



**MEASURING
THE VALUE GENERATED
THE SELCE MODEL
2025**



SAIPEM

MEASURING THE VALUE GENERATED

SAIPEM EXTERNALITIES LOCAL CONTENT EVALUATION (SELCE) MODEL

1. LOCAL CONTENT AND LOCAL VALUE CREATION

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 its operations with regional priorities, Saipem aims to leave a positive legacy that supports sustainable growth and improves quality of life for local populations.

For Saipem, being present locally means implementing concrete actions such as purchasing goods and services from local suppliers, creating employment and developing expertise among local personnel and suppliers. These efforts contribute to enhancing their technical and managerial skills.

This approach fosters growth opportunities for people and businesses in the communities in which the company operates while also allowing it to maintain ongoing relationships with local communities, clients, and suppliers. A deep-rooted presence also makes it possible for us to generate benefits in terms of reducing overall project costs and the overall risk profile associated with operational activities. Promoting local content and generating local value enhances Saipem's capacity to operate efficiently and sustainably in diverse environments.

Measuring Saipem's value creation includes evaluating the social and economic impacts across the countries where the company operates, as well as considering the purchases from suppliers globally and nationally, and the employment and skill development of local personnel.

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 2025 FIGURES

EMPLOYMENT	SUPPLY CHAIN	INVESTMENT IN TRAINING
+30,000 Employees	+€13.7 billion Goods and services ordered	~1 million Training hours
70% Local employment	61% Purchases from vendors located in the area of operations	~€20 million Training costs
~130 Nationalities		

2. 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)"

