



saipem

COUNTRY SUSTAINABILITY REPORT

FRANCE



ABOUT THIS COUNTRY REPORT

This report is part of a series of Local Sustainability Reports that Saipem began publishing in 2003 as 'Sustainability Case Studies' with the purpose of underlining the importance the Company ascribes to local business sustainability.

These Reports are also submitted to the relevant stakeholders, so that they can assess the sustainability approach Saipem adopts in their respective areas.

A Country Report describes the principles, activities and performance of Saipem in relation to sustainable development in the country. It is designed to provide easy access to key indicators and information and is divided into two parts.

The first provides an overview of Saipem and its business around the world, while the second introduces the country, and discusses Saipem's presence, sustainability approach and sustainability performance within it.

Along with the annual Sustainability Reports and the Project Sustainability Reports, the Country Sustainability Reports represent the main tools adopted by Saipem to communicate to all stakeholders the Company's commitment and performance with regard to sustainability.

This Report has been drafted in line with the principles of materiality, stakeholder inclusiveness, sustainability context and completeness as defined in the Global Reporting Initiative (GRI) version G3.0.

It aims to describe Saipem's performance and its engagement with local stakeholders. A set of Key Performance Indicators (KPIs) has been selected to bolster the information provided to the latter.

The consolidation perimeter is based on the principles adopted for financial and annual sustainability reporting and refers to all projects conducted by Saipem France. Data are calculated according to the operational criterion, meaning that operations in which Saipem France exercises operational control are reported 100%.

Data for the Company's performance reported in the document have been drawn from the management and reporting systems used by the various Company functions involved in the reporting process.

Data are reported for the 2013 financial year and, when appropriate, also for previous years.

Published in 2014

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MESSAGE FROM THE CEO



Umberto Vergine

Saipem is an international Oil&Gas contractor with approximately 52,000 employees and operations in more than 60 countries.

Saipem plays a significant role in its market sector and contributes substantially to the economic development of the countries in which it operates.

We consider business sustainability to be an integral part of our strategy. Our commitment is to create long-term value for all our stakeholders, especially locally, by identifying common goals and agreeing on specific initiatives.

Given the wide range and complexity of our activities, our engagement with local stakeholders requires a comprehensive approach to sustainability.

Furthermore, the variety of projects undertaken and the differences between countries where these activities are performed demand that a distinctive local approach be developed.

We publish these Reports on our Local Business Sustainability in order to favour open dialogue and enhance the development of local relationships, thereby ensuring that we operate at all times in an increasingly sustainable manner.

MISSION

Pursuing the satisfaction of our clients in the energy industry, we tackle each challenge with safe, reliable and innovative solutions. We entrust our competent and multi-local teams to provide sustainable development for our Company and the communities where we operate.

LETTER FROM THE MANAGEMENT

What Saipem France is and represents today is the virtuous product of a long history through which different assets, professionals, tools and cultures merged together to create a new entity that is certainly bigger in scope, ambition and results than the sum of its parts.



It is both the heritage that Saipem France has built through the acquisition of the best that France has to offer in our field and the synergies that Saipem and its people have developed in the process that have made and continue to make Saipem France the leader it is today.

It is an excellent past that compels us to excel in the future. This sustainable future, towards which we look with great excitement, confidence and commitment, means safety, innovation, flexibility and highest customer satisfaction. It means deepening, enriching and expanding our skills through the strengthening of existing and new networks, including research institutes, universities and engineering schools.

The future also means the well-being of our employees, the most efficient engine at the core of our operations, taking us beyond France into the world and its most remote and challenging locations. Saipem France is proud of where it comes from, confident in where it stands and determined to improve continuously in the future.

Fabio Pallavicini
Saipem sa CEO

2,000

direct employees in France in 2013

0.06%contribution to the France's GDP by
Saipem companies in France in 2011**€2.8 million**Social Return on Investment due
to internship and apprenticeship
programmes of Saipem France in
2010-2011

Overview of Saipem France

Saipem France is composed of Saipem sa and Sofresid Engineering. These companies play a significant role in the Saipem Group, representing one of its most important engineering, project execution and technology development centres.

The main office is based in Saint-Quentin-en-Yvelines, near Paris. Saipem France is specialised in field development projects in deep and ultra-deep water and the penetration of difficult or inaccessible markets, the design and construction of floating facilities and the development of

renewable energies. The projects are executed in France but also in Angola, Brazil, Indonesia, Nigeria and the Republic of the Congo, and other locations around the world.

Saipem France benefits from an important network of highly skilled resources and state-of-the-art tools. It has over 2,000 permanent employees, 60% of whom are engineering graduates.

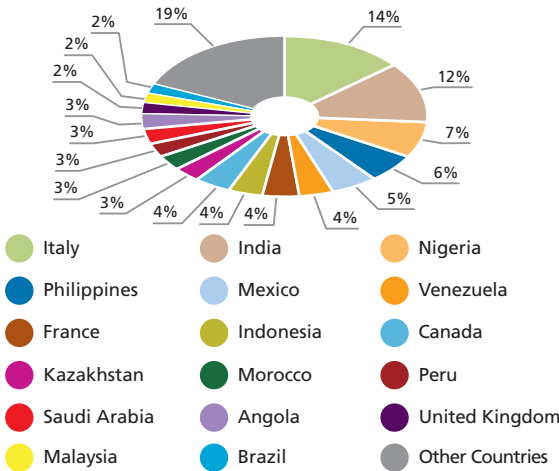
Thanks to its longstanding presence in France, strong ties to local subcontracting markets, and a commitment to developing local capabilities in the engineering and construction sector, the economic and social added value of Saipem France is high.

INTRODUCTION TO SAIPEM

Saipem is an international group with a strong bias towards Oil & Gas related activities in remote and deepwater areas. The Company began operations in the 1950s and is now a leader in the

provision of engineering, procurement, project management and construction services with distinctive capabilities in the design and execution of large-scale offshore and onshore projects.

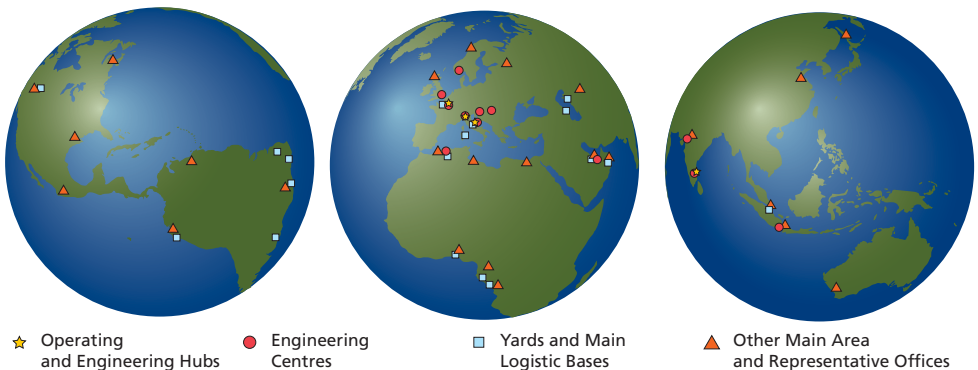
Saipem workforce distribution by nationality (2013)



Saipem operates in the Engineering & Construction and Drilling businesses. It enjoys a superior competitive position for the provision of EPC/EPCI services to the oil industry both onshore and offshore, with a particular focus on the toughest and most technologically challenging projects – activities in remote areas, deepwaters, ‘difficult’ oil.

The Group is a truly global contractor, with a strong local presence in strategic and emerging areas such as West Africa, the Americas, Central Asia, the Middle East, North Africa and Southeast Asia.

Saipem is an international company employing over 52,000 people from approximately 126 nationalities (2013). The majority of the Group’s human resources (77% in 2013) are locally employed.



SAIPEM'S SUSTAINABILITY APPROACH

Saipem believes that a correct, open and cooperative relationship with all stakeholders is vital for the success of each project. Saipem is present in many locations around the world and operates with a decentralised organisation in order to respond to local needs and sustainability requirements.

Wherever it works, the Company plays an active role in local communities by offering employment opportunities and personnel training, working effectively with local suppliers and subcontractors, creating economic and social value and, finally, contributing to infrastructures

such as access roads, and construction camps with facilities such as hospitals, power generators, and so forth.

The breadth of Saipem's international workforce is another facet of sustainability: all personnel are treated with dignity, and their rights, cultural values, local customs and traditions, diversity and identity are at all times respected.

For each project, social, economic and environmental impacts are evaluated and continuously monitored in conjunction with the pursuit of customer satisfaction.



SAIPEM AT A GLANCE

Saipem has world class engineering and project management expertise together with a strong, technologically advanced and highly versatile fleet. The Company operates in the Engineering & Construction and Drilling businesses.

Onshore, Saipem mainly serves the Oil & Gas segments, the refining and petrochemical markets, as well as a number of diversified industrial markets such as infrastructures (i.e. high speed railways, port facilities and marine terminals) and environment (especially remediation of soil, ground water and contaminated sites).

Saipem offers a complete range of services, from feasibility and front-end studies to design, engineering, procurement and field construction, most often on an EPC (Engineering, Procurement and Construction) and LSTK (Lump Sum Turn Key) contractual basis, for complex Oil & Gas facilities, including production, treatment, liquefaction, refining and petrochemical plants, as well as for Oil & Gas transportation systems, such as pipelines, pumping and compression stations and terminals.

Saipem's expertise focuses on the design and execution of large projects with a high degree of complexity in terms of engineering, technology and project management, with a strong bias towards challenging projects in the most difficult environments and remote areas.

Saipem has designed and built numerous 'mega' Oil & Gas production facilities, 36 grass-roots refineries and more than 500 individual refining process units, as well as more than 400 plants worldwide to produce chemicals from natural gas, including the world's largest ammonia/urea complexes.

