

SAIPEM MODERN SLAVERY STATEMENT 2021

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INTRODUCTION

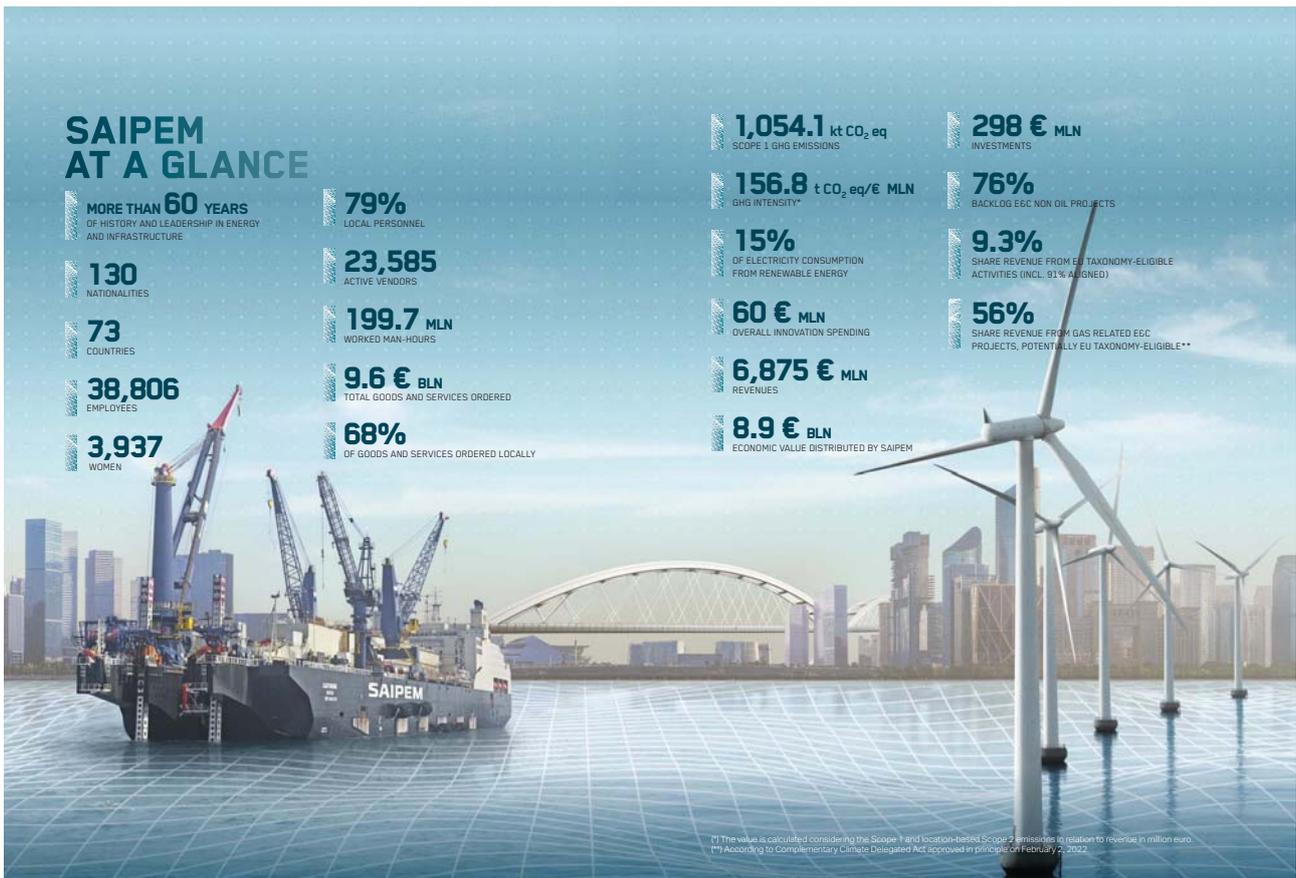
Modern slavery is an umbrella term covering forced labour, servitude, debt bondage and human trafficking for the purposes of labour exploitation. Our statement describes the policies and processes implemented by Saipem to address modern slavery risks across

our global business and supply chain and the actions taken in 2021 and planned for the year ahead. "Saipem" refers to the parent company Saipem SpA and its consolidated subsidiaries as identified in the Annual Report 2021, including Saipem Ltd (a wholly owned UK based subsidiary).

