

CONSOLIDATED NON-FINANCIAL STATEMENT

in accordance with Italian Legislative Decree No. 254 of December 30, 2016

Extract of the Directors' Report
of the Annual Report 2023

CONSOLIDATED NON-FINANCIAL STATEMENT

Methodology, principles and reporting criteria	82
Materiality analysis and content definition	83
Reporting boundary	89
SUSTAINABILITY PLAN	92
RELATIONS WITH STAKEHOLDERS	97
Financial community	97
ESG rating and indexes	97
Clients	98
Institutions and trade associations	98
SAIPEM'S BUSINESS	102
Company profile and key operations	102
Shareholding	102
Company management and organisation model	102
Development of the market scenario and strategy	103
Sustainable activities according to the EU Taxonomy	105
Sustainable development partnerships	113
GOVERNANCE, CONTROL AND RISK MANAGEMENT SYSTEM	115
Governance	115
Governance of business sustainability	116
Incentive system	117
Risk management	118
Internal Control and Risk Management System	119
Internal Audit Function	120
Control activities on non-financial reporting	120
Regulatory System	121
"Model 231 (including the Code of Ethics)"	121
Fighting corruption	122
Reporting suspected violations	124
OPERATE RESPONSIBLY	127
How Saipem's business model creates value	127
Economic value generated and distributed	127
Tax transparency	127
Supply chain management	131
Respect for Human and labour rights	132
Security and cybersecurity practices	134
Cybersecurity	135
CONTRIBUTION TO MITIGATING CLIMATE CHANGE	137
Climate-related risks	137
Climate-related opportunities	138
Analysis of the climate-related scenario	140
Our strategy to support decarbonisation and the energy transition	140
Saipem's Net Zero programme	140
Cooperation with international organisations and associations on the topic of climate change	142
Energy consumption	143
GHG emissions	145
Preserving the air quality	146
PROTECTING THE ENVIRONMENT AND MINIMISING ENVIRONMENTAL IMPACTS	148
Environmental management policies and system	148
Spill prevention and response	148
Water resource management	149
Waste management	153
Biodiversity	154
SOCIAL ASPECTS	157
Social policies and management	157
Relations with the local context	157
The social and economic impact on the territory	158
A sustainable supply chain	159
SAFEGUARDING THE HEALTH AND SAFETY OF PEOPLE	162
Safe operations	162
Asset integrity	163
People safety	164
Leadership in safety and HSE culture	166
HSE training	168
Employee health	168
HUMAN CAPITAL	171
Human resource policies and management	171
Workforce trend	176
Industrial relations	177
Equal treatment and enhancement of differences	178
Pay equity	181
Welfare, worklife balance and wellbeing	183
GRI CONTENT INDEX	184
ANNEX I	194
ANNEX II	198

CONSOLIDATED NON-FINANCIAL STATEMENT

in accordance with Italian Legislative Decree No. 254 of December 30, 2016

This document constitutes the "Consolidated Non-Financial Statement" (hereinafter NFS) of the Saipem Group (hereinafter Group, Saipem, Company) as of December 31, 2023.

The NFS is the report drafted by Saipem to meet the requirements laid down in Articles 3 and 4 of Italian Legislative Decree No. 254/2016, the Italian transposition of European Directive 2014/95/EU. As laid down in Article 5 of Italian Legislative Decree No. 254/2016, the NFS is a separate report within the "Directors' Report", marked by a specific wording to ensure it is clearly identified.

This document reports on the management of non-financial aspects, the Group's policies, its activities, risks and related management methods, the main results and impacts generated in the year in terms of indicators and trend analysis regarding issues indicated by the regulation, namely environmental, social, personnel-related, human rights issues, as well as the fight against active and passive corruption. The document also integrates Saipem's commitment to concretely implementing the relative European Commission guidelines, in order to provide stakeholders with increasingly useful, complete and transparent non-financial information to understand the business of the Company.

GRI 2-3
GRI 2-5
GRI 2-12
GRI 2-13
GRI 2-14

Methodology, principles and reporting criteria

The NFS is drawn up in accordance with Global Reporting Initiative (GRI) Standards, used as reporting standards in accordance with the Legislative Decree No. 254/2016 (see the "GRI Content Index" section). The sector standard GRI 11 "Oil and gas sector 2021" is also applied as main business activity, also taken into account for the determination of material themes and information reported.

In order to guarantee transparency in relation to the Company performance and facilitate the comparability of the data and information provided to stakeholders, the document also considered the indications provided by the Sustainability Accounting Standards Board (SASB) for the identification and publication of the information deemed most significant for creating long-term value for the sector. Considering the diversified operational activities of the Group, the document refers to SASB standards in two different sectors: 1) Extractives & Minerals processing sector - Oil&Gas - Services; 2) Infrastructure sector - Engineering & Construction services.

Saipem renewed its commitment to disclosure for the fifth consecutive year, following recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board, integrating them in the NFS document.

The information given in the NFS refers to the topics provided for in the decree, to material topics identified and the relative indicators, which reflect the relevant economic, environmental and social impacts of the organisation or which could substantially influence the assessments and decisions of the Group's stakeholders. The materiality analysis, updated annually with the direct involvement of the Company's stakeholder representatives, has led to the definition of the contents to be reported. In addition to the material topics, in this document Saipem reports on the additional matters addressed in the Sustainability Plan (Cybersecurity) and indicated by the GRI 11 "Oil and gas sector 2021" Sector Standard (Public Policy and Responsible Taxation Practices).

The NFS refers to other sections of the "Directors' Report" and the "Corporate Governance and Shareholding Structure Report" with regard to the content dealt with in detail therein and in turn it contains information that fulfils the obligations referred to in the first and second paragraphs of Article 2428 of the Italian Civil Code, limited to the analysis of information on staff and the environment. Moreover, the "Report on the Remuneration Policy and Compensation Paid" provides further details on the ESG objectives included in the long-term variable remuneration of Directors, Statutory Auditors and Managers with Group Strategic Responsibilities.

Information on the Company, activities and countries of operation are included in the section "Company profile and key operations" of the present document and in the "Directors' Report".

The NFS is drafted by the Sustainability Reporting function of Saipem SpA, in cooperation with all Saipem SpA functions, companies, operational projects and sites of the Group in charge of the various topics discussed.

Saipem's sustainability reporting system is based on specific procedures that define roles, responsibilities, tasks, information flows and validation process. In addition, the Company avails of specific IT systems to make the process as efficient, automatic, robust and integrated as possible.

The NFS was approved by the Board of Directors of Saipem SpA on March 12, 2024 and published on the website within the timeframe provided by the legislation.

The preparation of the document reports on the wider context of sustainability in which the Company operates, in terms of value chain, of future scenarios, and of sustainable development targets at a global level. The document aims at providing Company's stakeholders with complete information, balanced against expectations, timely and comparable over time and within the sector, as well as accurate and reliable; this is possible through dedicated information collection and management tools and a specific internal control system.

The method of representation of qualitative and quantitative information was chosen in order to provide a document immediately clear and understandable. With reference to the data of 2021 and 2022 reported in this document, there are no changes compared to what was previously published. The section entitled "GRI content Index" contains details of the performance indicators reported in accordance with the adopted guidelines.

With regard to the security of data and information managed by the Company, not exclusively for the purposes of this document, Saipem has adopted security measures to ensure that all technical applications and infrastructure are completely integrated with the security systems for protection against cyber security threats, which also provide additional guarantees for the reporting systems.

The performance indicators were collected yearly and the reporting is carried out over the three years 2021-2023, unless otherwise specified. The information and quantitative data collection process has been organised in such a way as to guarantee comparability over the data and analysis of the trends over a three-year period, in order to enable correct interpretation of the information and a full overview for all the stakeholders interested in the evolution of Saipem's performance. Any changes in the collection methods from the previous year are suitably indicated in the document.

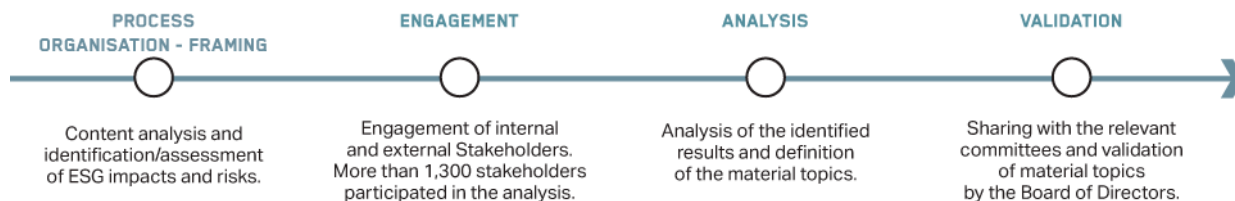
Saipem developed an articulate reporting and disclosure system to respond to stakeholders from different categories and geographical areas. Saipem has also voluntarily published the annual Sustainability Report since 2006. The document is available on the institutional website, along with other issue-specific documents, which we refer the reader to where necessary. Moreover, since 2016 the Company has published a Statement which describes the measures adopted to ensure, as required by the United Kingdom "Modern Slavery Act 2015 - Section 54", that there are no forms of modern slavery, forced labour or human trafficking within the Company or in its supply chain. Voluntarily, the Statement considers the activities of the whole Saipem Group and not only the companies operating in the United Kingdom.

The NFS is subject to specific conformity approval by an independent auditor, unique with respect to the review of the Financial Report, which in a specific and separate report expresses its certification of the conformity of the information provided pursuant to Article 3, section 10 of Legislative Decree No. 254/2016 and of the "Global Reporting Initiative Sustainability Reporting Standards" ("GRI Standards"), identified as reporting standards. The limited assurance did not apply the directives provided by the SASB and information required by EU Regulation 2020/852 on EU Taxonomy as reported in section "Sustainable activities according to the European Taxonomy", "Saipem's Net Zero programme" and in Annex I. The revision is carried out according to the procedures indicated in the section "Independent Auditors' Report" of this document. The Shareholders' Meeting of May 3, 2018, resolved to appoint KPMG SpA as the independent auditors from 2019 to 2027.

This limited review does not extend to information relating to "financial materiality"

Materiality analysis and content definition

The NFS reports on the areas laid down in the Legislative Decree No. 254/2016 deemed to be significant and relevant according to a process that considers the specific activities of Saipem and the interests of all categories of Company stakeholders, as described below. As established by the GRI Standards and in accordance with Saipem procedures, the Company implements a consultation process and analysis on material topics every year. This is aimed at identifying and giving priority to the sustainability aspects of its business that could substantially influence the assessments and decisions of its stakeholders which are considered most significant for the Company itself. The analysis is carried out with the direct involvement of representatives from all the main stakeholder categories (including employees), the Company's management and the Board of Directors.



The determination of impact materiality was carried out in accordance with the provisions of the 2021 GRI Standards. On a voluntary basis, the Group carried out a preliminary determination of financial materiality, in advance of the application that will take place in 2024 of the "double materiality" envisaged by the CSRD and illustrated in this paragraph:

- > the **impact perspective** evaluates the relevance of sustainability issues in terms of impacts on the economy, the environment and people, including those on human rights, connected to Company operations and to the upstream and downstream value chain. Regarding actual impacts, the relevance is assessed based on the severity of the impact, while for potential negative impacts the severity and likelihood of the impact are assessed. As regards potential positive impacts, magnitude and likelihood are assessed;
- > the **financial perspective** evaluates the sustainability aspects that generate risks or opportunities that have or can reasonably be expected to have a significant influence on the development of the Company, on its financial position, economic result, on financial flows, on access to financing or the cost of capital in the short-, medium- or long-term.

The analysis took into account Saipem’s business, the evolution of its business model and strategy, and the operational and sustainability context in order to update the list of ESG topics relating to the Company’s business. Based on assessments of standards and regulatory developments, both mandatory and optional, on reference sector’s benchmarks and on emerging topics on a global level, the Company involved a wide selection of stakeholders in the prioritisation of a selection of topics on the basis of their impact, as assessed by them.

Also in 2023, the materiality analysis integrated, through artificial intelligence, insights from:

- > sustainability and financial reports of 18 clients, 28 competitors and 12 utilities;
- > analysis of 3,783 mandatory initiatives and 1,802 voluntary initiatives;
- > more than 3,800 articles.

Subsequently, some categories of stakeholders were involved.

Materiality view	Type of stakeholder	No. of respondents
Financial materiality	Board of Directors	7
	Senior Managers	275
	Financial community	27
Impact materiality	Clients	20
	Employees	978
	Vendors	22
	Local communities representatives	5
	Business associations	4
TOTAL RESPONDENTS		1,342

A detailed representation of the main impacts determined by Saipem’s operations and their significance can be found in table “Material topics and impacts”. The present document details the management of the aforementioned impacts through a representation of management systems and performances reached in the Company’s operations.

Finally, the materiality analysis is based on a calculation model that gives scores to the different components of the survey and allows to draw up a list of topics with a gradient score. Topics identified as "material" for the year include those with a higher rating. The new material topics that emerged are biodiversity, waste recovery & reduction, the transition to a circular economy, non-hazardous waste management and employee wellbeing. Compared to the material topics identified in 2022, net of the update on the terminology of the topics, the management of data privacy and Cybersecurity were not found to be material in 2023 (topic however included in the NFS as it is present in the Sustainability Plan).

The final results were shared preliminarily with the Sustainability, Scenarios and Governance Committee and with the Control and Risk Committee, and validated during the meeting of December 18, 2023 by the Board of Directors, whose members participated in the materiality analysis.

The topics that emerged from the materiality analysis also become the basis for the update of the Saipem Sustainability Plan, which is taken into consideration for the definition of the four-year strategic plan and of the Company targets and provide useful elements for the integrated risk management process.

The following table represents the material topics that arose during the 2023 consultation and were integrated with the relating commitments of the Company, based on Vision, Mission, corporate Policies and Management System Guidelines.

Material topics	Material topics	Commitment
First level	Second level	
Climate change	GHG emissions; energy; air emissions; transition to renewable energy; climate change risk management; alternative fuels	<p>Saipem Net Zero:</p> <ul style="list-style-type: none"> > Net Zero for Scope 1, Scope 2 and Scope 3 by 2050; > 50% reduction in Scope 1 and 2 emissions by 2035 (based on 2018 GHG emissions); > Carbon neutrality for Scope 2 emissions by 2025.
Biodiversity	Biodiversity	<p>Saipem is aware that biodiversity and ecosystems are the basis of human well-being in the present and future, and that their rapid decline threatens both nature and people.</p> <p>The Company supports the principles of “No net loss of biodiversity”, “No net deforestation” and, where applicable, “Net improvement” and “Net gain” approaches, involving clients, vendors and any other potential partners or actors in the sector, aiming in general to achieve a net positive impact on biodiversity in the company’s operational sites and projects, including by enhancing nature and communities in the areas in which it operates.</p>
Water	Water	Fair and knowledgeable management of water resources focused on maximising the reuse of water where possible and reducing to a minimum water consumption in all operating sites and projects, especially when these are located in areas characterised by a particular scarcity of water.
Accidents and spills	Spills; accidents in operations and assets	Reducing and mitigating the environmental risk associated to oil and chemical spills, guaranteeing the adoption of appropriate prevention and recovery measures.
Waste	Non-hazardous waste management; waste recovery & reduction; transition to a circular economy	Saipem considers the circular economy a relevant and priority topic within its strategy and is committed to minimising the generation of waste, maximising its reuse and recycling and entrusting its transport and disposal to vendors in line with our environmental standards. The Company promotes and implements measures, also through the research and development of new materials, which allow hazardous materials to be replaced with non-dangerous alternatives.
Community development	Community development	Working responsibly and cooperating with stakeholders to create shared value, while constantly minimising the potential negative impacts the operations and presence of the Company could produce.
Human rights	Human rights; security practices	<p>Respecting international best practices on the subject of human and labour rights and monitoring their compliance. Cooperating with vendors to contribute to the development of their own business sustainability and to reduce/minimise sustainability risks within the supply chain.</p> <p>Building and developing an integrated security model fully embedded in business processes and aligned with company values and applicable legislation in order to:</p> <ul style="list-style-type: none"> > provide a safe and secure workplace and protect all employees, subcontractors and third parties; > protect all Company information and know-how; > protect the integrity and reputation of management and stakeholders.
Labour rights	Labour rights; supply chain management	Respecting international best practices on the subject of human and labour rights and monitoring their compliance. Cooperating with vendors to contribute to the development of their own business sustainability and to reduce/minimise sustainability risks within the supply chain.
Safe workplace	Occupational health and safety; asset integrity	<p>Implementing measures to prevent injuries, negative health impacts and damage to assets.</p> <p>Designing and implementing initiatives to provide the knowledge and skills needed to enable everyone to do their job safely.</p> <p>Continuously improving the way the Company works, the efficiency of procedures and our management system, in line with the highest international standards and through digital transformation and innovation of processes, to be able to meet future challenges.</p> <p>Protecting the health of workers and guaranteeing the continuity of health services and, more generally, the continuity of the Company’s operations in the various areas of the world, with particular reference to the health management of the pandemic with the aim of reducing its impact.</p> <p>Cooperating with vendors to contribute to the development of their own business sustainability and to reduce/minimise sustainability risks within the supply chain.</p>
Health	Public health	<p>Maximum attention to identifying and assessing risks relating to people’s health, in order to adopt quick and effective mitigation measures.</p> <p>Protecting the health of staff and all people influenced by the Company’s activities, taking into account both activities in execution and planned, and specific criticalities or vulnerabilities in operational scenarios.</p>
Diversity and inclusion	Fair and inclusive work environment	Promoting the strengthening of an inclusive company culture.
Sustainable employment	Employee development; employee wellbeing, talent acquisition & retention	Maintaining an alignment between employee skills and business requirements, guaranteeing its people’s well-being, and improving the Company’s image in order to retain and attract talented people.
Business ethics	Business ethics; responsible operations; fair competition	Operating in conformity with the best ethical business practices.

The following table “Material topics and impacts” lists and describes the main impacts linked to the material topics, including their assessment.

Material topics and impacts

Material topics First level	Material topics Second level	Main impacts	Nature	Time horizon	Magnitude
Climate change	GHG emissions; energy; air emissions; transition to renewable energy; climate change risk management; alternative fuels	Acceleration of the transition to other efficient technologies aimed at reducing energy consumption and promoting renewable sources	+	Short term	Medium
		Increase in emissions (CO ₂ , climate-changing, pollutants) due to operational activities or along the value chain	-	Short term	Medium
		Improvement of cultural and environmental awareness (thanks to initiatives meant for civil society and participation in research, studies and partnerships)	+	Medium term	Medium
Biodiversity	Biodiversity	Improvement of cultural and environmental awareness (thanks to initiatives meant for civil society and participation in research, studies and partnerships)	+	Medium term	Medium
		Impacts on biodiversity due to operational activities/projects	-	Short term	High
Water	Water	Promotion of wastewater treatment and reuse	+	Short term	Medium
		Decay of ecosystem services due to the withdrawal of natural water resources (e.g. in water-stressed areas)	-	Short term	Medium
Accidents and spills	Spills; Accidents in operations and assets	Contribution to the improvement of technologies, skills and company preparation with a view to preventing spills	+	Short term	Medium
		Adverse impacts on human health or the environment due to leaks, spills and discharges of substances	-	Short term	Low
Waste	Non-hazardous waste management; waste recovery & reduction; transition to a circular economy	Negative impacts on human health or the environment due to waste produced by operational activities/projects if not disposed of responsibly	-	Short term	High
Community development	Support and development of communities	Increased well-being and local development for host communities thanks to the improvement of local infrastructure and the increase in tax revenue in the countries of operation	+	Medium term	Medium
		Increased cultural awareness on sustainability issues in the local contexts in which Saipem operates	+	Medium term	Medium
		Development of the local market (and local vendors) following the acquisition of projects in remote areas	+	Short term	Medium
		Impacts on the traditional socio-economic/cultural context due to Saipem's presence and activities in the area	-	Short term	High
Human rights	Human rights; Security practices	Increase in awareness and knowledge of human and labour rights, including in countries where dialogue with workers is not guaranteed	+	Short term	Medium
		Violation of human and workers' rights following non-compliance with decent working conditions along the supply chain and/or value chain and following security practices that do not comply with the law	-	Short term	Low
Labour rights	Labour rights; supply chain management	Violation of human and workers' rights following non-compliance with decent working conditions along the supply chain and/or value chain and following security practices that do not comply with the law	-	Short term	Low
		Contribution to the development of skills and opportunities in local contexts	+	Medium term	Medium
		Spreading ESG awareness and culture	+	Short term	Medium
		Increase in awareness and knowledge of human and labour rights, including in countries where dialogue with workers is not guaranteed	+	Short term	Medium
Safe workplace Climate change and safety	Occupational health and safety GHG emissions; energy; air emissions; transition to renewable energy; climate change risk management; alternative fuels	Contribution to technological improvement and innovation of HSE practices	+	Medium term	Medium
		Increase in the health and safety culture and living conditions of local communities	+	Medium term	Medium
		Impacts on people's health and the environment due to unexpected damage to assets and/or exposure to risk factors associated with the nature and context of the activities carried out	-	Short term	Low
		Acceleration of the transition to other efficient technologies aimed at reducing energy consumption and promoting renewable sources	-	Short term	Low

Material topics First level	Material topics Second level	Main impacts	Nature	Time horizon	Magnitude
Health	Public health	Increase in the health and safety culture and the living conditions of local communities in the territories in which Saipem operates, thanks to local partnerships and collaborations	+	Medium term	Medium
		Contribution to technological improvement and innovation of HSE practices thanks to relationships with various academic institutions and participation in sector associations	+	Medium term	Medium
		Impacts on people's health and the environment due to unexpected damage to assets and/or exposure to risk factors associated with the nature and context of the activities carried out	-	Short term	Low
Diversity and inclusion	Fair and inclusive work environment	Increase in diversity, equity and inclusion by promoting and strengthening an inclusive culture	+	Medium term	High
		Non-balance of the male/female workforce at local level due to less attractiveness for women because of the nature of Saipem activities	-	Long-term	Low
Sustainable employment	Employee development; talent acquisition & retention; employee wellbeing	Increase in worker well-being through the welfare tools offered	+	Short term	High
		Increase in diversity, equity and inclusion by promoting and strengthening an inclusive culture	+	Medium term	High
		Contribution to training, increase in hard and soft skills	+	Short term	High
		Non-balance of the male/female workforce at local level due to lower attractiveness for women because of the nature of Saipem activities	-	Long-term	Low
Business ethics	Business ethics; responsible operations; fair competition	Reduction of illicit practices in the areas of operation thanks to enforcement actions	+	Medium term	Medium
		Dissemination of best practices/procedures in the legal field also oriented towards sustainability issues	+	Medium term	Medium

The quantification model is in line with the metrics of the Integrated Risk Management process.

The extent of an **actual positive impact** depends on the scale and scope of the impact itself, while the extent of a **potential positive impact** depends both on the scale and scope of the impact itself and on its likelihood.

The extent of an **actual negative impact** depends on the severity of the impact itself (scale, scope and irremediable character), while the extent of a **potential negative impact** depends on both its severity and its likelihood. All negative impacts that can be linked to human rights have had a further multiplication factor in order to make severity prevail over likelihood as indicated by the GRI. The magnitude considers the mitigation actions implemented by the Company which are described in the various paragraphs of the NFS.

Below, in the "Material topics and risks" table, they are associated to material topics and related potential financial effects.

Material topics and risks

Material topics First level	Material topics Second level	Main risks	Potential financial impacts
Climate change	GHG emissions; energy; air emissions; transition to renewable energy; climate change risk management; alternative fuels	Strategic - Competitive positioning Strategic - Emerging ESG trends (energy transition) Strategic - Market trends Strategic - Technological innovation and intellectual property Asset Management - Availability of suitable assets and disposal (fleet and sites) Country - Natural events/severe environment HSE - Operational, asset and transport incidents HSE - Environmental incidents (including pollution) Partnership - Other 3 rd party and stakeholder relations	Evolution or change in the competitive context, increase in market competitiveness, adequate competitive positioning of Saipem (in terms of energy transition/renewable projects and use of alternative fuels; long-term value creation and support for the local economy). Evolution of regulations regarding climate change and energy transition (e.g. greenhouse gas emissions and reduction, energy use and efficiency, use of alternative fuels, etc.). Possible fluctuation in demand and clients' orders (energy transition/renewable/infrastructure projects, use of alternative fuels and energy efficiency). Evolution of the technological scenario and launch of innovative technologies on the market. Management and protection of the intellectual properties of the Company or third parties in new technologies application (in terms of energy transition technologies, use of alternative/new fuels, support tools for the mitigation of air emissions). Availability of fleets, yards, vessels, vehicles, services or infrastructure for project execution. Effects on activities, resources or people due to natural/meteorological events/harsh environments. Operations and asset integrity.

Material topics First level	Material topics Second level	Main risks	Potential financial impacts
Biodiversity	Biodiversity	Strategic - Emerging ESG trends (energy transition) Country - Natural events/difficult environment	Evolution of regulations relating to other environmental issues (for example, biodiversity, pollution, etc.). Effects on activities, resources or people due to natural/meteorological events/harsh environments.
Water	Water	Strategic - Emerging ESG trends (energy transition)	Evolution of regulations on environmental issues.
Accidents and spills	Spills; Accidents in operations and assets	HSE - Health and safety HSE - Environmental incidents (including pollution) HSE - Logistics activities and incidents Country - Environmental restrictions/difficult environment	Occupational health and safety management system and potential impacts on the health of workers and people living near Saipem industrial sites. Effects on biodiversity, forests and water resources due to Saipem's activities, correct management of natural resources and waste. Ability to meet environmental/emissions targets. Asset functioning and integrity. Effects on activities, resources or people due to adverse natural/meteorological events/environmental events.
Waste	Non-hazardous waste management; waste recovery & reduction; transition to a circular economy	Strategic - Emerging ESG trends (energy transition)	Evolution of regulations on environmental issues.
Community development	Support and development of communities	Country - Local content/limits Partnership - Other 3 rd party and stakeholder relations HSE - Environmental incidents (including pollution)	Contribution to the local economy, impact on long-term value creation and community relations. Relations with stakeholders and partners. Effects on biodiversity, forests and water resources due to Saipem's activities; correct management of natural resources and waste. Ability to meet environmental/emissions targets.
Human rights	Human rights; Security practices	Compliance - Integrity Country - Social and political instability/geopolitical context Strategic - Emerging ESG trends (Social)	Ethical behaviour or fraudulent activities committed by employees, vendors and third parties as part of Saipem's activities. Global and local security; changes in the geopolitical scenario; events that impact political, social and economic stability.
Labour rights	Labour rights; supply chain management	People - Turnover and availability of resources (and know-how) Litigations - Other litigations (e.g. labour)	Align the skills portfolio with the business and its new long-term positioning (including diversity objectives). Ability to attract talented profiles from the labour market, to retain key skills internally and to develop and manage adequate succession plans. Labour litigations.
Safe workplace	Occupational Health and Safety	HSE - Health and safety People - Know-how and skills Strategic - Technological innovation and intellectual property	Occupational health and safety management system and potential impacts on the health of workers and people living near Saipem industrial sites. Align the skills portfolio with the business and its new long-term positioning (including diversity objectives). Evolution of the technological scenario and launch of innovative technologies on the market. Management and protection of the intellectual properties of the Company or third parties in new technologies application (in terms of energy transition technologies, use of alternative/new fuels, support tools for the mitigation of air emissions).
Health	Public health	HSE - Health and safety Other external contexts - Biological/Pandemic	Occupational health and safety management system and potential impacts on the health of workers and people living near Saipem industrial sites. Start of pandemics or epidemics and new pathologies in the country in which Saipem operates.
Diversity and inclusion	Fair and inclusive work environment	People - Turnover and availability of resources (and know-how) Strategic - Emerging ESG trends	Ability to attract talented profiles from the labour market, to retain key skills internally and to develop and manage adequate succession plans. Evolution of social regulations (human rights, diversity and inclusion, etc.).
Sustainable employment	Employee development; talent acquisition & retention; employee wellbeing	People - Turnover and availability of resources (and know-how)	Align the skills portfolio with the business and its new long-term positioning (including diversity objectives). Ability to attract talented profiles from the labour market, to retain key skills internally and to develop and manage adequate succession plans.

Material topics First level	Material topics Second level	Main risks	Potential financial impacts
Business ethics	Business ethics; responsible operations; unfair competition	Compliance - Integrity Compliance - Corruption Partnership - Other 3 rd party and stakeholder relations Supply Chain - Vendors/subcontractors performance Supply chain - Vendor/subcontractor performance	Ethical behaviour or fraudulent activities committed by employees, vendors and third parties as part of Saipem's activities. Relations with stakeholders and partners. ESG performance of vendors/subcontractors and compliance with contractual requirements.

Reporting boundary

As prescribed by Italian Legislative Decree No. 254/2016, the NFS contains the information and performance indicators for Saipem SpA and the fully consolidated subsidiaries as described in section "Structure of the Saipem Group". These indicators are marked by the wording "Full consolidated".

To ensure the understanding of the Company's activities, progress, results and the impact it has produced, i.e. to provide the information necessary to ensure the understanding of the activities of the whole Saipem Group, and also to guarantee the comparability of its performance in relation to the information published in other corporate documents, in addition to the companies consolidated boundary (referred to as the "consolidated boundary" in this document), the indicators are also given with a broader reporting boundary, including subsidiaries that are not fully consolidated and those in joint operation, joint control or affiliated companies in which Saipem has control over the operations. These indicators are marked by the wording "Group Total".

Unless otherwise specified, the "Group Total" data corresponds to the "Fully Consolidated" perimeter, as some issues are managed centrally and all data falls within the "Fully Consolidated" perimeter.

Any changes in the reporting boundary from the previous year are described in the "Changes in consolidation scope" section of the "Annual Report".

As regards the safety data, these are accounted for separately for Saipem and its subcontractors. On the other hand, environmental indicators also include the data for subcontractors operating on Saipem and partner sites in activities where Saipem is responsible for HSE management. Please also note that companies that do not have significant business activities are excluded from relations with local stakeholders.

The reporting process for the indicators reported in the present document is based on a capillary collection per single site/operational project, with peculiarities given by the management model of the topics to which they refer, in order to allow consistent and complete monitoring and control by the responsible functions of the different areas and at all hierarchical and geographical levels. Those indicators that by characteristics inherent to their management model have an exclusively centralised origin of data, are here excluded.

For a description of the risks identified by the Company in relation to the five areas for discussion laid down in Legislative Decree No. 254/2016 and the topics identified as material for the Company, in addition to what explained in the specific sections of the NFS, reference is also made to the "Risk management" section of the "Directors' Report" for a more complete description integrated into Saipem's overall Integrated Risk Management system and that of its subsidiaries.

For policy description, reference for each topic is included in the specific section, where the management system is described.

CORRESPONDENCE TABLE

Areas laid down in D.Lgs. No. 254/2016	Material topics First level	Material topics Second level	GRI Sector Standards	GRI Standards	NFS sections
Company management and organisation model Article 3.1, subsection a Policies Article 3.1, subsection b				GRI 2: General Disclosures 2021 GRI 201: Economic Performance 2016 GRI 204: Procurement Practices 2016	Company management and organisation model Company profile and key operations Governance of business sustainability Economic value generated and distributed Supply chain management
Environmental topics: - environmental impacts Article 3.2, subsection c - energy and emissions Article 3.2, subsection a; Article 3.2, subsection b - water resources Article 3.2, subsection a	Climate change	GHG emissions; energy; air emissions; transition to renewable energy; climate change risk management; alternative fuels	Topic 11.1 GHG Emissions Topic 11.2 Climate adaptation, resilience, and transition Topic 11.3 Air emissions	GRI 201: Economic Performance 2016 GRI 302: Energy 2016 GRI 305: Emissions 2016 GRI 416: Customer Health and Safety 2016	GHG emissions Preserving the air quality
	Biodiversity	Biodiversity	Topic 11.4 Biodiversity	GRI 304: Biodiversity 2016	Biodiversity
	Water	Water	Topic 11.6 Water and effluents	GRI 303: Water and Effluents 2018	Water resource management
	Accidents and spills	Spills; Accidents in operations and assets	Topic 11.8 Asset integrity and critical incident management	GRI 306: Effluents and Waste 2016	Spill prevention and response
	Waste	Non-hazardous waste management; waste recovery & reduction; transition to a circular economy	Topic 11.5 Waste	GRI 306: Waste 2020	Waste management
Human resources management Article 3.2, subsection d Impacts on health and safety Article 3.2, subsection c	Labour rights	Labour rights; supply chain management	Topic 11.10 Employment practices Topic 11.13 Freedom of association and collective bargaining	GRI 401: Employment 2016 GRI 402: Labour/Management Relations 2016 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non discrimination 2016 GRI 413: Local Communities 2016 GRI 414: Supplier social assessment 2016 GRI 416: Customer health and safety 2016	Human resource policies and management Equal treatment and enhancement of differences
	Safe workplace	Occupational health and safety; asset integrity	Topic 11.9 Occupational health and safety Topic 11.3 Air emissions	GRI 305: Emissions 2016 GRI 403: Occupational Health and Safety 2018 GRI 416: Customer health and safety 2016	Safeguarding the health and safety of people
	Health	Public health	Topic 11.9 Occupational health and safety	GRI 403: Occupational Health and Safety 2018	Safeguarding the health and safety of people
	Diversity and inclusion	Fair and inclusive work environment	Topic 11.11 Non-discrimination and equal opportunity	GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labour/Management Relations 2016 (not included in the GRI) GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non discrimination 2016	Local content (in Country Value) Equal treatment and enhancement of differences Human resource policies and management Safeguarding the health and safety of people Governance of business sustainability Reporting suspected violations

Areas laid down in D.Lgs. No. 254/2016	Material topics First level	Material topics Second level	GRI Sector Standards	GRI Standards	NFS sections
Human resources management Article 3.2, subsection d Impacts on health and safety Article 3.2, subsection c	Sustainable employment	Employee development; employee wellbeing; talent acquisition & retention	Topic 11.10 Employment practices Topic 11.9 Occupational health and safety	GRI 401: Employment 2016 GRI 402: Labour/Management Relations 2016 GRI 403: Occupational Health and Safety GRI 404: Training and Education 2016 GRI 414: Supplier Social Assessment 2016	Equal treatment and enhancement of differences Human resource policies and management
Social aspects Article 3.2, subsection d	Community development	Support and development of communities	Topic 11.14 Economic impacts Topic 11.15 Local communities Topic 11.17 Rights of Indigenous peoples	GRI 201: Economic performance 2016 GRI 202: Market Presence 2016 GRI 203: Indirect Economic Impacts 2016 GRI 204: Procurement Practices 2016	Local content (in Country Value) Creation of sustainable value over time Supply chain management A sustainable supply chain Security practices
Respect for human rights Article 3.2, subsection e	Human rights	Human rights; security practices	Topic 11.12 Forced labour and modern slavery Topic 11.18 Conflict and security	GRI 409: Forced or Compulsory Labour 2016 GRI 410: Security Practices 2016 GRI 414: Supplier Social Assessment 201	Reporting suspected violations Saipem people and all subsections. Respect for Human and labour rights Security and cybersecurity practices
Fighting corruption Article 3.2, subsection f	Business ethics	Business ethics; responsible operations; fair competition	Topic 11.19 Anti-competitive behaviour Topic 11.20 Anti-corruption	GRI 205: Anti-corruption 2016 GRI 206: Anticompetitive behaviour 2016	Fighting corruption

SUSTAINABILITY PLAN

The section summarises the 2023 results of the objectives set, also including the objectives of the Saipem 2023-2026 Sustainability Plan approved by the Board of Directors in September 2023, and the main new objectives.

The four-year "Our Journey to a Sustainable Business" Sustainability Plan was drawn up with the aim of implementing an integrated strategy that combines the business and financial objectives of the Plan with a set of ESG factors. It sets out the commitments undertaken by the Company in the Sustainability Policy in terms of qualitative and quantitative objectives measurable over time, in order to create value for all stakeholders in the short and long term.

The annual update of the Sustainability Plan is guided by the results of the materiality analysis, as well as by the evolution of the international context and by the inputs and requests of stakeholders, such as customers and the financial community. The objectives defined in the Plan contribute to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, in particular to 12 SDGs which are more pertinent to Saipem's business and in line with the Group's strategic guidelines.

The Plan is divided into 3 pillars including the various strategic ESG areas, indicating specific objectives and related implementation programmes for each: 1) Net Zero, 2) Carbon Neutral Project, 3) Biodiversity and pollution prevention, 4) Sustainable employment, 5) Diversity and inclusion, 6) Health and safety, 7) Local impact, 8) Responsible supply chain, 9) Business ethics, 10) Cybersecurity, 11) Digital and Innovation.

The following table shows with the indication **[Incentive scheme]** the **objectives within which the targets of the management's short and long-term variable incentive plan were defined.**

CLIMATE CHANGE MITIGATION & ENVIRONMENT PROTECTION

MATERIAL TOPIC

CLIMATE CHANGE

ACCIDENTS AND SPILLS

BIODIVERSITY

WASTE

WATER

CONTRIBUTION TO THE SDGS



2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
GHG emissions avoided through energy management initiatives (38 kt of CO ₂ eq for 2023 and 138 kt of CO ₂ eq for the period 2023-2025) [Incentive scheme]	47 kt of CO ₂ eq avoided through energy management initiatives	■	GHG emissions	Extended to 2027
GHG emissions offsetting thanks to Saipem's offsetting strategy (250 kt of CO ₂ eq for the period 2023-2025) [Incentive scheme]	100 kt of CO ₂ eq acquired, of which 70 kt from REDD+ projects in carbon credits	■	Saipem's Net Zero programme	New targets in new objectives
Carbon Neutrality for Scope 2 by 2025: activate the purchase of 100% renewable energy, preferably certified, in all offices, where applicable (including I-REC certificates) and offsetting the remaining share of emissions	Finalised an offsetting credit agreement with 3 companies and purchases (see objective above)	■	Saipem's Net Zero programme	Confirmed
Assess introduction of an internal carbon price shadow in investment decision-making processes (2024*)	Ongoing analysis	■	Saipem's Net Zero programme, sub-paragraph Internal Carbon Pricing	Extended to 2024
Systematise the mapping of operating sites in areas sensitive to biodiversity in 2023	Mapping of Saipem operational sites in sensitive areas according to IUCN categories for biodiversity and according to the UNESCO World Heritage List of Protected Areas for Biodiversity with Geographic Information System (GIS)	■	Biodiversity	-

2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Map the operating sites of the main suppliers in biodiversity sensitive areas by 2025	Definition of a list of significant suppliers and ongoing analysis through external partners	■	Protecting the environment and minimising environmental impacts, biodiversity	Confirmed
Continue spill mapping and risk analysis with 2 new Oil Spill Mappings and Risk Assessments in the ABSER Business Line in 2023	Implementation of 2 new Oil Spill and Risk Assessments	■	Protecting the environment and minimising environmental impacts. Spill prevention and response	-
Continue efforts to reduce waste and increase the types of recyclable waste sent for recycling in 2023**	Maintaining 100 per cent recycled waste types at most applicable sites	■	Protecting the environment and minimising environmental impacts. Waste management	-

(*) Target extended to 2024.

(**) Target year brought forward from 2026 to 2023.

New goals

Listed below are the main new objectives defined in the 2024-2027 plan.

- Renewal of third-party certification for the Net Zero program (2024)
- GHG emissions avoided thanks to energy management initiatives (47 kt of CO₂ eq for 2024) **[Incentive scheme]**
- GHG emissions avoided thanks to energy management initiatives (163 kt of CO₂ eq for 2024-2026) **[Incentive scheme]**
- GHG emissions offsetting thanks to Saipem's offsetting strategy (250 kt of CO₂ eq for the period 2024-2026) **[Incentive scheme]**
- Structure a transformation programme to strengthen partnerships with clients and vendors, improve traceability of emissions of acquired goods and services' emissions, to redesign a resilient and transparent Supply Chain in compliance with CBAM (Carbon Border Adjustment Mechanism) regulation in anticipation of regulatory evolution (2024-2025)
- Continue participating in the SAF programme (2024-2027)
- Issuance of corporate criteria/guidelines for the selection of offset portfolio projects (2024-2025)
- Set interim targets for the period on Scope 3 greenhouse gas emissions (2026)
- Map clients' emissions (2024)
- Certification of a sustainable event in line with UNI EN ISO 20121:2012 (2026)
- Organisation of 2 low impact events with emissions offsetting in Milan and Fano, Italy (2024)
- Installation of a potable water system on board the FDS (2024)

The objectives still active, also listed in previous versions of the plan, have been maintained or updated according to the "Plan 2024-2027" column.

PEOPLE CENTRALITY

SAIPEM MATERIAL TOPIC

SAFE WORKPLACE

HEALTH

LABOUR RIGHTS

DIVERSITY & INCLUSION

SUSTAINABLE EMPLOYMENT

HUMAN RIGHTS

CONTRIBUTION TO THE SDGS



2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Maintain a TRIFR and HLFRR no higher than the average of the last 5 years each year until 2026. For 2023, the average of the last 5 years' TRIFR is 0.43 and HLFRR is 0.98 [Incentive scheme]	In 2023, the TRIFR stood at 0.32 and the HLFRR at 0.74	■	People safety	Confirmed by new targets in the "New objectives" section

2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Maintain a TRIFR and HLFRR for subcontractors no greater than the 5-year average for each year through 2026. For 2023, the average of the last 5 years of the TRIFR corresponds to 0.32 and stands at 0.57 for HLFRR	The TRIFR as a whole was 0.23 while HLFRR was 0.44	■	Safeguarding the health and safety of people	Confirmed by new targets in the "New objectives" section
Involve corporate management in LiHS	In 2023, 750 managers took part in the LiHS Workshop	■	Safeguarding the health and safety of people	The objective for 2027 is included in the "New objectives" section
Implement innovative actions to further strengthen the safety performance: such as the Fire Prevention Campaign in 2023	In 2023, initiatives aimed at promoting safety in the workplace were implemented	■	Safeguarding the health and safety of people	The objective for 2027 is included in the "New objectives" section
Identify innovation initiatives aimed at eliminating the risk of working at heights and falling objects by 2025	The "Safety Step up" project was continued in 2023 to identify innovation initiatives	■	Safeguarding the health and safety of people	Maintained
Implementation of the "Digital Permit to Work" (E-PTW) on board 100% of the Saipem fleet by 2026	In 2023, 32% of the Saipem fleet had the Digital Permit to Work on board. The implementation of E-PTW on board the Saipem fleet is going on	■	Safeguarding the health and safety of people	Target modified
Improve the efficiency and use of telecardiology services	In 2023, the use rate was 75% of the identified sites	■	Safeguarding the health and safety of people	-
Extend application of telehealth services (2023-2026)	In 2023, telepsychology and teledermatology services were defined and launched in all selected sites	■	Employee health	-
Launch initiatives for employee health on the following topics: mental health, cardiovascular risk prevention and healthy eating in the 2023-2026 period	In 2023, 14 events were carried out on topics such as diabetes, cancer, hepatitis	■	Employee health	Maintained
Set up Smart Clinics for Fano and Arbatax sites in the 2023-2026 period	The activities for the Smart Clinic in Fano are underway	■	Employee health	Confirmed
Implement a methodology to identify countries in which to launch health related sustainability initiatives in the 2023-2026 period	A methodology has been developed in 2023 and is being applied in projects in India and Indonesia	■	Industrial relations	-
Reviewing and updating the contents of the "Si viaggiare" application for public health services	The application has been updated	■	-	Completed
Launch of the 'Fondo Nuove Competenze' training project for all Saipem Italy employees, with the aim of involving 50% of employees	Training activities were implemented and concluded, involving 85% of the target employees	■	Industrial relations	Completed
Introduction of an onboarding programme for new employees	Training, mentoring and job rotation for new recruits was introduced	■	Human Capital	Completed
Ensure continuation of the "Sinergia Programme"	The programme continued involving five high schools	■	Human Capital	Completed
Implementation of certified Project Management training courses by the Saipem Academy	76 project management diplomas were delivered.	■	Human Capital	Completed
Definition of a set of KPIs on Diversity & Inclusion to guarantee the ongoing monitoring of that topic in 2023	A set of KPIs has been defined	■	Industrial relations	Completed
Prepare a feasibility study for a "Global Employment Guideline" in 2023	Feasibility study carried out	■	Equal treatment and enhancement of differences	Completed
Increase the number of women with STEM backgrounds employed by Saipem SpA by 2025 [Incentive scheme]	Activities were developed with universities and the "Role Model" project was continued	■	Equal treatment and enhancement of differences	Confirmed
Obtain Gender Equality certification in line with Italian Reference Practice No. 125:2022 in 2023	Certification was obtained in November	■	Equal treatment and enhancement of differences	Completed

2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Maintain ISO 30415 - Human Resource Management Diversity and Inclusion certification in 2023	The certificate was maintained	■	Equal treatment and enhancement of differences	Confirmed
Adopt a Gender Equality criterion in the recruitment process for structural positions in 2025 [Incentive scheme]	The criteria for the recruiting process have been defined	■	Equal treatment and enhancement of differences	Confirmed

New goals

Listed below are the new objectives defined in the 2024-2027 plan.

- > Maintain a TRIFR and HLFRR no greater than the 5-year average each year through 2027. For 2024, the average of the last 5 years of the TRIFR corresponds to 0.41 and stands at 0.92 for HLFRR **[Incentive Scheme]**
- > Maintain a TRIFR and HLFRR for subcontractors no greater than the 5-year average for each year through 2027. For 2024, the average of the last 5 years of the TRIFR corresponds to 0.29 and stands at 0.55 for HLFRR
- > Develop and deliver a new HSE training initiative based on Human Performance principles (2027)
- > Strengthen the leadership of Saipem and its partners in the safety field through engagement initiatives with key stakeholders such as clients and suppliers (2027)
- > Launch of new medical check-ups for selected segments of Italian employees (2024)
- > Introduction of the Hepatitis C Virus screening test in protocols (2027)
- > Adoption of a Global Employment guideline (2025)
- > Launch of a mentoring programme (2024)
- > Parental Onboarding programme: feasibility study (2024) and implementation (2026)
- > Completion of the first edition of the HSE Master and launch of a new edition (2024)
- > Launch of the Saipem ITS (Istituto Tecnico Superiore) in the Marche region, Italy (2026)
- > Participation in the launch of the "Centro Orientamento Nazionale" in Italy (2026)
- > Maintenance of SA8000 certification (2024)
- > Human rights risk assessment on all operations sites (2024)

The objectives still active, also listed in previous versions of the plan, have been maintained or updated according to the "Plan 2024-2027" column.

VALUE CREATION

SAIPEM MATERIAL TOPIC

BUSINESS ETHICS
HUMAN RIGHTS
CLIMATE CHANGE

COMMUNITY DEVELOPMENT
LABOUR RIGHTS

CONTRIBUTION TO THE SDGS



2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Extend the number of suppliers registered in Open-es and strengthen information and data available on the platform (2023-2026)	Onboarding was carried out for about 800 international suppliers involved	■	Saipem's Net Zero programme	The Open-es platform was adopted for the vendor qualification process
Extend the number of suppliers registered in Carbon Tracker and strengthen information and data available on the platform (2023-2026)	In June 2023, one meeting was carried out with 250 suppliers, in addition 30 one-to-one meetings were carried out with as many suppliers	■	Saipem's Net Zero programme	Confirmed
Increase awareness on human and labour rights issues with Saipem's main contractors in 2023	70% of the target suppliers participated in the training	■	A sustainable supply chain	Confirmed on new target vendors
Conduct (desktop) audits on Saipem suppliers on human and labour rights 2023	Audits were carried out on 10 main suppliers	■	A sustainable supply chain	New objective with updated target
Strengthen skills on sustainability in the Supply Chain function through specific training by 2024	A pilot training was delivered to 39 resources.	■	Respect for Human and labour rights	Confirmed

2023-2026 Goals	2023 Results	Status	Reference	2024-2027 Plan
Carry out new market surveys to identify possible environmental requirements applicable to procurement processes in the 2023-2026 period	2 new market surveys were carried out on equipment for our fleet and a survey on contracting services	■	Respect for Human and labour rights	Confirmed
Strengthen the supplier qualification process on ESG issues when updating the company qualification system (2023)	In the process of completion following decision to join, by invitation, the Open Es platform for the ESG part of supplier qualification	■	A sustainable supply chain	Objective nearing completion
Continue the training activity on Anti-Corruption and 231 Compliance for at risk personnel, with 100% coverage of the countries included in the training plan in 2023 [Incentive scheme]	Training was carried out for 18 countries and an update was performed for 2 countries	■		Objective confirmed with updated target
Implement a job rotation program for recent graduates to ensure they make experience in Control and Compliance Functions by 2025 [Incentive scheme]	The implementation of the programme involving 16 new recruits has begun	■	Human Capital	Confirmed
Maintain the "detection and response" process in accordance with ISO/IEC 27001 with the confirmation of the certification in 2023	Certification confirmed in February 2023.	■		New objective with updated target to obtain new certification
Continue the public health initiatives, for example those linked to preventing malaria and promotion and awareness of health topics in 2023	Numerous health promotion initiatives were organised in the region, including malaria prevention	■		New objective with updated target
Develop a methodology to monitor the effectiveness of initiatives on the ground in the 2023-2026 period	A methodology has been developed and will be applied to the initiatives planned for 2025	■		Maintained
Implement a biodiversity protection initiative ("Seabin initiative" pilot project) in 2023	Activity completed	■		New objective with updated target

■ Target achieved or, for objectives in 2024-2025-2026, underway as per plan.

■ Target partially reached or in progress.

New goals

Listed below are the new objectives defined in the 2024-2027 plan.

- Increase in the number of suppliers on the Carbon Tracker platform: 800 vendors by 2026
- Adopt minimum environmental requirements in purchasing processes: launch of 2 new market surveys (2024)
- Training of supply chain personnel on ESG issues (2024)
- Conduct human and labour rights audits of suppliers and employment agencies (11 audits) (2024)
- Awareness-raising initiatives on human and labour rights, involving 50% of key subcontractors in high-risk countries (2024)
- Implement the 2024 Local Community Initiatives Plan as planned
- Installation of a new seabin in the Arbatax area, Italy, and renewal of the seabin installed in 2023 in Venice, Italy (2024)

RELATIONS WITH STAKEHOLDERS

GRI 2-29



Pursuing a constant dialogue and sharing objectives with all stakeholders are the means through which it is possible for the Company to create shared value. The approach developed by Saipem over time aims to ensure open and transparent relations between all parties involved, promoting positive and mutually advantageous interactions in relations with all of its stakeholders, including local ones, in the territories in which Saipem operates.

The principles and responsibilities at the basis of Saipem’s stakeholder engagement process are defined in the "Stakeholder Engagement" Management System Guideline, a corporate governance tool applied to the entire Group, the relations with the stakeholders in line with the cornerstones of the Group’s Sustainability Policy, available on the company intranet.

The stakeholder engagement process is structured as follows:



To identify material topics, stakeholder engagement is a key element (refer to the "Materiality analysis and content definition" section for information on the type and number of stakeholders involved in the process). Below are listed the main categories of stakeholders of the Company, the engagement approach adopted and the main engagement activities implemented.

