/9 | M | | | | |
| Non-executive - non-independent Director | Alessandra Ferone | | | | | 8/8 | M | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Patrizia Michela Giangualano | 2/2 | C | | | | | 6/6 | M |
| Non-executive - non-independent Director | Pier Francesco Ragni | | | | | | | 5/6 | M |
| Non-executive - non-independent Director | Marco Reggiani | | | | | | | 6/6 | M |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Paul Schapira | | | 9/9 | M | 8/8 | C | | |
| Non-executive Director - indep. under Code and Leg. Dec. 58/98 | Paola Tagliavini | 2/2 | M | 9/9 | C | 8/8 | M | | |
| Directors terminated during the year | | | | | | | | | |
| Executive/Non-executive Director - indep. under Code and/or Leg. Dec. 58/98/non independent | Name | | | | | | | | |
| Members who are not directors | | | | | | | | | |
| Executive of the Issuer/Other | Name | | | | | | | | |
| Meetings held during the year: | | 2 | | 9 | | 8 | | 6 | |

(1) Participation to meetings of the Board Committees (out of the total number of meetings held).

(2) "C": Chairman; "M": member.

Table 4. Structure of the Board of Statutory Auditors

Board of Statutory Auditors

| Office | Members | Year of birth | First appointment ⁽¹⁾ | In office since | In office until | List (M/m) ⁽²⁾ | Independence under the Code | Participation to meetings of the BoSA ⁽³⁾ | Other offices held ⁽⁴⁾ |
|-------------------|----------------------------|---------------|----------------------------------|-----------------|-----------------------------|---------------------------|-----------------------------|--|-----------------------------------|
| Chairman | Giovanni Fiori | 1961 | 2020 | Apr. 29, 2020 | Approval Fin. Stat. 2022 | m | X | 19/19 | - |
| Statutory Auditor | Giulia De Martino | 1978 | 2015 | Apr. 29, 2020 | Approval Fin. Stat. 2022 | M | X | 19/19 | 2 |
| Statutory Auditor | Norberto Rosini | 1959 | 2020 | Apr. 29, 2020 | Approval Fin. Stat. 2022 | M | X | 16/19 | - |
| Alternate Auditor | Maria Francesca Talamonti | 1978 | 2015 | Apr. 29, 2020 | Approval Fin. Stat. 2022 | M | X | - | 5 |
| Alternate Auditor | Francesca Michela Maurelli | 1971 | 2017 | Apr. 29, 2020 | Approval Fin. Stat. 2022 | m | X | - | 3 |

Statutory Auditors terminated during the year

Number of meetings held during the year: 19

Minimum *quorum* required for the presentation of lists by minority shareholders for election of one or more members (pursuant to Article 148 of Legislative Decree No. 58/1998): 1%

(1) The first year in which a Statutory Auditor has ever been appointed in the Board of Statutory Auditors of the issuer.

(2) "M" denotes the list from which a member has been appointed ("M": majority list; "m": minority list).

(3) Statutory Auditors' attendance to meetings of the Board of Statutory Auditors (attendance/number of meetings held during the period of office).

(4) Other Directorships or Auditor posts held by a Statutory Auditor pursuant to Article 148-bis of Legislative Decree No. 58/1998 and the regulations included in Consob's Issuer Regulations. Full details of these additional offices are provided by Consob on their website pursuant to Article 144-*quinquiesdecies* of Consob's Issuer Regulations.

