

Saipem: Saipem will promptly challenge before the Algerian Supreme Court today's decision by the Algerian Court of Appeal in the proceedings relating to the GNL3 Arzew project

San Donato Milanese, (Italy), June 28, 2022 - The Court of Appeal of Algiers today ruled in the criminal proceeding, ongoing in Algeria since 2019, connected, *inter alia*, to the 2008 tender for the award of the GNL3 Arzew contract. In this proceeding, the companies Saipem SpA, Saipem Contracting Algérie and Snamprogetti SpA Algeria Branch were charged, in accordance with Algerian law, of allegedly "*having obtained a contract, with a price higher than the correct value, concluded with a state-owned commercial and industrial company, benefitting of the influence of representatives of that company*"; and of "*false custom declarations*".

The Court of Appeal of Algiers upheld, on both charges, the judgement of the first-degree ruling issued by the Court of Algiers on February 14, 2022. This ruling had imposed against Saipem SpA, Saipem Contracting Algérie and Snamprogetti SpA Algeria Branch fines and damages for an overall amount of approximately €199 million euros equivalent at today's exchange rate (of which approximately €60 million in fines and around €139 million in favour of the civil parties). Following the first degree ruling by the Court of Algiers, the Company set aside an equivalent amount in the Financial Statements as of December 31, 2021, even though the payment had been suspended following the appeal against the decision. The Tribunal of Algiers had also sentenced two former employees of Saipem Group (the then head of the project GNL3 Arzew and a former Algerian employee) to 5 years and 6 years of imprisonment, respectively. Another employee of Saipem Group had been acquitted of all charges.

The reasons for the ruling have not yet been made available by the Court of Appeal of Algiers.

Saipem notes that the Italian judiciary authority - further to criminal proceedings in which also the process of award in 2008 of the project GNL3 Arzew had been analyzed - fully acquitted the Company on December 14, 2020.

Saipem SpA, Saipem Contracting Algérie and Snamprogetti SpA Algeria Branch will promptly challenge before the Algerian Supreme Court the decision issued by the Court of Appeal of Algiers. Under Algerian law, the opposition against the ruling of the Court of Appeal suspends the effects of such ruling with regard to the fines (equal to approximately €60 million) while the ruling in favour of the civil parties (equal to approximately €139 million) is enforceable despite the pending opposition.

The judgement, whose amount has already been set aside in the financial statements as of December 31, 2021, does not affect the validity of the financing package and the achievement of the objectives of the 2022-2025 Strategic Plan.



Additional information on the proceedings in Algeria are detailed under the section “Legal Proceedings” of Saipem’s Annual Financial Report as of December 31, 2021 (pages 256 - 257).

Saipem is an advanced technological and engineering platform for the design, construction and operation of safe and sustainable complex infrastructure and plants. Saipem has always been oriented towards technological innovation and is currently committed, alongside its clients, on the frontline of energy transition with increasingly digitalised tools, technologies and processes that were devised from the outset with environmental sustainability in mind. It is listed on the Milan stock exchange and operates in 70 countries around the world with 32 thousand employees from 130 different nationalities.

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