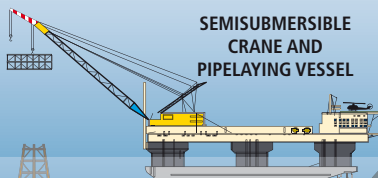
In particular, land pipeline design and construction has historically been one of the mainstays of Saipem's business. The Company has laid a record of over 60,000 km of gas pipelines, 30,000 km of oil and product pipelines and 1,400 km of water pipelines on five continents.

In recent years, the Company has designed and constructed more than 40 power plants (over 10,000 MW) and four Integrated Gasification Combined Cycle plants, two of which are the world's largest (power output of about 550 MW each).

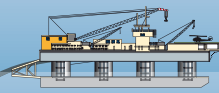
Offshore activities include platforms, marine terminals, pipelines and the development of deepwater fields.

Experience in EPCI (Engineering, Procurement, Construction and Installation) projects hinges on trunklines, export pipelines, infield flowlines, pipe-in-pipe systems, bundles, tie-ins and riser systems for the transportation of oil, gas and multi-phase products from depths in excess of 2,000 metres.

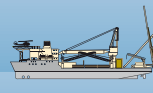
With a fleet of over 40 construction



SEMISUBMERSIBLE PIPELAYING VESSEL



J-LAYING VESSEL



DRILL SHIP



vessels, the Company is a leader in deepwater and shallow water pipelaying and platform installation with more than 30,000 km of sealines and more than 2.5 million tonnes of offshore structures installed.

The Company has completed more than 100 major EPCI projects, including several challenging large-scale integrated complexes.

Saipem is also involved in the construction of marine terminals, mooring systems with conventional buoys, wharfs and jetties. All of this is bolstered by significant fabrication capabilities based in the heart of major Oil & Gas provinces such as Angola, Canada, Republic of the Congo, Kazakhstan, Nigeria, United Arab Emirates, the Mediterranean Sea, Indonesia and Brazil (under construction), with an aggregate in-house fabrication capacity of over 250,000 tonnes per year.

In addition to that, the design, construction or conversion of floating production units has become one of Saipem's main business activities since the early nineties. Thanks to the development of competitive technical solutions, relationships with key players and presence in strategic markets, together with its unique EPCI experience and track record of four new-builds and seven conversion

projects, Saipem has become a reliable general contractor for the provision of floating solutions worldwide.

As an international drilling contractor operating in some of the harshest onshore and offshore environments, Saipem is presently contracted to major oil companies in many of the Oil & Gas industry's 'hotspots', carrying out important drilling programmes in Europe, the Commonwealth of Independent States (CIS), North and West Africa, the Middle and Far East and the Americas.

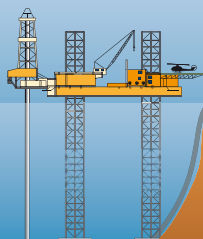
Coupled with its strong technological and operational expertise, Saipem's vast experience in managing drilling activities has enabled it to build a proven capability and a global reputation in the industry.

In Offshore Drilling, the Company boasts an extensive fleet with six jack-ups, a Tender Assisted Drilling Barge, seven semisubmersible drilling rigs and two drillships (the Saipem 10000 and the Saipem 12000) which can operate at depths of up to 10,000 and 12,000 feet, respectively, while in the onshore sector, Saipem owns in the region of 100 drill and workover rigs. Over the decades, Saipem has drilled more than 7,300 wells (1,800 of which offshore), totalling an overall depth of about 18.5 million metres, and has been involved in the workover of hundreds of wells.

SEMISUBMERSIBLE DRILLING RIG



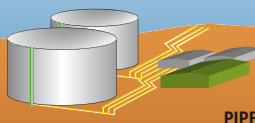
JACK-UP DRILLING RIG



DRILLING RIG



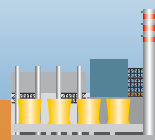
REGASIFICATION PLANT



PIPELAYING



POWER PLANT



SAIPEM IN THE WORLD

EUROPE		2011	2012	2013
Revenues	(€ million)	1,938	1,781	1,593
Investments	(€ million)	78	31	34
Workforce	(units)	10,410	11,133	10,364
Local Workforce	(% of total)	81	75	84
Energy consumption	(ktoe)	72	98	74
HSE Training	(hours)	86,465	129,309	55,655

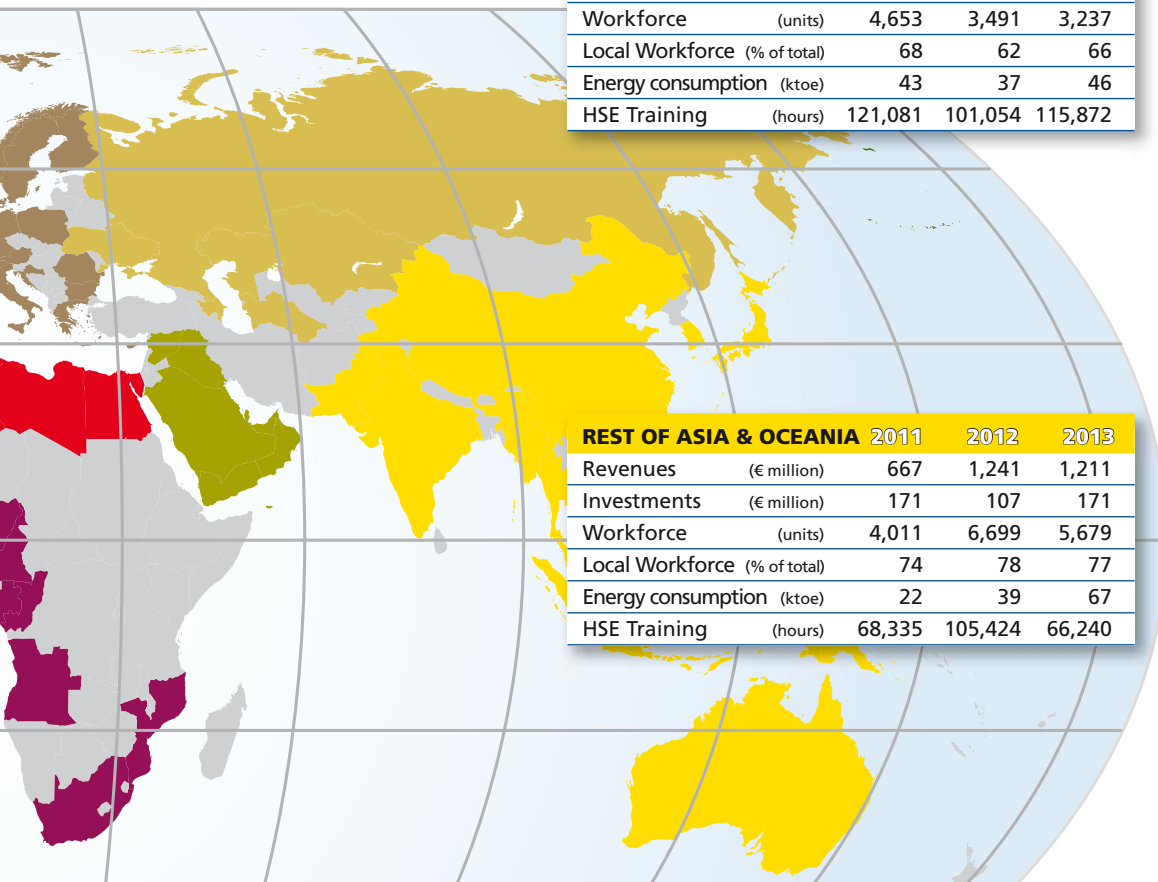
AMERICAS		2011	2012	2013
Revenues	(€ million)	1,009	1,808	2,371
Investments	(€ million)	158	136	256
Workforce	(units)	6,665	7,825	12,168
Local Workforce	(% of total)	87	88	84
Energy consumption	(ktoe)	82	101	115
HSE Training	(hours)	204,199	225,351	241,955

CENTRAL & SOUTH AFRICA		2011	2012	2013
Revenues	(€ million)	2,692	2,482	2,392
Investments	(€ million)	16	8	19
Workforce	(units)	8,462	7,586	8,563
Local Workforce	(% of total)	62	64	58
Energy consumption	(ktoe)	107	84	112
HSE Training	(hours)	170,316	146,551	104,332

NORTH AFRICA		2011	2012	2013
Revenues	(€ million)			
Investments	(€ million)			
Workforce	(units)			
Local Workforce	(% of total)			
Energy consumption	(ktoe)			
HSE Training	(hours)			

Additional data for investments

Further investments not allocated to a specific area amounted (in € million) to 738 in 2011, 717 in 2012 and 400 in 2013.



CIS		2011	2012	2013
Revenues	(€ million)	1,709	1,352	1,267
Investments	(€ million)	27	13	17
Workforce	(units)	4,653	3,491	3,237
Local Workforce	(% of total)	68	62	66
Energy consumption	(ktoe)	43	37	46
HSE Training	(hours)	121,081	101,054	115,872

REST OF ASIA & OCEANIA		2011	2012	2013
Revenues	(€ million)	667	1,241	1,211
Investments	(€ million)	171	107	171
Workforce	(units)	4,011	6,699	5,679
Local Workforce	(% of total)	74	78	77
Energy consumption	(ktoe)	22	39	67
HSE Training	(hours)	68,335	105,424	66,240

2011	2012	2013
2,531	1,494	701
11	3	11
4,523	4,379	3,113
83	85	83
73	66	27
155,568	123,113	34,825

MIDDLE EAST		2011	2012	2013
Revenues	(€ million)	2,047	3,211	2,721
Investments	(€ million)	-	-	-
Workforce	(units)	5,508	7,342	9,033
Local Workforce	(% of total)	78	82	82
Energy consumption	(ktoe)	129	168	180
HSE Training	(hours)	383,856	856,456	904,532

FRANCE



COUNTRY OVERVIEW

France is one of the most modern countries in the world and is a leader among European nations.