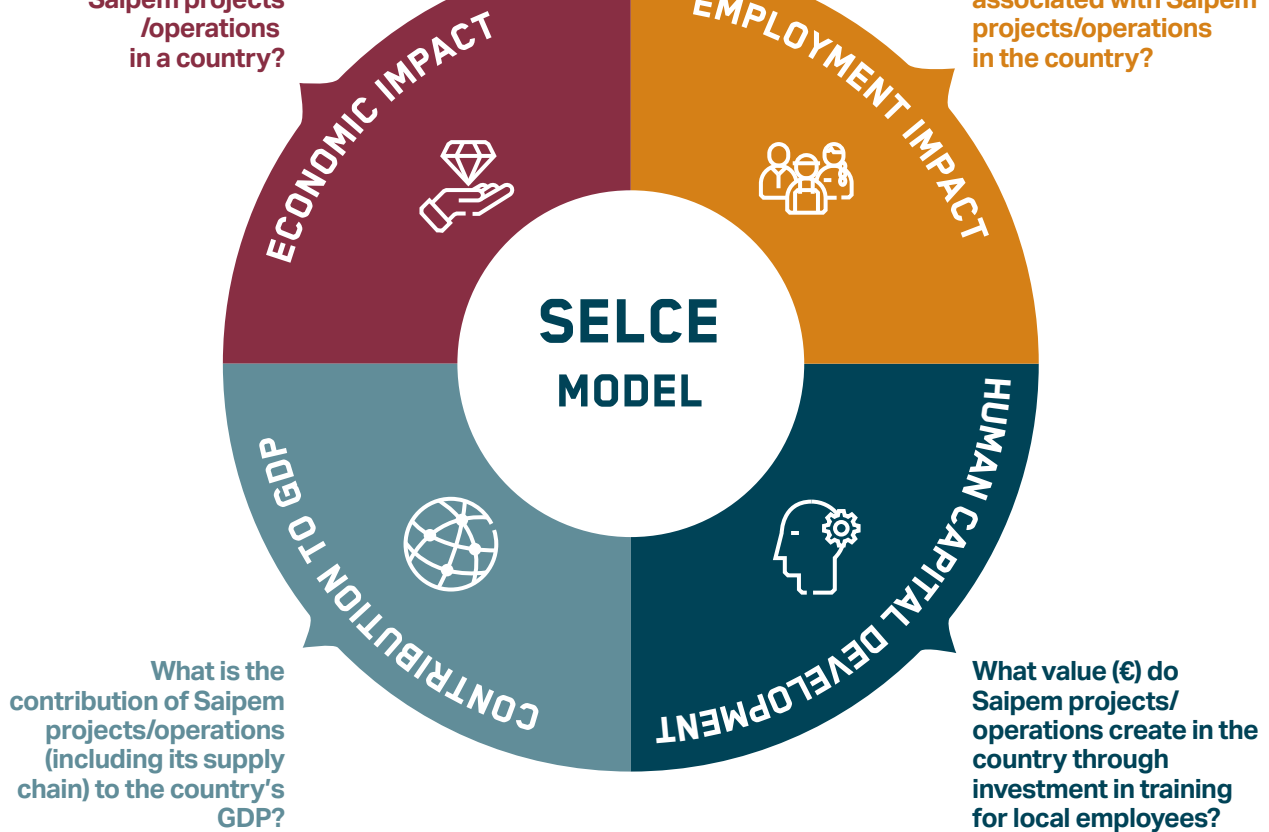
J. Stiglitz - Nobel Prize for Economy

Assessing externalities enables the representation of the distinctive contribution to local socio-economic development, by quantifying the monetary values distributed to local stakeholders in a specific region and the impact on employment.

The **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.

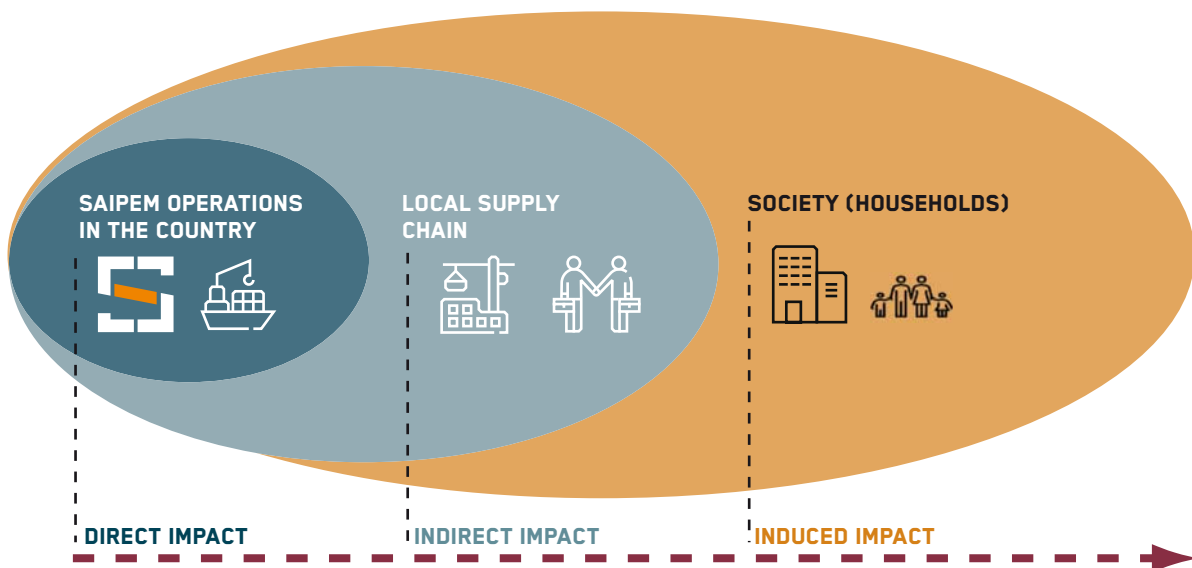
What is the economic value (€) created by Saipem projects /operations in a country?

What is the impact in terms of job creation associated with Saipem projects/operations in the country?



