

MEASURING THE VALUE GENERATED THE SELCE MODEL 2024

MEASURING THE VALUE GENERATED

SAIPEM GLOBAL PRESENCE

SPANNING CONTINENTS, CONNECTING MARKETS, CREATING VALUE

Saipem operates in over 50 countries with varying social, economic, and cultural contexts. Engagement and cooperation with local stakeholders are essential for creating value and contributing to local economic growth and social development. This is achieved not only through business presence and operations but also by investing in people, their skills, and the development of the local economy. Aligning our operations with regional priorities, Saipem aims to leave a positive legacy that supports sustainable growth and improves quality of life for local populations.

LOCAL CONTENT AND LOCAL VALUE CREATION

Saipem's social and economic impact extends throughout the Countries of our business operations, as Saipem purchases from global markets and engages people of different nationalities. In the Countries where it operates, Saipem contributes to the development of local economies through initiatives that prioritise local procurement, workforce development, and community empowerment.

LOCAL JOBS CREATION



Employment of local personnel

COLLABORATION WITH THE LOCAL SUPPLY CHAIN



Procurement of goods and services from local suppliers

COMPETENCE AND SKILL DEVELOPMENT



Investment in training of local personnel

KEY 2024 FIGURES

EMPLOYMENT	SUPPLY CHAIN	INVESTMENT IN TRAINING
+34,000 Employees	+20,000 Vendors	+880,000 Training hours
+ 155 Nationalities	69% Purchases from local vendors	€20.4 million in training costs
72% Local employees		

The measurement of the economic and social impacts created by Saipem, as a beneficial outcome for society, supports the company in establishing durable and sustainable relationships with local stakeholders; reducing costs and risks associated with project execution, and improving local stakeholder perceptions regarding company business activities, fostering a climate of mutual trust. Promoting local content and generating local value enhances Saipem's capacity to operate efficiently and sustainably in diverse environments.