France is divided into 22 metropolitan regions (including the 'territorial collectivity' of Corse or Corsica) and 5 overseas regions (French Guyana, Guadeloupe, Martinique, Mayotte, and Reunion). It is subdivided into 96 metropolitan departments and 5 overseas departments

(which are the same as the overseas regions).

The French economy is diversified across all sectors.

With at least 82 million foreign tourists per year, France is the most visited country in the world and maintains the third largest income in the world from tourism.

French productivity is the highest in the European Union, even outstripping Germany.

However, in the Davos rankings France is pinned down by national debt, a rigid labour market and high taxation.

French performances remain remarkable in a number of the other domains: transport and communication infrastructures, management of schools, and investments by French companies in research and development.

LOCAL OVERVIEW

Located at 20 km West of Paris, Saint-Quentin-en-Yvelines extends over

7,000 hectares of which more than 45% are green spaces and forests. Saint-Quentin-en-Yvelines has the second largest labour pool within

Economic data

Gross domestic product, current prices (2012)	(billion euro)	2,032.3
Gross domestic product per capita, current prices (2012)	(euro)	31,059
Value added by industry: Agriculture, forestry and fishing	(billion euro)	35.8
Industry	(billion euro)	931.1
Construction	(billion euro)	275.2
Services	(billion euro)	2,402.1
Unemployment rate (2012)	(% of total labour force)	9.8
Employment (2011)	(millions)	25.78
Employed	(%)	88.3

Social data

Population (2012)	(millions)	65.281
Birth rate (2012)	(‰)	12.6
Age breakdown (2013): Under age 20	(%)	24.7
20-59	(%)	51.5
60 or over	(%)	23.8
Number of physicians (2012)	(No. per 100,000 inhabitants)	334
Domestic education expenditure	(% of GDP)	6.9
Domestic R&D expenditure	(% of GDP)	2.2

Environment data		
Greenhouse gas emissions (2011)	(Mt CO ₂ eq)	486
Energy consumption per capita (2009)*	(kg of oil equivalent)	2,778
Waste production (2010)	(total in tonnes per inhabitant)	6
Expenditure related to the environment (2010)	(million euro)	67,776
Forested area (2010)*	(% of land area)	29

Source: France in figures (La France en bref) Édition 2013 - Insee.
 (*) UN, World Statistics Pocketbook, 2013 edition.

Paris and its surrounding areas, with 8,860 companies and 102,673 employees. The city counts around 144,000 inhabitants (INSEE RP 2010), 36% of whom work directly in the Saint-Quentin-en-Yvelines area. Saipem is the sixth largest employer in Saint-Quentin-en-Yvelines.

Transport

Saint-Quentin-en-Yvelines boasts over 150 km of sustainable transport routes, including 61 km of pedestrian paths that do not follow the road network, 33 km of mixed ways shared between pedestrians and cyclists, 14 km of cycling lanes reserved for cyclists and 42 km of bicycle paths. In 2003, Saint-Quentin-en-Yvelines was the first city to develop a

local travel plan (PLD). This was revised in 2013 to define transport orientations for the next 10 years.

The new plan consists of:

- Developing the bus network.
- Upgrading the train stations of Montigny le Bretonneux and Trappes.
- Supporting cycling and walking by implementing cycle repair workshops.
- Proposing new ways of travelling: renting electric powered vehicles from the train station.

Nevertheless, for 51% of inhabitants the car remains the chosen mode of transport. Saint-Quentin-en-Yvelines thus has a problem with traffic jams and several projects are being carried out to improve the traffic flow.

Population and density	Saint-Quentin-en-Yvelines			Ile-de-France (millions)		
	2009	1999	2009/1999	2009	1999	2009/1999
Population	144,716	142,737	+1.4%	11,728	10,947	+7.1%
Density (inhabitant/km ²)	2,090	2,061	+1.4%	976	911	+7.1%



Fabrication of TLM (Top Lifting Module) for GirRI FPSO Project at St Nazaire shipyard in France

SAIPEM'S PRESENCE IN FRANCE

Saipem France draws its experience from a very rich tradition of constituent French companies. Bouygues Offshore focused in its early days on maritime works, and then developed new activity lines designing and building turn-key projects in onshore and offshore Oil&Gas markets, liquefied gases, downstream oil refining, petrochemicals, energy, industry, and maintenance.

French companies, such as UIE, Technigaz, Camom and Sofresid, that Bouygues Offshore had previously acquired, added significant skills and assets to the newly developed activity lines. In 1995, Bouygues Offshore and Saipem created Saibos, a 50/50 joint venture, that capitalised on existing synergies between the two enterprises in the design and installation of offshore structures. The Saibos JV achieved significant technical and commercial success and fostered the development of a good working relationship and mutual understanding

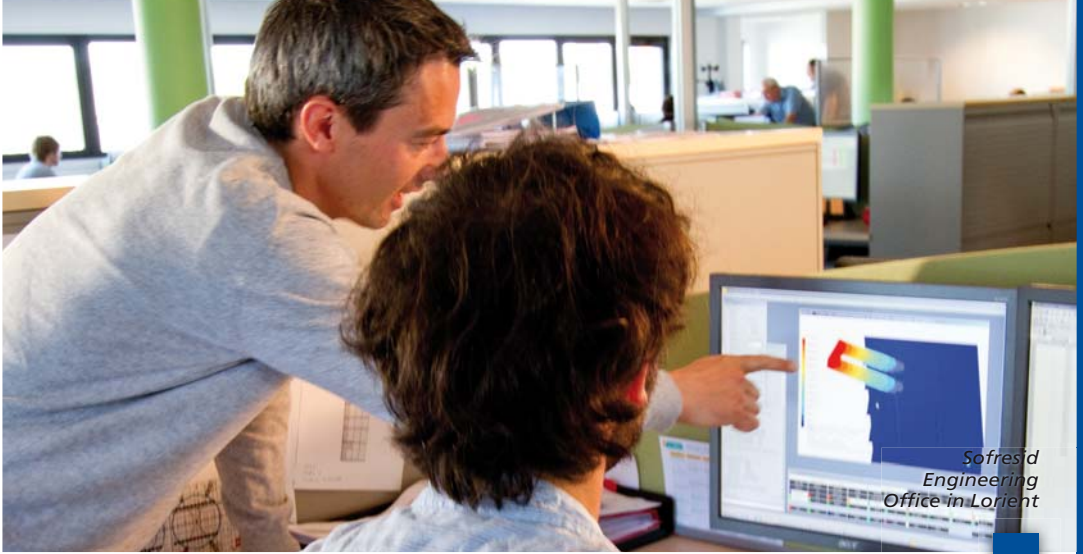
between the two companies. In 2002, Saipem acquired Bouygues Offshore, consolidating the Company's position as one of the world's leading general engineering and construction contractors.

Today, Saipem France is composed of Saipem sa and Sofresid Engineering. The two companies represent one of Saipem's most important engineering, project execution and technology development centre in Saipem Group. To keep up with the challenge of new geographical areas and complex mega projects and to support the Group's market position as one of the world's major EPC/EPCI players, over the years Saipem France has developed outstanding engineering and project management skills, specific proprietary technologies and managed part of the Company's top class construction fleet.

The creation of the new Floaters Business Unit, based in Paris, underscores Saipem's ambition to

Head office of Saipem France in Saint-Quentin-en-Yvelines





become a key international player, especially on high-tech projects such as Floating Liquefied Natural Gas (FLNG), or large-size and complex projects on which Local Content, a key feature of Saipem's business strategy, can become a competitive driver.

Saipem France has become a strategic Project Execution Centre for the Group. Specifically, it is a key player in the following business segments:

- Engineering, Procurement & Construction (EPC) turnkey design and installation of offshore facilities.
- Subsea processing solutions for major deep and ultra-deep water field development systems. Numerous high-tech patented proprietary solutions, products and systems available for risers and flowlines.
- Floating Production Storage and Offloading (FPSO) and Floating Production Unit (FPU) systems design. Application of combined onshore and offshore engineering and project management competences to the emerging Floating LNG market. Development of innovative offshore LNG offloading solutions based on the use of a flexible cryogenic floating hoses.
- Operation and Maintenance of Saipem owned FPSO units leased out to clients.
- Maritime works for large marine infrastructures, jetties for Oil&Gas and other terminals and commercial ports for passengers and freight.
- LNG regasification terminals for

the import, treatment, storage and handling of liquefied gas.

- Operation and Maintenance of Client installations utilising advanced risk analysis and in-house inspection techniques.

Saipem in France is particularly well positioned to operate in these business segments to due its:

- Extensive capabilities in numerous engineering disciplines and extended knowledge of upstream and downstream business segments.
- Long term strategic alliances with specialised partners.
- High levels of expertise in the management of an entire project lifecycle from conceptual, basic engineering, Front End Engineering Design (FEED), through Engineering, Procurement, Construction & Installation (EPCI) to commissioning.
- Strong interface management skills and a global multilocal organisation which facilitates high levels of reactivity and autonomy.
- Proven mature management tools (project control, document management, material management, vendor data processing).
- Ability to propose and deliver competitive alternative solutions.
- Advanced IT integrated systems facilitating intra-group multicentre execution by sharing common tools.
- Proactive HSES functions supporting both project and other operating company activities.



Pointe-Noire
maritime works
project

The Company's project management, engineering and support teams are capable of bringing innovative and viable solutions to complex industrial problems, constituting the foundation of a know-how recognised for more than 30 years in the Company's numerous fields of activity.

Saipem France operates in a variety of areas around the world, namely, Angola, Brazil, Indonesia, Nigeria and the Republic of the Congo.

COMPANY ORGANISATION AND MANAGEMENT SYSTEM

The complexity of projects developed by Saipem France, and the consequent need for greater efficiency, has resulted in the setting up of an operating structure based on an organisation covering tendering, engineering, procurement, post order, asset and management activities supported by the Quality, Health, Safety, Environment and Sustainability, Human Resources and Contract Management functions.