Financial community

The Company is committed to maintaining a continuous dialogue with its financial community, to which it guarantees maximum transparency and fair access to confidential information. Individual shareholders can liaise directly with the Company Secretariat.

Non-financial information is increasingly analysed by investors and the financial market, who look more analytically at the ability of a company to develop sustainable business strategies and plans over time, with measurable objectives and concrete actions that demonstrate the company’s ability to manage risks and exploit the opportunities of changing markets and scenarios.

The Company is also committed to developing and maintaining long-term relationships with insurers and banks, with whom it communicates on security and loss prevention initiatives and their results in order to secure competitive terms and conditions. The risk transfer process identifies the insurance capacities for appropriately covering our risk profile and exposures.

MAIN ENGAGEMENT ACTIONS

- > Organisation of 4 post-results roadshows and participation in conferences and reverse roadshows, for a total of 16 days of meetings.
- > Engagement activities with 23 financial stakeholders on ESG topics.
- > Approximately 760 people took part in four conference calls and webcasts on the quarterly and yearly financial results.
- > Approximately 200 interactions with investors during in-person or virtual meetings.
- > Periodic publication of information through press releases and presentations.

ESG rating and indexes

ESG analysts monitor Saipem’s performance in relation to environmental, social and governance criteria. Also, for 2023, Saipem has maintained leadership positions and remained well above the average for the reference sector, demonstrating a distinctive commitment to the sustainability of its business. “ESG Indexes and Rating” section of the 2023 Sustainability Report provides more details on indexes and analysis on the sector.

In particular, we note the inclusion of Saipem for the seventh consecutive year in the Dow Jones Sustainability Indexes (World and Europe) with the highest score in the Energy Equipment & Services sector (77 compared to the sector average of 25), following the Corporate Sustainability Assessment conducted by S&P Global.

Clients

Clients are one of Saipem's fundamental stakeholders, and guaranteeing their satisfaction is important both in terms of the profitability of projects and the effectiveness, efficiency and sustainability of the processes adopted for their implementation. In addition to constant reporting and frequent meetings on operational projects, specific customer satisfaction monitoring and analysis systems are implemented in each business line, to improve Saipem's operational management and performance in meeting the needs of clients and maintaining closer relations with them. Relationship with clients is aimed at understanding their requirements and expectations from the perspective of solution providers and with a focus on energy transition, including through defining partnerships and collaborations.

Direct assessment is regularly performed with the involvement of clients, through specific meetings and/or gathering information through satisfaction questionnaires. Furthermore, indirect assessment is performed without the explicit involvement of clients, through regular monitoring and the analysis of specific satisfaction indicators. All the results obtained through the customer satisfaction system are regularly reviewed by the Company Management to identify the critical areas and any preventive or improvement measures.

During 2023, the Customer Relationship Management system, which centralises workflows, data and insights on business initiatives, clients and markets in a collaborative digital platform, and which employs more than 300 colleagues, was further developed to enable the listening of clients and improve relationships. Specifically, the implementation of a new digital management function of the Project Customer Satisfaction process described above has ended, with the possibility of configuring questionnaires based on the peculiarities of the Business Line and of the specific project, with automatic return and logging of responses and multidimensional display of analytics.

MAIN ENGAGEMENT ACTIONS

- Involvement of clients through a customer satisfaction monitoring system (21 evaluations of clients involved through customer satisfaction questionnaires). 90% of interviewees expressed satisfaction for Saipem's conduct (i.e.: they assigned an overall score greater than or equal to 6 on a scale of 0 to 10), while 62% of interviewees stated that they were completely satisfied with the company's activities (i.e. they assigned an overall score of 9 or higher on a scale of 0 to 10).
- Partnerships and agreements signed with clients for the joint development of technological innovations, including those aimed at new renewable energy markets and the sustainable use of resources.
- Joining the "Net Zero Pact", an initiative created by SSE with 10 other founding partners as a legacy of COP26, which brings together different companies at all levels of the energy sector – including civil, maritime, renewable energy, electrical engineering and others – which are committed to a fair and equitable transition to net zero carbon emissions.
- Involvement of some clients in update events on the values of the new Health and Safety Vision 2023.
- 23 clients involved in the reputation analysis update.



Institutions and trade associations

Saipem has always been engaged in a constructive and transparent dialogue with central and local institutions, and with trade associations in host countries.

The activity of interest representation is carried out by the Company with the will to create a climate of effective collaboration in a logic of constructive and beneficial dialogue for all parties involved, often on relevant issues of general interest, direct and/or indirect.

The Public Affairs function is responsible for institutional dialogue, guaranteeing uniform and coherent relational strategies and communication to external parties.

By virtue of the strong international orientation of the Group, Saipem collaborates and maintains close relations with the Italian diplomatic network, engaging in a constant dialogue with the Ministry of Foreign Affairs and International Cooperation and with foreign diplomatic institutions in Italy. With this in mind, Saipem believes it is important to make its operations and its achievements in industry known to institutions.

In 2023, Saipem participated in several institutional meetings and international round tables.

Among the main memberships, we highlight that to industrial associations and specifically Assolombarda, aimed at receiving support mainly in industrial relations management, also at local level, and updates on operational issues in the sector, as well as at increasing the industrial system's knowledge of the company and of its services. As part of its membership in the World Energy Council (WEC), Saipem participates in the first bilateral workshop organised in Washington to establish a dialogue with US institutions, in particular the Department of State and the Department of Energy, on possible collaborations between Italy and the USA to face the challenges of the transition. Saipem also contributes to the dialogue with international stakeholders on the industrial and economic level through its membership in ISPI, in Associazione Italia ASEAN and in the Ambrosetti Forum.

Other participations worth mentioning are those in sector associations such as IADC (International Association of Drilling Contractors), IMCA (International Maritime Contractors Association), IOGP (International Association of Oil and Gas producers) and Windeurope. Total membership fees spent in 2023 amounted to €1.1 million.

More details on collaborations with international associations and organisations on climate change can be found in the section "The contribution to mitigating climate change".

MAIN ENGAGEMENT ACTIONS

On the occasion of COP28, Saipem also organised a collateral event within the Italian Pavilion, managed by the Ministry of the Environment and Energy Security (MASE), to discuss topics such as innovation and technology for achieving decarbonisation targets. The event, entitled "Engineering for a Sustainable Future. Decarbonisation Technologies and Solutions", was the opportunity to present the company's most innovative solutions.

Saipem collaborated with the Ministry of Foreign Affairs and International Cooperation, with the Ministry of the Environment and Energy Security and with the Ministry of Business and Made in Italy by participating in working groups; in particular with the Coordination Table C.EN.TRA Energy Climate and Ecological Transition, which in 2023 has resumed its work and technical discussions on projects of national interest in which Saipem is involved. In June 2023 Saipem participated in the Italy Uzbekistan Business Forum, organised by the Ministry of Foreign Affairs, Confindustria and the Italian Trade Agency, following which it signed a Memorandum of Understanding to cooperate in the field of natural gas, CO₂ capture and hydrogen, with the ambition of carrying out a transfer of know-how and skills:

- in October 2023, as part of the Italy Mozambique Business Forum organised by Confindustria, the Ministry of Economy and Finance of Mozambique and a delegation of Mozambican entrepreneurs participated in a meeting at the Saipem headquarters to promote the participation of small and medium-sized Mozambican enterprises to the projects planned in the country, with a view to valorising local content and supporting the socio-economic development of Mozambique;
- lastly, Saipem welcomed some representatives of the Ministry of Energy of Oman to its headquarters in Milan to explore possible collaboration opportunities in the field of green hydrogen in light of the country's strategies, and a delegation from Canada, accompanied by the Italian Embassy, to evaluate financial support opportunities for projects in the CCUS context.

Furthermore, the Company actively participates in the Gas Industry Advisory Committee (GIAC) and its Technical, Economic and Regulatory sub-committees, within the international organisation of the East Mediterranean Gas Forum, whose purpose is to promote cooperation and investment in the area and to initiate a structured and systematic political dialogue on natural gas.

In 2023, the Saipem Group was an active member of 112 national and international business and trade associations. In particular, the parent is a member of 57 associations and organisations.



Employees

In its relationship with its employees, the Company's priority commitment is to recruit and retain talented people, promoting their development, motivation and skills, guaranteeing safe and healthy workplaces, and stable relations with trade unions in order to maintain an open and collaborative dialogue. The Company is committed to supporting people's diversity and inclusion in all their forms. Actions aimed at promoting equity are a priority for Saipem and a duty towards company population.

MAIN ENGAGEMENT ACTIONS

- Involvement of more than 3,000 employees through a training programme called STEP (Saipem Training Enabling People), focused on digital and energy transition, thanks to the opportunities offered by the "New Skills Fund", **established by ANPAL (National Agency for Labour Policies) and connected to the Recovery Fund.**
- Employees involved in events on HSE issues (LiHS programme, World Environment Day celebration, drug and alcohol prevention programme, cardiovascular disease prevention programme, etc.). For example, over 350 people including Saipem employees and their families, partners from the Middle East and the Italian community in the United Arab Emirates were involved in the cascading process of the new Health & Safety Vision.
- Corporate volunteering initiative (in collaboration with **Plastic Free Odv Onlus** at the Cassinis park in Milan, near the new Saipem headquarters in Milan Rogoredo).
- Raising awareness on Diversity and Inclusion issues in partnership with the Valore D Association.
- Launch of a Diversity & Inclusion themed survey in Italy to track the level of satisfaction and awareness among employees on the topic of gender equality in the workplace.
- Delivery of the Welcome to Saipem programme to new hires, to present Saipem's business, its values and some company processes.
- Employee involvement through the 2023 Strategy Line Up meeting, an event to share the company strategy and objectives.
- Involvement of approximately 6,000 employees via virtual focus groups to update the leadership model.



Local communities

The Company is committed to contribute to the progress of the local communities, to the social, economic and cultural development and improvement of their living conditions. Each operating company or project adopts a targeted approach that takes into account the role of the company and the specific context in which it operates, adopting for this purpose an open and transparent dialogue with the communities living in the host territories.

Local communities are actively involved in the implementation of local development projects and the Company provides proactive support in crisis and emergency situations.

MAIN ENGAGEMENT ACTIONS

- 48 development initiatives for local communities in 12 countries (Angola, Saudi Arabia, Azerbaijan, Brazil, Guyana, India, Indonesia, Italy, Kazakhstan, Mozambique, Nigeria, Senegal) which reached a total of more than 1 beneficiaries. Invested more than €1.2 million in these initiatives.
- Provide support with disease control (e.g., Malaria Control Program in Angola).
- HSE awareness events involving local communities (in Angola and Indonesia).
- Promoting environmental awareness and the importance of conservation of the environment and pollution reduction (e.g. in Italy, Saudi Arabia, Azerbaijan, Indonesia).
- Cooperation with local schools and universities in many countries to encourage the development of human capital (e.g. training courses, internships, research projects, lectures at universities, provision of scholarships in Angola, Italy, Indonesia, Brazil, Nigeria, Kazakhstan, etc.).
- Partnerships and agreements with research centres and universities for sharing knowledge and the joint development of technological innovations, also through the organisation of Talent Attraction initiatives in order to connect companies and educational institutions such as the La Sapienza University of Rome, the Polytechnic of Bari, the IUAV University of Venice, the University of Bologna, the University of Pavia and the Federico II University of Naples.
- Awarding of scholarships (University of Trieste) and partnership for the creation of three-year courses and master's degree courses in "Engineering for industrial sustainability" and "Green industrial engineering" (Polytechnic University of Marche), creation of the HSEQ SYNERGY Master, in collaboration with the QUINN Consortium, which aims to train 15 young graduates.



Local organisations and NGOs

The Company is committed to providing adequate information to local and non-governmental organisations interested in Saipem operations. The regular publication of information, objectives and results on topics of interest through Saipem's institutional channels is the main and most extensively tool used. It is also of interest to Saipem, with a view to creating shared value and local development, to facilitate and participate in development projects. In order to identify and implement them, it has to interact with organizations of proven experience and integrity with whom to establish short- and medium-term collaborative relationships.

MAIN ENGAGEMENT ACTIONS

- Community initiatives developed through partnerships and cooperation with non-governmental organisations (e.g. Plastic Free in Italy).
- The collaboration with One Ocean Foundation continued.
- Participation in the World Congress on Health and Safety at Work organised by the International Labour Organization (ILO) and the International Social Security Association (ISSA).
- Participation in the Sustainable Procurement working table of the Italian Network of UN Global Compact and in the Target Gender Equality accelerator.



Vendors

Saipem believes in sharing sustainable value along its entire supply chain. The relationship with its suppliers is based on mutual trust and ethical behaviour, in order to have a strong and reliable supply chain. From this point of view, the Company is committed to developing and maintaining long-term relationships with its suppliers, whose reliability from a technical, financial, organizational and ethical point of view is guaranteed by a structured evaluation and management process.

Vendors are also proactively involved in initiatives to strengthen their knowledge on HSE, human and workers' rights. Vendors are also fundamental partners for reducing our environmental footprint with whom the Company collaborates continuously and proactively.

MAIN ENGAGEMENT ACTIONS

- Subcontractors involved in HSE initiatives (Saudi Arabia, Kuwait, Azerbaijan).
- 117 vendors involved in training activities on human and labour rights.
- More than 1,100 vendors involved in activities to promote sustainable practices in the supply chain.



Future generations

Saipem is committed to the education and training of the new generations through investments in the local system and in education programs in the contexts in which the company operates.

Our commitment to young talent takes the form of opportunities to join the company, and personal and professional growth through empowerment and tutoring initiatives, as well as support in career guidance and the dissemination of corporate culture.

Moreover, the Company is committed to building a concrete and lasting partnership with schools and universities, encouraging the integration of knowledge with work experience.

MAIN ENGAGEMENT ACTIONS

- Events for attracting talented people to foster the connection between the world of work and the world of education, with a specific focus on STEM (e.g. Synergy programme).
- Partnerships with many universities in countries where we operate (e.g., Archimedes project in Brazil, ERSAL scholarships in Kazakhstan, various activities carried out in collaboration with the Milan Polytechnic in Italy).
- Vocational training courses for young people to help them enter the labour market (e.g. in Guyana, Nigeria, Kazakhstan).
- Improvement of educational facilities to ensure a safe and effective learning environment (e.g. in India, Indonesia and Oman).
- Participation and support in the 21st edition of the Premio Socialis: recognition for the best Italian degree theses on CSR and sustainable development issues.
- As part of the partnership signed with the Carlo Bo University of Urbino, at the beginning of 2023, 38 students of different nationalities and five professors visited our FDS 2 vessel (at that time moored in Genoa, Italy). The interactive online visit was held on board the Saipem 7000 in October 2023, in which approximately 27,000 students participated.



GRI 2-4, 2-6

SASB
IF0301-A/B/CSASB
EM-SV-000.
A/B/C/DSASB
IF-EN-000.C

SAIPEM'S BUSINESS

Company profile and key operations

Saipem Group is a global leader in the engineering and construction of major projects for the energy and infrastructure sectors, both offshore and onshore. The Company is present in more than 50 countries, with 8 fabrication yards and a marine fleet composed, at the end of 2023, of 21 construction vessels and 15 drilling vessels, of which 8 owned by Saipem. For details about the events recorded in the year leading to changes in the fleet composition compared to the previous year, please see the "Director's Report". The Company works in Europe, Americas, CSI, Africa, Middle East, Far East and Oceania and has specialist skills in the management of complex projects, from design to decommissioning, in extreme environments, remote areas and deep waters.

The market conditions in which the Group operates are described in the "Market conditions" section of this Annual Report.

To foster energy transition, responding to and anticipating current and future market needs, the Group has made innovation and digitalisation key elements of its strategy. A commitment affecting both the conventional business linked to fossil fuel sources and to the development of new technologies for the emerging renewable energy markets.

The Group business model enhances the synergies between the different business areas and the external context in which it operates, aiming to constantly identify new solutions to increase operational efficiency, reduce the environmental impacts of operations and products supplied to clients, and to improve the safety of staff and vendors. The section "Organisational structure" of the present Annual Report lays out the Group's organisational configuration.

Additional information on the company profile and the operations by business Division is available in paragraph "Organisational structure" of the Annual Report and in section "Issuer's profile" of the Report on Corporate Governance and Shareholding Structure 2023.

Metrics of operational activities in the year	Unit of measurement	2023
Total backlog ^(a)	(€ million)	29,802

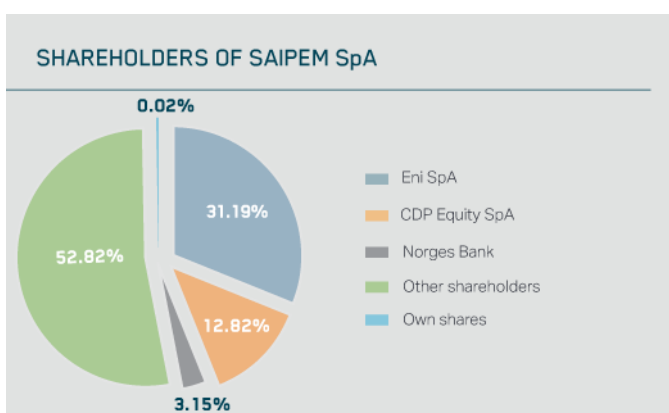
(a) Does not include Onshore Drilling.

Core business revenue by business

(€ million)	2023	2022
Asset Based Services	6,069	5,026
Energy Carriers	5,062	4,389
Offshore Drilling	743	565

Shareholding

Saipem is a company subject to the joint control of Eni SpA and CDP Equity SpA. As of December 31, 2023, the share capital of Saipem SpA amounted to €501,669,790.83, broken down into No. 1,995,557,732 ordinary share and No. 1,059 savings shares, none with a nominal amount. Based on information available and communication received pursuing Consob Resolution 11971/1999 (Issuers' Regulation), as of December 31, 2023, 31.19% of the share capital of Saipem SpA was owned by Eni SpA, 12.82% is owned by Cassa Depositi e Prestiti (CDP) SpA, a company controlled by the Italian Ministry of Economy and Finance, through the subsidiary CDP Equity SpA, while the remaining is distributed among private shareholders, among which Norges Bank holds a significant share of 3.15%.



Company management and organisation model

With a view to continuously improving corporate performance and processes, the process of consolidating the operational and corporate governance model defined by Saipem in 2022 continued in 2023. It involved

the identification of distinct Business Lines, each with dynamics, objectives and skills specific for technical and economic development of offers and the management of projects acquired in the assigned business sector:

- Asset Based Services: development of asset-based projects and services in the drilling and offshore sector;
- Energy Carriers: design and construction of complex plants or their low carbon reconversion;
- Robotics & Industrialized Solutions: development of modular, repeatable, scalable plants and monitoring and maintenance services based on digital technologies;
- Sustainable Infrastructures: project development in the new ecosystem of energy transition and sustainable mobility.

In February 2023, the Company established the Offshore Wind business line with the aim of consolidating Saipem's role in the offshore wind sector through the unitary management and development of the business and market opportunities.

During 2023, in continuity with the pursuit of the objectives of innovation, effectiveness and efficiency at the heart of the Saipem culture, the following main organisational interventions were carried out:

- update of the Overseas Operating Model with the definition of the role of Country Manager, responsible for representing Saipem in the various countries, ensuring governance and coordination between the Managing Directors of the various companies in the country and the central organisational structures of Saipem SpA;
- review of the organisational structure of the Commercial Function with the establishment of a unitary Business Development unit, structured by geographical areas;
- updating of Saipem's Privacy Organisation Model, also on the basis of the elements deriving from the progressive consolidation of the interpretations concerning the European Regulation 679/2016 - GDPR;
- integration of the Sustainability activities into the People, Safety and Environment Function, in order to maximise the operational synergies with the units governing HSE and HR, which underpin the key features of Saipem's Sustainability Plan;
- reorganisation of the Fano operations centre in order to enhance and strengthen its activities and key competencies;
- optimisation of the organisational structure of the HSE and Business Operations and Maintenance areas, in order to strengthen corporate focus on Asset Integrity activities;
- in the context of the General Counsel structure: (i) centralization of contract management activities, both in the commercial and executive phases, guaranteeing the concentration of legal and contractual activities and negotiation support in a single function; (ii) updating the organisational structure to oversee legal assistance and consultancy activities;
- reorganisation of the Cybersecurity Operations with the aim of ensuring greater segregation between policy, governance and control activities with respect to the execution of operational activities;
- launch and development of the "Cost Baseline Transformation" programme to reduce the baseline of Company costs not directly related to projects, generating positive impacts on their efficiency and performance, with a view to ensuring profitable and sustainable growth for Saipem over time;
- establishment of the Diversity and Inclusion Committee with the aim of ensuring the promotion and adoption of the gender equality principles included in company policies within Saipem, and guaranteeing the constant application of all the elements and requirements of Uni PdR 125:2022.

Development of the market scenario and strategy

The forecast information contained in this paragraph must be seen as "forward-looking statements", since they depend on the occurrence of events and future developments that are beyond the control of the Company; in particular, the information could be reviewed following the evolution of the on-going Russian-Ukrainian and Israeli-Palestinian crises and as a result of the situation in the reference market.

The current context is characterised by a positive cycle in the reference markets for Saipem, in particular that of Oil&Gas, globally triggered by the growing need to access safe and sustainable energy sources. In 2023, the world economy, according to the International Monetary Fund, grew by 3.0% compared to 2022, driven by strong growth in India (+6.3% in 2023) and in the emerging Asian countries, capable of compensate for a slowdown in some advanced economies, in particular that of the Euro area. This trend has manifested itself despite some significant factors impacting the global scenario, such as the worsening of geopolitical instability, burdened by the Israeli-Palestinian crisis and ongoing conflict in Ukraine, and the persistence of high inflation rates, however, decreasing compared to the previous year and expected to decrease further.

In 2023, the energy sector, one of the most impacted by the crisis of the 2020-2022 period, consolidated, with ever greater solidity, the recovery begun in previous years, supported by growing attention to the security of energy supplies. This dynamic has favoured the growth in demand for traditional energy sources, such as oil and gas, and has moved in a more balanced market context, with Brent crude oil settling at around 80 dollars a barrel. Overall, the signals that emerged during the year have gradually translated into a further increase in investment in the Oil&Gas segment, now firmly above pre-COVID values. This growth was

recorded in all geographical areas and with particular intensity in Africa and South America. In addition to the inflationary dynamics that continued into 2023, investments in energy infrastructures contributed to supporting this trend, as a strategy for mitigating supply risks, in particular in some geographical areas, such as Europe, which are continuing in the process of energy source diversification. The main oil companies have moved in this direction, also through mergers and acquisitions, to guarantee a growing supply of fossil fuels, on the one hand pursuing a strategy aimed at maintaining the solidity of their financial structure, and on the other continuing in the process of diversifying its investment portfolio in the field of energy transition, so as to respond to the growing pressure from the market in this area and to its objectives of CO₂ emission reduction.

The expectations for the Oil&Gas sector in coming years are positive in different regions (for example, Africa and the Middle East, areas where Saipem has a historical presence), and across the different reference markets of Saipem, starting from the most reactive to the oil and gas price trend, such as Offshore E&C and Offshore Drilling, to the Onshore E&C market, diversified between upstream, midstream and downstream activities. Saipem's unique capabilities in the Oil&Gas value chain will be directed towards an ever greater focus on the delivery of integrated projects between Offshore and Onshore, as for the recent award of the Hail&Gasha project in the United Arab Emirates (UAE). Furthermore, particular interest will be placed on the execution of the record backlog linked to the traditional Offshore Construction markets, simultaneously exploring the opportunities offered by the decommissioning of large platforms, especially in the North Sea. In the Offshore Wind market, we will continue to implement a multi-phase strategy, consolidating the experience gained so far thanks to the completed foundation installation projects, and then expanding along the value chain, in parallel with market development expected in the coming years. This market, despite the slowdown experienced during 2023 due to limited supply chain capacity, increased cost of materials and high interest rates, is still expected to grow strongly in the short- to medium-term. In the Onshore Construction sector we will continue with a selective commercial approach, pursuing opportunities in collaboration with the Offshore business, and focused on upstream projects and energy transition products linked to natural gas and its downstream, such as Liquefied Natural Gas (LNG) and green and blue ammonia, as well as biorefineries and carbon capture, storage and utilisation (CCUS) hubs. A growing contribution will be provided by modular solutions such as the proprietary BlueEnzyme™ in the CCUS field and Flatfish in the Sonsub field. While in the field of sustainable infrastructures a growth strategy will be pursued towards foreign markets, after having consolidated its positioning in the market Italian.

An analysis of the market context shows a gradually changing world over the longer term, strongly dependent on the scenario considered. In defining its strategies, Saipem analyses long-term energy scenarios, provided by a third party (Rystad Energy). In the central scenario (which foresees a temperature increase of 1.9 °C at the end of the century – in line with a C3¹ category scenario as identified by the International Panel for Climate Change (IPCC) in its Sixth Assessment Report) the energy mix gradually evolves by expanding towards renewable energy sources, with energy from fossil sources reaching its peak respectively at the end of the decade for oil and in the middle of the next decade for gas. In this scenario, global energy demand will grow until 2030, and then settle in the long term at values comparable to those of 2023, thanks to greater process efficiency and the transition of energy transport from molecules (e.g. oil, gas) to electrons (renewable sources). Furthermore, the ever-increasing commitment by governments in the main countries to progressively reduce climate-altering emissions is expected to continue to support a gradual shift in the use of traditional energy sources, favouring renewables and low-carbon sources. These commitments, which are also supported by the ESG choices of financial investors and pressure from public opinion, have led to the announcement of several emission reduction initiatives by countries and companies in different areas of the planet. The achievement of these objectives is mainly based on the development and use of a range of new technologies in areas such as renewable energy, the decarbonisation of various industrial sectors (e.g. agriculture, steel and cement production, transport), energy efficiency and the circular economy. The use of these innovative solutions in building new energy infrastructures and reducing carbon emissions is expected to create a significant market that is of particular interest to Saipem, which already has the skills and experience in this context, representing a competitive advantage in the new energy transition areas. In particular, Saipem continues to focus its efforts on certain key areas, such as:

- technology partnerships, patents and pilot plants on various green plant technologies (e.g. Bluenzyme™ for CO₂ capture, Star 1 and Hexafloat for floating wind power);
- innovative robotic solutions (e.g. subsea drones like the Flatfish), to offer low carbon footprint monitoring and maintenance services;
- proven experience and track record on plants and technologies that will be of primary importance in the strategies of CO₂ capture and hybridization of energy sources (e.g., treatment of CO₂ coming from wells, refineries that will evolve into biorefineries, ammonia plants);
- a solid reputation with the main Oil&Gas operators that are playing a key role today in the implementation of the energy transition.

(1) In the C3 scenarios, the global warming is kept below the highest threshold established by the Paris Agreement with a percentage of 67% and requires cutting emissions to 44 Gt of CO₂ eq (2030), 29 (2040) and 20 (2050) reaching peaks in CO₂ and other greenhouse gases as in C2. Carbon neutrality will only be truly achieved in 2070-2075.

In the outlined context, the main focus of Saipem's energy transition strategy is divided into the following reference markets:

- LNG, as a transition energy carrier;
- low-carbon fertilisers such as green and blue ammonia, for sustainable growth, guaranteeing greater access to food and consolidating its positioning in this sector;
- Carbon dioxide capture and sequestration, with long-term growth expectations and a number of initiatives already at an advanced stage in several countries. The market is also expected to evolve in sectors other than Oil and Gas, such as hard-to-abate electricity, steel and cement production, leveraging, in addition to its know-how on the subject, also on proprietary enzymatic technology;
- Hydrogen and new energy carriers based on it, such as ammonia, methanol and electrofuels (e-fuels), primarily if produced from zero-impact energy sources. This market is also expected to expand strongly in the coming decades, also supporting the decarbonisation of air and marine transport;
- chemical recycling market of plastic, both through depolymerisation and plastic-to-liquid conversion, with dedicated technological development initiatives;
- offshore wind, for which significant investments are foreseen by operators, requiring an ever-growing need for skills and competencies along the whole value chain. In addition, Saipem will continue to invest in the development of offshore wind technologies, focusing on the proprietary technologies Star 1 and Hexafloat.

Moreover, Saipem will continue the process of decarbonising its fleet, thanks to agreement signed with Eni Sustainable Mobility in 2023: it will promote the use of biofuels on its offshore construction and drilling fleet, in order to significantly reduce its carbon footprint during operations.

Finally, particular emphasis has been laid on the smart and sustainable infrastructure market, in particular those with a high technological and sustainable content associated with the Italian Recovery and Resilience Plan (PNRR). Saipem has consolidated experience in the sector on several significant projects both in Italy and abroad, and all the credentials in place to take up interesting business opportunities over the coming years.

Sustainable activities according to the EU Taxonomy

The European Taxonomy (hereinafter also referred to as the "Regulation" or "Taxonomy") is a unified system for the classification of environmentally sustainable economic activities, established by the European Union with Regulation 2020/852, in force from 12 July 2020. This system aims to identify economic activities that are sustainable from an environmental point of view, in order to guide the choices of all financial market participants by promoting sustainable investments, preventing the greenwashing phenomenon, as well as supporting the objectives of the European Green Deal.

The Taxonomy establishes six environmental objectives (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems) and defines an economic activity as environmentally sustainable if:

- it contributes substantially to the achievement of one or more of the six environmental objectives;
- it does not cause significant harm to any of the additional environmental objectives;
- it is carried out in compliance with the minimum safeguard guarantees.

This information is drawn up in compliance with Regulation (EU) 2020/852 and the relevant applicable delegated acts, in particular:

- the Delegated Regulation on climate 2021/2139 which introduces economic activities and the related technical screening criteria for the objectives of mitigation and adaptation to climate change;
- the Regulation relating to the Article 8, also defined as "Delegated Regulation on disclosure" 2021/2178;
- the EU Delegated Regulation 2022/1214 concerning economic activities in certain energy sectors, which integrates the Delegated Regulation on the climate and the Delegated Regulation on Article 8;
- the Delegated Regulation 2023/2485 which introduces further technical screening criteria and activities falling within the first two objectives, integrating the Delegated Regulation on climate;
- the Delegated Regulation 2023/2486 which introduces the list of economic activities for the remaining four environmental objectives.

Identification of Taxonomy-eligible activities

The European Taxonomy defines as eligible the economic activities included in the Delegated Regulation on climate (and subsequent amendments) and in the Delegated Regulation on the remaining environmental objectives. Saipem has therefore identified within its business the activities carried out in line with the provisions of the above-mentioned Delegated Regulations and determined their eligibility.

During 2023, Saipem selected the main projects awarded by its clients that fall under the classification of economic activities eligible for the European Taxonomy, in particular for the objective of mitigating climate change (Annex I of the Delegated Regulation on Climate).

SASB
IF-EN-410b.1

SASB
IF-EN-410b.3

In addition, the engineering and construction projects that Saipem carries out in the natural gas sector and which represent approximately 55% of its revenue, were analysed. Saipem's involvement in the sector concerns the natural gas value chain (extraction, treatment, storage, transportation, etc.), which is excluded from the Commission Delegated Regulation (EU) 2022/1214 on gas and nuclear, for which the eligible activities are exclusively those of electricity production (ref. "4.29 Electricity generation from fossil gaseous fuels - Construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels").

Finally, in light of the regulatory updates contained in Commission Delegated Regulation (EU) 2023/2486, Saipem carried out a screening of the activities relating to the remaining four objectives ("sustainable use and protection of water and marine resources"; "transition towards a circular economy"; "pollution prevention and control"; "protection and restoration of biodiversity and ecosystems"), in order to assess the eligibility of its activities for the financial year 2023. The eligibility assessment for these new objectives expands the panel of economic activities identified by the Taxonomy and which closely affect Saipem's business. The main eligible Saipem projects fall within the objectives of "transition to a circular economy" and "pollution prevention and control".

As an engineering and construction company, Saipem has an important role in supporting its clients also in the design and construction of plants and structures in line with the environmental sustainability requirements. Therefore, in accordance with the Delegated Regulation 2021/2139 recital (37), some Saipem activities have been included as they are preparatory to client's activity. This is, for example, the case of "Production of anhydrous ammonia" (activity 3.15), for which Saipem has a proprietary technology that improves the efficiency of urea plants, but also the analysis and feasibility studies carried out in various areas falling within the eligibility classification for Taxonomy.

The CCM 6.14 "Infrastructures for railway transport" activity is one of those to undergo most of the changes following the update of Annex I published in 2023. Such changes, however, do not affect the eligibility of the activities already identified by Saipem which fall within the existing description.

Regarding Saipem's activities eligible according to the 4 new environmental objectives, the following projects are worth mentioning:

- Conversion of the Scarabeo 5 semi-submersible drilling unit into an FPU (Floating Production Unit) separation and upgrading plant which falls within the activity "5.3 Preparation for re-use of end-of-life products and product components" relating to the objective of transition to a circular economy.
- Use of underwater drones to carry out monitoring, predictive and non-predictive maintenance and pollution prevention activities which fall within the activities "4.1 Provision of IT/OT (information technology/operational technologies) data-driven solutions", relating to the objective of transition to a circular economy and "2.4 Remediation of contaminated sites and areas", relating to the objective of pollution prevention and control.
- Decommissioning of offshore platforms such as the Thistle A and Heather Jacket EPRD projects in the North Sea for the client EnQuest, falling within the activity "3.3 Demolition of buildings and other structures", relating to the objective of transition to a circular economy.

Below are the main eligible activities as described by the Regulations:

TABLE 1. ELIGIBLE ECONOMIC ACTIVITIES

Objective	Economic activities according to Taxonomy	Description of Saipem activities
Climate change mitigation (CCM)	3.6 Manufacture of other low carbon technologies	Carbon capture and other low carbon technologies projects
	3.10 Manufacture of hydrogen	Hydrogen projects
	3.15 Manufacture of anhydrous ammonia	Ammonia and urea projects
	3.17 Manufacture of plastics in primary forms	Plastic recycling projects
	4.1 Electricity generation using solar photovoltaic technology	Photovoltaic projects
	4.3 Electricity generation from wind power	Offshore wind farms projects
	4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids	Biogas plant/bioenergy projects
	4.14 Transmission and distribution networks for renewable and low-carbon gases	Projects relating to the construction of pipelines for hydrogen transportation
	5.1 Construction, extension and operation of water collection, treatment and supply systems	Water pipe construction projects
	5.9 Material recovery from non-hazardous waste	Circularity projects and recovery of materials
	5.11 Transport of CO ₂	Projects relating to the construction of pipelines for CO ₂ transportation
	5.12 Underground permanent geological storage of CO ₂	Projects relating to underground CO ₂ storage
Transition to a circular economy (CE)	6.14 Infrastructure for rail transport	Rail infrastructure construction projects
	3.3 Demolition of buildings and other structures	Decommissioning projects
	4.1 Provision of IT/OT (information technology/operational technologies) data-driven solutions	Use of underwater drones for monitoring and maintenance activities
	5.2 Sale of spare parts	Sale of spare parts for ammonia and urea systems
Pollution prevention and control (PPC)	5.3 Preparation for re-use of end-of-life products and product components	Asset conversion project
	2.4 Remediation of contaminated sites and areas	Spill prevention and control systems

Analysis of alignment to Taxonomy

An economic activity is considered aligned with the European Taxonomy if it contributes substantially to at least one of the six environmental objectives, does not cause significant harm to any of the other five environmental objectives and respects the minimum safeguard guarantees.

After the identification of the eligible economic activities, specific analyses were conducted of the technical criteria established, according to the Regulation and Annex I of the Delegated Regulation on Climate, for the main projects relating to each of the identified activities, in order to evaluate the alignment. This verification was carried out by the competent company and project functions, including the Environment, Sustainability, Engineering functions, and with the direct involvement of the Project Management (Project Manager/Director) and is supported by the collection of specific data and by the analysis of the project documentation, with particular focus on the Environmental and Social Impact Assessment (ESIA) documents and other technical documents.

Substantial contribution to the climate change mitigation objective

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR THE ACTIVITY 4.1

The requests relating to the substantial contribution criterion for activity 4.1 require that the activity produces electricity using solar photovoltaic technology. Within the scope of analysis, Saipem considered projects relating to the design, installation and maintenance of photovoltaic systems, which meet the required criteria.

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR THE ACTIVITY 4.3

In compliance with the requirements of the substantial contribution criterion of the Delegated Regulation on Climate, only projects relating to the construction or management of plants for the production of electricity from wind energy are considered. Projects relating to the construction and installation of structures for offshore wind fields have been included within this category.

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR THE ACTIVITY 6.14

Activity 6.14 carried out by Saipem meets the substantial contribution criteria as the infrastructures for rail transport consist of: electrified trackside infrastructure and associated subsystems, and infrastructure and installations dedicated to the transfer of passengers from other modes of transport to rail, not used for transportation or storage of fossil fuels.

Verification of the “DNSH” criteria for the other 5 environmental objectives

The analysis to verify compliance with the criteria that Do Not Significant Harm (DNSH) was conducted starting from a verification at individual project level, as for the verification of substantial contribution, with possible in-depth analysis by geographical area in order to identify potential non-compliance.

CLIMATE CHANGE ADAPTATION

The DNSH climate change adaptation criterion is the same for activities 4.1, 4.3 and 6.14 and requires compliance with Appendix A of Delegated Regulation 2021/2139, which requires the presence of a robust climate and vulnerability risk assessment and an evaluation of adaptation solutions. Saipem identifies, for each project included in the above-mentioned activities, the climate risks considered relevant among those indicated in Appendix A, as well as the actions to reduce negative consequences. Risks and opportunities related to the impact of climate in projects are identified, assessed and consolidated through a risk register created for each project.

The approach adopted is therefore compliant with the requirements of this DNSH criterion.

SUSTAINABLE USE AND PROTECTION OF WATERS AND MARINE RESOURCES

Regarding the objective of sustainable use and protection of waters and marine resources, a verification of compliance with Appendix B in the Delegated Regulation on Climate is required for activity 6.14. For these infrastructures, the potential impacts and mitigation solutions of the works on water were already identified as part of the environmental impact studies carried out.

This DNSH is not applicable for activity 4.1. For activity 4.3, the criterion refers instead exclusively to offshore plants, therefore it is applicable to Saipem. This requirement specifies that adequate measures are adopted to prevent or mitigate noise impacts in the marine environment. In this regard, the potential impacts are considered in the Environmental Management Plan or other documents, which establish monitoring actions for noise disturbance, as well as measures for its minimisation. Compliance with the DNSH criterion relating to the objective of sustainable use and protection of waters and marine resources is therefore confirmed for activities 4.3 and 6.14.

For further information on how Saipem manages water resources, please refer to the paragraph "Water resource management".

TRANSITION TO A CIRCULAR ECONOMY

For activities 4.1 and 4.3, the DNSH criterion relating to the transition towards a circular economy required the examination of techniques aimed at promoting the circular economy by assessing the availability and use of highly durable, recyclable and easily restored equipment and components. In this regard, Saipem evaluates materials and equipment used for the realisation of the various projects by considering, where possible, circularity options when purchasing them or the reuse of the equipment in future projects.

For activity 6.14, Saipem proceeded to verify that the waste production from construction and demolition activities occurred according to the best available techniques, and that at least 70% (by weight) of such non-hazardous waste were prepared for reuse, recycling and recovery of other materials. Furthermore, the alignment assessment of these projects took into account the update introduced by the amendment to Annex I of Delegated Act 2021/2139.

For further information relating to the waste produced, its recycling and disposal, see the paragraph "Waste management" in the chapter "Protecting the environment and minimising environmental impacts".

For the three economic activities mentioned above, the techniques, analyses, procedures and management systems adopted by the Company are deemed compliant with the DNSH requirements for the transition towards a circular economy.

POLLUTION PREVENTION AND CONTROL

The DNSH pollution prevention and control is relevant only for activity 6.14. Before construction and after construction noise studies are carried out in railway infrastructure projects; furthermore, impact mitigation measures during construction works are considered.

With the publication of Delegated Regulation 2023/2485, a change to the DNSH requirements for activity 6.14 was introduced. Specifically, it is asked to verify compliance with the criteria indicated in Appendix C of the Delegated Climate Regulation. However, this integration does not apply to Saipem as component manufacturing is not included in project execution. The requirements of the DNSH pollution prevention and control are therefore respected.

PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

The DNSH criterion for activities 4.1, 4.3 and 6.14 refers to Appendix D of the Delegated Regulation 2021/2139, which requires to carry out an assessment of impacts on biodiversity and ecosystems. Eligible projects are subject to Environmental Impact Assessments – sometimes provided by clients – which contain the relevant proposals for measures to prevent and mitigate negative impacts in particular regarding fish resources, marine mammals and avian fauna. Furthermore, no significant impacts on habitats and species in protected areas have been identified. Even for those projects located in the vicinity of Natura 2000 sites, the potential effects of construction were considered such as not to compromise the conservation status of the sites. With regard to activity 4.3, and specifically in the case of offshore wind farms, Saipem implements

adequate considerations on actions that could impact the integrity of the seabed and biodiversity, formalised in specific environmental management plans. The DNSH criteria for activity 6.14 have been integrated into Delegated Regulation 2023/2485 with additional requirements. In particular when constructing infrastructures, Saipem does not have significant impacts on Natura 2000 sites and does not jeopardise the recovery or maintenance of protected species in the areas in which it operates. Compliance with the DNSH requirements is therefore guaranteed for all the aforementioned activities.

Eligible but not aligned activities

The alignment analysis performed through the evaluation of the applicable criteria, the verification of specific data and the analysis of the project documentation as a whole was carried out with a materiality-based approach to the activity. For minor activities, for which information retrieval was difficult and whose impact on KPI construction was not substantial, the analysis of alignment with the technical criteria was not carried out. Furthermore, in line with the disclosure obligations envisaged with the update of the reference regulatory framework and the publication of Delegated Regulation 2023/2486, Saipem has taken into consideration the list of criteria useful for determining whether an economic activity provides substantial contribution to the remaining four objectives of the Taxonomy in order to identify new eligible economic activities. These activities have been set out in the previous paragraphs and are not subject to verification for alignment for the year 2023 as per the Regulation.

Minimum safeguards

Saipem has examined the respect of minimum safeguard guarantees (Minimum Safeguards) regarding human rights, taxation, fair competition and corruption, in order to guarantee compliance with the Article 3, letter c) of Regulation 2020/852. The analysis was conducted through a self-assessment carried out following an in-depth analysis of company documents and procedures in order to guarantee the alignment of Saipem's operations with the provisions of the OECD Guidelines for multinational companies, the United Nations Guiding Principles on business and human rights and the fundamental ILO conventions. The guidelines identified by the Platform on Sustainable Finance in the "Final Report on Minimum Safeguards" published in October 2022 were also taken into consideration.

The European Commission has recognised a link between the minimum safeguard guarantees established by the Taxonomy and the SFDR (Sustainable Financial Disclosure Regulation) principle of "not causing significant harm", highlighted in the FAQ published in June 2023². What has been identified implies that social and personnel issues, respect for human rights and issues relating to the fight against active and passive corruption comply with the PAI (Principal Adverse Impact or Main indicators of negative impact). Therefore, the possibility of considering some additional indicators among the minimum safeguard guarantees is introduced, namely:

- the unadjusted gender pay gap;
- Board gender diversity;
- involvement in the sector of controversial weapons (which include anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

Saipem is not involved in the manufacture or sale of controversial weapons.

For further information on the remaining indicators, please refer to the paragraphs "Governance of business sustainability", "Workforce trends" and "Equal treatment and enhancement of differences" of this NFS.

Human Rights, including labour rights

Saipem's commitment to these issues and the actions implemented are described in the "Operate responsibly" chapter of this document.

Taxation

The tax policy and strategy are described in the paragraph "Tax transparency".

Anti-corruption

For all information relating to Saipem's anti-corruption system, please refer to the "Fighting corruption" paragraph of this document.

Fair competition

Saipem shows its commitment to promoting fair competition in its Code of Ethics, highlighting how the Company's commercial and corporate activities must be carried out in a transparent, honest and fair manner, in good faith and in full compliance with competition regulations. Furthermore, Saipem adopts vendor selection policies in order to guarantee the quality, costs and necessary supply of products and services through a diversified network of commercial partners, preferring competitive selection processes and encouraging the rotation of its suppliers.

(2) Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01).

Please also refer to the "Legal proceedings" chapter in the Annual Financial Report for the relevant information.

In conclusion, Saipem carries out its economic activities in compliance with the minimum safeguard guarantees, in line with the requirements of the Article 3, letter c) of Regulation 2020/852.

EU Taxonomy reporting and KPI calculation criteria

The tables in Annex I include information relating to the indicators listed in the templates provided in Annex V of Delegated Regulation 2023/2486, which makes changes to Delegated Regulation 2021/2178, as well as to the templates included in EU Delegated Regulation 2022/1214, for economic activities in specific energy sectors such as gas and nuclear.

The proportion of economic activities eligible and aligned with the Taxonomy with respect to Turnover, CapEx, OpEx is calculated in accordance with the regulatory requirements and according to the accounting criteria specified in Annex I of the Delegated Regulation (EU) 2021/2178 and the Annex V of Delegated Regulation 2023/2486.

Below are the main results and the note on accounting standards.

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2023

Economic activities	Code	Turnover (k€)	Proportion of turnover %
Taxonomy eligible activities		1,411,016	11.88
Environmentally sustainable activities (Taxonomy-aligned)		777,839	6.55
Electricity generation using solar photovoltaic technology	CCM 4.1	7,644	0.06
Electricity generation from wind power	CCM 4.3	465,496	3.92
Infrastructure for rail transport	CCM 6.14	304,699	2.57
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		633,177	5.33
Manufacture of other low carbon technologies	CCM 3.6	11,226	0.10
Manufacture of anhydrous ammonia	CCM 3.15	263,412	2.22
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	22,994	0.19
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	101,849	0.86
Infrastructure for rail transport	CCM 6.14	34,537	0.29
Demolition of buildings and other structures	CE 3.3	5,251	0.04
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 4.1	17,851	0.15
Preparation for re-use of end-of-life products and product components	CE 5.3	155,551	1.31
Remediation of contaminated sites and areas	PPC 2.4	12,339	0.10
Other ^(*)		8,167	0.07

(*) Other eligible activities include: manufacture of low carbon technologies for transport; manufacture of hydrogen; manufacture of plastics in primary forms; electricity generation using solar photovoltaic technology (not aligned); electricity generation from wind power (not aligned); electricity generation from ocean energy technologies; construction, extension and operation of water collection, treatment and supply systems; material recovery from non-hazardous waste; transport of CO₂; underground permanent geological storage of CO₂; retrofitting of sea and coastal freight and passenger water transport; infrastructure enabling low-carbon water transport; close to market research, development and innovation and sale of spare parts.

PROPORTION OF CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2023

Economic activities	Code	CapEx (k€)	Proportion of CapEx (%)
Taxonomy eligible activities		161,353	20.34
Environmentally sustainable activities (Taxonomy-aligned)		107,151	13.51
Electricity generation from wind power	CCM 4.3	107,151	13.51
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		54,202	6.83
Electricity generation from wind power	CCM 4.3	2,576	0.32
Transport of CO ₂	CCM 5.11	7,589	0.96
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	4,219	0.53
Installation, maintenance and repair of technology for renewable energies	CCM 7.6	1,333	0.17
Purchase and ownership of buildings	CCM 7.7	31,085	3.92
Demolition of buildings and other structures	CE 3.3	1,131	0.14
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 4.1	5,258	0.66
Other ^(*)		1,011	0.13

(*) Other eligible activities include: transmission and distribution networks for renewable and low-carbon gases; close to market research, development and innovation and remediation of contaminated sites and areas.

PROPORTION OF OPERATIONS EXPENDITURE (OPEX) FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES -2023

Economic activities	Code	OpEx (k€)	Proportion of OpEx (%)
Taxonomy eligible activities		360,036	25.12
Environmentally sustainable activities (Taxonomy-aligned)		305,526	21.32
Electricity generation from wind power	CCM 4.3	304,592	21.25
Infrastructure for rail transport	CCM 6.14	934	0.07
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		54,510	3.80
Conservation forestry	CCM 1.4	485	0.03
Manufacture of other low carbon technologies	CCM 3.6	1,379	0.10
Manufacture of anhydrous ammonia	CCM 3.15	12,052	0.84
Manufacture of plastics in primary forms	CCM 3.17	376	0.03
Electricity generation from wind power	CCM 4.3	4,817	0.34
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	21,042	1.47
Transport of CO ₂	CCM 5.11	575	0.04
Close to market research, development and innovation	CCM 9.1	1,491	0.10
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 4.1	5,808	0.40
Preparation for re-use of end-of-life products and product components	CE 5.3	6,164	0.43
Other ^(*)		321	0.02

(*) Other eligible activities include: electricity generation using solar photovoltaic technology; electricity generation from geothermal energy; manufacture of biogas and biofuels for use in transport and of bioliquids; construction, extension and operation of water collection, treatment and supply systems and remediation of contaminated sites and areas.

ACCOUNTING POLICY

The KPIs were calculated in accordance with the requirements of the Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021.

The turnover KPIs were determined as follows:

- > **denominator:** the core business revenue (reference to income statement) and
- > **numerator:** the revenues of the Taxonomy eligible and/or aligned projects.

The CapEx KPIs were determined as follows:

- > **denominator:** the additions to ROU, tangible and intangible assets during 2023 (reference to Note 15 "Property, plant and equipment", Note 16 "Intangible assets" and Note 17 "Right-of-Use assets, lease assets and lease liabilities") and
- > **numerator:** the part of the mentioned additions referred to:
 - assets or processes associated with Taxonomy eligible and aligned projects or
 - Taxonomy-related CapEx initiatives of the technology plan (CapEx Plan) or

- the CapEx initiatives of the Net Zero plan or in any case falling within the definition of CapEx c) as per Delegated Regulation (EU) 2021/2178.

OpEx KPIs, which must include research and development direct costs not capitalised, short-term lease, maintenance and repair of assets and any other direct expense related to daily maintenance of property, plant and equipment needed to ensure the continuous and effective operation of these assets, were determined as follows:

- > **denominator:** the relevant direct non-capitalised costs that relate to research and development, short-term lease, maintenance and repair of assets
- > **numerator:** the part of the above-mentioned costs referred to:
 - assets or processes associated with Taxonomy eligible and aligned projects or
 - Taxonomy-related OpEx initiatives of the technology plan (CapEx Plan) or
 - OpEx initiatives of the Net Zero plan.

The short-term lease costs include also the components related to Lease variable payments and low value lease, which pertain to the same cost nature.

The maintenance and repair costs of assets were quantified using the specific approach for each Saipem Business Line in order to allow these costs identification in the most coherent and effective way considering the peculiarity of each performed activity.

The Taxonomy-related KPIs were calculated on related project or job basis for each Taxonomy-eligible economic activity.

Any double counting was avoided through the application of the careful analysis and definition of the overall process at company level to identify and map all taxonomy-related activities. Each value is associated with only one Taxonomy-related economic activity and referred to a single cost/revenue object clearly identified in the accounting system and considered only once in the analysis. In particular, the value of any short-term lease costs included in the CapEx Plan and accounted for on jobs eligible for the Taxonomy was verified in order to avoid double counting.

