ANNUAL REPORT 2024

SAIPEM

ENGINEERING FOR SUSTAINABLE FUTURE

WE ARE SAIPEM

We are a **global leader** in engineering services for the design, construction and operation of **complex infrastructures and plants in the energy sector, both offshore and onshore**.

The vision that inspires us is "***Engineering for a sustainable future***".

This is why we are engaged in the new low-carbon energy and industrial ecosystem. We are at the forefront of the transition to **Net Zero** alongside our clients, with increasingly digitalised tools, technologies, and processes, designed from the outset with **environmental sustainability** and **safety** in mind.

ANNUAL REPORT 2024

Ordinary Shareholders' Meeting of May 8 2025
Notice of the Shareholders' Meeting was published on the Company website and an excerpt was published in the daily newspaper "Il Sole 24 Ore" on March 12, 2025.

ESEF (European Single Electronic Format) requirements
This report has not been prepared in accordance with the EU Delegated Regulation 2019/815 (ESEF Regulation), implementing the Transparency Directive. The Annual Report in ESEF format (only in Italian language) is published in the specific section of the Company's website (www.saipem.com, Quarterly Results and Documentation) and is available at the centralised storage mechanism authorised by Consob "eMarket STORAGE" (www.emarketstorage.com).

Disclaimer
By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent upon circumstances which should or are considered likely to occur in the future and are outside of the Group's control. These include, but are not limited to: exchange and interest rate fluctuations, commodity price volatility, credit and liquidity risks, HSE risks, the levels of capital expenditure in the oil industry and other sectors, political instability in areas where the Group operates, actions by competitors, success of commercial transactions, risks associated with the execution of projects (including pandemic risks, geopolitical risks, supply chain risks and those risks related to ongoing investment projects), in addition to changes in stakeholders' expectations and other changes affecting business conditions. Actual results could therefore differ materially from the forward-looking statements. The financial reports contain in-depth analyses of some of the aforementioned risks. Forward-looking statements and data are to be considered in the context of the date of their release.

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(1) Includes the Consolidated Sustainability Statement prepared in accordance with Legislative Decree No. 125/2024 which transposed the European Directive n. 2022/2464 in Italy.

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

Saipem's performance in 2024 confirms, for the third consecutive year, the Group's growth, characterised by the recovery of competitiveness and the improvement of margins, accompanied by the acceleration in cash generation, which has led to the decisive strengthening of the financial structure, allowing it to propose a higher-than-expected dividend for 2025, based on the 2024 results.

Among the most significant results of the year was the reduction in net financial debt. Also considering the debt relating to liabilities for leased assets, as of December 31, 2024, the Group is in a net cash position.

Revenue in 2024 amounted to €14.5 billion and EBITDA to €1.3 billion, representing growth of 23% and 44% respectively compared to the previous year. Net profit for 2024 was €306 million, an increase of 70% compared to 2023.

With new contracts amounting to €18.8 billion in 2024, the backlog reached an all-time high of €34 billion, providing excellent visibility on the objectives of the 2025-2028 Strategic Plan.

Saipem has updated its strategic guidelines, confirming the improvement in the Group's performance and its ability to take advantage of the current favorable market conditions. The 2025-2028 Strategic Plan provides for an increase in economic and financial objectives.

The 2025-2028 Strategic Plan is divided into four fundamental pillars: (i) a strong emphasis on execution excellence; (ii) capitalising on upstream Oil&Gas upcycle; (iii) the paradigm shift for Onshore Engineering & Construction and the implementation of a profitable Project Management Consultancy offer; and (iv) the broader offering in energy transition. These pillars are underpinned across the board by the following three additional principles: a clear and disciplined capital allocation with the aim of achieving an investment-grade credit rating in the medium term, business simplification and operational flexibility, as well as the continuous improvement of people's health and safety.

The Board of Directors also approved the update of the dividend policy that envisages the distribution to shareholders of at least 40% of Free Cash Flow (post repayment of lease liabilities).

2024 Results

2024 closed with revenue of €14,549 million, up 23% compared to 2023. EBITDA was positive at €1,329 million (€926 million in 2023), thanks to the contribution of both Engineering & Construction and Drilling Offshore, while the net result amounted to €306 million (€179 million in 2023).

Capital expenditure made during the 2024 financial year amounted to €337 million compared to €482 million in 2023.

The pre-IFRS 16 net financial position as at December 31, 2024 was positive for €683 million, an improvement compared to the net cash of €216 million at the end of 2023, thanks to the growth in EBITDA, the lower incidence of projects awarded before 2022 and the strict discipline in the management of working capital. The net financial position, including IFRS 16 lease liability, amounted to €660 million, was positive for €23 million (negative for €261 million at the end of 2023).

New contracts, amounting to €18,812 million, recorded an increase of approximately 7% compared to 2023. The backlog at the end of 2024 reached an all-time high of €34,065 million, represented by more than 70% of projects in the Offshore business, both Engineering & Construction and Drilling.

Towards a sustainable business

Saipem's Sustainability Plan "Our journey to a sustainable business", approved by the Board of Directors for the period 2025-2028, is integrated into the company's strategic business guidelines. The Plan contains more than 100 objectives and consequent actions, indicators and targets on 13 sustainability issues concentrated in three pillars: fighting climate change and protecting the environment, focusing on people, creating value in the supply chain and in the local communities.
The 2024 Sustainability Report is Saipem's nineteenth Sustainability Report, a voluntary document structured according to the three pillars of the Plan and the related thematic areas, it is no longer just a moment of synthesis of all that the past year has entailed in terms of initiatives and results, but also aims to outline a vision of a concrete future, consisting of precise objectives, indicators and targets suitable for measuring their achievement, as well as responsibilities and resources assigned. The Report is titled "We Deliver" as it highlights the commitment to creating sustainable value for stakeholders, narrated through the participation and testimonies of Saipem employees.

At the same time, Saipem is also publishing the first "2024 Consolidated Sustainability Report" this year, prepared in accordance with the requirements of the new Italian legislation on sustainability reporting that implements the EU CSRD Directive, which is mandatorily integrated into the Annual Financial Report. Since sustainability disclosure became a European obligation in 2017, Saipem has made the far-sighted choice of integration into the Annual Report which, in addition to responding to compliance needs, demonstrates a vision that considers economic and financial sustainability and environmental, social and governance issues in their complementarity. In this sense, the description of the commitments made on these fronts and the initiatives implemented and oriented towards an increasingly sustainable business, for the benefit of our stakeholders, to face future challenges, continued.

For a Group like Saipem, which is committed to the construction of infrastructure in the energy and transport sector globally, as well as to supporting its customers on the path towards the energy and ecological transition, safety at work is a priority aspect of the business. In 2024, the TRIFR (Total Recordable Incident Frequency Rate) accident frequency index stood at 0.34, while the HLFR (High Level Frequency Rate Event) index, aimed at measuring all accidents with a high potential for harm to people, stood at 0.49. Saipem continues its commitment in this area through a program aimed at strengthening corporate culture, prevention measures and the implementation of new technologies. This approach aims not only at the absence of accidents, but above all to ensure the presence of safeguards that can significantly reduce the harmful extent of the same. A significant example is the introduction of electronic work permits (e-permit to work) and the progressive extension of the use of the Video Analytics digital solution, which, thanks to artificial intelligence, makes it possible to identify dangerous situations on our construction sites and on our fleet in real time, allowing the timely and effective implementation of corrective actions.

Saipem operates globally and is committed to contributing to the progress of local communities. The focus on social aspects, including human rights and labour protection, diversity and inclusion, and the contribution to the development of local communities takes the form of initiatives such as the creation of new jobs, the development of professional skills, the extension of ethical principles to develop a responsible supply chain, support for the local socio-economic fabric, the development of the human capital of the host communities and the introduction of corporate incentive objectives linked to gender equality.

Our commitment to the progressive reduction of the carbon footprint, in accordance with the agreements signed by Italy and Europe, continues through the Net Zero Programme launched several years ago. This program includes specific goals, including achieving carbon neutrality of Scope 2 emissions by 2025. In 2024, our energy

efficiency initiatives and measures have made it possible to avoid over 70,000 tonnes of CO_2 equivalent during the operations of our assets.
This year's ESG results, and performance demonstrate significant progress, supported by thoughtful and participatory governance. We have increasingly integrated sustainability aspects into our business strategies with the aim of creating value for our stakeholders. Our leadership position in the sector, highlighted by the main sustainability ratings and indices published by specialized agencies, and the recent recognition attributed to Saipem by a leading certification body for excellence in the management of ESG issues, confirm the goodness of the path of responsibility undertaken.

Market scenario

The current context is characterized by the prolonged positive cycle of Saipem's reference markets, and particularly the Oil&Gas market, in line with growth expectations both at the macroeconomic level and in access to secure and sustainable energy sources. However, some elements of uncertainty remain on the geopolitical level (in particular, the Russia-Ukraine conflict and instability in the Middle East) and on the economic level, linked to an intensification of protectionist policies and with the consequent risks on global supply chains. This required further attention from the Management in the formulation of accounting estimates and significant judgments. As a result, certain areas of the balance sheet, characterized by greater uncertainty in estimates, could be influenced by the future evolution of the aforementioned events and macroeconomic variables. Regarding oil and natural gas price trends, the Company believes that short-term volatility may have a limited impact on the Group's results given the nature of the Group's activities, characterized by projects with multi-year implementation times, depending on the complexity of the project. In the longer term, the outlook for an improvement in the external context is confirmed, supported by the multi-year growth cycle that the Oil & Gas market is going through and the consolidation of opportunities in the field of energy transition and clean technologies.

March 11, 2025

On behalf of the Board of Directors

The Chairman	*The Chief Executive Officer-General Manager*
Elisabetta Serafin	Alessandro Puliti

01.

SAIPEM AT A GLANCE

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SAIPEM INDUSTRIAL'S PROPOSAL

Saipem plays a key role in the energy sector, contributing with a wide range of services to the construction of offshore and onshore energy plants and infrastructures. To this end, Saipem collaborates with a large and diversified ecosystem of suppliers and subcontractors and safely manages numerous shipyards and naval vessels. In addition to its commitment to the energy industry, Saipem operates in the infrastructure sector with services in the civil construction and sustainable transport sectors, in particular railways. Thanks to its engineering and project management capabilities, its vehicles and construction sites and its technological expertise, Saipem generates value for its clients in both traditional and renewable energy. In particular, with reference to traditional energies, Saipem assists its clients throughout the raw material production and processing chain, offering services in offshore drilling, upstream, midstream, downstream and also providing solutions for the production of fertilizers. In the field of renewable sources and clean tech, Saipem is engaged in the construction of offshore wind infrastructure, as well as proposing various industrial solutions useful for decarbonisation, such as CO_2 management and hydrogen treatment.

(1) Includind hydrogen and Power-to-X, geothermal energy, nuclear energy, surveillance solutions, chemical plastic recycling processes.

COMPANY PROFILE

We are a global leader in the engineering and construction of major projects for the energy and infrastructure sectors, offshore and onshore.
We are a "one company" with distinctive competences, technological innovation capabilities and high-tech assets, able of identifying and developing multiple solutions to meet our clients' needs for a sustainable business.

>50
COUNTRIES

>30,000
PEOPLE

6
FABRICATION YARDS

5
MAIN ENGINEERING HUBS

>2,500
ACTIVE PATENTS

15
DRILLING SHIPS
(9 owned, 6 leased)

17
CONSTRUCTION VESSELS
(owned)

We are a "One Company" organised into six business lines: Offshore E&C, Offshore Drilling, Onshore E&C, Offshore Wind, Sustainable Infrastructures, Robotics & Industrialized Solutions, with distinctive capabilities, skills and high-tech assets, able to identify and develop multiple solutions to meet our clients' needs for a sustainable business. Our business model is designed to foster synergies between our operating sectors and the market in which we operate. We aim to develop solutions that enhance efficiency, minimise the environmental impact of our products and services, and improve the safety of both employees and clients. **The six business lines are further organised into three reporting segments:** Asset Based Services, Offshore Drilling and Energy Carriers.

ASSET BASED SERVICES

Offshore E&C

- **Diversified fleet** for offshore construction;
- **Several yards** located in key areas for the sector;
- **Shallow waters platforms**, flowlines, EPCI & T&I;
- **SURF** (Subsea, Umbilicals, Risers, Flowlines)
- **MMO & Decommissioning.**

Offshore Wind

- **Fixed Wind:** foundations, offshore substations, jackets supply & fabrication, O&M and robotics, for Life of Field services, EPCI, T&I schemes.
- **Floating Wind:** foundation technologies, (Hexafloat & STAR-1), O&M and robotics, for Life of Field services, EPCI, T&I schemes.

OFFSHORE DRILLING

Our **fleet** is capable of operating at all depths:

- **Ultra deepwater vessels** with dual derrick capacity;
- **Semi-submersible vessel** for harsh environments;
- **Rejuvenated jack-up** fleet for shallow waters.

ENERGY CARRIERS

- Upstream
- Floaters & GBS
- LNG & regassification plants
- Gas monetisation
- Biofuels
- Hub CCUS
- O&M Services

Onshore E&C

- HC/HS railways
- Subways and tramways
- High-end services for infrastructural works monitoring and efficiency improvement

Sustainable Infrastructures

- CO_2 Solutions
- Green hydrogen
- Green ammonia
- Plastic Recycling
- Underwater robotics
- Subsea Factory

Robotics and Industrialized Solutions

MISSION AND VALUES

01 / Mission

We work alongside our clients to transform their startegies and projects into competitive, safe and sustainable infrastructures, plants and processes accompanying them on the energy transition pathway towards Net Zero.

02 / Values

We value creative talent. We look after health and safety of our people, communities and the environment and are committed to building relationships of trust. We foster a culture that values diversity and actively promotes inclusivity.

03 / Purpose

Always oriented towards technological innovation, the vision that inspires us is **“Engineering for a sustainable future”**.
Engineering is Saipem's DNA and shapes its business, activities and industrial solutions. Everything that we do is based on a clear vision of tomorrow.
We empower change by ensuring that our clients’ needs are always met. We design and engineer new solutions to guarantee sustainable and safe access to energy and mobility, thus contributing to the creation of a greener world. With our work, we are building a bridge to the future, generating value over time.
For everyone.

OUR APPROACH TO SUSTAINABILITY

Guided by our vision "Engineers for a sustainable future", we are dedicated to create value for all our stakeholders, integrating environmental, social and governance (ESG) issues into business strategies and processes.

“Our sustainable business“ policy identifies the commitments that guide us in contributing to the Sustainable Development Goals (SDGs) and defines the principles and pillars that contribute to the sustainable success of our business:

- Climate change mitigation and adaptation;
- Protection of the environment and biodiversity;
- Protection of human and labour rights;
- Stakeholder engagement;
- Local value creation.

01 / Our sustainable business: the sustainability policy

Commitment to sustainable development

Our Sustainability Policy reinforces our commitment to operating responsibly in all the countries where we are present, guided by our principles of ethics, respect, inclusion, transparency, and fairness.
It emphasises sustainability as key to long-term value and collective well-being, outlining the five dimensions of our approach.

CLIMATE CHANGE MITIGATION AND ADAPTATION

We are committed to supporting our clients in the energy transition and towards the decarbonisation of production activities, and to improving the efficiency of our assets and activities, involving the entire value chain in our journey towards the Net Zero goal..

HUMAN AND LABOUR RIGHTS

We are committed to respecting internationally recognised Human Rights, promoting them within our activities and in partnership with our partners and vendors, and creating a context of mutual respect and trust between Saipem, its people and local stakeholders.

ENVIRONMENT AND BIODIVERSITY

We are committed to protecting and conserving biodiversity and ecosystems, recognising their importance to human well-being and natural capital. We assess, manage, mitigate, restore and compensate environmental risks and impacts, across our operations and value chain, striving for continuous improvement of our performance.

STAKEHOLDER ENGAGEMENT

We are committed to establishing relationships based on fairness and transparency with our stakeholders, where listening and engagement are fundamental elements for building shared value and pursuing concrete sustainable development goals.

LOCAL VALUE CREATION

We are committed to create local value by generating opportunities for the growth and enhancement of people, by contributing to the socio-economic development of the areas in which we operate, and by engaging with local stakeholders.

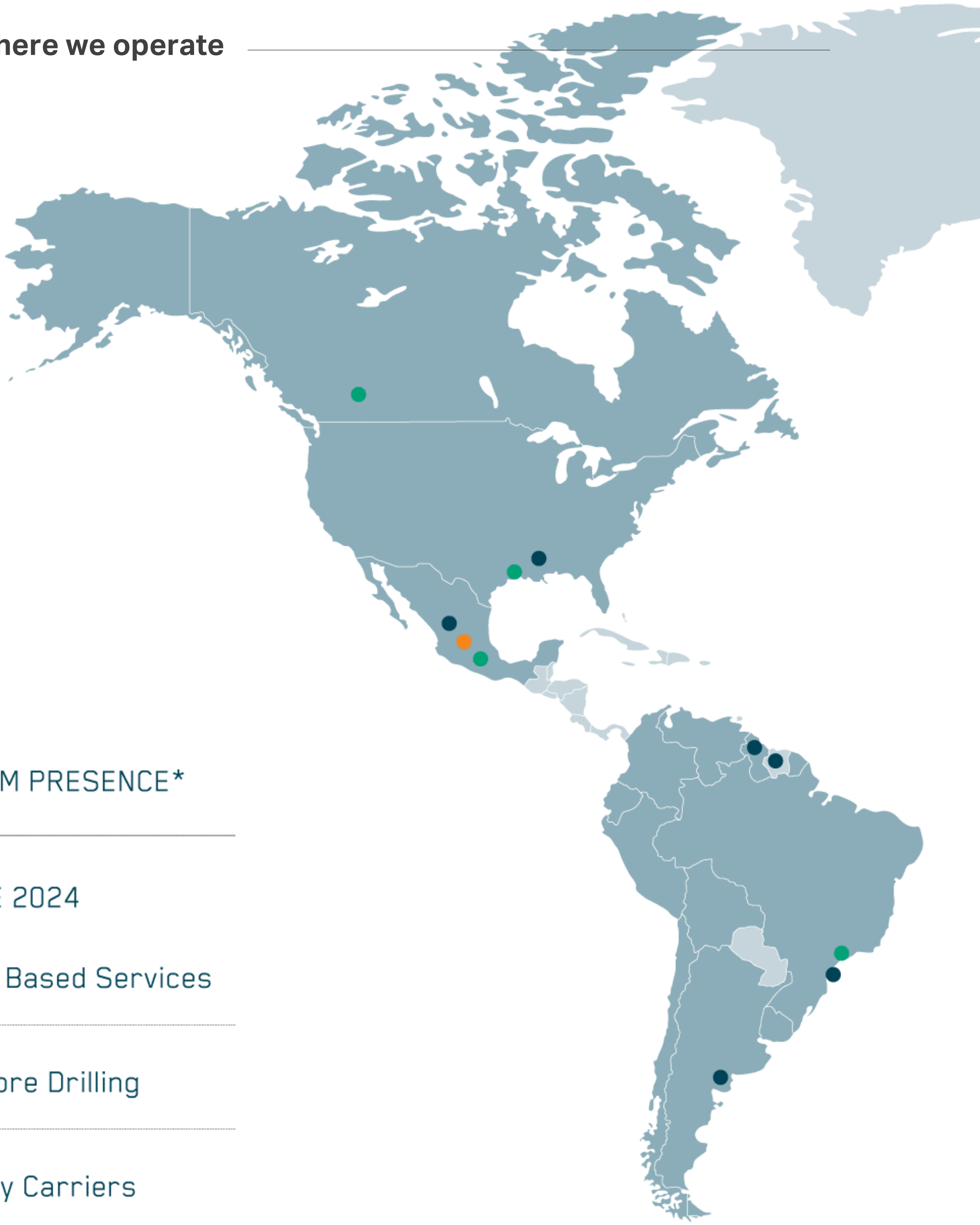
To make this a tangible commitment, Saipem annually updates its "Our journey to a sustainable business" Sustainability Plan, result of an integrated strategy that combines business and financial objectives with ESG criteria, geared toward generating value for stakeholders.