In line with the requirements of standards including ISO 9001, Saipem France has adopted a management system based on a process model. This type of approach is oriented towards customer satisfaction, as well as continuous improvement and achievement in organisational results. Saipem sa has been ISO 9001:2000 certified since November 1995 (recertified in 2014). In May

2013, the Company was ISO TS 29001 certified which includes specific petroleum, petrochemical and natural gas requirements complementing ISO 9001. In addition, the Company has been ISO10006:2003 certified since January 1999 for project management. In March 2011, its Occupational Health & Safety Management System was certified according to OHSAS 18001 standard, while its Environmental Management System was certified according to ISO 14001 standard (recertification achieved in 2014).

The Company HSE Management System has been developed in line with the Saipem Group's Policies and Guidelines that define principles, responsibilities and standards for all Saipem entities.

The execution model of the projects illustrates the full integration between several different competences and experiences both at Corporate and local level. Saipem France collaborates with other execution centres by making its experience and know-how available. Saipem's project execution model encompasses the involvement of several execution centres, such as Saipem do Brasil in Rio de Janeiro (Brazil), the Project Execution Centre in Fano (Italy) and Saipem's Engineering Departments in Luanda (Angola). The model consists of a coordinated Project Management Team with members located in the associated execution centres and with engineering, procurement and post-order activities split between them.

MAIN ONGOING PROJECTS

Offshore						
Project name	Client	Country	Contract type	Start	End	Scope of work
Kizomba Satellite - 2 SURF	ExxonMobil	Angola	EPCI with limited procurement scope	Nov. 2012	Q3 2015	Engineering, Procurement, Construction and Installation for a brownfield project in Kakocha, Bavuca, Mondo (South). Development Areas, tie-in existing subsea infrastructure using flow line jumpers with 3 new control umbilicals connected to the Kizomba B FPSO
GirRI FPSO 2	Total	Angola	FPSO EPCI	Oct. 2012	Dec. 2015	Subsea Engineering, Procurement, Construction and Installation for FPSO topside modifications package for the multiphase pump system of the GirRI (Girassol Resources Initiatives) project
Congo River Crossing (CRX) Pipeline SURF	Chevron	Angola	EPCI	May 2012	Q3/Q4 2014	Engineering, Procurement, Construction and Installation for a subsea project of 3 segments of offshore export pipeline and 2 pigging platforms
Mafumeira Sul Pipelines SURF	Chevron	Angola	EPCI	May 2012	June 2015	Engineering, Procurement, Construction and Installation of subsea pipelines about 110 km in total, installation of risers and subsea structures
Iracema SURF	Petrobras	Brazil	EPCI	Apr. 2013	Q2 2015	Engineering, Procurement, Construction and Installation of offshore pipeline, comprising one PLET and jumpers on each extremity
Sapinhoa Norte	Petrobras	Brazil	T&I	Oct. 2012	Q4 2017	Transport & Installation of Offshore Pipeline End Manifold (PLEM) and risers
Cabiunas SURF	Petrobras	Brazil	EPCI	Feb. 2012	Q2 2015	Engineering, Procurement, Construction and Installation of subsea structures and pipes in Pre-Salt exploration zone
Cernambi SURF	Petrobras	Brazil	EPCI	Dec. 2011	Aug. 2014	Engineering, Procurement, Construction and Installation of subsea structures and pipes in Pre-Salt exploration zone
P55 Risers SURF	Petrobras	Brazil	EPCI	Sep. 2010	Q4 2014	Engineering, Procurement, Construction and Installation project for the extension of existing field, fabrication of suction piles and installation of 16 SCR with associated flow lines and piles

Offshore

Project name	Client	Country	Contract type	Start	End	Scope of work
Litchendjili Jetty (WP 4) SURF	Eni	Congo	EPCI	Nov. 2013	Q4 2014	Subsea project Engineering, Procurement, Construction and Installation of sealine, platform and jetty
Litchendjili Jacket (WP 10) SURF	Eni	Congo	EPCI	Dec. 2012	Dec. 2014	Project management, Engineering, Procurement, onshore fabrication of a jacket, load-out, sea fastening, transportation offshore
Port de Pointe-Noire Maritime works	Port Autonome de Pointe-Noire	Congo	EPC	Jan. 2011	Mar. 2014	Maritime works project. Engineering, Procurement and Construction for an extension project of the G quay of container terminal harbour of Pointe-Noire, Congo
Burullus WDDM ph Ixa	Burullus Gas Co	Egypt	EPCI	Mar. 2013	Nov. 2014	Engineering, Procurement, Construction and Installation of an estimated total of 26 wells
Burullus IRM	Burullus Gas Co	Egypt	EPCI	Apr. 2010	Apr. 2013/ 2015/2017 (optional)	Engineering, Procurement, Construction and Installation project in offshore fields in the East Mediterranean Egyptian waters, deployment of a dynamic umbilical to interface with subsea wells
Tanger - Med II Maritime works	TMSA 2	Morocco	EPC	Jan. 2009	Sep. 2014	Maritime works project. Engineering, Procurement and Construction of the basis and operational infrastructures for a container platform with two protection breakwaters and two oil piers
Egina UFR	Total	Nigeria	EPCI	Apr. 2013	Nov. 2017	Engineering, Procurement, Construction and Installation of piles, FPSO mooring, oil offloading lines, umbilicals, flow lines and risers for the FPSO Egina

Floaters

Kaombo FPSO & Operation services	Total	Angola	EPCI & FOS	Apr. 2014	Jun. 2017	Engineering, Procurement, Construction and Installation for a conversion project of tankers, fabrication and integration of topsides, installation of mooring systems, hook-up, commissioning and operations start-up. Provision of 7 years of operation and maintenance services for the FPSO units
Jangkrik FPU	Eni	Indonesia	EPCI	Oct. 2013	Feb. 2017	Engineering, Procurement, Construction and Installation project for Jangkrik Floating Production Unit (FPU)

Front End Engineering Design (FEED)

Project name	Client	Country	Contract type	Start	End	Scope of work
Scarborough FLNG	Exxon	Australia	PRE-FEED optimisation	Jan. 2014	Dec. 2014	Design optimisation of PRE-FEED for Floating Liquefied Natural Gas (FLNG) facility to be located approximately 220 km NW of Exmouth Australia
FLNG Abadi Masela	Inpex Masela Ltd	Indonesia	FEED	Jan. 2013	Mar. 2014	FEED for Floating Liquefied Natural Gas (FLNG) facility

MAIN PROJECTS COMPLETED IN THE LAST 5 YEARS

Onshore

Project name	Client	Country	Contract type	Start	End	Scope of work
Hassi Messaoud LPG	Sonatrach	Algeria	EPC	Nov. 2008	Jun. 2013	Engineering, Procurement and Construction of a new separation plant for crude oil and a processing unit for LPG

Offshore

Canuku Well abandonment	Sonangol	Angola	Well Abandonment	Jun. 2012	Apr. 2013	Plug of 8 wells. Severing and final abandonment
Gorgon Jetty PTH Maritime works	Chevron Australia	Australia	EPC (E&P Saipem)	Nov. 2009	Dec. 2013	Maritime works project. Engineering, Procurement and Construction of a 2-km jetty and marine structure for the export of liquefied natural gas
Guara Lula SURF	Petrobras	Brazil	EPCI	Apr. 2011	Apr. 2014	Engineering, Procurement, Construction and Installation project for subsea equipment Jumpers, gas export pipelines (2 off)
N'Kossa SURF	Total	Congo	EPCI	May 2012	Mar. 2013	Subsea umbilical riser & flow line project preparatory works, involves sea fastening of equipment on supply and winch installation
Ika JZ Jacket	InAgip	Croatia	T&I	May 2013	Q4 2013	Transportation & Installation of tripod structure (63.9 metres depth), foundation piles, boat landing, barge bumpers, wellhead module, conductor pipes, deck installation, sea lines connecting platform, expansion loop
Elettra Jacket	Eni	Italy	EPC	Mar. 2013	Jan. 2014	Engineering, Procurement and Construction of jacket and well-head module, transport to offshore site

Offshore

Project name	Client	Country	Contract type	Start	End	Scope of work
Usari Idoho Pipeline Phase II	ExxonMobil	Nigeria	EPCI	Oct. 2013	May 2014	Engineering, Procurement, Construction and Installation for the replacement of 24" outer diameter pipeline, hook up from Usari FA Platform to Idoho BP Platform
Ofon Phase II Jacket & deck	Total E&P Nigeria Ltd	Nigeria	EPCI +T&I	Sep. 2011	Dec. 2013	Engineering, Procurement, Construction, Transportation and Installation of jacket & deck (OFQ)
Usari Idoho Phase 2 (ASASA) SURF	Exxon	Nigeria	EPCI	Nov. 2010	Mar. 2013	Engineering, Procurement, Construction and Installation project for an extension of existing field, risers, spools and risers guards fabrication pipelay, diving and lift, interface with platforms in production
Bonga NW SURF	Shell Nigeria E&P	Nigeria	EPCI	Sep. 2010	Oct. 2013	Engineering, Procurement, Construction and Installation project for the extension of existing field, subsea structures, quad joints fabrication, pipelay and heavy lift, interface with FPSOs in production
Usan UFR & OLT SURF	Total	Nigeria	EPCI	Mar. 2008	Jul. 2013	Engineering, Procurement, Construction and Installation project: FPSO mooring system, umbilicals, risers, flowlines and oil loading terminal

Front End Engineering Design (FEED)

Scarborough FLNG	Exxon	Australia	Pre-FEED	Oct. 2012	Dec. 2013	Pre-Front-End Engineering Design for Floating Liquefied Natural Gas (FLNG) facility approximately 220 km NW of Exmouth Australia
Petrobras FLNG	Petrobras	Brazil	FEED	Feb. 2010	Apr. 2011	FEED for a Floating Liquefied Natural Gas (FLNG) about 300 km off the coast of Brazil in 2,000-metre deep water, in the Santos Basin
Prosperidade Subsea phase 1	Anadarko Petroleum Co	Mozambique	FEED	Jan. 2013	Aug. 2013	FEED for subsea facilities including trunklines, gathering lines, flowlines, MEG lines and jumpers
Shtokman FPU	Shtokman Development AG (SDAG)	Russia	FEED	Mar. 2009	Apr. 2010	FEED for a Floating Production Unit in the Shtokman Field in the Barents Sea, 650 km north of Murmansk, the first large gas development in the arctic area

Acronyms

EPC: Engineering Procurement & Construction
 EPCI: Engineering Procurement Construction & Installation
 FEED: Front End Engineering Design
 FLNG: Floating Liquefied Natural Gas
 FOS: Field Operation Services

FPSO: Floating Production Storage Offloading
 FPU: Floating Production Unit
 SURF: Subsea Umbilical Riser & Flow line
 T&I: Transportation & Installation
 WP: Work Package

The execution model of these main projects illustrates the full integration between Corporate competence and experience and local capabilities. This is due to Saipem France's extensive experience in the management of large complex mega-projects with significant Local Content requirements in the geographic areas where the Company has historically operated. Since other geographical areas such as China, Egypt, the North Atlantic and Asia-Pacific are introducing similar developments, Saipem France exports its experience and know-how to other execution centres in order to serve these newer markets better.