APPENDIX A

| 2020 CORPORATE GOVERNANCE CODE | Applied | Not applied or not applicable | Reference page |
|---|---------|-------------------------------|--|
| Article 1 - Role of the board of directors | | | |
| Principles | ✓ | | Page 27 "Board of Directors' role" |
| I. The board of directors leads the Company by pursuing its sustainable success. | | | |
| II. The board of directors defines the strategies of the Company and the Group it heads in accordance with principle I and monitors its implementation. | ✓ | | Page 27 "Board of Directors' role" |
| III. The board of directors defines the corporate governance system that is most functional for carrying out the company's business and pursuing its strategies, taking into account the flexibility offered by the legal framework. If necessary, the board of directors evaluates and promotes the appropriate changes and submit them to the shareholders' meeting when such changes are necessarily subject to the shareholders' vote. | ✓ | | Page 27 "Board of Directors' role" |
| IV. The board of directors promotes dialogue with shareholders and other stakeholders which are relevant for the Company, in the most appropriate way. | ✓ | | Page 66 "Relation with shareholders" |
| Recommendations | | | |
| 1. The board of directors: | | | |
| a) reviews and approves the business plan of the Company and the Group it heads, also on the basis of matters that are relevant for the long-term value generation. That analysis is carried out with the possible support of a committee whose composition and functions are defined by the board of directors; | | | Page 27 "Board of Directors' role" |
| b) periodically monitors the implementation of the business plan and assesses the general course of the business, comparing the results achieved with those planned; | | | Page 42 "Additional committees (other than those provided for by the legislation or recommended by the Code)" |
| c) defines the nature and level of risk compatible with the Company's strategic objectives, including all the elements that can be relevant for the Company's sustainable success; | ✓ | | |
| d) defines the corporate governance system of the Company and the structure of the Group it heads, and assesses the adequacy of the Company's organisational, administrative and accounting structure and of its strategically important subsidiaries, with particular reference to the Internal Control and Risk Management System; | | | Page 48 "Internal Control and Risk Management System" |
| e) approves transactions of the Company and its subsidiaries that have a significant impact on the Company's strategies, profitability, assets and liabilities or financial position; to this end, it establishes the general criteria for identifying significant transactions; | | | Page 60 "Interests of Directors and Statutory Auditors and transactions with related parties" |
| f) on proposal of the chair in agreement with the Chief Executive Officer, adopts a procedure for the internal and external management of documents and information concerning the Company, with particular reference to inside information, in order to ensure the correct management of corporate information. | | | |
| 2. If deemed necessary for the effectiveness of the Company's corporate governance system, the board of directors develops specific proposals to be submitted to the shareholders' meeting on the following issues: | | | |
| a) choice and characteristics of the corporate model (traditional, "one-tier", "two-tier"); | | | |
| b) size, composition and appointment of the board of directors and term of office of its members; | ✓ | | Page 27 "Board of Directors' role" |
| c) structure of the shares' administrative and property rights; | | | |
| d) percentages established for the exercise of the prerogatives set up to safeguard minority shareholders. | | | |
| In particular, if the board of directors intends to propose to the shareholders' meeting the introduction of increased voting rights (so-called "voto maggiorato"), it provides adequate reasons in the report that will be submitted to the shareholders prior to their annual meeting. The report indicates the expected effects on the company's ownership | | | |

and control structure and its future strategies. In the same report, the board discloses the decision-making process followed for the definition of such a proposal and any dissenting opinions voiced within the board.

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| <p>3. Upon proposal of the chair in agreement with the Chief Executive Officer, the board of directors adopts and describes in the corporate governance report a policy for managing dialogue with the generality of shareholders, taking also into account the engagement policies adopted by institutional investors and asset managers.</p> <p>The Chairman ensures that the board of directors is in any case informed, within the first suitable meeting of the development and the significant contents of the dialogue that has taken place with all the shareholders.</p> | √ | Page 66 "Relations with shareholders" |
| <p>Article 2 - Composition of the corporate bodies</p> <p>Principles</p> | | |
| <p>V. The board of directors is comprised of executive and non-executive directors. All directors ensure professional skills and competence that are appropriate to their tasks.</p> | √ | Page 32 "Composition" |
| <p>VI. The number and skills of non-executive directors ensure significant influence in the decision-making process of the board and guarantee an effective monitoring of management. A significant number of non-executive directors is independent.</p> | √ | Page 39 "Independent Directors" |
| <p>VII. The Company applies diversity criteria, including gender ones, to the composition of the board of directors, ensuring the primary objective of adequate competence and professionalism of its members.</p> | √ | Page 34 "Criteria and policies on diversity" |
| <p>VIII. The control body's composition is appropriate for ensuring the independence and professionalism of its function.</p> | √ | Page 39 "Independent Directors" |
| <p>Recommendations</p> | | |
| <p>4. The board of directors defines the delegation of managerial powers and identifies who among the executive directors holds the position of Chief Executive Officer. If the chair is entrusted with the position of chief executive officer or with significant managerial powers, the board of directors explains the reasons for this choice.</p> | √ | Page 38 "Executive Directors" |
| <p>5. The number and skills of independent directors are appropriate to the needs of the company and to the well-functioning of the board of directors, as well as to the establishment of board committees.</p> <p>The board of directors includes at least two independent directors, other than the Chairman.</p> <p>In large companies with concentrated ownership, independent directors account for at least one third of the board. In other large companies, independent directors account for at least half of the board.</p> <p>In large companies, independent directors meet, in the absence of the other directors, on a periodic basis and at least once a year to evaluate the issues deemed of interest to the functioning of the board of directors and to the corporate management.</p> | √ | Page 39 "Independent Directors" |
| <p>6. The board of directors assesses the independence of each non-executive director immediately after his or her appointment. The assessment is renewed during the mandate upon the occurrence of circumstances that concern his or her independence and at least once a year.</p> <p>Each non-executive director provides all the elements necessary or useful for the assessment of the board of directors. On the basis of all the information available, the board considers any circumstance that affects or could affect the independence of the director.</p> | √ | Page 39 "Independent Directors" |
| <p>7. The circumstances that jeopardise, or appear to jeopardise, the independence of a director are at least the following:</p> <p>a) if he or she is a significant shareholder of the Company;</p> <p>b) if he or she is, or was in the previous three financial years, an executive director or an employee:</p> <ul style="list-style-type: none"> ➤ of the Company, of its subsidiary having strategic relevance or of a company subject to joint control; ➤ of a significant shareholder of the company; | | |