02 / 2025-2028 Sustainability Plan

Saipem's Sustainability Plan1 describes how we intend to work to achieve our sustainable business strategy and create long-term shared value.
Introduced in 2022, our rolling four-year plan integrates sustainability and ESG topics into our business strategy by setting clear, material and verifiable targets. The new 2025-2028 plan is organised around three pillars – Climate change mitigation and environmental protection, People centricity and Value creation – and related thematic areas, each connected to relevant UN Sustainable Development Goals (SDGs). Our 2024-2027 plan included 11 thematic areas, which were extended to 13 in the new 2025-2028 plan.

SAIPEM IN THE WORLD

01 / Where we operate



SAIPEM PRESENCE*

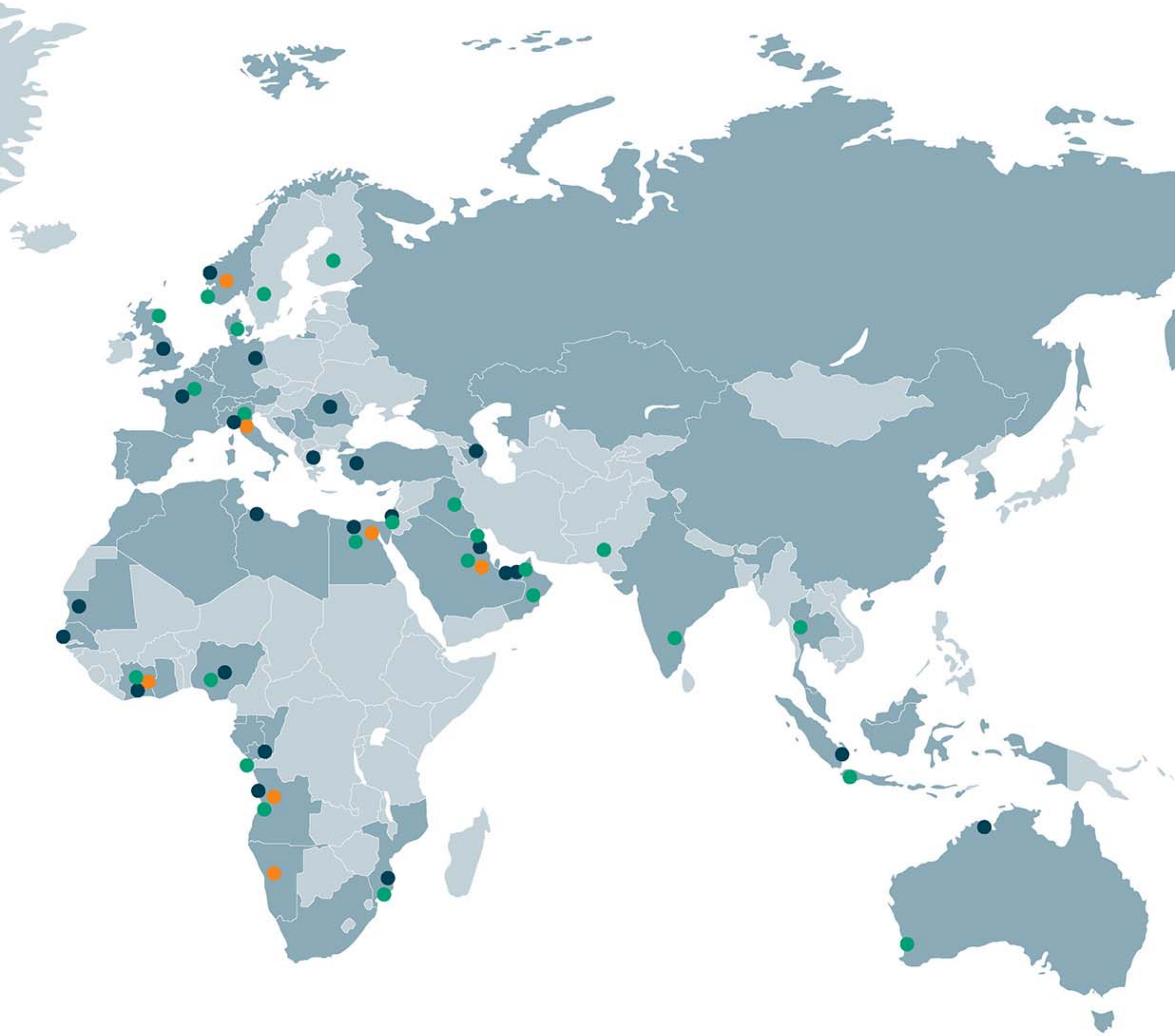
REVENUE 2024

Asset Based Services

Offshore Drilling

Energy Carriers

(*) Permanent presence in the Coutry of person and/or organisations (companies or branches).



02 / Our people

HEADCOUNT

>30,000

HEADCOUNT

locally employed 72%

HEADCOUNT BY GENDER

women 12% men 88%

HEADCOUNT BY AGE

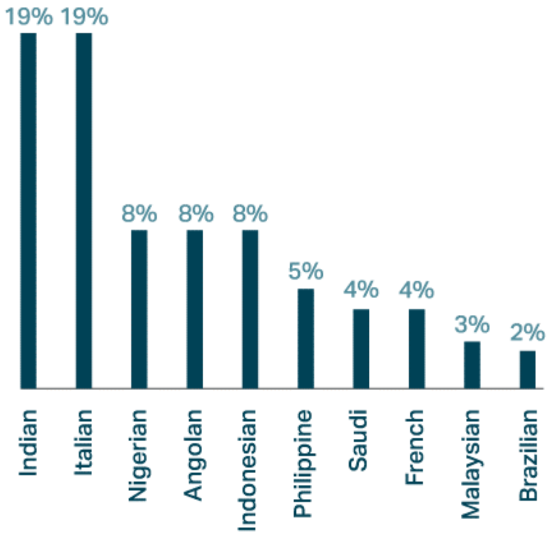
<30 years	12%
30-50 years	69%
>50 years	19%

HEADCOUNT BY LEVEL

Senior Manager	1%
Middle Manager	16%
White Collar	50%
Blue Collar	33%

NATIONALITY

>130



ENGINEERS

19%

PERSONNEL ON BOARD

22%

OUR CLIENTS

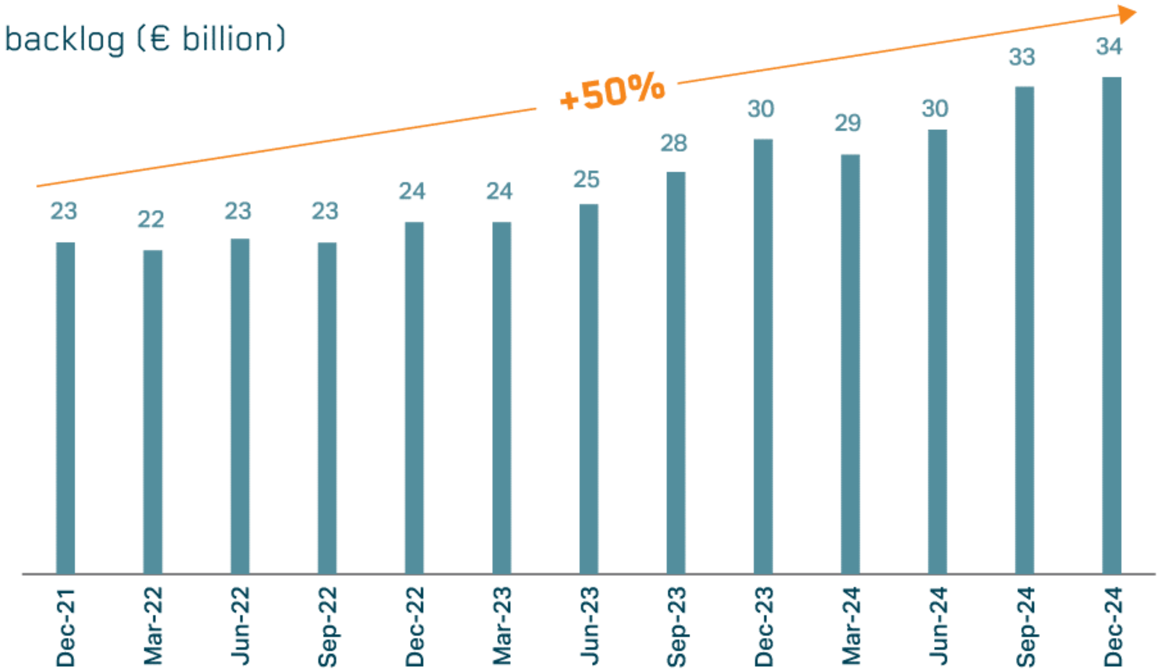
Saipem's client portfolio is wide and diversified, and today includes the major Western International Oil Companies, the major National Oil Companies in the Middle East and some companies active in the world of Utilities and Infrastructures.

LARGEST CLIENTS

International & Independent Oil Companies	Total	ExxonMobil
	Eni	BP
National Oil Companies	QatarEnergy	OMV Petrom
	Saudi Aramco	Petrobras
	ADNOC	
Utilities, Infrastructures & Others	Perdaman	
	Rete Ferroviaria Italiana	
	Eoliennes Offshore du Calvados	
	Snam Rete Gas	

BACKLOG

Backlog has increased significantly over the past three years, thanks to a favourable reference market.



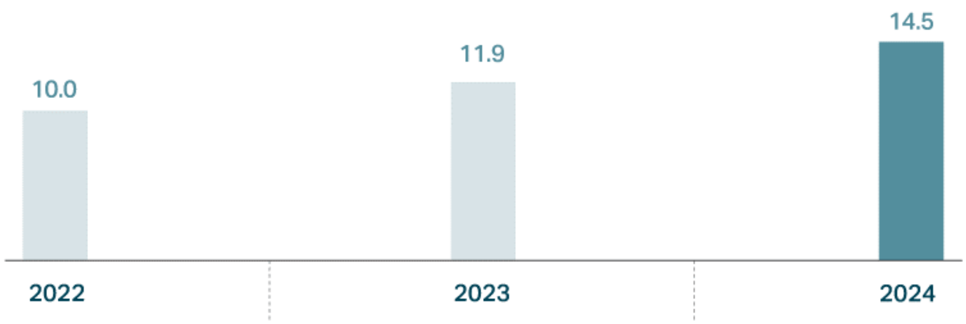
Saipem's backlog has reached a record level in terms of size and is currently very diversified, covering both offshore EPC activities (in shallow water and deep water), offshore drilling activities (in shallow water and deep water) and onshore EPC activities (including LNG plant projects, floating production, storage and offloading units, fertilizer production plants, high-speed infrastructure).

FINANCIAL PERFORMANCE

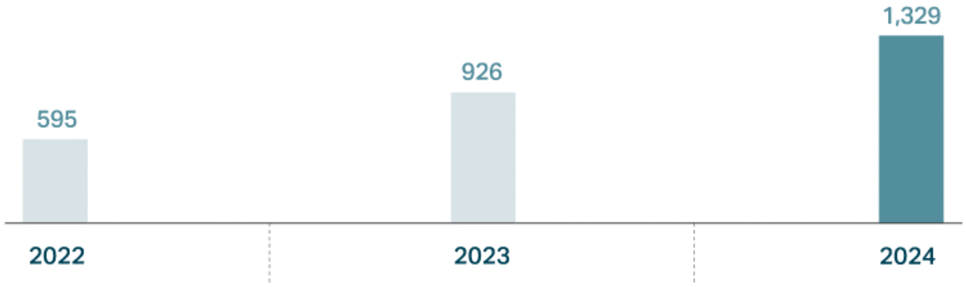
Saipem's financial performance has shown a steady improvement over the last three years thanks to the growth of the backlog and the progressive decrease in incidence of problematic projects.

The growth revenue translated into growth in both EBITDA and profitability of the Group, furthermore, the Group which also experienced a substantial enhancement in its EBITDA conversion rate to Operating Cash Flow in 2024.

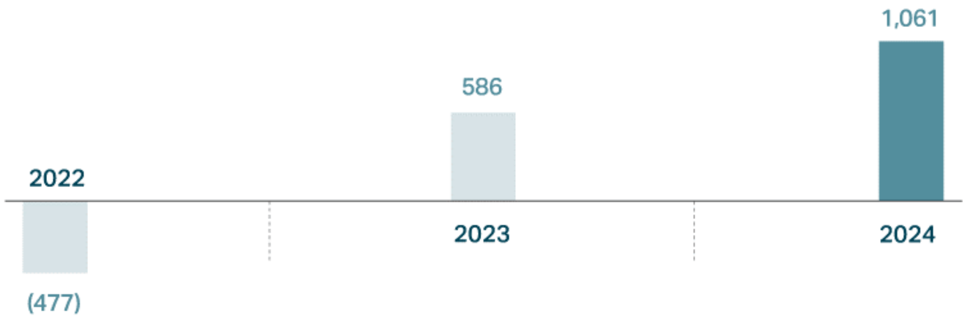
REVENUES (B€)



EBITDA (M€)



OPERATING CASH FLOW[1] (M€)



(1) Operating Cash Flow equals to Net Result, plus D&A and other non-monetary items, minus changes in Net Current Assets.

SAIPEM SpA SHARE PERFORMANCE

In 2024, the Saipem Group continued its growth and consolidation, exploiting the favourable market conditions and the resumption of the cycle of investments in the energy sector to the full.
In this positive context, in 2024 Saipem shares recorded 71% growth, significantly exceeding the performance of the FTSE MIB index (+13%), the Stoxx Europe 600 (+5%) and the S&P 500 (+24%).

In the first part of the year, Saipem shares were negatively affected by two adverse events, both announced on January 30, 2024: the incident on the Castorone vessel in Australia and Saudi Aramco's announced reduction of its maximum production capacity target. On this date, Saipem shares fell by 13% and on February 9, 2024 reached their minimum level for 2024 (€1.26).

The presentation of the results for the financial year 2023 and the Strategic Plan 2024-2027 on February 28, 2024 was welcomed by the market, strengthening the company's share performance. The Guidance 2024 and medium-term targets given in the updated Plan led to a significant improvement in the analysts' estimates for 2024-2027 and the envisaged return to dividends in 2025 (based on the results of 2024) further strengthened the market confidence in Saipem. On the day the 2023 results were published, the Saipem share recorded a 13% increase, and continued to grow in the following weeks, reaching a maximum value for the first half of the year of €2.41 on April 12, 2024.

KEY STOCK EXCHANGE INDICES AND FIGURES

		Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2024
Share capital	(€)	2,191,384,693	2,191,384,693	501,669,791	501,669,791	501,669,791
No. of ordinary shares		1,010,966,841	1,010,966,841	1,995,557,732	1,995,557,732	1,995,557,732
No. of savings shares		10,598	10,598	1,059	1,059	1,059
Market capitalisation		17,532,670	21,394,893	415,957	398,649	38,370,464
Gross dividend per share:	(€ million)	2,235	1,871	2,255	2,934	5,009
- ordinary shares					-	
- savings shares	(€)	-	-	-	-	0,17
Price/earnings ratio per share: [1]	(€)	-	-	-	5.00	5.00
- ordinary shares						
- savings shares	(€)	-	-	-	16.38	16.05
Price/cash flow [*] ratio per share: [1]	(€)	-	-	-	986.43	550.06
- ordinary shares						
- savings shares	(€)	16.03	-	17.34	4.35	4.77
Adjusted price/earnings ratio per share:	(€)	326.31	-	1,181.74	261.98	163.57
- ordinary shares						
- savings shares	(€)	-	-	-	16.38	16.05
Adjusted price/cash flow [*] ratio per share:	(€)	-	-	-	986.43	550.06
- ordinary shares						
- savings shares	(€)	6.80	-	12.39	4.35	4.77
Share capital	(€)	54.30	-	844.10	261.98	163.57

(*) Cash flow: net profit plus depreciation and amortisation.
(1) Figures pertain to the consolidated financial statements.

In the following months, the shares remained fairly stable, also in consideration of the quarterly results, in line with expectations.
From August to September 2024, Saipem shares did not perform particularly well, mainly due to weak oil prices. The minimum value reached in the second half of the year was €1.80 on September 10, 2024.
With the publication of the results for the third quarter on October 23, 2024, and particularly thanks to the strong order portfolio recorded in the period and the improved guidance 2024, the share increased its value. The maximum annual value of €2.64 was reached on December 19, 2024; the share value closed the year at €2.51.

Details of performance during the reporting period are presented below.

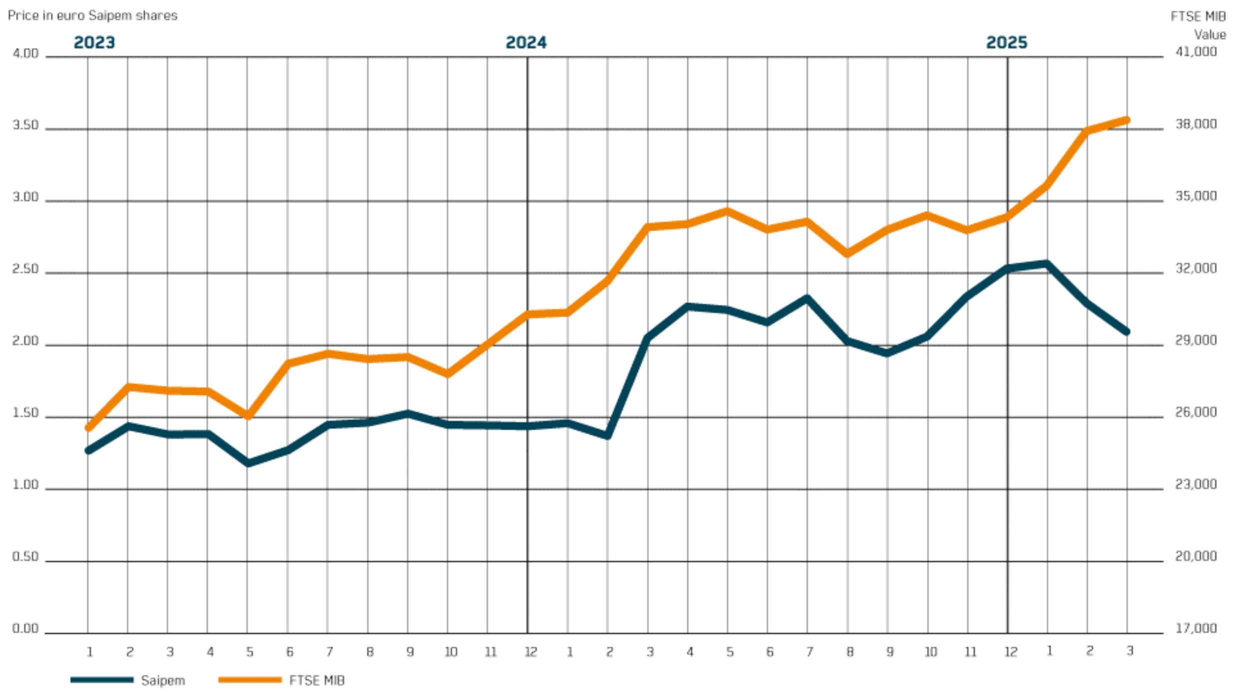
LISTING ON THE MILAN STOCK EXCHANGE

(€)	2020	2021	2022	2023	2024
Ordinary shares:					
- maximum	11.28	6.66	5.12	1.62	2.64
- minimum	3.42	4.34	0.58	1.14	1.26
- average	5.93	5.30	2.00	1.40	2.06
- end of the period	5.54	4.63	1.13	1.47	2.51
Savings shares:					
- maximum	450.00	450.00	350.00	88.50	101.00
- minimum	420.00	360.00	72.50	77.00	86.00
- average	433.65	418.44	136.68	79.30	91.19
- end of the period	450.00	370.00	77.00	88.50	86.00

The figures have been restated following the reverse stock split and the share capital increase.