SUSTAINABILITY APPROACH

Saipem France generates significant value in terms of economic impact, job creation, training and human capital development in France. The Company contributes to the sustainable development of the country, and especially of the Ile de France area, through its relationships with stakeholders, including employees, clients, partners, subcontractors and suppliers.


Saipem France plays an important role in the development and implementation of Saipem sustainability strategies.

The aim is to define common objectives and draft a sustainability strategy that reaffirms Top Management's commitment to sustainability in the areas where Saipem France manages its projects.

Beginning from the commercial and bid phases, Saipem France engages actively with both its national and international clients to assess and identify appropriate Local Content and community development initiatives in line with mutual project sustainability objectives. Engagement with clients on shared objectives is especially strong in countries such as Angola, Australia, Brazil, Congo, Indonesia and Nigeria, where sustainability, and Local Content development in particular, contribute to successful project execution.

During project execution, Saipem France's project teams, together with other Group subsidiaries, design and implement sustainability initiatives in partnership with clients, local entities, partners, subcontractors and local community members.

Saipem France also contributes to sustainability training in the Group. This includes communications activities through workshops, training sessions and presentations to external stakeholders, all of which helps build and strengthen the understanding and effectiveness of sustainability as a core business value.



*Kaombo FPSO
on-going project
3D view*

Technological innovation

Through its relations with schools and French industrial companies, Saipem encourages technological development and innovation in France.

In order to maintain its state-of-the-art offshore technologies and knowledge, Saipem France has developed a long-term relationship with several external research and development entities in the country, including universities and industrial research centres.

Technological innovation is mainly focused on research to facilitate the economic development of new Oil&Gas fields located in deep offshore or remote areas while at the same time protecting the environment and reducing energy consumption. This includes, for example, risers capable of pulling hydrocarbons to heights of 3,000 m or more, pipelines designed to guarantee the transport of the fluids over dozens of kilometres at the bottom of the ocean, but also the future possibility of separating fluids and processing them at the bottom of the sea instead

of onboard vessels, especially considering the operational constraints associated with deep water. This means that only the final products will be transported to the surface, whereas the water produced will be treated at the bottom of the sea and then directly re-injected into the soil.

This will consume less energy and require fewer materials for manufacturing heavy infrastructures.

Innovation is geared towards the development of a set of submarine technologies which meets new operational constraints, i.e. gas/liquid separation, liquid/liquid separation, treatment of water produced, and sea water treatment using membranes.

Another area of research and development is



Test of ionic liquid/liquid separator for deep water field realised in cooperation with the Technical Centre of Mechanical Industries (CETIM) of Nantes



natural gas, in particular through improvements for offshore liquefaction units (FLNG), for example process efficiency and safer sea transfer operations (LNG).

A further point of interest is marine energy, which will represent an important source of renewable energy. Research is heading in the direction of support structures for offshore wind turbines optimised to reduce the cost of energy produced.

SUSTAINABILITY PERFORMANCE

PEOPLE

Workforce

Saipem is working assiduously to strengthen professional capabilities and competences, developing a working environment that offers equal opportunities based on merit and in which people can identify and fulfil their potential. Saipem France has around 2,000 employees, of whom 80% have the status cadre¹. More than 60% are engineers covering floaters, offshore and onshore activities. Ninety seven percent of these employees are French nationals and 28% are women. In addition, to the personnel working in France, 25% of Saipem France's employees work abroad.

Recruitment

In 2013, Saipem France launched a recruitment plan targeting approximately 200 employees in particular with experienced profiles in two strategic areas, subsea (operational offshore and engineering) and floaters.

Overall, 246 new employees were recruited in 2013, of whom 217 were engineers and executives (engineering school graduates and Master degrees). These new employees will reinforce the Company's engineering, management, tendering, operations, staff and support functions.

Career management

Alongside technical skills, Saipem France also considers the human quality of each individual. The qualities required for

people to work in the Company are a passion for their specific field, a sense of teamwork and a thirst for technological challenges.

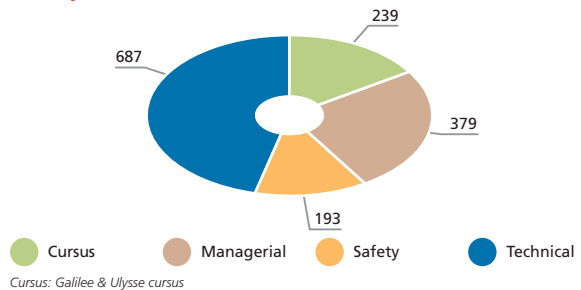
Saipem France's staff have a high level of technical know-how in very large disciplines, and it is this strength that Saipem France is committed to protecting and continuously reinforcing. Saipem has therefore developed a comprehensive Human Resources management system starting from recruitment and integration within the organisation, career development, internal promotion and training. In 2013, 261 people were promoted. Mobility constitutes a key issue in career development in both geographical and functional terms. Mobility opportunities attract young candidates, but also long-standing personnel, since it allows resources to build their careers on a long-term vision alternating between on-site mobilisation and head office functions.

Career development, training and mobility are all tools of the human resources management process that make up the retention programme.

Training

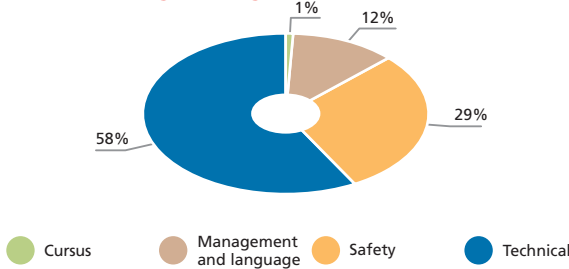
Each year Saipem France invests more than 3% of its payroll in the training of

Number of training sessions per type of course in Saipem sa in 2013

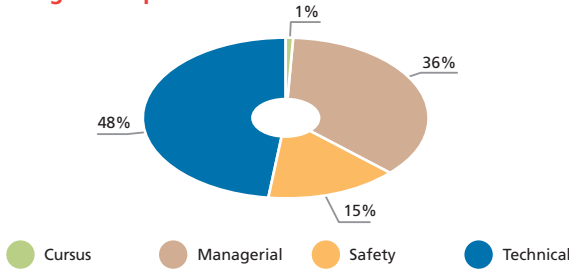


(1) Employee who is attributed managerial status and for whom the main consequence is the participation in the managerial pension scheme.

Training hours per type of course in Sofresid Engineering in 2013



2013 Training Plan for employees over 45 years of age in Saipem sa



employees (the legal obligation is 1.6%). The number of personnel trained in 2013 has been increased of 4% for Saipem sa and 8% for Sofresid Engineering, compared to 2012. A total of 34,873 training hours were provided, split into the following training types: managerial, technical, safety and cursus, a specific training programme targeted at young employees (*Galilee cursus*) and managers (*Ulysse cursus*).

Training for young employees

The Galilee cursus is the training programme dedicated to young employees aged under 30 and aims to develop their professional skills. The programme has 3 modules: Introduction to the Saipem Group; Project management induction; Communication skills. In 2013, 95 young employees went

through the Galilee cursus programme in Saipem sa.

Ulysse Training

The Ulysse cursus is dedicated to resources identified to develop management skills through a specific training path and consists of 5 modules: Module 0: Oil and gas induction; Module 1: self knowledge; Module 2: Leadership; Module 3: Negotiation skills; Module 4: Experience feedback. In 2013, 39 participants went through the Ulysse cursus programme in Saipem sa.

Training for senior employees

In keeping with agreements signed with the trade unions, specific emphasis was placed on the training of senior employees (over 45 years) in order to facilitate the continuous improvement of their skills. In 2013, 22% of this population benefited from training activities (21% in 2012).

HSE training

HSE is considered as core component of the Saipem Group's strategy. Naturally, therefore, HSE training is a key part of the Saipem training plan. HSE training hours represented 13% and 29%, respectively, of the total number of training hours in 2013 in Saipem sa and Sofresid Engineering.

Leadership in Health and Safety (LiHS) training: this programme, is especially centred on realising improvements in health and safety culture. The LiHS programme, started in 2007, covers 3 phases: Phase 1: LiHS workshop dedicated to personnel in management position; Phase 2: cascading LiHS from top management to all positions; Phase 3: 5 stars training to promote safety attitudes across the workforce. In 2013, 9 workshops were organised in France, with a total of 127 attendees.

Other HSE training initiatives, such as environmental training, health training or general HSE training, HAZID/HAZOP training etc., are implemented in order to strengthen HSE competencies for personnel mobilised on work sites or on projects.