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| <p>c) if he or she has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):</p> <ul style="list-style-type: none"> ➤ with the Company or its subsidiaries, or with their executive directors or top management; ➤ with a subject who, also together with others through a shareholders' agreement, controls the Company; or, if the control is held by a company or another entity, with its executive directors or top management; <p>d) if he or she receives, or received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration other than the fixed remuneration for the position held within the board and for the membership in the committees recommended by the Code or required by law;</p> <p>e) if he or she has served on the board for more than nine years, even if not consecutive, of the last twelve years;</p> <p>f) if he or she holds the position of executive director in another company whereby an executive director of the company holds the office of director;</p> <p>g) if he or she is a shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the Company;</p> <p>h) if he or she is a close relative of a person who is in any of the circumstances set forth in previous letters.</p> | <p>√</p> | <p>Page 39 "Independent Directors"</p> |
| <p>The board of directors defines ex ante, at least at the beginning of its mandate, the quantitative and qualitative criteria for assessing the significance of the situations set forth above in letters c) and d). If the director is also a partner in a professional or a consulting firm, the board of directors assesses the significance of the professional relationships that may have an effect on his or her position and role within the professional or the consulting firm and in any event those pertaining to important transactions of the Company and the Group it heads, even regardless of the quantitative parameters.</p> | | |
| <p>The chair of the board of directors, who has been nominated for such role according to recommendation 23, can be assessed as independent if none of the circumstances set forth above occurs. If the independent chair is member of the board committees recommended by the Code, such committees are made up in majority of independent directors, other than the chair. The independent chair of the board of directors cannot chair the remuneration committee and the control and risk committee.</p> | | |
| <p>8. The Company defines the diversity criteria for the composition of the board of directors and the control body and identifies the most suitable tool for their implementation, taking into account its ownership structures.</p> <p>At least a third of the board of directors and the control body, where the latter is autonomous, is to be comprised of members of the less represented gender.</p> <p>Companies adopt measures to promote equal treatment and opportunities among genders within the entire organisation, monitoring their specific implementation.</p> | <p>√</p> | <p>Page 34 "Criteria and policies on diversity"</p> |
| <p>9. All members of the control body meet the independence requirements set out in recommendation 7 for directors. The independence assessment is carried out, with the timing and manner provided for by recommendation 6, by the board of directors or by the control body; such an assessment is based on the information provided by each member of the control body.</p> | <p>√</p> | <p>Page 62 "Composition, appointment and functions of the Board of Statutory Auditors"</p> |
| <p>10. The outcome of the assessments of independence of directors and members of the control body referred to in recommendations 6 and 9 is disclosed to the market immediately after the appointment through a specific press release and, later, in the corporate governance report. In both cases, the outcome of the assessment provides information about: the criteria used for the assessment of the significance of the relationships and, in case of any deviation from the circumstances set forth in recommendation 7, a</p> | <p>√</p> | <p>Page 39 "Independent Directors"</p> <p>Page 62 "Composition, appointment and functions of the Board of Statutory Auditors"</p> |

clear and detailed reason for this choice motivated by the individual situation and characteristics of the director concerned.