SAIPEM EXTERNALITIES LOCAL CONTENT EVALUATION (SELCE) MODEL

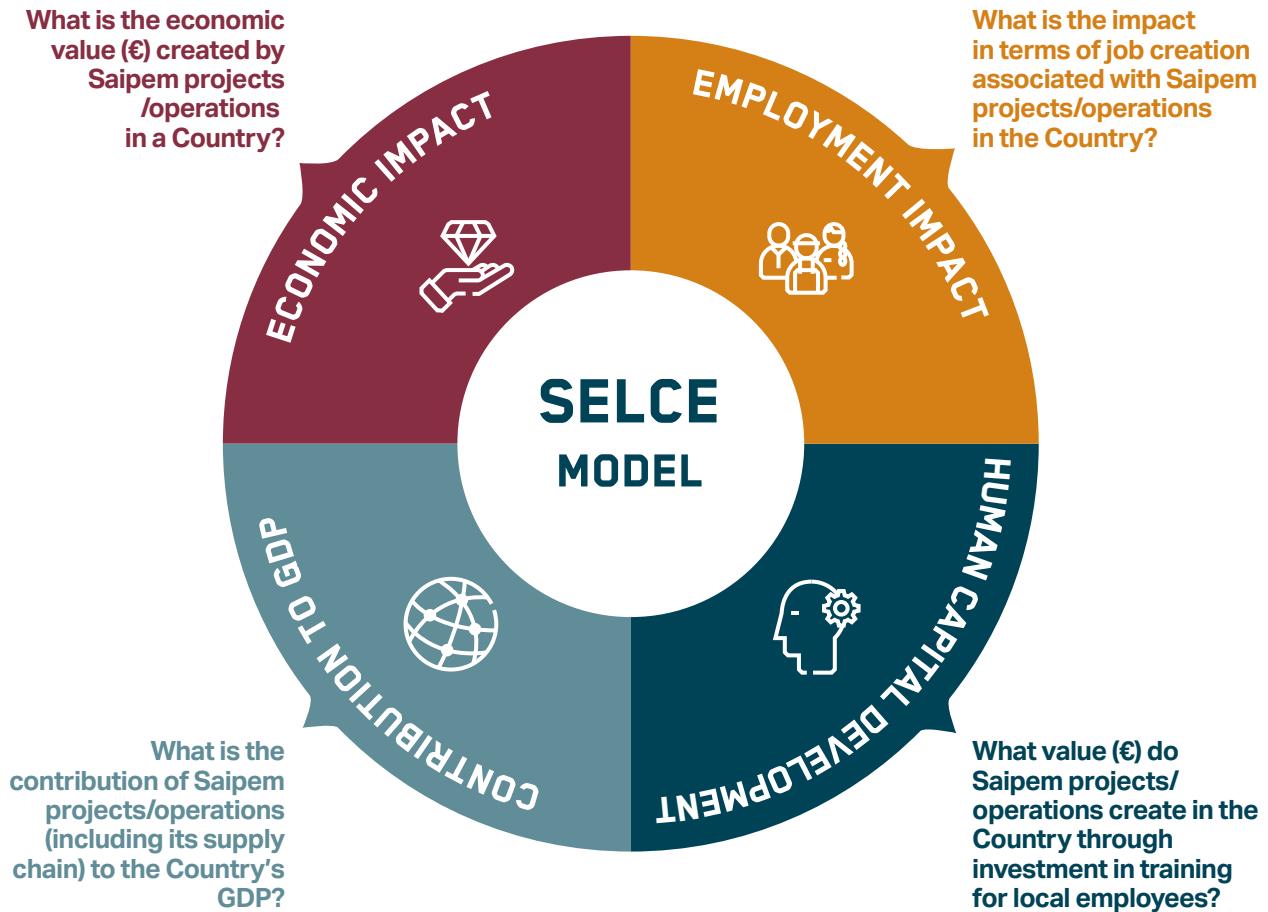
Externalities Definition

"Externalities are actions of an individual or a firm that have effect on another individual or firm for which the latter does not pay (in case of positive impact) or is not paid (in case of negative impact)"

J. Stiglitz - Nobel Prize for Economy

Measuring the "externalities" allows to represent the distinctive contribution to the local socio-economic development, showing the monetary values distributed to local stakeholders in a specific region and the impact on employment.

Saipem Externalities Local Content Evaluation (SELCE) Model is a methodology developed by Saipem, that measures the social and economic value generated in the local economies by our business activities. The Model quantifies, in monetary value, the benefits that best correspond to Saipem's local value creation strategy in terms of **Economic, Employment** and **Human Capital Development** impacts.



ECONOMIC IMPACT

The economic impact is calculated as the overall financial impact on the local economy and society generated by the purchase of goods and services from local vendors, the salaries paid to local personnel employed by Saipem, and the taxes paid in the Country. It assesses the impact on the local supply chain generated by Saipem purchases, and on the society, related to the increase in household consumption.



EMPLOYMENT IMPACT

The employment impact is calculated as the total number of full time equivalent (FTE) jobs created by Saipem operations in the Country, comprising the Saipem locally employed personnel, the jobs created in the supply chain as result of Saipem's local purchases, and the induced effects of increased spending and taxes.



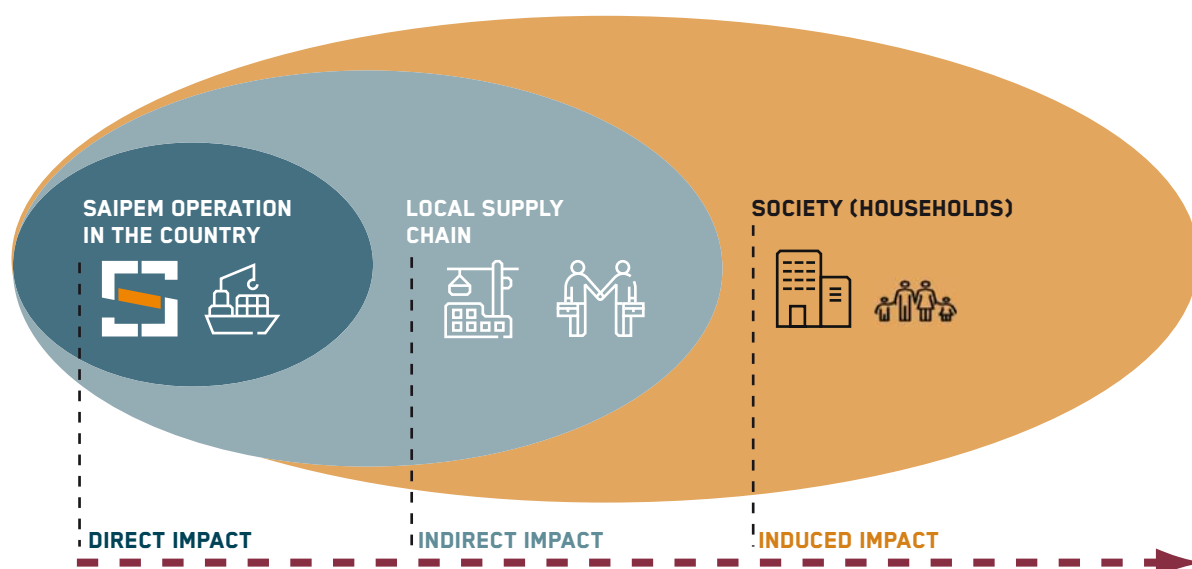
HUMAN CAPITAL DEVELOPMENT IMPACT

The human capital development impact is the economic value associated with the training activities provided by Saipem to its local employees, calculated as increased earning expectation and their contribution to the local economy (over 5 years).