For comparison purposes, all historic prices in the table and graph have been adjusted following the two equity groupings completed in the first half of 2022 linked to the capital increase.

SAIPEM AND FTSE MIB - AVERAGE MONTHLY PRICES JANUARY 2020-MARCH 2025



The values shown in the table are not to be considered, for the periods of reference, as indicators of return on equity investment, mainly due to the capital increase on a rights offering completed in July 2022.

CREDIT RATING

On the date of this document, Saipem's long term issuer rating by Standard & Poor's (S&P) is BB+ (with stable outlook) and Ba2 (with positive outlook) according to Moody's.
During the year, both ratings were reviewed by both agencies: S&P confirmed the credit rating assigned previously to Saipem, while Moody's raised Saipem's credit rating from Ba3 to Ba2, at the same time maintaining a positive outlook.
It is also reported that in May 2024 Saipem completed the new Euro Medium Term Note bond programme, for a total amount of €3,000 million.

RATING AGENCY	LONG TERM	OUTLOOK	ALLOCATION DATE
Standard & Poor's	BB+	Stable	December 2, 2022
Moody's	Ba2	Positive	April 15, 2024

ESG INDICES AND RATINGS

Over the years, Saipem has generally maintained or improved its positioning in the main ESG ratings, reaching a leading sector position for most of them. This reflects Saipem's continuous improvement in sustainability performances, supported by transparent and reliable disclosure of sustainability information.

Main ESG ratings at December 31, 2024

MAIN ESG RATING AGENCIES	RATING	AVERAGE SECTOR RATING
MSCI	A	BBB
Sustainalytics	21.8	27.1
S&P	79	28
CDP	B	C

02.

DIRECTORS' REPORT

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HIGHLIGHTS 2024

REVENUES

€14,549 mln in FY24

VS. €11,874 mln in FY23

EBITDA

€1,329 mln in FY24

VS. €926 mln in FY23

NET RESULT

€306 mln in FY24

VS. €179 mln in FY23

NET CASH (PRE - IFRS 16)

€683 mln in FY24

VS. €216 mln in FY23

NEW CONTRACTS

€18,812 mln in FY24

VS. €17,659 mln in FY23

BACKLOG

€34,065 mln in FY24

VS. €29,802 mln in FY23


SAIPEM 7000
AMERICAN
SAIPEM 7000

GHG EMISSIONS (SCOPE 1+2) AVOIDED

70 kt CO_2 eq

due to energy management initiatives

TOTAL RECORDABLE INCIDENT FREQUENCY RATE (TRIFR)

0.34

TRAINING HOURS DELIVERED TO EMPLOYEES

>832,000

of which **69%** on HSE topics

GENDER PAY-GAP

-2.58%

R&D EXPENDITURE

€33 mln

MAIN OPERATIONAL SITES WITH HUMAN RIGHTS RISK ASSESSMENT

100%

MAIN EVENTS OF THE YEAR 2024

MARCH

Signed a Letter of Intent, received by the Northern Endurance Partnership, for the **development of CO_2 offshore transportation and storage facilities** for the East Coast Cluster in the UK.

Completed the prepayment of the €387 million loan with a pool of Italian and international banks, 70% of which was guaranteed by SACE under the "**SupportItalia**" programme.

Signed a Memorandum of Understanding with Fincantieri with the aim of evaluating opportunities for cooperation in subsea robotics for surveillance and control of critical underwater infrastructure.

APRIL

Received from ExxonMobil Guyana Ltd and its Stabroek block coventurers the **authorisation to proceed with the execution of the Whiptail oilfield development project**, situated in the offshore Guyana, at a water depth of approximately 2,000 meters, entails the detailed Engineering, Procurement, Construction, and Installation (EPCI) of a subsea production facility.

MAY

Awarded three new contractsby TotalEnergies EP Angola Block 20 for the Kaminho project relating to the development of Cameia and Golfinho oil fields, located approximately 100 kilometres off the coast of Angola. The joint award of the SURF (Subsea Umbilicals, Risers, Flowlines), FPSO and O&M contracts **confirms the competitiveness of Saipem's integrated business model**.

Successfully completed the placement of a new fixed rate non-convertible and unsubordinated bond for a total principal amount of €500 million, with maturity in May 2030. Completed the repurchase of bonds worth €104 million and €259 million maturing in 2025 and 2026, respectively, financed by the issuance of a €500 million bond maturing in 2030.

Awarded by Azule Energy Angola, **the Ndungu project**, as part of Agogo Integrated West Hub Project, located approximately 180 kilometres off the coast of Angola.

Integrated Acoustic Unit winner of **2024 Spotlight on New Technology Award** by Offshore Technology Conference (OTC) for its technology for the digital monitoring of subsea pipelines during laying operations called Integrated Acoustic Unit (IAU).

JULY

Awarded two offshore projects in Saudi Arabia, under the existing Long-Term Agreement (LTA) with Saudi Aramco, for activities to be carried out at the Abu Safa, Berri and Manifa fields.

Signed a framework agreement between BP Exploration Ltd and a consortium composed of Saipem Contracting Netherlands BV, BOS Shelf Llc and BOS Shelf International FZCO, **which entails the execution of offshore activities in the Azerbaijani waters of the Caspian Sea** using the SCV Khankendi vessel owned by the client.

AUGUST

Obtained by RINA the Approval in Principle (AiP) and the Technology Qualification, two certificates of primary importance in the development of innovative technologies related to the transport of gaseous hydrogen, which pave the way for further qualification processes and large-scale methodology.

SEPTEMBER

Awarded two offshore projects in Saudi Arabia, under the existing Long-Term Agreement (LTA) with Saudi Aramco, for activities to be carried out at the Marjan, Zuluf and Safaniyah fields.

Awarded by QatarEnergy LNG, the Combined COMP3A & COMP3B of the North Field Production Sustainability Offshore Compression Program, aimed at sustaining the production of the North Field offshore natural gas reservoir, located offshore the north-east coast of Qatar.

Saipem and newcleo have signed a collaboration agreement to identify innovative solutions to produce zero-emission electricity. The agreement includes a feasibility study on the development of floating nuclear prototypes.

OCTOBER

Saipem and Nel ASA, during the 2024 World Hydrogen Week, unveiled a scalable and modular 100 MW green hydrogen solution leveraging Nel's technology, advancing the decarbonisation of hard-to-abate industries and renewable hydrogen production.

Signed a Memorandum of Understanding with Geolog and Ignis H2 Energy, companies specialised into the geothermal sector. The goal is to develop advanced technological solutions and conduct feasibilities studies for new geothermal plants in order to obtain clean and renewable energy, in Italy and on a global scale.

Saipem's **Bluenzyme technology** is expected to be applied to capture CO_2 emissions at the waste-to-energy plant of the subsidiary **Herambiente in Ferrara**, this is the first in Italy and among the first in Europe designed for waste-to-energy plants.

NOVEMBER

Awarded an EPCI contract by TotalEnergies EP Suriname BV for the subsea development of the GranMorgu project, located in the Block 58 oil and gas field, 150 kilometres off the coast of Suriname.

Awarded an EPCI contract by BP Berau Ltd, for Ubadari field development, enhanced gas recovery through carbon capture, utilisation and storage and onshore compression, operated by BP Berau Ltd and located in Papua Barat Province, Indonesia.

DECEMBER

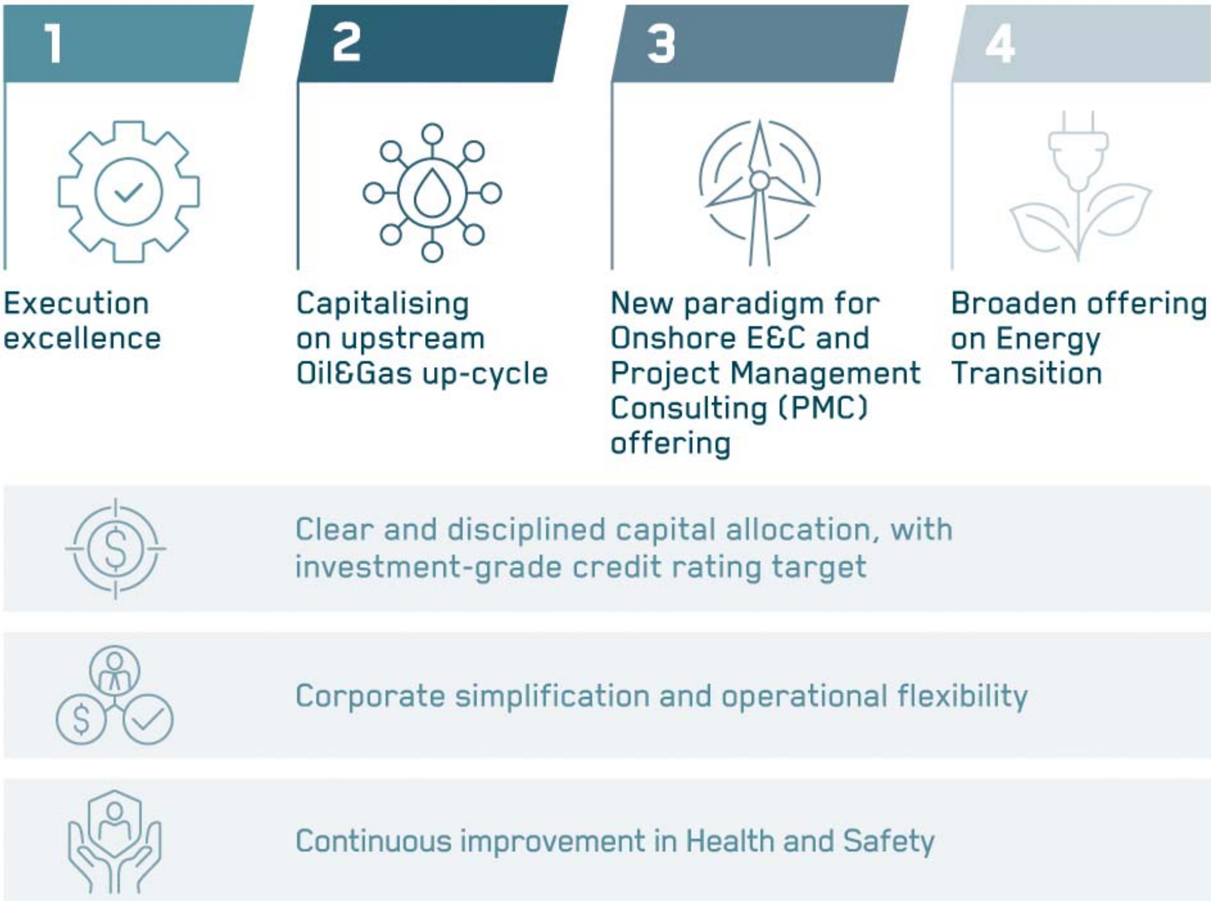
Awarded two projects Northern Endurance Partnership (NEP) and Net Zero Teesside Power (NZT) for the development of offshore facilities for the transportation and storage of CO_2 of the East Coast Cluster in the United Kingdom.

Awarded a new offshore contract by Shell Nigeria Exploration and Production Co Ltd for the Bonga North Project, relevant to the development of a deepwater oil field, 130 kilometres off the coast of Nigeria.

Signed a **Memorandum of Understanding (MoU) with AVEVA** to co-develop enhanced solutions based on **artificial intelligence** and machine learning to support the engineering design and construction of energy and infrastructure facilities.

STRATEGY

Strategic plan is based on four main pillars



Saipem's Strategic Plan for the period 2025-2028 is based on four main pillars:

1. **Execution excellence** involves prioritising health, safety, and the environment (HSE) using AI tools, safety equipment like drones and cameras to prevent accidents. It includes maintaining a state-of-the-art fleet with targeted improvements, adopting a capital-light approach, reducing risks through execution-focused engineering, and pursuing modularisation in construction and fabrication.
2. **Capitalising on upstream Oil&Gas up-cycle**: the company plans to fully utilise its fleet during the plan period, maintaining its presence in key markets while exploring opportunities in emerging countries. Saipem will monitor growth prospects and consolidation initiatives for offshore drilling in deep water and harsh environments. Additionally, the company will reassess strategic options for the shallow water offshore drilling sector, investigating new business opportunities.
3. **New paradigm for Onshore E&C and Project Management Consulting (PMC) offering**: Saipem aims to prioritise value generation over activity volume in its onshore backlog by adopting a selective commercial approach. This involves reducing the number of projects and gradually decreasing reliance on fixed price lump sum EPC contracts, favouring EPC contracts with a more balanced risk profile, engineering services, and PMCs. Additionally, Saipem plans to increase the recurring revenues from Operation & Maintenance.
4. **Broaden offering on Energy Transition**, both onshore and offshore, with a focus on CO_2 management, Green and Blue Solutions, biofuels/SAF, LNG, geothermal and offshore wind.

Broaden offering on Energy Transition, both onshore and offshore

RECENT ACTIVITIES

ONGOING EPC PROJECTS

- Project for **CO_2 transportation** for NEP and NZT
- **Urea Plant** for Perdaman
- Six projects in **offshore wind** completed (1 ongoing)
- Large scale **CO_2 capture** for **Stockholm Exergi**
- **Biorefinery** project for Eni
- **Green Ammonia storage**

ACTIVITIES UNDER DEVELOPMENT

- **STAR1** technology commercial development in **floating offshore wind**
- **CO_2 Bluenzyme™** project selected to receive funding with **Hera**
- **CO_2** capture plant with Bluenzyme™ for **Ren-Gas**
- **IVHY™ 100** to produce **green hydrogen** (in partnership with Nel)
- MoU with **Geolog** and **Ignis H2 Energy** into the geothermal energy

STRATEGIC DRIVER

1. Continue to pursue activities in the business area of **CO_2 management**
2. Growing in the business area of **Blue and Green fertilisers**
3. Expanding the presence in **biofuels/Sustainable Aviation Fuels**
4. Continue to be selective in opportunities and partners for **Liquefied Natural Gas** projects
5. Develop an integrated design of **Wind Turbine Generators** and **foundations** in collaboration with offshore wind turbine manufacturers

During the 2025-2028 plan, Saipem will focus its energy transition offering on CO_2 management, where it can provide services along the entire value chain, blue and green fertilisers, low-carbon hydrogen, biofuels, SAF, LNG, where we will be selective in terms of projects and partners, and geothermal energy. In the business of offshore wind, Saipem will leverage its consolidated experience and proprietary technology in fixed foundation applications, also through collaboration with developers and manufacturers of turbines and foundations. In addition, Saipem aims to consolidate its position in floating offshore wind through the validation and industrialisation of technologies such as Star1.

GOVERNANCE

Saipem SpA adopts a traditional administration and control model which consists of:
- **the Board of Directors**, a central body in the corporate governance system, which is entrusted with the management of the Company and which plays a fundamental guiding role, also for the achievement of sustainable development objectives, as well as a central role in internal control and risk management;
- **the Board of Auditors,** dealing with supervision and control;
- **the Shareholders' Meeting**, as the corporate entity that conveys the will of the company through resolutions adopted in accordance with the law and the Articles of Association. It is up to the Shareholders' Meeting to appoint the Board of Directors and its Chairman for a period of maximum three financial years.

Taking into account the recommendations and principles of the Corporate Governance Code, with a resolution passed on May 18, 2021, the Board of Directors in office until May 14, 2024 has set up the following internal committees with inquiry, proposal and advisory functions: the Remuneration and NominationCommittee, the Control and Risk Committee, the Related Parties Committee and the Sustainability, Scenarios and Governance Committee.

The Board of Directors and each Committee have their own rules governing, specifically, their set-up, tasks, and operation.

Saipem's governance system is based on international best practices on the subject and, in particular, on the principles included in the Corporate Governance Code – adhered to by the Company on December 17, 2020 – as well as the applicable provisions included in the regulatory framework issued by the National Commission for Companies and the Stock Exchange (Consob). The Shareholders' Meeting held on May 14, 2024 appointed the new the Board of Directors for the years 2024, 2025, and 2026, its mandate expiring on the date of the Shareholders' Meeting called to approve the Financial Statements as at December 31, 2026. On the same date, the Board of Directors appointed the new members of the Board Committees.

The **"Corporate Governance and Shareholding Structure Report 2024"** (hereinafter the "Report") provides a general and complete framework of the corporate governance system adopted by Saipem SpA. The Report, drafted pursuant to Article 123-*bis* of the Italian Consolidated Law on Finance (TUF) is a stand-alone document approved by the Board of Directors on March 12, 2024, and published on the Company's website www.saipem.com under the "Governance | Documents" section.

The Report was drafted in accordance with the criteria contained in the "Format for Corporate Governance and Shareholding Structure Report - X Edition (December 2024)" of Borsa Italiana SpA. It ensures to provide, in accordance with the peculiarities of the business and corporate purposes, correct, exhaustive and effective information, as required by the market; the new edition of the Format also takes into account the new regulation on corporate sustainability reporting, which introduces sustainability reporting requirements for listed companies (the ESRS reporting principles adopted by the European Commission with Regulation 2023/2772 of July 31, 2023) which also include information pertaining to the corporate governance of issuers.

The Report illustrates the Company's profile and the principles it is based on, information on its shareholding structure and its adherence to the principles mentioned in the Corporate Governance Code. It also includes the main governance practices, as well as a summary of the main considerations that emerged from the analysis and discussion of the annual letter by the Chairman of the Italian Corporate Governance Committee sent to all Italian listed companies on December 18, 2024, containing the *"2024 Report on the evolution of corporate governance of listed companies - 12th report on the application of the Corporate Governance Code"* and recommendations for 2025.

The Report includes a detailed description of how the administration and control bodies and their committees are structured and function, also in the light of the diversity policies adopted by Saipem and equal access to the administration and control bodies of listed companies. It also includes an explanation of the roles, responsibilities and competencies assigned to the Company's administration and control bodies. The Report also illustrates the main characteristics of the internal control and risk management system.

SAIPEM HEAD OFFICE,
Spark 1

It also acknowledges the adoption by Saipem SpA of: (i) the Management System Guideline on "Transactions with Related Parties and Persons of Interest", which establishes the principles and rules to which Saipem SpA and its subsidiaries must adhere in order to ensure the transparency and substantive and procedural fairness of transactions with related parties and persons of interest, directors and statutory auditors and senior managers with strategic responsibilities (SMSR) of Saipem, carried out by Saipem or its subsidiaries; (ii) the Management System Guideline "Market Abuse", which establishes the principles and rules to which Saipem SpA and its subsidiaries must adhere in the management within the Saipem Group and in the external communication of corporate documents and information concerning Saipem. This is particularly relevant for material information and inside information, the drawing, keeping and updating of Registers of persons who have access to the aforementioned information, as well as the identification of relevant persons and the procedures for communicating transactions carried out, also through third parties, on shares issued by Saipem or on other financial instruments connected to these shares; (iii) the policy for managing the dialogue with shareholders and other stakeholders, in line with Recommendation No. 3 of the Corporate Governance Code, taking into account the engagement policies adopted by institutional investors and asset managers.
The above documents are available on Saipem's website in the section "Governance | Documents".
The criteria applied for determining the remuneration of Directors are illustrated in the **"Report on Remuneration Policy and Compensation Paid 2025"**, drafted in accordance with Article 123-*ter* of Italian Legislative Decree No. 58/1998 and Article 84-*quater* of the Consob Issuers Regulation published in the "Governance | Documents" section of Saipem's website.

Saipem SpA corporate bodies

BOARD OF DIRECTORS[1]

Independent Directors | Executive Director | Non-Independent Directors

(1) Appointed by the Shareholders' Meeting on May 14, 2024, for three financial years, and in any case up to the date of the Shareholders' Meeting which will be called to approve the financial statements as at December 31, 2026

(2) The Shareholders' Meeting on May 14, 2024, appointed Alessandro Puliti as member of the Board of Directors, his mandate expiring together with those of the current Directors, i.e., at the Shareolders' Meeting convened to approve the financial statements as at December 31, 2026. On May 14, 2024, the Board of Directors appointed Alessandro Pulti, already General Manager of the Company, as a Chief Executive Officer.