Article 3 - **Functioning of the board of directors and the role of the chair**

Principles

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| IX. The board of directors defines the rules and procedures for its functioning, ensuring an efficient flow of information to directors. | √ | Page 36 "Functions of the Board of Directors" |
| X. The chair of the board of directors plays a liaison role between executive and non-executive directors and ensures the effective functioning of the board. | √ | Page 36 "Functions of the Board of Directors" |
| XI. The board of directors ensures an adequate division of its functions and establishes board committees with preliminary, propositional and consultative functions. | √ | Page 41 "Board of Directors' Committees" |
| XII. Each director ensures adequate time commitment for the fulfilment of their board responsibilities. | √ | Page 35 "Maximum number of offices held at other companies" |

Recommendations

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| 11. The board of directors develops internal rules that define the functioning of the board and its committees, including the means for recording the minutes of the meetings and the procedures for providing information to directors. These procedures identify the prior notice for the submission of the documentation, ensuring that confidentiality issues are properly managed without affecting the timeliness and completeness of the flow of information. The corporate governance report provides adequate information on the main contents of the board of directors internal rules and on compliance with the procedures aimed at ensuring the timeliness and adequacy of the information provided to the directors. | √ | Page 36 "Functions of the Board of Directors" |
| 12. The Chairman of the board of directors, with the help of the board secretary, ensures that: <ul style="list-style-type: none"> a) the pre-meeting information and the complementary information provided during the meeting are suitable to allow directors to act in an informed manner; b) the activity of the board committees with preliminary, propositional and consultative functions is coordinated with the activity of the board of directors; c) in agreement with the Chief Executive Officer, the managers of the Company and those of the companies of the Group it heads, who are competent on the issues concerned, participate in the relevant board meetings to provide appropriate insights on the items on the agenda, also upon request of one or more directors; d) all the members of the board of directors and control body can take part, after the appointment and during the mandate, in initiatives aimed at providing them with adequate knowledge of the industry in which the Company operates, the company dynamics and their evolution, also in relation to the Company's sustainable success. Such initiatives also cover the risk management issues, as well as any relevant part of the regulatory and self-regulatory framework; e) to provide for the adequacy and transparency of the board review, with the support of the nomination committee. | √ | Page 36 "Functions of the Board of Directors" Page 37 "Role of the Chairman of the Board of Directors" Page 36 "Board of Directors' induction" Page 44 "Board review" |
| 13. The board of directors appoints an independent director as lead independent director: <ul style="list-style-type: none"> a) if the chair of the board of directors is the Chief Executive Officer or holds significant managerial powers; b) if the office of chair is held by the person who controls, also jointly, the Company; c) in large companies, even in the absence of the conditions indicated in letter a) and b), if requested by the majority of independent directors. | √ | The appointment of the LID has not been requested by the independent Directors Page 39 "Lead Independent Director" |
| 14. The lead independent director: <ul style="list-style-type: none"> a) collects and coordinates the requests and contributions of non-executive directors and, in particular, of independent ones; b) coordinates the meetings of the independent directors. | √ | The appointment of the LID has not been requested by the independent Directors Page 39 "Lead Independent Director" |

