

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ('The Guidance') is the first example of a collaborative government-backed multi-stakeholder initiative on responsible supply chain management of minerals from conflict-affected areas. It is an on-going, proactive and reactive process through which companies can ensure that they respect human rights and do not contribute to conflict. Due diligence can also help companies ensure they observe international law and comply with domestic laws, including those governing the illicit trade in minerals and United Nations sanctions. In accordance to the due diligence principle, the US Securities and Exchange Commission (SEC) adopted a new form and rule pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to the use of conflict minerals. The conflict minerals rule requires certain publicly traded companies to determine whether the products they manufacture (including any parts or assemblies therein) contain gold, cassiterite,

columbite-tantalite, wolframite and their 3T derivatives (tin, tantalum and tungsten). If so, the Company must conduct a reasonable inquiry to determine if the Conflict Minerals originate in the Democratic Republic of Congo (DRC) or its nine adjoining countries (Angola, Rwanda, Burundi, South Sudan, Congo, Uganda, Zambia, Republic of Tanzania and the Central African Republic).

Saipem has undertaken due diligence to determine whether its products contain conflict minerals.

The Company's efforts for 2013 and 2014 included the following four steps:

- 1) analysing the portfolio and identifying the suppliers who could produce or resell some products containing conflict minerals;
- 2) carrying out a survey with each supplier previously identified, in order to understand if conflict minerals are produced in the Democratic Republic of Congo or an adjoining country;
- 3) collecting data resulting from surveys filled in and follow-up with suppliers who have not replied;
- 4) conducting due diligence and

drawing up ad-hoc reports to demonstrate the current situation about the use of conflict minerals in Saipem's supplier portfolio. The aim of these activities is to boost the development of increasingly conflict-free supply chains in order to reinforce Saipem's sustainable approach.

Beginning in 2014, Saipem has filled in each purchasing order for materials or contract for materials with the phrase: 'As part of the purchaser's commitment to Corporate responsibility and respect for human rights in its business, the purchaser is committed to use tantalum, tin, tungsten and gold in the supply of goods only when these do not directly or indirectly finance or benefit armed groups. Therefore the supplier shall adopt policies and establish systems to procure tantalum, tin, tungsten and gold from sources that have been verified as 'conflict free' and provide supporting data on their supply chains to the purchaser when requested'.

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SUPPLIERS SURVEYED