CONTEXTUAL INFORMATION

The numerator of the turnover KPI includes exclusively the revenues from the contracts with customers.

The percentage of turnover relating to activities aligned on the turnover relating to activities eligible for the Taxonomy is 55%: a sharp decline compared to 91% in the previous year, due to the completion of some offshore wind installation projects.

Breakdown of CapEx KPI numerator by accounting category.

Accounting category	Percentage share
Additions to property, plant and equipment	62.5
Additions to intangible assets, including:	0
- related to business combinations	0
Additions to capitalised right-of-use assets	37.5

Breakdown of CapEx KPI numerator according to classification provided in Delegated Regulation (UE) 2021/2178.

Type	Percentage share
Related to assets or processes that are associated with Taxonomy-eligible or aligned economic activities	75.6
Part of a plan to expand Taxonomy-aligned economic activities (CapEx Plan)	0.3
Related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions	24.1

The percentage of capital expenditure (CapEx) aligned on the capital expenditures (CapEx) eligible for the Taxonomy is 66%.

Breakdown of OpEx KPI numerator.

Main expenses	Percentage share
Short-term lease	90.0
Maintenance and repair of assets	5.9
Net Zero Plan	0.2
R&D (part of Technology Plan)	3.9

The percentage of operating expenditure (OpEx) aligned on the operating expenditures (OpEx) eligible for the Taxonomy is 85%.

CAPEX PLAN

Saipem Taxonomy-related CapEx plan is a part of the Company's Technology Innovation Plan (Technology Plan) which aims to expand the Taxonomy-aligned economic activities. Depending on the specific type of projects and investments, the effort is divided between Research & Development (OpEx) and Technological Investments (CapEx).

The Plan is the document that sets out the short, medium and long-term technology innovation activities aiming to respond to Saipem's business needs for the four-year reference period. At the same time, it presents the strategic framework and the strategic innovation directives adopted, the four-year spending and investment plan (with particular focus on the first year of the plan), collaborations with third parties to achieve the plan's objectives and the existing ones, the results achieved in the previous technology plan.

The approval of the Saipem's four-year Technology Plan coincides with the approval of the Strategic Plan, of which the Technology Plan is a part, and with which it is aligned on the main directives. The processes for the approval of the Technology Plan are set out in relevant regulatory documents.

The technological innovation proposals identified are selected on the basis of the criteria listed below:

- > business strategies/opportunities;
- > market analysis;
- > technical-economic evaluation of the chosen option and comparison with the alternatives;
- > technology portfolio analysis;
- > indications from the technological risk assessment of technologies (including third party ones) applied to the project;
- > technology checks (Intellectual Property strategy);
- > Identification and availability of the required resources.

The 2024-2027 Technological Plan confirms the dual strategy of the Company which sees its technological investments concentrated on the one hand on maintaining our competitiveness in the Oil & Gas sector, and on the other on the frontier of the energy transition with increasingly digital means, technologies and processes oriented since their conception to environmental sustainability.

The Company has undertaken various actions towards the energy transition with a strategy characterised by 4 main pillars:

1. Decarbonisation of highly carbon-intensive industries (hard-to-abate): this means still producing energy/products through fossil fuels, but significantly reducing the related climate-changing emissions. This applies not only to the Oil&Gas industry, but also to highly energy-intensive ones such as steel mills, paper mills and cement factories.
2. Renewable Energy: primarily wind, but also floating solar energy, are particularly relevant for Saipem; their systemic integration could allow greater independence from the intermittent nature of most renewables, possibly also through the production of hydrogen.
3. Hydrogen: can act as a chemical intermediate product with low carbon content and, as an energy carrier, it could progressively replace natural gas, especially for applications that are difficult to electrify.
4. "Low Carbon" fuels, Biomass conversion and Circular Economy: embracing these models means trying to safeguard the environment by improving resource management, eliminating waste through more efficient design and maximising the circulation of products.

The four areas are closely interconnected and overlapping is very frequent.

At the same time, attention is also paid to longer-term prospective issues, such as innovative nuclear energy technologies, the recovery/extraction of strategic critical minerals, the management of water resources and the conception of new sustainable infrastructures.

The main objective of the Technological Plan is to gradually bring to full development the various technological solutions identified in the previous plans for the various sectors, so as to be ready for their full commercialisation by the end of the Plan.

The total Taxonomy-related CapEx during 2023 is about €14 million while the value for the entire period of the plan (2024-2027) is €67 million.

Sustainable development partnerships

In 2023, several partnership agreements were drawn up as part of the sustainable development of the Company's business, especially in the field of energy decarbonisation. The most relevant ones are detailed below, as well as some already active in the field and which gave interesting results during the year:

- With regard to the development of the "Saipem CO₂ Solutions" proprietary technology, Saipem is actively participating in the "ACCSESS" innovation project, funded by the European Community, which started in 2021 and involves 18 European partners. The project is demonstrating the possibility of capturing CO₂ from gaseous effluents from various hard-to-abate industries such as paper mills, cement and waste treatment plants. Tests began in 2023 and will continue in 2024 for CO₂ capture campaigns. In the field of marine wind technologies, Saipem and Seaway7 announced that they have entered into a commercial collaboration agreement to jointly identify, propose and execute offshore wind projects on fixed foundations.
- In 2023, Saipem also applied to the "COREu" innovation project, financed by the European Community. The project, coordinated by Sintef (as ACCESS), was accepted and the related Grant Agreement was signed in December 2023. COREu which will start in 2024 and will have a duration of 5 years, aims to demonstrate key technologies for the entire CCS value chain, supporting the development of links between CO₂ emitters and storage sites in Central and Western Europe.
- Furthermore, a particular effort was dedicated to the optimisation of the manufacturing sequence, in the floating wind sector, which led to the launch in 2023 of the Joint Industry Project called RECIF, with the support of the French organisations ADEME and CORIMER (French Orientation Council for Research and Innovation of the marine industrial sector), and whose objective is the development of specific blocks for the optimisation of manufacturing.
- Saipem is participating, together with a number of other partners, in the 'Floatech' programme, funded by the European Union as part of 'Horizon 2020', to increase the cost competitiveness of marine wind energy by developing aero-hydrodynamic modelling coupled with active control technologies.
- In 2023, Saipem also applied to the Floatfarm innovation project, financed by the European Community. The project was accepted and the related Grant Agreement was signed in December 2023; Floatfarm aims to significantly consolidate and make competitive the floating wind technology, and we will have the opportunity to further enhance the technological maturity of Star 1.
- Saipem is also involved in the development of floating substations in collaboration with Siemens Energy.
- In February 2023, Eni Sustainable Mobility and Saipem signed a Memorandum of Understanding (MoU) with the aim of using biogenic fuels on Saipem's drilling and construction vessels, with particular reference to operations in the Mediterranean Sea area.
- In March 2023, Saipem and Garbo, an Italian chemical company, signed an agreement to support the industrialisation, development and global marketing of a new technology for plastic recycling. The agreement also provides for collaboration between Saipem and Garbo for the construction of the first chemical plastic recycling industrial plant in Italy, located in Cerano in the province of Novara.
- In November 2023, Eni and Saipem signed an agreement for the development of biorefining. The agreement supports the transformation process of traditional refineries and the development of new Eni biorefineries. The agreement aims in particular at the study and possible construction of plants for the production of biojet, sustainable aviation fuel, and HVO diesel biofuel, produced 100% from renewable raw materials.
- In 2023, Saipem continued its collaboration in the Puglia Green Hydrogen Valley, which saw Sosteneo (Generali Investments) joining the project. The project aims at helping the acceleration of the spread of green hydrogen in the national energy mix in order to reach the Italian and European targets of climate neutrality by 2050.
- Regarding the Hydrone robotic platform, the Company continues its collaboration with WSense for the development of intelligent submarine units that act as intelligent communication nodes, also able to communicate with each other through underwater channels (e.g. optical and acoustic channels) strongly integrated with Saipem's subsea robotic systems.
- Saipem participated in the 'AIPlan4EU' project, funded by the "Horizon 2020" European programme, for the joint development of artificial intelligence protocols and applications for the automatic planning of autonomous drone missions, which will also be used for the Hydrone platform.
- Saipem, in partnership with ISME, an inter-university centre including the universities of Genoa and Pisa, was also assigned a project within the PNRM (National Plan for Military Research) with the aim of developing a special underwater robotic system (Hydrone-D) for the identification and deactivation of mines and other defence activities (AWS and "seabed warfare").



GOVERNANCE, CONTROL AND RISK MANAGEMENT SYSTEM

Governance

The Company undertakes to maintain and strengthen a governance system in line with international best practice standards, able to deal with the complex situations in which Saipem operates, and with the challenges it faces for sustainable development, in accordance with mandatory principles defined in the Code of Ethics.

More information is available in the "Code of Ethics" section of the Corporate Governance and Shareholding Structure Report 2023 and in the subsequent sections of this chapter.

Saipem adopts a system of Corporate Governance that is based on the applicable general and special regulations, the Articles of Association, the Code of Ethics, the recommendations contained in the Corporate Governance Code approved by the Corporate Governance Committee of the Italian Stock Exchange – which came into force on January 1, 2021 – and the best practices on the subject.

Saipem’s system of Corporate Governance is based on the central role of the Board of Directors, on transparency and the effectiveness of the internal audit system.

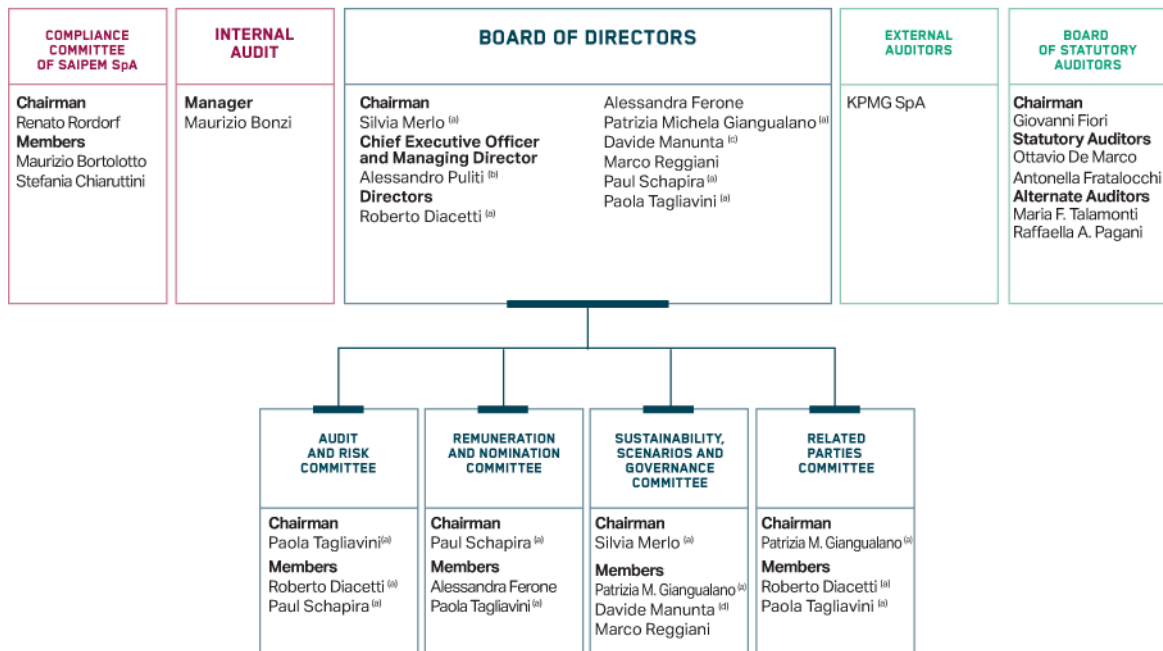
It should be noted that the Sustainability, Scenarios and Governance Committee and the Audit and Risk Committee are responsible for examining the "non-financial disclosures" governed by Legislative Decree No. 254 of December 30, 2016.

In particular, the Sustainability, Scenarios and Governance Committee is responsible for: "verifying the general approach of the non-financial statement and the articulation of its contents, as well as the completeness and transparency of the information provided with the same statement, reporting the outcome of its assessments, through its Chairman, to the Audit and Risk Committee, which is called upon to assess the suitability of the periodic non-financial information to correctly represent the company's business model, strategies, the impact of its activities and the performance achieved".

Consequently, the Audit and Risk Committee has the task of assessing "the suitability of periodic financial and non-financial information to fairly present the company's business model, strategies, the impact of its activities and the performance achieved, cooperating, for periodic non-financial information, with the Sustainability, Scenarios and Governance Committee".

For a more detailed description of the governance of the aspects required by Italian Legislative Decree No. 254/2016, refer to the "Corporate Governance and Shareholding Structure Report 2023", and in particular to the sections regarding the Board of Directors and Internal Control and Risk Management. The above-mentioned document is included in the "Governance - Documents - Corporate Governance" section of the Company's website.

MANAGEMENT AND CONTROL BODIES



(a) Independent, (b) Appointed by co-optation on August 31, 2022 and subsequently confirmed, on May 3, 2023, (c) by the Shareholders' Meeting as Director and (d) by the Board of Directors as Chief Executive Officer, (c) Appointed by co-optation on October 26, 2022 and confirmed as a member of the Board of Directors by the Shareholders' Meeting of May 3, 2023. (d) Appointed on October 26, 2022 and confirmed by the Board of Directors on May 3, 2023, as a member of the Sustainability, Scenarios and Governance Committee.

Governance of business sustainability

The Board of Directors was appointed by the Shareholders' Meeting on April 30, 2021 for three financial years and will expire on the date of the Meeting called for the approval of the financial statements for the year ending December 31, 2023. The appointment of Directors occurs pursuant to Article 19 of Articles of Association, through voting from a list, so as to allow the appointment of minority interest representatives and to ensure gender balance. The majority of directors are aged over 50.

It should be noted that, on August 31, 2022, following the resignation of Pier Francesco Ragni (notified on August 19, 2022), the Company's Board of Directors appointed Alessandro Puliti as director to replace him, by co-opting pursuant to and for the purposes of the Article 2386, first paragraph, of the civil code.

Also during the meeting of August 31, 2022, the then Chief Executive Officer Francesco Caio resigned with immediate effect and the Board of Directors therefore appointed Alessandro Puliti as Chief Executive Officer, former General Manager of the Company.

In light of the above, the composition of the Board of Directors had to be integrated and the number of its members brought to nine, as set by the Shareholders' Meeting on April 30, 2021. On October 26, 2022, the Board of Directors therefore appointed by co-optation, pursuant to Article 2386, first paragraph, of the civil code, Davide Manunta as non-executive and non-independent director. Mr. Manunta was also appointed member of the Sustainability, Scenarios and Governance Committee.

Pursuant to Article 2386 of the Italian Civil Code, the Shareholders' Meeting of May 3, 2023 appointed Alessandro Puliti and Davide Manunta as members of the Board of Directors, whose mandate will expire together with the directors in office, and therefore on the occasion of the Shareholders' Meeting called for the approval of the financial statements for the 2023. The Board of Directors, again on May 3, 2023, confirmed (i) Alessandro Puliti as Chief Executive Officer and Director in charge of establishing and maintaining the Company's Internal Control and Risk Management System and (ii) Davide Manunta as member of the Sustainability, Scenarios and Governance Committee.

The curriculum with the personal and professional characteristics of the directors is available on the website www.saipem.com in the "Governance - Board of Directors" section.

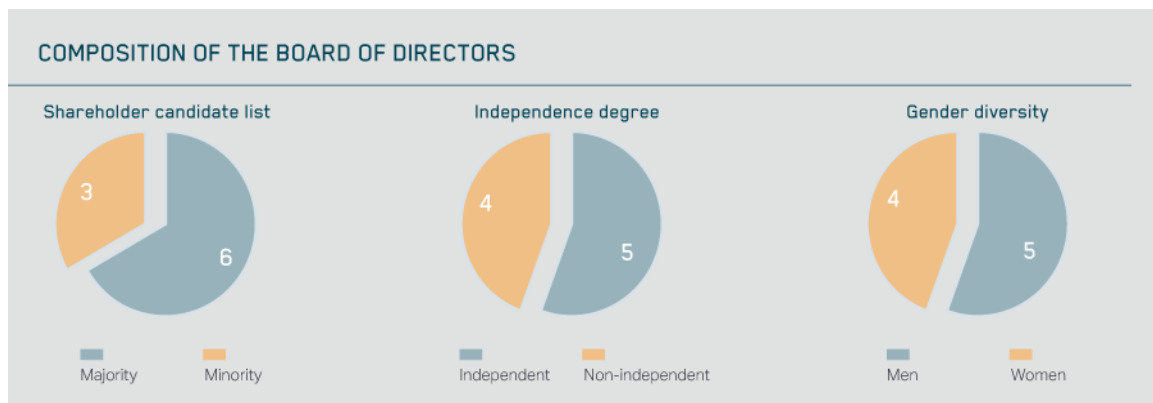
The responsibilities of the Board of Directors include the definition, at the request of the Chief Executive Officer-CEO, of the strategic lines and objectives of the Company and the Group, including their sustainability policies.

The Board of Directors appointed by the Shareholders' Meeting of April 30, 2021 has in its current composition competences related to evaluations and decisions linked to sustainability issues, connected to the exercise of company business and its dynamics of interaction with all stakeholders.

Notably the Board of Directors guides the Company by pursuing its sustainable success and, consistently with this objective, defines, at the proposal of the CEO, the strategic lines and objectives of the Company and the Group, including policies for sustainability and monitors their implementation.

The Board, 88% of which is made up of members over 50 years of age and 12% of which is made up of members between 30 and 50 years of age, is also adequately equipped with expertise in the field of the Code of Ethics, national and international regulations and best practices.

75% of Board committees are chaired by a female director.



With regard to the formation and information to the members of the new Board of Directors appointed by the Shareholders' Meeting of April 30, 2021, the Company has prepared and implemented a "Board Induction" programme (that can be off-site as well), in order to allow the directors to progressively deepen their knowledge of the Company from both an industrial/operational/commercial standpoint and from a financial and governance compliance perspective. The following induction sessions were held among others, which also involved the Board of Statutory Auditors:

- September 20, 2023: induction session on the 2023-2026 Sustainability Plan;
- November 22, 2023: an off-site Board of Directors' Meeting was organised on board the vessel Saipem 7000;

- December 18, 2023: induction session on digital transformation “Digital Transformation Roadmap 2027”, which also covered cybersecurity issues.

Note that the Board of Directors is periodically updated on corporate risk methodologies during meetings to allow the presentation of Risk Assessment results, and on the quarterly monitoring of the Key Risk Indicators.

In order to carry out its duties more efficiently, the Board has established:

- a Remuneration and Nomination Committee (composed of mostly independent, non-executive Directors exclusively);
- an Audit and Risk Committee (composed of independent, non-executive Directors exclusively), whose task is, among others, to assess whether the periodic financial and non-financial information correctly represents the business model, corporate strategies and the impact and performance of its business operations and to examine the content of the periodic non-financial information of importance for the Internal Control and Risk Management System;
- a Related Parties Committee (composed of independent, non-executive Directors exclusively);
- a Sustainability, Scenarios and Governance Committee (composed of four non-executive Directors, two of which are independent, and chaired by the Chairman of Saipem’s Board of Directors, who is independent). In particular, the Sustainability, Scenarios and Governance Committee is tasked with facilitating the Board of Directors with advisory, preparatory and consultative functions, for its evaluations and decisions on sustainability issues, also related to Environmental, Social & Governance (ESG), connected to the performance of the company’s activities, to the dynamics of interactions with all the stakeholders, to the company’s Social responsibility, to the review of scenarios for the preparation of the strategic plan, based also on an analysis of issues relevant to the generation of value over the long term and to the Company’s and Group’s corporate governance.

Further details on the composition, appointment, responsibilities, activities and formation of the Board of Directors and internal Committees can be found in the section “Corporate Governance and Shareholding Structure Report 2023”.

THE MAIN SUSTAINABILITY TOPICS FACED BY THE BOARD OF DIRECTORS IN 2023

- The Board of Directors met 14 times during 2023. In some of the meetings (8 out of 14 meetings), the following topics were discussed:

Addressed topic	Corresponding ESG topic
Sharing of the materiality analysis results for 2022 (January 2023) and 2023 (December 2023). 2023-2026 Sustainability Plan. Periodic analysis of Risk Assessment results; 2022 Consolidated Non-Financial Statement and 2022 Sustainability Report.	Climate change, Biodiversity, Water, Incidents and Spills, Waste, Community Development, Human rights, Labour rights, Safe workplace, Health, Diversity and Inclusion, Sustainable Employment, Business Ethics, Innovation, Cybersecurity.
Non-profit and local community initiatives plan: 2023 guidelines and budget.	Community Development.
2023 Report on Remuneration Policy and Compensation Paid.	Climate change, Business ethics, Diversity and inclusion.
Trends of health, safety and environment performance.	Safe workplace.
Human Rights and Modern Slavery Statement 2022.	Human Rights, Labour rights.
Update of Model 231.	Business Ethics.

Incentive system

Given the transversal nature of this topic, the sustainability objectives are defined, and must be disseminated within the Company, consistently with the various operational contexts and the requests emerging from stakeholder consultations and other contextual evidence. The Board of Directors approves the management performance plan, at the proposal of the Compensation and Nomination Committee, through which the Company’s objectives are assigned to the CEO and General Director. The plan is drafted on the basis of the company’s strategic plan and, for the part concerning objectives on ESG issues, considers the areas that were deemed to be of highest priority by the company’s stakeholders. The objectives are then transferred with a cascade process to the management of the organisation and are set out in the Short- and Long-Term Variable Incentive Plans, described in detail in the “Report on Remuneration Policy and Compensation Paid” available on the Company website.

The active and regular involvement of stakeholders in the determination of priorities (including, for example, through materiality analysis) and the creation of an advanced monitoring system to monitor and report on company ESG performances also confirm that ESG/Sustainability factors represent a commitment the Company adopts towards stakeholders with a view to creating shared value in the long term. In terms of the Company’s position to be an energy transition leader, the objective to reduce Scope 1 & 2 GHG emissions by

50% by 2035 (the reference value is calculated compared to 2018), and to reach Carbon Neutrality for Scope 2 emissions by 2025.

Risk management

The model for the integrated management of corporate risks, within the framework of the Internal Control and Risk Management System (SCIGR) has been defined in compliance with the principles and with international best practices, the Model follows an organic and concise vision of the risks to which the Company is exposed, greater consistency of methodologies and tools to support risk management, and strengthening of awareness at all levels to the effect that an appropriate assessment and management of risks of various types can have a positive impact on the achievement of objectives and on the Company's value.

At company level, Integrated Risk Management, developed in accordance with the "CoSO Report" reference framework and national and international best practices, involves the identification, assessment and analysis of risks. It provides an assessment of the strategic, external and operational risk events at Corporate, Business Lines and Subsidiaries level and the monitoring of the Top Risks, supplying an update of the risk profile for Saipem in relation to strategic and management objectives. The risk assessment is regularly performed and updated on a six-month basis through several meetings and workshops conducted with the managers of the organisations.

Given the geopolitical context of extreme uncertainty that characterised 2023, Saipem has carefully monitored the situation at a global level through the "social & political instability/geopolitical context" risk, seen as an emerging risk notably with regards to the Israeli-Palestinian conflict and its possible extension to the entire Gulf area, situations of potential escalation of other open war fronts (China/Taiwan, etc.), strengthening of the economic polarisations already emerged following the Russian-Ukrainian conflict.

In particular, for each country in which Saipem operates, specific monitoring is carried out aimed at analysing the situation both from a security point of view and from the socio-economic trend of the country, in coordination with the Crisis Unit of the Ministry of Foreign Affairs, in order to verify the adequacy of the Security Model adopted by Saipem also in relation to Supply Chain issues.

A quick and unexpected worsening of the risk scenarios – both onshore and offshore – of the countries in which Saipem operates could in fact impact on operations, as well as involve interruptions in the supply chain, with negative consequences on the operational continuity of the Group.

Cyber risk is constantly growing all around the world, thanks also to the increasing availability of attack tools that make use of Artificial Intelligence (AI). The improper use of Artificial Intelligence systems by malicious actors could amplify the negative effects deriving, for example, from cyber attacks via malware and phishing activities. The supply chain is particularly targeted, its vulnerabilities being exploited to penetrate the defensive measures implemented by companies.

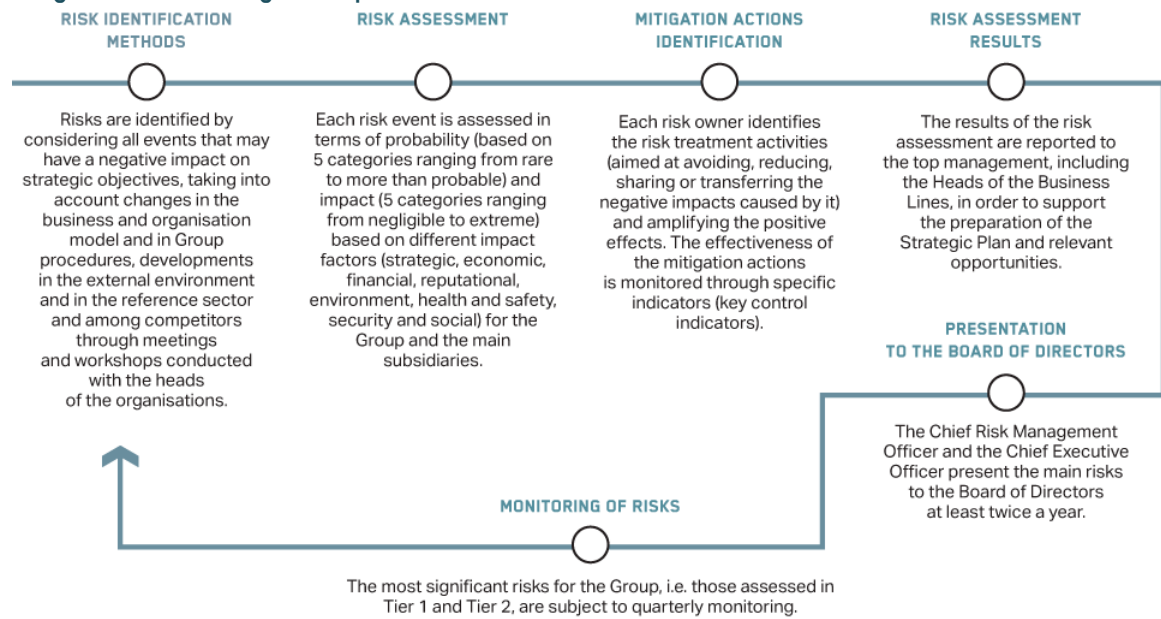
Saipem is adopting a supplier evaluation model based on precise cybersecurity requirements.

In 2023 Saipem started establishing an internal and multidisciplinary working group on Artificial Intelligence - AI (Machine Learning, Fuzzy systems, Evolutionary algorithms). This working group, in which the Integrated Risk Management and Compliance Function is also involved, is currently aimed at monitoring regulatory developments at European and Italian level (e.g. AI Act currently being prepared by the European institutions), in order to regulate the adoption of these technologies on the European market, as well as to analyse emerging risks and evaluate any impacts of the implementation of such tools/projects within the company.

A process has been established for monitoring the main risks of the Group on a quarterly basis through specific risk and control indicators, which make it possible to monitor the evolution of the risk and the effectiveness of the related mitigation activities.

With this assumption, Saipem has decided to take a risk management perspective that includes ESG topics right from the offer phase. In particular, we have started an environmental risk assessment process which, starting from some basic information (e.g. type, location, cost, hours worked, etc., of the project), first analyses the greenhouse gas emissions that will be generated by the planned project. It is essential to appropriately evaluate prospective GHG emissions to estimate any impacts both on the company objectives and on the increasingly restrictive ones that countries are setting themselves to limit the risks related to climate change.

Integrated Risk Management process



Events that involve risks

As described in the “Risk management” section, Saipem is exposed to strategic, operational, and external risk factors that may be associated with both business activities and the business sector in which it operates. The occurrence of such risks could have negative effects on the Group’s business and operations and on its financial position, performance and cash flow.

The following are the main risk factors identified, analysed, assessed and managed by Saipem management.

List of risks

1. Financial risks
2. Country risk
3. Biological/pandemic risk
4. Risks related to the supply chain
5. Cyber risks
6. Strategic risks and project acquisition risks
7. Project execution risks
8. IT risks
9. Risks associated with legal proceedings (legal, administrative, tax and labour)
10. Risks related to asset management
11. Risks related to human resources
12. HSE risks
13. Risks related to client contract management
14. Compliance risks

Internal Control and Risk Management System

Saipem’s Internal Control and Risk Management System (SCIGR) consists of the set of rules, procedures and organisational structures that aim to assure an effective and efficient identification, measuring, management and monitoring of the main risks, in order to contribute to the sustainable success of the company.

The structure of Saipem’s internal control system, which is an integral part of the Company’s Organisational and Management Model, is governed by the “Internal Control and Risk Management System” Management System Guideline and is based on the principles contained in the Code of Ethics and the Corporate Governance Code, taking the applicable legislation, the CoSO Report and national and international best practices into account.

The Internal Control and Risk Management System involves, in various roles, the administrative bodies, compliance bodies, control bodies, the management and all the personnel.

Saipem undertakes to guarantee the integrity, transparency, correctness and efficiency of its processes by adopting suitable tools, standards and regulations for the conducting of the activity and the exercising of powers, and it promotes rules of conduct inspired by the general principles of traceability and separation of the activities.

For some time now, Saipem has been committed to fostering the development, and dissemination to all company personnel, of a sense of awareness of the importance of matters concerning internal control. The internal control system is subjected over time to auditing and updating, with a view to ensuring that it continues to be adequate to safeguard the main areas of corporate risk, in line with the typical characteristics of the operating sectors and the organisational framework of the company, and in function of any legal and regulatory updates.

In this context, Saipem handles, through special internal regulations, the reception – through easily accessible information channels –, analysis and processing of reports sent or transmitted by anyone, even in confidential or anonymous form (the so-called Whistleblowing), on problems regarding internal control, financial reporting, administrative liability of the company, fraud or other matters. Saipem fully guarantees the protection of anyone making a report in good faith and submits the results of the preliminary investigations to senior management and to the appointed control and supervision bodies. The internal control system is subjected over time to auditing and updating, with a view to ensuring that it continues to be adequate to safeguard the main areas of corporate risk, in line with the typical characteristics of its operating sectors and organisational framework, and in function of any legal and regulatory updates.

Internal Audit Function

The Head of the Internal Audit Function reports hierarchically to the Board of Directors and, therefore to the Chairman, except for those duties that fall under the remit of the Audit and Risk Committee and to the Chief Executive Officer-CEO, in his capacity as Officer responsible for the Internal Control and Risk Management System (SCIGR). He is appointed for overseeing that the SCIGR is fully operational and effective.

During the 2023, the Internal Audit function carried out the Audit Plan approved by the Board of Directors on March 7, 2023, including checks on the reliability of the information systems, including the accounting reporting systems, and provided regular and periodic information regarding its implementation to the Audit and Risk Committee, the Board of Statutory Auditors and the Compliance Committee insofar as it falls within their remit. On March 12, 2024, the Head of the Internal Audit function released his annual report on the main results of the activities carried out by the Saipem Internal Audit function (referring to the period January 1-December 31, 2023 with update to the date of its issue) and, in this area also expressed an assessment of the adequacy of the Internal Control and Risk Management System based on the results of the monitoring activities carried out in the reference period.

Main responsibilities of the Internal Audit Department are: (i) supervise the verification of the operation and suitability of the Internal Control and Risk Management System of Saipem SpA and its subsidiaries, also to support the assessment by company bodies and relevant structures through the integrated planning of audit and supervision initiatives and 231 Model compliance, the performance of interventions, including unplanned ones, and monitoring of corrective action implementation; (ii) ensure specialised support to the Management regarding the Internal Control and Risk Management System in order to facilitate the effectiveness, efficiency and integration of controls in company processes; (iii) contribute to independent monitoring required by the internal control models adopted by the Company; (iv) ensure the management of investigations on whistleblowing reports, including anonymous ones.

Control activities on non-financial reporting

In order to further strengthen the reliability, timeliness, and completeness of the reporting process, Saipem has developed an Internal Control System dedicated to non-financial reporting.

A dedicated function has been created which is responsible for coordinating and planning the tasks necessary for the functioning of the control system and specific internal procedures have been issued (a dedicated Management System Guideline and a Risk and Control Matrix for the Group).

A minimum set of controls and monitoring has been defined for the Group; it has been broken down by macro-processes, sub-processes and indicators, as well as by type of site/asset, to be implemented according to the scope of application. Particular focus on the site/asset is fundamental as there are specificities in non-financial reporting processes, in particular for the collection of primary data.

The operating phases of Control System are the following:

- 1) definition of the scope of application through quantitative assessments (identification of relevant Group companies and significant non-financial indicators);
- 2) identification and evaluation of controls. Specific control activities are identified, which may include approvals, authorisations, verifications, reconciliations, reviews of operational performance, confirmation of assumptions and estimates, and separation of duties. Controls may be manual or automated,

- depending on the method and tools used to perform them, and may also be preventive or detective, depending on the position of the control in the reporting flow;
- 3) monitoring activities and corrective actions. Monitoring is a set of tasks aimed at verifying that the Internal Control System is correctly designed and operational. Two types of monitoring are foreseen: ongoing monitoring and independent monitoring. Ongoing monitoring is carried out on an annual basis by the head of the organisational unit managing the phase or task on which the risk lies. Independent monitoring is carried out on a six-month basis with the assistance of Saipem's Internal Audit Function;
 - 4) internal control system reporting and assessment. A summary report on the Internal Control System on non-financial reporting is prepared, describing the main findings of ongoing and independent monitoring activities. In 2023, this report was shared with both the Sustainability, Scenarios and Governance Committee and the Audit and Risk Committee.

The System has been operational since 2019 and is progressively expanded year after year, by including companies and indicators to the scope of application.

Since the introduction of the System to date, some reporting processes have been strengthened, additions have been made to some company procedures, new indicators have been integrated into the company's IT systems and some calculations previously done manually have been automated. In addition, a major effort has been made to formalise existing control activities, especially to design appropriate monitoring activities when not already foreseen.

In order to further strengthen the effectiveness of operational processes related to ESG, the Internal Audit function – starting from 2021 – has included, within the work programmes used for independent audit and monitoring interventions on companies, branches and some relevant processes, the integration of a set of verifications on ESG issues.

Such issues are mainly related to respect for human rights, sustainable supply chain, diversity and environment.

These tests are carried out on a sample of companies and/or processes included in the annual audit plan approved by the Board of Directors.

The analyses conducted, the results of which were presented to the Audit and Risk Committee as part of the regular and periodic reporting on the implementation of the Audit Plan, did not reveal any particular critical issues in this regard.

Regulatory System

In order to allow the concrete implementation of what is stated in the mission and to guarantee integrity, transparency, correctness and effectiveness of its processes, Saipem adopts rules for the performance of corporate activities and the exercise of powers, ensuring compliance with the general principles of traceability and segregation. Saipem Regulatory System is a dynamic system that provides for continuous improvement in accordance with the evolution of the internal and external context and is based on a process logic. Therefore, regardless of the placement of the activities in Saipem's organisational and corporate structure, all activities are traced back to a map of transversal processes and/or topics. Through its Regulatory System, Saipem promotes the integration of compliance principles within corporate processes. The regulatory documents contain the control principles that the people involved in the regulated process are required to comply with in order to operate in conformity with current laws and regulations. The complete Saipem's regulatory system is based on and is consistent with a wider reference framework which includes: legal provisions, Articles of Association, Corporate Governance Code, CoSO Report, Organisation, Management and Control Model, and the basic principles of Internal Control Systems.

“Model 231 (including the Code of Ethics)”

In 2004, the Board of Directors of Saipem SpA resolved to adopt its own organisation, management and control model pursuant to Italian Legislative Decree No. 231/2001, “Model 231 (includes the Code of Ethics)” (hereinafter, the “Model 231”), aimed at preventing the commission of crimes sanctioned by Italian Legislative Decree No. 231/2001 “Provisions on the administrative liability of legal persons, companies and associations, including those without legal personality”, in accordance with Article 11 of law September 29, 2000, No. 300”.

Later, through specific projects, Model 231 was updated to reflect changes in the legislation and in the corporate organisation of Saipem SpA. In particular, the subsequent updates of Model 231 have taken into account the following:

- > changes in the corporate organisation of Saipem SpA;
- > changes in case law and jurisprudence;
- > the considerations arising from the implementation of Model 231, including case law indications;
- > practices of Italian and foreign companies with regard to these models;
- > the results of supervision activities and the findings of internal audit activities;
- > the evolution of the legislative framework and the Confindustria Guidelines.

Model 231 is the tool through which Saipem clearly defines its values, principles and responsibilities with a view to maximising the efficiency, reliability and reputation of Saipem, which are key factors for its success, and in order to improve the conditions in which it works.

Model 231 includes the Code of Ethics that represents a general mandatory principle. Saipem's Code of Ethics clearly defines, in compliance with the law, the values that the Company recognises, accepts and shares in the conducting of its activities; it also establishes the responsibilities assumed towards stakeholders, both internal and external. Compliance with the Code of Ethics by Saipem's directors, statutory auditors, management and employees as well as by all those who operate in Italy and abroad to achieve Saipem's objectives ("Saipem's People"), each within their own functions and responsibilities, is of paramount importance – also pursuant to and for the effects of legal and contractual provisions governing the relationship with Saipem – for Saipem's efficiency, reliability and reputation, which are all crucial factors for its success and for improving the social situation in which Saipem operates. All Saipem People, without any distinction or exception whatsoever, must respect the principles and contents of the Code of Ethics in their actions and behaviours in the context of their functions and tasks, aware that compliance with the Code of Ethics is fundamental for the quality of their working and professional performance. Relations among Saipem People, at all levels, shall be characterised by honesty, fairness, cooperation, loyalty and mutual respect. Compliance with the rules of the Code of Ethics must be considered an essential part of contractual obligations for all Saipem Personnel, pursuant to and for the effects of the applicable law. The Compliance Committee monitors the effectiveness of Model 231. The Committee also acts as the Guarantor of the Code of Ethics. It is compulsory for all Saipem Personnel to communicate in a timely manner any cases, or requests, of violation of Model 231 to their immediate superiors or to the body to which they belong and to the Compliance Committee. The reporting parties in good faith are protected against any form of retaliation, discrimination or penalisation and in any case confidentiality on their identity shall be ensured, without prejudice to the obligations according to law and the protection of the rights of the company or of the individuals wrongly accused or accused in bad faith.

During 2023, Model 231 (includes the Code of Ethics) of Saipem SpA was updated to incorporate organisational and legislative changes; a first update was approved by the Board of Directors on June 27, 2023. In relation to new regulations and amendments, we note in particular: Italian Legislative Decree No. 156/2022 "Additional and corrective provisions of the Legislative Decree of July 14, 2020, No. 75, implementing Directive (EU) 2017/1371, relating to the fight against fraud to the financial interests by means of criminal law"; Italian Legislative Decree No. 19/2023 "Implementation of Directive (EU) 2019/2121 of the European Parliament and of the Council, of November 27, 2019, which amends Directive (EU) 2017/1132 relating to cross-border transformations, mergers and divisions; Italian Legislative Decree No. 24/2023 "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019 concerning the protection of persons who report breaches of Union law and containing provisions concerning the protection of persons who report breaches of national regulatory provisions".

A second update of Model 231 (includes Code of Ethics) of Saipem SpA was approved by the Board of Directors of Saipem SpA on December 18, 2023; in relation to regulatory interventions, particular mention should be made of the law of October 9, 2023, No. 137 "Conversion into law, with amendments, of the Legislative Decree of August 10, 2023, No. 105, containing urgent provisions on criminal trials, civil trials, fighting forest fires, recovery from addictions, health and culture, as well as on matters of judiciary and public administration personnel". It introduced in the catalogue of the predicate crimes of Legislative Decree No. 231/2001 the crimes of: disrupting the freedom of auctions (Article 353, criminal code), disrupting the freedom of the procedure for choosing the contractor (Article 353-bis, criminal code) and fraudulent transfer of values (Article 512-bis, criminal code).



Fighting corruption

Saipem has always conducted its business with openness, fairness, transparency, integrity and in full observance of laws and regulations. In this context, corruption is an intolerable impediment to the efficiency of business and to fair competition.

Among the various initiatives, Saipem has designed an "Anti-Corruption Compliance Programme", a detailed system of regulations and controls for the purpose of preventing corruption, in line with international best practices and with the principle of "zero tolerance" expressed in the Code of Ethics.

In particular, Saipem's Code of Ethics (included in Model 231) establishes that "bribes, illegitimate favours, collusion, requests for personal or career benefits for oneself or others, either directly or through third parties, are prohibited without any exception".

In particular, Saipem's "Anti-Corruption Compliance Programme" is dynamic and is constantly focused on the evolution of the national and international framework of regulations and best practices.

Over the course of the years, in a perspective of continuous improvement, the "Anti-Corruption Compliance Programme" has been constantly updated in line with the reference provisions (including among others the United Nations Convention against Corruption, the Organisation for Economic Co-operation and Development Convention on Combating the Bribery of Foreign Public Officials in International Business

GRI 205-2
GRI 205-3
GRI 415-1
SASB
EM-SV-510a.2
SASB
IF-EN-510a.3

Transactions, Italian Legislative Decree No. 231 of June 8, 2001, the US Foreign Corrupt Practices Act, the UK Bribery Act and the French Sapin 2 law).

More specifically, the Board of Directors of Saipem SpA approved the "Anti-Corruption Management System Guideline" (Anti-Corruption MSG) on April 23, 2012. This repealed and replaced the previous Anti-Corruption Compliance Guidelines to optimise the compliance system in force. All the detailed anti-corruption procedures for specific risk areas were then updated (inter alia, the procedures for joint venture agreements, sponsorship, gifts, non-profit initiatives, vendors and consultants, relations with public administration and merger & acquisition operations).

During 2023, Saipem SpA has updated the "Anti-Corruption Management System Guideline" with a view to regularly improving the "Anti-Corruption Compliance Programme" and Saipem's Corporate Governance systems on Anti-Corruption issues. The revision of the procedure has been issued in early January 2024.

The adoption and implementation of the aforementioned MSG are obligatory for Saipem SpA and all its subsidiaries.

All Saipem personnel are responsible for complying with the anti-corruption laws: for this reason all documents relating to this topic are easily accessible on the Company's website and intranet portal. In this context, a particularly important role is played by the managers, who are called upon to enforce observance of the anti-corruption procedures, also by their collaborators.

Furthermore, Saipem was among the first Italian companies to achieve the international certificate ISO 37001:2016 "Anti-bribery management systems", valid for the whole Group. This certification, awarded by an independent accredited body, identifies a management standard that helps organisations in the fight against corruption, establishing a culture of integrity, transparency and compliance. The certification process, which included an audit phase that began in January 2018 and ended in April 2018, took into consideration such factors as the organisational structure, local presence, processes and services.

Subsequently, the audit activities necessary for the recertification were carried out and on April 28, 2021, the new certificate ISO 37001: 2016 was issued with a three-year validity and expiring on April 27, 2024.

Aware that the primary element for developing an effective strategy to combat the phenomenon of corruption lies in fostering thorough knowledge of the tools for its prevention, Saipem considers training and awareness-raising activities of paramount importance and confirms the strategic importance of these also to promote and disseminate knowledge on Compliance, Ethics and anti-corruption.

In 2023, 17% of employees for the full consolidated perimeter and 18% for the Group perimeter was trained on these issues, 2 percentage points higher than the previous year. Training hours delivered in these areas amounted to 15,775 for the Group perimeter and 15,663 for the full consolidated perimeter, down for both perimeters compared to the total number of training hours delivered the previous year.

Moreover, the Internal Audit function of Saipem shall independently review and assess the internal control system with a view to verifying compliance with the requirements of the Anti-corruption MSG, on the basis of its own annual audit programme approved by the Board of Directors of Saipem SpA.

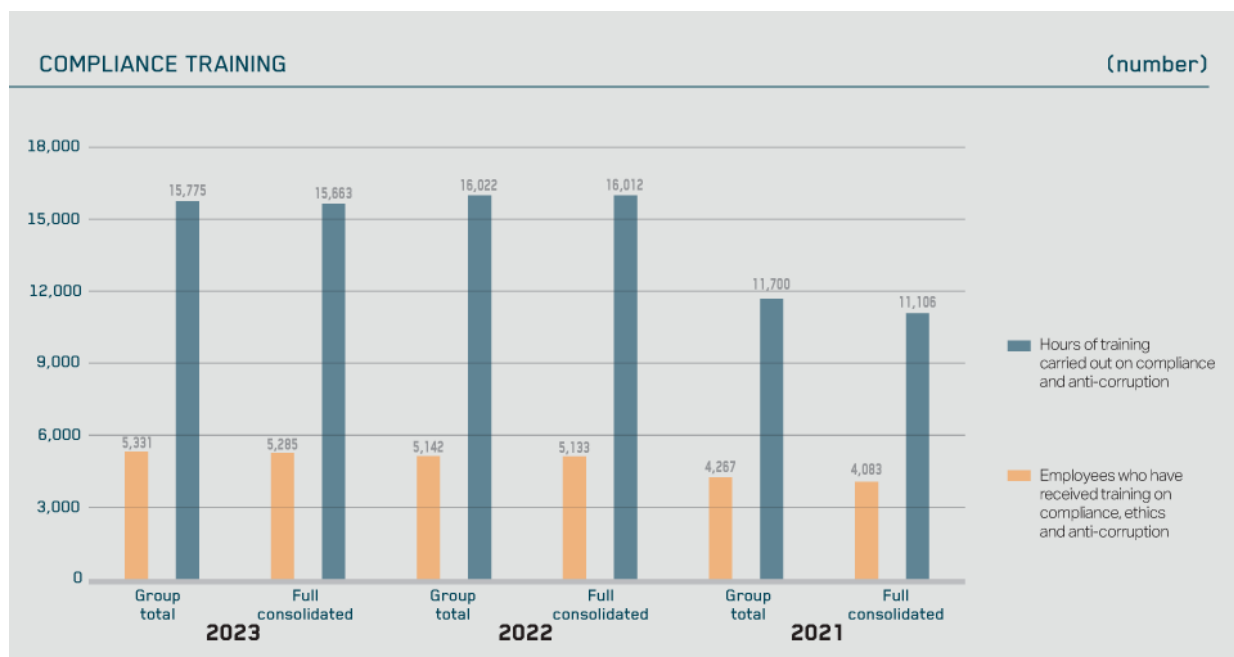
Any violation, alleged or confirmed, of the anti-corruption laws or procedures must be reported immediately via one of the channels indicated in the procedure "Whistleblowing reports received by Saipem and its subsidiaries", available on the Company website and intranet portal. Disciplinary measures are provided for people in Saipem who violate the anti-corruption regulations and omit to report violations that they are aware of.

In 2023, no confirmed cases of corruption were reported.

More information on legal proceedings in which the Group is involved is available in Note 33 to the Notes to the consolidated financial statements, "Guarantees, commitments and risks - Legal proceedings".

Saipem requests compliance by Business Partners with the applicable laws, including the anti-corruption laws pertinent to the business activities carried out with Saipem, and the commitment to follow the reference principles contained in the Anti-Corruption MSG.

It should also be noted that Saipem does not make direct or indirect contributions, in whatever form, to political parties, movements, committees, political organisations, or to their representatives and candidates. Direct or indirect contributions may be made to trade unions and their representatives, to the extent this is provided for by mandatory legislative requirements or applicable collective labour contracts.



(No.)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Employees who have received training on compliance⁽¹⁾						
For category of employees						
Blue collars	52	48	72	72	33	22
White collars	3,364	3,342	3,177	3,171	2,578	2,447
Managers	1,672	1,672	1,711	1,708	1,486	1,444
Senior managers	223	223	182	182	170	170
For geographical area						
Americas	176	176	247	247	189	189
CIS	25	25	175	175	2	1
Europe	3,290	3,290	2,888	2,887	2,823	2,810
Middle East	1,068	1,067	713	709	678	634
North Africa	34	34	24	24	35	35
Sub-Saharan Africa	342	317	248	243	400	273
Far East	376	376	848	848	141	141

(1) Please note that the figures relate to companies with which the employees are formally part of the workforce.



GRI 406-1

Reporting suspected violations

A fundamental part of Saipem's structured system for managing stakeholder complaints is the reporting management process ("whistleblowing") governed by a special Corporate Standard made available to all employees (through various means, among which the intranet and company notice boards) and external stakeholders (published on the Company's website).

The term "report" refers to any information, new, fact or conduct which in any way is brought to the attention of Saipem staff regarding possible violations, behaviour and practices that do not conform to the provisions in the Code of Ethics and/or which may cause damage or injury to Saipem SpA (even if only to its image) or any of its subsidiaries, on the part of employees, directors, officers, auditing companies of Saipem SpA and its subsidiaries and third parties in a business relationship with these companies, in one or more of the following areas: the internal control system, accounting, internal accounting controls, auditing, fraud, administrative responsibilities under Legislative Decree No. 231/2001, and others (such as violations of the Code of Ethics, mobbing, theft, security, and so on). Saipem has prepared various channels of communication as a way to facilitate the sending of reports, including, but not necessarily limited to, regular post, fax numbers, yellow boxes, e-mail, and communication tools on the intranet/internet sites of Saipem SpA and its subsidiaries. The Internal Audit function ensures that all appropriate controls are in place for any facts that have been reported, guaranteeing: (i) that these are carried out in the shortest time possible and respecting the completeness and accuracy of the investigation; (ii) the utmost confidentiality with methods suitable for protecting the person reporting. The investigations are composed of the following phases: (a) preliminary control; (b) verification; (c) audit; (d) monitoring of corrective actions. The Internal Audit

prepares a quarterly report on reports received that, following examination by the Saipem Board of Statutory Auditors, is transmitted to the relevant people for suitable assessment.

The following files were opened in 2023: 11 whistleblowing report files on discrimination issues, of which 3 are still open and the remaining 8 are closed; 1 whistleblowing report file on local communities issues, already closed; 37 whistleblowing report files on workers' rights issues, of which 3 are still open and the remaining 34 are closed; 54 whistleblowing report files on mobbing/harassment issues, of which 17 still open and the remaining 37 are closed. All 103 cases were transmitted to the pertinent company bodies (Board of Auditors of Saipem SpA, Supervisory Board of Saipem SpA and the Compliance Committees of the companies affected by the reports).

With regard to the discrimination issues, with reference to the 8 closed cases, in 2 cases the competent Company bodies decided to dismiss them on the basis of the investigation carried out, deeming that there was no violation of the Code of Ethics with reference to the facts reported; in one case, though without violation, corrective action was taken, whilst violation was confirmed in 2 cases. The corrective actions identified were the following: evaluation of disciplinary measures, awareness-raising on compliance with the Code of Ethics of the Saipem Group, transfer of an employee and various initiatives aimed at improving the quality of life on board a vessel for all personnel embarked.