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| <p>15. In large companies, the board of directors expresses its guidelines on the maximum number of offices that can be considered compatible with an effective performance and the time commitment required by the role of the directors. The relevant offices are those held in corporate bodies of other listed companies and of companies having a significant size.</p> | √ | <p>Page 35 "Maximum number of offices held at other companies"</p> |
| <p>16. The board of directors sets up internal committees with preliminary, propositional and consultative functions regarding appointments, remuneration and control and risks. These functions can be either assigned to the three board committees recommended by the Code or distributed in a different manner or even combined in a single committee. In any case, the Company ensures an adequate disclosure on the tasks and activities carried out by each of the assigned functions, as well as an adequate composition of each committee.</p> <p>The functions of one or more committees can even be assigned to the board of directors, under the coordination of the chair, provided that:</p> <p>a) independent directors represent at least half of the board; b) the board dedicates adequate sessions to the performance of such functions.</p> <p>In the event that the functions of the remuneration committee are assigned to the board of directors, the last paragraph of recommendation 26 applies.</p> <p>Companies other than large ones may assign the functions of the control and risk committee to the board of directors even in absence of the condition set forth above in letter a).</p> <p>Companies with concentrated ownership, even large ones, can assign the functions of the nomination committee to the board of directors even in absence of the condition set forth above in letter a).</p> | √ | <p>Page 41 "Board of Directors' Committees"</p> |
| <p>17. The board of directors defines the tasks of the committees and their composition, favouring the competence and experience of their members and avoiding, in large companies, an excessive concentration of offices.</p> <p>Each committee is coordinated by a chair who informs the board of directors about the committee's activities at the first useful board meeting.</p> <p>The Chairman of the committee may invite the chair of the board of directors, the Chief Executive Officer, the other directors and, by informing the Chief Executive Officer, the managers of the corporate functions that are competent on the matters of the committee meeting, to individual committee's meetings.</p> <p>The members of the control body can attend the meetings of each committee. Board committees can have access to the information and the corporate functions that are necessary for the performance of their duties.</p> <p>Board committees have adequate financial resources and can avail themselves of external consultants according to the conditions set forth by the board of directors.</p> | √ | <p>Page 41 "Board of Directors' Committees"</p> |
| <p>18. The board of directors, upon proposal of the Chairman, provides for the appointment and dismissal of the board secretary and defines his or her professional requirements and attributes in the board's internal rules.</p> <p>The board secretary supports the activities of the Chairman and provides impartial assistance and advice to the board of directors on all aspects relevant to the proper functioning of the corporate governance system.</p> | √ | <p>Page 37 "The Secretary of the Board"</p> |
| <p>Article 4 - Appointment of directors and board evaluation</p> | | |
| <p>Principles</p> | | |
| <p>XIII. The board of directors ensures, within its competence, that the process of appointment and succession of directors is transparent and functional to achieve the optimal composition of the board according to the principles set forth in Article 2.</p> | √ | <p>Page 31 "Appointment and replacement"</p> |
| <p>XIV. The board of directors periodically evaluates, through formalised procedures, its effectiveness and the contribution made by individual directors. The implementation of the board evaluation procedures is supervised by the board itself.</p> | √ | <p>Page 44 "Board review"</p> |

Recommendations

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| <p>19. The board of directors entrusts the nomination committee to support it on:</p> <ul style="list-style-type: none"> a) the evaluation of the board and its committees; b) the definition of the optimal composition of the board and its committees; c) the identification of candidates in case of the director's co-optation; d) the possible submission of a slate by the outgoing board, ensuring the transparency of the process that led to the slate's structure and proposition; e) the development, updating and implementation of succession plan for the Chief Executive Officer and the other executive directors. | √ | <p style="text-align: right;">Page 45 "Compensation and Nomination Committee"</p> <p style="text-align: right;">Page 44 "Board review"</p> <p style="text-align: right;">Page 44 "Succession plans"</p> |
| <p>20. The majority of directors of the nomination committee are independent.</p> | √ | <p style="text-align: right;">Page 45 "Compensation and Nomination Committee"</p> |
| <p>21. The board evaluation assesses the size, composition and functioning of the board and its committees. It includes also the board's active involvement in the definition of the Company's strategy and in the monitoring of the management of the Company's business, as well as the appropriateness of the Internal Control and Risk Management System.</p> | √ | <p style="text-align: right;">Page 44 "Board review"</p> |
| <p>22. The board evaluation is conducted at least every three years, before the renewal of the board of directors. In large companies other than those with concentrated ownership, the board evaluation is conducted on an annual basis and can be diversified according to the term of the board's mandate. In such companies, the board considers whether to appoint an external facilitator for its evaluation at least once every three years.</p> | √ | <p style="text-align: right;">Page 44 "Board review"</p> |
| <p>23. In companies other than those with concentrated ownership, the board of directors:</p> <ul style="list-style-type: none"> ➤ sets forth guidelines on board composition deemed optimal before its renewal, considering the outcome of the board evaluation; ➤ requires anyone submitting a slate with a number of candidates that is higher than half the number of members to be elected to provide adequate information on the compliance of the slate with the board guidelines mentioned above, and with the board diversity criteria set forth in principle VII and recommendation 8. In such cases, the slate also identifies its candidate for the chairmanship of the board, whose appointment is conducted according to the company's bylaws. All the information mentioned in this paragraph are disclosed in the documentation attached to the slate during its filing process. <p>The board guidelines are published on the Company's website before the publication of the notice of the shareholders' meeting convened for the board's renewal. They identify the managerial and professional profiles and the skills deemed necessary, having due consideration of the Company's sectoral characteristics, the board diversity criteria set forth in principle VII and recommendation 8, as well as the board guidelines on the maximum number of offices set forth in recommendation 15.</p> | √ | <p style="text-align: right;">Page 32 "Composition"</p> |
| <p>24. In large companies, the board of directors:</p> <ul style="list-style-type: none"> ➤ elaborates, with the support of the nomination committee, a plan for the succession of the Chief Executive Officer and executive directors by identifying, at least, the procedures to be followed in the event of an early termination of office; ➤ ascertains the existence of appropriate procedures for the succession of the top management. | √ | <p style="text-align: right;">Due to the recent organisational changes that involved managers with strategic responsibilities, the CNC deemed it expedient for the 2022 succession plans and associated risk level to be updated during 2022.</p> <p style="text-align: right;">Page 44 "Succession plans"</p> |
| <p>Article 5 - Remuneration</p> | | |
| <p>Principles</p> | | |
| <p>XV. The remuneration policy for directors, members of the control body and the top management contributes to the pursuit of the Company's sustainable success and takes into</p> | √ | <p style="text-align: right;">Page 47 "Directors' compensation"</p> |