Internship and apprenticeship programmes

Saipem France has set up a dynamic campus relationship programme, the objective of which is to reinforce the Company brand within engineering schools and universities and to develop a pool of young graduates through internships and apprenticeships in a pre-hiring process approach. In 2013, around 30 Saipem employees, all alumni of engineering schools and universities targeted by Saipem, participated in forums and meetings with students to present Saipem’s field of activities.

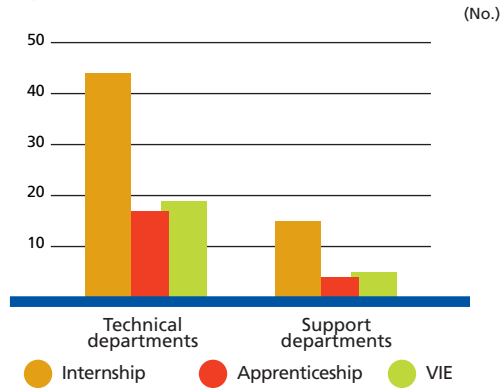
In 2012-2013, Saipem France carried out the following internship and apprenticeship programmes:

- 33 apprenticeships, mainly in engineering: offshore structural, process, naval engineering, instrumentation (24 in Saipem sa and 9 in Sofresid Engineering).
- 59 internships with a duration of >30 days in offshore structural, process, instrumentation engineering (48 in Saipem sa and 11 in Sofresid Engineering).

Talentissimo 2013

Each year, several student teams selected from target universities and engineering schools are invited to participate in a competition managed by the Saipem sa Human Resources and Innovation & Technology Development departments. The competing teams

Internship and apprenticeship programmes in Saipem France in 2012-2013



Distribution of internships/apprenticeships in Saipem France (VIE = Volontariats International à l’Etranger, i.e. international voluntary service carried out in Saipem).

collaborate on a Saipem case study for 3 months. A jury composed of Saipem technical & engineering managers, Human Resources managers and a representative of Saipem’s executive committee selects the most innovative and efficient solution presented.

The objectives of Talentissimo are:

- to promote the Saipem brand in engineering schools and universities;
- to present Saipem’s innovative Research & Development capabilities in these schools;
- to introduce Oil&Gas activities;
- to identify and attract young graduates.



Talentissimo 2013 winning team visiting the fabrication yard in Guarujá in Brazil

Assessing Saipem's socio-economic value in France

Measurement of socio-economic impacts allows Saipem to introduce a step-change in Local Content leadership in the areas where the Company operates, confirming its status as an innovative player in the sustainability arena. In 2009, Saipem began implementing a methodology – the SELCE (Saipem Externalities Local Content Evaluation) model – to measure the externalities produced as a result of its activities in a given area. Considering the key social and economic role of Saipem France, especially in 'Ile de France' area, it was decided to apply the SELCE model to France as well, in order to understand and quantify the impacts of Saipem in the country. The study further aimed to understand Saipem's

contribution to human capital development with reference to local Saipem staff and to the social return on investment related to Saipem internships and apprenticeships carried out in France. The scope of the study included Saipem entities with activities in France for the period 2011-2012. The results of the study consider two levels: National (France) and Regional (Ile de France).

Results

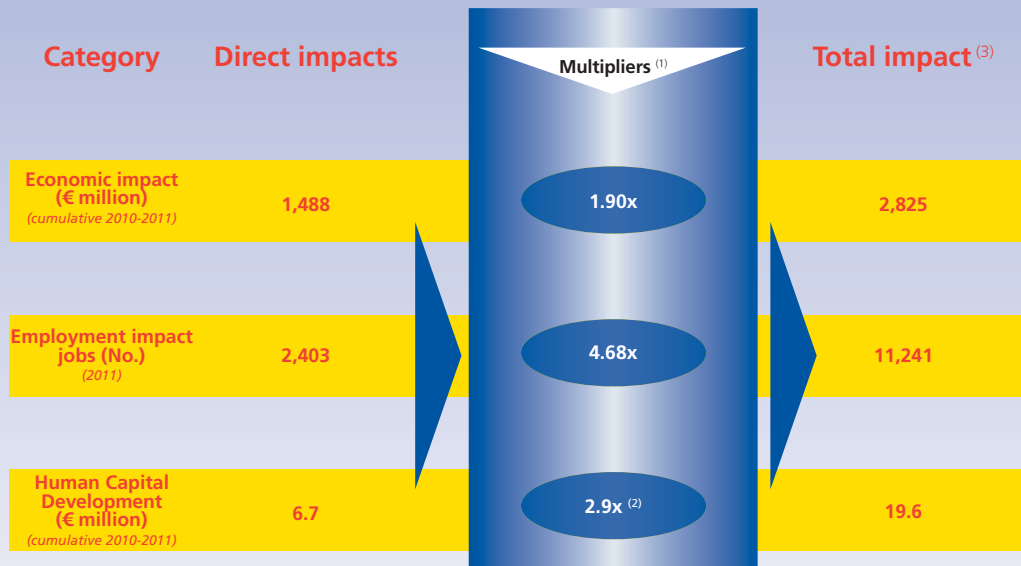
Saipem's activities in France contributed to French GDP to the tune of 0.07% and 0.06% in 2010 and 2011, respectively.

Indirect and induced economic and employment impacts are triggered by Saipem France's direct purchases from French suppliers.

Indirect and induced impacts of Saipem's activities on employment account for 79% of total employment generated in 2011, a total of 8,838 jobs.

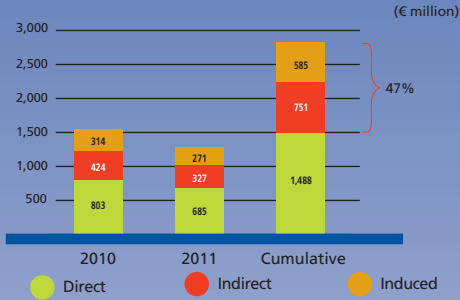
The purchasing expenditure of Saipem France represents 8% of the Group's total purchases (€965 million in 2011). It includes direct purchasing from French suppliers amounting to €473 million. Equipment and materials producers (43%), general services suppliers (18%) and equipment and materials dealers (11%) account for most of this.

In 2011, Saipem's direct purchases in France amounted to €473 million, 43% of which was represented by equipment and materials, 31% by engineering and construction services and 18% by general services.

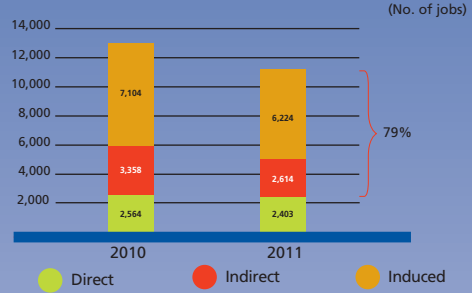


Note: (1) For conservative purposes only the lowest multiplier values are considered; (2) calculated over a 5-year timeframe; (3) due to the rounding off of multiplier values, in some cases the product of the direct effect and the multipliers differs from the total effect.

Economic impact by year and type of effect



Employment impact by year and type of effect



Finally, Saipem's contribution to human capital development was measured through its training plan and also through its internship and apprenticeship programmes.

Saipem's cumulative expenditures in training of €6.7 million in the period 2010-2011 will generate an economic impact of €19.6 million over a 5 year timeframe. This is calculated as an increase in wages due to training, as well as an increase in taxes paid to the government and in household consumption associated with the wage increases.

In addition, the Social Return On Investment (SROI) was measured specifically in

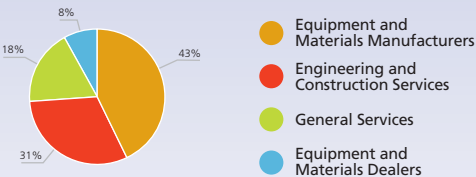
relation to the internship and apprenticeship programme carried out by Saipem France. SROI is a principles-based method for measuring extra-financial value (i.e. environmental and social value not currently reflected in conventional financial accounts) relative to resources invested and created by an activity or an organisation.

Results show that Saipem's expenditure in internships and apprenticeships (about €1.8 million) generates a Net Present Value of €2.8 million, calculated as an increase in wages and subsequent increases in taxation (government income) and household consumption. This value generated

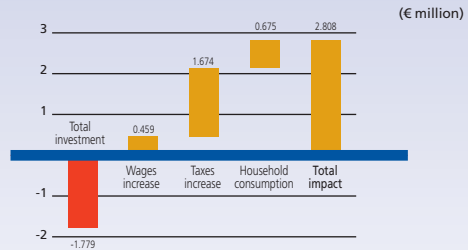
corresponds to a Social Return On Investment of 58%. By offering internships and apprenticeships, Saipem contributes to creating positive impacts for individuals and society. Saipem internships and apprenticeships also contribute to tertiary education by proposing an added value professional training for the student. Additionally, internships and apprenticeships are important merits for students in France, and can impact future career progression and employability rate. Students benefit strongly from having performed an internship or apprenticeship at Saipem and will likely initiate a career at Saipem itself or undertake a similar career path at another company.

Direct local purchasing 2011

Total purchasing: €473 million



Social Return on Investment Interns and Apprentices 2010-2011





Internal training session on floaters carried out in the Saipem Paris office

In 2013 and 2014, nearly 20 teams registered to participate in the annual competition. In 2013, the winners had the opportunity to go to Brazil to find out more about Saipem's activities and meet with the Operations Manager of the FPSO Cidade de Vitoria and with several employees of Saipem do Brasil to discuss the challenges and the level of engagement required to carry out ambitious projects. They also visited the new Saipem yard in Guarujá.

Training support for local capacity building

To support local capacity building, as well as skills and competency development, formal and on-the-job training are provided for young graduates.

In recent years, Saipem France has integrated graduates from Indonesia, Angola and Nigeria (among others) into the Paris office as part of project engineering and management teams. This form of intensive training exposes them to new systems and processes, and state-of-the-art tools which enrich their skills acquisition and accelerates the transfer of competencies, thereby strengthening the capacity of the local Saipem subsidiary when they return to their home country. The end result is a significant contribution to the development of skilled staff in the areas where the Group operates.