SAIPEM'S ACTIVITIES AND LOCATIONS

Saipem is a global solutions provider within the energy and infrastructure sectors, specialising in the management of complex on and offshore projects, from

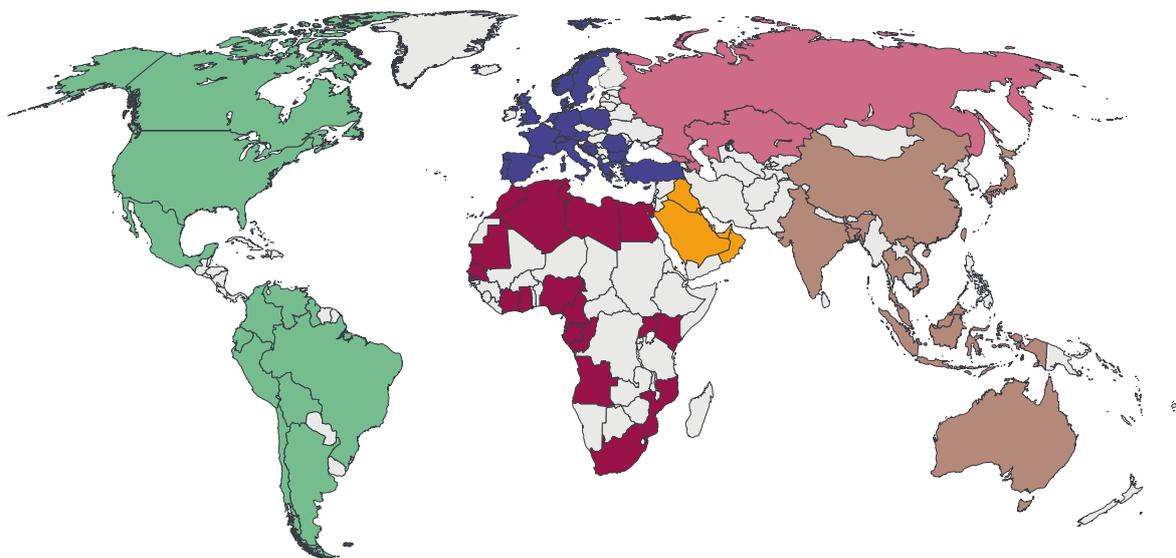
design to decommissioning and including those in extreme environments, remote areas and deep waters.



Our sites include:

- > 9 fabrication yards
- > 41 vessels
- > 83 onshore drilling units, and 1 onshore

- > rigs owned by third parties, operated by Saipem
- > and various office facilities



AMERICAS

Employees (No.)	2,658
Supply chain orders (€ mln)	514
Qualified Suppliers (No.)	4,107

AFRICA

Employees (No.)	4,717
Supply chain orders (€ mln)	1,210
Qualified Suppliers (No.)	3,460

MIDDLE EAST

Employees (No.)	9,722
Supply chain orders (€ mln)	3,178
Qualified Suppliers (No.)	3,996

FAR EAST AND OCEANIA

Employees (No.)	6,933
Supply chain orders (€ mln)	441
Qualified Suppliers (No.)	2,779

CIS

Employees (No.)	5,613
Supply chain orders (€ mln)	1,085
Qualified Suppliers (No.)	1,713

EUROPE

Employees (No.)	9,163
Supply chain orders (€ mln)	1,161
Qualified Suppliers (No.)	7,530

Our operations span over 70 countries, in the following locations:

Europe

Albania, Austria, Bulgaria, Cyprus, Denmark, France, Germany, Greece, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Switzerland, Turkey, the United Kingdom.

Americas

Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Ecuador, Guyana, Mexico, Peru, the United States of America, Venezuela.