HEADCOUNT BY GENDER

4 women
44%

5 men
56%

LIST OF ORIGIN

majority

minority

HEADCOUNT BY AGE

30-50 years	11%
>50 years	89%

TENURE

0-3 fiscal years	67%
4-6 fiscal years	22%
>7 fiscal years	11%

BOARD OF STATUTORY AUDITORS[3]

CHAIRMAN
GIOVANNI FIORI

STATUTORY AUDITORS
ANTONELLA FRATALOCCHI
OTTAVIO DE MARCO

ALTERNATE AUDITORS
MARIA FRANCESCA TALAMONTI
RAFFAELLA ANNAMARIA PAGANI

AUDIT AND RISK COMMITTEE

CHAIRMAN
PAUL SCHAPIRA

MEMBERS
FRANCESCA SCAGLIA
PATRIZIA MICHELA GIANGUALANO

COMPLIANCE COMMITTEE

CHAIRMAN
RENATO RORDORF

EXTERNAL MEMBERS
STEFANIA CHIARUTTINI
MAURIZIO BORTOLOTTO
GIOVANNI FIORI

INTERNAL MEMBER
MAURIZIO BONZI

REMUNERATION AND NOMINATION COMMITTEE

CHAIRMAN
FRANCESCA MARIOTTI

MEMBERS
PAUL SCHAPIRA
FRANCESCA SCAGLIA

INDEPENDENT AUDITORS

KPMG SPA[4]

MANAGER CHARGED WITH THE PREPARATION OF THE COMPANY'S FINANCIAL REPORTING[5]

LUCA CAVIGLIA

(3) Appointed by the Shareholders' Meeting on May 3, 2023, for three financial years, and in any case up to the date of the Shareholders' Meeting which will be called to approve the financial statements as at December 31,2025.

(4) The Shareholders' Meeting of May 3, 2018, resolved to appoint KPMG SpA as the independent auditors from 2019 to 2027.
(5) Appointed by the Board of Directors on December 18, 2024, with certification responsibilities in sustainability reporting.

OPERATING REVIEW

Organisational structure

The Group is organisationally configured into separate business areas consistently with the Group's Organisation Model, and includes:

- the organisational and geographical centralisation of staff structures, aimed at achieving high levels of efficiency;
- a central business department to manage the order intake and customer interaction within a "One Saipem" perspective, while ensuring the optimised management of regional and local structures on a global scale;
- the integration of project control and project risk management processes within the Chief Financial Officer operating area, raising the level of sensitivity in risk analysis and management over the entire life cycle of projects.

The organisational structure as of December 31, 2024 is as follows: Asset Based Services, Energy Carriers, Robotics & Industrialized Solutions, Sustainable Infrastructures, Offshore Wind, and Drilling.
On July 1, to ensure the single management of the Drilling business and increase the effectiveness of the processes managed both during the order phase and during project execution, guaranteeing proximity between the operating activities and the asset based services, as well as the unitary development of technical and specialist skills, reporting directly to the CEO and General Manager, the Drilling business line was established; the commercial activities and Operations and Assets for the business, previously falling under the Asset Based Services business line, are now managed here.
The business lines, each with different dynamics, goals, and skills aimed at the technical and financial development of the offers and the management of projects in the execution phase, as well as being centers of excellence in technology and engineering, globally recognised by our customers, were structured as follows to manage the Group's portfolio:

> **Asset Based Services** – which manages the Offshore Engineering & Construction business – sea trunklines, transportation & installation, subsea development – as well as the vessels and yards serving the Group's businesses;

> **Energy Carriers** - evolution of Saipem's systems with a strong technological content, great attention to new energy carriers and circularity; it brings together the Engineering & Construction business of "one-of-a-kind" onshore and offshore projects, enhancing the extent, depth, and quality of our technical and management skill portfolio;

> **Robotics & Industrialized Solutions** – answering the new needs of the energy sector, it integrates the technical-operational skills dedicated to the development, engineering, and execution of modular, repeatable and scalable systems, as well as the monitoring and maintenance services based on digital technologies;

> **Sustainable Infrastructures** – to seize the opportunities of a sector that has become strategic in the energy transition ecosystem, which will hopefully by accelerated by the Italian Recovery Fund;

> **Offshore Wind** – to consolidate Saipem's role in the offshore wind sector through the unified management and development of the business, with regard to the new opportunities to be pursued in the reference markets;

> **Drilling** – which manages the fleet, currently consisting of drilling vessels with a range of technological characteristics, able to work at all depths, from ultra-deep to shallower depths.

The Drilling business, given the relevance and economic characteristics, was already reported separately in line with the provisions of IFRS 8; consequently, the organisational review from July 1 had not impact market disclosure, for which the reporting business remain unchanged.

Market conditions

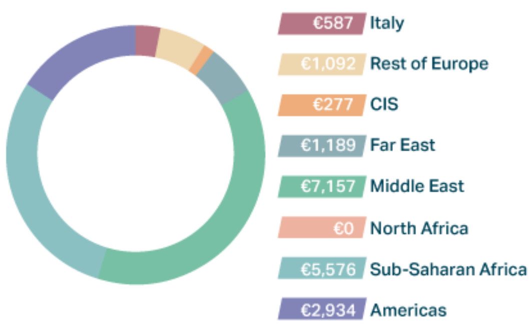
The current context is marked by a prolonged positive cycle in Saipem's reference markets, particularly the Oil&Gas market, in line with the growing need to access secure and economically sustainable energy sources. In 2024, according to the preliminary estimates of the International Monetary Fund, the global economy grew by 3.2% on 2023, supported by strong expansion in India (+6.5%), the better-than-expected performance of the US economy (+2.8%), and the slight improvement recorded in the Eurozone (+0.8%). These factors together compensated for the slowdown in the Chinese economy, aggravated by a prolonged crisis in the real estate sector and low domestic consumption.
Medium-term forecasts agree on stable economic growth of around 3% per annum, in the light of some ongoing geopolitical instabilities (particularly, the Russia-Ukraine conflict and the instability in the Middle East) and some remaining economic instabilities linked to the intensification of protectionist policies and the consequent risks for global supply chains.
In 2024, the energy sector has confirmed the recovery that began in previous years, both in renewables and conventional fields like oil and gas, supported by the progressive stabilisation of the macro-economic scenario. Brent crude prices were highly volatile throughout the year, settling at an average of 80 dollars a barrel, substantially in line with the expectations for 2024. This dynamic has led to higher growth investment volumes being recorded in the global Oil&Gas market in recent years. Supporting this trend were, in addition to inflation, the need to support the future demand for hydrocarbons, also by strengthening energy infrastructures as a strategy for mitigating procurement risks.
In today's scenario, the major oil companies are implementing a dual strategy, also through mergers and acquisitions, aiming on one hand to maintain the solidity of their financial structure, in line with the positive results achieved in conventional products, and on the other to continue the process of integrating their portfolios with activities and investments in the framework of the energy transition, also in line with the CO_2 emissions reduction targets announced.
In the renewable energy sources field, particularly offshore wind, signs of slight recovery were seen in 2024 compared to the previous year, with new wind farms launched in Asia and Europe and the award of new contracts, through tenders launched in the United Kingdom for both fixed and floating projects. Although some complexities remain, including the integration into the electricity transmission system, the lack of sector standardisation and the developments in the policies supporting the sector, particularly in the United States, the overall prospects for this market remain positive in the medium- and long-term, driven by growing needs for clean energy.

New contracts and backlog

The backlog represents the value of the multi-year contracts awarded to the Group and is revised based on contractual modifications and agreements made with clients. A project is included in the backlog upon receipt of the award notification from the client.

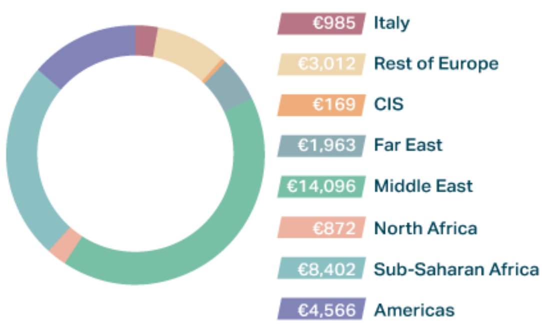
NEW CONTRACTS BY GEOGRAPHIC AREA

(€18,812 million)



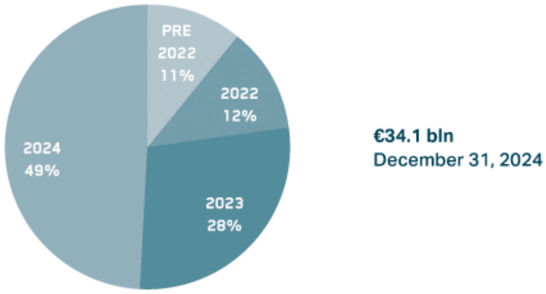
ORDER BACKLOG BY GEOGRAPHIC AREA

(€34,065 million)



New contracts awarded during 2024 amounted to €18,812 million (€17,659 million in 2023).
Of the total contracts awarded, 76% related to the Asset Based Services business, 23% to the Energy Carriers business, and 1% to Offshore Drilling.
New contracts to be carried out abroad made up 97% of the total; contracts awarded by Eni Group companies were 5% of the overall figure. New contracts awarded to Saipem SpA amounted to 31% of the total.

BACKLOG BY YEAR OF ACQUISITION



SAIPEM GROUP - NEW CONTRACTS IN THE YEAR ENDING ON DECEMBER 31

(€ million)	2024		2023	
	Amount	%	Amount	%
Saipem SpA	5,920	31	10,093	57
Group companies	12,892	69	7,566	43
Total	**18,812**	**100**	**17,659**	**100**
Asset Based Services	14,243	76	11,643	66
Energy Carriers	4,309	23	4,784	27
Offshore Drilling	260	1	1,232	7
Total	**18,812**	**100**	**17,659**	**100**
Italy	587	3	1,148	7
Outside Italy	18,225	97	16,511	93
Total	**18,812**	**100**	**17,659**	**100**
Eni Group	900	5	1,909	11
Third parties	17,912	95	15,750	89
Total	**18,812**	**100**	**17,659**	**100**

The backlog as of December 31, 2024 amounted to €34,065 million (€29,802 million as of December 31, 2023) broken down as follow: €22,470 million for Asset Based Services, €10,270 million for Energy Carriers, and €1,325 million for Offshore Drilling. The backlog is expected to be realised in 2025 for an amount equal to €12,092 million.
The breakdown of the backlog by business is as follows: 69% in the Asset Based Services business, 30% in the Energy Carriers business, and 4% in Offshore Drilling.
97% of orders were on behalf of overseas clients, while orders from Eni Group companies represented 2% of the overall backlog. The parent company Saipem SpA accounted for 42% of the total backlog.
The backlog including non-consolidated companies was €34,257 million (€29,892 million as of December 31, 2023).

SAIPEM GROUP - BACKLOG AS OF DECEMBER 31

(€ million)	2024		2023	
	Amount	%	Amount	%
Saipem SpA	14,397	42	13,849	46
Group companies	19,668	58	15,953	54
Total	**34,065**	**100**	**29,802**	**100**
Asset Based Services	22,470	66	16,285	54
Energy Carriers	10,270	30	11,534	39
Offshore Drilling	1,325	4	1,983	7
Total	**34,065**	**100**	**29,802**	**100**
Italy	985	3	1,433	5
Outside Italy	33,080	97	28,369	95
Total	**34,065**	**100**	**29,802**	**100**
Eni Group	769	2	1,445	5
Third parties	33,296	98	28,357	95
Total	**34,065**	**100**	**29,802**	**100**

Capital expenditure

Capital expenditure made in 2024 amounted to €337 million (€482 million in 2023) and mainly included the following business lines:

> **for Asset Based Services:** €239 million related to extraordinary maintenance and reinforcement of the Saipem Constellation, Saipem 7000, Saipem Endeavour and Castoro 10 vessels and of the JSD6000 vessel, which is leased from third-party and extraordinary maintenance and upgrading of existing vessels;

> **for Energy Carriers:** €23 million related to purchase and extraordinary maintenance of equipment;

> **for Offshore Drilling:** €75 million related to maintenance and upgrading work on the vessels, in particular, on the drillship Saipem 12000, semi-submersible platform Scarabeo 9 as well as upgrading of the rented jack-up Perro Negro 13 which has started operating in the Middle East under a contract already in backlog.

In summary, capital expenditure in 2024 are as follows:

CAPITAL EXPENDITURE

(€ million)	2024	2023
Saipem SpA	27	26
Other group companies	310	456
Total	**337**	**482**
Asset Based Services	239	258
Energy Carriers	23	22
Offshore Drilling	75	202
Total	**337**	**482**

Details of capital expenditure for the individual business lines are provided in the following paragraphs.

ASSET BASED SERVICES AND OFFSHORE WIND

Company information

Offshore Engineering & Construction projects are managed by the Asset Based Services Business Line, while projects in the Offshore Wind segment are managed by the Offshore Wind Business Line. The two business lines work in the same market, sharing assets, vessels and fabrication yards, and use the same resources to implement their projects. Specifically, the Group manages the vessel fleet in a unified and integrated manner, taking into account the requirements, operating locations, intervention schedules and contractual obligations of the orders in execution referring (indistinctly) to both Asset Based Services and Offshore Wind. The projects managed by the two business lines are commented separately below.

General overview

The Asset Based Services Business Line operates in the Offshore sector with a portfolio of skills, assets, and services that allows coverage of a wide range of project types, including development of subsea fields, pipe laying (including large diameters), and installation and lifting of offshore structures. The services offered by the Business Line cover the entire "life of field" chain, from client care in the pre-final investment decision phase to the development of the investment. They include engineering, implementation, installation, maintenance, and modification activities, and ultimately, the decommissioning phase.
The service mentioned above are offered with complementary features, thanks to (i) a fleet of vessels that can operate under complex operational and environmental conditions, (ii) to a network of construction yards and logistics bases in Nigeria, Angola, Brazil, Indonesia, Guyana, Italy and Saudi Arabia; (iii) decades of engineering and project management skills derived from experience in the sector. As of December 31. 2024, the fleet consists of 17 owned vessels by the company and, in line with the Company's asset light strategy, by some long-term leased vessels. Among the main vessels of the fleet there are: the Saipem 7000, used for heavy lifting and decommissioning; the pipelay vessel Castorone, used for laying large-diameter pipes; the FDS and FDS 2, used for the development of subsea fields; the Saipem Constellation, used for field development activities thanks to its lifting and pipe-laying capabilities for reel-lay of rigid and flexible pipelines; the Saipem Endeavour, used for pipe-laying and lifting.
As mentioned in the previous paragraph, the fleet and management facilities of Asset Based Services also provide support to the Offshore Wind Business Line for renewable energy activities. The Business Line, in order to optimise its production processes, pays special attention to technological innovations, automation and digitalisation.
Activities in the Offshore segment are pursued organisationally through one single structures, aimed at the SURF segment (Subsea, Umbilicals, Risers, Flowlines) and one at Offshore Facilities and Pipeline, with the support of an Asset function dedicated to the management of ships, yards, and business line bases.

Market conditions

The current context is marked by a prolonged positive cycle in Saipem's reference markets, particularly the Oil&Gas market, supported globally by the growing need to access secure and sustainable energy sources.
In the offshore field, growth in investments has been seen both in deep water and shallow water projects, with major initiatives in the development of Subsea and Conventional fields (offshore platforms and the related production and treatment plants). Specifically, in the conventional market, the shallow-water segment in the Middle East remains resilient, with developments in Saudi Arabia aiming principally to maintain oil production in the country, and in Qatar and the United Arab Emirates, driven by the expansion of their natural gas production capacities.
The subsea market, one of those that most suffered following the pandemic, has seen a solid resumption in development activities, with oil operators seeking to develop Floating Production Storage and Offloading (FPSO) systems in West Africa, with particular emphasis in countries such as Angola, Ivory Coast, Nigeria and Congo, and in South America, in Brazil, Guyana and Suriname. The Trunkline segment, which is crucial for energy procurement particularly between Europe and Russia, has grown in the energy transition field, thanks to developments in the transport of CO_2 to offshore storage sites.
The offshore wind market saw signs of slight recovery in 2024, with new wind farms launched in Asia and Europe and the award of new contracts, through tenders launched in the United Kingdom for both fixed and floating projects. Although some critical issues and complexities remain, including the integration into the electricity transmission system, the lack of sector standardisation and the developments in the associated policies, particularly in the USA, the prospects for this market remain positive in the medium- and long-term, driven by growing needs for energy produced from renewable sources.

Capital expenditure

Capex carried out during the first half of 2024 focused on the execution of works aimed at class renewal, adaptation of vessels to international regulations and specific requests arising from the projects in backlog and from the clients. Among the vessels subject to in the activities just described were mainly the Saipem Constellation, the Saipem 7000, Saipem Endeavour and the vessel Castoro 10 as well as the JSD6000 vessel leased by third parties. Preparation and planning of maintenance and retrofitting work were also carried out and will be carried out in the second half of the year and the following year.

Asset Based Services

New contracts

The most significant new contracts awarded during 2024 were:
- **for QatarEnergy LNG**, the combined COMP3A & COMP3B packages of the North Field Production Sustainability Offshore Compression Program project, aimed at supporting the production of the North Field offshore natural gas field, located off the North-Eastern coast of Qatar. Activities include the engineering, procurement, fabrication and installation of six platforms, approximately 100 kilometres of subsea pipelines, 100 kilometres of subsea composite cables, 150 kilometres of optic fibre cables and several other subsea structures;
- **for TotalEnergies**, a contract for the subsea development of the GranMorgu project, located in the Block 58 oil and gas field, 150 kilometres of the coast of Suriname. The scope of work entails the engineering, procurement, supply, construction, installation, pre-commissioning for the SURF package. This includes the EPCI of approximately 100 kilometres of subsea production flowlines, 90 kilometres of water and gas injection lines, and the T&I of flexible risers, umbilicals and associated structures, at water depths ranging from 100 to 1,100 metres;
- **for Saudi Aramco**, under the current Long-Term Agreement (LTA), an offshore contract for the development of Marjan Field in Saudi Arabia involving, the engineering, procurement, construction and

installation of topsides and jacket for wellhead platforms, jackets and topsides for the connection platform, rigid flowlines, subsea composite cables and optic fibre cables;

- **for ExxonMobil Guyana Ltd and the partners of the Stabroek block**, relating to the development of the Whiptail oil field off the coast of Guyana at a depth of around 2,000 metres, Saipem had launched some initial activities (i.e., detailed engineering and procurement of long lead items) and received the authorisation to proceed with the implementation of the remaining project activities. Saipem's activities include the detailed engineering, procurement and the construction and installation (EPCI) of a subsea production facility;
- **for BP**, the EPCI contract is part of an integrated project known as Tangguh UCC Project comprising of Ubadari, located in Papua Barat Province, Indonesia. The scope of work includes the engineering, procurement, construction and installation of two wellhead production platforms, a wellhead platform for the re-injection of CO_2 and approximately 90 kilometres of associated pipelines;
- **for Shell**, for the Bonga North Project, relevant to the development of a deepwater oil field, 130 kilometres off the coast of Nigeria. The project is related to the tieback of wells to the existing FPSO. Saipem's scope of work encompasses the Engineering, Procurement, Construction and Installation (EPCI) of risers, flowlines, subsea umbilicals, and associated subsea structures;
- **for Saudi Aramco**, two offshore contracts in Saudi Arabia as part of the Long-Term Agreement (LTA). Activities for the first contract include the engineering, procurement, construction and installation (EPCI) of three production modules (PDMs), 33 kilometres of subsea rigid pipelines and 34 kilometres of subsea power cables. These infrastructures will be installed at the Marjan field. The second contract covers the EPCI of three jackets, five production modules, 22 kilometres of subsea rigid pipelines and 35 kilometres of subsea electrical cables. This infrastructure will be installed at the Zuluf and Safaniyah oil fields;
- **for Azule Energy Angola**, the Ndungu Field project, part of the Agogo Integrated West Hub project located around 180 kilometres off the coast of Angola. The activities concern the engineering, fabrication, transport and installation of around 60 kilometres of rigid pipes and subsea structures at a depth of around 1,100 metres and the transport and installation of pipes, flexible connectors and 17 kilometres of umbilical cables;
- **for TotalEnergies E&P Angola**, the Kaminho project as part of the development of the Cameia and Golfinho oil fields, located around 100 kilometres off the coast of Angola, the scope of works for which includes engineering, procurement, supply, construction, installation, pre-commissioning and assistance for commissioning and the start-up phase of a SURF (Subsea, Umbilicals, Risers, Flowlines) package, which includes around 30 kilometres of pipelines, risers and umbilicals;
- **for Northern Endurance Partnership (NEP)**, a project for the development of offshore facilities for the transportation and storage of CO_2 of the East Coast Cluster in the United Kingdom. the scope of work covers the Engineering, Procurement, Construction and Installation of approximately 145 kilometres offshore pipeline with associated landfalls and onshore outlet facilities for the NEP project;
- **for Saudi Aramco**, two offshore projects in Saudi Arabia as part of the Long-Term Agreement (LTA) in force. In particular, the activities for the first project include the engineering, procurement, construction and installation (EPCI) of a crude oil trunkline measuring around 50 kilometres for the Abu Safa oil field, while those relating to the second project concern the Berri and Manifa oil field production maintenance programme;
- **for BP Exploration and a consortium composed of Saipem Contracting Netherlands BV, BOS Shelf Llc and BOS Shelf International FZCO**, a framework agreement which provides for the execution of offshore activities in the Azerbaijani waters of the Caspian Sea using the SCV Khankendi vessel. The activities include the operational management of the vessel and the supply of the crew, with which it will carry out offshore activities for the Shah Deniz and Azeri-Chirag-Gunashli fields, located off the coast of Azerbaijan. The consortium will be responsible for the engineering, procurement, construction and installation of subsea infrastructure and life-of-field services.