account the need to have, retain and motivate people with the competence and professionalism deemed adequate for their role.

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| <p>XVI. The remuneration policy is developed by the board of directors through a transparent procedure.</p> | √ | <p>Page 27 "Board of Directors' role"</p> |
| <p>XVII. The board of directors ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the policy, considering the results achieved and any other circumstances relevant for its implementation.</p> | √ | <p>Page 27 "Board of Directors' role"</p> |
| <p>Recommendations</p> | | |
| <p>25. The board of directors entrusts the remuneration committee with the task of:</p> <ul style="list-style-type: none"> a) supporting it in the development of the remuneration policy; b) submitting proposals or expressing opinions on the remuneration of executive directors and other directors who hold specific responsibilities, as well as on the setting of performance objectives related to the variable component of this remuneration; c) monitoring the actual application of the remuneration policy and verifying the effective achievement of the performance objectives; d) periodically assessing the adequacy and overall consistency of the remuneration policy for directors and the top management. <p>In order to have people with adequate competence and professionalism, the remuneration of executive and non-executive directors and of the members of the control body is defined with due consideration of the remuneration practices that are common with regards to the company's reference sectors and size. It also considers comparable international practices, with the possible support of an independent consultant.</p> | √ | <p>Page 45 "Compensation and Nomination Committee"</p> |
| <p>26. The Remuneration Committee is made up of non-executive directors, the majority of whom are independent, and is chaired by an independent director. At least one member of the Committee has adequate knowledge and experience in financial matters or remuneration policies; such skills are assessed by the board of directors before his or her appointment.</p> <p>No director takes part in the meetings of the Remuneration Committee in which proposals relating to his or her remuneration are made.</p> | √ | <p>Page 45 "Compensation and Nomination Committee"</p> |
| <p>27. The remuneration policy for executive directors and the top management defines:</p> <ul style="list-style-type: none"> a) a balance between the fixed and the variable component which is consistent with the Company's strategic objectives and risk management policy. Consistency is assessed taking into consideration the business's characteristics and the industry of the Company. The variable component has in any case a significant weight on the overall remuneration; b) caps to the variable components; c) performance objectives, to which is linked the payment of the variable components, that are predetermined measurable and predominantly linked to the long-term horizon. They are consistent with the Company's strategic objectives and with the aim of promoting its sustainable success and includes non-financial parameters, where relevant; d) an adequate deferral of a significant part of the variable component that has been already accrued. Such a deferral period is consistent with the company's business activity and its risk profile; e) provisions that enable the Company to recover and/or withhold, in whole or in part, the variable components already paid-out or due, where they were based on data which subsequently proved to be manifestly misstated. The Company can identify other circumstances in which such provisions are applied; | √ | <p>Page 47 "Directors' compensation"</p> |