Two cases reported in the year 2022 regarding discrimination issues that were still pending as of the last reporting date were closed in 2023. With reference to the 2 closed cases, in 1 case the competent Company bodies decided to dismiss it on the basis of the investigation carried out, deeming that there was no violation of the Code of Ethics with reference to the facts reported, violation was confirmed in 1 case. The corrective action identified consisted of an awareness-raising activity on compliance with the Group Code of Ethics intended for the reported person.

(No.)	2023	2022	2021
Number of cases reported			
Total, of which:	226	137	158
- founded or partially founded	54	34	49
- unfounded	135	103	109
- open	37	-	-
(No.)	2023	2022	2021
Files on cases of discrimination			
Total, of which:	11	5	2
- founded or partially founded	2	2	-
- unfounded	6	3	2
- open	3	-	-
Files regarding violations of the rights of local communities			
Total, of which:	1	1	-
- founded or partially founded	-	-	-
- unfounded	1	1	-
- open	-	-	-
Files regarding mobbing and harassment			
Total, of which:	54	24	35
- founded or partially founded	16	9	14
- unfounded	21	15	21
- open	17	-	-
Files in relation to other workers' rights			
Total, of which:	37	29	22
- founded or partially founded	3	7	3
- unfounded	31	22	19
- open	3	-	-

Data of 2021 and 2022 have been updated as of December 31, 2023.

(*) Note: starting from the year 2021 the company has included a new reporting category in order to provide even more detailed information to its stakeholders. The category "Mobbing and harassment" includes mobbing, assaults, abuse, offensive conduct, verbal harassment, threats.

With regard to the issues of workers' rights, with reference to the 34 closed cases, in 19 cases the competent company bodies decided to dismiss them on the basis of the investigation carried out, deeming that there was no violation of the Code of Ethics with reference to the facts reported, whilst violation was confirmed in 3 cases and in 12 case, though without violation, corrective action was taken. The corrective actions were the following: evaluation of disciplinary measures of various kinds, evaluation of measures against suppliers and monitoring of the correct payment of contributions and salaries of their employees, raising awareness regarding the correct management of the services provided, request for a legal opinion regarding the correct management of a particular type of contract, preparation of a procedure for managing

the overtime approval process, cancellation of incorrect disciplinary measures and accreditation of a law firm.

It should also be noted that 3 workers' rights cases reported in 2022 were closed in 2023; they were still open at the time of the last reporting. With reference to the 3 closed cases, in 2 cases the competent Company bodies decided to dismiss them on the basis of the investigation carried out, deeming that there was no violation of the Code of Ethics with reference to the facts reported, violation was confirmed in 1 case. The corrective action identified concerned the adoption of measures aimed at overcoming deficiencies in compliance with the local law on working hours.

In the area of mobbing/harassment, the competent company bodies dismissed 13 of the 37 cases closed in the year on the basis of the investigation carried out, deeming that the events reported did not represent a violation of the Code of Ethics, while a violation was confirmed in 16 cases and corrective actions were implemented even in the absence of violations in 8 case. The corrective actions were the following: evaluation of disciplinary measures of various kinds, awareness-raising activities on sexual harassment and compliance with the Code of Ethics, training regarding Model 231, communications to suppliers aimed at reminding them to comply with the Code of Ethics, removal of an employee from a project, carrying out periodic analyses on the working environment and monitoring an employee's behaviour.

10 cases reported in 2022 regarding mobbing/harassment issues that were still pending as of the last reporting date were closed in 2023. The competent company bodies dismissed 5 of the 10 cases closed in the year on the basis of the investigation carried out, deeming that there was no violation of the Code of Ethics, while a violation was confirmed in 3 cases and corrective actions were implemented even in the absence of violations in 2 cases. The corrective actions were as follows: evaluation of a disciplinary measure and an awareness-raising activity on compliance with the Code of Ethics.

As regards issues on the relations with local communities, with reference to the closed case, the competent company bodies decided to dismiss it on the basis of the investigations carried out, deeming that there was no violation of the Code of Ethics with reference to the facts reported.

OPERATE RESPONSIBLY

How Saipem’s business model creates value

GRI 201-1
GRI 201-4

Knowledge of the external context, and active listening to all interlocutors, helps to create long-term sustainable value, combining economic and social growth.

Through the Company’s activities, its relations with stakeholders in all territories, its cooperations and partnerships, Saipem’s business model promotes sustainable development, fully in line with the indications of the United Nations Global Compact, of which Saipem has been an active member since 2016, which underline the importance of the increasing integration of sustainability into strategic corporate choices. More information on the business model of the organisation are available in the "Directors' Report" of the Annual Report, specifically in the chapters "Asset Based Services and Offshore Wind", "Energy Carriers, Sustainable Infrastructure and Robotics & Industrialized Solutions" and "Offshore Drilling".



Economic value generated and distributed

Saipem produces economic value through its activities and redistributes part of that value, contributing to the economic growth of the social and environmental context it operates in.

In 2023 Saipem generated economic value worth €12,063 million, an increase of 16% compared to the previous year. €11,878 million was distributed to stakeholders in the form of payments and other forms of transfer. The main beneficiaries of this value were the supply chain, to whom €9,231 million (78% of the overall value distributed, compared to 73% in 2022) and employees, to whom €1,736 million were distributed (€1,656 million in the previous year), equal to 15% of the total. The amount distributed to suppliers of capital is €765 million, equal to 6% of the value distributed, compared to €1,075 million in 2022, equal to 10%.

The share destined to the public administration – in the form of taxes and charges – was €145 million (1% of the distributed value).



GRI 201-1

Economic value generated and distributed

(€ million)	2023	2022 ^(*)
Core business revenue	11,874	9,980
Other revenue and income	24	11
Financial income	672	1,008
Derivative financial instruments	(74)	(128)
Net reversals (impairment losses) on trade receivables and other assets	1	32
Other operating income (expense)	(5)	7
Gains (losses) on equity investments	60	(65)
(Gross) economic value generated	12,552	10,845
Depreciation, amortisation, and impairment losses	(489)	(445)
Economic value generated (net of depreciation, amortisation and impairment losses)	12,063	10,400
Economic value distributed	11,878	10,715
- of which Operating expenses (purchases, services and other costs)	9,231	7,830
- of which Wages and employee benefits (personnel expenses)	1,736	1,656
- of which to the Community ^(*)	1	1
- of which Capital providers (interest on loans)	765	1,075
- of which to the Public Administration (taxes)	145	153
Economic value retained in the Group on continuing operations	185	(315)
Economic value of discontinued operations	(6)	106
Economic value retained in the Group	179	(209)

(*) These are understood to be the local communities in the countries the group operates in, for socio-economic development projects, environmental protection, as well as cultural, humanitarian, scientific and sporting initiatives (€0.6 million in 2022; €1.2 million in 2023).

Tax transparency

GRI 207-1
GRI 207-2
GRI 207-3
GRI 207-4

During 2023, Saipem revised and updated the Group Tax Strategy with the aim to integrate the guidelines and key principles that inspire corporate operations in the management of the tax variable.

This document, drawn up in compliance with the Code of Ethics and the Group Sustainability Policy, was approved by the Company’s Board of Directors, which defines the objectives contained therein (so-called "Tone at the top principle") and guarantees its application within the entire Group with the responsibility of spreading a corporate culture based on the values of honesty and integrity and on the principle of legality.

In particular, the Tax Strategy, published on the Company website, intends to guarantee the correct and timely payment of taxes due by law, the execution of tax obligations and the containment of tax risk, that is the risk of operating in violation of tax laws or in contrast with the principles or purposes of the tax law.

To guarantee the implementation of these principles and goals, the Group:

- is committed to promptly applying the fiscal regulations of the countries in which it operates, and ensures compliance with the spirit and purpose that rules or systems set forth for specific tax issues;
- does not use, at either a domestic or cross-border level, artificial schemes or structures to obtain fiscal convenience and, unless justified by operating requirements, it does not establish or localise residence of its subsidiaries in States which do not adopt international standards with regards the exchange of information on fiscal matters.
- is committed to guaranteeing a consistency between the place in which value is produced and the place of taxation, by not transferring the value it creates towards low-tax jurisdictions;
- does not make investments in tax havens for the purpose of reducing its tax burden, as it only does so for business initiatives;
- for tax purposes, it manages intragroup relations in accordance with the "arm's length principle" as defined by the OCSE, with the aim of aligning as correctly as possible the transfer conditions and prices with the places in which the value is created by the Group.

In order to strengthen the Internal Control and Risk Management System and ensure correct and continuous management of taxation, the Tax Control Framework (TCF) was implemented and adopted, in line with the principles and guidelines contained in the Group Tax Strategy.

This system, entered into operation starting from 2022 for Saipem SpA and extended in 2023 to Servizi Energia Italia SpA, envisages a governance model aimed at ensuring that the tax function is involved in the preliminary assessment of the tax impacts of strategic and operational business transactions, both planned and to be implemented, and that Top Management is informed about the tax consequences of these transactions, ensuring that every decision taken is consistent with the Group's Tax Strategy.

The TCF therefore ensures supervision of the areas in which fiscal risk may occur and, specifically, monitors and manages:

- the tax compliance risk, i.e. the risk of not correctly carrying out the tax obligations required by law;
- interpretative tax risk, i.e. the risk deriving from the interpretation of tax legislation;
- the tax fraud risk, i.e. the risk of incurring a violation that constitutes a fraudulent tax crime, with particular regard to the predicate offences pursuant to Italian Legislative Decree No. 231/2001.

Furthermore, this system is based on three lines of defence, as illustrated below:

- first level monitoring entrusted to the Management of the operational structures affected by fiscal risks;
- second level monitoring carried out by the Tax Risk Manager and aimed at evaluating the adequacy and effectiveness of first level controls in the tax field, as well as, by competence, by the company functions responsible for ensuring compliance with specific regulations (e.g. Law No. 262/2005);
- third level monitoring performed by the Internal Audit on the adequacy of the Internal Control and Risk Management System.

The results of the monitoring activities on the operation and correct functioning of the Tax Control Framework, as well as the main aspects that characterised the management of tax risk, are reported annually through a specific report intended for the Board of Directors and the Control Bodies.

Finally, in December, following the approval resolutions of the respective boards of directors, Saipem SpA and Servizi Energia Italia SpA presented an application to join the Collaborative Compliance regime with the Revenue Agency pursuant to Italian Legislative Decree No. 128/2015, in order to establish a collaborative relationship with the Financial Administration that aims to reduce the level of uncertainty on relevant tax issues through constant and preventive dialogue.

Country-by-Country Report

The information and data reported in this paragraph were developed on the basis of the Country-by-Country Report ("CbCR") prepared and presented to Italian tax Authorities by Saipem SpA in its capacity as Parent Company of the Saipem Group.

As part of the BEPS (Base Erosion and Profit Shifting) project published by the OECD (Organisation for Economic Co-operation and Development), Action 13 (Transfer Pricing Documentation and Country-by-Country Reporting) provides for the drafting by multinationals (whose total revenue resulting from the consolidated financial statements relating to the previous tax period are equal to or greater than €750 million) of a report known as "BEPS Country-by-Country Report" ("CbCR") which collects data on aggregate turnover, profit and taxes with reference to the tax jurisdictions in which they operate.

Pursuant to Law No. 208/2015, implemented by Decree 23/2017 of the Ministry of Economy and Finance, Saipem SpA annually transmits to the Italian Revenue Agency its CbCR containing the data on jurisdictions in which the Group operates, in accordance with the reporting model approved by the OECD. The subjective scope of reporting includes all companies directly or indirectly controlled by Saipem SpA, fully consolidated.

The data relating to the branches, i.e. the permanent establishments (PE) of the companies within the scope, are reported with reference to the tax jurisdictions where they are actually registered and operate. Therefore, with reference to the jurisdiction of tax residence of those companies, the relevant data excludes that relating to their foreign branches or PEs. The data presented in the report are aggregated by tax jurisdiction and are extracted from the management system used by Saipem SpA for the preparation of the consolidated financial statements. The data therefore corresponds to what is contained in the financial reporting models ("reporting package") that the companies within the scope send to the Parent Company at the closing of the financial statements and which are certified by the auditor.

The reporting period corresponds to the 2022 fiscal year of the Parent Company Saipem SpA, coinciding with the calendar year.

The reporting is structured in tables referring to each of the tax jurisdictions in which Saipem conducts operational activities. The data contained in each country presentation are obtained by aggregating those extracted from the Reporting Package of all Saipem SpA subsidiaries having tax residence in the country or operating there through a branch or PE.

Year 2022							
Tax jurisdiction	Revenues		Profits (Losses) before income taxes	Paid income taxes (based on cash accounting)	Accrued income taxes (current year)	Number of employees	
	Non-Related Parties	Related Parties					Total
Albania	0.04	0.00	0.04	0.00	0.00	0	
Algeria	4.10	(0.06)	4.05	(4.04)	17.09	12	
Angola	182.60	50.42	233.02	(0.45)	10.11	1,237	
Argentina	28.97	0.01	28.98	(9.67)	2.01	114	
Australia	26.01	10.35	36.36	(30.61)	0.00	31	
Austria	0.13	0.00	0.13	(0.10)	0.33	1	
Azerbaijan	234.63	(0.07)	234.56	81.14	12.74	912	
Bolivia	11.63	0.06	11.69	(4.28)	0.00	90	
Brazil	283.25	20.48	303.72	(24.10)	5.84	402	
Bulgaria	0.00	0.00	0.00	(0.05)	(0.01)	2	
Canada	0.16	0.11	0.27	(1.43)	0.00	15	
Chile	17.93	0.19	18.13	8.00	(0.91)	74	
China	0.14	2.70	2.85	0.32	0.00	24	
Colombia	51.04	0.02	51.06	(6.18)	1.90	335	
Congo	30.24	4.63	34.86	7.99	0.90	172	
Croatia	0.00	0.00	0.00	0.00	0.00	0	
Cyprus	0.00	3.08	3.08	0.25	0.03	(0.13)	163
Denmark	24.20	0.00	24.20	2.62	0.00	0.00	30
Ecuador	14.43	0.00	14.43	2.63	0.36	0.51	121
Egypt	126.00	94.58	220.58	16.76	0.19	0.33	444
Equatorial Guinea	1.48	0.00	1.48	0.22	0.15	3.47	0
France	1,427.95	511.08	1,939.03	(68.09)	18.62	20.56	1,615
Gabon	0.01	0.00	0.01	0.00	0.00	0.00	0
Georgia	0.00	0.00	0.00	(0.01)	0.00	0.00	0
Ghana	18.43	0.35	18.77	0.65	1.79	0.18	28
Greece	20.69	0.00	20.69	(1.87)	0.00	0.00	0
Guyana	195.95	5.08	201.03	38.20	13.85	6.01	374
India	8.08	73.92	82.00	17.14	4.64	4.60	1,969
Indonesia	356.53	345.35	701.88	51.09	15.94	15.89	3,759
Iran	0.01	0.00	0.01	(0.01)	0.12	0.18	0
Iraq	16.60	0.72	17.32	1.22	0.93	1.21	48
Israel	53.02	0.38	53.40	(17.84)	0.14	0.00	18
Italy	1,831.40	1,856.92	3,688.32	(353.76)	(8.61)	15.96	4,301
Ivory Coast	9.38	0.00	9.38	(0.13)	0.00	0.00	144
Kazakhstan	2.04	3.91	5.95	(6.47)	(2.77)	0.67	89
Korean Republic	0.01	0.62	0.63	0.03	0.00	0.01	12
Kuwait	160.46	0.00	160.46	40.41	0.00	0.00	497
Libya	1.37	0.03	1.41	0.26	0.00	0.27	26
Luxembourg	0.09	5.52	5.62	(22.04)	0.00	0.00	10
Malaysia	0.08	0.99	1.07	1.71	0.00	0.00	9
Mauritania	140.90	0.00	140.90	2.41	0.08	2.41	1
Mexico	59.70	3.41	63.11	78.36	0.22	0.00	284
Morocco	1.05	0.00	1.05	0.98	0.02	0.31	0

Year 2022

Tax jurisdiction	Revenues		Profits (Losses) before income taxes	Paid income taxes (based on cash accounting)	Accrued income taxes (current year)	Number of employees	
	Non-Related Parties	Related Parties					Total
Mozambique	68.89	3.51	72.40	56.41	2.26	5.07	42
Netherlands	257.38	840.37	1,097.75	396.82	8.85	13.24	360
Nigeria	96.72	8.32	105.04	(50.15)	17.02	11.86	1,504
Norway	61.69	69.32	131.02	(27.63)	0.11	0.01	388
Oman	75.80	0.00	75.80	9.95	0.81	(0.40)	167
Panama	0.00	0.00	0.00	(0.02)	0.00	0.00	0
Peru	20.27	1.04	21.31	(14.89)	0.03	0.00	332
Poland	11.78	0.00	11.78	(2.87)	0.00	0.00	0
Portogallo	162.43	435.45	597.88	15.45	9.17	10.08	98
Qatar	1,012.75	0.61	1,013.37	(39.56)	0.00	4.93	1,006
Romania	4.23	114.61	118.85	12.41	0.59	1.94	166
Russian Federation	107.14	0.00	107.14	62.59	1.37	2.19	567
Saudi Arabia	2,283.42	292.04	2,575.46	309.34	10.61	22.33	6,092
Senegal	0.00	0.00	0.00	0.36	0.02	0.36	280
Serbia	0.45	0.00	0.45	(0.28)	0.35	(0.06)	0
Singapore	0.41	1.20	1.61	(0.92)	0.00	0.00	3
South Africa	0.00	0.00	0.00	(0.11)	0.00	0.00	0
Spain	(0.41)	0.70	0.30	(3.30)	0.00	0.00	230
Switzerland	75.07	275.37	350.43	(0.22)	2.10	1.92	338
Thailand	232.77	3.96	236.73	(133.28)	7.90	0.50	172
Trinidad and Tobago	0.01	0.00	0.01	0.00	0.00	0.00	0
Tunisia	0.00	0.00	0.00	(0.07)	(0.07)	0.00	0
Turkey	91.19	0.00	91.19	0.81	4.49	0.00	326
Turkmenistan	0.00	0.00	0.00	(0.02)	0.00	0.00	0
Uganda	0.00	0.00	0.00	(0.09)	0.00	0.00	1
United Arab Emirates	272.14	89.85	361.99	11.91	0.00	0.00	1,326
United Kingdom	505.61	163.73	669.34	(82.25)	0.00	0.00	763
United States	96.24	76.39	172.62	(2.62)	0.59	1.22	330
Venezuela	0.04	0.00	0.05	(1.06)	0.00	0.00	8

The aggregate data by tax jurisdiction is as follows:

- **Total revenues:** the sum of revenue generated in the tax jurisdiction in the reference year by all Group entities resident or operating there through branches or PEs is indicated, with separate evidence of revenue generated by transactions with third parties ("Unrelated parties") and intra-group transactions ("Related parties"). Revenue include all positive income elements, such as, for example: revenue from the sale of products and the provision of services, royalties received for the rights to use industrial patents, active interests, capital gains on the sale of plant, property and equipment, intangible assets and equity investments, unrealised gains (such as the fair value of non-hedging derivatives); however, intra-group dividends are excluded. Furthermore, positive income components recognised in the overall result are excluded.
- **Profits (Losses) before income taxes:** the sum of profits and losses before income taxes recorded in the reference year by all Group entities resident in the tax jurisdiction or operating there through branches or PEs is indicated. The result before taxes, consistently with the criterion for revenue representation, excludes intra-group dividends received by the holding companies.
- **Income taxes paid (based on cash accounting):** the income taxes paid in cash in the reference year by all Group entities resident in the tax jurisdiction or operating there through branches or PEs, both to the tax jurisdiction of residence and all other tax jurisdictions. Entities, as tax withholding agents are charged with withholding taxes paid by other companies of the Group: such taxes are applied on the compensation paid by the latter to the former mainly for the provision of services.
- **Income taxes accrued (current year):** current taxes accrued on the pre-tax result for the financial year are indicated, recorded by all Group entities resident in the tax jurisdiction or operating there through branches or PEs. Deferred tax assets or liabilities and the recognition of uncertain tax treatments are excluded.
- **Number of employees:** represents the total average number of employees, calculated for the period under observation and on an FTE basis, i.e. full-time equivalent, employed by all entities (including branches and PEs) within the Group and resident for tax purposes in a specific tax jurisdiction.
- **Reporting currency:** the reporting currency is the euro. Amounts are indicated in € million. Values in currencies other than the euro are converted using the average exchange rate recorded in the year under observation.

➤ **Sector of activity:** for each entity of the Group (company, branch or PE) the main economic activity carried out, according to the OECD indications on Country-by-Country reporting, is indicated.

Further details on the operational activities of each entity are available in Annex II.



Supply chain management

In executing its operational projects, and in the normal course of its activities, the Saipem Group relies on numerous vendors of works, goods and services. Saipem is committed to maintaining and improving relations with the companies that work with and for Saipem to make them lasting, mutually profitable and reliable for both parties.

Saipem's business is characterised by a highly complex global supply chain, covering different geographical areas and different industrial sectors. To date, the Group registers almost 22,000 qualified suppliers, with a prevalence (31%) of suppliers in the European area. In over 60 years of business in numerous countries in the world, Saipem has created a consistent network of partners and vendors; more than 6,000 vendors have worked with Saipem for at least 10 years.

The product categories of works, goods and services required to perform Saipem's activities, classified to define uniform vendor-product combinations, total more than 1,600, of which approximately 900 are classified as critical categories, i.e. deemed essential for the development of the Company's core business. In 2023, those most represented in terms of amount purchased are related to mechanical assembly, chartering of vessels, purchase of package systems for ballast water treatment, construction of onshore pipelines, personnel services. During the year, purchases were made mainly from vendors located in Europe, Middle East and Central Asia.

The complexity and heterogeneity of the Company's supply chain lead to the need for a system guaranteeing an alignment between the Saipem standards and those adopted by its vendors, to prevent and mitigate risks and ensure an appropriate and resilient supply chain that can cope with the needs of current operational projects and potential acquisitions and developments in market conditions.

Saipem demands that its vendors apply the highest standards in relation to health and safety, combating bribery and corruption, respect for human rights and environmental protection.

The procurement process, aiming to satisfy the needs expressed by the Group's different units, aims to maximise the overall value for Saipem, guaranteeing the availability and quality of the vendors, the correct management of contracts, logistic flows and post-order activities. The process is divided into five sub-processes which include, in order: the definition of the market approach strategy to be applied to the various supplies and the definition of project and non-project procurement plans using efficient and effective purchasing solutions; contract/purchase order processing and issue activities, including relations with vendors, and finally post-order activities and contract management. The supply chain flow described above is further divided into the sub-process relating to Vendor Management, which ensures the availability of a fleet of vendors that is quantitatively and qualitatively appropriate to the goods, works and services required to meet the Group's needs, according to the required economic, financial, ethical, professional, technical and HSE standards; finally, the sub-process relating to Reporting, control and management of documentation, which, through the management of documentation, guarantees the traceability of all phases of the Supply Chain process, making available information, key performance indicators and possible actions for improvement in relation to all supply chain activities.

The supply chain process



According to the principle of open competition, Saipem guarantees equal commercial opportunities for all companies which may potentially provide works, goods and services for its business, selecting its vendors and subcontractors from all over the world. Vendors are assessed in terms of technical and financial reliability and organisational capacity, including conformity with the principles expressed in the Saipem Code of Ethics, Sustainability Policy and Vendor Code of Conduct, as well as the requirements laid down in the specific HSE policies and standards.

The requirements are checked during the vendor qualification phase using a questionnaire, and where required also through more specific assessments and visits to production sites in the case of critical supplies. Additional checks on technical aspects and the vendor's ethical integrity are also carried out prior to the signature of actual purchase contracts.



The monitoring and control of vendor performances are fundamental phases of the relational process with vendors, as these offer a reduction in the risks associated with the supply and provide inputs to the vendor aiming to improve their own processes and performance.

More details on the management of the supply chain in terms of the sustainability of their operations, with particular attention to the respect for human rights and HSE issues, are available in the "A sustainable supply chain" section of this document.



GRI 407-1
GRI 408-1
GRI 409-1
SASB
EM-SV-510A.1
EM-SV-510A.2
EM-SV-530A.1



Respect for Human and labour rights

Saipem operates within the framework of the United Nations Universal Declaration of Human Rights, the ILO Fundamental Conventions, the OECD Convention for Multinational Enterprises, the Guiding Principles on Business and Human Rights and the principles of the United Nations Global Compact.

In 2016, Saipem joined the United Nations Global Compact, further strengthening its principles on major issues such as respect for human and labour rights, environmental protection and the fight against corruption integrated into strategies, policies and procedures, as well as in daily operations of society.

In 2020, the Chief Executive Officer signed the "CEO Guide to Human Rights" drawn up by the World Business Council on Sustainable Development (WBCSD), the international call to action addressed to top management on human rights issues.

Since 2016, Saipem has published a Statement every year, in compliance with the UK Modern Slavery Act, to describe the processes and measures adopted to identify and manage the risks associated to modern slavery and human trafficking in operations and along the supply chain.

Saipem's commitment is expressed in company policies and procedures which are in line with international labour regulations and guidelines, as well as with the labour laws of the countries in which it operates.

Saipem's Code of Ethics sanctions the rejection of any form of discrimination, corruption, forced or child labour. The code promotes human rights and the safeguarding of the dignity, freedom and equality of human beings, including the protection of labour rights and freedom of trade union membership and health and safety. Saipem's Code of Ethics strictly requires that there is no workplace harassment and protects against any form of discrimination, whether based on gender, ethnicity, religious beliefs, age, marital status or any other aspect. The Code of Ethics applies to all of Saipem's population, as well as to third parties with whom Saipem collaborates.

The Sustainability Policy reinforces Saipem's commitment to promoting and respecting human and labour rights together with the protection of health, security and personal safety which are non-negotiable values for the company, and which suppliers, clients and subcontractors must subscribe to work with our Company. Saipem's Human Rights Policy details the specific areas in which the commitment to protect human rights takes place, with particular reference to the protection of workers' dignity, also within the supply chain, the relationship with local communities, and security management.

Saipem's approach to human rights

Saipem's commitment and management model on this aspect is organised on the most significant business areas and activities, according to the risks and impacts on human and labour rights (HLR), in line with international standards.



Country risk analysis on human and labour rights (HLR)

Operating in more than 50 countries with different social, economic and cultural contexts, it is essential for Saipem to analyse the potential risks associated with activities in the various local contexts. Therefore, for each country in which Saipem operates, a specific analysis is carried out based on a study of the legislation in force and the state of ratification of ILO fundamental conventions relating to: child labour, forced labour, non-discrimination in employment and occupation, freedom of association and collective bargaining. Further information on the country is taken from studies and analyses carried out by international organisations and NGOs (e.g. ITUC, Human Rights Watch) dealing with labour rights and human trafficking.

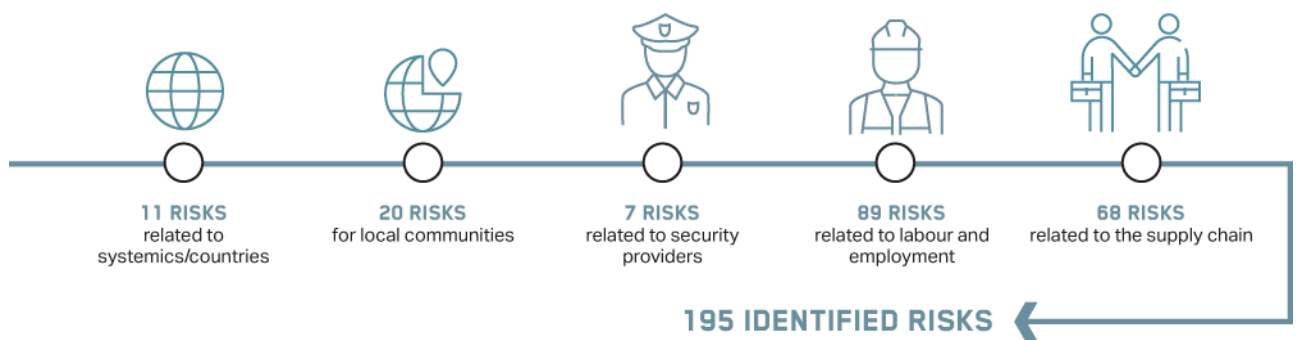
Based on the results of the analysis, the countries are classified in relation to human and labour rights risks into four distinct risk categories: high, medium, moderate and low. Saipem uses this classification for the supplier qualification process, the identification of high-risk suppliers for possible audits, as well as for the operational human and labour rights due diligence as described in the following section. Based on this analysis, 44% of Saipem's main operating companies are based in high-risk countries, while the remaining 56% are located in medium-, moderate- and low-risk countries.

Due Diligence on human rights at operational sites (HLR risk register)

Starting from 2021, Saipem has introduced a system for identifying and assessing risks of impact on human and labour rights (HLR) through a special register that allows for the identification and classification of the potential impacts that the Company can generate during operations and define proper mitigation actions. This register also integrates the country risk assessment in order to highlight any systemic risks due to the country context.

During 2022, the tool was revised with a view to strengthening the methodology and alignment with the requirements of the "OECD Due Diligence Guidance for Responsible Business Conduct".

Starting from 2022 the implementation of the HLR risk register started in all countries where Saipem's operating activities can generate a significant impact on the issue. The implementation of the tool and monitoring of results were based on two criteria: the related level of country risk and the significance of Saipem's presence, in terms of employees on site.



During 2023, 36 companies and subsidiaries operating in 35 countries completed the registry. Risk mapping was carried out by 80% of the relevant operating companies at work in high-risk countries, and by 88% of the operating companies at work in countries classified as medium and low risk.

The potential impacts identified include freedom of association in some countries, discrimination and respect for working hours and overtime, risks connected to labour rights and decent working conditions at supplier premises, risks deriving from abuse of force by security service providers in some contexts.

Based on the results of the risk assessment, and, to mitigate the potential impacts, a series of actions, already carried out in 2023 or planned for 2024, were identified; they were then reported in the action plan for each operating company. Among the actions initiated with regard to suppliers and employment agencies, in some countries compliance checks with local legislation on labour rights were carried out.

Human rights on the workplace

In March 2022, Saipem SpA obtained SA8000 Social Accountability International (SAI) certification confirming the application of a social responsibility management system in the context of human rights, workers' rights and their well-being within the company. The SA8000 certification, issued by DNV, an international leader in the sector, is an international global ethical certification of a voluntary nature which commits companies to also monitor their supply chains, triggering a virtuous circle throughout it. This certification guarantees compliance to the best international guidelines and ethical rules defined by leading world organisations on the protection of human and labour rights, such as the ILO (International Labour Organisation) and related UN conventions.

Obtaining and maintaining it during 2023 represent an important confirmation of Saipem's commitment to sustainability in a process of continuous improvement, particularly in some essential areas such as respect for human rights, respect for labour law, protection against child exploitation and guarantees of health and safety in the workplace, freedom of association and the right to collective bargaining along the entire value chain of the company's activity.

Other information relating to people management and industrial relations is included in the specific chapters.

Global Projects Services (GPS AG) is a wholly owned subsidiary within the Saipem Group which has held a license for international recruitment and supply of personnel services since 1994 and is also an agent of Seafarer's Recruitment and Placement Services in compliance with ILO MLC 2006. GPS AG is a human resources centre of excellence providing a complex range of work-related services. GPS AG is supported by local employment agencies which are continuously monitored to verify how they manage sensitive processes such as hiring practices. This monitoring includes a documentary check of the technical

capabilities in advance of the provision of services, inspections at supplier premises and/or remotely, as well as telephone interviews with personnel recruited through said agencies. In 2023, 2 audits were carried out pursuant to the ISO 9001:2015 standard on already qualified suppliers in relation to the contractual terms and conditions agreed for the provision of the service, and the documentary assessment of the technical capabilities of 240 potential new HR service suppliers. In addition, 77 international workers recruited with the support of agencies, but with an employment contract with GPS AG, were interviewed by telephone, outside their workplace, to gather their opinion on the management of their recruitment and other administrative practices. There were no reports of behaviour contrary to human and labour rights. In 2022 GPS AG created a further tool to monitor and understand the level of satisfaction of international staff in an agile way, with the intention of both establishing and facilitating communication with those workers who are less proficient in the English language, and possibly directing them towards the correct interlocutor. At the end of the second year of implementation of the tool mentioned, a staff satisfaction level of over 97% was recorded. The provision of training to agencies via e-learning on Saipem's ethical principles also continued. During 2023, 8 agencies were involved. The new module of this e-learning training dealt with passive corruption with the sharing of a video.

Security and human rights

Saipem is committed to adopting preventive measures aimed at reducing the need for response by public/private security forces in the case 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, due diligence of suppliers of security systems and services is performed to verify if there are indicators linked to the violation of human rights. In 2010, Saipem introduced clauses relating to respect for human rights in contracts with these suppliers and failure to comply with the clauses will result in the termination of the contract.

Collaborations and training activities

Collaboration continued in 2023 within Building Responsibly (BR), a coalition of leading engineering and construction companies working together to raise the bar in promoting workers' rights and well-being across the sector.

As part of a broader initiative aimed at spreading awareness on human rights and the principles of decent work, as well as on the most recent requirements of European legislation, two training sessions were organised for 27 HSE managers based in Saipem branches abroad. At the end of the training sessions, the HSE managers received materials, such as posters and videos, summarising Saipem principles on labour rights and the internal whistleblowing process to be used during the HSE induction activities in their area. After the training, the human rights topic was integrated into the HSE inductions for the following areas and projects: onshore projects in Kuwait and Saudi Arabia, offices and construction site in Indonesia, offices in China and Malaysia, projects in Nigeria and Mozambique. The topic was also included in the Project Management meeting of the Balein project in Ivory Coast.

Saipem has launched an e-learning training programme in 2020, specifically dedicated to people who work in Security functions. Training includes a specific focus on ethics and compliance, including respecting and promoting human rights. From 2020, a total of 129 people completed the training.

Since 2016, Saipem has implemented a training programme on "human rights and the supply chain" to train Saipem's procurement functions, mainly Post Order. The training envisages a focus on international standards and internal policies, the actions that can be implemented and the role of employees on these issues. The training aims to instruct employees who interact directly with vendors on the importance of reporting serious situations they may observe during visits to vendors. Training is provided through an e-learning platform. In the period 2016-2023, a total of 811 employees were trained, covering the entire population of Post-Order functions. Starting in 2020, the training is available to all new hires in the functions concerned.

Furthermore, in order to involve the entire Supply Chain Function, new training on the "Sustainable Supply Chain" was launched in 2023 which focuses on human and labour rights and environmental issues. The training aims to strengthen knowledge of these topics, with particular reference to the risks and impacts associated with our suppliers and subcontractors, and along the entire supply chain. Two training sessions involving 38 people from the Supply Chain function were organised in 2023, and e-learning training will be launched in 2024 to cover the rest of the function members.



Security and cybersecurity practices

Saipem's corporate security model is based on an accurate analysis of what is called the "Operational Environment" (i.e. the understanding of the local context from a political, criminal, economic, ethical, social and legality perspective) aimed at identifying the mitigation measures necessary to guarantee the business a suitable "security framework" within which to develop the company's activities. For the physical safety of

people we must protect, the UNI 31000 standard on "Risk management - Principles and guidelines" is the reference.

Following what has been stated above, Saipem:

- manages security risk by taking preventive and defensive measures, in full compliance with regulations, human rights and the highest international standards;
- promotes the adoption of a uniform and integrated security system to ensure appropriate coordination of emergency and crisis management;
- ensures the management of information gathered from stakeholders in full compliance with the law and adopting international best practices;
- promotes the monitoring and management of security risks by designing optimal solutions that minimise the impact of adverse events and their likelihood of occurrence;
- sets up the most effective protection plans and mechanisms to safeguard the Company's personnel and assets;
- guarantees training and information to personnel on the security risks in the workplace, starting from the pre-travel phase.

Main security risk mitigation actions carried out in 2023:

- constant monitoring of the main threats to the operational security and verification of the adequacy of the countermeasures adopted by means of a structured risk management process;
- organising local security at country, operating company and/or project level, under the coordination of Area Security Manager functions;
- involvement of the Security function in the project life-cycle, starting from the project bid phase (commercial);
- strengthening the corporate culture on Security;
- cooperation with the Ministry of Foreign Affairs and its Crisis Unit and local authorities in the countries hosting Saipem operations;
- emergency and crisis management plans - evacuation;
- introduction of mandatory training initiatives on Health and Safety for personnel going abroad before departure (pre-travel Induction) and once at destination (local security induction), as well as on Cybersecurity awareness;
- compliance with regulations and sector frameworks (Italian Legislative Decree No. 81/2008, Italian Legislative Decree No. 231/2001, ISO 31000 and ISO 27001).

The Company 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.

Before signing a contract, providers of security goods and services are subjected to a due diligence to verify that there are no counter-indications connected with the violation of human rights.

Saipem has introduced clauses regarding the respect for human rights in its contracts with these vendors since 2010, and failure to observe them leads to the withdrawal of the Company from the contract.

For project activities, Saipem's Security Function prior to the possible offer, carries out a dedicated Security Risk Assessment, reported in the Project Security Execution Plan, in which the security risk connected with the operating activities and the context is analysed, including human rights violation issues. On the basis of the risks identified, the actions needed both to manage and reduce these to a minimum are decided upon.

Potential breaches of human rights are in fact assessed in all the Company's operations using country risk sheets, in which the risk is assessed using specific quantitative and qualitative indicators.

Regarding the international scenario, the reignition of the Israeli-Palestinian conflict brings instability back to a region that has always been at the centre of tensions. In this context, the evacuation of 63 Saipem expatriates based in Israel (of which 15 were Italians) by air from the Ben Gurion airport in Tel Aviv was successfully completed.

Cybersecurity

Cybersecurity is an important pillar of corporate security management as a whole. Saipem has implemented a Data Protection (FNCS) tool to mitigate threats through solid security and governance protocols.

Saipem has identified a Chief Security and Information Security Officer who reports to the Director of People, HSEQ & Sustainability.

Saipem continues to maintain its ISO 27001 "Information Security Management System" certification for the "Cybersecurity Incident Monitoring and Management" process.

In 2023, the Information Security and Data Management Programme continued consisting of the following strands: **Identity Management & Access Governance, Data Governance, Encrypted Traffic Protection, Network Segmentation, Operational Technology Security, Privileged Access Management**. The Programme has the aim of further increasing the level of IT security of application and infrastructure

resources and the protection of corporate information and know-how, minimising the risk of critical information resources being lost, compromised or made unavailable. The duration of the programme initially planned to be two years was extended by one year.

In 2023, the Vendor Management integrated in its process a list of minimum cybersecurity requirements to which all suppliers will have to comply. Deviations from a minimum threshold will be followed by remediation actions and plans in order to be qualified.

To further strengthen internal skills on the topic, training campaigns continued in 2023, for a total of 18,187 hours for the Group perimeter (18,177 for the full consolidated).

The cybersecurity performance is described below.

	2023	2022
Cyber incidents	39,396	32,256
- of which critical cyber incidents	-	-
Vulnerabilities identified	104,177	32,968
Critical vulnerabilities	1	6
No. of information breach	-	-

With regards to system resilience assessments, Vulnerability Assessments are carried out on a monthly basis. Furthermore, Penetration Tests (a simulated cyber-attack to verify the resilience of security measures) are performed annually on representative perimeters defined from time to time.

Furthermore, simulated phishing campaigns are also launched to evaluate opportunities for further training initiatives. In 2024 there are plans to increase the frequency of these campaigns.

In line with the requirements of Resolution MSC.428 (98) "Maritime Cyber Risk Management in Safety Management Systems" of the International Maritime Organization (IMO), considers cyber risk among the risks that can impact the safety of its fleet, its personnel and the environment.

Cybersecurity Officers have also been appointed (on board each vessel), who, are suitable for acquiring cyber skills.

Cyber attack drills were also performed on board the vessels, according to scenarios and models which are an integral part of Saipem SpA's emergency and crisis management system.

The function maintains close contact with the local authorities/embassies in the countries in which it operates and, at a central level with the Crisis Unit of the Ministry of Foreign Affairs.

The correct functioning of the Security Model, which includes Saipem's cybersecurity issues, is constantly monitored by the Audit and Risk Committee which reports to the Board of Directors and by the corporate INAU function.

Saipem internally carries out technical audits on peripheral corporate security functions, up to projects, to verify compliance with security instructions and guidelines.



CONTRIBUTION TO MITIGATING CLIMATE CHANGE

Since 2020, Saipem has been an official supporter of the recommendations of the Task Force on Climate-Related Financial Disclosure.

As described in the "Governance" section, the Board of Directors is involved in the strategic discussion on issues related to climate change and its implications on corporate strategy and programmes.

The sustainability objectives for 2023 included in the company's Short- and Long-Term Variable Incentive Plan include objectives linked to actions related to climate change (with a weight equal to 5% for the short-term objective, and overall equal to 10% for the long-term objective).

Short-term sustainability objective relating to climate change, and concerning greenhouse gas emissions avoided in the year, was achieved with an overall saving of 47 kt of CO₂ eq thanks to the implementation of energy efficiency and saving initiatives.

The 2024 Remuneration Policy also confirms Saipem's attention to sustainability objectives and support for the achievement of the Net Zero programme objectives. In this context, for 2024, the climate targets are included in both the Short- and Long-Term Incentive Plan, as described in the 2024 "Report on Remuneration Policy and Compensation Paid".



Climate-related risks

The climate-related risk analysis process is integrated into Saipem's risk assessment and governance, described in the section "Approach to risk management".

The Company's operations are inherently exposed to both physical and transition risks from climate change.

Risk category		Climate-related risks included
HSE risks and project execution risks	→	Physical risk - acute
Strategic risks and risks connected to project technical complexity/novelty	→	Transition risk - technology
Strategic risks	→	Transition risk - legislation
Financial risks	→	Transition risk - market

Below is a presentation of the main risks identified for which it was possible to make a quantitative assessment of the potential impact (in financial terms) resulting from an internal assessment focused on the climate-related component of the risks.

CLIMATE-RELATED RISKS

Types of risks	Risk	Risk description	Evaluation	Financial impact	Impact magnitude*	Mitigation measures
Physical risk: ➤ acute	Accidents in assets and transport	Accidents/significant impacts that may occur on strategic assets and operational projects due to meteorological events	Time horizon: ➤ short and medium term Likelihood: ➤ likely	This risk may lead to impacts in terms of increased operating costs, delays in operational activities and erosion of project margins.	Significant	The main risk mitigation actions are: ➤ insurance coverage; ➤ inclusion of contract clauses related to weather events; ➤ HSE and vessel management system; ➤ specialised training for employees on technical and HSE topics.
Transition risk: ➤ technology	Project complexity (technical novelty/scope of work)	Risk in the execution of new projects to support the energy transition (offshore wind project)	Time horizon: ➤ short and medium term Likelihood: ➤ moderate	Increased operational costs in project execution, delays in operational projects and erosion of project margins.	Significant	Sharing of best practices and lessons learnt, development of contractual clauses to protect business specificities, training and development of personnel skills.
Transition risk: ➤ technology	Technology innovation	Loss of business opportunities for energy transition projects related to new technologies	Time horizon: ➤ short and medium term Likelihood: ➤ moderate	Loss of business opportunities.	Significant	Analysis and identification of market and technological trends. Benchmarking and alignment of Saipem with the open innovation efforts of clients and competitors. Strategic partnership. Innovation spending on energy transition technologies.
Transition risk: ➤ regulatory	Emerging sustainability trends	Impacts on business activities deriving from the evolution of regulatory framework (e.g., carbon tax, ETS, CBAM, etc.)	Time horizon: ➤ Short term Likelihood: ➤ likely	Erosion of project margins due to increased operating costs related to CO ₂ emission fees and cost of supplies.	Negligible	Monitoring of GHG emissions regulation, launch of Net Zero programme, implementation of initiatives to increase energy efficiency, regular maintenance and upgrade of Saipem's assets to continuously improve environmental performance, involvement of suppliers on emission reduction strategies.
Transition risk: ➤ market	ESG financial components and constraints	Loss of business opportunities linked to difficulty in obtaining bank guarantees	Time horizon: ➤ Short term Likelihood: ➤ rare	Loss of business opportunities.	Significant	The main risk mitigation actions are: ➤ initiatives to increase the limit of available lines; ➤ negotiating with clients; ➤ increase in the use of insurance instruments; ➤ continuous monitoring.

(*) The Magnitude ranges are 5: Negligible, Significant, Relevant, Very relevant and Extreme. The estimated likelihood ranges are 5: Rare, Unlikely, Moderate, Likely and More Than Likely. The entity of the economic-financial impact is estimated considering the time horizon of the Strategic Plan.

Climate-related opportunities

Opportunities associated with products and services are primarily assessed and managed in terms of business development, taking into consideration Saipem's competitive positioning, the identification of the main future challenges in the reference sector and the possibilities of diversifying the business portfolio as analysed in the Company's Strategic Plan. The main opportunities listed concern "products and services" and efficient use of resources.

CLIMATE-RELATED OPPORTUNITIES

Type of opportunity	Description	Evaluation	Financial impact	Impact magnitude*	Method for managing opportunities
Products and services	Increased revenues in decarbonisation and circular economy projects.	Time horizon: ➤ medium term Likelihood: ➤ very likely	Impact associated with the existing backlog and potential new acquisitions related to decarbonisation and circular economy projects in the strategic plan horizon.	Very relevant	Commercial focus on decarbonisation and circular economy projects. Cooperation with relevant clients and institutions. Innovation and R&D on new technologies activities, also through collaborations and partnerships.
Products and services	Revenue increase in the renewable business segment.	Time horizon: ➤ medium term Likelihood: ➤ very likely	Impact associated with the existing backlog and potential new acquisitions related to renewable energy projects in the strategic plan horizon.	Relevant	Specific business line focused on offshore wind. Commercial focus on renewable energy projects, particularly offshore wind. Cooperation with relevant clients and institutions. Innovation and R&D activities also through collaborations and partnerships.
Products and services	Increased revenues in low-carbon business segments such as rail infrastructure.	Time horizon: ➤ medium term Likelihood: ➤ very likely	Impact associated with the existing backlog and potential new acquisitions related to infrastructure projects in the strategic plan horizon.	Significant	Specific business line focused on infrastructure projects. Commercial focus tailored to rail infrastructure. Collaboration with partners and suppliers to develop innovative solutions in terms of digitisation and sustainable infrastructure. Collaboration with key clients/institutions to develop new sustainable infrastructure solutions.
Efficient use of resources	Offering more efficient and cost-optimised solutions through the use of energy-efficient solutions on vessels and at sites.	Time horizon: ➤ medium term Likelihood: ➤ very likely	Reduction of fuel and electricity consumption costs through the implementation of energy efficiency solutions already identified in the Net Zero Plan.	Negligible	Carrying out energy assessments to identify suitable solutions and maximise savings. Design and implementation of measures and actions aimed at reducing energy consumption and greenhouse gas emissions.

(*) The Magnitude ranges are 5: Negligible, Significant, Relevant, Very relevant and Extreme. The estimated likelihood ranges are 5: Rare, Unlikely, Moderate, Likely and More Than Likely. The entity of the economic-financial impact is estimated considering the time horizon of the Strategic Plan.

The strategy of mitigating risks and maximising opportunities focuses on two main pillars:

- expand the range of low carbon technologies and support clients' decarbonisation process and energetic transition;
- improve the efficiency of its assets and operations to reduce its greenhouse gas emissions.



Analysis of the climate-related scenario

Saipem is aware that climate change may have a significant direct and indirect impact on its business operations. Due to the nature of these impacts, the effect can be analysed in the short-, medium- (range of the strategic plan) and long-term, also depending on the socio-economic, energy and climate scenarios that can be considered. For Saipem Group, the assessment of the long-term drivers (2050) of the external context is based on the analysis of various scenarios: each of these represents a possible path towards a different market structure.

Saipem, in formulating its strategies, considers a series of scenarios provided by a third party (Rystad Energy), which include various forecasts of temperature increases by 2100, starting from the Net-Zero scenarios (+1.5°C) up to those with a high climatic impact (+2.5 °C). The analysis of the scenarios presented to the Board of Directors is confirmed as a fundamental element for the definition of the four-year Strategic Plan.

In particular, the reference scenario is the one which foresees a rise in temperature of 1.9 °C at the end of the century, in line with a C3 category scenario, as identified by the International Panel of Climate Change (IPCC) in its Sixth Assessment Report. For a sensitivity analysis and for its resilience analysis, Saipem also uses, in addition to the aforementioned central scenario, an improvement scenario of 1.6 °C (intermediate between that identified by Net Zero Emissions (NZE) – +1.5 °C – and the Announced Pledges Scenario (APS) – +1.7 °C – of the International Energy Agency), while the worsening scenario refers to a 2.2 °C scenario.

Analysis of scenarios considers the macroeconomic, social and possible demand trends of the various energy sources which are deemed may have a visible impact on the main drivers of the business for the entire Saipem Group.

Long- and medium- and short-term scenarios are analysed during the planning process and are included amongst the elements for defining the Strategic Plan; these are updated every year, discussed with the Top Management and covered by dedicated meetings of the Board of Directors, also making use of different external sources (forecasts from analysts, companies from the sector, intergovernmental organisations and other stakeholders and consultants).

Our strategy to support decarbonisation and the energy transition

As indicated in the paragraph on the development of the market scenario and strategy, hydrocarbons are expected to continue to provide an important contribution to the energy mix in the medium-term, to then mark a gradual decline in the longer term (with likely accelerated timing for oil compared to natural gas in the different scenarios). In this context, large-scale investments in oil and particularly in gas infrastructures will remain necessary in the medium and long term, and it is expected that traditional clients will continue to invest in long-term strategic projects, particularly in some key regions including the Middle East.

Cutting-edge technological solutions with lower environmental impact will increasingly be in demand, and this is a huge opportunity for Saipem. In line with what was during COP28, in this phase of energy transition, various scenarios highlight the role of some clean technologies and "hybrid" solutions which involve the integrated use, where possible, of fossil fuels and renewable sources. Through CCUS technology it is possible to significantly reduce direct CO₂ emissions from various industrial processes, in particular heavy industries (such as steel and cement), as well as to allow the production of "Blue Hydrogen", the basis to produce low-carbon fertilisers. In the medium- long-term, the development of technologies and skills, combined with economies of scale and modularisation, will make it possible to produce hydrogen from renewable sources and electrolysis of water ("Green Hydrogen") both for simultaneous use and in replacement of Blue Hydrogen.

The commitment towards technological development, confirmed by the industrialisation of Bluenzyme™ in the field of carbon dioxide capture, the constant adaptation of the mix of expertise and innovation initiatives and its support to clients in defining the best technical and operating solutions from the perspective of the entire life-cycle of plants, are the most effective instruments Saipem is using to deal with the challenges linked to climate change which the industry is facing. Moreover, diversification in less carbon-intensive business segments (i.e. biorefineries, chemical plastic recycling, blue/green hydrogen, etc.) and, where possible, adjacent sectors in which Saipem can exploit its expertise (such as the largest and most complex infrastructure projects), will remain a strategic pillar in coming years.