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

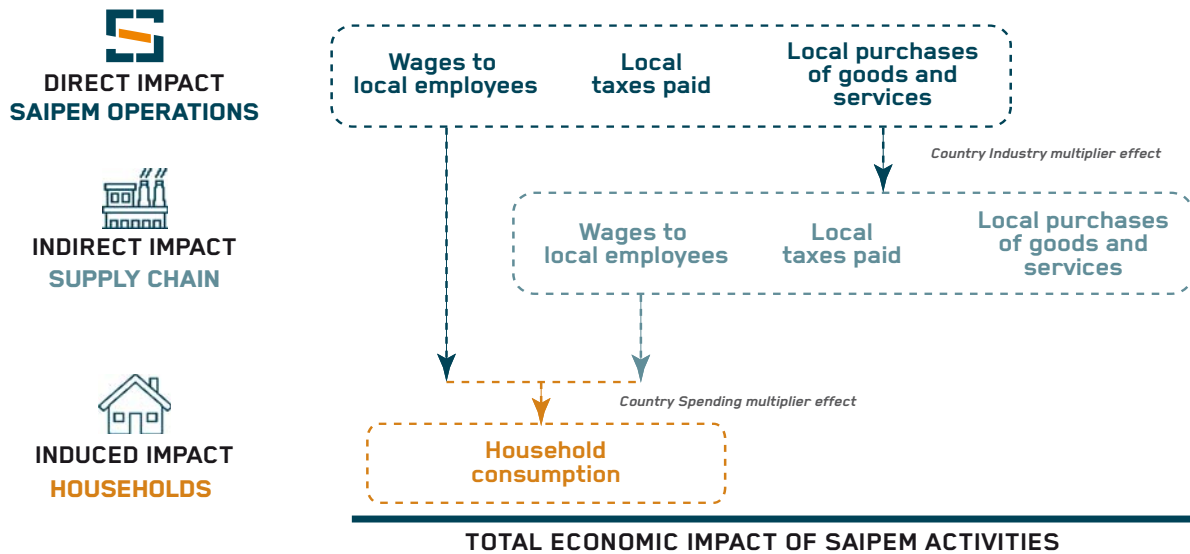
- **DIRECT IMPACTS** relate to Saipem's operations within the country;
- **INDIRECT IMPACTS** result from Saipem's purchases of goods and services along the supply chain (tier 1);
- **INDUCED IMPACTS** refer to effects within society arising from increased household consumption, which can be attributed to the employment created by Saipem and its suppliers. These effects are assessed using relevant regional and national macroeconomic data.



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).