CIS

Azerbaijan, Georgia, Kazakhstan, Russia.

Africa

Algeria, Angola, Cameroon, Congo, Egypt, Equatorial Guinea, Gabon, Ghana, Ivory Coast, 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.

RISK

COUNTRY-BASED RISKS

For each Country in which Saipem operates, an in-depth analysis of the current legislation in force is examined for each of these areas:

- > child labour
- > forced labour
- > non-discrimination in employment and occupation
- > freedom of association and collective bargaining.

Information and reports provided by international organisations, NGOs and trade union associations covering labour rights and human trafficking are also considered.

Countries are divided into four distinct risk categories: high, medium, moderate and low.

SUPPLY CHAIN RISKS

Saipem has identified a series of sustainability aspects as priority areas in the management of supplier business ethics, in particular:

- > their respect for human and labour rights
- > their approach to protecting their workers in terms of health and safety and their commitment to protecting the environment.

These aspects are integrated into Saipem's Supply Chain Management System. This also applies to third party recruitment providers. Further details on the qualification process and ongoing monitoring are provided in section 6.

LOCAL RISKS

Saipem strives to minimise any adverse impacts in the areas where we operate and contribute in a positive way by implementing strategies that promote sustainable local development.

Our approach entails listening carefully to the demands and needs of our local stakeholders. Saipem has a structured

system of collecting and managing the needs of the local communities connected to our operations. Many of our important operations in different geographical locations (e.g., Nigeria, Oman, Indonesia and Mozambique) have implemented these systems to guarantee effective communication with local communities.

Saipem's activities, carried out together with local communities, create long-term value and contribute to the local socio-economic development in the countries in which we operate.

We generate new jobs and spur demand for local goods and services, all while building and improving infrastructure, contributing to the education system and developing professional skills. This work style and approach contributes to the creation of socio-economic conditions needed for the effective enjoyment of fundamental human rights and the promotion of sustainable growth also in the regions where we operate.

PROJECT RISKS

Before proceeding with the tender of a new project, an updated assessment of the country risk is carried out and an execution plan prepared setting out the actions required to mitigate risks should the project be awarded. In some cases, Saipem may partner with another contractor in a joint venture arrangement. Formal and detailed due diligence activities are carried out by a dedicated Business Integrity unit within Saipem, on all prospective partners. A new tool, the Human Rights risk register, was created in 2020 to analyse the potential risks associated with activities during our projects that may have an impact on the human rights of internal and external stakeholders. Further details on this tool are provided in section 7.

OUR COMMITMENT

Saipem operates within the reference framework of the UN Universal Declaration of Human Rights, the Fundamental Conventions of the ILO, the OECD Convention, and the UN Global Compact principles.

We became a UN Global Compact Signatory in 2016 and participant in 2018,

incorporating their 10 principles into our strategies, policies and procedures.

During the course of 2020, to further confirm Saipem's commitment, the CEO signed a call to action for company leaders on human



rights issues, by signing the Italian version of the "CEO Guide to Human Rights" drafted by the World Business Council on Sustainable Development (WBCSD). Renewing our commitment to support the UNGC every year is a concrete proof of our willingness to always run our business making this initiative and its principles part of our business strategy, day-to-day operations and organisational culture. Our Code of Ethics states the rejection of any form of discrimination, corruption, forced or child labour.

The code promotes human rights and safeguards the dignity, freedom and equality of human beings including the protection of labour rights and the freedom of trade union association and health and safety.

Saipem's Code of Ethics strictly demands that there shall be no harassment in the workplace, for example:

- > the creation of an intimidating, hostile, isolating or in any case discriminatory environment for individual employees or groups of employees;
- > unjustified interference in the execution of work duties by others;
- > placing obstacles in the way of the work prospects of others for reasons of personal competitiveness on their own behalf or on behalf of other employees.

The Code of Ethics applies to the entire Saipem population, as well as to third parties with which Saipem collaborates, to promote the establishment of long-lasting relations for the progressive improvement of performance while protecting and upholding the principles and contents of the Code.