Work performed

Below are the main projects of the Asset Based Services business line that were underway or were completed in 2024.

America

- In Guyana, for ExxonMobil:

- works continued on the **Yellowtail** project, including the installation of umbilicals, risers, and flowlines; installation activities began in 2024 and will continue in 2025; the vessels FDS 2 and Saipem Constellation are being used;
- work continues on the **Uaru** project, which involves the design, fabrication and installation of subsea structures, risers, flowlines and umbilicals for a subsea production facility; the installation work is scheduled to take place in subsequent years using the vessels FDS 2, Saipem Constellation and Castorone;
- activities began on the **Whiptail** project, the scope of works of which includes the engineering, procurement, construction and installation (EPCI) of a subsea production system to be implemented in subsequent years using the vessels Castorone, FDS 2 and Saipem Constellation.

- In the Gulf of Mexico for Chevron, the activities were completed for the **Jack and Saint Malo JSM-4** project, the scope of which includes the engineering, transport and installation of two modules (a generation module and a water injection module) on the client's existing/operating FPU facility.

In Brazil:

- for Petrobras:

- the activities continued for the **Buzios 5** project, the aim of which includes procurement, fabrication, and installation of Steel Lazy Wave Risers (SLWR), umbilicals, manifolds, flowlines, well connections, and related facilities for the development of the Buzios field; the project used the vessel FDS;
- work continued on the execution of the **Buzios 7** project, which includes the engineering, procurement, construction, and installation of the SLWR and the corresponding interconnecting flowlines between the subsea wells and the FPSO unit, as well as the associated service lines and control umbilicals. In addition, Saipem will be responsible for the supply and installation of the FPSO unit's anchors and its attachment to the reservoir. During the year, activities began for the offshore installation with the use of the vessels FDS and Normand Maximus;

- for the TotalEnergies **Lapa Southwest** project, works continued on the engineering, procurement, construction and installation of subsea umbilicals, risers and flowlines, as well as subsea production systems; the installation activities are scheduled to begin in 2025;

- for Equinor, activities continued on the **Raia** project, the scope of which includes the engineering, procurement, transport and offshore installation of a subsea pipeline to export gas and the associated structures, in deep waters, and the horizontal drilling activities for the coastal landfall; the vessels Castorone and Castoro 10 will be deployed.

- In Argentina, the activities relating to the **Fenix** project were completed for the laying of a 37-kilometre pipe; the operational activities were performed in the second \half of 2023 using the pipelay vessel Castorone.

- In Suriname, activities began for the **Block 58** project, the scope of which includes the engineering, procurement, supply, construction, installation, pre-commissioning and commissioning assistance as well as the start-up of the Subsea Umbilicals, Risers, Flowlines (SURF) package.

North Sea

In Great Britain:

- for EnQuest:

- works continued on the **Thistle** project relating to the decommissioning of the Thistle A platform, located approximately 510 kilometres north-east of Aberdeen and at a depth of 162 metres; the work includes the engineering, preparation, removal and disposal of the jacket and topsides, with possible extension to further subsea structures, and will be carried out by Saipem 7000;
- works continued on the **Heather** project relating to the decommissioning of the existing infrastructure at the Heather oil field, located approximately 460 kilometres north-east of Aberdeen; the work involves the engineering, preparation, removal and disposal of the upper jacket of the Heather platform using the Saipem 7000;

- **for Northern Endurance Partnership (NEP) and Net Zero Teesside Power (NZT)** engineering activities began on two projects for the development of offshore structures for CO_2 transport and storage on the East Coast Cluster in the United Kingdom. The scope of works includes the engineering, procurement, construction and installation of a 143 kilometres offshore pipeline, with related landfalls and onshore control and inspection facilities for the **NEP project**, and the engineering, procurement, construction and installation of the water evacuation line for the **NZT project**.

- **In Norway, for Equinor**, work continued on the **Irpa** project for the installation of an 80 kilometre pipe-in-pipe pipeline that will connect the subsea production facilities of the Irpa field to the existing Aasta Hansteen platform; the installation operations are scheduled for 2025 and will be carried out by the pipelay vessel Castorone.

- **In Germany, for Gascade**, activities were completed for the **Ostsee** project, for the transport and laying of a gas line measuring around 50 kilometres and the implementation of the related landfalls, using the Castoro 10 pipelay vessel.

Mediterranean and Black Sea
- **In Egypt, for Petrobel**, work continued on the **Zohr** project for the transportation and installation of high and low-voltage umbilicals and various subsea structure.

- **In Greece, for Gastrade**, activities were completed on the **Alexsandroupolis** project. The works included the engineering, procurement, construction of a subsea system, a mooring system for the connection of an FSRU to the national gas transport network.

- **In Italy:**
  - **for Eni**, the work continued under the **Cassiopea** project for the transportation and installation of a rigid pipeline, umbilicals and flexible lines, and the construction of a shore approach;
  - **for Snam Rete Gas**, works continued on the **FSRU Ravenna** project. The activities consist in the engineering, procurement, construction and installation of a new offshore structure, linked to an existing one, for the landing and mooring of a floating storage re-gasification unit (FSRU), to be connected to the mainland by an 8.5-kilometre offshore pipeline, plus 2.6 kilometres onshore and a parallel fibre optic cable.

- **In Turkey, for Turkish Petroleum**, work continued on the **Sakarya 2** project, which involves the execution of a FEED (front-end engineering and design) as well as the engineering, procurement, construction and installation of a pipeline at a depth of 2,200 metres; the installation operations began in the second half of 2024 using the vessel Castoro 10 and will continue in 2025 with the Castorone.

- **In Romania, for OMV-Petrom**, work continued on the **Neptun** project, involving the engineering, procurement, construction and installation (EPCI) of a gas treatment platform at a depth of approximately 100 metres, the development of two subsea fields (at a depth of between 100 and 1,000 metres), a gas pipeline of around 160 kilometres and an associated fibre optic cable from the platform to the coast. The gas treatment platform will be built in the Group's yards in Italy and Indonesia.

Africa
In Angola:
- **for Azule Energy**:
  - activities continued on the **Agogo** Full Field project for the construction and installation (EPCI) of rigid pipe-in-pipe flowlines with associated subsea structures; the installation activities began in the second half of 2024 using the vessel FDS 2;
  - work continued on the **Quiluma and Maboqueiro WP5A** project for the EPC-based construction of a jacket and deck and the execution of the related hook-up and commissioning;
  - activities began in the **Ndungu** project, awarded in 2024, the scope of which includes the engineering, manufacture, transport and installation of around 60 kilometres of rigid pipelines and subsea structures at a depth of 1,100 metres and the transport and installation of pipelines, flexible connectors and 17 kilometres of umbilicals;

- **for TotalEnergies**, activities began on the **Kaminho** project, awarded in 2024, the scope of which includes the engineering, procurement, supply, construction, installation, pre-commissioning and assistance to commissioning and the start-up phase of a SURF (Subsea Umbilicals, Risers, Flowlines) package, including around 30 km of pipelines and risers and umbilicals; the associated structures will be manufactured in the Saipem yard in Ambriz, Angola.

- **In Mauritania and Senegal, for BP**, work continued on the development of the **Tortue** project, the scope of which includes the engineering, procurement, fabrication, installation, hook-up, and commissioning of a breakwater, the associated jetty, and a raised platform for the transport of gas, the hook-up of an FPSO and an FLNG in the Greater Tortue Ahmeyim complex; The structures were built in the Saipem base in Karimun (Indonesia).

- **In Libya**, **for Mellitah Oil & Gas**, activities continued on the **Bouri Gas Utilisation** project, which includes the engineering, procurement, fabrication, installation and commissioning of a gas recovery module of approximately 5,000 tonnes on the existing DP4 offshore structure, and the laying of 28 kilometres of pipeline connecting the DP3, DP4 and Sabratha platforms.

- **In the Ivory Coast**, **for Eni**, work was completed on the **Baleine SURF phase 1** project for the development of the field of the same name. Activities also continued on the **Baleine project phase 2**; the scope of works includes the engineering, procurement, construction and installation (EPCI) of around 20 kilometres of rigid pipelines, 10 kilometres of risers and flexible jumpers and 15 kilometres of umbilicals connected to a bespoke floating unit. The installation works were completed using the vessels Saipem Constellation and FDS.

- **In Nigeria, for Shell Nigeria Exploration and Production Co Ltd** (SNEPCo), the engineering and procurement works began for the **Bonga North** project, for which the scope of works includes the engineering, procurement, construction and installation (EPCI) of risers and flowlines, subsea umbilicals and associated subsea structures.

Middle East

- **In Saudi Arabia**, **for Saudi Aramco**, works continued on the **Long Term Agreement**. With reference to projects already awarded in previous years (prior to 2024), engineering, procurement and fabrication activities continued and activities began on the offshore installation, using the vessels Dehe, Saipem Endeavour and Bautino, as well as third-party vessels. In relation to projects awarded in 2024, mentioned in the previous section on contract awards, engineering, procurement and fabrication activities have started.

- **In Qatar**, **for Qatargas**:

  - work continued on the **North Field Production Sustainability (NFPS) EPCOL** project, which involves the engineering, procurement, construction and installation of both subsea and onshore pipelines, jackets and wellhead platforms and risers, as well as the related support activities; the fabrication activities involve the use of the Karimun yard in Indonesia;
  - work continued for the **North Field Production Sustainability (NFPS) EPC 2** project, which involves the engineering, procurement, fabrication, and installation of two offshore natural gas compressor stations to support the production in the North Field, including two of the largest compression platforms on steel jackets ever built, interconnection bridges, accommodation modules, and interface modules. The fabrication activities involve the use of the Karimun yard in Indonesia;
  - activities have started on the **North Field Production Sustainability (NFPS) COMP3A & COMP3B** project, which also includes the procurement, fabrication and installation of six platforms, as well as the installation of rigid subsea pipelines in anti-corrosion alloy, composite underwater cable and fibre optic cables as well as other subsea structures. The fabrication activities involve the use of the Karimun yard in Indonesia.

- **In the United Arab Emirates**, **for ADNOC**, works continued on the **Hail and Ghasha** project, the scope of which includes the engineering, procurement and construction (EPC) of four drilling centres and a treatment plant to be built on artificial islands, as well as various offshore structures and 300 kilometres of subsea pipeline for connecting the drilling centres to the offshore treatment plant for carrying the oil to the mainland. The project also includes the engineering, procurement and installation of 80 kilometres of power cables and 70 kilometres of umbilicals to carry electricity to offshore rigs. Offshore installation activities are planned to start in 2025.

Caspian Sea
In Azerbaijan:
- for BP:
- the work was completed on the **Shah Deniz - Call-off 007** project;
- as part of the framework contract mentioned in the "Orders intake" section, activities began for the engineering, procurement, construction and installation of subsea infrastructures and life of field services using the vessel SCV Khankendi;

- for TotalEnergies and Bos Shelf, works were completed on the **Absheron URF** (including the engineering, procurement, construction and installation of pipelines and umbilical systems) and **Absheron T&I** (installation of jackets and platforms) projects.

Australia
- for Chevron, preparatory work continued on the **Jansz-Io** project, which includes the transport and installation of a subsea compressor station, manifold, field control station, as well as umbilicals and other facilities. The offshore operations began in the last quarter of 2024;
- for Woodside, the works for the **Scarborough** project were completed, including the laying of a 400 kilometres large-diameter pipeline; the operations involved the vessels Castorone and Saipem Endeavour.

Indonesia
- for British Petroleum Berau activities began on the **Tangguh UCC** project, including engineering, procurement, construction and installation of two wellhead platforms, a CO_2 re-injection platform and around 90 kilometres of associated pipelines.

Offshore Wind

Work performed

Below are the main projects that were underway during 2024.

In United Kingdom, **for Neart na Gaoithe**, as part of the **NnG Offshore Windfarm** project, Punch List items close out is ongoing. Take Over Certificates have been obtained, Performance Bond has been released and the Warranty Bond is now active with the Warranty period having commenced Final Performance Certificate will be released upon expiry of the warranty period, expected 2030.

In France, **for Eoliennes Offshore du Calvados** (EDF Renewables, Maple Power and Skyborne), **Courseulles** project, all required monopiles with relevant transition structures required to support the 64 wind turbine generators (WTG), are available for offshore installation. Two offshore locations have been drilled, for a total drilled length of 54 metres; subsequently monopiles installation at the first location has been completed. The drilling system will be transferred to a new third party jack-up vessel in 2025.

Main leased vessels as of December 31, 2024

Dehe	Dynamically positioned vessel for laying pipes and lifting heavy loads of up to 5,000 tonnes, capable of deep-water installations up to depths of 3,000 metres and laying pipes with a tensioning capacity of up to 600 tonnes in S-lay mode.
Normand Maximus	Dynamically positioned vessel for laying umbilicals and flexible lines up to depths of 3,000 metres equipped with a 900 tonnes crane and a vertical tower with a tensioning capacity of up to 550 tonnes and the possibility to lay rigid pipes.
Vole au Vent	Jack-up for lifting and installing wind turbines at sea, equipped with a 1,500 tonnes crane and an on-board storage area of around 3,500 square metres able to work a depths of up to 90 metres and host up to 90 people on board.
JSD6000	Dynamically positioned vessel for S-Lay and J-Lay laying piping and heavy lifting. J-Lay system with 1,500 tonnes installation capacity and 2,000 tonnes retention capacity for the installation of quadruple and triple joints. S-Lay system with a holding capacity of 900 tonnes. The JSD6000 is also equipped with a fully slewing heavy-lift crane with a pull capacity of 5,200 tonnes.
GMS Endurance	Dynamically positioned, self-propelled and self-climbed jack-up vessel, with accommodation capacity for up to 210 people. It has a 300 tonnes crane and is capable of operating in water depths of up to 65 metres.
Normand Samson	Support vessel for for construction activities with dynamic positioning, with accommodation capacity for 100 people and 250 tonnes crane with plywood system. Equipped with a moonpool and two Remote Operated Vehicles (ROVs).

Offshore fleet as of December 31, 2024

Saipem 7000	Self-propelled, semi-submersible, dynamically positioned crane and pipelay vessel capable of lifting structures of up to 14,000 tonnes and J-laying pipelines at depths of up to 3,000 metres.
Saipem Constellation	Dynamically positioned vessel for the reel-lay of rigid and flexible pipelines in ultra-deep-water depths. It is equipped with a 3,000 tonnes crane and a laying tower (800 tonnes capacity) equipped with two tensioners each with a 400 tonnes capacity.
Saipem FDS	Dynamically positioned vessel utilised for the development of deep-water fields at depths of over 2,000 metres. Capable of launching pipes of up to 22” in diameter in J-lay configuration, able to lay quadruple joint pipes (52-metre strings) with a holding capacity of up to 750 tonnes and a crane with lifting capacity of up to 600 tonnes.
Saipem FDS 2	Dynamically positioned vessel used for the development of deep-water fields; it has a J-lay tower with a holding capacity of up to 2,000 tonnes; capable of launching pipes with a maximum diameter of 36”; able to lay quadruple joint pipes (52-metre strings) at depths of up to 3,000 metres. Also capable of operating in S-lay mode with a crane with a lifting capacity of up to 1,000 tonnes.
Castorone	Dynamically positioned pipelay vessel operating in S-lay mode with an S-lay stern stinger of over 120 metres consisting of three sections for shallow and deep-water operations, a tensioning capacity of up to 750 tonnes, pipelay capability of up to 60 inches, on-board manufacturing facilities for double and triple joints and pipe storage capacity in cargo holds.
Saipem 3000	Monohull, self-propelled, dynamically positioned lifting vessel, with drilling tower, capable of laying flexible pipes and umbilicals in waters up to 3,000 metres deep and lifting heavy loads of up to 2,200 tonnes.
Saipem Endeavour	Barge for lifting heavy loads and laying pipes (in S-lay mode), suitable for launching single- or double-joint pipes of up to 60” in diameter for shallow and deep-water operations, with a tensioning capacity of up to 260 tonnes, equipped with a floating launch ramp composed of three sections for deep-water operations, a mini ramp with adjustable structure for shallow-water operations, and a rotating crane with a 1,100 tonne capacity.
Castoro 10	Trench/pipelay barge capable of burying pipes of up to 60” diameter in shallow waters.
Castoro 12	Barge capable of laying pipes of up to 40” diameter in ultra-shallow waters of a minimum depth of 1.4 metres.
Bautino 1	Shallow water post trenching and backfilling barge.
Castoro XI	Heavy-duty cargo barge.
Castoro 14	Cargo barge.
S43	Cargo barge.
S44	Launch cargo barge, for structures of up to 30,000 tonnes.
S45	Launch cargo barge, for structures of up to 20,000 tonnes.
S46	Cargo barge.
S47	Cargo barge.

ENERGY CARRIERS, SUSTAINABLE INFRASTRUCTURES AND ROBOTICS & INDUSTRIALIZED SOLUTIONS

Company information

Onshore Engineering & Construction projects fall under the Energy Carriers business line, while the Sustainable Infrastructures business line manages the Sustainable Infrastructures segment. Responding to the new needs of the energy sector, the Robotics & Industrialized Solutions business line integrates the technical-operational skills dedicated to the development, engineering and execution of modular, repeatable, and scalable systems, as well as monitoring and maintenance services based on digital technologies. Comments on the projects managed by the three Business Lines are shown separately below.

General overview

The Saipem Group's Onshore Engineering & Construction is focused on the execution of large-scale projects with a high degree of complexity in terms of engineering, technology, and operations, with a strong bias towards challenging projects in difficult environments and remote areas.
Saipem enjoys a worldwide leading position, providing a complete range of integrated basic and detailed engineering, procurement, project management and construction services, principally to the Oil&Gas, complex civil and marine infrastructure and environmental markets.
In the Sustainable Infrastructure segment, the Saipem Group is mainly active in the design and construction of complex infrastructure projects, especially in the transport sector, such as railway lines and in particular High Speed/High-Capacity lines. These are complex works in terms of engineering and construction requiring an increasing implementation of innovative digital and technological solutions capable of guaranteeing resilience and energy efficiency, and which meet the requirements of the European taxonomy (DNSH principle "Do No Significant Harm"), the classification system for environmentally sustainable economic activities, capable of meeting the Sustainable Development Goals (SDGs) included in the United Nations 2030 Agenda.