Saipem's Net Zero programme

Saipem's Net Zero Programme, within the broader Sustainability Plan "Our journey to a sustainable business", aims to achieve **Net Zero for Scope 1, 2, 3 emissions by 2050**.

Furthermore, the programme has identified two specific short- and medium-term objectives:

- 50% reduction in Scope 1 and 2 emissions by 2035 (based on 2018 GHG emissions);
- carbon neutrality for Scope 2 emissions by 2025.

The Net-Zero Programme involves various corporate functions both at Group level and at Business Line level which contribute to achieving the stated objectives. The cross-functional working groups participating in the programme have been created by bringing together extensive skills and knowledge, and the implementation plan is transversal to the entire Group and to the corporate functions involved in its implementation. Like the Strategic Plan, the Plan is valid for four years and can be updated. Based on a medium-long term systemic vision, it identifies long-term actions that could be implemented.

The Programme and its contents were validated by an independent third-party (Bureau Veritas) at the end of 2021.

Renewal of third-party validation is scheduled for 2024.

The Programme and the related objectives are updated following current and future developments of the context, such as new regulatory and external market pressure, stakeholder expectations, including requests from clients, analysis of benchmarks, technological developments, availability of energy scenarios and other similar inputs.

Saipem's approach to Net-Zero is irreversible and systematic, aiming for continuous improvement both internally and along the value chain. Saipem aspires to create "change agents", both inside and outside its organisation, involving its clients, suppliers and all the players in its value chain.

The reduction activities envisaged by the Net Zero Programme refer to Scope 1, Scope 2 and Scope 3 emissions, according to the methods described below and the principles set out in the document "Net Zero at a Glance", published in July 2023 and available on the institutional website.

Planned actions for the reduction of Scope 1 and 2 emissions

The reduction of Saipem's direct emissions will hinge on the three "R"s: retrofit, renewal and renewables. The main goal of these phases is to reduce the carbon footprint of all of Saipem's assets, such as vessels, rigs and TCFs (Temporary Construction Facilities).

Retrofit: Phase I, increasing the energy efficiency of Saipem's operations through the use of the best available technologies (2018-2030).

Renewal: Phase II, replacing assets with innovative assets that are more energy efficient and with lower GHG emissions, thanks also to digitalisation and, for example, unmanned operations (2030-2040).

Renewables/CCS: Phase III of massive use of renewable energies and technologies, both traditional and advanced (such as marine and floating solar energy), and possible application of Carbon Capture and Storage technologies on assets (2040-2050).

Furthermore, Scope 1 and 2 emissions will also be reduced thanks to:

- use of alternative fuels: replacing fossil fuels with low carbon-emission fuels, such as the use of HVO biodiesel instead of fossil fuels;
- electrification: switching from electricity generation with fuel-powered generators to grid power where possible.

To meet the Scope 2 target, priority will be given to the following criteria, in order of importance:

1. energy saving and efficiency;
2. renewable energy from the grid or self-produced from renewable sources;
3. offsetting of residual emissions, after all the measures above have been implemented.

Periodical energy assessments on our main assets are carried out/updated to contain energy consumption. Energy flows and consumption will also be constantly monitored.

During 2023, Saipem financed part of offsetting projects, acquiring a total of 100,000 carbon credits equivalent to 100,000 tonnes of CO₂ eq not emitted. Investments have been directed towards a diverse project portfolio, from forest conservation to the promotion of renewable energy sources. The portfolio is mainly composed of nature-based projects, of the REDD+ type (Reduction of Emissions from Deforestation and Forest Degradation), selected on the basis of additional benefits both environmental (supporting Saipem's proactive role in the protection of biodiversity and ecosystems), and social (promoting the sustainable development of local communities).

A risk assessment model has been developed internally to analyse the risks associated with the offsetting projects we have already invested in, as well as to evaluate potential projects for the next portfolio.

Planned actions for the reduction of Scope 3 emissions

With regard to Scope 3, Saipem will support clients, suppliers and different players in the value chain on their decarbonisation path, acting as a facilitator of low impact strategies and technologies in terms of greenhouse gas emissions while playing a key role in the energy transition. The ultimate aim is to set reduction targets as soon as possible, in the context of the Net Zero Programme, in eligible areas of Scope 3, over which a certain degree of control can be exercised, such as mobility and supply chain.

In this regard, in the context of the Net Zero Programme, Saipem is working to offer clients "Carbon Neutral" construction sites or projects, introducing, in synergy with the clients themselves, technical measures of efficiency and reduction in emissions, self-produced renewable energy and energy from the network, all completed by insetting and offsetting projects, for the compensation of residual emissions.

Regarding the supply chain, a specific workstream was identified in this area with the aim of strengthening:

- the monitoring of ESG performance in the supply chain; to this end, Saipem has adopted the Open-es platform;
- the sustainability requirements in the purchase of goods and services that impact Scope 1 and 2;
- the monitoring of Scope 3 emissions related to the supply chain (in terms of perimeter and granularity) by means of the Carbon Tracker platform, in order to define its reduction targets.

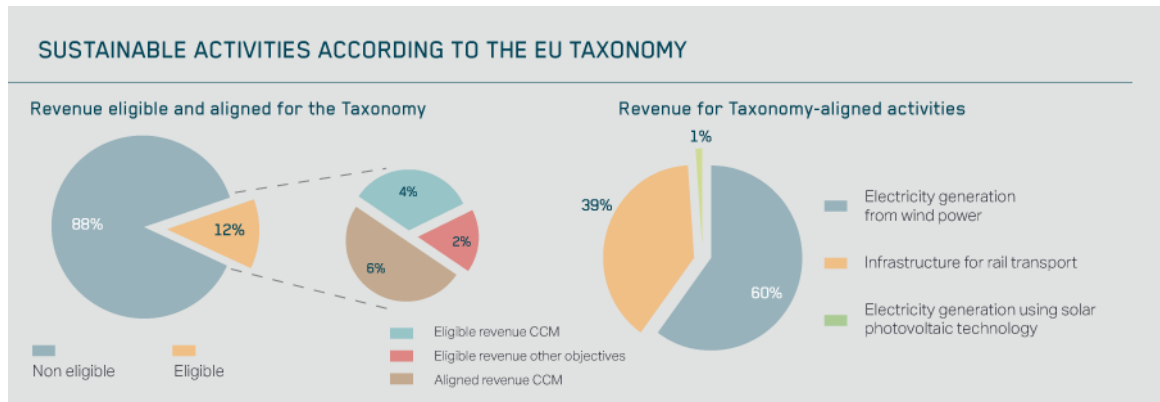
Further information is available in the "Responsible supply chain" section of the 2023 Sustainability Report.

Management of climate-related risks and opportunities

Income from product or services supporting the transition to low-carbon economy.

The EU Taxonomy for sustainable activities is a classification system established by the European Union to identify which activities and investments are environmentally sustainable.

As reported in the paragraph "Sustainable activities according to the EU Taxonomy", Saipem reports the information in accordance with EU Regulation 2020/852 on Taxonomy. Below are the KPIs for the activities eligible and aligned with the Taxonomy for all the objectives envisaged by the Regulation.



Investments in R&D of low carbon products/services.

The new energy panorama emerging in coming years will be a mosaic of many competing forces, which is difficult to forecast today. What is clear however is that the speed of innovation and the adoption of new technologies will be fundamental for making conventional developments more sustainable in the energy transition process.

Within the overall framework of technology innovation activities, Saipem filed 19 new patent applications in 2023, 12 of which for new decarbonisation technologies. In total, Saipem has a portfolio of 2,519 patents and new patent applications.

€34 MLN

AMOUNT SPENT ON DECARBONISATION R&D AND TECHNOLOGY APPLICATION

19

NEW PATENT APPLICATION, OF WHICH 12 FILED FOR ENERGY DECARBONISATION TECHNOLOGIES

Internal carbon pricing

During the year, an Internal Carbon Price Fee was adopted based on the annual emissions of Saipem Business Lines, with the aim of financing specific climate-related initiatives (such as, for example, participation in Sustainable Aviation Fuel programmes, the maintenance of ESG platforms for vendor data management, the purchase of renewable energy and participation in emissions compensation projects).

Cooperation with international organisations and associations on the topic of climate change

As a key player in the energy sector, Saipem is an active member of specific trade associations in the countries in which it has a well-structured presence, taking part in events and discussions on environmental and climatic issues.



Saipem's participation in these events, carried out through its presence in associations, is shaped and evaluated on the basis of alignment with its objectives and policies. In fact, since 2023, Saipem has published the document "Climate Policy Alignment", which reports the results of an analysis aimed at evaluating the contribution to climate advocacy activities through active participation in trade associations. In particular, the assessment was based on a control of the relevance of climate policies with respect to Saipem's typical activities and its targets (achievement of net zero, promotion of renewables, transparency and disclosure activities) and detected the degree of alignment with the relevant associations. Since 2018, Saipem has published a document on the Climate in accordance with the recommendations of the TCFD. From 2022, climate information is fully integrated in this non-financial statement.

Active participation in associations allows Saipem to be involved in a dynamic network, promoting its own technological excellences and sharing information and experience on different topics, including sustainability, energy efficiency and climate issues.

In 2023, Saipem supported the creation of a new Italian association in the field of renewable energies, becoming a founding member of AERO (Offshore Renewable Energy Association), particularly active in the institutional context: it has the aim of promoting the development of an Italian supply chain for offshore renewables, which allows the company to support national decarbonisation strategies.

Furthermore, Saipem takes part in the Norwegian Solar Energy Cluster, which aims to foster cooperation and support the development of solar energy skills. It is also participating in other associations and networks active on the energy transition issue, such as the Global Carbon Capture & Storage Institute (GCCSI), and the associations CO₂, Value Europe and Hydrogen Europe and, through the latter, the European public-private initiative Clean Hydrogen Alliance.

The total amount for membership to associations active in the energy transition in 2023 equals to approximately €146 thousand.

Starting from the end of 2022, Saipem has been cooperating with One Ocean Foundation by supporting the deepening and refinement of the first reporting tool for companies on issues related to ocean protection, the Ocean Disclosure Initiative (ODI). An initiative of One Ocean Foundation developed in collaboration with SDA Bocconi School of Management, McKinsey & Company and CSIC (Consejo Superior de Investigaciones Científicas). The ODI aims to become a reference framework and a scientific methodology which, through a system of metrics and indicators, aims to support companies in disclosing the direct and indirect pressures on marine ecosystems, the related risks and strategic responses, and thus become a rating tool for measuring the impact of different industrial sectors on the ocean and marine environment.

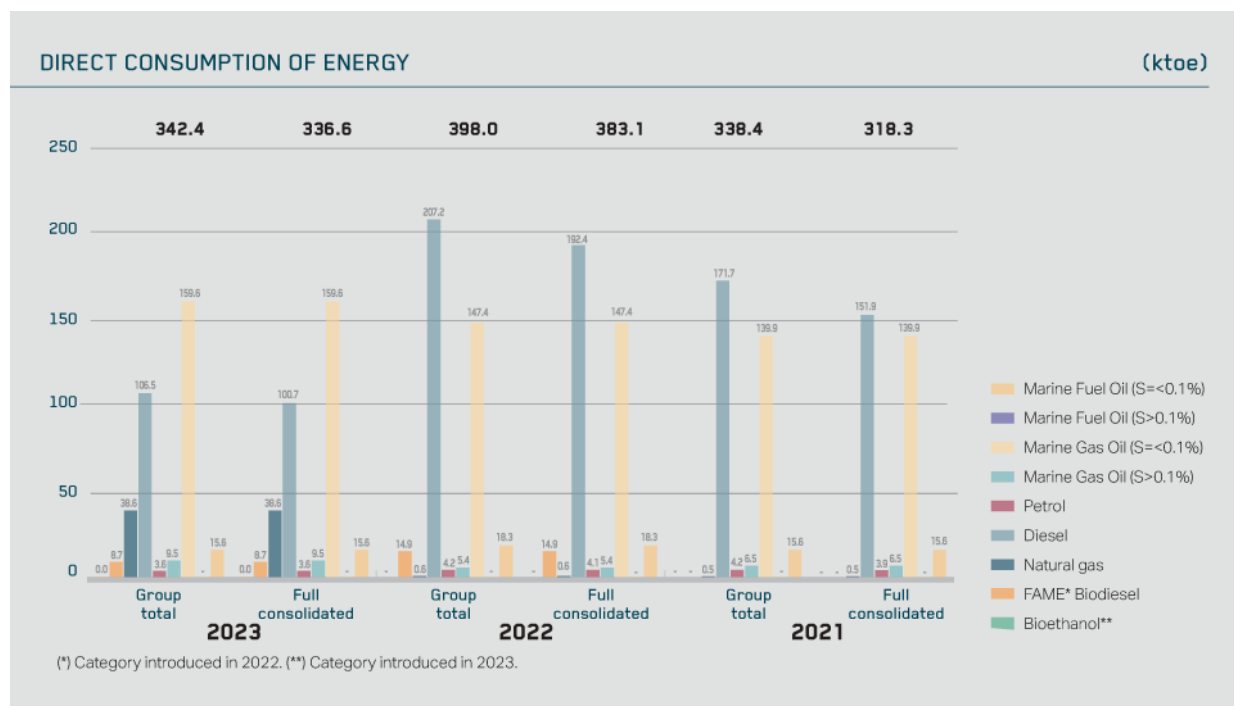
In fact, ODI includes the specific study of the pressure exerted on the ocean by various types of industries, thus creating targeted tools at a sectoral level. Specifically, Saipem contributed by providing comments and feedback during the drafting of the industry reviews and questionnaires relating to the Oil&Gas and Construction sectors.

SASB
EM-SV-110a.1

Energy consumption

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Total direct consumption of energy	(TJ)	14,334	14,092	16,665	16,041	14,171	13,325
Total indirect consumption of energy	(TJ)	377	351	696	380	692	366
Total consumption of energy	(TJ)	14,715	14,447	17,361	16,421	14,863	13,691
Energy from renewable sources	(%)	9.76	9.92				
Energy intensity	(TJ/€mln)	1.2	-	1.7	-	2.1	-

The calculation of energy consumption in Joule is made by applying the following conversion factor: toe = 41.867 GJ. The value of the energy intensity is calculated through the ratio between the total consumption of direct energy and the total revenues, expressed in millions of euro.



Direct energy consumption in 2023 decreased by approximately 14% compared to 2022 for the Group perimeter. The main cause is the activities of the Tangguh Expansion Project (Indonesia) which, despite still having one of the most significant energy consumptions in 2023 (17 ktoe), has demobilised many vehicles and consequently reduced diesel consumption.

Other sites with significant energy consumption are the following: FPSO Cidade de Vitória (29 ktoe), Castorone (19 ktoe), Saipem 7000 (18 ktep) and Constellation (16 ktoe).

It must be noted that from 2023 the data relating to FPSOs, of which we have full operational control, have been included in the reporting perimeter, in line with the recent updates to the reporting criteria.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Total indirect consumption of energy	(MWh)	40,496	37,789	78,551	45,760	71,868	37,975
Electricity consumed from the grid	(MWh)	38,134	35,427	68,120	35,329	71,569	37,676
Of which produced from renewable sources (*)		14,399	13,676	16,133	14,680	9,367	7,860
Thermal energy consumed (**)	(MWh)	1,977	1,977	10,066	10,066	-	-
Electricity self-produced from renewable sources	(MWh)	384.3	384.3	365.2	365.2	298.9	298.9

(*) Category introduced in 2023
 (**) Category introduced in 2022.

The 43% reduction in indirect energy consumption for the Group perimeter is mainly attributed to the reduction in grid electricity consumption in 2023. The main cause is the conclusion of the Arctic LNG project (Russia) which constituted 43% of the 2022 electricity consumption for the Group perimeter.

The decrease in thermal energy consumed is a consequence to the transfer of the headquarters from San Donato to Milan to more environmentally efficient buildings.

A further reason for the reduction of electricity consumption is the continuous implementation, in the context of the Net Zero Programme, of initiatives aimed at reducing energy consumption and, consequently, CO₂ emissions. In 2023, these initiatives led to a reduction in energy consumption of 590.7 TJ at Group level. Examples of initiatives implemented during the year include: the continual improvement in the luminous efficiency in numerous onshore and offshore sites, improvement in the efficiency of Saipem vessels (initiatives for the optimisation of routes and the Saipem eco-operation campaign to reduce wastes), a better energy management in offshore rigs (Saipem 12000 and Scarabeo 8), an increase in the efficiency of "accommodation camps" in onshore projects, etc.

Further information can be found in the section "Path to Net Zero" in the 2023 Sustainability Report.

Starting from 2022, total energy consumption includes that relating to biofuels and the purchase of heat, as envisaged by the revision of the methodology for estimating emissions into the atmosphere issued by the Saipem Group in 2022.



GRI 305-1
GRI 305-2
GRI 305-3
GRI 305-4
GRI 305-5

SASB
IF-EN-410a.2

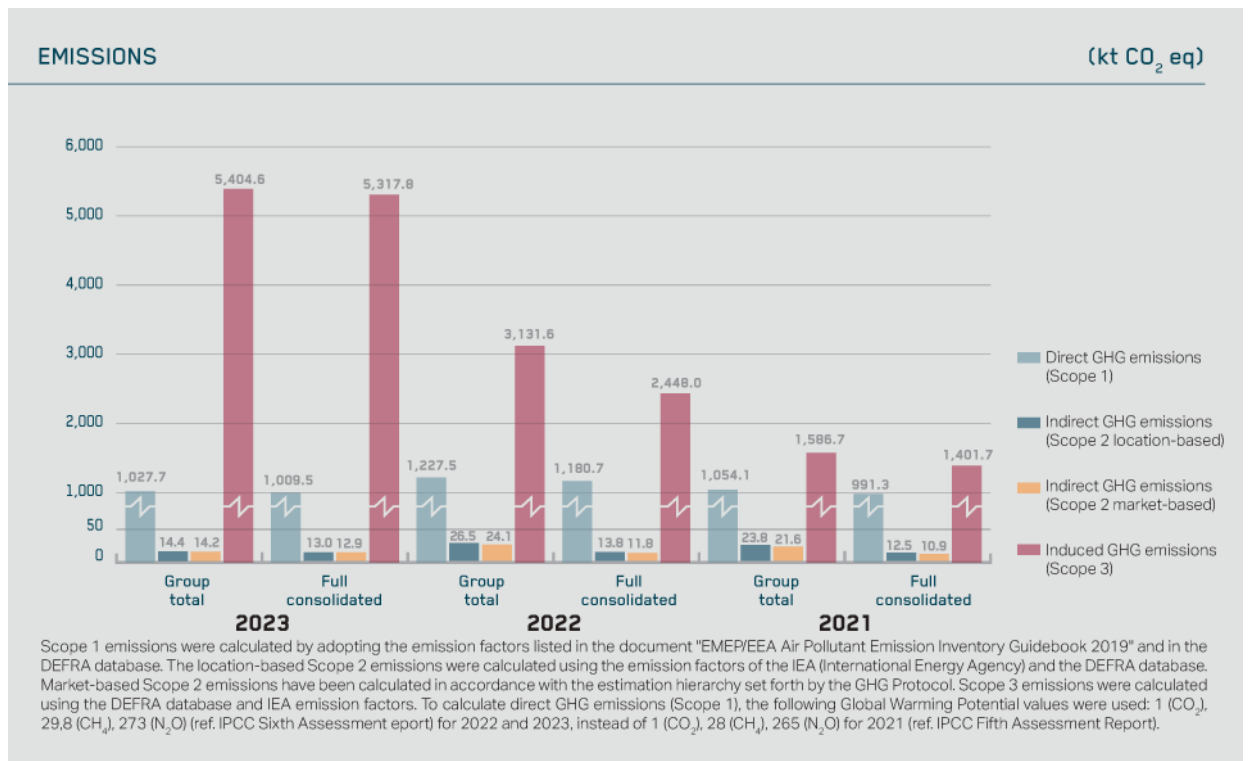
GHG emissions

Energy consumption data are used to calculate GHG emissions. The Company maintains a methodology for estimating emissions that is certified by an independent third party in accordance with the principles of regulation UNI EN ISO 14064-3. The method had already been revised for the first time in 2018, and again in 2019 and in 2022, with an extension of the field of application of the method, and in particular by extending the emission categories of Scope 3 emissions.

The following GHG emissions are considered in the document:

- direct emissions deriving from the use of fuels (Scope 1);
- indirect emissions deriving from the purchase of electrical and thermal energy and location and market-based emissions (Scope 2);
- indirect Scope 3 emissions deriving from:
 - extraction and transportation of the fuels used, directly and indirectly;
 - network losses in the transmission of purchased electrical and thermal energy;
 - water supply and disposal;
 - procurement of materials and waste disposal;
 - shipment of materials;
 - hotel accommodation during business trips;
 - travel by air and by land for business trips;
 - leased assets;
 - commuting in permanent sites.

The methodology for the quantification of Scope 1, 2 and 3 GHG emissions is aligned with UNI EN ISO 14064-1 for the applicable parts. Scope 1 emissions were calculated by adopting the emission factors listed in the document "EMEP/EEA Air Pollutant Emission Inventory Guidebook 2019" and in the DEFRA database. The location-based Scope 2 emissions were calculated using the emission factors of the IEA (International Energy Agency) and the DEFRA database³. Scope 3 emissions were calculated using the DEFRA database and IEA (International Energy Agency) emission factors. DEFRA and IEA emission factors are updated to 2021.



(3) UK Department for Environment, Food & Rural Affairs.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Total emissions							
(Location-based Scope 1, 2 and 3)	(kt CO ₂ eq)	6,446.7	6,340.3	4,385.6	3,642.5	2,664.5	2,355.9
Total emissions							
(Market-based Scope 1, 2 and 3)	(kt CO ₂ eq)	6,446.5	6,340.2	4,383.3	3,640.5	2,662.4	2,403.9
Emission intensity							
(Market-based Scope 1, 2)	(kt CO ₂ eq/€mln)	87.7	-	125.4	-	156.5	-

(*) Starting from 2023, emission intensity is calculated considering Scope 2 Market-based emissions instead of Scope 2 Location-based emissions.

Scope 3 GHG emissions by category

		2023		2022	
		Group Total	Full consolidated	Group Total	Full consolidated
Purchased goods and services;	(kt CO ₂ eq)	4,744	4,666	2,440	1,784
Fuel and energy related activities (not included in Scope 1 or Scope 2)		241	236	296	280
Leased assets		260	260	233	233
Waste generated in operations		53	52	59	54
Upstream transportation and distribution		35	31	45	39
Business travel		63	63	48	48
Other (*)		9	9	10	10

(*) Other includes home-work travel at permanent locations, overnight stays in hotels, water supply and treatment.

Year	Savings goals	Savings achieved
2023	38.2 kt of CO ₂ eq	47.0 kt of CO ₂ eq
2022	36.3 kt of CO ₂ eq	38.19 kt of CO ₂ eq
2021	36.5 kt of CO ₂ eq	36.98 kt of CO ₂ eq
2020	17.8 kt of CO ₂ eq	26.69 kt of CO ₂ eq

In 2023, Saipem recorded a GHG intensity of 87.7 t of CO₂ eq/€mln (at Group level, the value is calculated considering the market-based Scope 1 and Scope 2 emissions in relation to revenue in millions of euro). In 2022 the value stood at 125.4 t of CO₂ eq/€mln, a constant decrease compared to the previous year (156.5 t of CO₂ eq/€mln in 2021).

In 2023, there was a general increase in Scope 3 emissions (73%), mainly due to:

- increase in the procurement of materials, consequent to project activities, +161% of emissions for the consolidated perimeter (+94% of the Group total);
- extension of the activity perimeter of leased assets (+12% of the Group total).

However, there was a reduction in well-to-tank emissions from fuel consumption, directly and indirectly used, -16% of emissions for the consolidated perimeter (-19% of the Group total).

The significant percentage of Scope 3 emissions attributable to the procurement of materials confirms the need to continuously improve forecasts for emissions related to the supply chain, to pursue reduction objectives.

Numerous initiatives are underway to strengthen the partnership with our suppliers with the aim of improving the traceability of this data and to optimise their environmental performance. Further information can be found in the paragraph "Sustainability Plan" of this document and in the "Responsible Supply Chain" section of the 2023 Sustainability Report.



GRI 305-7

Preserving the air quality

The company policy to reduce GHG emissions and the objectives of the Net Zero Programme also have a strong impact on the reduction of other atmospheric pollutants, as they are a consequence of energy consumption, and will allow a clear reduction of atmospheric pollutants in the medium-long term.

The trend of pollutant emissions follows the trend of energy consumption, which is increasing. This is due to the increase of operations after the contraction during the pandemic.

Air pollutant emissions

(t)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
NO _x	11,275	11,064	14,849	14,399	12,415	11,762
SO ₂	562	556	607	593	542	523
CO	4,534	4,490	5,726	5,471	5,231	4,798
NM VOC	815	800	1,005	965	840	782
PM ₁₀	425	416	576	550	477	442

In 2023 pollutant emissions decreased compared to 2022 emissions, and efficiency and saving measures described in the section "The Path to Net Zero" of the 2023 Sustainability Report have made it possible to achieve further reductions also for the emissions of other atmospheric pollutants such as NO_x, SO₂, CO, NM VOC and PM₁₀.

Pollutant emissions avoided

(t)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
NO _x	475.3	473.6	433.5	433.5	426.9	426.9
SO ₂	18.4	18.4	13.7	11.6	16.9	16.9
CO	98.5	98.3	146.5	146.5	121.2	121.2
NM VOC	26.2	26.1	25.3	25.3	24.2	24.2
PM ₁₀	15.3	15.2	13.9	13.9	13.6	13.6



PROTECTING THE ENVIRONMENT AND MINIMISING ENVIRONMENTAL IMPACTS



Environmental management policies and system

Saipem is aware that all its activities, from the planning and design stages to construction and operation, may potentially have an impact on the environment, both directly and along its business value chain.

In identifying, assessing and managing environmental and social impacts tied to business management, both potential and actual, Saipem is guided by international regulations, principles, shared approaches and internationally recognised recommendations adopted in the industry including UN Global Compact principles, the principles expressed in the International Finance Corporation (IFC - World Bank) Performance Standards on Environmental and Social Sustainability, Organisation for Economic Co-operation and Development (OECD) guidelines for multinationals.

As reported in the Saipem Group HSES Policy, the Company undertakes to prevent potential environmental impacts caused by its activities and to use energy and other natural resources efficiently, "by adopting measures aimed at preventing and mitigating pollution and contamination, while also proactively participating in the appropriate management of natural resources, in the protection of biodiversity, the restoration of ecosystems in the places where we work and the effective management of waste", both when these are managed directly with its own personnel and means, and in operations managed by third parties for its own operational projects (clients, subcontractors, etc.).

Moreover, Saipem pays the utmost attention to the constant improvement of its environmental performance. To guarantee these results, Saipem has adopted a certified Environmental Management System. All the most significant entities in the Saipem Group are ISO 14001:2015 certified to support and guarantee the environmental management system adopted by the Company. Saipem is aware of the real impacts of its activities and defines specific actions and tools required to manage these impacts for each operating context.

As required by the environmental management system, all significant projects (taking into consideration the operation of the project/site, the context and operational control) lead to the environmental aspects/environmental risk assessment.

In 2023, a model was defined to assess environmental risks during the BID approval phase of projects which evaluates the potential impacts of the project in terms of GHG emissions, biodiversity, water and waste.

In its purchasing processes, Saipem is committed to selecting materials and services which take into account environmental criteria and encourages the use of low impact technologies through the research and adoption of solutions with the lowest possible impact on the environment during their entire life-cycle, in terms of the disposal/release/emission of pollutants, the use of hazardous substances and the production of waste.

Saipem organises various training initiatives on environmental issues, also involving its subcontractors in the operating sites and in 2023 it provided 92,441 hours of training for the consolidated perimeter (96,131 for the Group perimeter). Note that, as part of the STEP programme, various courses have been delivered on environmental issues, in particular on Climate Change and Energy Management.

Furthermore, the Company invests in research and development programmes to create technologies that minimise the environmental impact of its operations and of the delivery of its service to the reference sector, and organises specific initiatives designed to promote environmental awareness and the dissemination of best practices, also involving external entities as addressees.

Further details can be found in the "Research and development" section of the "Directors' Report" and in the "Biodiversity and pollution prevention" section of the 2023 Sustainability Report.

Spill prevention and response

Pollutant spills are one of the most significant environmental issues for the sector in which Saipem operates. In the case of spills, the prevention of accidental events and response actions are absolute priority elements for their management. Saipem's spill management strategy is in fact focused on minimising the risk of spills and implementing emergency mitigation and management actions, for which it adopts advanced equipment and procedures. The Saipem management system is based on the following hierarchy of actions:

- > *Prevention*: actions have been implemented to identify specific areas of risk and improve processes and operational control of those sites and vessels which are most at risk of spills.
- > *Instruction and training*: specific training events on spill prevention are periodically organised, along with drills aiming to improve the skills of operating staff in emergency management. The drills are carried out



SASB
EM-SV-150a.2

both on land and at sea, involving, if necessary, clients or third parties designated for emergency response activities. During 2023, 394 spill response drills were carried out, far beyond the set target of 375 drills.

- *Spill response:* all Saipem sites have the necessary equipment for tackling any spills which may arise and specific Spill Response Teams have been set up and trained. Each operating site implements a spill management plan which identifies the accident scenarios and adequate response modes and can also include the intervention of designated third parties. Note that, whenever possible or technically practicable, recovery activities are implemented for spills that have occurred.
- *Reporting:* the data concerning spills and “near misses” (events that, under slightly different conditions, could have caused environmental damage) are monitored by a specific software and subsequently analysed to assess the causes, prevent recurrence and share the ‘lessons learned’ within the Company.

Saipem also provides services for the prevention and management of emergencies due to spills at sea. Specifically, the services offered may concern training, the use of underwater drones and remote emergency intervention of the OIE (Offset Installation Equipment): a unique system in the world, designed to intervene in the event of a spill from an underwater well into shallow water (up to approximately 600 m deep), when direct vertical access is not possible.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Number of spills							
Total	(No.)	27	27	18	18	38	37
Spills of chemical substances	(No.)	1	1	2	2	-	-
Spills of oily substances	(No.)	20	20	9	9	27	26
Spills of biodegradable substances (*)	(No.)	4	4	4	4	8	8
Spills of drilling muds (*)	(No.)	2	2	3	3	2	2
Spills of wastewater (*)	(No.)	-	-	-	-	1	1
Volume of spills							
Total	(m ³)	10.75	10.75	7.85	7.85	3.10	3.10
Spills of chemical substances	(m ³)	0.002	0.002	0.04	0.04	0.00	0.00
Spills of oily substances	(m ³)	9.09	9.09	2.17	2.17	0.33	0.32
Spills of biodegradable substances	(m ³)	0.04	0.04	0.15	0.15	2.20	2.20
Spills of drilling muds	(m ³)	1.6	1.6	5.5	5.5	0.54	0.54
Spills of wastewater	(m ³)	-	-	-	-	0.05	0.05

The internal reporting rule for spills requires a minimum volume of 1 litre, beyond which it must be reported as an accident.

Out of 27 total spills in 2023, 14 were less than 10 litres. The volume of spills in 2023 attributable to both the Group perimeter and the consolidated perimeter recorded an increase of 37% compared to 2022.

The 3 main spills (with more than 500 litres) that took place are the following:

- a spill of oily substances into the soil in the context of the onshore FEED Pipelines for New Refinery Project (8,744 litres) due to a pipe detached from the pipeline. This spill constitutes approximately 80% of the 2023 volume;
- a drilling mud spill on the Scarabeo 9 vessel (1,112 litres) due to inadequate sealing;
- a spill of drilling mud from the mud collection tank on Rig PTX 5929 (500 litres).

The criticality of each spill is assessed according to the actual and potential impacts generated by the event, in terms of consequences measured against the environmental matrix. All incidents are accompanied by evaluations and cause analyses. For the risk of spills, the list of mitigation and prevention measures is assessed and established in order to reduce the risk of future occurrence and/or environmental impacts. No events occurring in the year had severe consequences.



Water resource management

Saipem is aware of the need for greater resilience in the planning and management of water resources, also to react to the effects of climate change. In some regions, there could be an increase in water availability, while in others a reduction in availability, leading to water stress and competition for resources, throughout the project life cycle.

Saipem is therefore focusing more on the development of new water technologies and in general on improving water management.

The water resource management strategy is an integral part of the environmental strategy and is defined in the environmental management system documentation; it is also an objective of the Group HSE plan.

GRI 303-1
 GRI 303-2
 GRI 303-3
 GRI 303-4
 SASB
 EM-SV-140A.1
 EM-SV-140A.2
 SASB
 IF-EN-410A.2

The hierarchical approach to water management aims to maximise reuse, where possible, and reduction of consumption in all operational sites and projects, particularly those in water-stressed areas.

Saipem has chosen to go beyond legal requirements and implement Yard Energy and Water Efficiency Management Plans (YEWEMP) within its fabrication yards, based on the same concept introduced by the IMO for ships (MARPOL annex 6) of the Ship Energy Efficiency Management Plan (SEEMP).

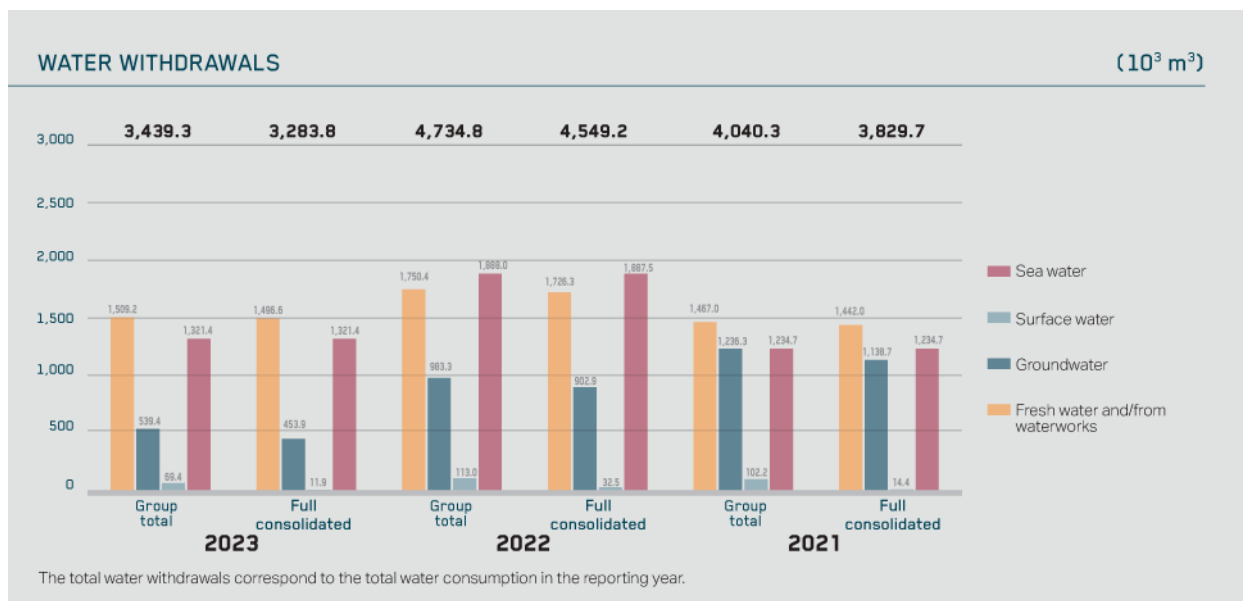
Between 2019 and 2020, Saipem's main sites developed their own Energy and Water Efficiency Management Plans (YEWEMP), i.e. Ambriz (Angola), Arbatax (Italy), STAR (Saudi Arabia) and SCNL (Nigeria). In 2023 the above-mentioned sites updated their plans with new targets based on the performances that had been reached and continued implementing initiatives such as the installation of meters on the water network in order to measure differentiated consumption. Furthermore, construction sites are installing LED lights to replace fluorescent bulbs, in order to reduce electricity consumption.

Also in 2023, in the Energy Carrier Business Line, actions/activities were implemented to achieve significant water savings. In Nigeria, as part of the LNG Bonny Train 7 project, the following measures were implemented for the efficiency of the two accommodation camps: installation of aerators in shower heads and sinks, double flush system for toilets and sinks with aerators and push buttons in common areas. The implementation of the aforementioned initiatives has allowed an estimated saving of approximately 88,000 m³ of water in 2023.

Other examples of the effectiveness of the water saving measures introduced by Saipem are the measures implemented in 2022 by the Marjan pack 10 and Berri (Saudi Arabia) projects. These measures (aerators in shower heads; water toilet tank banks; new washing machines with lower water consumption) led to water savings of 4,082 m³ and 11,731 m³ respectively in 2023.

Furthermore, we highlight as water reuse practices: the reuse of treated wastewater for dust abatement, irrigation, hydrotests (in accordance with specific regulatory limits).

The mapping of Saipem sites located in water-stressed areas, updated annually, is the basis for the definition of these initiatives.



Compared to the total water withdrawals for the year, it should be noted that the withdrawal of fresh water represents 44% of the total withdrawals for the Group perimeter and 46% for the full consolidated perimeter, while the salt water represents 38% within the Group perimeter and 40% for the full consolidated perimeter. Water consumption decreased by 28% compared to 2022 for the consolidated perimeter and by 27% for the Group perimeter, mainly following the reduction in sea water consumption used in the Tangguh Expansion project (Indonesia), and the transfer of headquarters from the third and fourth buildings in San Donato Milanese (Milan) to Spark1 in Milan.

In particular, the following are recorded:

- > a reduction in fresh water withdrawals from public networks, mainly due to the onshore projects South Gas Compression Plants Pipeline Project (SGCP) Pipelines (Saudi Arabia) and Dammam Camp (Saudi Arabia);
- > a reduction in water withdrawals from the ground, mainly due to the closure of the third office building (Milan) which consumed a significant quantity for the thermoregulation of the building. The new Saipem headquarters in Milan, Spark1, is characterised by high efficiency use of water and by a rainwater reuse systems which in 2023 allowed a saving of 99% of the water consumed by the Third and Fourth Office

Buildings compared to 2019 (last year of full building occupation before the COVID pandemic that implied partial closing);

- a reduction in water withdrawals from surface watercourses, mainly due to the activities of the Petromar Ambriz Yard (Angola);
- a reduction in seawater withdrawals, mainly due to the termination of the activities in the BP Tangguh Expansion - LNG EPC onshore project (Indonesia).

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Recycled and re-used water							
Re-used water	(10 ³ m ³)	183	183	298	298	447.8	447.8
	(%)	5	6	6	7	11	12

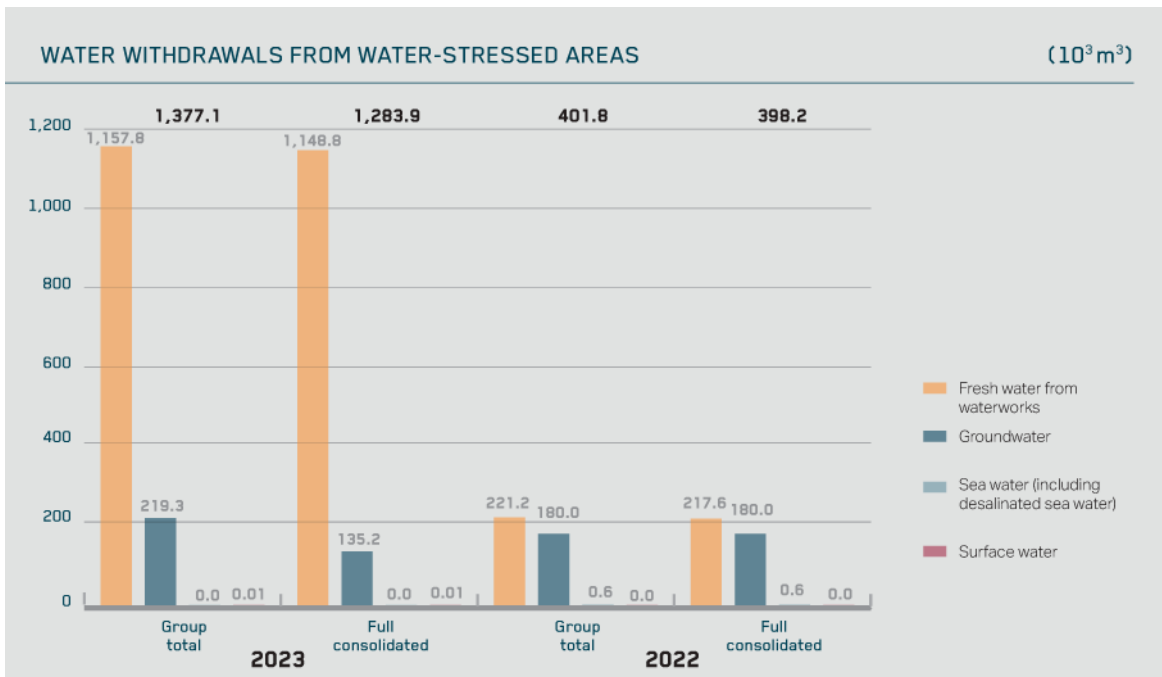
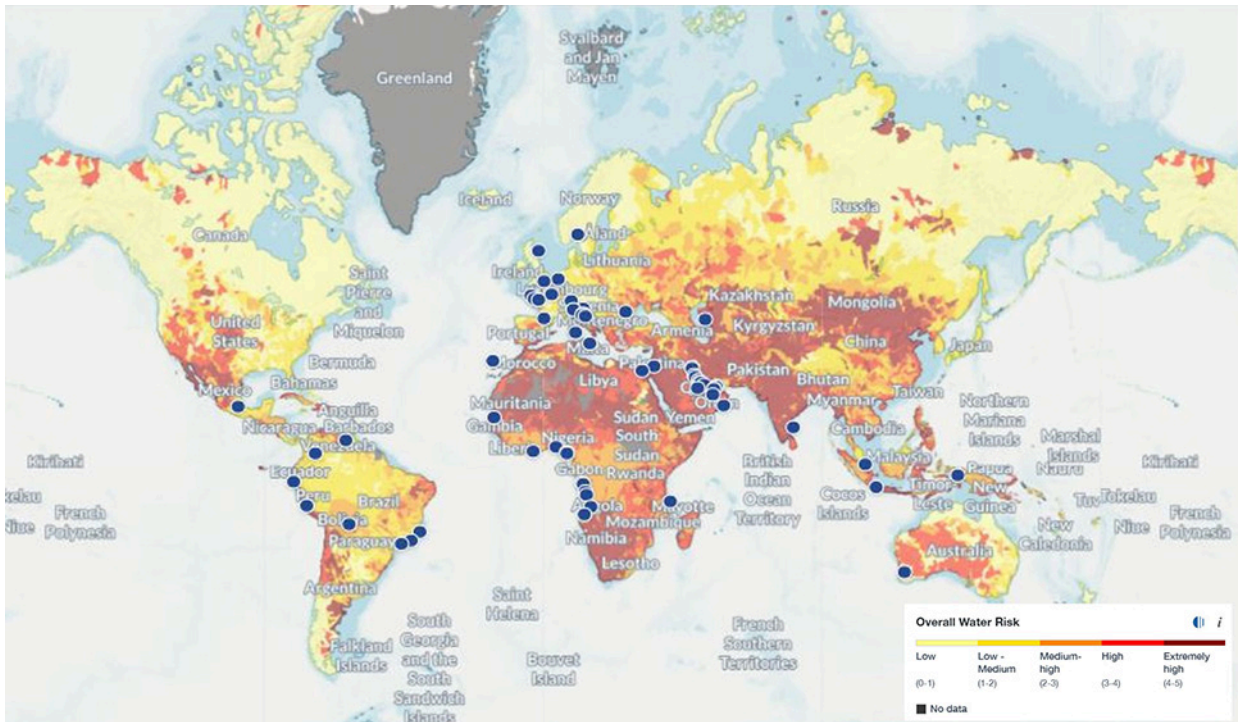
Water discharges

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Total water discharged, of which:							
	(10 ³ m ³)	1,656	1,608	2,786	2,704	2,238	2,138
- water discharged into the sewer systems		189	184	194	189	176	171
- water discharged into bodies of surface water		448	448	1,090	1,090	919	897
- water discharged into the sea		1,019	976	1,502	1,425	1,143	1,071

Water discharges fell for all reported categories, in line with that which was reported for water consumption. Specifically, water discharges decreased by 41% both for the Group perimeter and for the full consolidation.

Our offshore vessels are equipped with water treatment systems; therefore, any discharge into the sea is treated before release in line with the most stringent applicable regulations and guidelines.

Location of main Saipem sites on map of water-stressed areas produced through the Aqueduct Water Risk Atlas.



Wastewater in water-stressed areas

(10 ³ m ³)	2023		2022	
	Group Total	Full consolidated	Group Total	Full consolidated
Total water discharged (*)	333.1	330.0	401.0	391.9

(*) Indicator modified in 2023. In 2022, water discharges were reported by destination; in 2023 the indicator was aligned with GRI requirements to indicate discharges by type of water. Please note that all water discharged in water stressed areas falls into the fresh water category.

In 2023, water withdrawals in areas with water stress increased considerably because the classification of 12 areas changed (out of 37 in total) which from this year, according to the Aqueduct system, are classified as at risk of water stress and which in 2022 weren't. In these 12 areas, operational projects were carried out in 2023 that used 77% of the water in water-stressed areas.



GRI 306-1
GRI 306-2
GRI 306-3
GRI 306-4
GRI 306-5

Waste management

The Company adopts a responsible and specific waste management system based on the type of operating activity, which it also shares with the third party companies it operates with.

Waste management is tackled by applying a hierarchy of operations mainly aimed at minimising waste production through the use of appropriate procedures or technologies, re-using waste as material and recycling it after the most appropriate treatment.

Priority is given to hazardous waste in the context of action aimed at minimising waste generation. The Company promotes and implements measures, also through the research and development of new materials, which allow hazardous materials to be replaced with non-harmful alternatives.

Saipem sets the objectives by analysing the KPIs of the last four years (from 2019 to 2023) in consideration of business activity, region and country to be able to establish targeted and effective improvement objectives.

The waste KPIs are defined by country taking into account all active projects and thinking about each site in terms of the quantity of waste produced and recycled. By grouping countries together it is possible to define regional KPIs. The experiences made with past projects are considered a starting point for defining the baseline.

In order to comply with its management standards, Saipem controls the traceability of waste within its sites and ensures that subcontractors do the same (e.g. through specific contractual requirements, inspections, audits, etc.).

Any type of service provided by a subcontractor is associated with a Commodity Code, each of which is associated with an HSE criticality level.

The assessment of the HSE criticality level is based on the feedback received from the Business Lines and on the analysis of HSE data. Supplier requirements are defined based on the level of criticality. Therefore, since waste management is considered highly critical, suppliers are subjected to additional assessments and also to contractual incentive systems meant to reward excellent safety results or discourage non-compliance with rules, procedures and good practices aimed at protecting workers' health, safety and environment.

Saipem is aware that waste characteristics, quantity and dangerousness may also vary according to the type, progress and factors, such as geographical aspects, in which the project is carried out. The approach is therefore to try to reduce the production of hazardous waste as much as possible and maximise recycling both in terms of categories and quantities.

	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
(kt)						
Total weight of waste produced, of which:	790.2	709.7	851.7	762.5	811.9	743.5
- hazardous waste disposed of in landfill sites	6.3	6.2	19.2	18.5	10.9	10.4
- hazardous waste incinerated in external plants	0.8	0.8	0.6	0.6	2.0	2.0
- hazardous waste incinerated in Saipem plants ^(*)	0.5	0.5	0.7	0.7	0.8	0.8
- recycled hazardous waste	1.4	1.4	2.6	2.5	15.2	15.1
- hazardous waste disposed of in other structures	33.9	33.9	97.4	97.4	108.9	108.8
- non-hazardous waste disposed of in landfill sites	139.8	138.1	220.2	210.3	261.8	252.6
- non-hazardous waste incinerated in external plants	0.02	0.02	0.05	0.04	0.2	0.1
- non-hazardous waste incinerated in Saipem plants ^(*)	1.6	1.6	2.6	2.6	1.7	1.7
- recycled non-hazardous waste	52.8	51.2	95.6	92.9	90.6	86.1
- non-hazardous waste disposed of in other structures	553.2	476.0	412.7	337.1	319.9	265.8

All waste, with the exception of the incinerated category, is processed in plants that are external to the Company's sites.

(*) We report that, at present, no Saipem incineration site allows energy to be recovered.

In 2023, a waste reduction of 7% was recorded for both perimeters compared to 2022, mainly due to the decrease (91%) in the disposal of hazardous waste in the Al-Zour Refinery Project refinery (Kuwait). This project is in fact under completion.

Compared to 2022, there was a decrease in the production of hazardous waste by 64% in both perimeters, while non-hazardous waste produced increased by 4% for the fully consolidated perimeter and by 2% for the Group perimeter. In general, compared to 2022, there was a 45% reduction in the quantity of recycled waste, mainly due to the onshore Nong Fab LNG project (Thailand), following a reduction in the waste production from earth and rock excavation and dredging materials that were sent for recycling in 2022. The project was completed in 2022.

Since 2022, Saipem has developed and implemented customised KPIs for each project, location and business line aimed at increasing the categories and quantities of recycled waste. The KPIs were achieved

by the majority of Saipem projects which in fact showed an increase in total recycled waste (hazardous and non-hazardous).

For several years now, Saipem has been celebrating the European Week for Waste Reduction, extending it to all its offices around the world in order to raise awareness, promote cultural change, best practices for reducing and improving waste reduction.

All employees are invited to participate and contribute to the campaign individually and collectively. On this occasion, clients and suppliers are invited to participate in the organised activities.

Saipem has included waste reduction and the commitment to work on disposal methods (in particular recycling) among its objectives in the Sustainability Plan.

More information on initiatives to reduce waste production can be found in the "Sustainability Plan" paragraph of this document and "Biodiversity and Pollution Prevention" of the 2023 Sustainability Report.

Biodiversity

Aware of the importance of biodiversity and ecosystems for the well-being of society today and tomorrow, of their rapid decline which threatens both nature and people, and its strict correlation with the climate crisis, Saipem is committed to systematically assess, mitigate, restore and compensate for the impacts and risks on biodiversity and ecosystems in the areas in which it operates. Furthermore, through mitigation and adaptation actions to climate change, Saipem is committed to contributing to the biodiversity conservation by addressing the main factors that cause its loss.

The protection of biodiversity and the reduction of impacts on ecosystems are completely integrated into Saipem's Environmental Management System and also play a central role in Saipem's Four-Year Sustainability Plan, included in the Group's Strategic Plan.

Saipem is committed to leveraging its global presence in various cultural and environmental contexts to play a significant role in counteracting or reversing the decline of biodiversity, promoting actions not only within its value chain, but also beyond it.