The Code of Ethics is currently available in Arabic, English, French, Indian (Hindi), Tamil, Italian, Portuguese, Brazilian Portuguese, Russian and Spanish.

RAISING CONCERNS (WHISTLEBLOWING)

Saipem personnel, directors, statutory auditors, members of the control and supervisory bodies, management and third parties with whom Saipem collaborates with have the obligation to report any violations of the Code of Ethics for what concerns also human rights. The various communication channels are as follows:

- > via email at:
WhistleBlowing@saipem.com or segnalazioni@saipem.com
- > ordinary postal service at: Saipem SpA, Internal Audit Function Via Martiri di Cefalonia, 67 - 20097 San Donato Milanese (Milan), Italy
- > toll free international fax number +39 02 442 54088
- > online form on Saipem SpA intranet/ internet sites (SCAN THE QR CODE)



- > alternative tools for the collection of the reports e.g. dedicated post boxes,

so-called Yellow-Boxes, in sites where IT equipment is not readily accessible.

Whistleblowers are guaranteed against any form, direct or indirect form, of retaliation, discrimination or penalisation, for reasons connected directly or indirectly to their report and their anonymity is assured.

Sanctions are imposed on those who violate provisions adopted to guarantee the safeguarding of the Whistleblower.

The Internal Audit function ensures that investigations are carried out:

- > in 4 phases (preliminary control, verification, audit and monitoring of corrective actions)
- > with the utmost urgency and
- > with the utmost confidentiality.

The Internal Audit function provides a quarterly update to the Saipem SpA Board of Directors on such matters.

Details of reported and investigated cases are described in the 2021 Annual Report - Consolidated Non-Financial Statement.

During 2021, there were no concerns reported that indicated modern slavery was taking place.

OUR PEOPLE AND SUPPLY CHAIN

38,806

EMPLOYEES

79%

LOCAL EMPLOYEES

7,137

PEOPLE HIRED THROUGH EMPLOYMENT AGENCIES

50%

LOCAL MANAGERS

10%

FEMALE EMPLOYEES (3,937)

46%

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

€9.6 BLN

TOTAL GOODS AND SERVICES ORDERED

ALMOST

600

VENDOR QUALIFICATION QUESTIONNAIRES ON LABOUR RIGHTS IN HIGH-RISK COUNTRIES ANALYSED IN 2021

23,585

ACTIVE VENDORS

+2,600

VENDOR QUALIFICATION QUESTIONNAIRES ON LABOUR RIGHTS IN HIGH-RISK COUNTRIES ANALYSED SINCE 2013

Saipem's business is characterised by global personnel and a highly complex global supply chain, covering different geographical areas and different industrial sectors. Today Saipem has almost 23,000 active vendors, 7,226 of which qualified in 2021.

In over 60 years of business in numerous countries, Saipem has created a consistent and profitable network of partners and suppliers; more than 6,000 suppliers (26% of them) have worked with Saipem for at least 10 years. We work with local vendors contributing to the development of their know-how and to the fostering of the expansion of local economies. About 68% of total purchases are from local vendors, i.e. vendors working in the same geographical area where we execute the project.

Saipem has adopted a sustainable approach to the management of its supply chain, through continuous dialogue and engagement, a strong focus on respect for human rights and HSE aspects and by contributing to growth and empowerment. The supplier management system is

structured to guarantee that suppliers have proven technical and operational skills and share Saipem's values and policies. Specific sustainability elements are analysed and monitored in the various phases of the supplier management system.

Saipem's suppliers are bound by contractual clauses to comply with the principles of the Code of Ethics and respect human rights in conformity with Saipem's namesake policy and sustainability ones. We also demand that they require their own suppliers adhere to the same principles and standards, thus guaranteeing safe and fair working conditions and the responsible management of environmental and social aspects including human rights throughout the procurement chain. Failure to perform on these matters may result in the suspension of the supplier's qualification and/or termination of the contract.

SUPPLIER QUALIFICATION

The qualification process begins with information gathering to evaluate:

- > their technical, operational and

managerial skills and track record, including their alignment with quality standards

- > their financial, reputational and ethical reliability
- > their ability to manage sustainability issues.