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| f) clear and predetermined rules for possible termination payments, establishing a cap to the total amount that might be paid out. The cap is linked to a certain amount or a certain number of years of remuneration. No indemnity is paid out if the termination of the office is motivated by director's objectively inadequate results. | | |
| 28. The share-based remuneration plans for executive directors and the top management are aligned with the interests of the shareholders over a long-term horizon, providing that a predominant part of the plan has an overall vesting and holding period of at least five years. | √ | Page 47 "Directors' compensation" |
| 29. The remuneration of non-executive directors is adequate to the competence, professionalism and commitment required by their role within the board of directors and its committees; this remuneration is not related to financial performance objectives, except for a non-significant part. | √ | Page 47 "Directors' compensation" |
| 30. The remuneration of the members of the control body is adequate to the competence, professionalism and commitment required by their role and the company's size, industry and current situation. | √ | Page 47 "Directors' compensation" |
| 31. On the occasion of the termination of office and/or dissolution of the relationship with an executive director or general manager, a press release is published as soon as the internal processes that led to the assignment or the recognition of any indemnities and/or other benefits has been concluded. The press release provides for detailed information on: | | |
| a) the assignment or the recognition of indemnities and/or other benefits, the circumstances that justify their accrual (e.g. due to the expiration of the term of office, its termination or a settlement agreement) and the decision-making process followed for this purpose within the Company; | | |
| b) the total amount of the indemnity and/or other benefits, the related components (including non-monetary benefits, the vesting of rights connected with incentive plans, the compensation for non-competitive commitments or any other remuneration allocated to any reason and in any form) and the timing of their disbursement (distinguishing the part paid immediately from the part subject to deferral mechanisms); | √ | Page 47 "Directors' compensation" |
| c) the application of any claw-back or malus clauses; | | |
| d) the compliance of the elements indicated in letters a), b) and c) consistently with the remuneration policy, with a clear indication of the reasons and the decision-making process followed in the event of non-compliance, even if only partial, with the policy itself; | | |
| e) the procedures that have been or will be followed for the replacement of the executive director or the general manager whose office has been terminated. | | |
| Article 6 - Internal control and risk management system | | |
| Principles | | |
| XVIII. The Internal Control and Risk Management System consists of a set of rules, procedures and organisational structures for an effective and efficient identification, measurement, management and monitoring of the main risks, aimed at contributing to the sustainable success of the Company. | √ | Page 48 "Internal Control and Risk Management System" |
| XIX. The board of directors defines the guidelines of the Internal Control and Risk Management System in accordance with the Company's strategies and annually assesses its adequacy and effectiveness. | √ | Page 48 "Internal Control and Risk Management System" |
| XX. The board of directors defines the principles concerning the coordination and the flow of information among the parties involved in the Internal Control and Risk Management System. Such principles aim at maximising the effectiveness of the system itself, reducing the duplication of activities and ensuring the successful performance of the duties of the control body. | √ | Page 48 "Internal Control and Risk Management System" Page 59 "Coordination of bodies involved in the Internal Control and Risk Management System" |

Recommendations

32. The organisation of the Internal Control and Risk Management System involves:

- a) the board of directors, which plays a role in guiding and assessing the adequacy of the system;
- b) the Chief Executive Officer, in charge of establishing and maintaining the Internal Control and Risk Management System;
- c) the Control and Risk Committee set up within the board of directors, with the task of supporting the board of directors' assessments and decisions relating to the Internal Control and Risk Management System and the approval of periodical financial and non-financial reports. In companies that adopt the "one-tier" or "two-tier" corporate model, the functions of the Control and Risk Committee can be assigned to the control body;
- d) the head of the internal audit function who is in charge of verifying that the Internal Control and Risk Management System is functional, adequate and consistent with the guidelines defined by the board of directors;
- e) the other corporate functions involved in the Internal Control and Risk Management System (such as the risk management functions and the functions dealing with legal and non-compliance risk) which are articulated in relation to the company's size, sector, complexity and risk profile;
- f) the control body, which monitors the effectiveness of the Internal Control and Risk Management System.

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"Internal Control and Risk Management System"

33. The board of directors, with the support of the Control and Risk Committee:

- a) defines the guidelines of the Internal Control and Risk Management System consistently with the Company's strategies and assesses, at least once a year, the adequacy of this system with respect to the company's characteristics and its risk profile, as well as its effectiveness;
- b) appoints and dismisses the head of the Internal Audit function, defining his or her remuneration which is consistent with the company policies. The board ensures that he or she has adequate resources to carry out his or her duties. If the Internal Audit function is entrusted, as a whole or by operating segments, to an external entity, the board ensures that it meets the adequate requirements of professionalism, independence and organisation, providing adequate reasons for this choice in the corporate governance report;
- c) approves, at least on an annual basis, the work plan prepared by the head of the Internal Audit function, after hearing the control body and the Chief Executive Officer;
- d) evaluates the opportunity to take measures to ensure the effectiveness and impartial assistance of the other corporate functions mentioned in recommendation 32 (e). To this end, the board verifies that such functions have adequate professionalism and resources;
- e) assigns the supervisory functions pursuant to Article 6 (1) (b) of Legislative Decree No. 231/2001 to the control body or to a body established specifically for this purpose (the so-called functions of the "Organismo di Vigilanza"). If the body does not correspond to the control body, the board of directors considers whether to appoint within the body at least one non-executive director and/or a member of the control body and/or the head of a legal or supervisory function of the Company, in order to ensure coordination among the various parties involved in the Internal Control and Risk Management System;
- f) evaluates, after consultation with the control body, the results presented by the statutory auditor in any letter of suggestions and in the additional report addressed to the control body;
- g) describes, in the corporate governance report, the main characteristics of the Internal Control and Risk Management System and the methods of coordination among the subjects involved. The report provides information about the national and international reference