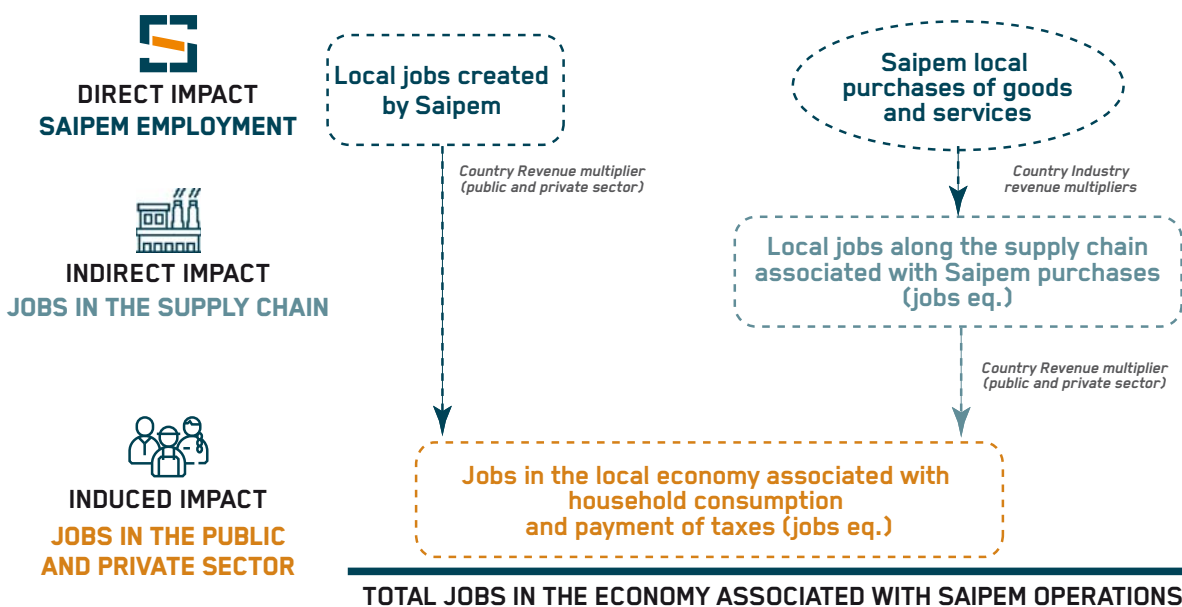
ECONOMIC IMPACT

The economic impact is calculated as the overall impact on the local economy and society generated by the purchase of goods and services from local vendors, the salaries paid to local Saipem employees, and the taxes paid in the country. The assessment also evaluates the effects of Saipem's procurement activities on the local supply chain, as well as the broader societal impact resulting from increased household consumption.



EMPLOYMENT IMPACT

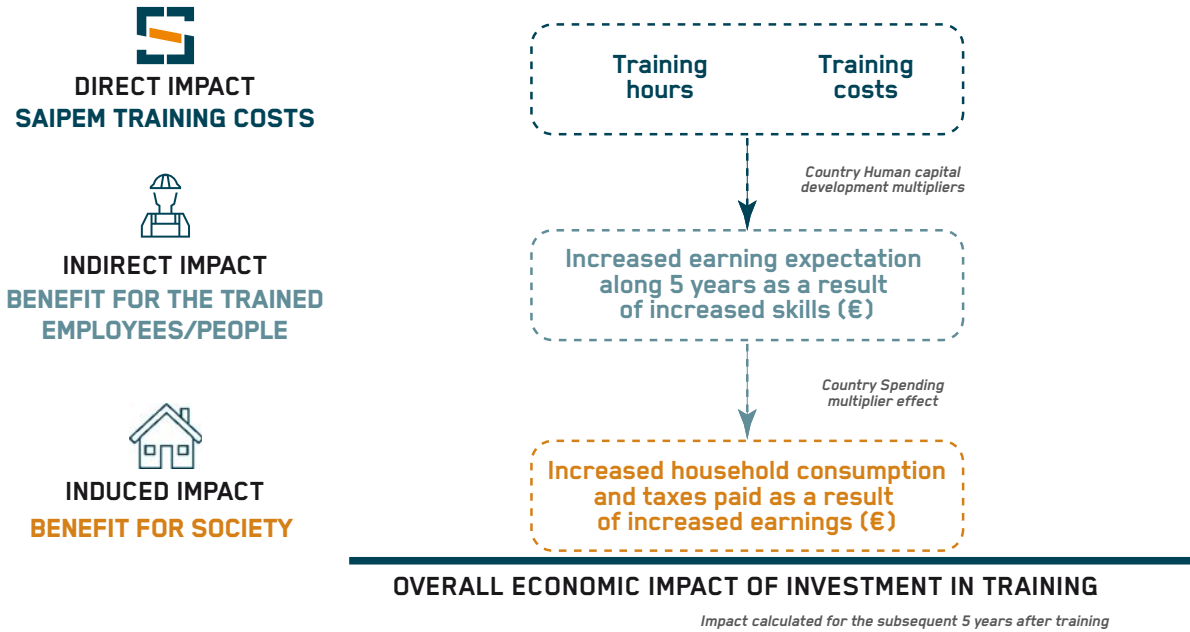
The employment impact is calculated as the total number of jobs created by Saipem operations in the country, comprising the locally employed Saipem personnel, the jobs created in the supply chain as a result of Saipem's local purchases, and the jobs associated with the increased household consumption and taxes.