Sustainability issues include business ethics and respect for human and labour rights including the protection of the health and safety of workers and the environment. The level of risk linked to sustainability issues is determined mainly by the country of origin of each supplier and the industrial sector. Suppliers identified as having a high sustainability risk level are subject to additional investigations during the qualification process.

Suppliers are subject to a Counterparty Risk Assessment ("VERC"), that examines their ethical conduct in terms of anti-corruption, unlawful conduct

and human rights and any other aspect that could directly damage the reputation of the supplier, and indirectly damage Saipem's reputation. The VERC is performed by analysing the key characteristics of the counterparty, with particular attention to economic-financial, ethical/reputational aspects and ownership. These checks are typically carried out by gathering information from third party specialists rather than directly involving the counterparty. VERCs are performed at the start of the qualification process, prior to a contractual award and on an ongoing monitoring basis.

Onsite audits may take place during the qualification and/or monitoring process, particularly if the supplier operates in countries classified as "high risk" on human and labour rights. The audit will assess the supplier on compliance with local legislation and Saipem's principles and standards.

DIAGRAM OF KEY PROCESSES AND INSTRUMENTS IMPLEMENTED TO MANAGE SUSTAINABILITY ISSUES IN THE PROCUREMENT CHAIN

KEY PROCESSES AND INSTRUMENTS IMPLEMENTED TO MANAGE SUSTAINABILITY ISSUES IN THE PROCUREMENT CHAIN



To promote our HSE and other ethical principles and train suppliers on Saipem's standards and requirements and how they should align with them, Saipem organises tailored events, meetings and forums for suppliers, both prior to qualification and during the execution of contracts. Further information is available in the chapter "Sharing value along our supply chain" in the 2021 Sustainability Report.

EMPLOYMENT AGENCIES

Global Petroprojects Services (GPS AG) is a fully owned subsidiary within Saipem Group which has held a licence for international recruitment and manpower supply since 1994 and in addition is a Seafarer's Recruitment and Placement Services agent in compliance with ILO MLC 2006. GPS AG is a human resource centre of excellence which provides a complex spectrum of labour related

services. Saipem (particularly GPS AG) are supported by local employment agencies. Ongoing monitoring systems are in place to watch how employment agencies manage sensitive processes such as recruitment practices. This monitoring involves the validation of documents, audits at the supplier's premises and phone interviews with personnel.

LOCAL SECURITY FIRMS

Saipem is committed to adopting preventive measures aimed at minimising the need for a response from public/private security forces in the event of any threats to the safety of its people and the integrity of its assets. Saipem manages relations with local security forces to ensure a shared commitment to human rights, as well as the adoption of rules of engagement that limit the use of force and the impact

on local communities. Before signing a contract, suppliers of security systems and services due diligence is performed to verify that there are indicators connected with the violation of human rights. Saipem introduced clauses regarding the respect for human rights in its contracts with these suppliers in 2010 and failure to comply with the clauses leads to the termination of the contract.

OFFSHORE PERSONNEL

In addition to the Whistleblowing system implemented for the entire Saipem Group, Saipem adheres to the principles and the rights recognised to Seafarers promoted under the ILO Maritime Labour Convention of 2006 (MLC 2006). Seafarers also have the right to submit grievances in accordance with a structured process if a violation of their rights arises. To ensure Seafarers are aware of their rights, all people working on offshore vessels receive a copy of the related procedure and all the forms necessary to submit complaints,

together with a copy of their employment agreement. Complaints are examined by the Captain and/or the Company and are managed in compliance with Saipem's disciplinary procedures.

INDUSTRIAL RELATIONS

Saipem has a sound record of relations with trade union organisations in a variety of geographical locations. During the course of 2021, the dialogue also continued with trade union organisations for the definition of a Saipem Industrial Relations Protocol, with the aim of defining a series of shared objectives and principles between the Company and the trade unions, with a view to achieving an increasing level of cooperation and collaboration between the parties which corresponds to the participatory industrial relations model Saipem adheres to. In France, a significant agreement was also negotiated that will be valid until 2024 for the promotion of professional equality, the prevention of discrimination and the integration of staff with disabilities.

