

**ASSESSMENT OF INDUSTRY ASSOCIATION
ENGAGEMENT AND LOBBYING**

**CLIMATE POLICY ALIGNMENT
2022**

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This document is published in June 2023, based on data and information from Saipem's reporting system and accounting registers. If not otherwise specified data refer to the entire 2022 year.

1. SAIPEM'S DECARBONISATION JOURNEY

The energy sector is currently experiencing a transition phase, made more challenging by the external context in which we are operating.

Climate change is a global challenge that requires collaboration across sectors and among operators. For this reason, it is of strategic importance to participate actively in suitable networks, including industry associations.

As Saipem, we are actively engaged in the low-carbon energy and industrial ecosystem, both in Italy and around the world and our present focus is on:

- > natural gas, the least carbon dioxide emitters among fossil fuels, which was recently included in the EU Taxonomy as one of the main elements for the energy transition;
- > the design and supply of a solution that will progressively become central to decarbonisation efforts, namely CO₂ abatement systems in industries

- with a high carbon impact;
- > renewable energy systems, especially in the wind sector.

Hence the announced commitment to reaching Net-Zero in 2050: the related programme, launched in 2021 and central to the four-year Sustainability Plan, is the cornerstone of this way of seeing sustainability as an integrated element of the business. The two-fold blueprint foresees both a contribution to the reduction in Scope 1, 2 and 3 emissions and support for decarbonisation projects throughout the entire energy sector, as well as that of mobility infrastructures.

With Saipem's expertise, competence and technologies, we believe that we can provide an important contribution to the energy transition and to the technological innovation the world needs to source its energy sustainably.

2. SAIPEM'S ENGAGEMENT IN DIALOGUE WITH INSTITUTIONS AND LOBBYING

Saipem has always been committed to building a fruitful dialogue and consolidating relations with institutions and trade associations, both in Italy and in the other countries where it operates.

The Company manages local, national and international stakeholder relations in line with the provisions of its Code of Ethics (included in Model 231), the Sustainability Policy, and an Anti-corruption Management System Guideline, which always require the adoption of behaviours based on correctness, transparency and traceability. These relations are handled exclusively by Company units and departments authorised to do so, and through previously identified professional roles, in compliance with approved plans and internal regulatory documents.

Saipem does not directly engage in lobbying and advocacy with relevant institutional stakeholders and does not make direct or indirect contributions in whatever form to political parties, movements, committees, political organisations and unions, to their representatives and/or candidates, unless required by local law.

There is a dedicated department responsible for managing Public Affairs within Saipem's structure that coordinates institutional dialogue, guaranteeing uniform and coherent relational strategies and communication with external parties, including associations.

The methods of participation in association life vary according to the type of association and the objectives set by Saipem: from participating as observers to working groups on specific issues to contributing to governance bodies activities.

Saipem guarantees transparency by implementing specific governance of association memberships. Every membership (renewal or new subscription) is subject to an internal approval process at corporate level and to a continuous monitoring, in order to guarantee that the participation to associative activities broadly reflects our targets and have a positive impact for our company.

In 2022, the Saipem Group was an active member of 114 national and international business and trade associations,

with a total amount spent for membership fees of €1.18 million. In particular, the parent company is a member of 56 associations and organisations, such as:

- > at the Italian level: **Assorisorse**, **Confindustria**, **Assolombarda**;
- > at the European Level: **Wind Europe**;

- > at International Level: **IOGP** (International Association of Oil Producers), **IMCA** (International Maritime Contractors Association), **WEF** (World Economic Forum), **WEC** (World Energy Council), Saipem also participates in the **Global Compact** of the United Nations.

3. SAIPEM'S CONTRIBUTION TO CLIMATE POLICY OBJECTIVES THROUGH ITS MEMBERSHIPS IN ASSOCIATIONS

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

These associations include both local associations and associations with an international presence, engaged in various fields (technical bodies for specific segments of activity, think tanks, industrial associations dealing with industrial relations, chambers of commerce, etc.).

Gathering all the main players of the segment they represent and giving them a common forum to discuss relevant industry topics, these organisations play multiple roles: from supporting research and innovation, to sharing information and promoting best practices, from setting technical standards in various operations/business areas, to advocating for common policies.

Saipem is a member of Confindustria and other sector specific associations dealing with climate change issues. In 2022, Saipem joined **AIS** (the Italian Association of Sustainable Infrastructures) active in several working groups that promote innovative and sustainable construction methods and techniques. As part of these activities, the "Sustainable Construction Site" Position Paper was published by the association: its guidelines provide a reference model for a sustainable construction site, which Saipem is willing to promote and implement with its main clients.

Saipem is a member of **EVOLEN** (the French association of energy sector companies and professionals), which aims to disseminate technical and scientific knowledge among its members and anticipate changes in the business, fostering cooperation and a long-term vision and supporting innovation and partnerships. This enables 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-related issues.

Furthermore, Saipem takes part in the **Norwegian Solar Energy Cluster**, devoted to fostering cooperation and supporting the development of solar energy skills. It also participates in other associations and networks active in the issue of energy transition, such as the **Global Carbon Capture & Storage Institute (GCCSI)**, and the associations **Wind Europe**, **CO₂ Value Europe** and **Hydrogen Europe**.