Energy Carriers

Market conditions

The onshore reference market recorded a significant increase in activity in 2024 compared to 2023, particularly in the upstream (e.g., floaters) and midstream (LNG and regasification) segments. Growth spanned across all geographical areas, except for Russia, with particular visibility in the Saipem Group's main areas of interest, such as the Middle East, Africa, Europe and Asia.

In terms of the ongoing activities in the various markets, the relevance of the midstream and downstream segments strengthened, with several significant developments in the gas monetisation and fertiliser sectors in the Americas, Africa, the Middle East and Europe, and in the upstream and petrochemical sectors in the Middle East and Asia. The LNG and regasification market, developing rapidly following the Russia-Ukraine conflict, records the relaunch of initiatives in the Middle East and in Africa, primary sources for gas supply alternative to Russian gas. In the upstream field, the market has continued to recover since 2023, particularly in the Middle East (e.g. United Arab Emirates, Qatar and Saudi Arabia). In the Floaters segment, significant volumes are confirmed in Latin America (Brazil) and Africa.
With reference to low-carbon technologies (hydrogen, biofuels, biochemistry and CO_2 capture), visibility of new projects in Europe, North Africa, the Middle East and Asia continues to increase.

Capital expenditure

Capital expenditure in 2024 in the Energy Carriers business line mainly related to the acquisition and maintenance of equipment.

New contracts

The most important new contracts awarded in 2024 were the following:
- **for TotalEnergies E&P Angola**, relating to the Kaminho project as part of the development of the Cameia and Golfinho oil fields, located around 100 kilometres off the coast of Angola. The first contract concerns the engineering, procurement, construction, transport and commissioning of the FPSO Kaminho vessel; the second contract includes the operation and maintenance of the same FPSO vessel for a period of 12 years and a potential extension of 8 years;
- **for Eni SpA**, the preliminary contract for Livorno Biorefinery in Italy. The project involves a bio-refinery with 10,000 barrels per stream day in the existing refinery in Livorno for the production of biodiesel and biojetfuel. For Saipem the scope of works includes the HVO unit (Ecofining technology) and common parts.

Work performed

The biggest and most important projects under way or completed during 2024 were as follows.

In Saudi Arabia,
- for Saudi Aramco:
- the **Hawiyah Gas Plant Expansion** project for the expansion of the Hawiyah gas treatment plant located in the south-eastern part of the Arabian Peninsula concluded the warranty period and is currently in operation;
- the mechanical completion was signed for the **South Gas Compression Plants Pipeline Project** related to the development of the Haradh Gas Plant (HdGP) located in the east of the country; the project includes the review of detailed engineering developed by the client, the procurement of all materials except those supplied by the client (carbon steel line pipe, lined plant lines and related valves), as well as construction, pre-commissioning and commissioning assistance. Some additional works requested by the customer are currently in progress;

- for the **Marjan** project, an EPC contract for the implementation of "Package 10" of the Marjan field development programme, which includes gas treatment, sulphur recovery and tail gas treatment plants, the engineering and procurement activities have been completed while the related construction activities are underway;
- for the **Berri** project, an EPC contract to increase the capacity of the homonymous field through the construction of new facilities in Abu Ali and Khursaniyah, the engineering and procurement activities have been completed and the related construction activities are in progress;
- for the **Jafurah** project, which includes the execution based on an EPC Lump Sum of approximately 800 kilometres of various types of pipelines and features within the development programme for the Jafurah gasfield located on the border between Saudi Arabia and Qatar, the engineering and procurement activities have been completed and the fabrication activities are underway.

In Kuwait:
- **for Kuwait Oil Co (KOC),** for the **Feed Pipelines for New Refinery** project, the works have been handed over to the client; the plant acceptance certificates have been received, and the warranty period has begun. The contract includes engineering, procurement, construction and commissioning activities related to the development of the new connection lines and related pumping station and measurement of the new Al Zour refinery located in south Kuwait;
- **for Kuwait Integrated Petroleum Industries Co (KIPIC)**, for the **Al-Zour Refinery** the construction and partial handover to the client have been completed for the various units included in the scope of works. The performance tests have been completed and the acceptance certificate is pending in order to start the warranty period. The project encompassed design, procurement, construction, pre-commissioning, and assistance during commissioning tests, start-up, and checks on the performance of tanks, related road works, buildings, pipelines, piping and related support frames, water works and control systems for the Al-Zour refinery.

In Oman, **for OQ8 (Joint Venture between OQ and Kuwait Petroleum International)**, for the **Duqm Refinery Package 3** project, the engineering, procurement, construction and commissioning activities in the storage and export bulk (pet-coke and sulphur) portions have been completed ready for handover to the client. At the start of the second half of the year, the initial acceptance certificate starting the warranty period was signed.

In Israel, **for Haifa Group**, as part of the **Ammonia Plant** project, which includes the construction of an ammonia plant on the Mishor Rotem site, the engineering and procurement activities have been completed and the construction activities are underway on behalf of the client, with QA/QC (Quality Assurance/Quality Control) supervision by Saipem.

In the United Arab Emirates:
- **for ADNOC Sour Gas**, a subsidiary of Abu Dhabi National Oil Co (ADNOC), the construction activities have been completed for the expansion and upgrade of the Shah facility relating to WP1, WP2 and WP3 has been completed for the **Optimum Shah Gas Expansion (OSGE) & Gas Gathering** project. For WP3, the commissioning activities have been completed and the acceptance certificate, following which the warranty period starts, is pending. The engineering, procurement and construction activities are also underway for the additional variants requested by the client;
- **for ADNOC**, the engineering, procurement and fabrication activities are underway and the site construction activities began recently for the contract relating to the "Offshore Facilities" package of the **Hail and Ghasha Development Project** project, in joint venture with National Petroleum Construction Co (NPCC). The scope of the project is to develop resources in the Hail and Ghasha natural gas fields, located off the coast of Abu Dhabi, in the United Arab Emirates. The scope of works performed by the Energy Carriers Business Line includes the engineering, procurement, construction (EPC) and commissioning of four drilling centres and a treatment plant to be built on artificial islands;

In Indonesia, **for BP Berau**, in joint venture con PT Tripatra Engineers and Constructors, PT. Tripatra Engineering, PT. Chiyoda International Indonesia, Chiyoda Corp, the performance test was successfully completed; the third LNG train for the **Tangguh LNG Expansion** project, in West Papua, has been delivered to the client and is in production. The two auxiliary units have been completed; the site has been closed and the warranty period is underway.

In Thailand:

- **for PTT LNG Co Ltd (PTTLNG)**, in joint venture with CTCI Corp, the FAC (Final Acceptance Certificate) has been formalised for the **Nong Fab LNG** project, which involved the construction of a regasification terminal, including storage tanks and jetty for LNG imports;
- **for Thai Oil, in joint venture with Petrofac International (UAE) and Samsung Engineering Co**, the **Clean Fuel** project is in progress, involving the construction and start-up of new units within the Sriracha refinery. All the design and procurement activities have been completed and the construction activities are close to completion. The client has notified the joint venture of the application of Liquidated Damages (LDs) for delays in the execution of the works that the client believes are attributable to the joint venture. The joint venture considers such enforcement to be devoid of any contractual merit and intends to defend its rights under the contract and applicable law. At the date of the financial report, Saipem recognised the economic effects deriving from the notification of the LDs, the financial effects of which were recognised during the first quarter of 2025 as a result of the enforcement of certain guarantees (further information is provided in the "Disputes" paragraph of the Explanatory Note to the Consolidated Financial Statements no. 34 "Guarantees, commitments and risks ").

In Australia, **for Perdaman Chemicals and Fertilizers**, in joint venture with the local company Clough (subsidiary of the Webuild group), the engineering and procurement activities are under completion while the module fabrication and site construction activities continue on the urea production plant called **Burrup Urea Project**. The project is on an EPC lump sum basis for a plant that will have a production capacity of 6,200 tonnes/day of urea. The project stands out for the high levels of energy efficiency and degree of modularisation.

In Nigeria:

- **for Dangote Fertilizer**, as part of the **Dangote EPCC Ammonia & Urea** project (two trains and related services plants at the Lekki Free Trade Zone, Lagos State), the plant acceptance certificate has been obtained;
- **for Nigeria LNG Ltd (NLNG)**, as part of the EPC contract **LNG Bonny Train 7**, in joint venture with Daewoo and Chiyoda Corp, the engineering and material procurement have been completed while the fabrication and construction works are being finalised. The project involves the construction of a double natural gas liquefaction plant, as well as all the necessary utilities and port facilities for export, for the expansion of the existing LNG plant at Finima on Bonny Island.

In Mozambique:

- **for TotalEnergies E&P Mozambique Area 1 Ltda** (which acquired the Anadarko interests during 2019 for the Mozambique LNG project), in a joint venture with McDermott Italia Srl and Mirai Engineering Italy Srl, Saipem is developing an **LNG plant** project consisting of the construction of two natural gas liquefaction trains, as well as all necessary infrastructure, storage tanks and port facilities for export. On the instruction of the client TotalEnergies, the project remains suspended due to force majeure. In agreement with the client, the joint venture is continuing to perform the activities that are not subject to the suspension. The joint venture continues to cooperate with the client to implement all the measures required to preserve the value of the project and ensure a prompt resumption of work as soon as the necessary safety conditions in the area have been restored;
- **for Mozambique Rovuma Venture** (joint venture between Exxon, Eni, CNODC), engineering works have begun on the competitive FEED contract for the recently awarded **Rovuma LNG Phase 1 project,**, for the initial development of the LNG plant (Midstream), part of the wider Mozambique Full Field Development (Mozambique Area 4 offshore fields).

In Angola:

- **for Solenova** (JV between Sonangol and Eni), for the **solar plant** for the production of electricity feeding into the National Grid, Operation & Maintenance (O&M) activities have been underway since June 2023 and will last for 24 months;

- **for Azule Energy** (Eni & BP JV), the engineering and procurement activities are under completion while the construction works are underway for the **Quiluma and Maboqueiro project for the Onshore Gas Treatment Plant**, which involves the construction of a grass roots plant for gas treatment and compression in the northern region of the country.

In Canada, **for DOW Chemicals**, detailed engineering and procurement services are underway on a reimbursable basis (with the materials purchased by the client) in the **FS P2Z LP8 Gas Phase** project for the implementation of a polyethylene plant which is part of a zero-emissions petrochemical mega-project in the state of Alberta.

In Mexico, **for Proagro**, Saipem has completed the modernisation activities for the Pajarito **Ammonia and Urea** plant (2 Trains) in Veracruz for Pro-Agroindustria (subsidiary of Pemex).

In the United States, **for ExxonMobil**, Saipem in joint venture con Kiewit, has completed the activities for the competitive FEED contract for the **ExxonMobil Baytown Blue Hydrogen** project in Baytown, Texas, consisting in the construction of a 1,030 MSCFD (thousand standard cubic feet per day) hydrogen plant and a 3,000 MTPD (metric tonnes per day) Ammonia plant for refrigerated Blue Ammonia.

In Italy, **for Eni**, having completed the FEED for a bio-refinery in the industrial complex in Livorno, the engineering and procurement activities are underway. The scope of works includes the implementation of an HVO unit (Ecofining Technology), based on UOP/Eni technology, with the capacity to treat a load of 10,000 barrels per stream day, and the interconnecting facilities for integration into the existing plant.

Floaters and Operation & Maintenance

The following are the largest and most significant projects in the FPSO and O&M (Operation& Maintenance) field, ongoing or completed during 2024.

In the "Leased FPSO" segment, the following vessels carried out operations during 2024:
- the Saipem-owned unit **FPSO Gimboa** carried out operations **for Sonangol P&P** under a contract for the development of the Gimboa field, located in Block 4/05 offshore Angola, at a water depth of 700 metres. The vessel has the size for a production, treatment and storage capacity of 60,000 barrels/day. After a series of extensions to the contract duration, following the depletion of the production field, the client informed that the contract will expire in 2025.

In Mozambique, O&M services **for Coral FLNG SA** (JV of Eni and other partners) are underway for **Coral's FLNG** unit, as part of the eight-year (plus one optional) contract.

In Angola:
- for TotalEnergies:
- the O&M services of the **FPSOs Kaombo Norte** and **Kaombo Sul** continue, for a total seven-year period, plus an additional seven optional years;
- engineering and procurement activities have been launched for the **Kaminho FPSO Block 20/11** contract;
- preparations have begun ahead of the start of operations on the **Kaminho O&M Block 20/11** contract.

In Ivory Coast, the O&M services continue on the **FPSO Firenze**, re-named **Baleine**, for Eni in the related contract. The unit will work for the next ten years offshore of the Ivory Coast.

In Russia for the **Arctic LNG 2 GBS** project (in joint venture with Ronesans – client Arctic LNG 2 – scope of work: EPC) the are no outstanding activities and the contractual relationship with the client is close to conclusion and currently under formalisation, in full compliance with EU regulations.

In Brazil, **for Petróleo Brasileiro (Petrobras)**, in joint venture with Hanwha Offshore (previously Daewoo Shipbuilding & Marine Engineering (DSME)), the engineering, procurement and fabrication activities have been completed while the integration and completion activities are underway for the **P79** project, for the construction of a Floating Production Storage and Offloading (FPSO) unit, to develop the Búzios offshore field in Brazil.

In Congo, **for Eni Congo**, the engineering and procurement activities have been completed and the fabrication, integration and completion activities are underway for the **Eni Congo LNG/Scarabeo 5 Conversion** project. The project involves the reconversion of the jack-up Scarabeo 5 into a floating unit for the separation and compression of gas produced in offshore fields.

Sustainable Infrastructures

Market conditions

In the Sustainable Infrastructure sector, Saipem is focusing its activities mainly on the initiatives included in the National Recovery and Resilience Plan (NRRP) and in the list of strategic works for the development of sustainable mobility, also thanks to the vast experience accumulated over the years as the leader of the consortia formed for the construction of the Milan-Bologna and Milan-Verona High Speed/High Capacity (HS/HC) railway lines.
The Infrastructure sector in Italy continued to show positive short- and medium-term signs due to the major investments deriving from the NRRP, which is expected to act as a long-term driver for further development in both the railway sector and sustainable mobility in a broader sense.

In the medium-long term, the Business Line will focus its attention of expanding its business also in infrastructure segments other than railways and also outside Italy.

New contracts

There were no new contracts in 2024.

Work performed

The biggest and most important projects under way during 2024 were as follows.

In Italy,

- for Rete Ferroviaria Italiana (RFI):

- the CEPAV Due Consortium is building the **HS/HC Brescia East-Verona** line. Specifically, in 2024 all the tunnels were fully bored and the new bridge over the Mincio river was completed, with the activation of a new interconnection junction with the historical line (Bivio Mazzano), while all the civil works have continued towards the activation of the new section of line that runs for around 43 kilometres alongside the Milan-Venice motorway and the historic railway line, crossing some 13 municipalities that are densely populated and industrially productive;
- in the **Florence railway link** project and associated new High S station at Belfiore, excavation works continued with the first boring of section measuring over 1,800 metres up to the envisaged stopping point, and excavations have begun on the odd track, with the second TBM (Tunnel Boring Machine); the foundation piles have been completed for the new HS station, and the deep consolidation work for various historical and other buildings and infrastructure continued, ahead of the passage of the TBMs and the reinforced concrete works for the new Belfiore HS underground station;
- for the new **HS node in Verona**, the complex design activities have essentially been completed and are currently being assessed by the Contractor for final approval ahead of the delivery of the works, which are expected to be revised due to changing operational needs. Activities to prepare worksites have begun (removal of vegetation, ordnance clearing, related work) and the site for the new RFI office building at Verona Porta Nuova station has been launched;
- the project for the **duplication of the Piadena-Mantua line** was included following complex negotiations with RFI, within the scope of the NRRP. The design activities have been completed and the first works of the three construction plots have been delivered and launched.

Robotics & Industrialized Solutions

Market conditions

The reference markets of the Robotics & Industrialized Solutions Business Line are characterised mainly by subsea robotics services linked to the integrity of the critical offshore infrastructures and technologies supporting energy transition, with particular reference to the capture of carbon dioxide emissions, the production of green hydrogen and its derivatives (often indicated by Power-to-X) and the chemical recycling of plastics. The Business Line offers modularised and industrialized solutions enabling a wide range of new clients needing to reduce their carbon footprint, also outside the traditional perimeter of the Group.
The energy transition activities are suffering from the price pressure related to the geopolitical situation and the positive trend of conventional Oil&Gas investments that are absorbing a large part of the market supply. Consequently, initiatives assessed in the past under more favourable market conditions have required and will need to be reassessed in the light of the current cost increases, with the consequent delay in the final investment decision times.
As far as the CCUS (Carbon Capture, Utilization and Storage) market is concerned, the Business Line focuses in particular on the European context, thanks to a mature regulatory framework capable of favouring the development of new initiatives. Public funding to support these initiatives is growing strongly both in Europe (Norway and the UK, in particular) and in the United States. The value of the emission allowance traded on the ETS market (Emission Trading System) has settled to an annual average of around €66/tonne of CO_2, below the previously expected value for 2024. This parameter is identified as an enabling factor for investments in the

context of emission capture. In addition, the recent European directives issued under the Fit for 55 programme (referring to the 55% emissions reduction target by 2030) have introduced new industrial sectors, such as the maritime sector, into the ETS allowances market. The definition of business cases and the potential approval of new CCUS projects is also supported by the continuing progress in the development of carbon dioxide storage hubs, particularly in the North Sea area.
Especially in Europe, significant incentives will be offered in the Power-to-X market, including a series of technologies that convert electricity from renewable sources into other forms of energy or products, including chemicals (e.g. methanol, ammonia), hydrogen or synthetic fuels, supporting a market whose primary goals include the reduction of impacts in terms of climate-altering emissions in so-called hard-to-abate sectors, including maritime and air freight, steel, concrete, chemical industries and refineries. In this scenario, hydrogen is an element able to promote zero-emissions activities. Many large-scale investments are being made also outside Europe, including in the Middle East and North America, and policies supporting the markets in countries including India and Japan are being implemented.
Particular attention is paid to the developments of the chemical recycling of plastics market, driven by new and increasingly stringent regulatory frameworks, as well as by a growing attention towards a less impactful production of plastics to support the circularity of the industry.
Like the new energy transition sectors, the Business Line's commitment continues also in traditional markets, constantly looking for solutions to reduce its carbon footprint and to achieve higher levels of efficiency. In this context, Saipem offers its customers the use of advanced autonomous robotic solutions for underwater inspections, capable of significantly reducing consumption and emissions compared to traditional technologies. The geographical areas of greatest interest are those of South America (Brazil) and Northern Europe (Norway).
The protection of the environment and critical – particularly subsea – structures remains a central focus; these markets have become more relevant due to the recent developments in energy transition and the evolution of the geopolitical situation.

New contracts

The most important new contracts in 2024 were:

- **for Air Product**, the contract for the engineering, procurement and construction of a Green Ammonia storage tank to be realised the United Kingdom;
- **for Petrobel**, the renewal of the multi-year agreement for emergency services with OSRL and the extension of the contract for the inspection of Zhor's infrastructure;
- **for Greenstream**, the contract for the prevision of integrated inspection, maintenance and emergency engineering services for the realated gas pipelinil and **for Medgaz** the contract for emergency services;
- **for Equinor**, in robotics, the FEED study for Hydrone's deployment in the Snohvit field.

Work performed

In 2024, the performance of the largest and most important subsea robotics project is that relating to the contract for Equinor, in the Njord oil field, where Hydrone-R, a drone for subsea operations, achieved a world record, with 165 days of continuous subsea operation, awarded at UTC Bergen 2024 and today standing at over 230 days. The ROV Hydrone-W, a completely electrical, land-controllable subsea robot, completed the final test phases on land and will soon be mobilised in the field to start the contractual operations with Equinor. In parallel, the construction, qualification and acceptance phases have been completed for the first ROV for the SRV (Subsea Rescue Vehicle) system for the Italian navy. Readiness contracts continue for Sircos (Emergency Pipeline Repair system) vis-à-vis Greenstream and Medgaz, for which the related long-term contracts have been renewed, and for OIE (Offset Installation Equipment) vis-à-vis OSRL.