ACTIVITIES IN 2021

Due to the COVID-19 pandemic and significantly reduced international travel, Saipem's activities typically involved e-learning and desktop audits and assessments.

HUMAN RIGHTS RISK REGISTER

The Human Rights risk register was created to analyse the potential risks associated with activities in our projects that may have an impact on human rights of internal and external stakeholders. In 2020, we tested the tool in Kuwait. In 2021, we applied the "Human Rights risk register" at the relevant company sites to identify and address potential human rights risks in our operations: 23 countries completed the risks assessment for human rights and a total of more than 250 potential risks were assessed. The human rights risks were identified by type:

- > security 31%
- > labour and employment 26%
- > supply chain 18%
- > country/systemic 17%
- > local communities 8%.

For each human rights risk, we defined and implemented a number of mitigating

actions, which may include, among others, the training of personnel, including subcontractors, on ethics and human rights and the improvement of internal monitoring and auditing activities. As an example, in Peru, we set up human rights workshops to train 26 security guards in 4 class sessions about their responsibility to support, respect, promote and observe fundamental human rights when carrying out their activities. Another training goal was to reinforce, among employees, the concept of the importance of treating all colleagues and anyone with whom they interact with on behalf of the company with dignity, minimising the use of force in the event of a threat to personnel and/or assets.

SUPPLIERS' EVALUATION

4,645 vendors were subject to a Counterparty Risk Assessment ("VERC"), that also aimed to verify their ethical conduct in terms of anti-corruption, unlawful conduct and human rights.

In addition:

- > 595 suppliers were assessed on HSE issues
- > 598 were assessed on labour rights issues

- > 144 qualification audits on human and labour issues in high-risk countries since 2011 (as a result of the pandemic, it was not possible to carry out a significant number of audits with vendors)
- > 2,627 vendor qualification questionnaires on labour rights in high-risk countries analysed since 2013
- > 55 vendors were checked on their labour rights performance during the execution of the contract
- > 2,167 feedback questionnaires were completed on supplier performances, of which 86% were positive and 8% neutral (there were no reports that indicated modern slavery was taking place).

SAIPEM JOINED BUILDING RESPONSIBLY

In 2021, we joined Building Responsibly (BR), a coalition of leading engineering and construction companies working together to raise the bar in promoting the rights and welfare of workers across the industry.

This decision recognises the importance of collaborating with industry peers to ensure a better work environment for workers in the overall sector.

Building Responsibly developed the Worker Welfare Principles to serve as the global standard on worker welfare for the engineering and construction industry.

They address key areas of worker vulnerability to raise standards and level the playing field so that competitiveness is not at the expense of the worker.

Building Responsibly members are committed to acting ethically and with integrity in all their business dealings with respect to worker welfare by supporting and adopting these 10 principles:

1. workers are treated with dignity, respect and fairness
2. workers are free from forced, trafficked and child labour
3. recruitment practices are ethical, legal, voluntary and free from discrimination
4. freedom to change employment is respected
5. working conditions are safe and healthy
6. living conditions are safe, clean and habitable
7. access to documentation and mobility is unrestricted
8. wage and benefit agreements are respected
9. worker representation is respected
10. grievance mechanisms and access to remedy are readily available.

As a new member, we participated in the BR meetings, collaborating and sharing experiences and discussing the main efforts and obstacles. Further, BR working groups are aimed at developing strategies and tools to promote their principles and establish a common, global baseline on safety, security and welfare for all people working in the engineering and construction industry.

We are committed to continuing to collaborate with BR and its member companies and to including the Worker Welfare Principles in our company procedures and practices to decrease human rights risks in the company and along the supply chain.

EMPLOYMENT AGENCIES

19 international personnel employed by agencies were interviewed by phone during their off-duty period to gather input about the management of the recruitment process and all administration practices.