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"Functions of the Board of Directors"

models and best practices adopted and the board's overall assessment of the adequacy of the system itself. Moreover, it provides an adequate explanation of the composition of the control body referred to in letter e) above.

34. The Chief Executive Officer:

- a) identifies the main business risks, considering the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submit them to the examination of the board of directors;
- b) implements the guidelines defined by the board of directors, providing for the design, implementation and management of the Internal Control and Risk Management System and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape;
- c) can entrust the internal audit with the tasks of carrying out specific controls on defined operational areas and on compliance with internal rules and procedures in the implementation of company transactions. Such requests are contextually conveyed to the Chairman of the board of directors, to the Chairman of the Control and Risk Committee and to the Chairman of the control body;
- d) reports promptly to the Control and Risk Committee on problems and critical issues that emerged in the performance of his or her activity or of which he or she nevertheless has information so that the Committee can take appropriate actions.

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"Director responsible
for the Internal Control
System"

35. The Control and Risk Committee is comprised of non-executive directors, the majority of whom are independent, and is chaired by an independent director.

The Committee has expertise that is consistent with the Company's industry and assessment of its risks; at least one member of the committee has adequate knowledge and experience in accounting, finance or risk management.

The Control and Risk Committee, in assisting the board of directors:

- a) assesses the external auditor and the control body, the correct application of the accounting principles and, in the case of groups, their homogeneity for the purposes of preparing the consolidated financial statement, after hearing the manager responsible for the corporate financial documents;
- b) assesses whether the periodic financial and non-financial information is suitable to correctly represent the Company's business model, its strategies, the impact of its business and the performance achieved, in coordination with the committee mentioned in recommendation 1 (a), if established;
- c) examines the content of the periodic non-financial information relevant to the Internal Control and Risk Management System;
- d) expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the board of directors' assessments and decisions relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
- e) examines the periodic and particularly relevant reports prepared by the Internal Audit function;
- f) monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function;
- g) can entrust the Internal Audit with the task of carrying out specific controls on defined operational areas. Such a request is contextually conveyed to the chair of the control body;
- h) reports to the board of directors, at least upon the approval of the annual and half-yearly financial report, on the activities carried out and on the adequacy of the Internal Control and Risk Management System.

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"Audit and Risk Committee"

36. The head of the internal audit function is not responsible for any operational area. He or she depends hierarchically on the board of directors and has direct access to all information that is useful for carrying out his or her duty.

The head of the Internal Audit function:

- a) verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the functioning and the suitability of the Internal Control and Risk Management System according to the audit plan. The audit plan is approved by the board of directors and is based on a structured process of analysis and prioritisation of the main risks;
- b) prepares periodic reports containing adequate information on its activity, on the ways in which risk management is conducted, as well as on compliance with the plans defined for the containment of risks. The periodic reports contain an assessment of the suitability of the Internal Control and Risk Management System;
- c) prepares promptly, at the request of the control body, reports on events of particular relevance;
- d) submits the reports referred to in letters b) and c) to the chairs of the control body, of the Control and Risk Committee and of the board of directors, as well as to the Chief Executive Officer, except in cases where the matter of these reports specifically concerns the activity of these subjects;
- e) verifies, as part of the audit plan, the reliability of the information systems, including the accounting systems.

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"Director responsible
for the Internal Audit
function"

37. The member of the control body who, on his or her own behalf or on behalf of third parties, has an interest in a specific transaction of the Company, provides prompt and exhaustive information to the other members of the same body and to the Chairman of the board of directors about the nature, terms, origin and extent of his or her interest.

The control body and the Control and Risk Committee promptly exchange relevant information for the performance of their respective duties. The Chairman of the control body, or another member of the control body designated by its Chairman, takes part in the meetings of the Control and Risk Committee.

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"Audit and Risk Committee"

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"Board of Statutory
Auditors"



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