Saipem is committed to supporting the principles of "No net loss of biodiversity", "No Net Deforestation" and, if applicable, "Net improvement" and "Net Gain" approaches, involving clients, suppliers and any other stakeholder, aiming to achieve a general net positive impact on biodiversity in its sites and projects, including by enhancing the value of nature, communities and territories in the areas in which it operates.

The definition of appropriate KPIs and objectives, systematic monitoring and reporting of Saipem's performance in protecting biodiversity, as well as informing and engaging key stakeholders on the topic, represent a further key element of Saipem's extensive commitment.

Promotion of actions within our value chain

1) As an EPCI contractor, Saipem:

- collaborates with clients and supports them, also stimulating subcontractors and suppliers, to achieve their biodiversity and environmental protection objectives and comply with the requirements of the Environmental Impact Assessment (EIA), thanks to its long experience in the execution of projects with reduced impacts, even in difficult and vulnerable environments;
- works to mitigate the impacts on biodiversity directly controlled and influenced by Saipem, such as those generated by its assets and sites.

Saipem's Environmental Management System, applied in sites and projects around the world, systematically integrates the management of risks and impacts on biodiversity and ecosystems, based on information released by ESIA and the environmental studies performed (e.g. survey).

Saipem applies environmental requirements in the management of its operations, that sometimes (when and if necessary) can be even more stringent than current legislation, and also transfers them to its subcontractors during each phase of the project.

The conservation of biodiversity in Saipem projects is put into practice by adopting a hierarchy of interventions: rescue, protection, awareness and, depending on the requirements and characteristics of specific projects, relocation and restoration.

Starting from 2023, Saipem has carried out a mapping of its operational sites and projects by means of a Geographic Information System (GIS) to systematically identify potentially critical areas, interventions and/or further improvement objectives.

In 2023, 65 Saipem sites were analysed, all those subject to environmental reporting, and were mapped using GIS in the light of potential proximity to IUCN and UNESCO areas. No critical issues were identified; the mapped sites are in fact located outside the boundaries of IUCN and UNESCO areas.

78% of mapped sites are located more than 5 km from IUCN areas, some in areas more than 150-200 km away.

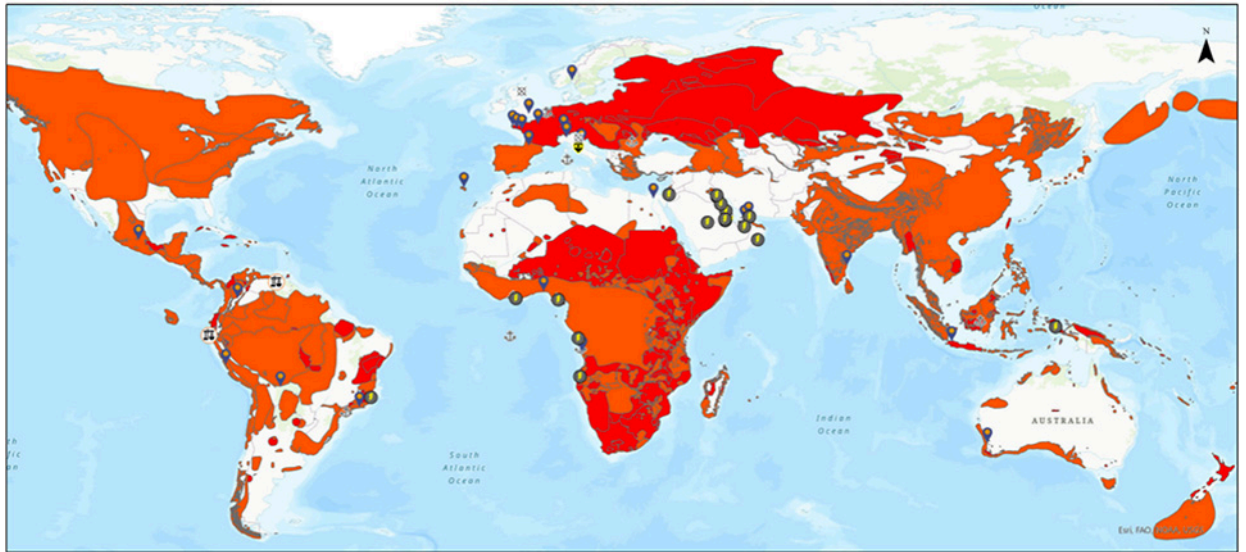
All sites within 5 km of IUCN areas are offices and do not cause significant impacts on biodiversity.

Most Saipem sites are located more than 50 km from UNESCO sites.

Only 1 site is located near a UNESCO site (the Rio de Janeiro office which is about 1 km from the Rio Valongo Wharf Archeological Site).

Note that the offshore vessels are not considered in the analysis as they move during the year.

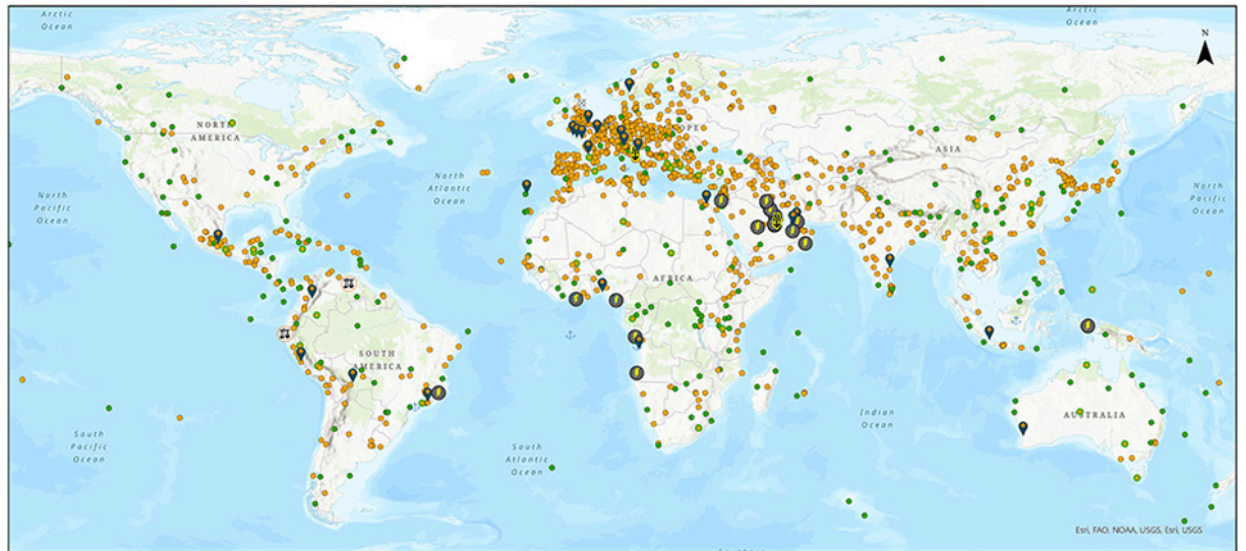
Mapping of operational sites in areas classified as "Red List" by IUCN



Legenda
 Saipem sites: ABSER - Offshore Drilling ABSER - Onshore Drilling ABSER - Offshore Construction
 Corporate Energy Carriers Robotics and Industrialized Solutions
 IUCN Red List-Mammals: Critically endangered species Endangered species



Mapping of operational sites in UNESCO areas



Legenda
 Saipem sites: ABSER - Offshore Drilling ABSER - Onshore Drilling ABSER - Offshore Construction
 Corporate Energy Carriers Robotics and Industrialized Solutions
 UNESCO World Heritage Sites: Cultural site Mixed site Natural site



In 2023, more than 1,800 suppliers/subcontractors were selected (including qualified and active, based on the HSE risk classification, and the amount ordered), whose sites will be mapped by 2026.

With respect to the mitigation of impacts on biodiversity triggered by its operations, in particular offshore ones, Saipem, working on the identification and prioritisation of intervention areas, focuses on the following main impact factors:

- hydrocarbon spills: specific KPIs are monitored, risks and mitigation measures are assessed, such as through the adoption of biodegradable oils;
- plastic pollution: monitoring KPIs are identified, objectives are defined and initiatives are implemented to reduce the use of single-use plastic (in major projects and sites around the world).

2) Saipem promotes research and technological innovation with increasingly digitalised processes to improve the environmental sustainability of the sector. For example, the use of underwater robots to carry out highly complex underwater tasks, such as underwater drones - Hydrones, the development of plastic recycling technologies, decarbonisation, as well as advanced systems for inspection and monitoring of seabed morphology, quality of water, the Integrity inspection of assets (such as spill prevention activities) and marine species, and the development of advanced plastic recycling technologies to promote circularity. More information on spill prevention services that we offer to our clients can be found in the paragraph "Spill prevention and response".



Developing initiatives and solutions beyond its own value chain

Saipem supports nature-based projects and solutions, in line with its broader sustainability strategy, dedicated to the prevention of forest degradation, their conservation and the restoration or rehabilitation of ecosystems and habitats. High sustainability standards and robust risk models are applied to evaluate and select investments in offset projects, with several traceable collateral benefits. In 2023, 4 projects were financed, with a total of 100,000 tonnes of CO₂ eq compensated.

The approaches described above can be achieved through two main enabling factors:

- establish partnerships and collaborations with clients, suppliers, universities, institutions and research bodies, to define new opportunities, methodologies and tools to promote within the sector;
- collaborate with employees to train, communicate and raise awareness on the adoption of sustainable behaviours and involve communities, through local development initiatives, also focused on climate adaptation.

Regarding community engagement and local development initiatives, key examples of initiatives related to biodiversity protection implemented in 2023 include plastic reduction initiatives (e.g. Seabins installation, bubble barriers in Brazil, cleaning and volunteering initiatives).



SOCIAL ASPECTS

Social policies and management

The Group operates in over 50 culturally and geographically different and distant countries, often in contexts characterised by difficult situations and border issues, and it takes into account the specific issues of each country when assessing social aspects linked to its activities.

For the social impacts linked to the operational projects it works on, Saipem bases its assessments on environmental and socio-economic impact studies, such as ESIA (Environmental & Social Impact Assessment), normally produced by its clients or, where necessary and established contractually, developed internally. In operating projects, Saipem supports the client's activities, in line with contract requests and the requirements the latter received and/or agreed with local authorities through specific studies such as ESIA (Environmental Impact Assessment).

Instead, the activities in which Saipem has direct responsibility and management of the social impacts generated at local level concern the fabrication yards or proprietary logistic bases. In these cases, the potential effects of operations on the social context and local stakeholders are identified and assessed in order to minimise their adverse impact and to define and implement specific activities and projects aimed at developing the local socio-economic context working with the identified local stakeholders.

The overall risk profile (including the environmental and social ones) for every project is identified, analysed and monitored from the commercial phase.

Wherever it operates, Saipem has always strived to minimize any adverse impacts on the territory and contribute to maximising positive impacts through the implementation of strategies aimed at promoting sustainable local development.



Relations with the local context

Saipem is committed to establishing relations with its local stakeholders based on correctness and transparency to pursue concrete shared objectives for sustainable development. This is achieved by strengthening mutual trust, seeking dialogue and promoting the right conditions in order to establish lasting cooperation in the countries where the Company operates.

Wherever it works, Saipem identifies local stakeholders and the main impacts generated, also based on the information provided by clients in contractual documents such as the ESIA (Environmental & Social Impact Assessment). Saipem's relations with local stakeholders therefore depend on the type of operating presence in each specific area. This presence is divided between: long-term presence in the areas where the Company owns fabrication yards, logistic bases or other operating structures that allows structured relations and partnerships with various local stakeholders or their representatives to be established; and short/mid-term presence where Saipem is involved in a specific project within set contract deadlines and, as a result, participates in more targeted and short-term sustainable development initiatives, generally coordinated by the client.

Saipem's involvement and dialogue with local stakeholders therefore depends on the type of presence in each specific area, contract requirements set by clients on projects and the partners with which the Company operates, as well as the characteristics and social composition of the relevant context. To support this process, Saipem has implemented specific tools for analysing the local context, and identifying and analysing the main stakeholders aimed at defining engagement and intervention plans, which may include periodic meetings, information and communication activities, comparisons and specific investigations, responses to reported issues, and contribution to initiatives for local communities.

An important tool is listening to the demands of the local stakeholders, also by means of consolidated engagement processes. In particular, for the management of the negative impacts, the Company has drawn up a principle (Guidelines on Grievance Management) for structuring a system to collect and manage the demands of the local communities in the operating situations where it is considered necessary or requested by the client. This process also allows potential negative social impacts to be identified and managed or mitigated.

Moreover, significant examples of collaboration with local stakeholder are those with the university and school bodies, the representatives of local institutions, the non-governmental organisations active in the areas and the local bodies for the implementation of development programmes and the promotion of health.



The social and economic impact on the territory

For Saipem, local presence means purchasing goods and services from local vendors, creating employment at a local level and developing the know-how of the local personnel and vendors, strengthening their technological and managerial skills. In this way Saipem contributes to creating development opportunities for the people and companies in the communities where it operates. Saipem’s presence is also characterised by a commitment to developing and maintaining a continuous relationship with local communities, clients and vendors making it possible to obtain benefits also in terms of reductions in overall project costs and the overall risk profile associated with operational activities.

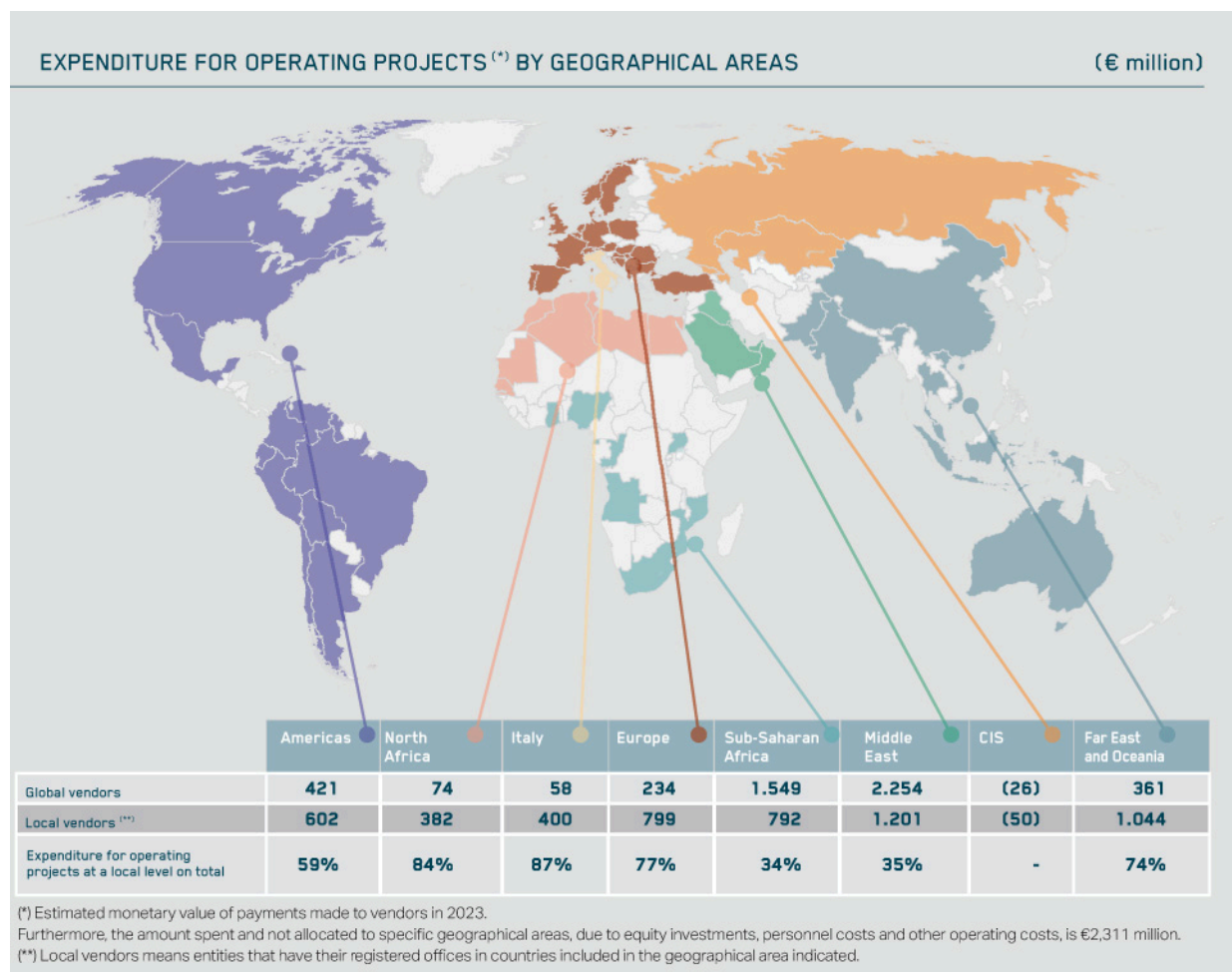
In order to enhance and quantify the value generated in the countries in which it operates, (local content), Saipem has internally developed a model (SELCE, “Saipem Externalities Local Content Evaluation”) to quantify the value of its presence in the local territory in terms of economic, employment and human capital development. The model implemented in the main operational areas in which Saipem works shows the impact on the economies of the countries (ref. Sustainability Report, “Local Impact” section).

GRI 202-2

Local content (in Country Value)

(%)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Local employees	71	69	72	70	79	75
Local managers	53	54	55	54	50	50
Purchased from local vendors	51	43	64		68	

A local employee is a worker who works in the country where he/she was hired. Local managers include the total of middle and senior managers. Given the large number of employees in the two headquarters in Italy and France, the percentage of local managers is calculated excluding the data for these two countries, in order to provide an effective representation of the Company’s commitments in the countries where it operates.





GRI 308-1
GRI 412-2



A sustainable supply chain

The vendor management system, described in the "Supply chain management" section of this document, was structured to guarantee that they have proven technical and operational skills, but also that they share Saipem's values and policies. For this purpose, sustainability elements to analyse and monitor in the various phases of the vendor management system have been identified; these elements include ethical behaviour, respect for human and labour rights, including the protection of the health and safety of workers, and environmental protection.

First of all, Saipem's vendors are bound to comply with the principles that are an integral part of the Code of Ethics, of the vendor Code of Conduct, and respect human rights in conformity with the Saipem Sustainability policy, as required in the contractual clauses laid down in all contracts.

The vendor code of conduct was issued in 2022 and also published on the company website. The document is aligned with the Code of Ethics and Saipem corporate policies and is mandatory for all vendors. It defines Saipem's expectations regarding ethics and compliance, human rights and modern slavery, health, safety, environmental protection, relationship with local communities, information and data protection, and whistleblowing reporting process. During 2023, the Vendors Code of Conduct was integrated with a specific chapter relating to diversity and inclusion.

As of the introduction date, 63% of qualified suppliers have signed the Code: it is estimated that all qualified suppliers will subscribe to it within the next two years.

Vendors are responsible for managing risks in their operations, and the Company demands that, in turn, they require the same principles and standards from their own vendors. In this way, we aim to guarantee safe and fair working conditions and the responsible management of environmental and social aspects throughout the supply chain.

During the **qualification** process, the analysis of vendor information is the first step for knowing and understanding their capacities. This phase involves the gathering of data and information, as well as the vendor's documentation, to evaluate:

- > their technical and managerial skills, including their alignment with quality standards;
- > their financial, reputational and ethical reliability;
- > their ability to manage sustainability issues.

The level of risk linked to sustainability issues is determined by the country of origin of each vendor and the industrial sector and/or criticality of the supply. The vendors identified with a high sustainability risk level are subject to more in-depth investigations.

In particular, depending on the type of goods or services offered, vendors are subjected to a **Counterparty Risk Assessment ("VERC")**, aiming also to verify their ethical conduct in terms of anti-corruption, unlawful conduct and human rights, as well as any other aspect which could directly damage the reputation of the vendor, and indirectly the reputation of Saipem. The VERC is performed by analysing the key characteristics of the counterparty, with particular attention to economic-financial, ethical/reputational aspects and ownership. The counterparty risk assessment on vendors or potential vendors is usually done by checks that do not involve contacts with the counterparty, gathering available information from specialised third-party sources. The VERC may be performed not only at the start of the qualification activity, but also during the contract award phase or during the performance of periodic inspections, where foreseen. In 2023, the number of VERCs drawn up amounted to 2,693, of which 1,585 drawn up as part of the qualification processes managed during the year, 99 for the issuance of purchase documents,

The downward trend compared to previous years is motivated by a review of the Counterparty Risk Assessment process, as part of the optimisation of the processes launched on the supply chain, which led to the streamlining of the VERC drafting activities, while maintaining constantly rigid checks before any activity related to suppliers.

Furthermore, depending on the level of risk of exposure to problems linked to human rights and/or health and safety and environmental management aspects, **vendors are assessed by** analysing the documents provided during qualification, to check compliance with the Saipem principles and the vendor's ability to manage these issues. In 2023, 474 suppliers were assessed on HSE issues and 431 were assessed on labour rights issues.

Depending on the level of sustainability risk, the vendors subjected to **qualification audits** may also be assessed on specific sustainability aspects, including labour rights, health and safety and environmental protection.

During 2023, a total of 4 audits were carried out on the qualification process which also covered the social and HSE aspects for new Chinese companies. Audits were carried out by an independent external auditor (DNV). Following these audits, some non-conformities and observations were identified and improvement actions were requested to vendors, especially regarding health and safety, working hours, remuneration, disciplinary actions and contractual clauses, through specific action plans agreed with the vendors and currently in progress.



During the bid and contract execution phases, further controls are performed, including a counterparty risk assessment based on the total value of the supply. For goods and services deemed to be of high risk of health, safety and environment (HSE) issues, specific assessments are carried out to check the vendor's ability to perform the contract in accordance with the relative international and Saipem standards and on the capacity to manage HSE aspects.

Furthermore, **the contractual conditions** applied to all vendors and all types of purchasing include specific requirements that oblige the vendor to strictly comply with the Saipem Code of Ethics and to respect human rights.

In order to share the ethical principles, inform and train vendors on the Saipem standards and requirements and how they should align to these, Saipem organises specific events, meetings or forums for vendors, both prior to qualification and during the execution of the contracts.

Other more informal checks are carried out by the Post-Order function team, trained with a special e-learning course (delivered since 2016) on human and labour rights issues, by means of checklists prepared to collect any observations that emerged during visits to the plants of suppliers to investigate on child labour, forced labour, discrimination, compensation and hours worked, including overtime. In 2023, 102 new checklists were filled in.

Furthermore, a new documented process was implemented during 2023 to identify key vendors operating in certain countries and providing specific services to Saipem. The definition of the vendor risk profile is based on the country risk, the type of activity (commodity code), the total ordered, and other information (duration of the commercial relationship, feedback, etc.). Prioritisation of suppliers based on their risk profile is essential given the large supply chain involved in Saipem projects and activities and is necessary to identify specific mitigation actions, included in the Saipem Sustainability Plan.

In 2023, in line with Saipem's sustainability objectives, the main vendors identified by the prioritization process were involved in the following actions:

- social assessment programme;
- training campaign on human and labour rights.

The Social assessment programme involved 10 key vendors (seven subcontractors and three employment agencies) selected based on the criteria defined above, and which represented approximately 4% of the total purchased in 2022. The Social assessment programme was structured in various phases and implies preliminary involvement of vendor Management in one-to-one meetings meant to present Saipem's expectations and requirements regarding compliance with its Code of Ethics and the Vendor Code of Conduct, and share with them the objectives and the assessment process followed by a questionnaire and further request of documentary evidence on the management of human rights in their activities.

The topics of the audit questionnaire focused on human rights (child and forced labour, discrimination, etc.) and decent working conditions, such as recruitment and employment, working hours and overtime, payment of wages, management of subcontractors.

All 10 vendors were evaluated with reference to the information and documentation provided. The main results identified potential critical issues in the management of working hours and overtime, in the recruitment and personnel management procedures, in particular for migrant workers, and in the development and implementation of a due diligence process for vendors.

Vendors were informed of the results of the audits and improvement actions were requested to strengthen the ability to manage these aspects.

The training campaign on human and labour rights involved 114 identified key vendors, which overall represent 8% of the total ordered in 2022.

The training is based on the requirements relating to human rights and modern slavery included in the Saipem Vendor Code of Conduct, which summarise Saipem's expectations regarding the prohibition of any form of child and forced or compulsory labour, human trafficking, slavery, discrimination and harassment, and the guarantee of decent working conditions, in line with local laws and the principles defined by ILO. The training programme was launched at the end of 2023 and 67 vendors (for a total of 140 people) participated in the training activities in the year (59% of the total).

Vendor performance and compliance with contractual provisions are constantly monitored: all the Saipem functions involved in the various phases of the procurement chain management system are bound to provide **feedback** on the conduct of vendors, including on sustainability aspects, such as any incidents occurring during the execution of the work, conformity with local HSE or labour legislation, or evidence collected during site inspections and audits.

The feedback received guarantees the assessment of the vendor's overall reliability and, in the case of serious situations recorded, the possibility to terminate the contract or suspend the vendor's qualification.

Throughout 2023, 502 feedback surveys on vendor performances were compiled and published, of which 91% with a positive outcome and 7% with a neutral outcome.



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



		2023	2022	2021
Active vendors	(No.)	21,979	22,311	23,585
Qualified vendors during the year	(No.)	6,364	6,393	7,226
Vendors with existing contracts	(No.)	10,897	-	-
Vendors with existing contract in countries with a high risk of human and labour rights breaches	(No.)	4,880	-	-
Vendors with existing contracts classified as at risk on HSE issues	(No.)	1,500	-	-
Critical vendors	(No.)	11,851	-	-
Ordered from critical vendors	(%)	75	-	-
Vendors qualified in the year working in countries with a high risk of human and labour rights breaches, total of which:	(No.)	2,902	2,807	3,121
- for critical qualifications ^(*) ^(**)	(No.)	803	573	-
- for non-critical qualifications ^(*)	(No.)	2,447	2,234	-
New vendors working in countries with a high risk of human and labour rights breaches, assessed on the issue	(No.)	431	446	598
Vendors qualified in the year for activities considered at HSE risk	(%)	8	9	9
Vendors assessed on HSE issues	(No.)	474	578	595

It must be stated that the numbers in the table are representative both for the total perimeter of the Group and the full consolidated perimeter, because a vendor qualified at corporate level can potentially work with all the entities in the Group. Critical vendors mean those qualified in critical commodity codes.

(*) Category introduced in 2022.

(**) 71% of the target vendors qualified in the year, operating in countries at high risk of violation of human and workers' rights, were assessed on labour rights compliance. A list of countries at high risk of violating human and labour rights is drawn up annually; for 2023 these countries are distributed in the various geographical areas with the following percentages: 14% America, 36% Africa, 8% CIS, 5% Europe, 16% Middle East and 21% Oceania and Asia.



GRI 403-1
GRI 403-7



SAFEGUARDING THE HEALTH AND SAFETY OF PEOPLE

The health and safety of all Saipem personnel is a priority and strategic objective for the Company. This commitment is an essential pillar of the HSE Policy and the "Integrity in our operations" Policy.

The health and safety of people are constantly monitored, assessed and guaranteed through a management system that integrates Quality, Health, Safety, Security and Environment, which meets the international standards and current legislation. Also, it covers all employees and subcontractors working in sites managed by the Group for the execution of all operational projects.

On the basis of the various organisational levels and the sampling established by the audit programme, Saipem's HSEQ management system is monitored annually, through internal audit activities, in order to verify the process performance and compliance with the reference standards applicable in quality, Safety and Environment.

The Company carries out internal audits regarding HSEQ on: HSEQ management system, compliance with the HSEQ legislative provisions. These audits involved operating companies, operating sites (including the fleet) and subcontractors.

In 2023, more than 150 internal audits were conducted to monitor Saipem's Integrated Management System (first stage audit). In more detail, 11 related to the Health Management System, 22 regarding the ISO 45001 (Safety), 10 according to the ISO 14001 scheme (Environment), 81 integrated in Environment and Safety, 5 in accordance with the Asset Integrity scheme, 17 on Legislative Compliance and 6 on the Organisation and Control Model adopted on crimes relating to health and safety at work, as well as environmental ones.

Saipem, in accordance with its procedures, also constantly monitors the HSE performance of its subcontractors in various ways, including planning and carrying out sample HSE and Quality audits.

Again, in accordance with company procedures, the critical issues that emerge during the audits are managed by the audited parties who define appropriate Corrective Action Plans for their resolution. The audit teams then evaluate their effectiveness, all with a view to continuously improving HSE and Quality performance.

The critical issues that emerged during the audits are also subject to constant monitoring and quantitative analysis. During 2023, 85 non-conformities emerged, both major and minor.

During the year, Saipem also continued its process aimed at ensuring high health and safety standards for all its personnel, achieving significant improvements.

Following the periodic audit by the accredited third-party certification body, the ISO 45001 and ISO 14001 certifications were confirmed for Saipem SpA and all the most significant Group companies, with a coverage of 99% for the full consolidated perimeter (93% for the Group perimeter) of company employees and agency workers, excluding subcontractors, as a guarantee of the homogeneous and systematic approach to the management of processes.

As regards ISO 9001, coverage at the end of 2023 was 62% (61% for the Group perimeter) in terms of entities involved in the audit activity.

Starting from 2023, Saipem has entrusted all certification activities to a single independent Certification Body (DNV), including those for ISO 9001 which was renewed in December 2023 for Saipem SpA and some Group entities.

Safe operations

Ensuring safety during the entire project life cycle, from design to delivery, has fundamental importance for Saipem and is clearly explained in the Company's HSE Policy.

During the design phase, safety is ensured through the management of design risks and the identification, evaluation and continuous reduction of main risks through process safety measures. Design risk management is implemented through various engineering activities, including Inherent Safe Design.

Inherent Safe Design is the main approach to follow to avoid any danger and/or mitigate related risks: this requires continuous discussion and regular meetings between all involved disciplines and safety specialists from the beginning of the design through all project execution phases, in order to evaluate and review the main design choices (such as process alternatives, layout solution, etc.) for:

- consideration of all risk reduction options (ALARP); and
- the timely and correct selection of security requirements/measures.

The management of safety aspects related to design and operation is ensured, among others, by the following activities.

1. Hazard review during project development: all major risks affecting each area of the facility to be constructed are identified and classified using the HAZID and HAZOP assessment combined with the risk assessment matrix and/or the results of other safety studies. The first step is the hazard identification study (HAZID/ENVID) which also covers the construction, transportation and installation phases. The second step is the HAZOP analysis which aims to emphasise the dangers that may arise from the project, in terms of possible accidents, and provide information for the implementation of improvements in the design of protective and preventive measures. The final step is the identification of preventive and mitigation measures for the main risks identified during the updates of the HAZID and HAZOP assessments. Usually, all these measures called Safety Critical Design Measures (SCDM) are included in a dedicated register.
2. Safety studies including, for example, flammability risk analysis and quantitative risk assessment (QRA).
3. Design of safety systems such as, but not limited to, Fire & Gas system, fire protection system and passive fire protection.
4. Identification of Safety and Environmental Critical Elements (SECE): any system or equipment that is believed to provide significant benefit in the prevention, detection, control or mitigation of a potential serious hazard, whose failure may compromise the facility performing the safety activity. For SECE critical elements, the relevant performance standards are defined and evaluated in order to assess correct design and functionality/availability.
5. The Functional Safety Lifecycle activities in accordance with the IEC 61511 and IEC 61508 standards are part of the safety activities performed for the design and operation phases, such as the assignment of the SIL (Safety Integrity Level), the specification of the safety requirements for the SIF (Safety Instrumented Functions) and verification activities.

Asset integrity

Operate safely, minimising the risk of major accidents, is a priority for Saipem. The Company is in fact aware that such events could generate serious impacts on people, the environment, the community in general, its assets and its reputation.

For Saipem, a company mainly operating as a contractor, working safely also means providing safe and reliable services to its clients.

Saipem strongly pursues the effective implementation of its asset integrity management system as an outcome of good design, construction and operating practices adopting the integrated management of barriers to reduce the risks associated with Major Accident Events (MAE).

Asset integrity refers to the prevention and control of the events with very low frequency and high/severe consequences on people, the environment, assets or project performance. The asset integrity model follows a typical deming cycle: planning, operations, performance monitoring and continuous improvement.

Saipem undertakes to prevent risks to improve the integrity all offered services and operations. For this purpose, it adopts a proactive approach in the mitigation of risks as an integral part of its management and business activities, from the initial design phases.

In particular, risks relating to the standard operating portfolio of each offshore unit (construction, drilling and floaters) are analysed in terms of possible impact on people, the environment and material damage to the asset and/or in terms of delays in project execution. Major accident scenarios are identified and analysed through specific studies aimed at identifying the prevention and mitigation barriers of each scenario with the potential for escalation to a major accident. The critical elements for safety and environment (Safety Critical Element - SCE) and the expected performances for each of them (performance standards) are then identified, as well as the activities necessary to ensure the achievement of these performances during the entire cycle of life of the asset (assurance activities). The activities described above are included in the so-called "Safety Case", for which a process has been started to further improve the identification of Safety Critical Equipment and Safety Critical Tasks associated with barriers dependent on human action, mapping actions, responsibilities and skills necessary to carry out the task reliability.

Skills are managed through a Competence Assessment & Assurance process, aimed at identifying any skills gaps and filling them with appropriate internal or external training, through courses or on-the-job training; this also applies to the emergency management for which periodic exercises are carried out.

During asset life cycles, assurance activities, such as maintenance, testing, personnel training, updating of procedures and manuals, are carried out by the operations and asset management departments.

Change management occurs through specific procedures meant to identify the level of impact of the change, to activate the involvement of expert figures in the concerned disciplines, to identify the correct level for final approval, and to manage the change process until its full closure.

Saipem constantly monitors asset integrity performance, collecting information on the state of health of all safety critical elements, as well as critical skills and procedures. This information is represented through a set of Key Performance Indicators, developed for each of the three business sectors involved: offshore construction, drilling and production floaters.

In addition to this, audit and barrier self-verification activities are systematically carried out by the Vessel Management Teams.

All performance information is consolidated and presented during periodic reviews to define improvement actions: quarterly with the Chief Operating Officers responsible for the concerned Business Lines and half-yearly with the Chief Executive Officer of Saipem.



People safety

SASB
EM-SV-320a.1
SASB
EM-SV-000.D
SASB
IF-EN-320a.1

Saipem's commitment to people safety has led the Company to be considered today among the "Best in Class" companies in its reference sectors⁴.

Every year Saipem defines a plan of safety objectives for the whole Group linked to the incentive plans for senior managers for the areas of competence.

For the year 2023, these goals included:

- continuously guarantee the adequacy of the HSE management system, also with a view to modernising operating processes towards the complete digitisation of HSE reporting activities for better and more detailed data analysis;
- confirm the maintenance of the ISO 45001 (Occupational health and safety management system) and ISO 14001 (Environmental management system) certificates;
- maintain the SA 8000 Social Accountability International (SAI) certification (Saipem SpA obtained it in March 2022 and maintained it in 2023) confirming the application of a social responsibility management system in the context of human rights, workers' rights and their well-being within the company;
- ensure in a continual manner the identification of the hazards and the assessment of the risks associated with the safety of personnel, vendors and other people involved in the Company's activities as well as the risks for the Company assets;
- guarantee adequate risk assessment related to the health and safety of people in all our operating sites and those risks attributable to interference between activities contracted to vendors working in Saipem structures or construction sites;
- guarantee a continual process of HSE training for staff. This process can be broken down into several phases: updating the HSE training matrix (which identifies the training needs based on professional roles), definition and standardisation of the courses on a dedicated platform, provision of the courses, monitoring and reporting on the training activities;
- the consistent application of preventive and protective measures that are suitable for guaranteeing the health and safety of people and the integrity and efficiency of assets;
- follow-up and control activities on the effectiveness of prevention and the measures implemented;



Promoting the safety culture of workers is facilitated in the Company's sector by both the reference regulatory framework, characterised by laws and agreements at national and company level, and by an internal environment characterised by specific policies on health and safety.

Internal policies define particularly stringent and rigorous criteria for safeguarding people's safety; they are also valid in various local operating contexts still characterised by a regulatory system on the subject still under evolution. With regard to national agreements, not all countries in which Saipem operates have trade unions at both national and local level. Where specific agreements are in place between trade unions and Saipem, they can include the following on safety:

- setting up workers' H&S committees (composition and number);
- specific training for safety officers (responsible Company figures and employee representatives) and grassroots information on safety matters to all employees, with particular reference to courses on Health and Safety at Work, Fire Fighting, First Aid, and mandatory "Special Operations" (Onshore-Offshore);
- regular meetings between the company and workers' representatives.

In Italy, the national collective agreement provides for the appointment of corporate representatives of the workers for their protection in the areas of health, safety and environment (RLSA). The appointment is by election, based on the provisions of law and the bargaining contract. There are a total of 16 RLSAs at the Saipem Italian offices. A specific trade union agreement signed by Saipem and the Trade Union Organisations defines the duties of RLSAs and their full authority to carry out their activities also for workers assigned temporarily to activities at yards and sites other than those of origin.

It should also be noted the presence of institutes in foreign countries, where participation is shared between management and the workforce for the management of initiatives and programmes regarding health and safety in accordance with the reference regulations in different countries.

It is specified that 37% of the total workforce in all locations is represented in formal joint management-worker committees on health and safety.

(4) OGP - International Association of Oil & Gas Producers, IADC, International Pipeline & Offshore Contractors Association, IMCA International Marine Contractors Association, IPLOCA - International Pipeline & Offshore Contractors Association, and numerous competitors.

SAFETY INDICATORS, DEFINITIONS AND CALCULATION METHODS

LTI (Lost Time Injury) - means any accident at work that renders the injured person temporarily unable to perform any regular activity or limited work during any day/ shift after the day on which the accident occurred

LTI include fatal accidents, permanent total disability, permanent partial disability and temporary total disability.

WRC (Work Restricted Case) - any injury at work,

with the exception of deaths or lost work days, which makes the person unfit for performing all his/her activities fully in the days after the injury at work. In this case, the injured person is temporarily assigned to other duties or exempted from some parts of his/her normal duties. The maximum limitation time can be 30 days. If the limitation exceeds 30 days, the injury must be classified as LTI.

TRI (Total Recordable Injury) - means the sum of LTI, cases of limited work and cases of medical treatment: TRI = LTI+WRC+MTC.

TRIFR (Total Recordable Injury Frequency Rate) - it is calculated as (TRI number on hours worked) x 1,000,000.

FTLFR (Fatal Accident Frequency Rate): calculated as (No. of fatal accidents per hours worked) X 1,000,000,000.

LTIFR (LTI Frequency Rate): it is calculated as (No. LTI on hours worked) x 1,000,000.

Lost days of work: the total number of calendar days in which the injured person was not able to do their job as a result of an LTI. The calculation for the lost days starts from the day after an accident until the day when the person is capable of returning to work. The calculation does not include fatal accidents.

SR (Severity Rate) - calculated as (No. of lost days of work per hours worked) x 1,000.

Injury with high-impact consequences at work (High-consequence work-related injury): injury with more than 180 days lost.

High-consequence work-related injuries Frequency Rate: calculated as (No. of High-consequence work-related injuries per hours worked) x 1,000,000.

Absenteeism rate of employees: it is calculated as the ratio between the number of total hours of absence and the number of total annual theoretical working hours. The annual theoretical working hours are calculated proportionately to the number of staff at December 31.

Events high-level (HL): Any work-related event that, under slightly different circumstances, could have resulted in LTI or fatalities. Accidents with potential consequences on people > L3.

Total frequency of high-level events: calculated as No. HL Events per hours worked) x 1,000,000).

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Worked Man-hours							
Total, of which:	(million hours)	176.0	169.2	237.8	215.9	199.7	173.9
Man-hours employees	(million hours)	83.8	78.1	98.4	86.7	90.8	76.4
Man-hours subcontractors	(million hours)	92.2	91.1	139.4	129.2	108.9	97.4
Lost Time Injury (LTI)							
Total, of which:	(No.)	17	16	38	36	37	37
Employees	(No.)	10	10	24	23	27	27
Subcontractors	(No.)	7	6	14	13	10	10
Of which fatal accidents:							
Total, of which:	(No.)	1	1	1	1	-	-
Employees	(No.)	-	-	-	-	-	-
Subcontractors	(No.)	1	1	1	1	-	-
High-consequence work-related injury ^(a)							
Total, of which:	(No.)	2	2	4	4	4	4
Employees	(No.)	2	2	4	4	3	3
Subcontractors	(No.)	-	-	-	-	1	1
Of which with disabilities:							
Total, of which:	(No.)	1	1	2	2	4	4
Employees	(No.)	1	1	2	2	3	3
Subcontractors	(No.)	-	-	-	-	1	1
Days lost ^(a)							
Total, of which:	(No.)	991	921	2,405	2,390	3,153	3,153
Employees	(No.)	706	706	1,757	1,754	2,486	2,486
Subcontractors	(No.)	285	215	648	636	667	667
Severity Rate ^(a)							
Total, of which:	(ratio)	0.006	0.005	0.010	0.011	0.016	0.018
Employees	(ratio)	0.008	0.009	0.017	0.020	0.027	0.033
Subcontractors	(ratio)	0.003	0.002	0.005	0.005	0.006	0.007
Total Recordable Injury (TRI)							
Total, of which:	(No.)	57	54	103	98	74	73
Employees	(No.)	36	34	53	50	46	46
Subcontractors	(No.)	21	20	50	48	28	27
Near miss							
Total, of which:	(No.)	214	209	-	-	-	-
Employees	(No.)	130	125	-	-	-	-
Subcontractors	(No.)	84	84	-	-	-	-
Absenteeism rate of employees							
	(%)	3.5	3.6	5.5	5.4	5.6	5.7
Fatal Accident Frequency Rate (FTLFR)							
Total, of which:	(ratio)	0.57	0.59	0.42	0.46	-	-
Employees	(ratio)	-	-	-	-	-	-
Subcontractors	(ratio)	1.08	1.1	0.72	0.77	-	-
LTI Frequency Rate (LTIFR)							
Total, of which:	(ratio)	0.10	0.09	0.16	0.17	0.19	0.21
Employees	(ratio)	0.12	0.13	0.24	0.27	0.30	0.35
Subcontractors	(ratio)	0.08	0.07	0.10	0.10	0.09	0.10
High-Consequence Work-Related Injuries Frequency Rate (HCWRFR)							
Total, of which:	(ratio)	0.011	0.012	0.017	0.019	0.020	0.023
Employees	(ratio)	0.024	0.026	0.041	0.046	0.033	0.039
Subcontractors	(ratio)	-	-	-	-	0.009	0.010
TRI Frequency Rate (TRIFR)							
Total, of which:	(ratio)	0.32	0.32	0.43	0.45	0.37	0.42
Employees	(ratio)	0.43	0.43	0.54	0.58	0.51	0.60
Subcontractors	(ratio)	0.23	0.22	0.36	0.37	0.26	0.28
Total High-Level Event Frequency Rate (HLFR) ^(b)							
Total, of which:	(ratio)	0.74	0.74	0.88	0.92	0.76	0.83
Employees	(ratio)	1.07	1.09	1.21	1.29	1.26	1.26
Subcontractors	(ratio)	0.44	0.44	0.65	0.67	0.46	0.50

(a) Updated 2021 data based on the number of days lost during 2022 for accidents that occurred in 2021.

(b) Category introduced in 2021.

In 2023, the Group's performance in relation to safety indicators improved compared to previous years. In fact, the TRIFR of 0.32 recorded in 2023 is significantly lower than the 0.43 in 2022; the LTIFR was 0.10 in 2023 compared to 0.16 in 2022.

In 2023, there was a fatal accident that occurred in an onshore construction site during the erection of scaffolding.

The fatal accident involved a subcontractor worker who, during the assembly of the scaffolding, at approximately 13 meters in height, fell from above while going down to the ground for a break.

The investigation results revealed that the direct causes of the accident lie in the incorrect behaviour of the worker who voluntarily did not use the anchoring device and the rigid lifeline when descending from the scaffolding. The mitigation and prevention actions identified concerned the review of the scaffolding installation methods, the strengthening of scaffolding erection supervision and the implementation of innovative tools for the identification of unsafe behaviours.

Furthermore, following the accident, the Safety Step Up programme was formally launched, managed by a multidisciplinary team, to identify and implement actions aimed at continuously improving safety performance at work, in particular with regard to the prevention of serious accidents and high potential events. The Programme is structured into 5 strands: Technology, Asset Integrity, Supply Chain, Behaviours and System Data Analysis.

In 2023, various initiatives were carried out such as, for example, the implementation of "Video Analytics" technology in the Berri project (Saudi Arabia) which through Artificial Intelligence can identify dangerous situations in real time, in compliance with privacy provisions, using the equipment available on the construction site. It turned out to be a very effective solution and will therefore be progressively extended in projects and on board the fleet.

In addition to the fatal accident, in 2023 there were two injuries defined as HCWR⁵ (High Consequences Work Related) which caused one permanent partial disability and one temporary disability with more than 180 lost days.

An accident occurred while using the lathe and resulted in the partial amputation of the operator's middle finger; the other accident occurred during the manual handling of a grill, also resulting in a finger injury.

From investigation results, it can be seen that the preventive and protective actions identified ensure accurate technical/operational training for the execution of specific activities and reinforce the importance of complying with operational procedures and the Life Saving Rules (LSR), i.e. the rules that each Saipem resource is required to follow to protect themselves and their colleagues.

In January 2023, two high potential incidents (HIPO) occurred in Saipem, which, if they had not been promptly and effectively managed, could have led to very serious consequences.

Following the two HIPOs, CEO Alessandro Puliti decided to intervene promptly by calling a meeting with senior managers and operational managers to focus attention on the issue.

A new internal communication campaign followed, with a specific cascading toolkit, focused on the prevention and mitigation of fire risk.

Furthermore, these Group performances are periodically presented to management, no less than once a year, to identify further areas for improvement.

Leadership in safety and HSE culture

With regard to the initiatives promoted by Saipem on the dissemination of a safety culture within the organisation, the main actions carried out in 2023 were:

- promotion of the Leadership in Health and Safety (LiHS) programme, with the aim of transmitting safe behaviour throughout the organisation and a strong focus on leadership development at all managerial levels;
- creation and cascading of the Health & Safety Vision 2023: the H&S Vision reflects Saipem's values and its daily commitment to guarantee the health, safety and well-being of all its people;
- the process of creating Saipem's new Health and Safety Vision took place through a collective brainstorming which involved Top Management during a special edition of the Leadership in Health & Safety workshop. Following this first event, the cascading process began to align all our stakeholders, including subcontractors and clients, on the values of the new health and safety vision and share the challenges to be faced in the coming years to bring our culture of health and security at an even higher level;
- align our stakeholders on the Health & Safety Vision: Saipem organised three special events to share the value of safety with Saipem stakeholders in the Middle East and align them on the new Health & Safety Vision. The events, in the presence of CEO Alessandro Puliti, involved 350 people including Saipem employees and their families, partners in the Middle East and the Italian community in the United Arab Emirates;
- implement a LiHS relaunch programme for naval vessels: 3 workshops were held in 2023 to involve Masters, Offshore Construction Managers, Chief Engineers and Chief Electricians. A fourth workshop is

(5) HCWR: term that defines a sub-category of an LTI with a resulting fatality or an LTI with at least 180 lost working days. All injuries resulting in permanent disability must be registered in the reporting system used by the HSE function and consolidated as High Consequences Work Related (HCWR).

already planned for January 2024. This relaunch programme will continue with a new series of workshops, until the Vessel Management Teams are fully covered;

- integration of "The Safer, The Better"; the film is the main tool of the Leadership in Health & Safety (LiHS) methodology, including the CEO's introductory and final debriefing messages. Through these messages the CEO expressed his personal vision on health and safety culture. The importance of intervening in unsafe situations is underlined, exercising "stop work authority" and reiterating the concept of "ownership", i.e. care and sense of responsibility towards oneself and others;
- the CEO's interventions to launch messages on workplace safety through dedicated events addressed to his managers and the operational line directly; specifically, the topics treated were: fire risk prevention, working at heights and the railway tragedy that occurred in Brandizzo, an event that did not occur in Saipem that highlighted serious deficiencies in the health and safety culture in the sector;
- the organisation of Saipem Safety Days: to celebrate the World Day for Health and Safety at Work, Saipem and the LHS Foundation organised a digital live streaming event broadcast on April 28, 2023. Saipem Safety Day 2023 was the opportunity to present the messages of the new Health & Safety Vision, interpreted and contextualised by testimonies from over 30 managers and professionals of our organization, <http://www.fondlhs.org/saipemsafetyday2023>;
- participation, in synergy with the LHS Foundation, in the 23rd edition of the World Congress on Health & Safety at work. It is one of the most prestigious international conferences in the HSE field which aims to promote the protection of workers' health. Saipem had the opportunity to present some internal communication campaigns and to share its values and commitment to a safer future;
- launch of the fire risk prevention campaign: following two high potential incidents (HIPO), CEO Alessandro Puliti decided to intervene promptly by calling a meeting with senior managers and operational managers to focus attention on the issue. A new internal communication campaign followed, with a specific cascading toolkit, focused on the prevention and mitigation of fire risk. The toolkit includes guidelines for cascading, recording of the live CEO meeting, a safety moment and campaign posters. During the year, 40 cascading events were held in which 950 people took part;
- development and launch of the **"Process Safety Fundamentals"** programme, in line with the directives and material made available by IOGP (The International Association Oil&Gas Producers), and on the basis of statistics and data collected over a 10-year period, in order to strengthen further Process Safety, to which 6 accident events can be linked on board the Floating Production Storage Operations (FPSO) between 2021 and 2022.

Finally, there are also many initiatives carried out by the Saipem LHS Foundation, which has been active for 13 years with the mission of increasing the culture of health and safety in industry and society.

In line with its mission, during 2023 the LHS Foundation launched several related initiatives, aiming to foster an increasingly widespread health and safety culture in Italy, targeting children, businesses and all the community. "Improsafe", "A chi esita", "Le nuovissime avventure di Pinocchio", "La linea sottile" are the performances designed to generate a strong emotional impact, shaking individual consciences, and questioning deep-rooted beliefs and habits, helping the audiences to pay more attention to health and safety.

The diffusion of the "Objective 18" communication campaign continued – it symbolically adds the culture of safety as the eighteenth element in the list of 17 objectives for a sustainable future included in the UN Agenda 2030.

Again with a view to joining forces and networking, the LHS Foundation kept on supporting the "HSE System" project, a network that today brings together 100 HSE Managers of large companies to share experiences in the HSE field and promote the dissemination of know-how along the supply chain, in coordination with the representative entities of the production system.

Moreover, to provide a coherent picture of the situation of safety culture in Italy, to stimulate debate among interest groups, to propose intervention strategies, and to draw the attention of the media and public opinion to these issues, the LHS Foundation continues to support the development of the Observatory on Leadership in Health and Safety, which counts on the scientific advice of several experts and the collaboration of the Catholic University of Milan.

The involvement of citizens, students and workers is also fundamental through the "Italia Loves Security" project, based on the interactive platform www.italialovessicurezza.it, which aims to inspire people to act responsibly and safely every day, becoming increasingly aware of the value of security, in every aspect of life. This year more than 19,000 people have joined the campaign launched for the World Day for Safety and Health at Work of the April 28.