HUMAN CAPITAL DEVELOPMENT IMPACT

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

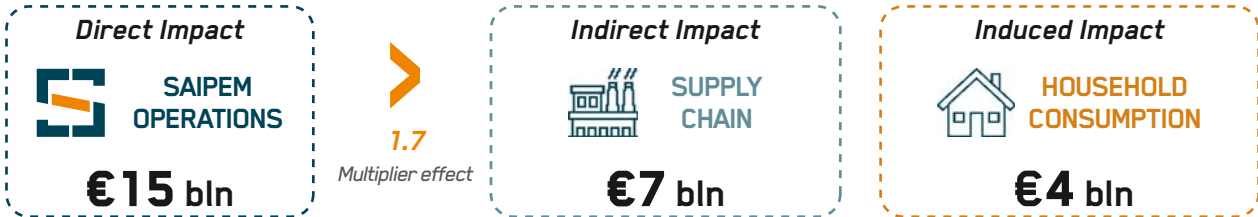


3. 2025 SELCE WORLDWIDE RESULTS

The SELCE Worldwide Model encompasses all countries in which Saipem operates, where vendors are located, and the nationalities represented within Saipem's workforce. The Model results highlight the overall social and economic impact of Saipem's activities for the 2025 reporting year.

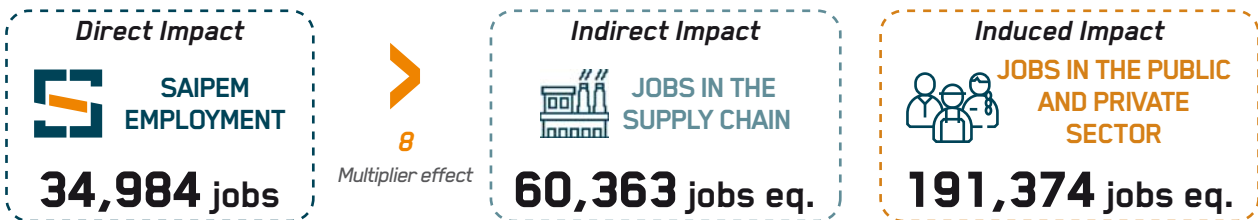
€27 bln

SAIPEM WORLDWIDE ECONOMIC IMPACT



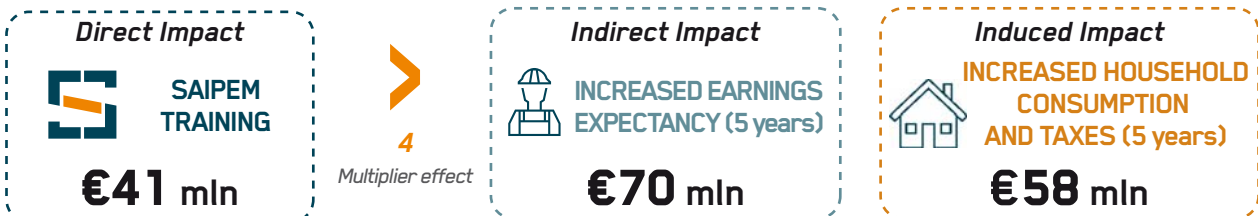
286,721 jobs eq.