The socio-economic impacts are calculated considering the direct, indirect and induced impacts:

- Direct impacts which are associated with Saipem operations in the Country;
- Indirect impacts along the supply chain (tier 1) associated with Saipem's purchases of goods and services;
- Induced impacts generated in the society, as a whole, associated with increased household consumption levels thanks to the job opportunities created by Saipem and its suppliers of goods and services. The induced impacts are calculated based on the available regional and national macroeconomic indicators.

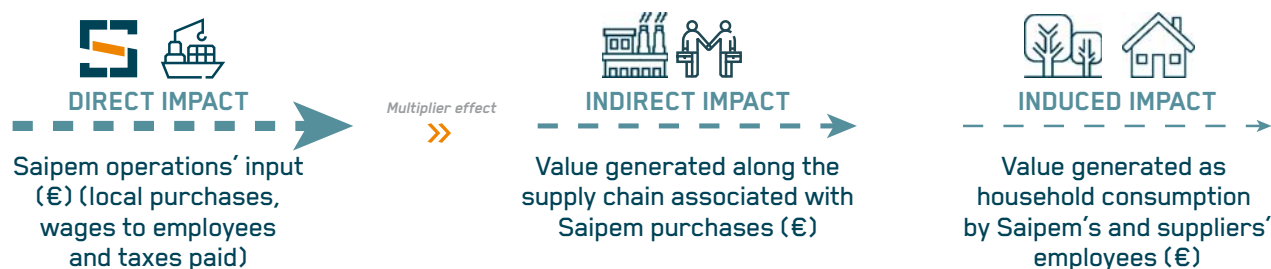
The impacts are quantified in monetary value through the use of multipliers. **The multiplier effect** describes how an increase in Saipem's economic activity triggers a chain reaction that generates an overall increase greater than the original one. The multipliers translate the company's direct inputs into additional production (spending across the economy), additional income (wages) and additional employment (the number of jobs equivalent associated with the increase in spending).



SELCE METHODOLOGY



ECONOMIC IMPACT



EMPLOYMENT IMPACT



HUMAN CAPITAL DEVELOPMENT



MEASURING THE VALUE CREATED IN BRAZIL

Saipem has been operating in Brazil since 2002, currently through Saipem do Brasil Serviços de Petróleo Ltda, with a strong focus on offshore projects supported by CTCO (Centro de Tecnologia e Construções Offshore) in Guarujá, in the São Paulo State.

In 2024, Saipem carried out a SELCE (Saipem Externalities Local Content Evaluation) study to evaluate the economic impact of CTCO's activities in the Baixada Santista area, as well as the broader contribution of Saipem's operations in Brazil.

The study measured the value generated by Saipem do Brasil and CTCO from 2021 to 2024, including the estimation for 2025.

Data on local purchases, employment and training, were collected and the impacts assessed along the supply chain, through direct engagement with local vendors.

The economic value generated by Saipem do Brasil in the Country is represented here:

8 BLN R\$

SAIPEM'S CONTRIBUTION TO THE BRAZILIAN ECONOMY (2021-2025*)

0.006%

CONTRIBUTION OF SAIPEM TO THE BRAZILIAN GDP IN 2024

~9,000

JOBS EQUIVALENT RELATED TO SAIPEM ACTIVITIES IN 2024

At local level, the overall economic impact of the CTCO can be represented as the 1.4% of the GDP of Guarujá (2024). Specifically, the subcontracting sector mostly benefits from Saipem's activities with 88 mln R\$* spent on local suppliers, alongside the public sector with 100 mln R\$* paid in local taxes, reinforcing Saipem's role as a driver of economic growth in the region.

(*) Estimates for 2024 and 2025.



SELCE WORLDWIDE RESULTS

The SELCE Worldwide Model includes the Countries where Saipem operates, the Countries of the vendors, and the Countries of nationality of all Saipem employees.



The SELCE Model is calculated based on the annual data available in Saipem's reporting systems.

The SELCE Worldwide Model results show the overall social and economic impact of Saipem's activities for the 2024 reporting year.