Finally, as in previous years, the LHS Foundation continues to develop projects for schools and young people, in the belief that raising awareness and educating children is the actual key to building a safer world. The offer of activities is very wide and ranges from workshops in collaboration with partners such as the Red Cross and LILT (Italian League for the Fight against Cancer).

In 2023, the LHS Foundation took part again in the Milano Marathon, the large charity running event involving over 120 athletes and marathon runners. Through their efforts, over €19,000 were raised for our charity partner Lega Italiana per la Lotta contro i Tumori and its "Visite sospese" project for people in economic difficulty.

HSE training

The training on health, safety and the environment is an important part of the implementation of the HSE system in Saipem's central headquarters and operating sites. All the HSE training activities are critical preventive actions for reducing risks.

During the year, Saipem continued to invest significant resources in training its staff on HSE issues through campaigns and ad hoc programmes, with the aim to increase workers' awareness of the risks associated with work activities. Among the most critical in terms of risk assessment are working at height, working in confined spaces, simultaneous operations and other activities that may involve objects falling from heights.

During 2023, an activity was launched to create **tools** based on **Human Performance (HP) principles**, to be implemented in Saipem starting from the second half of 2024, with the ultimate objective of significantly improving **safety performance** through greater effectiveness of HSE processes.

The HP **kit** will include **training tools** to provide a theoretical basis on Human Performance, as well as high-level **brainstorming activities**, aimed at identifying areas of action and process improvement, and at the same time will capitalise on the **experience** and **methods** which determined the success of the **LiHS** programme.

Once fully operational, the set of tools will possibly bring benefits to activities managed at all hierarchical levels: from high-level decision-making processes to site operations.

Note the introduction of a new training package to give the entire Saipem population, often travelling in different areas of the world subject to the most varied climatic phenomena, basic preparation on how to **deal with extreme natural events**, which are increasing due to climate change.

Saipem Training Centre in Saudi Arabia has been reorganised and reinforced to provide operational support for drilling activities in the Saudi area (5 rigs in Saudi Arabia and 2 in Bahrain).

In 2023, the delivery of the HSE Train the Trainer (4 sessions) continued: to ensure that our family of HSE instructors are always improving their training, and to increase participants' knowledge of training design, delivery methods, and internal resources essential for HSE training, as well as the registration and reporting process. Furthermore, in 2023, trainers had the opportunity to participate in 6 different masterclasses organised in multiple sessions. The over 130 trainers who attended the masterclasses had the opportunity to delve deeper into the following topics: working at heights, working in confined spaces, ISO 21001, new Health & Safety Vision and preview of the new "The Safer, The Better" film.

In 2024, the Group HSE Training Matrix will be replaced by a **new HSE training model** inspired partly by the **Italian approach** (general training for everyone based on the role) and partly by the international approach (ref. IOSH paths).

In fact, **two basic courses** will be provided (one for workers and one for supervisors and managers) and the training modules will be structured according to the **macro-category of risk** they belong to (office, office-construction site, construction site).

The training programme will be based both on HSE **value and cultural aspects**, and on the **general risks** of the industry and the role.

The duration may vary from 2 to 8 hours based on the risk profile.

Additional training (on regulations, site/project, contracts, client, maritime, etc.) will be scheduled and delivered by the operating sites.

More details on HSE training data can be found in the paragraph "Skills, knowledge and talent attraction".



GRI 403-3
GRI 403-6
GRI 403-10

Employee health

As described in the "Integrity in our operations" Policy, Saipem considers the safeguard of health and the promotion of the physical and mental well-being of its people as a fundamental requirement. This is a crucial aspect influencing Saipem's operations, which is committed to being a leader in protecting the health of its workers. The Company pursues this objective in compliance with the provisions on the protection of privacy and the national and international laws on the safeguard of health and the prevention of diseases. Implementation of company health policies implies that the health promotion programme for each work site focuses mainly on preventive measures, including all the operations which may represent a risk for employee health.

The Company's operating activities require the movement of a considerable number of people, even to remote locations. In this context, the Company ensures the best possible medical assistance to employees wherever they work, organises periodic medical visits with the issuing of certificates of suitability and trains the personnel in charge before each trip or assignment abroad. The aim is to prevent the risks of contracting diseases as a consequence of climatic, environmental and other factors specific to destination. The



Company has organised specific processes and chain of well-defined responsibilities to promptly manage any medical emergency whatsoever.

Saipem has developed a continually evolving health management system, which is adapted to the work environments, integrates the most recent epidemiological studies and is designed to ensure the best health monitoring and medical services. This system observes the principles recognised at international level and by local laws among which are the WHO (World Health Organization) Beijing Declaration, 'Global Strategy on Occupational Health for All' (1994), European legislation and Directive 2000/54/EC on the protection of workers from risks related to exposure to biological agents at work, its application in Italy through Legislative Decree No. 81/2008 and its amendments (the so-called 'Consolidated Act on Occupational Health and Safety'). The management system provides for the identification and assessment of risks to the health of workers for each site/project/asset following which adequate prevention and mitigation measures are identified and implemented. A periodic monitoring activity of these measures is performed. The presence of Saipem clinics in working contexts in Italy and abroad fulfils the desire not only to support employees, but also to create proximity services that integrate the offer on the territory, with specific attention to the possible needs of Saipem people both in the workplace and personally.

The intention to ensure high standards of health and safety to all its personnel is once again confirmed is the WHP (Workplace Health Promotion) programme organised with ATS Milano and Regione Lombardia to maintain the status of "Workplace that promotes health" obtained in recent years.

In line with the programme, Saipem committed itself to building an environment that encourages the adoption of positive health behaviours and choices by employees, by promoting actions aimed at supporting healthy choices (dietary habits and active lifestyle) and counteracting risk factors (e.g. smoking, alcohol abuse).

And although the proposal of our company restaurants is already oriented towards balanced and healthy menus, for 2024 Saipem intends to promote the introduction of targeted nutritional indications so that users can make a choice based on nutritional benefits of specific regimes.

Saipem has always taken care of the health and well-being of its employees with specific attention to the prevention of chronic diseases and in particular cardiovascular diseases, which represent a significant challenge for public health worldwide. This year, campaigns against smoking and overweight continued, as did a specific cardiovascular prevention programme for which a review is expected in 2024, in accordance with updates to international guidelines.

Regular screening programmes can identify early risk factors, allowing timely and personalised interventions and, to confirm the Company's commitment, in 2023 a free cardiovascular and cancer prevention check-up was defined meant for workers in the age groups at greater risk. This service will be provided starting from 2024.

With a view to creating a local service that integrates the offer in the area with the possible needs of Saipem's personnel, both in the work and personal spheres, from this year the Milan office is equipped with a health facility (Smart Clinic). In addition to offering first aid services, carrying out health checks, training activities for caregivers and travel medicine activities, it will provide services aimed at the well-being of workers; in fact, inside the facility there is a psychological helpdesk service which guarantees support for psychological well-being both with a traditional approach and in a virtual environment with the use of the metaverse. The service is carried out by a female and a male psychologist respecting diversity.

There is also a social assistance service for the management of family problems, support for the elderly and management of family members with disabilities, etc. Saipem implements prevention with an approach that integrates physical health and mental health, with particular attention to work-home balance, and which can lead to tangible benefits for employees, but can also reduce absences due to illness, increase in productivity and contribute to a positive working environment.

In 2023, a model aimed at managing disabilities was also created which provides, through the ICF classification of disability conditions, the identification of any participation gaps in company life and proposals for reducing them through specific and structured initiatives.

The many years of experience in using the telemedicine tool has favoured the use of remote IT and telecommunication tools for healthcare management. In addition to telecardiology and teleradiology, in 2024 a teledermatology service will be activated abroad which provides specialised medical support to employees especially in remote workplaces, and a telepsychology service which will be available 24 hours a day, seven days a week.

In relation to the management of the SARS-CoV-2/COVID-19 virus, which has constantly decreased in the number of infections, non-mandatory contagion prevention devices have currently been made available to workers.

Health surveillance activities continue on a regular schedule, complying with the indications provided by the Ministry of Health, the national and territorial health authorities and the provisions for vulnerable workers.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Occupational diseases reported	(No.)	11	11	6	6	9	9
Reported occupational disease rate	(ratio)	0.06	0.06	0.03	0.03	0.05	0.05



HUMAN CAPITAL



GRI 404-1
GRI 404-3

Human resource policies and management

Saipem believes that its people are the crucial factor for the very existence of the company and their dedication, proactivity and professionalism is essential to achieve the company objectives; this is confirmed in "Our People" policy.

The following paragraphs delve deeper into the topic of skills and knowledge and talent attraction, employment trends, pay equity and welfare, work-life balance and well-being.

Skills, knowledge and talent attraction

Saipem maintains its commitment to promoting and supporting the growth of its people through key development initiatives focusing on professional and aptitude skills. Living in a diversified and global corporate community like Saipem's requires a shared and functional relational code to achieve objectives: for this reason, a new Behavioural Model ("One Saipem Way") has been redefined and developed which aims to enable and consolidate specific skills, abilities and behaviours of Saipem people.

The concept of "One Saipem" indicates the need to consider ourselves and operate as a single entity divided into multiple Business Lines, but united and cohesive in view of shared objectives. Talking about One Saipem means reiterating the centrality of projects and, consequently, the need to share skills and knowledge in a continuous and constructive dialogue. On the occasion of the Strategy Line-Up 2023, the event during which the strategy and objectives are shared with all employees, the CEO underlined the need to capitalise on skills and reiterated that cooperation and mutual support between all departments and functions are a key element for the success of our projects.

The Model, inspired by Saipem values, constitutes the guide for attraction processes, development and management of Saipem people and guides the strengthening of the most relevant and strategic soft skills within the organisation, such as proactivity, commitment, behaviours that enhance inclusion and diversity, as well as the centrality of all issues relating to our people's safety.

The definition of the Model saw the involvement in Virtual Focus Group of approximately 6,000 employees coming from the main countries in which Saipem operates and belonging to the various company functions and different seniority groups. Widespread diffusion will be guaranteed by a specific communication campaign and training and information courses. Furthermore, in continuity with the past, specific objectives of strengthening soft skills inspired by the new behavioural model, in addition to professional objectives, constitute an important part of a consolidated Performance Management system.

With the aim of expanding initiatives to support the development of skills, a coaching course dedicated to young managers was also introduced during the year. The service, created through a digital platform, represents a new self-development tool as it allows the person involved to strengthen awareness of their potential and improve performance, thanks to the definition and implementation of an ad hoc growth plan, with the support of certified and qualified coaches.

The development of people also represents the foundations of the new Training Centre that will be established at the Santa Giulia headquarters in Milan and will be an enabler and catalyst for technical and soft skills, by designing and delivering training courses and events to disseminate the corporate culture and values. The Employee Experience is enabled not only by a physical place but also by a virtual space, consisting of the new Human Capital Management system, implemented in October 2023, that will provide access to on-demand content and a training offering focused on individual and business needs.

The competencies were the subject of a major upskilling and reskilling initiative. From June to November 2023, in fact, Saipem launched a training programme called STEP (Saipem Training Enabling People), which consists of a simultaneous large-scale upskilling and reskilling plan, aimed at consolidating the skills of Saipem people on transversal topics consistent with the objectives of the strategic plan and the evolution of the business (green and technological innovation, decarbonisation, sustainable engineering, digitalisation of processes, new ways of working, etc.). The initiative exploited the opportunities offered by the New Skills Fund, established by ANPAL (National Agency for Active Labour Policies), linked to the Recovery Fund, which aims to support companies willing to invest in the training of their people, in particular on the issues of digital and ecological transition. In this way, Saipem has confirmed its attention to improving competitiveness, enriching corporate know-how and promoting the cultural change necessary to face the ongoing transition.

The STEP training course involved the entire population of Saipem SpA, operating in Italy, with permanent contracts/full-time apprenticeships (3,154 people) in 150 days. Each resource was invited to participate in 45 engaging and effective webinars (2 hours each), focused on the green and digital transition. The high participation (85.09%) demonstrates the commitment of all the people involved who declared their appreciation and satisfaction.

Another demonstration of Saipem's commitment to enhancing its resources was the development and launch of the new Onboarding Process, which took place in the last months of 2023 and for the moment has only involved the Italian offices. This process aims to best integrate and retain new hires in the company,

through specific activities and events, to increase know-how and, at the same time, spread a company culture based on shared values.

One of the initiatives envisaged by the process is the "Welcome to Saipem" event dedicated to new resources. The event is aimed at presenting the company and its business, the main projects, the organisational processes and the main initiatives such as Sustainability, Safety and Environment, the Development and Training processes, the company's commitment to Diversity & Inclusion and the value of corporate welfare, in order to make new hires acquire greater awareness of the context and its peculiarities. The first edition of the event was held on November 29, 2023, dedicated to over 400 new hires who joined Saipem between January and October 2023. For the event, various speakers were involved who, representing their Functions, introduced Saipem's Business to the new resources, describing specific projects, company organisation, Sustainability and HSE initiatives, Development and Training processes, company's commitment to Diversity & Inclusion and the value of corporate welfare.

Particular attention is paid to young new hires, who are the recipients of an initiative aimed at developing a broad vision of company processes, increasing the level of awareness on compliance, risk, governance and control and encouraging the development of a working approach and an organisational culture more oriented towards preventive risk assessment. The Programme lasts three/six months and starts in the first two years of experience in the company.

The consolidated Sinergia programme launched in 2011 and aimed at young students of secondary schools, continues and allows, in accordance with PCTO (school-work alternating activities) projects, collaboration with technical institutes in Italy for training on business subjects by internal Saipem teachers.

The importance of technical competencies in Saipem is also reflected in the recent establishment of "Area Knowledge Coordinators" (below "AKCs"), who, leveraging the experience acquired, define the technical-executional competencies for their areas of responsibility, necessary for the achievement of business objectives. **To date, the AKCs represent the Business Lines of Offshore Drilling, Offshore Engineering & Construction and Energy Carriers.** The AKCs also perform a supporting role in identifying training paths to support the development of technical-executional competencies, with the aim of strengthening the company know-how for the benefit of continuous evolution of the business. To enrich the knowledge of personnel, the mapping of the project experience of Saipem people and a methodology for evaluating the skills functional to analyse the company workload are currently being tested.

One of the distinctive and characterising skills in Saipem is Project Management, whose development and enhancement was at the heart of the new PM Academy, which synergically integrates all internal and external training initiatives.

The value and importance of this competency was highlighted by the "PM Academy Diploma Ceremony" held in April 2023 for 150 employees from the 4 Saipem hubs (Milan, Fano, Chennai and Abu Dhabi) involved in previous years in the internal "Project Management Takeaways" training course consisting of 15 modules which presents the Saipem methodologies for managing all phases of the project. The course continued in 2023, with the launch in June of a dedicated edition for colleagues from the United Kingdom, France, Oman, Sharjah and Chennai.

The sessions dedicated to Project Managers of the PM Leading in Action course continued at the Schiedam Training Centre (the Netherlands), aimed at consolidating managerial skills applied to projects, through a learning methodology based on highly interactive simulations and case studies.

The importance for Saipem of ESG issues that impact the entire corporate supply chain is growing. Accordingly, a major training initiative was started with the 2023-2026 Sustainability Plan for all the professionals of the Supply Chain. The initiative consists of mini training modules primarily aimed at creating awareness of ESG principles: what is meant by sustainable business; what are the rights and duties of the company for protecting human rights and defending the environment; and the "Saipem Net Zero" programme, whose goal is to achieve Carbon Neutrality for Scope 2 emissions by 2025.

The centrality of Saipem people is also reflected in the creation of shared value for all stakeholders, both internal and external.

This push also took shape in 2023 when Saipem activated various talent attraction initiatives, with the aim of defining an interconnected ecosystem between companies and educational institutions (universities, high schools and technical schools) and favouring a path to skill increase, useful for our business, particularly in the field of green economy.

The Politecnico di Milano and Saipem are still working together on the project for training and professional orientation of students through training meetings on technical and transversal skills (Virtual Round Tables), as well as events with focus on gender diversity with the aim of promoting the company as an equal opportunity employer and focusing attention on female leadership.

In 2023, a project was launched to share with the students of the "Complex Projects Lab" course the know-how of Saipem experts on topics such as floating solar and wind energy, sea water cooling, satellite technologies, critical minerals, underwater data centres, ship retrofitting, diversity and inclusion, financing decarbonisation projects and other topics:

- the scope of collaboration and existing relationships with Italian educational institutions (universities and high schools) were expanded: new strategic partnerships with important centres such as La Sapienza

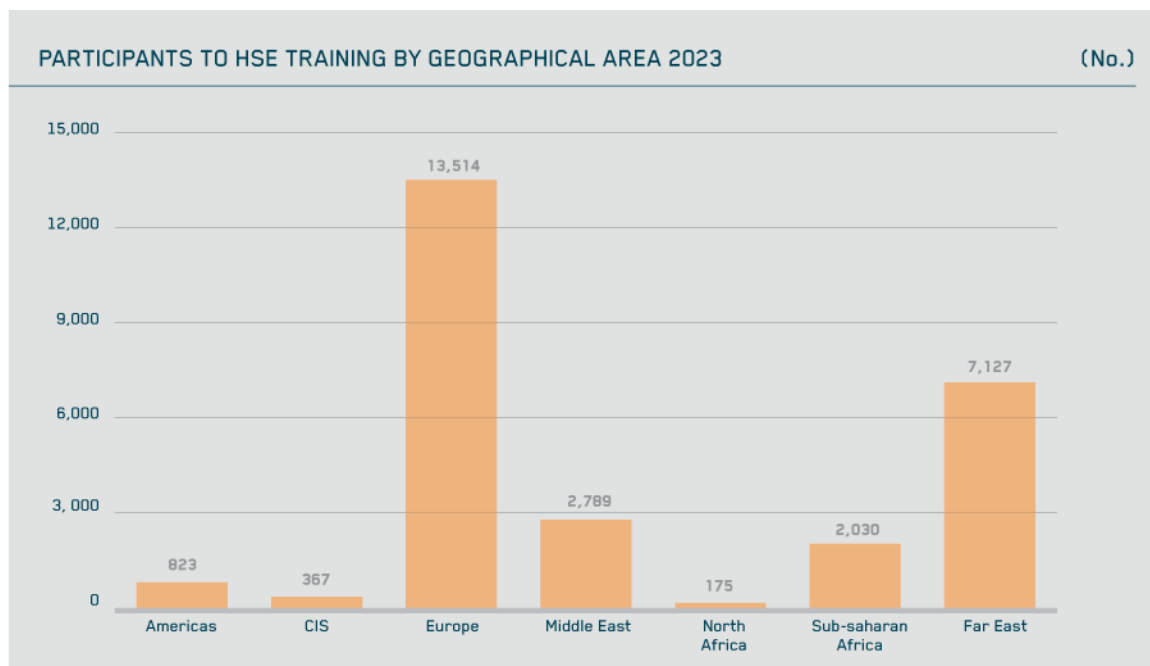
University of Rome, the Polytechnic of Bari, the IUAV University of Venice, the University of Bologna, the University of Pavia and the Federico II University of Naples were signed;

- a further agreement was stipulated with the University of Pavia on the use of non-university facilities for the teaching and training needs of the "Hygiene and Preventive Medicine" specialisation school;
- a partnership agreement with the Polytechnic University of the Marche Region which provides for Saipem's involvement in the definition of a new course of study (three-year degree in "Engineering for industrial sustainability" and a master's degree in English in "Green industrial engineering") on sustainability topics and energy transition, and its contribution as a financing sponsor;
- as part of this partnership signed with the Carlo Bo University of Urbino, in early 2023 we invited 38 students of different nationalities and five professors to visit our FDS 2 vessel moored at the San Giorgio del Porto shipyard in Genoa, Italy, and to learn more about safety issues and the world of offshore operations. Also, as part of this collaboration, the interactive on-line visit was held on board the Saipem 7000 in October 2023. The virtual trip was designed and created to reach a large and heterogeneous audience: first and foremost, teachers and students of all levels, but also Saipem employees and their families. Through innovative digital technologies, it was possible to virtually bring the participants on the Saipem 7000. During the two-day trip, participants followed the design and construction phases of the Neart na Gaoithe (NnG) wind farm off the coast of Scotland in the North Sea. Almost 27 thousand students participated in the visit;
- finally, the collaboration with the University of Trieste continues for the award of 3 scholarships named in memory of a highly skilled Saipem professional: Egidio Palliotto. The initiative, in its third edition, aims to give new generations a closer look on the skills and attitudes necessary to address the new challenges of the future. The partnership with Bocconi University was also consolidated and at the beginning of the year it was the guest of a company visit for students of the SDA Bocconi Master in Corporate Finance.

Among the new initiatives, it is worth mentioning the creation of the HSEQ SYNERGY Master, in collaboration with the QUINN Consortium, which aims to train 15 young graduates for possible enrolment in Saipem. It consists of a path in six sections dedicated to the energy world, the principles of the culture of health, safety, environment and quality (HSEQ), project management, sustainability and digital culture.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Training							
Total hours of training, of which:	(hours)	2,020,750	1,992,595	1,861,565	1,764,803	1,688,917	1,526,040
- HSE (employees and subcontractors), of which:	(hours)	1,719,376	1,691,454	1,736,139	1,639,540	1,524,528	1,368,562
- employees	(hours)	542,037	527,105	511,179	493,829	611,829	576,822
- subcontractors	(hours)	1,177,339	1,164,349	1,224,960	1,145,711	-	-
. managerial potential and skills	(hours)	83,021	82,989	10,694	10,669	13,706	13,694
. professional technical skills	(hours)	218,353	218,152	114,732	114,594	150,683	143,784
Total direct training costs	(€ mln)	15.4	15.2	9.9	-	7.88	7.12

Please note that the figures relate to Companies in which personnel are employed and not seconded.



In 2023, the Company recorded a 29% increase for the full consolidated perimeter (22% in the Group perimeter), compared to 2022, in the total hours of training provided to employees at Group level.

For the Group perimeter, training was provided to 31,185 employees (97% of employees). In detail, the number of male employees who attended at least one training course was 28,029 for the Group perimeter and 26,721 for the full consolidated perimeter, while the number of female employees who attended at least one training course, in 2023, is equal to 3,156 for the Group perimeter and 3,125 for the full consolidated perimeter.

As regards the enjoyment of training courses by professional category, in 2023 it is noted that 12,800 blue collars attended at least one training course for the Group perimeter (11,808 for the full consolidated perimeter), 13,707 white collars for the Group perimeter (13,387 for the full consolidated perimeter), 4,372 managers for the Group perimeter (4,345 for the full consolidated perimeter) and 391 senior managers for both perimeters.

As regards HSE training, the Group provided a total of 1,691,454 hours of training for the full consolidated perimeter and 1,719,376 hours at Group level.

There was an increase in the hours of HSE training provided to employees; this increase is equal to 7% for the full consolidated perimeter (6% for the Group perimeter). In particular, 263,013 hours of HSE training were delivered to blue collars in the Group perimeter (252,018 for the full consolidated perimeter), 204,073 hours to white collars (200,306 for the full consolidated perimeter), 69,054 hours of training to managers in the Group perimeter (68,883 for the full consolidated perimeter) and finally, to senior managers 5,897 hours of HSE training for both perimeters.

In terms of number of participants, for the Group perimeter 12,643 blue collars (11,655 for the full consolidated perimeter) took part in at least one HSE training course, 10,643 white collars in the Group perimeter (10,355 in the full consolidated perimeter), 3,283 managers in the Group perimeter (3,262 in the fully consolidated perimeter), finally 309 senior managers for both perimeters.

In 2023, the average hours of training per capita increased by 36.5% for the full consolidated perimeter, and by 33.9% for the Group perimeter. In 2023, on average, every employee attended 28.8 hours of training for the full consolidated perimeter (and 26.3 hours at the Group perimeter) and, specifically, on average, each male employee participated in 25.9 hours for the Group perimeter (28.5 for the full consolidated perimeter), while each female employee participated in 28.9 hours of training for the Group perimeter (30.9 hours for the full consolidated perimeter). Lastly, with regard to the average use of training hours by employees by professional category, senior managers attended an average of 46.1 hours of training for the full consolidated (44.8 for the Group perimeter), managers 39.2 hours for the Group perimeter (40.7 for the full consolidated perimeter), white collars 22.3 hours for the Group perimeter (23.8 for the full consolidated perimeter) and blue collars 26.5 hours of training for the Group perimeter (29.6 for the full consolidated perimeter).

Performance evaluation

Through the Performance Management process, Saipem contributes primarily to the dissemination of company strategy and priorities, and to directing people's activities by promoting continuous improvement and strengthening personal and professional skills and company results.

On an annual basis, managers have the opportunity to assign objectives and evaluate the contribution provided and results achieved by the people they manage, involving, in addition to the latter, any internal stakeholders who collaborate with the employee on specific projects and/or geographical areas. Crucial and integral parts of the process are self-assessment and continuous feedback.

The process, managed for over 15 years on dedicated information systems, migrated to a new release of the Human Capital Management System in 2023, now integrated with multiple HR processes. The drivers that guided the new setting of the system were the desire to innovate the process and simplify the tool, in order to significantly increase its diffusion also by improving the user experience.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Employees subject to performance assessment	(No.)	20,174	19,483	11,823	11,278	16,132	16,111
	(%)	63	68	37	38	42	50
Female employees involved	(%)	63	66	65	67	-	-
Male employees involved	(%)	63	68	33	35	-	-
Senior Managers	(No.)	359	359	364	364	404	404
Managers	(No.)	3,664	3,606	3,138	3,085	2,960	2,960
White Collars	(No.)	10,734	10,245	6,751	6,398	9,290	9,273
Blue Collars	(No.)	5,417	5,237	1,570	1,431	3,478	3,474

In 2023, the method to report performance evaluation indicators was changed. Note that it was not possible to restate previous years.

Starting from 2023, the performance evaluation indicator is calculated by considering the documents closed in the reporting year and relating to the previous year's performance, instead of the cards open in the reporting year. It is believed that this measures even more effectively Saipem's actual commitment to evaluating the performance of its employees.

Finally, with regard to the indicators relating to performance evaluation, in 2023 for the Group perimeter, 20,174 documents were evaluated (corresponding to a coverage of 63%) and 19,483 for the full consolidated perimeter (corresponding to 68% of the company population).

Specifically, the percentage of assessed employees is equal to 66% of women for the full consolidated perimeter (63% for the Group perimeter) and 63% of men for the full consolidated perimeter (68% for the Group perimeter).

Considering the described change in methodology, the 2023 data are not comparable with those of previous years.

Workforce trend¹

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Total employees at period end	(No.)	32,033	28,756	32,377	29,583	38,806	32,041
Employee categories							
Senior Managers	(No.)	407	396	375	366	409	394
	(%)	1.3	1.4	1.2	1.2	1.0	1.2
Managers	(No.)	4,902	4,697	4,769	4,605	4,812	4,632
	(%)	15.3	16.3	1.2	15.6	12.4	14.5
White Collars	(No.)	15,981	14,583	15,781	14,692	18,258	16,113
	(%)	49.9	50.7	48.7	50.0	47.0	50.3
Blue Collars	(No.)	10,743	9,080	11,452	9,920	15,327	10,902
	(%)	33.5	31.6	35.4	33.5	39.5	34.0
Type of contract							
Employees with full-time contracts	(No.)	31,920	28,643	32,231	29,437	38,642	31,877
Employees on permanent contracts	(No.)	16,921	15,945	15,719	14,789	15,779	14,779
Employees on fixed term contracts	(No.)	15,112	12,811	16,658	14,794	23,027	17,262
Non-employed workers							
Employees recruited through an agency	(No.)	7,346	5,898	6,951	6,535	7,137	5,967
Turnover							
Total turnover ⁽²⁾	(%)	25	25	41	27	28	22
Voluntary turnover ⁽³⁾	(%)	8	8	10	10	10	5

(1) Please note that the figures relate to Companies in which employees are seconded and not where they are directly employed. Furthermore, it is specified that there are no employees with non-guaranteed hours.

To integrate the data relating to the year 2023 for the Group perimeter please find below the percentage of employees with a permanent contract for the following geographical areas: Americas 68%, CIS 19%, Europe 80%, Middle East 28%, North Africa 19%, Sub-Saharan Africa 56%, Far East 44%. As regards the breakdown by gender, however, it should be noted that the number of female resources with permanent contracts is equal to 3,082, a slight increase compared to 2022 (2,828). As regards employees with fixed-term contracts, the following numbers were recorded by geographical area in 2023: Americas 32%, CIS 81%, Europe 20%, Middle East 72%, North Africa 81%, Sub-Saharan Africa 44%, Far East 56%. The number of women with this type of contract is down compared to 2022 (581 in 2023, against 610 in 2022). As regards full-time contracts, the percentage is above 98% in all geographical areas. The trend in the number of female employees is increasing (3,578 in 2023, against 3,326 in 2022), as opposed to that recorded for resources with part-time contracts (85 in 2023, against 112 in 2022).

(2) The total turnover is calculated as the ratio between all the annual exits and the average resources in the year.

(3) The voluntary turnover is calculated as the ratio between all the annual exits and the average resources in the year.

As regards the breakdown into age groups by category of employee, Senior Managers over 50 make up the largest part of the category, i.e. 57% (also for the full consolidated perimeter), those between 30 and 50 amount to 43% (43% for the full consolidated perimeter), while there are no Senior Manager employees in the <30 bracket.

As regards the category of Managers, the over 50 account for 37% of the category (37% for the full consolidated perimeter), those between 30 and 50 63% (also for the full consolidated perimeter) and in the <30 bracket 0, 04% (0.04% for the full consolidated perimeter).

The White Collar category has 14% in the over 50 range (also for the full consolidated perimeter), 73% in the range between 30 and 50 (73% for the full consolidated perimeter) and in the <30 range 13% (13% for full consolidated perimeter).

The Blue Collar category has 16% in the over 50 range (also for the full consolidated perimeter), 73% in the range between 30 and 50 (74% for the full consolidated perimeter) and in the <30 range 11% (10% for full consolidated perimeter).

The total number of workers who are not Saipem employees and who worked at Saipem sites in 2023 was estimated at the end of the year at 36,468 for the Group perimeter and 34,628 for the full consolidated perimeter. In particular, 29,122 subcontractors for the Group perimeter (28,730 for the full consolidated perimeter) and 7,346 agency staff (5,898 for the full consolidated perimeter).

The figure for subcontractors was estimated on the basis of the number of hours worked compared to the number of average daily working hours considered for the type of activity performed, while the agency personnel data corresponds to the number in force as of December 31.

The total promotions, for the Group perimeter in 2023, amounted to 367 men (353 for the full consolidated perimeter) and 79 women (a figure which is also confirmed for the full consolidated perimeter).

New hires, in 2023, amounted to 7,945, of which 11% women, 89% men. 58% of the new hires fall into the White Collar category, 38% into the Blue Collar category, 4% into the Manager category and the remaining 0.1% into the Senior Manager category. Compared to the distribution in geographical areas, the Middle East recorded the highest number of new hires, whose percentage of the total stands at 29%, at 21% in Africa, at 15% in the Americas and CIS, finally at 11% in Europe and 9% in the Far East.

The overall turnover rate recorded a decrease compared to 2022, reaching 25% in 2023 (25% also for the full consolidated perimeter), a value that remains at a significant level due to the nature of Saipem's business which, being a contractor company, works on large projects that have variable durations (from a few months to years) in different geographical areas. Considering the specific circumstance, the qualitative and quantitative sizing of Saipem's human capital is therefore subject to a natural fluctuation that is connected to the various operational phases of projects and to the cyclical nature of client investments. In particular, for the year 2023, the closure of projects in Russia has led to a significant increase in overall turnover.

Consistently with the total turnover, the overall turnover of both the male and female corporate population also recorded a decrease compared to 2022, by 23% for the male population for the Group perimeter and by 25% for the full consolidated perimeter; 15% for the female population in the Group perimeter and 16% in the full consolidated perimeter. Voluntary turnover, like the overall turnover, also recorded a decrease compared to the previous year, reaching 8% for the total perimeter of the Group and for the consolidated perimeter. In 2023, an attrition rate of the female population of 10% was recorded, with 238 resignations out of a total of 2,401 for the Group perimeter (percentage also confirmed for the consolidated perimeter with 235 resignations out of a total of 2,310).

The percentages of total and voluntary turnover (for the Group perimeter) broken down by gender and age in 2023, are as follows:

(%)	Voluntary turnover	Total turnover
Detail by gender		
Female employees	7	15
Male employees	8	23
Detail by age		
Employees under 30 years of age	10	33
Employees aged between 30 and 50	8	22
Employees over 50 years of age	4	21
Detail by category		
Senior Managers	4	6
Managers	6	9
White Collars	10	24
Blue Collars	5	28

The total turnover is calculated as the ratio between all the annual exits and the average resources in the year.

The voluntary turnover is calculated as the ratio between all the annual voluntary exits and the average resources in the year.

Industrial relations

On the national level, 2023 was characterised by substantial discussions with the trade unions of all the sectors represented in the Company (Energy and Oil, Metalworkers and Maritime).

In the second half of the year, a framework agreement was signed with the trade unions of both the Energy and Oil sectors and the Metalworkers sector on the profit-sharing scheme for the period 2023-2025.

The signed agreement provides for the achievement of objectives that are fully consistent and aligned with the main targets and drivers defined within the 2023-2026 Strategic Plan, in terms of:

- > volume of new contracts;
- > productivity KPI, for which the investment in digital and green skill training, defined within the New Skills Fund, represents a relevant and particularly innovative aspect;
- > managerial KPIs;
- > environmental parameters;
- > introduction of a parameter aimed at enhancing the values of Diversity & Inclusion, an increasingly important factor for the company.

Saipem has always considered the enhancement and promotion of the health and safety of workers in the workplace to be primary. From this perspective, the introduction of new digital technologies for detecting dangerous conditions, managing emergencies and improving supervision activities in the various working environments is also envisaged. In line with these objectives, the second half of the year was therefore characterised by constant discussions with the relevant company functions (e.g. Privacy, Cybersecurity) and with trade unions to prepare the launch of pilot projects using artificial intelligence in construction sites and on board the vessels operating in Italian territorial waters.

In this regard, in the first weeks of December an agreement was set with the Arbatax trade unions for a demo of an artificial intelligence system held at the construction site and using a robot dog, in the context of the Safety Step Up programme (further information can be found in the paragraph "People Safety").

In July 2023, the supplementary agreement with the trade unions of the Energy and Oil sector was renewed; it governs trips of particular nature and duration carried out within the national territory by personnel operating both on board of vessels and onshore in their support. The objective of the renewal is to increasingly protect the health and safety of personnel as well as improve the general assignment conditions.

In the maritime sector, the second half of the year was characterised by the review of the labour law and regulatory aspects of the soon-to-expire reference collective labour agreement. To this end, discussions with the trade unions are still ongoing.

Regarding foreign industrial relations, the four-year collective agreement with the International Transport Workers' Federation (ITF) came into force on January 1, 2023, covering staff employed on nine vessels in the Saipem fleet.

Furthermore, during 2023, collective agreements were renewed and new negotiations started at the Saipem entities operating in Angola, Brazil, Mexico, Nigeria and Singapore. In Indonesia, the renewed collective agreement signed by PT Saipem Indonesia for local staff assigned to the Karimun fabrication yard came into force in March.

At Saipem SA, France, an agreement was negotiated in October regarding the budget for the salary review policy, as well as measures to support the quality of life (possibility for women suffering from endometriosis to access an extended leave) and the payment of a bonus to protect purchasing power. With reference to the latter, two agreements were signed with the provision for a bonus to non-Senior Manager employees. In November 2023, an annual supplementary agreement was stipulated on working hours which regulates night work and weekend work for personnel assigned to on-call shifts to support activities on board vessels.

During the year, discussions took place with the workers' representatives of Sofresid and Saipem SA pursuant to the relevant regulations which led to the completion of the sale of Sofresid to the Ekium, in October.

As regards the activities carried out at a transnational level by the European Works Council (CAE) during 2023, extraordinary meetings were organised remotely, as well as a plenary meeting in Bucharest in September concerning updates on health and safety matters and human resources management, with particular focus on employees in the European Economic Area and an in-depth look at the Neart na Gaoithe (NNG) project, where Saipem was involved in the construction of an offshore wind farm in Scotland.

		2023		2022		2021	
		Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Employees covered by collective bargaining agreements	(%)	42	40	50	52	46	46
Hours of strike	(No.)	7,521	7,521	63	63	248	248



GRI 401-2
GRI 401-3
GRI 405-1
GRI 405-2



Equal treatment and enhancement of differences

In May 2023, the Vendor Code of Conduct was updated, with the integration of a specific paragraph dealing with values and commitments mentioned in the Diversity, Equality & Inclusion Policy issued in November 2022. In fact, supply chain involvement is necessary for a more effective promotion of an inclusive culture. During 2023, the MSG and Standard corporate procedures in the HR, Stakeholder Engagement and Supply Chain areas were also reviewed and integrated with the DE&I principles expressed in the relevant Policy.

Management's commitment to reducing the gender gap is also demonstrated by the establishment, in October 2023, of the Diversity & Inclusion Committee responsible for ensuring the promotion and adoption of gender equality principles listed in company policies, and guarantee the constant application of all the elements and requirements of the Uni PdR 125:2022 Standard, for which Saipem obtained, in November 2023, the Gender Equality Certification, issued by the DNV accreditation body. Since 2021, Saipem has in fact nominated a Chief Diversity Officer, reporting to the People, HSEQ & Sustainability Director.

In line with the defined strategy and with the commitments and values promoted through the Diversity, Equality & Inclusion Policy, Saipem has updated the relevant paragraph in the Strategic Sustainability Plan, valid for 2023-2026, regarding precise objectives and particular attention to guaranteeing the principle of equity and gender equality, recognised as key values and a foundations of social rights in favour of gender inclusion and female empowerment. As a demonstration of the strong commitment, an objective has been set to guarantee equal opportunities in the selection process. Respect for gender equality is a crucial element that we intend to guarantee since from the selection phase. In this regard, in May 2023, a specific

internal guideline was adopted at Group level to promote the gender equality and a training course was designed to spread awareness and contain bias in the recruiting process.

Attention and valorisation of STEM skills in young girls and women play a key role in Saipem Diversity & Inclusion strategy; Saipem is therefore committed to encouraging and fostering their development by joining the Elis programme in early 2023, which has involved a pool of Role Models in Saipem Italy in career guidance days at vocational schools and high schools throughout the country, with the aim of increasing exposure and confidence in STEM careers, to counteract cognitive biases, and gender bias in particular. Saipem will continue on this path during 2024.

The interest in creating communities dedicated to women has also spread in Brazil where, in December 2023, "The Women's Circle" programme began, a series of monthly meetings reserved for female employees of Saipem do Brazil to facilitate discussions, share experiences and provide mutual support on gender-related topics.

In March 2023 Saipem promoted, again in collaboration with Elis, the Elis Open Week orientation initiative, aimed at guiding people in the future of work, as part of the "Sistema Scuola Impresa" project, in which Saipem participates as well. This initiative, accessible to all employees and their families, has made available a varied schedule of online events dedicated to orientation and the professions of the future.

In September 2023, the first survey on gender equality was also promoted in Italy to draw an overall picture of the level of satisfaction and awareness of employees on the topic of gender equality in the workplace.

In December 2023, the DNV accreditation body also renewed the annual ISO 30415:2021 certification-Human Resource Management Diversity and Inclusion standard, which represents a valuable guide for the effective application of the "Diversity & Inclusion" principles in business processes.

During 2023, Saipem continued its collaboration with the "Valore D" Association, confirming itself as a supporting member by promoting a set of training and information initiatives in continuity with past years: mentoring, sharing labs, thematic in-depth training and talks accessible to the entire population at Group level.

With the aim of expanding the scope of equal opportunities, in October 2023, Saipem joined the "Liberi e Uguali" Parks Association, engaged in training and information activities to promote awareness and knowledge of gender identity and sexual orientation.

In general, training is confirmed to be a strategic channel to guarantee widespread awareness and knowledge of priority topics in the D&I field. During 2023, the delivery at Group level of training courses on Unconscious Bias, Disability and Gender Harassment continued. In particular, attention to harassment in the workplace remains crucial and Saipem is engaged in combating the phenomenon by creating training and information campaigns at Group level, which will continue throughout 2024. Furthermore, during 2023 the SAFER (Security Awareness for Empowerment and Resilience) course was designed and delivered: it has both a theoretical and practical approach and teaches how to identify and prevent dangerous situations and acquire greater awareness of the urban environment in which we live. The course, with three editions held in April and June 2023 at the headquarters in Milan, involved 100 people.

This year too, Saipem has proven to be strongly committed to contrasting gender violence, promoting the International Day for the Elimination of Violence against Women (November 25) and joining for the second consecutive year the UNESCO campaign "Orange the World: End violence against women now". Through the internal Wear Orange campaign, all employees of the Saipem Group offices were invited to wear an orange cloth or accessory and to write down their commitment against gender violence.

Disabilities are of the utmost importance for Saipem which is actively committed through targeted attraction initiatives. An example is the participation, in May 2023, in the Diversity Day at the Bocconi University in Milan, an event meant to promote and facilitate the employment of people with disabilities and belonging to protected categories. Furthermore, on the occasion of the International Day of Persons with Disabilities on December 3, 2023, Saipem recalled its tangible commitment to breaking down the barriers that prevent the inclusion of disabled people, through a post published on external communication channels summarising some of the initiatives promoted abroad:

- in France, conferences dedicated to disability and various sporting events were organised with the support of the French Handisport Federation;
- in Senegal, in collaboration with the catering company, three young people from the Senegalese Association for the protection of children with mental disabilities were hired. This example demonstrates how Saipem promotes an inclusive culture even among its subcontractors;
- in Brazil, a specific training programme for the leadership team was organised to enhance and develop more inclusive leaders. Furthermore, the Diversity Committee of Saipem do Brasil has established two working groups to promote accessibility, disability inclusion and qualification.

(No.)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Female presence						
Female employment, by geographical area:	3,663	3,428	3,438	3,248	3,937	3,524
Americas	273	273	363	363	348	348
CIS	96	73	144	143	456	220
Europe	1,922	1,878	1,843	1,802	2,019	1,972
Middle East	376	371	273	269	248	245
North Africa	23	23	16	16	25	25
Sub-Saharan Africa	484	321	390	246	307	181
Far East	489	489	409	409	534	533
Female Senior Managers	42	42	31	31	33	33
(%)	10	11	8	8	8	8
Female Managers	822	793	774	750	774	753
(%)	17	17	16	16	16	16
Women in non-managerial roles	2,799	2,593	2,633	2,467	3,130	2,738
(%)	10	11	10	10	9	10
Female presence in engineering and IT positions out of the total number of such position ^(*)	13	13				
(%)						
Women promoted out of total promoted employees ^(*)	18	18				
(%)						

(*) Indicator introduced in 2023.

To supplement the data relating to the year 2023 in the Group perimeter, please note that more than 99% of female employees have a full-time contract with the exception of Europe (96%) and, with regard to the type of contract, female employees with a permanent contract are distributed in the geographical areas as follows: Americas 96%, CIS 8%, Europe 96%, Middle East 67%, North Africa 48%, Sub-Saharan Africa 74%, Far East 69%.

Note that "Women Managers" includes "Women Managers" and "Senior Managers" and "Women in non-managerial positions" includes white collar and blue collar women.

The table below also provides a complete view of Saipem's employee data:

(No.)	2023		2022		2021	
	Group Total	Full consolidated	Group Total	Full consolidated	Group Total	Full consolidated
Age ranges						
Employees under 30 years of age	3,188	2,796	3,054	2,660	5,346	3,574
of which women	514	475	399	373	548	462
of which men:	2,674	2,321	2,655	2,287	4,798	3,112
Employees aged between 30 and 50	22,873	20,524	23,443	21,448	27,558	23,077
of which women	2,565	2,392	2,465	2,318	2,801	2,501
of which men:	20,308	18,132	20,978	19,130	24,757	20,576
Employees over 50 years of age	5,972	5,436	5,880	5,475	5,902	5,390
of which women	584	561	574	557	588	561
of which men:	5,388	4,875	5,306	4,918	5,314	4,829
Average age ^(*)	41.78	41.82				
Employees with disabilities	254	249	384	378	195	193
Multiculturalism						
Number of nationalities represented in the employee population	130	130	129	129	130	128

(*) Indicator introduced in 2023.

As regards gender, women represent 12% of the work force (11% at Group level). With regards to the distribution by age group, 10% of employees are under 30 years old, 71% are between 30 and 50 years old and 18% are over 50 years old (data in line between the Group perimeter and the consolidated perimeter). In terms of the distribution by professional categories, women represent 1% of Blue Collars (2% at Group level), 17% of White Collars (16% at Group level), 17% of Managers and 11% of Senior Managers (10% at Group level).

The percentage of women in a managerial position compared to the total number of women is 24%, a figure which is 1 percentage point higher for the full consolidated perimeter compared to the previous year.

Female senior managers represent 11% of the total senior managers (10% compared to the Group perimeter).

Female middle managers represent 17% of the total middle managers (17% compared to the Group perimeter).



With regard to the senior management, 3 of the 15 first reports to the CEO are women, as specified below:

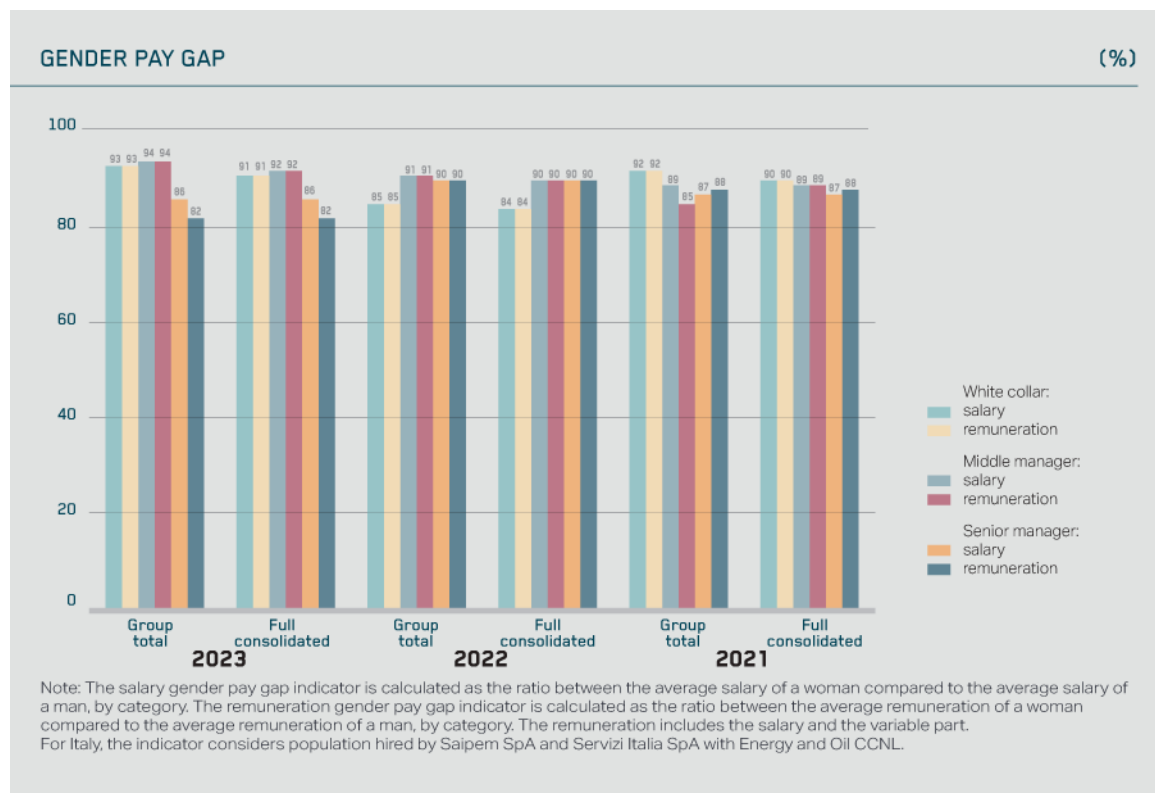
Date	Executive Men	Executives No. Men	% of Executives Men	Executives Women	Executives No. Women	% of Executives Women
December 31, 2023	M. Bonzi P. Calcagnini S. Chini M. Branchi F. Botta P. Albini F. Abbà M. Toninelli C. Bottaro G. Secchi M. Piasere F. Picciani	12	80	S. L. Rasini R. Carrara O. Stella	3	20

Pay equity

The Company defines on an annual basis the guidelines of the Remuneration Policy, and in particular prepares precise guidelines to govern remuneration policies and reduce remuneration disparities between men and women, the principle of “equal pay for equal work”, in all the countries in which it operates.

The salary gap indicator for the Senior Manager category is approximately 86% in 2023 (both for the full consolidated perimeter and for the Group perimeter), showing a slight decrease compared to 2022. For Middle Managers, the indicator has a value of 92% for the full consolidated perimeter, with an increase of 2 percentage points compared to 2022, and of 94% for the Group perimeter, with an improvement of 3 percentage points compared to 2022. For White Collars a value of 91% was reached for the full consolidated perimeter and 93% for the Group perimeter, both showing a significant increase in both perimeters compared to the 2022.

The remuneration gender pay gap indicator – which includes both the fixed and variable part of the remuneration – for Senior Managers is 82% (for both the full consolidated and Group perimeter), which represents a decrease compared to 2022; for Middle Managers 94% for the Group perimeter and 92% for the full consolidated perimeter, with an improvement for both compared to 2022; for White Collar workers the value is 91% for the full consolidated perimeter, while it is 93% for the Group perimeter, showing a significant increase compared to the previous year.



Considering the average pay by gender at Group level, women on average have a higher pay than men by 11.5% in 2023. This value, although varied over the years, has always been in favour of the women, in compliance with the remuneration policy guidelines applied by the Company. The indicator is calculated by measuring the total remuneration for men and women, without adjustments (e.g. role, category, level, education, office, etc.).

Other remuneration data

We also report that, the ratio between the overall remuneration of the Chief Executive Officer-CEO and the overall average remuneration of employees (full-time employees) of Saipem, calculated with reference to Saipem SpA and the main subsidiaries, which stands at 37 and 51 respectively for 2023. With regard to the ratio between the total remuneration of the Chief Executive Officer-CEO and the median total remuneration of employees (full-time employees), it stands at 43 for Saipem SpA and 57 for the main subsidiaries in 2023. Finally, the ratio between the percentage increase in the overall remuneration of the Chief Executive Officer-CEO and the percentage increase in the average overall remuneration of Saipem SpA employees is 5 in 2023.

Further information on remuneration (fixed and variable), severance payments, bonuses and clawback regulations for members of the Board of Directors, Statutory Auditors, the Chief Executive Officer-General Manager and Senior Managers are available in the document "Report on Remuneration Policy and Compensation Paid 2024".