As an illustration, in 2013 a dedicated training programme was carried out for the Egina URF project: 31 Nigerian employees from Saipem Contracting Nigeria Ltd were trained in Saipem sa's head office. They spent 3 months in the engineering department for on-the-job training in various tasks such as flowline

design, framed structural engineering, plated structural engineering and spool/jumper engineering. For the Jangkrik FPU project, 20 Saipem engineers from PT Saipem Indonesia in Jakarta were trained in Saipem sa in Paris from November 2013 to February 2014. An additional training protocol started in June 2014 for 20 new engineers from Saipem India Projects Ltd, who will spend a period in Saipem in Paris, to be involved subsequently in the Kaombo FPSO project.

Health and Safety

Saipem's health and safety management system consists of a series of core elements which include leadership commitment, policy, strategic objectives, planning, implementation and management, checking, corrective action and management review. Saipem France's commitment to improving its health and safety management system has been continuously reinforced during recent years, following its initial certification to OHSAS 18001 in 2011. To achieve its goals, Saipem France has launched and followed up several proactive programmes in projects, as well as in its head offices.

Health

Choose Life: a new Saipem campaign for health and safety especially centred on improving the culture of health.

This new complementary programme includes new films, effective tools and a number of recommendations for a healthier lifestyle.

In 2013, 8 sessions were organised in Saipem's head office in Paris with a total of 207 participants.

Cardio-training programme: according to a study carried out between 2003 and 2007, cardiovascular diseases represent 25% of evacuations from project sites. To inform employees and reduce cardiovascular risks, in 2010 Saipem launched an information campaign and a cardio training programme. Since then about 40 collaborators, in Paris, have benefited from specific medical support and evaluation.

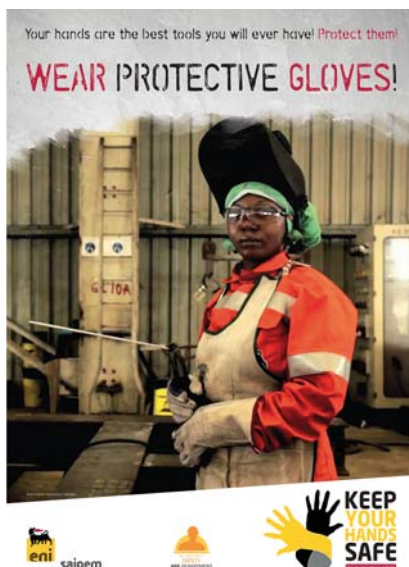
Safety

In October 2013, Saipem France launched the 'Keep Your Hands Safe' campaign to promote the use of protective gloves and the adoption of a safety attitude when tackling each and every task. This campaign is composed of a series of modules involving various lines of communication at different levels, based on the target audience and the results expected.

The first campaign started with a management leadership and commitment video, with the participation of Senior Management from Saipem sa.

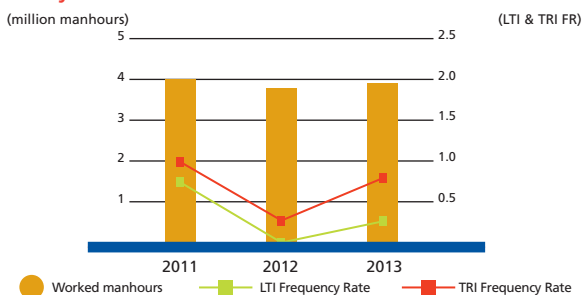
The second phase consists of safety assessment of equipment and machines and tools used by employees on site including personal protective equipment.

The third phase consists of training and increasing the awareness of all personnel, including those on project sites.



'Keep Your Hands Safe' poster used on the campaign

Safety results 2011-2013



Safety performance

	2013
Fatal Accident (FAT)	0
Lost Time Injury (LTI)	1
Work Restricted Cases (WRC)	1
Medical Treatment Case (MTC)	1
Total Recordable Incidents (TRI)	3
First Aid Cases (FAC)	9
Near Miss (NM)	24
Safety Hazard Observation Card (SHOC)	136

Safety workshop for offshore personnel

In 2013, two vessel supervisor workshops were organised in Paris involving more than 150 participants, including 110 supervisors, 30 vessel management teams from Saipem FDS, FDS 2, Saipem 3000, S355, S230, Bar Protector and 9 Senior Management representatives from headquarters.

Each workshop lasted a day and a half. The first took place on October 2-3 and the second on December 3-4, 2013.

Offshore vessel supervisors had the opportunity to meet vessel and Company management

outside their normal working environment and to talk about their responsibilities and expectations.

Through practical exercises, the workshops provided insights into the supervisors' perceptions of their own role and the role and responsibilities of key vessel figures such as Master, Superintendent and HSE Engineer. The aim of these workshops was to get supervisors to realise precisely what their roles and responsibilities are.

They were reminded first and foremost that they are managers of a team of people with whom they have to carry out an activity.

The second element reinforced was that each activity starts with proper planning, preparation, risk analysis, correct use of HSE management tools, workplace inspections, and communication with the team members under supervision to confirm that they are fully aware how to perform their duties.

Through re-enacting an incident and analysing the causes of the event, supervisors were reminded of the importance of safe workplaces and also that they have the authority to stop works if a situation is deemed unsafe and to empower their teams to act accordingly.



Industrial Relations

Saipem France encourages transparency and dialogue with its trade union representatives and promotes professional equality and diversity in its teams. In recent years, several new regulations have been passed in France that have modified Industrial Relations resulting in a decentralisation of collective bargaining.

Numerous new collective agreements were signed or revised with the unions in 2013 in Saipem France which reflect the national change in social dialogue.

These include professional equality, diversity and multicultural management; senior employees (over 50 years old); and young and senior employees covering training and know-how transfer.

ENVIRONMENT

In accordance with its HSE Policy and in compliance with applicable local regulation, Saipem France is fully committed to minimising adverse environmental impacts associated with its operations and to preventing pollution.

In 2011, the Saipem sa environmental management system obtained ISO 14001 certification, reconfirmed at the beginning of 2014 following a recertification audit that identified no non-conformities.

Environmental performance indicators are recorded on a quarterly basis for all Saipem sa projects and sites. Water withdrawal, waste generation, fuel consumption, greenhouse gas emission and environmental incidents are monitored continuously by the Paris office.

Monitoring printing and copying practices

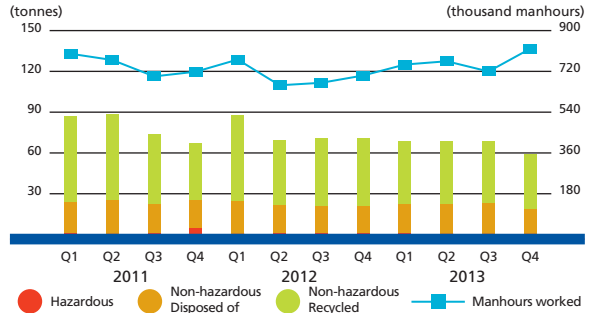
In the Paris office, dedicated software facilitates tracking of the paper consumption of each printer user by type of paper and type of printing (colour/black & white).

Monitoring involves a multi-site printing policy by setting specific and balanced operating rules between cost and service quality delivered to the user. A dedicated interface per user or per service tracks each user's printing and copying expenses in real time, including the associated environmental impact. The associated printing costs are also calculated.

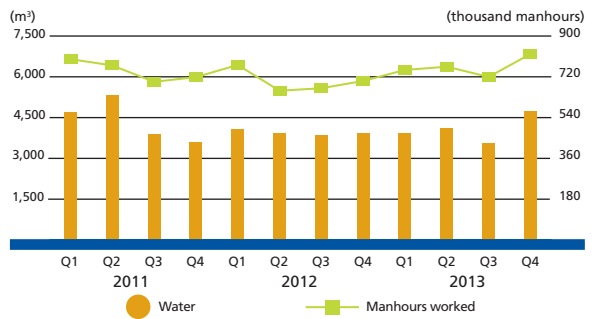
Furthermore, in order to reinforce the commitment towards more sustainable printing, a 'Copying and Printing Charter' (available both in French and English) was communicated to all employees reminding them of a few simple rules to protect the environment and reduce costs.

These included avoiding unnecessary printing, not printing e-mails, reusing the blank side of the paper, setting up black & white printing as the default, and setting photocopying and printing double-sided as the default.

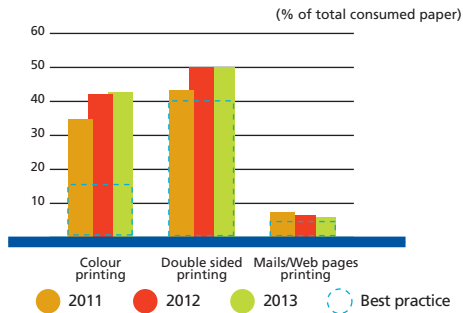
Waste generation



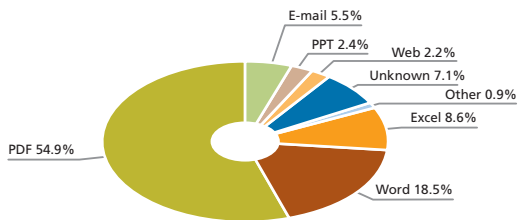
Water withdrawal



Printing statistics (2011-2013)



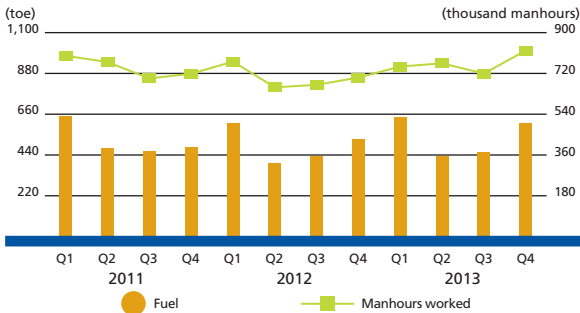
Type of files printed (2013)



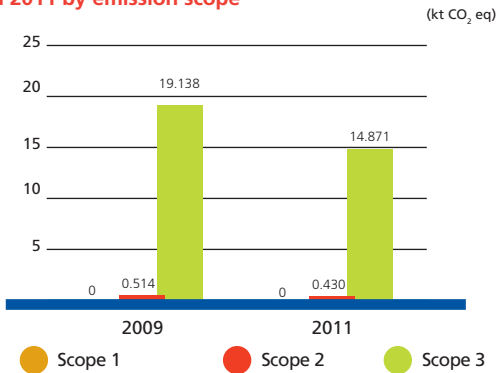
Celebrating World Environment Day (WED)

Every year Saipem sa invites all its projects and worksites to participate

Energy consumption



GHG emissions for Saipem sa Head Office in 2009 and 2011 by emission scope



actively in the United Nations World Environment Day (WED) celebration.