 **€27 bln**

SAIPEM WORLDWIDE ECONOMIC IMPACT



 **237,515 jobs eq.**

SAIPEM WORLDWIDE EMPLOYMENT IMPACT



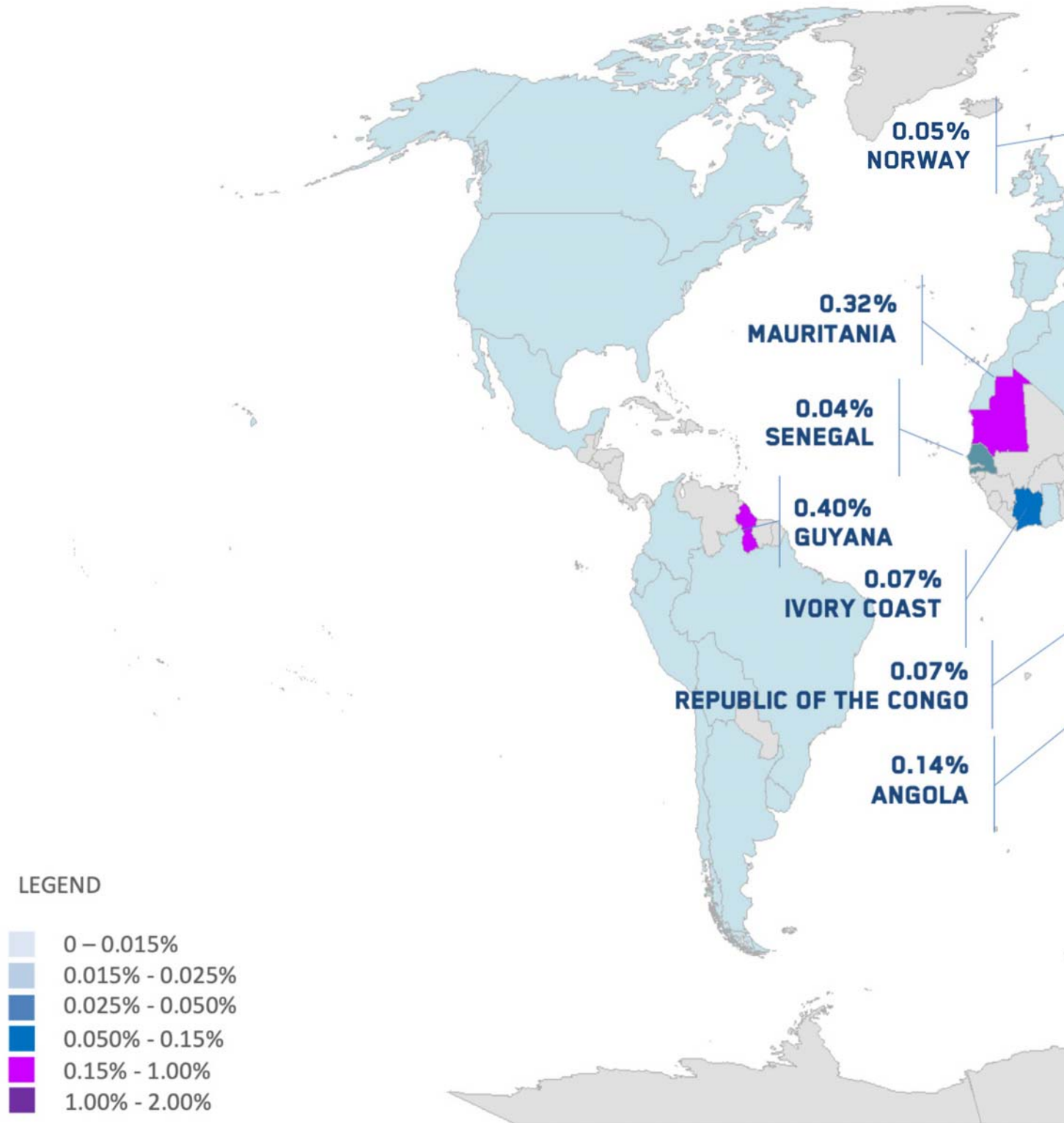
 **€104 mln**

HUMAN CAPITAL DEVELOPMENT



SAIPEM CONTRIBUTION TO THE COUNTRY GDP (%)

The map includes Saipem's contribution to the GDP of the Countries analysed.
The result for some significant Countries is disclosed.



SOURCE: WORLDBANK GDP 2023 (USD);
International Monetary Fund- Real GDP growth 2024 vs. 2023.





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