Finally, taking as a reference the personnel hired in 2023 in the lowest category, in Saipem SpA and in the most significant Group entities with reference to projects under execution, it appears that the average annual salary, compared to the contractual minimums and considering the variety of roles covered by the concerned professionals, is the following:

Country	Company	Men	Women	Reference calculation
Italy	Saipem SpA	102%	101%	Remuneration according to CCNL cat. 3, CREA 3
France	Saipem SA	n.a.	182%	Minimum salary at national level
Saudi Arabia	Saudi Arabian Saipem Ltd	110%	n.a.	Minimum salary at national level
Nigeria	Saipem Contracting Nigeria Ltd	114%	114%	Minimum salary at national level
Indonesia	PT Saipem Indonesia	585%	n.a.	Minimum salary at national level
Angola	Petromar Lda	796%	n.a.	Minimum salary at national level

n.a. Not available data.

Welfare, worklife balance and wellbeing

Regarding employee engagement policies, welfare initiatives are of increasing importance and aim to improve the quality of life, satisfaction and motivation and promote the conciliation between private and professional life (work-life balance).

Saipem's focus on the well-being of its employees, from the choice of the new company headquarters to a structured welfare programme, brings to offer services in various areas, with particular attention paid to the three major pillars, namely: Health, Family and Savings.

From this perspective, Saipem continues to offer services to its employees.

During 2023, the main initiatives were concentrated at the new headquarters in Milan Santa Giulia with the opening of the company restaurant, which combines comfort with quality service. The choice confirms Saipem's commitment to sustainability issues by proposing a healthy diet, reducing food waste by donating uneaten food surpluses to social solidarity entities or bodies, using green materials and introducing initiatives, such as the Meat Free Day, aimed at reducing CO₂ emissions.

The Saipem Wellness Club was also inaugurated in July 2023. An area dedicated to well-being and physical activity and allowing both individual and collective training courses held by professionals in the sector. The gym is equipped with changing rooms also available to those reaching the office by bicycle or jogging on their lunch break.

In order to make the service available even remotely and for staff on assignment abroad, the MyWellness portal was designed offering a wide range of on demand courses.

One of the ongoing innovations is the setting up of a Smart Clinic within the company premises. A medical point for employees providing a variety of health services, from nursing consultations to travel prophylaxis, psychological helpdesk and social assistance.

In 2023, with the end of the pandemic emergency, the "Estate Welfy" programme intended for parents with children up to 16 years of age was also resumed. This initiative has allowed around 350 children and young people to participate in summer camps that include activities aimed at learning English, sports and recreation, and contact with nature. This is just one example of the numerous services to support families.

In addition to the existing welfare initiatives in the countries where Saipem operates, remote working policies are being implemented, with a view to promoting work-life balance, in the countries where permitted by business needs and local legislation.

Saipem guarantees its employees, based on the specific local circumstances, different types and modes of benefits that include supplementary pension funds, additional health funds, mobility support services and policies, initiatives in the field of welfare and family support policies, catering and training courses aimed at ensuring more effective integration within the socio-cultural context of reference. These benefits, when envisaged and based on the country/society/local legislation in force, today are applied to the specific reference population regardless of the type of contract (temporary/permanent), except for those particular services where the time scale of performance delivery may not be compatible with the duration of the contract.

Saipem supports the work/family balance of its personnel through Company regulations and/or local policies which guarantee parental leave. The differences among countries for this leave lie only in the time and method of abstaining from work. There was an increase in the average number of days of parental leave used. In 2023, Saipem had 460 employees (475 considering the Group perimeter), 234 men (237 considering the Group perimeter) and 226 women (238 considering the Group perimeter), who made use of parental leave for a total of 16,697 days (17,603 referring to the Group perimeter). In this context one should note, in the same period, the return to work from parental leave of 431 employees (444 at Group level), 231 men (234 for the Group perimeter) and 200 women (210 at Group level), with a return rate from parental leave in the same year of 94% for the full consolidated perimeter (93% at Group level). Gender break down results in 99% for men (in both perimeters) and 88% for women (both perimeters).

Overall, it should be noted that the employees who are entitled to parental leave are 18,066 (20,205 for the Group perimeter), of which 3,312 are women (3,491 considering the Group perimeter) and 14,754 men (16,714 considering the Group perimeter).

Considering the main companies of the Group (with coverage of 80% of employees), the Company offers at least 20 weeks of maternity leave and 1.5 weeks of paternity leave.

GRI CONTENT INDEX

Reference documents

NFS23: Consolidated Non-Financial Statement 2023

AR23: Annual Report 2023

SR23: Sustainability Report 2023

CG23: Corporate Governance and Shareholding Structure Report 2023

RP24: Report on Remuneration Policy and Compensation Paid 2024

Statement of use	Saipem SpA has reported in accordance with the GRI Standards for the period January 1, 2023 - December 31, 2023
GR used	GRI 1 - Foundation - 2021 version
Applicable GRI Sector Standards	GRI 11: Oil and Gas Sector 2021

General disclosures

GRI Standard /Other sources	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation
GRI 2: General disclosures - 2021	2-1 Organisational details	Cover (AR23).	
	2-2 Entities included in the organization's sustainability reporting	"Consolidation scope as of December 31, 2023", pages 237-241 (AR23).	
	2-3 Reporting period, frequency and contact point	"Methodology, principles and reporting criteria", pages 82-91 (NFS23); "Consolidation scope as of December 31, 2023", pages 237-241 (AR23); "Changes in the consolidation scope", page 242 (AR23). Inside back cover (AR23).	
	2-4 Restatement of information	"Performance evaluation", pages 174-175 (NFS23).	
	2-5 External Assurance	"Methodology, principles and reporting criteria", pages 82-91 (NFS23).	
	2-6 Activities, value chain and other business relationships	"Company profile and key operations", page 102 (NFS23); "Social policies and management", page 157 (NFS23).	
	2-7 Employees	"Workforce trend", pages 176-177 (NFS23).	
	2-8 Workers who are not employees	"Workforce trend", pages 176-177 (NFS23).	
	2-9 Governance structure and composition	"Governance of business sustainability", pages 116-117 (NFS23); "Governance of sustainability", pages 11-12 (CG23).	
	2-10 Nomination and selection of the highest governance body	"Governance of business sustainability", pages 116-117 (NFS23); "Board of Directors", pages 20-23 (CG23).	
	2-11 Chair of the highest governance body	"Governance of business sustainability", pages 116-117 (NFS23); "Board of Directors", pages 20-23 (CG23).	
	2-12 Role of the highest governance body in overseeing the management of impacts	"Methodology, principles and reporting criteria", pages 82-91 (NFS23); "Governance of business sustainability", pages 116-117 (NFS23); "Board of Directors", pages 20-23 (CG23).	
	2-13 Delegation of responsibility for managing impacts	"Executive Directors", pages 32-34 (CG23); "Board of Directors' role", pages 20-23 (CG23); "Functioning of the Board of Directors (pursuant to Article 123-bis, paragraph 2, letter d), Consolidated Law on Finance - TUF)", page 31 (CG23); "Methodology, principles and reporting criteria", pages 82-91 (NFS23).	
	2-14 Role of the highest governance body in sustainability reporting	"Methodology, principles and reporting criteria", pages 82-91 (NFS23); "Governance of business sustainability", pages 116-117 (NFS23).	
	2-15 Conflicts of interest	"Governance of business sustainability", pages 116-117 (NFS23); "Board of Directors", pages 20-23 (CG23).	
	2-16 Communication of critical concerns	"Reporting suspected violations", pages 124-126 (NFS23).	
	2-17 Collective knowledge of the highest governance body	"Functioning of the Board of Directors (pursuant to Article 123-bis, paragraph 2, letter d), Consolidated Law on Finance - TUF)", page 31 (CG23); "Board of Directors", pages 20-23 (CG23).	

General disclosures

GRI Standard /Other sources	Disclosure	Location	Requirement(s) Omitted/Reason/ Explanation
GRI 2: General disclosures - 2021	2-18 Evaluation of the performance of the highest governance body	"Governance of business sustainability", pages 116-117 (NFS23); "Succession plans", page 38 (CG23).	
	2-19 Remuneration policies	"Governance of business sustainability", pages 116-117 (NFS23); "Incentive system", pages 117-118 (NFS23); "Contribution to mitigating climate change", pages 137-147 (NFS23); "Saipem's Net Zero programme", pages 140-142 (NFS23); "Equal treatment and enhancement of differences", pages 178-181 (NFS23); "Section II - Compensation paid and other information", pages 34-44 (RP24).	
	2-20 Process to determine remuneration	"Governance of business sustainability", pages 116-117 (NFS23); "Section II - Compensation paid and other information", pages 34-44 (RP24).	
	2-21 Annual total compensation ratio	"Equal treatment and enhancement of differences", pages 178-181 (NFS23).	2-21a: partial disclosure: Saipem reports the indicator by calculating the median annual total remuneration for Saipem SpA only and undertakes to extend the reporting scope progressively in the coming reporting cycles. 2-21.b: partial disclosure: Saipem reports information by calculating the average of the total employee remuneration as the data on the median for 2021 is not available.
	2-22 Statement on sustainable development strategy	"Letter to the shareholders", pages 2- 4 (AR23); "Development of the market scenario and strategy", pages 103-105 (NFS23); "Model 231 (including the Code of Ethics)", pages 121-122 (NFS23); "Letter to stakeholders", pages II-1 (SR23).	
	2-23 Policy commitments	"Company management and organisation model" pages 102-103 (NFS23); "Governance of business sustainability", pages 116-117 (NFS23); "Protecting the environment and minimising environmental impacts", pages 149-157 (NFS23); "Safeguarding the health and safety of people", pages 162-170 (NFS23); "Sustainability Plan", pages 92-96 (NFS23); "How Saipem's business model creates value", page 127 (NFS23); "Equal treatment and enhancement of differences", pages 178-181 (NFS23).	
	2-24 Embedding policy commitments	"Company management and organisation model", pages 102-103 (NFS23); "Governance of business sustainability", pages 116-117 (NFS23); "Protecting the environment and minimising environmental impacts", pages 149-157 (NFS23); "Safeguarding the health and safety of people", pages 162-170 (NFS23); "Sustainability Plan", pages 92-96 (NFS23); "How Saipem's business model creates value", page 127 (NFS23); "Equal treatment and enhancement of differences", pages 178-181 (NFS23); "A sustainable supply chain", pages 159-161 (NFS23).	
	2-25 Processes to remediate negative impacts	"Asset integrity", pages 163-164 (NFS23); "Spill prevention and response", pages 147-148 (NFS23); "Social policies and management", page 157 (NFS23).	

General disclosures

GRI Standard /Other sources	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation
GRI 2: General disclosures - 2021	2-26 Mechanisms for seeking advice and raising concerns	"Model 231 (including the Code of Ethics)", pages 121-122 (NFS23); "Reporting suspected violations", pages 124-126 (NFS23).	
	2-27 Compliance with laws and regulations	"Company management and organisation model", pages 102-103 (NFS23); "Legal proceedings", pages 277-291 (AR23).	
	2-28 Membership associations	"Institutions and trade associations", pages 98-99 (NFS23).	
	2-29 Approach to Stakeholder Engagement	"Relations with stakeholders" pages 97-101 (NFS23).	
	2.30 Collective agreements	"Industrial relations", pages 177-178 (NFS23).	

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
GRI 3: Material topics - 2021	3-1 Process to determine material topics	"Materiality analysis and content definition", pages 83-91 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		
	3-2 List of material topics	"Materiality analysis and content definition", pages 83-91 (NFS23).		
Economic performance (material topic: Climate change, Community development)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Economic value generated and distributed", page 127 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.2.1 11.14.1 11.21.1
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	"Economic value generated and distributed", page 127 (NFS23).		11.14.2 11.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	"Climate-related risks", pages 137-138 (NFS23); "Climate-related opportunities", pages 138-139 (NFS23).		11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	Note 27 "Employee benefits", pages 263-267 (AR23); "Incentive plans", pages 293-294 (AR23).		-
	201-4: Financial assistance received from government	Note 47 "Obligations regarding transparency and disclosure. Italian Law August 4, 2017, No. 124 (Article 1, sections 125-129), page 316 (AR23); "How Saipem's business model creates value", page 127 (NFS23).		11.21.3
Market presence (material topic: Diversity & inclusion, Community development)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Equal treatment and enhancement of differences", pages 178-181 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.11.1 11.14.1
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	"Equal treatment and enhancement of differences", pages 178-181 (NFS23).		-
	202-2 Proportion of senior management hired from the local community	"Local content (In Country Value)", page 158 (NFS23).		11.11.2 11.14.3

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Indirect economic impacts 2016 (material topic: Community development)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Economic value generated and distributed", page 127 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.14.1
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	"Economic value generated and distributed", page 127 (NFS23); "Relations with stakeholders", pages 97-101 (NFS23).		11.14.4
	203-2: Significant indirect economic impacts	"Economic value generated and distributed", page 127 (NFS23).		11.14.5
Procurement practices (material topic: Community development)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Supply chain management", pages 131-132 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.14.1
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	"Supply chain management", pages 131-132 (NFS23).		11.14.6
Anti-corruption (material topic: Business ethics)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Fighting corruption", pages 122-123 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.20.1
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	"Risk management", pages 60-71 (AR23); "A sustainable supply chain", pages 159-161 (NFS23).		11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	"Fighting corruption", pages 122-123 (NFS23); "A sustainable supply chain", pages 159-161 (NFS23); "Governance of business sustainability", pages 116-117 (NFS23); "Composition (pursuant to Article 123-bis, paragraph 2, letter d) and d-bis, of Legislative Decree No. 58/1998)", pages 25-30 (CG23).		11.20.3
	205-3 Confirmed incidents of corruption and actions taken	"Fighting corruption", pages 122-123 (NFS23).		11.20.4
Anticompetitive behaviour (material topic: Business ethics)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Legal proceedings", pages 277-291 (AR23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.19.1
GRI 206: Anticompetitive behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	"Legal proceedings", pages 277-291 (AR23). There are no pending or completed legal actions during the reporting period concerning anti-competitive behaviour and violations of anti-trust and anti-monopoly laws in which the organisation has been identified as a participant.		11.19.2
Taxes				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Tax transparency", pages 127-131 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.21.1
GRI 207: Taxes 2019	207-1 Approach to tax	"Tax transparency", pages 127-131 (NFS23).		11.21.4
	207-2 Tax governance, control and risk management	"Tax transparency", pages 127-131 (NFS23).		11.21.5
	207-3 Stakeholder engagement and management of concerns related to tax	"Tax transparency", pages 127-131 (NFS23).		11.21.6
	207-4 Country-by-country reporting	"Tax transparency", pages 127-131 (NFS23).		11.21.7

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Energy (material topic: Climate change)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"GHG emissions", pages 145-146 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.1.1
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	"GHG emissions", pages 145-146 (NFS23).		11.1.2
	302-2 Energy consumption outside the organisation	"GHG emissions", pages 145-146 (NFS23).	Saipem undertakes to report the data in the next reporting cycles.	11.1.3
	302-3: Energy intensity	"GHG emissions", pages 145-146 (NFS23).		11.1.4
	302-4: Reduction of energy consumption	"GHG emissions", pages 145-146 (NFS23).		-
Water and effluents (material topic: Water)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Water resource management", pages 149-152 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.6.1
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	"Water resource management", pages 149-152 (NFS23).		11.6.2
	303-2 Management of water discharge-related impacts	"Water resource management", pages 149-152 (NFS23).		11.6.3
	303-3: Water withdrawal	"Water resource management", pages 149-152 (NFS23).		11.6.4
	303-4 Water discharge	"Water resource management", pages 149-152 (NFS23).	Information on the division into drinking water ($\leq 1,000$ mg/l of total dissolved solid particles) and other water ($> 1,000$ mg/l of total dissolved solid particles) is not currently available.	11.6.5
	303-5 Water consumption	"Water resource management", pages 149-152 (NFS23).		11.6.6
Biodiversity (material topic: Biodiversity)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Environmental management policies and system", page 147 (NFS23).		11.4.1
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	"Biodiversity", pages 154-156 (NFS23).		11.4.2
	304-2 Significant impacts of activities, products, and services on biodiversity	"Biodiversity", pages 154-156 (NFS23).		11.4.3
	304-3 Habitats protected or restored	"Biodiversity", pages 154-156 (NFS23).	Information not available: the Company undertakes to collect the information within the next 3 financial years.	11.4.4
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	"Biodiversity", pages 154-156 (NFS23).	Information not available: the Company undertakes to collect the information within the next 3 financial years.	11.4.5

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Emissions (material topic: Climate change, Safe workplace)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"GHG emissions", pages 145-146 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.1.1 11.2.1 11.3.1
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emission	"GHG emissions", pages 145-146 (NFS23).		11.1.5
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	"GHG emissions", pages 145-146 (NFS23).		11.1.6
	305- 3 Other indirect (Scope 3) GHG emissions	"GHG emissions", pages 145-146 (NFS23).		11.1.7
	305-4 GHG emissions intensity	"GHG emissions", pages 145-146 (NFS23).		11.1.8
	305-5 Reduction of GHG emissions	"GHG emissions", pages 145-146 (NFS23).		11.2.3
	305-7 Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	"Preserving the air quality", pages 146-147 (NFS23).		11.3.2
Waste (material topic: Waste)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Waste management", pages 153-154 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.5.1
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	"Waste management", pages 153-154 (NFS23).		11.5.2
	306-2 Management of significant waste-related impacts	"Waste management", pages 153-154 (NFS23).		11.5.3
	306-3 Waste generated	"Waste management", pages 153-154 (NFS23).		11.5.4
	306-4 Waste diverted from disposal	"Waste management", pages 153-154 (NFS23).		11.5.5
	306-5 Waste directed to disposal	"Waste management", pages 153-154 (NFS23).		11.5.6
Water discharge and waste (material topic: Accidents and spills)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Spill prevention and response", pages 147-148 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.8.1
GRI 306: Water discharge and waste 2016	306-3 Significant spills	"Spill prevention and response", pages 147-148 (NFS23).		11.8.2
Supplier Environmental Assessment (material topic: Climate change)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"A sustainable supply chain", pages 159-161 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	"A sustainable supply chain", pages 159-161 (NFS23).		-
	308-2 Negative environmental impacts in the supply chain and actions taken	"A sustainable supply chain", pages 159-161 (NFS23).		-

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Employment (material topic: Labour rights, Diversity & Inclusion, Sustainable employment)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Equal treatment and enhancement of differences", pages 178-181 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.10.1 11.11.1
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	"Workforce trend", pages 176-177 (NFS23).		11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	"Equal treatment and enhancement of differences", pages 178-181 (NFS23).		11.10.3
	401-3 Parental leave	"Equal treatment and enhancement of differences", pages 178-181 (NFS23).		11.10.4 11.11.3
Labour/Management Relations (material topic: Labour rights, Diversity & Inclusion, Sustainable employment)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Human resources - Quality", page 50 (AR23); "Human resources - Human Resources Management", pages 50-51 (AR23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.7.1 11.10.1
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	"Human resources - Quality", page 50 (AR23); "Human resources - Human Resources Management", pages 50-51 (AR23).		11.7.2 11.10.5
Occupational health and safety (material topic: Safe workplace, Health, Sustainable employment)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Safeguarding the health and safety of people", pages 162-170 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.9.1
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health & Safety Management System	"Safeguarding the health and safety of people", pages 162-170 (NFS23).		11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	"Safeguarding the health and safety of people", pages 162-170 (NFS23); "Reporting suspected violations", pages 124-126 (NFS23)		11.9.3
	403-3 Occupational health services	"Employee health", pages 168-170 (NFS23).		11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	"Safeguarding the health and safety of people", pages 162-170 (NFS23).		11.9.5
	403-5 Worker training on occupational health and safety	"Safeguarding the health and safety of people", pages 162-170 (NFS23); "HSE training", page 168 (NFS23).		11.9.6
	403-6 Promotion of worker health	"Employee health", pages 168-170 (NFS23).		11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	"Safeguarding the health and safety of people", pages 162-170 (NFS23).		11.9.8
	403-8 Workers covered by an occupational health and safety management system	"Safeguarding the health and safety of people", pages 162-170 (NFS23).		11.9.9
	403-9 Work-related injuries	"Safeguarding the health and safety of people", pages 162-170 (NFS23).		11.9.10
	403-10 Work-related ill health	"Employee health", pages 168-170 (NFS23).		11.9.11

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Training and Education (material topic: Labour rights, Diversity & Inclusion, Sustainable employment)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Human resources", pages 50-53 (AR23); "Human capital", pages 171-183 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.7.1 11.10.1 11.11.1
GRI 404: A130 Training and Education 2016	404-1 Average hours of training per year per employee	"Human resources", pages 50-53 (AR23); "Human capital", pages 171-183 (NFS23).		11.10.6 11.11.4
	404-2 Programmes for upgrading employee skills and transition assistance programmes	"Human resources", pages 50-53 (AR23); "Human capital", pages 171-183 (NFS23).		11.7.3 11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	"Human resources", pages 50-53 (AR23); "Human capital", pages 171-183 (NFS23).		-
Diversity and Equal Opportunities (material topic: Labour rights, Diversity & Inclusion)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Workforce trend", pages 176-177 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.11.1
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	"Governance of business sustainability", pages 116-117 (NFS23); "Workforce trend", pages 176-177 (NFS23); "Equal treatment and enhancement of differences", pages 178-181 (NFS23).		11.11.5
	405-2 Ratio of basic salary and remuneration of women to men	"Equal treatment and enhancement of differences", pages 178-181 (NFS23).		11.11.6
Non-discrimination (material topic: Labour rights, Diversity & Inclusion)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Reporting suspected violations", pages 124-126 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.11.1
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	"Reporting suspected violations", pages 124-126 (NFS23).		11.11.7
Freedom of Association and Collective Bargaining (material topic: Labour rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Respect for human and labour rights", pages 132-134 (NFS23); "Human capital", pages 171-183 (NFS23); "A sustainable supply chain", pages 159-161 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.13.1
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	"Respect for human and labour rights", pages 132-134 (NFS23); "Human capital", pages 171-183 (NFS23); "A sustainable supply chain", pages 159-161 (NFS23).		11.13.2
Child labour (material topic: Human rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Respect for human and labour rights", pages 132-134 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		-
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	"Respect for human and labour rights", pages 132-134 (NFS23).		-

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Forced or compulsory labour (material topic: Human rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Respect for human and labour rights", pages 132-134 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.12.1
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	"Respect for human and labour rights", pages 132-134 (NFS23).		11.12.2
Security practices (material topic: Human rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Security and cybersecurity practices", page 135 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.18.1
GRI 410: Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	"Security and cybersecurity practices", page 135 (NFS23).		11.18.2
Rights of Indigenous peoples (material topic: Human rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Reporting suspected violations", pages 124-126 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.17.1
GRI 411: Rights of Indigenous people 2016	411-1 Incidents of violations involving rights of Indigenous peoples	"Reporting suspected violations", pages 124-126 (NFS23).		11.17.2
Local communities (material topic: Community Development)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Relations with stakeholders" pages 97-101 (NFS23); "Local communities", page 100 (NFS23); "Local organisations and NGOs", page 100 (NFS23); "Relations with the local context", page 157 (NFS23).		11.15.1
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	"Relations with stakeholders", pages 97-101 (NFS23); "Local communities", page 100 (NFS23); "Local organisations and NGOs", page 100 (NFS23).		11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	"Relations with the local context", page 157 (NFS23).		11.15.3
Supplier social assessment (material topic: Labour rights, Sustainable employment, Human rights)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"A sustainable supply chain", pages 159-161 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.10.1 11.12.1
GRI 414: Vendor Social Assessment 2016	414-1 New suppliers that were screened using social criteria	"A sustainable supply chain", pages 159-161 (NFS23).		11.10.8 11.12.3
	414-2 Negative social impacts in the supply chain and action taken	"A sustainable supply chain", pages 159-161 (NFS23).		11.10.9
Public policy				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Fighting corruption", pages 122-123 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.22.1
GRI 415: Public policy 2016	415-1: Political contributions	"Fighting corruption", pages 122-123 (NFS23).		11.22.2

MATERIAL TOPICS

GRI Standards	Disclosure	Location	Requirement(s) Omitted/Reason/Explanation	Ref No. GRI industry standards
Customer health and safety (material topic: Climate change, Labour rights, Safe workplace)				
GRI 3: Material topics - 2021	3-3 Management of material topics	"Safeguarding the health and safety of people", pages 162-170 (NFS23); "Safe operations", pages 162-163 (NFS23); "Asset Integrity", pages 163-164 (NFS23); "People's safety", pages 164-168 (NFS23); "Employee health", pages 168-170 (NFS23); "Methodology and Reporting Criteria", pages 84-86 (SR23).		11.3.1
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	"Safeguarding the health and safety of people", pages 162-170 (NFS23); "Safe operations", pages 162-163 (NFS23); "Asset Integrity", pages 163-164 (NFS23); "People's safety", pages 164-168 (NFS23).		11.3.3

TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NON-MATERIAL

Topic	Explanation
GRI 11.16 Land and resource rights	The topic is not relevant according to the kind of the Company's operational activities and the contractual arrangements defined with client companies for operational projects, the responsibility and related activities related to the use of land and natural resources, including the possible resettlement of local communities, lie with the client companies.

ANNEX I

TABLE A - PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

Code ⁽¹⁾	2023		Substantial contribution criteria						DNSH "(do no significant harm)" criteria						Minimum safeguards	Proportion of Taxonomy-aligned (Climate-eligible CA2) turnover for year N-1	Category enabling activity	Category transitional activity
	Turnover	Proportion of turnover year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
Economic activities																		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmentally sustainable activities (Taxonomy-aligned) ⁽²⁾																		
	(k euro)	(%)	(%) Y/N	(%) Y/N	EL/NEL (%)	EL/NEL (%)	EL/NEL (%)	EL/NEL (%)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	(%)	E	T
Electricity generation using solar photovoltaic technology	CCM 4.1	7,644	0.06	Y	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.36		
Electricity generation from wind power	CCM 4.3	465,496	3.92	Y	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.89		
Infrastructure for rail transport	CCM 6.14	304,699	2.57	Y	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.95		E
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) ⁽²⁾		777,839	6.55	6.55	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	10.20		
Of which enabling		304,699	2.57	2.57	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	2.95		E
Of which transitional		0	0.00	0.00					Y	Y	Y	Y	Y	Y	Y	0.00		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽²⁾																		
	(k euro)	(%)	EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL										
Manufacture of other low carbon technologies	CCM 3.6, CCA 3.6	11,226	0.10	EL	EL	N/EL	N/EL	N/EL								0.05		
Manufacture of hydrogen	CCM 3.10, CCA 3.10	1,090	0.01	EL	EL	N/EL	N/EL	N/EL								0.02		
Manufacture of anhydrous ammonia	CCM 3.15, CCA 3.15	263,412	2.22	EL	EL	N/EL	N/EL	N/EL								0.86		
Manufacture of plastics in primary forms	CCM 3.17, CCA 3.17	1,919	0.02	EL	EL	N/EL	N/EL	N/EL								0.00		
Electricity generation from wind power	CCM 4.3, CCA 4.3	2,373	0.02	EL	EL	N/EL	N/EL	N/EL								0.01		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13, CCA 4.13	22,994	0.19	EL	EL	N/EL	N/EL	N/EL								0.01		
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14, CCA 4.14	101,849	0.86	EL	EL	N/EL	N/EL	N/EL								0.00		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1, CCA 5.1	1,069	0.01	EL	EL	N/EL	N/EL	N/EL								0.02		
Transport of CO ₂	CCM 5.11, CCA 5.11	897	0.01	EL	EL	N/EL	N/EL	N/EL								0.00		
Infrastructure for rail transport	CCM 6.14, CCA 6.14	34,537	0.29	EL	EL	N/EL	N/EL	N/EL								0.00		
Demolition of buildings and other structures	CE 3.3	5,251	0.04	N/EL	N/EL	N/EL	N/EL	EL								N/A		
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 4.1	17,851	0.15	N/EL	N/EL	N/EL	N/EL	EL								N/A		
Sale of spare parts	CE 5.2	260	0.00	N/EL	N/EL	N/EL	N/EL	EL								N/A		
Preparation for re-use of end-of-life products and product components	CE 5.3	155,551	1.31	N/EL	N/EL	N/EL	N/EL	EL								N/A		
Bonifica di siti e aree contaminate	PPC 2.4	12,339	0.10	N/EL	N/EL	N/EL	EL	N/EL								N/A		
Other CCM ^(*)		559	0.00	EL	EL	N/EL	N/EL	N/EL								0.03		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		633,177	5.33	3.72	0.00	0.00	0.10	1.51	0.00							1.00		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,411,016	11.88	10.27	0.00	0.00	0.10	1.51	0.00							11.20		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy-non-eligible activities (B)		10,463,070	88.12															
Total (A+B)		11,874,086	100.00															

Code ⁽¹⁾	Proportion of turnover/Total turnover (%)	
	Aligned per objective	Eligible per objective
CCM	6.55	10.27
CCA	0.00	10.27
WTR	0.00	0.00
CE	0.00	1.51
PPC	0.00	0.10
BIO	0.00	0.00

(*) For 2023 other eligible activities include: CCM 3.3 Manufacture of low carbon technologies for transport; CCM 4.1 Electricity generation using solar photovoltaic technology (not aligned); CCM 4.4 Electricity generation from ocean energy technologies; CCM 5.9 Material recovery from non-hazardous waste; CCM 5.12 Underground permanent geological storage of CO₂; CCM 6.12 Retrofitting of sea and coastal freight and passenger water transport; CCM 6.16 Infrastructure enabling low-carbon water transport; CCM 9.1 Close to market research, development and innovation.

For 2022: CCM 3.1 Fabrication of technology for renewable energies; CCM 3.2 Manufacture of equipment for production and use of hydrogen; CCM 3.3 Manufacture of low carbon technologies for transport; CCM 4.4 Electricity generation from ocean energy technologies; CCM 5.9 Material recovery from non-hazardous waste; CCM 5.12 Underground permanent geological storage of CO₂; CCM 6.12 Retrofitting of sea and coastal freight and passenger water transport; CCM 6.16 Infrastructure enabling low-carbon water transport; CCM 9.1 Close to market research, development and innovation.

(1) Climate change mitigation: CCM; climate change adaptation: CCA; water and marine resources: WTR; circular economy: CE; pollution prevention and control: PPC; biodiversity and ecosystems: BIO.

(2) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL - Taxonomy-eligible activity for the relevant objective; N/EL - Taxonomy-non-eligible activity for the relevant environmental objective; N/A - Not applicable.

TABLE B - PROPORTION OF CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023)

Economic activities	2023		Substantial contribution criteria							DNSH "(do no significant harm)" criteria							Minimum safeguards	Proportion of taxonomy-aligned (A) eligible (A.2) CapEx for year N-1	Category enabling activity	Category transitional activity	
	Code ⁽¹⁾	CapEx	Proportion of turnover year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity						
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned) ⁽²⁾																					
Electricity generation from wind power	CCM 4.3	(k euro) 107,151	(%) 13.51	(%) Y/N Y	(%) Y/N N	EL/N/EL (%) N/EL	EL/N/EL (%) N/EL	EL/N/EL (%) N/EL	EL/N/EL (%) N/EL	Y/N Y	Y/N Y	Y/N Y	Y/N Y	Y/N Y	Y/N Y	Y/N Y	Y/N Y	(%) 7.73	E	T	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) ⁽²⁾		107,151	13.51	13.51	0.00	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	Y	7.73			
Of which enabling		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	Y	0.00	E	T	
Of which transitional		0	0.00	0.00						Y	Y	Y	Y	Y	Y	Y	Y	0.00			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Electricity generation from wind power	CCM 4.3, CCA 4.3	(k euro) 2,576	(%) 0.32	EL N/EL	EL N/EL	EL N/EL	EL N/EL	EL N/EL	EL N/EL											0.00	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14, CCA 4.14	4	0.00	EL	EL	N/EL	N/EL	N/EL	N/EL											0.00	
Transport of CO ₂	CCM 5.11, CCA 5.11	7,589	0.96	EL	EL	N/EL	N/EL	N/EL	N/EL											0.00	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3, CCA 7.3	4,219	0.53	EL	EL	N/EL	N/EL	N/EL	N/EL											0.14	
Installation, maintenance and repair of technology for renewable energies	CCM 7.6, CCA 7.6	1,333	0.17	EL	EL	N/EL	N/EL	N/EL	N/EL											0.01	
Purchase and ownership of buildings	CCM 7.7, CCA 7.7	31,085	3.92	EL	EL	N/EL	N/EL	N/EL	N/EL											9.84	
Close to market research, development and innovation	CCM 9.1, CCA 9.1	431	0.06	EL	EL	N/EL	N/EL	N/EL	N/EL											0.26	
Demolition of buildings and other structures	CE 33	1,131	0.14	N/EL	N/EL	N/EL	N/EL	EL	N/EL											N/A	
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 41	5,258	0.66	N/EL	N/EL	N/EL	N/EL	EL	N/EL											N/A	
Remediation of contaminated sites and areas	PPC 2.4	576	0.07	N/EL	N/EL	N/EL	N/EL	EL	N/EL											N/A	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		54,202	6.83	5.95	0.00	0.00	0.07	0.81	0.00											10.25	
A. CapEx of Taxonomy-eligible (A.1+A.2)		161,353	20.34	19.46	0.00	0.00	0.07	0.81	0.00												17.98
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy-non-eligible activities (B)		631,927	79.66																		
Total (A+B)		793,280	100.00																		

Code ⁽¹⁾	Proportion of CapEx/Total CapEx (%)	
	Aligned per objective	Eligible per objective
CCM	13.51	19.46
CCA	0.00	19.46
WTR	0.00	0.00
CE	0.00	0.81
PPC	0.00	0.07
BIO	0.00	0.00

(1) Climate change mitigation: CCM; climate change adaptation: CCA; water and marine resources: WTR; circular economy: CE; pollution prevention and control: PPC; biodiversity and ecosystems: BIO.
(2) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL - Taxonomy-eligible activity for the relevant objective; N/EL - Taxonomy-non-eligible activity for the relevant environmental objective; N/A - Not applicable.

TABLE C - PROPORTION OF OPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

2023		Substantial contribution criteria								DNSH "(do no significant harm)" criteria								Minimum safeguards	Proportion of Taxonomy-aligned OpEx (Label CA2) OpEx for year N-1	Category enabling activity	Category transitional activity
Code ⁽¹⁾	OpEx	Proportion of turnover year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity							
Economic activities																					
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned) ⁽²⁾																					
	(k euro)	(%)	(%) Y/N	(%) Y/N	EL/N/EL (%)	EL/N/EL (%)	EL/N/EL (%)	EL/N/EL (%)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	(%)				
Electricity generation from wind power	CCM 4.3	304,592	21.25	Y	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	23.60				
Infrastructure for rail transport	CCM 6.14	934	0.07	Y	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.60				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) ⁽²⁾		305,526	21.32	21.32	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	Y	24.20				
Of which enabling		934	0.07	0.07	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	Y	0.60				
Of which transitional		0	0.00	0.00					Y	Y	Y	Y	Y	Y	Y	Y	0.00				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽²⁾																					
	(k euro)	(%)	EL/N/EL	EL/N/EL	EL/N/EL (%)	EL/N/EL (%)	EL/N/EL (%)	EL/N/EL (%)													
Conservation forestry	CCM 1.4, CCA 1.4	485	0.03	EL	EL	N/EL	N/EL	N/EL									0.00				
Manufacture of other low carbon technologies	CCM 3.6, CCA 3.6	1,379	0.10	EL	EL	N/EL	N/EL	N/EL									0.01				
Manufacture of anhydrous ammonia	CCM 3.15, CCA 3.15	12,052	0.84	EL	EL	N/EL	N/EL	N/EL									0.19				
Manufacture of plastics in primary forms	CCM 3.17, CCA 3.17	376	0.03	EL	EL	N/EL	N/EL	N/EL									0.00				
Electricity generation from wind power	CCM 4.3, CCA 4.3	4,817	0.34	EL	EL	N/EL	N/EL	N/EL									0.45				
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13, CCA 4.13	173	0.01	EL	EL	N/EL	N/EL	N/EL									0.03				
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14, CCA 4.14	21,042	1.47	EL	EL	N/EL	N/EL	N/EL									0.04				
Transport of CO ₂	CCM 5.11, CCA 5.11	575	0.04	EL	EL	N/EL	N/EL	N/EL									0.00				
Close to market research, development and innovation	CCM 9.1, CCA 9.1	1,491	0.10	EL	EL	N/EL	N/EL	N/EL									0.22				
Provision of IT/OT (information technology/operational technologies) data-driven solutions	CE 4.1	5,808	0.40	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A				
Preparation for re-use of end-of-life products and product components	CE 5.3	6,164	0.43	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A				
Remediation of contaminated sites and areas	PPC 2.4	99	0.01	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A				
Others ^(*)		49	0.00	EL	N/EL	N/EL	N/EL	N/EL									0.09				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		54,510	3.80	2.96	0.00	0.00	0.01	0.84	0.00								1.03				
A. OpEx of Taxonomy-eligible (A.1+A.2)		360,036	25.12	24.28	0.00	0.00	0.01	0.84	0.00								25.23				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities (B)		1,073,052	74.88																		
Total (A+B)		1,433,088	100.00																		

Code ⁽¹⁾	Proportion of OpEx/Total OpEx (%)	
	Aligned per objective	Eligible per objective
CCM	21.32	24.28
CCA	0.00	24.28
WTR	0.00	0.00
CE	0.00	0.84
PPC	0.00	0.01
BIO	0.00	0.00

(*) For 2023 other eligible activities include: CCM 4.1 Electricity generation using solar photovoltaic technology; CCM 4.6 Electricity generation from geothermal energy; CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems.

For 2022: CCM 3.2 Manufacture of equipment for production and use of hydrogen; CCM 3.10 Manufacture of hydrogen; CCM 4.1 Electricity generation using solar photovoltaic technology; CCM 4.6 Electricity generation from geothermal energy; CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems; CCM 5.9 Material recovery from non-hazardous waste; CCM 8.2 Data-driven solutions for GHG emissions reductions; CCM 9.2 Research, development and innovation for direct air capture of CO₂.

(1) Climate change mitigation: CCM; climate change adaptation: CCA; water and marine resources: WTR; circular economy: CE; pollution prevention and control: PPC; biodiversity and ecosystems: BIO.

(2) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL - Taxonomy-eligible activity for the relevant objective; N/EL - Taxonomy-non-eligible activity for the relevant environmental objective; N/A - Not applicable.

TEMPLATE 1 - NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Saipem’s involvement in the natural gas sector concerns the gas value chain (extraction, treatment, storage, transportation, etc.), which is excluded from the Commission Delegated Regulation (EU) 2022/1214 on gas and nuclear, for which the eligible activities are exclusively those of electricity production (ref. “4.29 Electricity generation from fossil gaseous fuels - Construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels”).

Furthermore, in the context of complex projects, Saipem's activity may also include the construction of plants for the production of electricity to serve the plants covered by the acquired contracts. This activity is part of the overall value of the contract and represents a non-preponderant element of the project. Model 1 on activities related to nuclear power and fossil gases is therefore completed, while the other models are omitted, as detailed information is not available.

ANNEX II

Tax jurisdiction	Entity	Main activity
Albania	Saipem SpA Albania Branch	Provision of services to non-related parties
Algeria	Saipem Contracting Algérie SpA	Provision of services to non-related parties
	Saipem SA Algeria Branch	Inactive
	Saipem SpA Algeria Branch	Provision of services to non-related parties
	SnamprogettiChiyoda sas di Saipem SpA Algeria Branch	Provision of services to non-related parties
Angola	Saipem Luxembourg SA Angola Branch	Provision of services to non-related parties
	Saipem SpA Angola Branch	Inactive
Argentina	Petrex SA Argentina Branch	Provision of services to non-related parties
Australia	Saipem Australia Pty	Provision of services to non-related parties
	SPCM Australia Branch	Administration, management or support services
Austria	Saipem SpA Austria Branch	Provision of services to non-related parties
Azerbaijan	Saipem Contracting Netherlands BV Azerbaijan Branch	Provision of services to non-related parties
Bolivia	Petrex SA Bolivia Branch	Provision of services to non-related parties
Brazil	Andromeda Consultoria Tecnica e Representações Ltda	Administration, management or support services
	Saipem do Brasil Serviços de Petroleo Ltda	Manufacturing and Production; Provision of services to non-related parties
Bulgaria	Saipem SpA Bulgaria Branch	Inactive
Canada	Saipem Canada Inc	Research and development; Provision of services to non-related parties
Chile	Petrex SA Chile Branch	Provision of services to non-related parties
	Servizi Energia Italia SpA Chile Branch	Provision of services to non-related parties
China	Saipem Beijing Technical Services Co Ltd	Administration, management or support services
Colombia	Petrex SA Colombia Branch	Provision of services to non-related parties
Congo	Boscongo SA	Fabrication and production; Provision of services to non-related parties
	International Energy Services SpA - Congo Branch	Inactive
	Saipem SpA Congo	Provision of services to non-related parties
	Servizi Energia Italia SpA ATE Congo	Inactive
Croazia	Saipem SpA Croazia Branch	Provision of services to non-related parties
Cyprus	SPCM Cyprus Branch	Administration, management or support services
Denmark	Saipem Ltd Danimarca Branch	Provision of services to non-related parties
Ecuador	Petrex SA Ecuador Branch	Provision of services to non-related parties
Egypt	Saipem Misr for Petroleum Services (S.A.E.)	Provision of services to non-related parties
	Servizi Energia Italia SpA Egitto Branch	Provision of services to non-related parties
	SPCM Egitto Branch	Administration, management or support services; Provision of services to non-related parties
Equatorial Guinea	Saipem Offshore Construction SpA Equatorial Guinea Branch	Provision of services to non-related parties
	Saipem SA Guinea Equatoriale Branch	Inactive
France	European Maritime Construction SAS	Inactive
	Saipem SA	Research and Development; Purchases and Contracts; Administration, management or support services; Provision of services to non-related parties; Holding of shares or other equity instruments
	Saipem SpA French Branch	Administration, management or support services
	Sofresid SA	Provision of services to non-related parties
	Sofresid Engineering SA	Provision of services to non-related parties; Administration, management or support services
Gabon	Saipem SA Gabon Branch	Inactive
Georgia	Saipem Contracting Netherlands BV Georgia Branch	Inactive
Ghana	Saiwest Ltd	Provision of services to non-related parties
	Saipem SA Ghana Branch	Inactive

Tax jurisdiction	Entity	Main activity	
Greece	Saipem SpA Grecia Branch	Inactive	
Guyana	Saipem Guyana	Fabrication and production; Provision of services to non-related parties	
	Saipem America Inc Guyana Branch	Provision of services to non-related parties	
	SPCM Guyana Branch	Provision of services to non-related parties	
India	Saipem India Projects Ltd	Administration, management or support services; Provision of services to non-related parties	
	SPCM India Branch	Inactive	
Indonesia	PT Saipem Indonesia	Fabrication and production; Provision of services to non-related parties	
	SPCM Indonesia Branch	Provision of services to non-related parties	
Iran	Saipem SpA Iran Branch	Inactive	
Iraq	Saipem SpA Iraq Branch	Provision of services to non-related parties	
	Sajer Iraq Llc	Inactive	
Israel	Servizi Energia Italia SpA Israele Branch	Provision of services to non-related parties	
Italy	Saipem SpA	Research and development; Possession or management of intellectual property rights; Administration, management or support services; Purchases and contracts; Fabrication and production; Provision of services to non-related parties; Holding of shares or other equity instruments	
	International Energy Services SpA	Provision of services to non-related parties	
	Saipem Offshore Construction SpA	Provision of services to non-related parties	
	Servizi Energia Italia SpA	Provision of services to non-related parties	
	Denuke Scarl	Provision of services to non-related parties	
	Snamprogetti Chiyoda SAS	Provision of services to non-related parties	
	Ivory Coast	Servizi Energia Italia SpA Costa d'Avorio Branch	Inactive
	Kazakhstan	Ersai Caspian Contractor Llc	Fabrication and production; Provision of services to non-related parties
North Caspian Service Co		Administration, management or support services	
Saipem SpA Kazakhstan Branch		Provision of services to non-related parties	
Libya	Saipem SpA Lybia Branch	Provision of services to non-related parties	
Lussemburgo	Saipem Luxembourg SA	Administration, management or support services	
	Saipem Maritime Asset Management Luxembourg Sarl	Administration, management or support services	
Malaysia	Saipem Asia Sdn Bhd	Provision of services to non-related parties; Administration, management or support services	
	Saipem (Malaysia) Sdn Bhd	Provision of services to non-related parties; Administration, management or support services	
Mauritania	Saipem SA Mauritania Branch	Provision of services to non-related parties	
Mexico	Saimexicana SA	Provision of services to non-related parties; Holding of shares or other equity instruments	
	Saipem Offshore México SA de Cv	Administration, management or support services	
	Saipem SpA Mexico Branch	Provision of services to non-related parties	
Morocco	Saipem SpA Morocco branch	Provision of services to non-related parties	
	Sofresid SA Morocco branch	Inactive	
Mozambique	Saipem Moçambique Lda	Provision of services to non-related parties	
	SPCM Mozambique Branch	Provision of services to non-related parties	
	Servizi Energia Italia SpA CCS JV	Provision of services to non-related parties	
Netherlands	ERS Equipment Rental and Services BV	Administration, management or support services	
	Saipem Contracting Netherlands BV	Provision of services to non-related parties	
	Saipem Finance International BV	Group self-financing	
	Saipem International BV	Holding of shares or other equity instruments	
	Snamprogetti Netherlands BV	Administration, management or support services; Holding of shares or other equity instruments	

Tax jurisdiction	Entity	Main activity
Nigeria	Saipem Nigeria Ltd	Administration, management or support services
	Saipem Contracting Nigeria Ltd	Provision of services to non-related parties
	Saipem SA Nigeria Branch	Inactive
	Saipem SpA Nigeria Branch	Administration, management or support services
Norway	Moss Maritime AS	Research and development; Provision of services to non-related parties
	Saipem Drilling Norway AS	Provision of services to non-related parties; Administration, management or support services
	Saipem Ltd Norway Branch	Provision of services to non-related parties; Administration, management or support services
	Saipem Norge AS	Administration, management or support services
	Saipem SpA Norway Branch	Administration, management or support services; Provision of services to non-related parties
Oman	Saipem SpA Oman Branch	Provision of services to non-related parties
Panama	Petrex SA Panama Branch	Inactive
Peru	Petrex SA	Provision of services to non-related parties
Poland	Saipem Ltd Poland Branch	Provision of services to non-related parties
	Saipem SpA Poland Branch	Inactive
Portugal	Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda (SPCM)	Provision of services to non-related parties; Administration, management or support services
Qatar	Saipem SpA Qatar Branch	Provision of services to non-related parties
Romania	Saipem Romania Srl	Provision of services to non-related parties; Administration, management or support services
	Saipem SpA Aricestii Rahtivani Branch	Inactive
	International Energy Services SpA Sucursala Arices	Inactive
Russia	Saipem SpA Russia Branch (Anapa)	Provision of services to non-related parties
	Saipem SpA Representative Office Moscow	Provision of services to non-related parties
	Saipem SpA Moscow Branch (Refinery Project)	Provision of services to non-related parties
	Servizi Energia Italia SpA Moscow Branch	Provision of services to non-related parties
	Servizi Energia Italia SpA Murmansk Branch	Provision of services to non-related parties
	Servizi Energia Italia SpA Salechard Branch	Provision of services to non-related parties
	Servizi Energia Italia SpA Novyi Urengoi Branch	Provision of services to non-related parties
	Saipem Ltd Russia Moscow Office	Inactive
Snamprogetti Engineering & Contracting Co Ltd	Provision of services to non-related parties	
Saudi Arabia	Saudi Arabian Saipem SA	Provision of services to non-related parties
	Saudi International Energy Services Ltd	Inactive
	Snamprogetti Saudi Arabia Co Ltd	Provision of services to non-related parties; Administration, management or support services
Senegal	Saipem SA Senegal Branch	Inactive
Serbia	Saipem SpA Serbia Branch	Inactive
Singapore	Saipem Singapore Pte	Provision of services to non-related parties; Administration, management or support services
South Africa	Saipem SpA Rsa Branch	Inactive
South Korea	Saipem Asia Sdn Bhd South Korea Branch	Administration, management or support services
Spain	Saipem Ingenieria Y Construcciones SLU	Provision of services to non-related parties
Switzerland	Global Petroprojects Services AG	Administration, management or support services
	Sigurd Ruck AG	Insurance services; Administration, management or support services
Thailand	Saipem Asia Sdn Bhd Thailand Branch	Provision of services to non-related parties
	Saipem Singapore Pte Ltd Thailand Branch	Administration, management or support services; Provision of services to non-related parties
Trinidad and Tobago	Saipem SA Trinidad and Tobago Branch	Inactive
Tunisia	Saipem SA Tunisia Branch	Inactive
	Saipem SpA Tunisia Branch	Inactive
Turkey	Servizi Energia Italia SpA Turkey Branch	Provision of services to non-related parties
Turkmenistan	Saipem SpA Turkmenistan	Inactive
Uganda	Saipem East Africa Ltd	Inactive

Tax jurisdiction	Entity	Main activity
United Arab Emirates	Saipem SpA Abu Dhabi Branch	Provision of services to non-related parties
	Saipem Contracting Netherlands BV Sharjah Branch	Provision of services to non-related parties; Administration, management or support services
	Saipem SpA Abu Sharjah Branch	Administration, management or support services
	Saipem SpA Sharjah Branch	Provision of services to non-related parties; Administration, management or support services
	SPCM Abu Dhabi Branch	Administration, management or support services
	Servizi Energia Italia SpA Sharjah Branch	Administration, management or support services
United Kingdom	Saipem Ltd	Provision of services to non-related parties
United States	Saipem America Inc	Provision of services to non-related parties
Venezuela	Servizi Energia Italia SpA Venezuela Branch	Inactive

INDEPENDENT AUDITORS' REPORT

The independent auditors' report, which concerns the Consolidated Non-Financial Statement included in the dedicated section of the Annual Report, is accessible through this [link](#).



Società per Azioni
Share Capital €501,669,790.83 fully paid up
Tax identification number and Milan, Monza-Brianza,
Lodi Companies' Register No. 00825790157

Headquarters: Milan (MI)
Via Luigi Russolo, 5
Information for Shareholders
Saipem SpA, Via Luigi Russolo, 5
20138 Milan (MI)

Relations with institutional investors
and financial analysts
Fax +39-0244254295
E-mail: investor.relations@saipem.com

Publications
Relazione finanziaria annuale (in Italian) drawn up
in accordance with Italian Legislative Decree No. 127
of April 9, 1991
Annual Report (in English)

Relazione finanziaria semestrale consolidata
al 30 giugno (in Italian)
Interim Financial Report as of June 30
(in English)

Sustainability Report 2023 (in Italian and English)

Also available on Saipem's website: www.saipem.com

Website: www.saipem.com
Operator: +39-0244231

Layout and supervision: Studio Joly Srl - Rome - Italy
Printing:



SAIPEM SpA
Via Luigi Russolo, 5
20128 Milan

SAIPEM.COM