SAIPEM WORLDWIDE EMPLOYMENT IMPACT



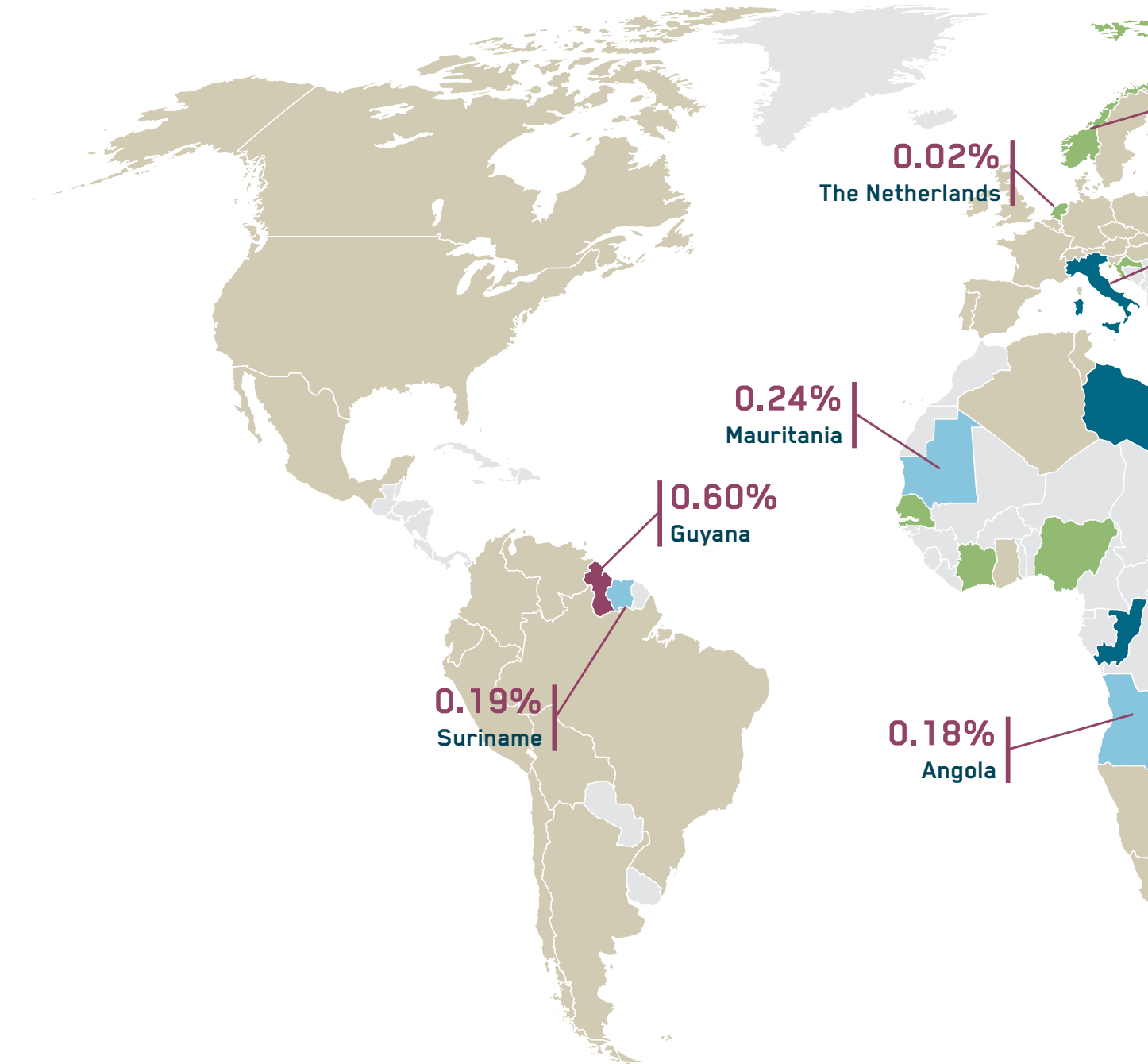
€169 mln

HUMAN CAPITAL DEVELOPMENT

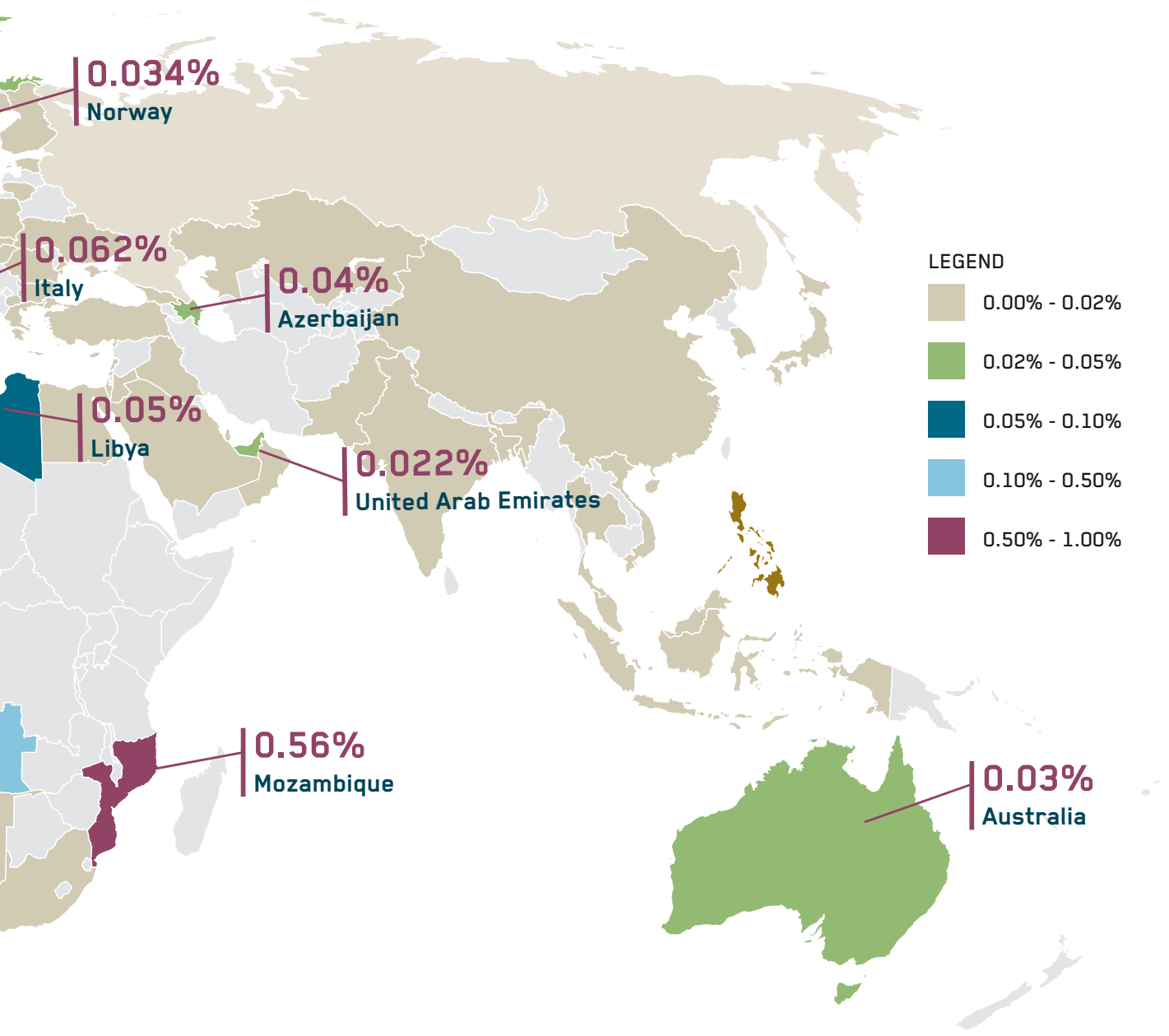


SAIPEM LOCAL VALUE CREATION CONTRIBUTION TO THE COUNTRIES' GDPs (%)

The map covers all countries where Saipem operates, the locations of its vendors and the nationalities within its workforce.



Source: Worldbank GDP 2024 (USD); International Monetary Fund Real GDP growth 2025 vs. 2024





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