The Paris office marks the day by organising special awareness raising activities according to the dedicated WED theme and coordinates the feedback received from the projects.

In 2013, in line with the WED campaign against food waste and food loss, Saipem adopted the slogan: 'Reduce Your Food Footprint'.

At the Paris office, staff were invited to listen to the video message of Deputy CEO Hugh O'Donnell, attend a WED presentation and take part in the WED Quiz.

The winners received their prizes – branded WED mugs – from management representatives.

Furthermore, the menus served in the staff canteen came with information regarding the number of calories contained, as well as the CO₂ emissions associated with the daily choice.

Saipem sa Greenhouse Gas Emissions report

In 2011, Saipem sa established a methodology for determining its greenhouse gas (GHG) footprint based on existing Corporate Standards and internationally recognised practices. The report determined GHG emissions associated with activities conducted in 2009 at Saipem sa Head Office in Paris (including both direct and indirect emissions) and proposed an action plan for emission reduction. The results established a baseline for comparison,

Waste management on FDS2

as well as support for identifying improvement possibilities.

In 2012, in compliance with French regulatory requirements, and in response to Article 75 of law Grenelle 2, a GHG emissions inventory based on activity data for 2011 was drafted and submitted to Yvelines Préfecture.

In 2013, the GHG emissions inventory for 2011 was further developed to incorporate other indirect emissions, such as waste production, use of different office materials and travel. The methodology used was updated according to the approach of ADEME (*Agence de l'Environnement et de la Maîtrise de l'Énergie*). The results, detailed by scope and sector, were evaluated against the 2009 baseline, showing a decrease in total GHG emissions due to reductions in most of the sources considered, but mainly in the number of flights and distances. The improvement actions identified as a result of the analysis done in 2011 also contributed to this downward trend.

GHG emissions accounting is a useful instrument to assess the Saipem sa Paris office's impact on the environment and to identify further opportunities for carbon reduction and efficiency improvement strategies.

In France, GHG inventories are to be updated and submitted every three years thus, the next report will be issued in 2015 with activity data from 2014.

Other recent environmental initiatives at Saipem France

The Paris Office has installed a customised power management service, which is applied to each computer in order to maximise energy saving by reducing inactivity periods. The built-in reporting tool monitors the usage pattern of each computer and provides useful statistics, such as activity/inactivity hours or estimations of energy consumption, costs and associated CO₂ emissions. From April to December 2013, more than 575,000 hours of inactivity were

registered, accounting for 22% of the total time. The estimated electricity cost of these 'lost' hours is over €3,200, while the associated CO₂ emissions amounted to almost 20 tonnes of CO₂ eq.

As part of its energy efficiency strategy Saipem sa organised an audit at the Data Centre in Paris in order to develop an inventory of its technical infrastructure, identify risks and potential gaps compared with reporting standards, and establish corrective actions to comply with best practices.

After the changes in configuration, the set point for temperature was increased by 2 degrees, subject to constant monitoring, thus facilitating further energy savings, since the cooling system is used less.

Also in 2013, the water fountains in the Paris Office buildings were connected to the public tap water network, which is filtered before being delivered. This change has translated into a reduced impact on the environment through the reduction of plastic usage.

Company car policy was reviewed and became more 'eco-responsible' in 2012, limiting the choice of company provided vehicles to those producing a maximum of 130 g CO₂ emissions. In addition, a list of hybrid vehicles was proposed.

CUSTOMER RELATIONS

Saipem is committed to sharing its strategy towards sustainable development with its Clients and to identifying opportunities for collaboration and the exchange of knowledge and experiences.

In particular, positive dialogue has been established with some Clients, especially key customers with whom Saipem has developed long-term relations through successive phases of projects. Future opportunities for engagement with Clients are under development for specific projects executed but also with a view to sharing a comprehensive Corporate sustainability approach.

RELATIONS WITH LOCAL AUTHORITIES

Being aware of its strong influence in the regional area of Saint-Quentin-en-Yvelines, in 2013 Saipem France began a relationship

with the local authorities of the 'Communauté d'agglomération' concerning economic and environmental impact. In this context, Saipem is participating in CLUB climat, CLUB transport, and the Corporate Social Responsibility Group.

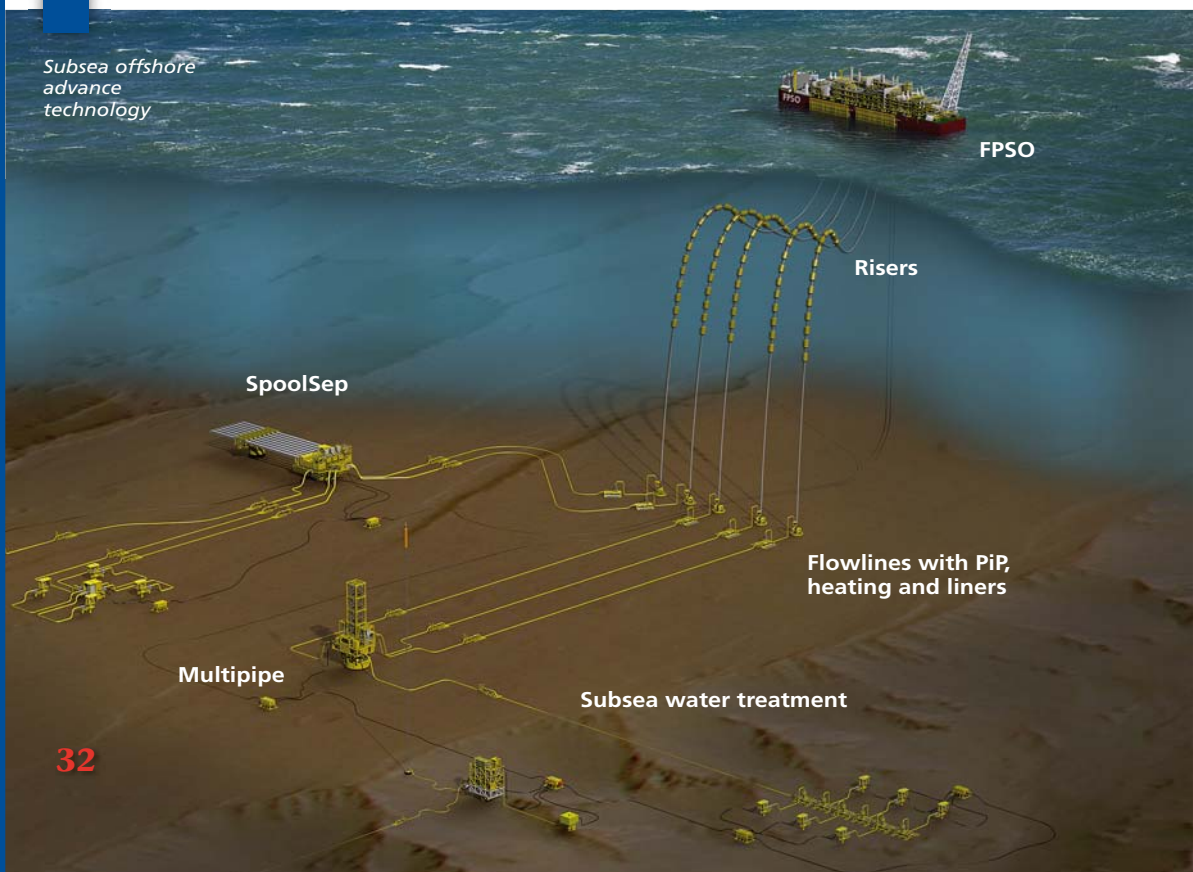
FUTURE CHALLENGES

Saipem is a leading player in the Oil & Gas industry, continuously proposing innovative solutions to meet recent and increasingly geographical and technological market needs in the onshore, offshore, deep offshore and floating production and storage sectors. As new customers impose increasingly challenging demands regarding the performance of their assets, including in the field of HSES, their satisfaction is a top priority for Saipem.

With highly innovative technology development capabilities, Saipem France has a very important role to play in

achieving this goal. Furthermore, by contributing to the development of the in-house skills of other Saipem Group entities, building a strong HSES culture and commitment and maintaining strong relationships with key clients and suppliers, Saipem France is able to respond to future challenges and gain a competitive advantage. The experience of managing mega projects, the organisation matrix, and the ceaseless search for innovative solutions and operational approaches are the key areas of Saipem France's contribution to the success of the entire Saipem Group.

Subsea offshore
advance
technology



FPSO

Risers

SpoolSep

Flowlines with PiP,
heating and liners

Multipipe

Subsea water treatment

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Via Martiri di Cefalonia, 67
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Feedback

What you think of this Country Report matters to us.
As we are constantly striving to improve our reporting, we would very much welcome your feedback. We will also be pleased to answer any questions you may have.

Contact us at: sustainability@saipem.com

Special thanks to all those who contributed to the drafting of this report.

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