Since 2016, Saipem has been a member of the **United Nations Global Compact**, the largest strategic corporate citizenship initiative in the world. As part of its collaboration with the Italian network, Saipem contributed to the Position Paper "Sustainable Supply Chains: Responsibilities and Opportunities for Businesses" developed by the Italian Network of the UNGC, with the contribution of over 30 member companies. The Paper focuses on the sustainable management of supply chains. It identifies challenges and opportunities by focusing on three main areas: reduction of Scope 3 emissions; the promotion and protection of human rights and decent work; and the management of negative externalities through circular solutions. Saipem's experience on the development and application of the SOCE (Saipem Offshore Carbon Estimation) model for the assessment of GHG emissions along the entire value chain of a project has been described in the Paper as one of the best practices reported.

Saipem has acquired the status of Supporter of the Task Force on Climate-related Financial Disclosure (TCFD) by adopting the recommendations to ensure complete disclosure of climate issues in line with stakeholder demands. Since 2018, Saipem has published a document on its Climate Change Strategy in accordance with the recommendations of the TCFD. Starting from 2021 the document has been integrated in the Consolidated Non-Financial Statement (included into the Annual Report).

4. ASSESSMENT OF SAIPEM'S CONTRIBUTION TO CLIMATE RELATED ADVOCACY ACTIVITIES THROUGH ASSOCIATIONS

In order to evaluate the effectiveness of Saipem's commitment to climate-related advocacy activities through its participation in associations and organisations,

starting in 2022, an assessment was implemented aimed at highlighting this contribution and monitoring its results over time.

A. EVALUATION PILLARS

The evaluation of membership associations is based on 7 pillars, identified by cross-checking relevancy against Saipem's typical activities (past, current and planned ones), and for being areas related to climate-related advocacy interests and Saipem's targets.

In particular, the memberships were reviewed with regard to:

1. Support for the goals of the Paris Agreement to achieve net-zero by 2050;
2. Role of energy transition energies, in particular natural gas;

3. Promotion of renewable energies and in particular offshore wind;
4. Promotion of CCUS (Carbon Capture, Utilisation and Storage);
5. Promotion of sustainable infrastructures;
6. Support for energy efficiency solutions such as "green" fuels for vessels and maritime route optimisation, and promotion of low and zero carbon technologies such as green hydrogen technologies;
7. Support for climate transparency and disclosure.

B. ASSESSMENT METHODOLOGY

For this first assessment we selected 21 associations in which Saipem plays an active role. The evaluation is based on 2022 data and represents a selection of associations that are active in the debate on climate and energy topics and are more relevant for the stakeholders based on their impact and reputation. These associations are based mainly in Italy, Europe, and the US and are both global and regional/national.

The total amount of fees paid for the membership of these 21 associations considered was ~€0.5 million, which is

42% of overall fees paid by Saipem in 2022. The review of positions was performed considering publicly available data such as reports, websites and public statements. More specifically, as a first step, we assessed the alignment of the business associations with each of the 7 main pillars indicated in § 4.A.

As a result of the final evaluation, each association has been assigned one of following three categories:

<i>Aligned</i>	The stated positions of the association are aligned with the Paris Agreement goals and supports/are not in contrast with any of the main pillars indicated in § 4.A.
<i>Partially Aligned</i>	The association does not explicitly support the Paris Agreement goals. Rather, it supports at least one of the 7 main pillars, and it is not in contrast with any of them. Alternatively, the association explicitly supports the Paris Agreement goals, but it has a minor misalignment on at least one of the other main pillars.
<i>Not Aligned</i>	The association does not support the Paris Agreement goals, or the public position of the association is in contrast with at least one of the 7 main pillars.

C. ASSESSMENT RESULTS

Out of 21 business associations assessed, we found that 20 out of 21 are aligned with Saipem's position on climate-related advocacy and one (**ANCE** - Associazione Nazionale Costruttori Edili) is partially aligned. This partial alignment is due to a lack of a specific commitment to the Paris Agreement's goals. However, ANCE does not explicitly express a position in contrast with them, while supporting sustainable infrastructure and energy efficiency solutions.

Some of the associations assessed have a specific focus on certain climate-related topics, and therefore may not have a position about other specific themes (for example, an association of offshore wind contractors may not have a

position about sustainable infrastructures); in such cases it has been taken into consideration whether the association is not actively opposed to the themes identified in the 7 pillars.

Saipem is committed to proactively engaging with partially aligned associations by collaborating with other members in order to drive and influence each entity's positions towards a more positive vision, and in particular, in any debate on climate and energy topics, Saipem will pursue its positions as stated in its policies and strategies.

The Annex includes the complete list of the assessed business associations (table 1).

ANNEX

TABLE 1 - ASSOCIATIONS' ALIGNMENT WITH SAIPEM'S PILLARS

Name	Alignment
ANCE	Partially aligned
Associazione Infrastrutture Sostenibili	Aligned
Assorisorse	Aligned
CO ₂ Value Europe	Aligned
Confindustria Energia (Assorisorse Quota Relazioni Industriali)	Aligned
Confitarma Confederazione Italiana Armatori	Aligned
CTN BIG Cluster tecnologico nazionale Blue Italian Growth	Aligned
Hydrogen Europe ASBL	Aligned
IMCA International Marine Contractors Association	Aligned
IOGP International Association of Oil & Gas Producers	Aligned
IPLOCA International Pipeline and Offshore Contractor Association	Aligned
WEC World Energy Council (Comitato Nazionale Italiano)	Aligned
The Norwegian Solar Energy Cluster	Aligned
BNOW Business Network for Offshore Wind	Aligned
Global CCS Institute	Aligned
Offshore Wind California	Aligned
ABESPetro Associação Brasileira das Empresas de Serviços de Petróleo	Aligned
EVOLEN	Aligned
Wind Europe	Aligned
Club CO ₂	Aligned
World Economic Forum	Aligned



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