In industrialised solutions, phase 1 of the BEECS Exergy project in Stockholm was completed according to schedule, allowing the client to participate in the tender for the plant construction.
The Rengas FEED project in Finland, which aims to produce green methane from captured CO_2 and green hydrogen, was completed, leading the client to select Bluenzyme as the product for CO_2 capture and including it in the project financing structure.
The pre-FEED project, for Copenhagen Infrastructure Partners in Denmark, aiming to define CapEx and OpEx for an e-SAF production plant, was successfully completed, leading to the next development stage of the implementation programme.
The project for a green ammonia tank in Northern Europe began rapidly, with a 5% engineering progress, but was then temporarily suspended at the request of the client for reasons unrelated to Saipem's operations.
Acquisitions of shares have also been completed in (i) Prospin for the design and construction of RPB machines to separate CO_2 and (ii) Chempet for the chemical recycling technology used for plastic depolymerisation, and the finalisation, with the partner NEL, of the industrial product for green hydrogen production (IVHY 100).

OFFSHORE DRILLING

General overview

As of December 31, 2024, Saipem's Offshore Drilling fleet includes fifteen vessels, divided as follows: six ultra deep-water/deep-water units for operations at depths of up to 3,600 metres (drillships: Saipem 12000, Saipem 10000, Santorini and Deep Value Driller and the semi-submersibles: Scarabeo 8 and Scarabeo 9), eight high-specification jack-ups for operations at depths of up to 400 feet (Perro Negro 7, Perro Negro 8, Perro Negro 9, Perro Negro 10, Perro Negro 11, Perro Negro 12, Perro Negro 13 and Pioneer) and one standard jack-up for operations at depths of up to 150 feet (Perro Negro 4). Among the aforementioned drilling rigs, the jack-ups Pioneer, Perro Negro 9, Perro Negro 11, Perro Negro 12, Perro Negro 13 and the drillship Deep Value Driller are owned by third parties. The jack-up Perro Negro 9 was also returned to its owners in early January 2025.
During the year, the Offshore Drilling fleet operated in Italy, Norway, Egypt (on the Red Seaside and Mediterranean Sea side), West Africa (Angola, Ivory Coast, Namibia), Mexico and Saudi Arabia.

Market conditions

In continuity with the close of the previous financial year, 2024 opened with a climate of general market recovery. Against this background came the announcement in late January 2024 by Saudi Aramco, the main oil company in the shallow water sector, relating to the review of its oil production expansion programme (with a cut to the maximum sustainable capacity from 13 to 12 million barrels a day). The country's change in strategy has led to a suspension in the offshore drilling sector of around 30 drilling rigs in shallow waters for a period of up to 12 months, indicatively equal to one third of the fleet operating in the country under contract with the Saudi company. This has caused contractors in the country to assess alternative opportunities in other markets, in a scenario marked by an excessive supply situation in the shallow water segment. The medium-long term market forecasts agree that the excessive supply will be gradually reabsorbed, thanks to the increase in demand from other countries in the Middle East (Qatar, Kuwait), South-East Asia and West Africa.
This scenario has led to a partial slowdown in the post-pandemic market recovery. In the shallow water segment, the excessive supply following the review of Saudi Aramco plans has led not only to lower utilisation but also a progressive reduction in the rates of awarded contracts, particularly in the second half of the year. This situation has also gradually affected the deep water segment; while remaining at significant levels, utilisation saw a downturn in the second half of the year, as did the rates of the contracts awarded in the period. The partial market slowdown can also clearly be seen in clients' tendering activities, with fewer new project awards expected for 2025, although a recovery is expected from 2026.

Orders intake

Among the most significant awards in the first six months are, for Burullus Gas Co, the exercise of the option to drill 3 more wells in Egypt using the 6th generation semi-submersible unit Scarabeo 9; the activities will be performed after the firm period acquired last year.

Capital expenditure

During 2024, activities were carried out aimed at the refurbishment and adaptation of vessels to the specific requirements of clients. Among the rigs involved in the maintenance and adaptation activities required by clients, were in particular the Scarabeo 9 semi-submersible unit, and the jack-up Perro Negro 13. Near the end of the year, the maintenance works on the drillship Saipem 12000 began, and are expected to continue during the first quarter of 2025. Preparation works were performed for maintenance activities that will be performed next year.

Work performed

During the year, the fleet was used as follows:
- **ultra deep water/deep water units**: the drillship **Saipem 12000** continued to operate in Angola for Azule; at the end of the year, the vessel arrived in the yard in Port Elizabeth (South Africa) for planned maintenance operations; the drillship **Saipem 10000** continued to operate in Italy for Eni; the drillship **Santorini** continued to operate in Egypt to start activities for Petrobel and, from April, was moved to Ivory Coast for operations for Eni; in addition, from October, the vessel was operational in Namibia for Galp; the drillship **Deep Value Driller** continued to operate in Ivory Coast under a contract with Eni; the **Scarabeo 9** semi-submersible unit completed its maintenance activity and from March began to operate in Egypt for Burullus; the **Scarabeo 8** semi-submersible unit continued to operate in Norway for AkerBP;
- **high specification jack-up**: the vessels **Perro Negro 7**, **Perro Negro 8** and **Perro Negro 11** continued to operate for Saudi Aramco offshore of Saudi Arabia; during the year activities also started using the vessels **Perro Negro 12** and **Perro Negro 13** in previously awarded multi-year contracts with Saudi Aramco; the jack-ups **Perro Negro 9** and **Perro Negro 10** continued to work respectively until May and April; following the client's decision to suspend the activities, the jack-ups were placed in stacking; the Perro Negro 10 was therefore prepared for works to be performed in 2025 in Mexico awarded during the year, while the Perro Negro 9 was returned to its owners in early January 2025; the jack-up **Pioneer** continued to operate for Eni in Mexico;
- **standard jack-ups**: **Perro Negro 4** continued to operate in the Red Sea for Petrobel.

Utilisation of vessels

The main vessel utilisation in 2024 was as follows:

		December 31, 2024	
Vessel	(No. of days)	under contract	idle
Semisubmersible platform Scarabeo 8		366	
Semisubmersible platform Scarabeo 9 (1)		339	27
Drillship Saipem 10000		366	
Drillship Saipem 12000 (1)		351	15
Drillship Santorini		366	
Drillship Deep Value Driller (*)		366	
Jack-up Pioneer (*)		366	
Jack-up Perro Negro 4 (1)		345	21
Jack-up Perro Negro 7		366	
Jack-up Perro Negro 8		366	
Jack-up Perro Negro 10 (2)		118	248
Jack-up Perro Negro 9 (2) (*)		147	219
Jack-up Perro Negro 11 (*)		366	
Jack-up Perro Negro 12 (1) (*)		359	7
Jack-up Perro Negro 13 (1) (*)		240	126

(1) Days on which the vessel underwent class reinstatement/preparation works.
(2) Days in which the vessel was in stacking following the temporary suspension of activities requested by the client Saudi Aramco.
(*) Leased vessel.

FINANCIAL AND ECONOMIC RESULTS

Operating results

The information to the market, in accordance with the requirement of IFRS 8, is presented following the reporting segments below:

- **Asset Based Services**, which includes the **Offshore Engineering & Construction** and **Offshore Wind** activities;
- **Offshore Drilling**; and
- **Energy Carriers**, which includes the **Onshore Engineering & Construction**, **Sustainable Infrastructures**, and **Robotics & Industrialized Solutions activities**.

The sectors clustered in the reporting segments above have similar economic characteristics; moreover, the Offshore Wind, Sustainable Infrastructures and Robotics & Industrialized Solutions sectors are not, at present, so significant that they deserve separate reporting, in accordance with IFRS 8.
Discontinued operations include the remaining activities, in Argentina, Kazakhstan and Romania, of the Onshore Drilling (DRON) business, the transfer of which was completed on June 30, 2024.

SAIPEM GROUP - INCOME STATEMENT (*)

(€ million)	Year 2024	Year 2023	% Ch.
Core business revenue	**14,549**	**11,874**	**22.5**
Other revenue and income	3	23	
Purchases, services and other costs	(11,160)	(9,236)	
Net reversals of impairment losses (impairment losses) on trade receivables and other assets	(5)	1	
Personnel expenses	(2,058)	(1,736)	
Gross operating margin (EBITDA)	**1,329**	**926**	**43.5**
Depreciation, amortisation and impairment losses	(723)	(489)	
Operating result (EBIT)	**606**	**437**	**38.7**
Net financial income (expense)	(85)	(167)	
Net financial income (expense) on equity investments	(25)	60	
Pre-tax profit (loss)	**496**	**330**	**50.3**
Income taxes	(190)	(145)	
Profit (loss) before non-controlling interests	**306**	**185**	**65.4**
Profit (loss) attributable to non-controlling interests	-	-	
Profit (loss) for the year - Continuing operations	**306**	**185**	**65.4**
Profit (loss) for the year - Discontinued operations	**-**	**(6)**	
Profit (loss) for the year	**306**	**179**	**70.9**

(*) The results of the Onshore Drilling segment being divested, have been recognised as Discontinued operations in accordance with the criteria set out in IFRS 5.
Revenues and associated profit levels are not consistent over time, as they are influenced not only by market performance but also by climatic conditions and individual project schedules in the Engineering & Construction sector, and by contract expiry and renegotiation timing in the Drilling sector.

Core business revenue during 2024 amounted to €14,549 million.
Gross operating margin (EBITDA) was €1,329 million. Depreciation, amortisation and impairment losses on property, plant, equipment, intangible assets and right-of-use of leased assets totalled €723 million.

The **operating result (EBIT)** achieved in 2024 is a €606 million profit.
The main variations relating to the income statement items above are detailed below in the analysis by business line.
The balance of net financial income (expenses) was negative by €85 million, down by €82 million, due to higher financial income determined by the higher level of liquidity invested compared to 2023, lower charges for exchange differences and lower hedging costs.
Net gains (losses) on equity investments was negative by €25 million, down by €85 million, mainly due to the negative results of a project carried out by a company valued at equity.
Pre-tax result amounted to a profit of €496 million. Income taxes amounted to €190 million compared to €145 million in 2023 as a result of the increase in the tax base.
The **Continuing operations net result** recorded a profit of €306 million (profit of €185 million in 2023). As in 2023, no non-recurring charges were recognised during the year.
In 2024, the Onshore Drilling Discontinued operations business recorded revenues of €13 million (€99 million in 2023) and a negative EBITDA of €1 million (negative €6 million in 2023), to which is added a capital gain of €1 million, bringing the **result from Discontinued operations** to zero (negative for €6 million in 2023).
The **net result** recorded a profit of €306 million (profit of €179 million in 2023).

ADJUSTED OPERATING RESULT (EBIT) AND DESTINATION OF OPERATING COSTS

(€ million)	Year 2024	Year 2023	% Ch.
Core business revenue	14,549	11,874	22.5
Production costs	(13,448)	(11,032)	
Idle costs	(190)	(108)	
Selling expenses	(103)	(124)	
Costs for research and development	(33)	(32)	
Other operating income (expenses)	(2)	19	
General expenses	(187)	(160)	
Adjusted operating result (EBIT)	606	437	38.7

In 2024, the Saipem Group achieved core business revenues of €14,549 million, an increase of €2,675 million, up 22.5% compared to 2023.
Production costs, which include the direct projects costs, and the depreciation of the vessels and equipment used, amounted to a total of €13,448 million, an increase of €2,416 million compared to 2023, consistent with the higher volumes.
Idle costs recorded an increase of €82 million compared to 2023, which benefited from the almost full operation of the offshore fleet. Selling expenses, amounting to €103 million, decreased by €21 million compared to 2023, research and development expenses recognised under operating costs, amounting to €33 million, and general expenses, amounting to €167 million, were almost in line with 2023.

Asset Based Services

(€ million)	Year 2024	Year 2023
Core business revenue	8,058	6,069
Cost of sales	(7,104)	(5,455)
Adjusted gross operating margin (EBITDA)	954	614
Depreciation and amortisation	(496)	(313)
Adjusted operating result (EBIT)	458	301
Impairment losses and restructuring expenses	-	-
Operating result (EBIT)	458	301

Revenue amounted to €8,058 million in 2024, an increase of 32.8% compared to 2023, mainly attributable to higher volumes in the Middle East, Sub-Saharan Africa, Europe, and the Asia-Pacific area.
The cost of sales, amounting to €7,104 million, increased by €1,649 million, in line with higher volumes.

Adjusted gross operating margin (EBITDA) for 2024 amounted to €954 million, equal to 11.8% of revenue compared to the €614 million in 2023, equal to 10.1% of revenue.
Depreciation and amortisation amounting to €496 million, increased of €183 million compared to 2023, due to the entry in operation of leased vessels, necessary for the execution of projects.
The operating result (EBIT) in 2024 was a profit of €458 million (€301 million in 2023).

Energy Carriers

(€ million)	Year 2024	Year 2023
Core business revenue	5,573	5,062
Cost of sales	(5,533)	(5,051)
Adjusted gross operating margin (EBITDA)	40	11
Depreciation and amortisation	(72)	(53)
Adjusted operating result (EBIT)	(32)	(42)
Impairment losses and restructuring expenses	-	-
Operating result (EBIT)	(32)	(42)

Revenue for 2024 amounted to €5,573 million and shows an increase of 10.1% compared to 2023, as an effect of the higher volumes in the Middle East, Sub-Saharan Africa, and Italy.
The cost of sales, equal to €5,533 million, was up €482 million compared to 2023, in line with the higher volumes.
Adjusted gross operating margin (EBITDA) for 2024 was positive for €40 million, equal to 0.7% of revenue compared to the €11 million in 2023, equal to 0.2% of revenue.
Depreciation and amortisation were €72 million, up €19 million compared to 2023, due to the rental of the living quarters vessels, required for the execution of the Hail and Ghasha project, in United Arab Emirates.
The operating result (EBIT) in 2024 was a loss of €32 million (loss of €42 million in 2023).

Offshore Drilling

(€ million)	Year 2024	Year 2023
Core business revenue	918	743
Cost of sales	(583)	(442)
Adjusted gross operating margin (EBITDA)	335	301
Depreciation and amortisation	(155)	(123)
Adjusted operating result (EBIT)	180	178
Impairment losses and restructuring expenses	-	-
Operating result (EBIT)	180	178

Revenue for 2024 amounted to €918 million, up 23.6% on the corresponding period of 2023, thanks to the contribution of the drilling vessel Deep Value Driller and the jack-ups Perro Negro 12 and Perro Negro 13, entered into operation during the financial year 2024. This improvement was partly offset by the lower contribution of the jack ups Perro Negro 9 and Perro Negro 10, which were inactive for most of the year, compared to 2023.
Cost of sales was €583 million, amounting to €583 million, recorded an increase of €141 million compared to 2023 and was affected by the increase in inactivity commented on above.
The adjusted gross operating margin (EBITDA) for 2024 amounted to €335 million, equal to 36.5% of revenue, compared to €301 million in 2023, equal to 40.5%; in particular, the reduced margin is attributable to the higher costs incurred for the preparation of the new vessels that entered into operation during 2024, as well as the temporary suspension of activities on some vessels requested by the client Saudi Aramco.
Depreciation and amortisation amounted to €155 million, up €32 million compared to 2023, mainly due to the entry into operation of the new leased vessels, which have undergone investments tailored to meet specific clients requirements for projects execution.
The operating result (EBIT) in 2024 was a profit of €180 million (€178 million in 2023).

Balance sheet and financial position

Saipem Group - Reclassified consolidated statement of financial position [(1)]

The reclassified consolidated statement of financial position aggregates asset and liability amounts from the statutory statement of financial position by function, under three basic areas: operating, investing and financing. The management believes that the proposed scheme provides useful information for investors because it makes it possible to identify the sources of financial resources (own and borrowed funds) and their use in fixed assets and working capital.

(€ million)	Dec. 31, 2024		Dec. 31, 2023	
Property, plant and equipment		2,844		2,960
Right-of-use of lease assets		630		428
Net intangible assets		668		666
		4,142		**4,054**
- Asset Based Services	*2,727*		*2,635*	
- Energy Carriers	*522*		*501*	
- Drilling	*893*		*918*	
Equity investments		(14)		162
Non-current assets		**4,128**		**4,216**
Net current assets		**(1,508)**		**(1,366)**
Employee benefits		(208)		(193)
Net assets (liabilities) held for sale		**89**		**-**
Net capital employed		**2,501**		**2,657**
Equity		2,524		2,394
Non-controlling interests		-		2
Net financial debt (cash) pre-IFRS 16 lease liabilities		(683)		(216)
Lease liabilities		660		477
Net financial debt (cash)		**(23)**		**261**
Funding		**2,501**		**2,657**
Leverage pre-IFRS 16 (net borrowing/equity + third-party equity)		**(0.27)**		**(0.09)**
Leverage post-IFRS 16 (net borrowing/equity + third-party equity)		**(0.01)**		**0.11**
Number of shares issued and outstanding		1,995,558,791		1,995,558,791

(1) For reconciliation with mandatory templates see "Reconciliation of reclassified balance sheets used in the management report with the mandatory financial statements" on page 113.

Management uses the reclassified statement of financial position to calculate key ratios such as the Return On Average Capital Employed (ROACE) and leverage (used to indicate the robustness of the group's capital structure).

Non-current assets as of December 31, 2024, stood at €4,128 million, down by €88 million compared to December 31, 2023. The reduction is due to the positive effect of the increase in the right-of-use of lease assets for €431 million and capital expenditure in property, plant and equipment, intangible assets and equity investments for €343 million, more than offset by depreciation and amortisation of €723 million, dividends of €55 million, and the negative change in equity investments of €43 million. divestments and write-offs of €32 million, as well as the net negative effect deriving mainly from the translation of financial statements denominated in foreign currencies and other changes of €9 million.

Net current assets have decreased by €142 million, going from a negative balance of €1,366 million as of December 31, 2023, to a negative balance of €1,508 million as of December 31, 2024. The reduction is mainly attributable to the improvement in net working capital of €208 million, partly offset by the change in provisions for risks and charges of €66 million, primarily due to the allocation of provisions set aside for backlog review in previous years.

Provisions for employee benefits amounted to €208 million, up €15 million compared to December 31, 2023 related to the effect of provisions for the period.

As of December 31, 2024, the **net assets (liabilities) held for sale** amounted to €89 million, primarily due to the sale of Saipem's investment in KCA Deutag.

As a result of the above analysis, the **net capital employed** decreased by €156 million, standing at €2,501 million as of December 31, 2024, compared to €2,657 million as of December 31, 2023.

Equity, including non-controlling interests, amounts to €2,524 million as of December 31, 2024, an increase of €128 million compared to December 31, 2023. The increase is mainly attributable to the positive effect of the net result for the period of €306 million, in addition to the positive effect on equity deriving from the translation of financial statements denominated in foreign currencies and other changes of €33 million. The increase was partly offset by the negative effect of the change in the fair value measurement of derivative instruments hedging foreign exchange and commodity risk for €144 million, the impact of the share buyback in the period for €65 million and the reduction in third-party capital, following the purchase of a minority stake. for €2 million.

The pre-IFRS 16 **net financial position** as of December 31, 2024 was a positive €683 million. The net financial position including the IFRS 16 lease liability of €660 million was a positive €23 million.

As of December 31, 2024, gross debt pre-IFRS 16 lease liability effects amounted to €2,184 million, liquidity to €2,867 million of which €1,688 million is available cash.