EMPLOYEE HANDBOOK

Following the successful test of the Human Rights risk register in Kuwait in 2020, we generated a specific worker welfare action plan to cover risks associated both with rig operations and specific welfare activities (HSE audits of subcontractors, training of the workforce on human and labour rights, periodic hygiene inspections, meetings on share expectations regarding human and labour rights, etc.).

To spread awareness among employees impacted by these issues in their activities, we prepared and distributed an "Employee Handbook" for 55 Saipem personnel and 33 subcontractor personnel. The handbook, a guide to rules and procedures, includes general information about Kuwait, local security guidelines, local work-related rules and regulations, worker rights, labour laws and applicable project-related HSE procedures.

2-hour training sessions on grievance procedures and human and labour rights were delivered to the entire workforce, including subcontractor personnel.

Two meetings with the management of the main subcontractors were organised to share Saipem's and its client's

expectations for the implementation of personnel welfare procedures and of a planned monitoring system.

PROMOTING A WHISTLEBLOWING SYSTEM FOR HUMAN AND LABOUR RIGHTS

We defined the protection and promotion of human rights as founding principles of our Code of Ethics, and all Saipem's directors, statutory auditors, managers and employees, as well as all those who operate in Italy and abroad to achieve our objectives, shall comply with these principles. They shall also report any conduct that is not in line with these principles, in accordance with the Whistleblowing Reports procedure.

In order to reinforce information on these principles and the whistleblowing system in place for all workers, including subcontractor personnel, we included specific content in the induction training given to anyone who enters Saipem's operational sites. This will allow us to reach all workers, including those of our subcontractors, making them aware of our basic principles on human and labour rights and the system for reporting any possible violations. In addition, specific posters were posted on project sites in selected, accessible locations.

In 2021, this activity was implemented at Onshore E&C projects involving 11 Countries.

TRAINING

Based on the commitments undertaken by the Group as a member of the Global Compact, since 2017 Saipem has implemented a human rights training and awareness raising plan specifically for Human Resources personnel and the managers of companies and branches working abroad, as well as subcontractors, seeking a common and more effective approach to the promotion and respect for human rights.

In 2018, GPS AG, our wholly controlled subsidiary, launched a customised e-learning course on topics such as fighting corruption, social responsibility, integrity, ethical supply chain, health and safety, etc., and to transfer and share Saipem's ethical principles. In 2021, 2 employment agencies in Malaysia and Indonesia were trained with the e-learning course.

An e-learning training programme was developed specifically for people operating in security, launched in 2020 and focused on ethics and compliance issues, including human rights. Since the start of the

programme 110 people were trained, of which 51 during 2021.

TRAINING ON HUMAN RIGHTS AND THE SUPPLY CHAIN

Starting in 2016, we implemented a training programme on "human rights and the supply chain" to train all Saipem procurement functions involved, mainly Vendor Management and the Post Order Functions. The training includes a focus on international standards and our policies, the actions that can be implemented and the role of employees on these critical issues. Training aims to instruct employees who interact directly with vendors on the importance of reporting serious situations they may observe during visits to vendors. The training is delivered mainly via an e-learning platform to reach all Saipem sites worldwide. A total of 804 employees were trained between 2016-2021, covering the entire population of post Order Functions. Starting in 2020, training was available to all new employees entering the Functions involved.

OBJECTIVES FOR 2022

Saipem is continuously committed to protecting and promoting human and labour rights in its business operations further consolidating the tools and

activities carried out in previous years. For 2022, two additional specific objectives have been defined:

Objective 1	Implementation and enforcement of a Vendor code of conduct, to summarise the minimum requirements and expectations.
Objective 2	Achieving SA8000 social accountability certification for Saipem SpA.

This statement was approved by the Board of Directors of Saipem SpA on June 28, 2022.



Saipem SpA
Chief Executive Officer
Francesco Cole

Headquarters: San Donato Milanese (Milan), Italy
Via Martiri di Cefalonia, 67



Società per Azioni
Corporate capital €460,208,914.80 fully paid-up
Economic and Administrative Business Register
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