ANALYSES OF NET FINANCIAL DEBT (CASH)

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Non-current financial assets	-	(1)
Non-current bank loans and borrowings	75	374
Non-current bonds and other financial liabilities	1,667	1,794
Net medium/long-term financial debt	**1,742**	**(2,167)**
Cash and cash equivalents	(2,158)	(2,136)
Financial assets measured at fair value through profit or loss	(47)	-
Financial assets measured at fair value through OCI	(338)	(86)
Other current financial assets	(324)	(386)
Current bank loans and borrowings	122	159
Current bonds and other financial liabilities	320	66
Net short-term debt (liquid funds)	**(2,425)**	**(2,383)**
Net financial debt (liquid funds) pre-IFRS 16	**(683)**	**(216)**
Net current lease liabilities	**271**	**201**
Net non-current lease liabilities	**389**	**276**
Net financial debt (liquid funds)	**(23)**	**261**

Cash and cash equivalents include: (i) cash and cash equivalents of €619 million in current accounts of projects executed in partnership or joint venture; (ii) cash and cash equivalents of €123 million in current accounts denominated in currencies subject to movement and/or convertibility restrictions; (iii) cash and cash equivalents amounting to €3 million in current accounts frozen or subject to restrictions for a total of €745 million.

For information on net financial debt as required by Consob, Communication No. 5/21 of April 29, 2021, see Note 26 "Analyses of net financial debt".

STATEMENT OF COMPREHENSIVE INCOME

(€ million)	2024	2023
Profit (loss) for the year	**306**	**179**
Other items of comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss:	*-*	*(8)*
- re-measurement of defined benefit plans for employees	1	(10)
- change in fair value of equity investments measured at fair value through OCI	-	-
- share of other comprehensive income (loss) of equity-accounted investments relating to re-measurement of defined benefit plans	(1)	(1)
- income tax relating to items that will not be reclassified	-	3
Items that may be reclassified subsequently to profit or loss:	*(124)*	*66*
- change in the fair value of cash flow hedges	(165)	124
- change in the fair value of financial assets, other than equity investments, measured at fair value through OCI	1	3
- exchange differences arising from the translation into euro of financial statements in currencies other than the euro	16	(31)
- share of other comprehensive income (loss) of equity-accounted investments	(1)	
- income tax relating to items that may be reclassified	25	(30)
Other items of comprehensive income (loss)	**(124)**	**58**
Comprehensive income (loss) for the year	**182**	**237**
Attributable to:		
- Saipem Group	182	238
- non-controlling interests	-	(1)

EQUITY INCLUDING NON-CONTROLLING INTERESTS

(€ million)	
Equity including non-controlling interest as of January 1, 2024	**2,396**
Comprehensive result for the year	182
Dividends distributed to Saipem shareholders	-
Dividends distributed by other subsidiaries	-
Sale (purchase) of treasury shares	(65)
Variation of non-controlling interests	(2)
Share capital increase net of charges	-
Recognition of fair value of incentive plans	13
Other changes	-
Total changes	**128**
Equity including non-controlling interest as of December 31, 2024	**2,524**
Attributable to:	
- Saipem Group	2,524
- non-controlling interests	-

RECONCILIATION OF SAIPEM SPA'S SHAREHOLDERS' EQUITY AND PROFIT FOR THE YEAR WITH THE CONSOLIDATED FIGURES

	Equity		Profit (loss) for the year	
(€ million)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
As per the financial statements of Saipem SpA	**2,573**	**2,395**	**279**	**107**
Surplus of the net assets of the financial statements including the results for the year, compared to the carrying values of participations in consolidated companies	(536)	(518)	(359)	36
Consolidation adjustments, net of tax effect, for:				
- difference between purchase price and corresponding book net worth	691	694	(3)	(23)
- elimination of unrealised intra group profits (losses)	(145)	(163)	21	25
- other adjustments	(59)	(12)	368	34
Total equity	**2,524**	**2,396**	**306**	**179**
Non-controlling interests	-	(2)	-	-
As per consolidated financial statements	**2,524**	**2,394**	**306**	**179**

The item “Other adjustments” mainly includes the impact of: (i) consolidated entries aiming to align the profit margins of contracts affecting more than one Group company, the individual progress of which may not have uniform economic/temporal development synchronised to the progress of the consolidated contract; (ii) consolidated entries to reflect and align any impairments deriving from impairment tests.

Reclassified statement of cash flows [1]

Saipem’s reclassified statement of cash flows derives from the statutory statement of cash flows. It enables investors to understand the link existing between changes in cash and cash equivalents (deriving from the statutory statement of cash flows) and in net financial debt (deriving from the reclassified statement of cash flows) that occurred between the beginning and the end of the period. The measure enabling such a link is represented by the free cash flows, i.e. the surplus or cash deficit remaining after the financing of investments. The free cash flow closes alternatively on: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financial liabilities/assets (issuance/repayment of loan assets/financial liabilities), to repayments for lease liabilities, equity (dividends paid, net repurchase of treasury shares, capital issuance) and the effect of changes in the consolidation scope and of exchange differences on cash and cash equivalents, or (ii) changes in net financial debt for the period by adding/deducting cash flows relating to equity, and the effect of repayments of lease liabilities and of changes in the consolidation scope and of exchange differences on net financial debt.

(€ million)	2024	2023
Group's profit (loss) for the year - Continuing operations	306	185
Group's profit (loss) for the year - Discontinued operations	-	(6)
Result of the year of other shareholders	-	-
adjustment:		
Depreciation, amortisation and other non-monetary items	806	413
Net (gains) losses on disposals of assets	(18)	34
Dividends, interest and income taxes	283	252
Cash flows generated by operating activities before changes in working capital	**1,377**	**884**
Changes in working capital related to operations	(56)	(134)
Dividends received, income taxes paid, interest paid and received	(260)	(164)
Net cash flows from operating activities - Continuing operations	**1,061**	**586**
Net cash flows from operating activities - Discontinued operations	**-**	**-**
Net cash flows from operating activities	**1,061**	**586**
Capital expenditure - Continuing operations	(337)	(482)
Capital expenditure - Discontinued operations	-	-
Investments in equity, consolidated subsidiaries and business units	(6)	(1)
Disposals and partial sales of consolidated equity, business units and property, plant and equipment	39	145
Other changes related to financing activities	-	-
Free cash flows	**757**	**248**
Net change in receivables and securities held for non-operating purposes	(238)	163
Changes in short and long-term loans and borrowings	(212)	(235)
Repayments of lease liabilities	(252)	(119)
Sale (purchase) of treasury shares	(65)	-
Cash flow from capital and reserves	(2)	-
Net change in convertible bonds	(13)	72
Changes in consolidation and exchange differences on cash and cash equivalents	47	(45)
NET CASH FLOWS FOR THE YEAR	**22**	**84**
Free cash flows	**757**	**248**
Repayments of lease liabilities	(252)	(119)
Sale (purchase) of treasury shares	(65)	-
Cash flow from capital and reserves	(2)	-
Net change in convertible bonds	(13)	72
Exchange differences on net financial debt and other changes	42	(41)
CHANGE IN NET FINANCIAL DEBT PRE-LEASE LIABILITIES	**457**	**160**
Financing/closing for the period	(412)	(286)
Repayments of lease liabilities	252	119
Exchange differences and other variations	(23)	10
Change in lease liabilities	(183)	157
CHANGE IN NET FINANCIAL DEBT	**284**	**3**

(1) For reconciliation with mandatory templates see "Reconciliation of reclassified balance sheets used in the management report with the mandatory financial statements" on page 113.

The **net cash flows from operating activities - Continuing operations** positive for €1,061 million, net of the negative cash flow from net capital expenditure and investments in equity, consolidated subsidiaries of €343 million, and the positive cash flow from divestments and partial disposals of consolidated participations, business units and tangible assets of €39 million, generated a positive **free cash flows** of €757 million.
Repayments of lease liabilities generated a negative effect of €252 million. Exchange differences and other changes on net financial debt produced a positive effect of €42 million.
Therefore there was a positive change in **net debt pre-lease liabilities** of €467 million.

The **lease liabilities** generated an overall negative effect of €183 million, due to the net negative effect of new financing and contract closure for €412 million in the period, to the repayments of lease liabilities for €252 million, and exchange rate differences and other negative changes for a total of €23 million.

Cash flows generated by operating activities before changes in working capital - Continuing operations, positive for €1,377 million, results from:

- the net profit for the period amounting to €306 million;
- depreciation, amortisation and impairment of tangible and intangible assets and right-of-use of leased assets for €723 million, the negative valuation of equity investments using the equity method amounting to €43 million, the negative change in provisions for employee benefits amounting to €14 million and exchange rate differences and other negative changes for a total of €26 million;
- net (gains) losses on disposals of assets of €18 million;
- net financial expense of €93 million and income taxes of €190 million.

The negative change in working capital related to operations, for €56 million, was due to the dynamics of cash flows of projects underway.

Dividends received, income taxes paid, interest paid and received during 2024 were negative for €260 million and were reimbursed mainly related to dividends received, income taxes paid net of tax credits and to interest paid.

Key profit and financial indicators

Return On Average Capital Employed (ROACE)

Return On Average Capital Employed is calculated as the ratio between adjusted profit (loss) for the period before non-controlling interest, less net financial expense after deducting the related tax effect and net average capital employed. The tax rate applied to financial expense is 24%, as per the applicable tax legislation.

Return On Average Operating Capital (ROACE)

To calculate the Return On Average Operating Capital, the average capital employed is netted of capital expenditure in progress that did not contribute to profit for the year.

There were no significant investments in progress in the two years compared.

		Dec. 31, 2024	Dec. 31, 2023
Profit (loss) for the year	(€ million)	306	179
Exclusion of net financial expense (net of tax effects)	(€ million)	85	167
Unlevered profit (loss) for the year	(€ million)	371	306
Capital employed, net:	(€ million)		
- at the beginning of the period		2,657	2,350
- at the end of the period		2,501	2,657
Average capital employed, net	(€ million)	2,579	2,504
ROACE	(%)	**14.39**	**12.22**
ROACE operative	(%)	**14.39**	**12.22**

Net financial debt and leverage

Saipem management uses leverage ratios to assess the soundness and efficiency of the Group's capital structure in terms of an optimal mix between net borrowings and equity, and to carry out benchmark analyses with the peers of the reference industry. Leverage is a measure of a company's level of indebtedness, calculated as the ratio between net financial debt and equity, including non-controlling interests.

	Dec. 31, 2024	Dec. 31, 2023
Leverage pre-IFRS 16	(0.27)	(0.09)
Leverage post-IFRS 16	(0,01)	0.11

Non-GAAP measures

This section provides the alternative performance indicators that, although not required by IFRS (non-GAAP measures), are used in the "Directors' Report".
Such indicators are disclosed to enhance the user's understanding of the Group's performance and are not intended to be considered as a substitute for IFRS measures.
Specifically, the non-GAAP measures used in the Directors' Report are as follows:

- EBIT (Earnings Before Interest and Taxes): is an alternative widely used performance indicator for cash flow calculations of a company and represents the operating result before financial expense and taxes;
- EBITDA ("Earnings Before Interest, Taxes, Depreciation & Amortisation"): is an alternative performance indicator relating to operating performance, calculated by adding depreciation and amortisation to operating result;
- Adjusted EBIT (Earnings Before Interest and Taxes) or earnings before financial income (expense): this is an alternative performance indicator widely used in the calculation of cash flows for company and represents the operating result before financial expenses and taxes net of special items;
- Adjusted EBITDA (Earnings Before Interests, Taxes, Depreciation & Amortisation) or adjusted gross operating margin: is an alternative performance indicator related to operating performance, calculated by adding depreciation and amortisation net of special items to the operating result;
- cash flow: this indicator is given by the sum of net result plus amortisation and depreciation;
- capital expenditure: this indicator is calculated by excluding equity investments from total investments;
- gross operating margin: a useful measure for evaluating the operating performance of the Group as a whole and of the individual business segments, in addition to operating result. The gross operating margin is an intermediate measure, which is calculated by adding depreciation and amortisation to operating result;
- non-current assets: the sum of net property, plant and equipment, net right-of-use leased assets, net intangible assets and equity investments;
- net current assets: includes working capital and provisions for risks and charges;
- net invested capital: this is the sum of non-current assets, net current assets and the provision for employee benefits;
- funding: this is the sum of equity, non-controlling interests and net debt;
- special items: they represent: (i) not-recurring events or transactions; (ii) events or transactions that are not representative of normal business activities;
- net financial debt: this is calculated as financial debt less cash and cash equivalents, securities and other financial assets not used in operating activities;
- new contracts: represents new project awards plus variation orders on existing projects;
- backlog: represents the expected future revenues from the awarded projects. The backlog, including non-consolidated companies, is shown separately.

RESEARCH AND DEVELOPMENT

We have always focused on technological innovation and are currently dedicated to leading the way in the energy transition through our ingenuity, technologies and processes that prioritise environmental sustainability from the outset while also strengthening our competitive position in the Oil&Gas industry.

In this respect, the first part of the report is devoted to Oil&Gas business innovation activities while the second part is dedicated to the energy transition.

Innovation for the Oil&Gas sector

As regards the offshore Oil&Gas initiatives. mostly related to the **Asset Based Services** business line, the challenge for new technologies is to decrease the carbon footprint while remaining in areas where the technical and economic challenges are still evolving with more and more demanding criteria. In this perspective, Saipem is developing and delivering a set of solutions to optimise the development and the decarbonisation of offshore fields.

Concerning Pipe Laying activities, the Integrated Acoustic Unit (IAU) equipment, after having obtained the Statement of Qualified Technology from DNV, supported successfully the 32-36 inches pipelay campaign of Scarborough Project for Woodside, Australia. It allowed inspection of potential damages in pipelines in real time during the laying process, notably out-of-roundness, buckles and dents, water intrusion and identification and localisation of obstacles in the pipe. The IAU resulted winner in May 2024 of the “Spotlight on New Technology” award.
Additionally, the development of a first version of the Hands-Free Lifting Beam for automatic transfer of pipeline section from supply vessel to pipelay vessel and of the Underwater Cold Bending Machine are proceeding to hit the deployment on executive projects.
As regards Pipelines Technologies domain, the key factors include the speed and reliability of operations while offering high-quality products and services. Saipem is committed to the continuous development and improvement of the hardware and software of proprietary welding technologies such as Saipem Welding System (SWS), Submerged Arc Welding (SAW), and SPRINT (the root-pass remelting technology). The same applies for Field Joint Coating (FJC) and Non-Destructive-Testing technologies (NDT).
Leveraging proprietary technologies and unique expertise across the entire engineering value chain, Saipem can customise solutions according to clients' needs and to our vessels to keep the necessary competitive advantage and ensure the levels of quality and performance required by our clients. This is made possible thanks to a strong R&D effort that ensures the delivery of first-class solutions, naturally fit for purpose. This applies to both the SURF (Subsea Umbilicals, Risers & Flowlines) and conventional sectors.
Concerning SURF products, a great focus has been put on the DEH-PiP (Direct Electric Heating - Pipe-in-Pipe), a critical asset to guarantee the best flow assurance (to manage and optimise the flow in the pipes of fluids as oil, gas and water). Qualification tests have successfully started in 2022 with the aim of having this technology ready, under a certification of DNV, for commercial application by 2025. Several case studies have been run on behalf of clients. Great efforts have been also dedicated to the introduction of plastic liners for water injection lines, where pull-out and pressure test have been successfully completed, closing the DNV-certified qualification of High-Pressure End Connectors for static pipeline application and securing a key partner for industrialisation. A concept definition and validation are proceeding in partnership with TotalEnergies for the extension of plastic liners to production lines. Regarding technology development for SURF projects, Saipem keeps working on developing its performances and safety in laying, for instance with solutions to improve the laying performance of continuous buoyancy on Steel Lazy Wave Riser.
Finally, Saipem has positively concluded a test campaign to demonstrate the feasibility to use raw sea water (instead of fresh water) bringing environmental and economic performance to our projects (saved in a year more than 1,500 m^3 of fresh water also with a significant economic saving).

The **Offshore Drilling** business is proceeding in the development of solutions to improve the quality of wells leveraging digital tools (included artificial intelligence). The tool aims at supporting the drillers in detecting those signals that allow the well engineer to maximise well quality.

As regards the **Robotics & Industrialized Solutions** business line several activities are ongoing.

Subsea Factory

Saipem is developing the "Subsea Factory Solutions" industrial platform. This is a new approach to bring process treatment of fluids (oil, gas and water) directly on the seabed, close to the injection wells, by reducing the costs associated to risers and flowlines, the significant costs for additional treatment modules installation on existing topsides and frees up valuable space for production or reduces the size of the new topside facilities, also allowing a significant reduction of emissions by simplification of the overall architecture. This development fits with the "All-Electric" vision for fields, made of subsea infrastructures connected only by electric lines and optical fibers, in place of complex and expensive electro-hydraulic umbilicals which are typically used to deliver control fluid for subsea hydraulic actuators, chemicals and subsea pumps barrier fluid. Within this framework, the subsea factory solutions are the key enablers of brownfields development projects whenever congested topside or long tiebacks are concerned.
The qualification of the SPRINGS™ process for water desulfation and well-injection (co-owned with TotalEnergies and Veolia) has been successfully completed. The industrialisation of its all-electric subsystems has achieved a significant milestone by completing the qualification process of the novel seabed barrier fluid-less pump, developed together with Curtiss Wright. The subsea pump, as well as the other subsystems, has been industrialised with the intention to form the building blocks for the whole Subsea Factory products portfolio. Thanks to the process qualification and to the equipment industrialisation, the technology, recognised by operators, is ready for commercialisation and was included in conceptual studies of new field developments.
The FLUIDEEP™ technology for subsea storage and injection of chemicals is also at an advanced stage of industrialisation and the final qualification tests are currently ongoing. SUBGAS, a subsea gas dehydration and dew pointing unit to overcome the flow assurance issues and unlock long subsea Gas tiebacks, avails of the qualified oil and gas separator Vertical Multipipe™ which was previously developed and qualified through multiple Joint Industry Projects (JIPs) for deepwater applications.

Life of Field

Saipem is progressing with the development of an integrated Digital Twin approach for subsea critical component design and servicing, by incorporating new technologies such as the "RIser Monitoring System" for enhanced Life-of-Field. These technologies, including their evolutions (e.g., fiber optics monitoring), have been successfully qualified and applied in Buzios 5 and Buzios 7 projects; systems are now being commissioned on board.
Another contract in this field was achieved for the subsea intervention services for the Libya – Italy pipeline where Saipem will provide integrated inspection engineering, maintenance, and emergency services for the Greenstream pipeline through its own Sonsub center of excellence.
With regards to the Internet of Underwater Things we completed, in collaboration with WSense, the qualification of Seanapsys, a unique and innovative set of subsea intelligent nodes, able to communicate using through-water links, to create a distributed network of acquisition nodes integrated with our underwater robotics. This technology could be applied to traditional Oil & Gas scenarios, like monitoring asset integrity, or for new fields like monitoring of underwater CO_2 storage.

Subsea robotics

The use of advanced underwater robotics solutions, capable of performing complex inspection tasks automatically and with no subsea human presence, represents a cutting-edge technology in the field of unmanned underwater interventions. We aim to be a key player in this transformation, using some of the more innovative and disruptive subsea robotics solutions in the offshore market. Such drones will be able to perform complex navigation tasks, automatically adapting to environmental conditions and newly acquired inspection data, all of which require advanced control and communications techniques informed by Artificial Intelligence.

The development of our subsea robotic platform is focusing on our Hydrone-R, Hydrone-W and FlatFish solutions:

- The first Hydrone-R vehicle was delivered to Equinor as part of the first ever “Life of Field” contract for an Underwater Intervention Drone, covering 10 years of service in the Equinor “Njord” field off the coast of Trondheim. This prototype, complete with automatic docking features, was developed and fully tested, including remote controllability and is now in operations on Njord field for continuous inspection and maintenance activities. At present, the system achieved the significant result of more than 200 days of continuous dive; Hydrone-R has also started to perform complex fully autonomous inspection missions on the Njord field. Equinor and Saipem recently got. just in this respect, the 2024 UTC (Underwater Technology Conference) Award.
- Hydrone-W is a work-class full-electric remotely operated vehicle (ROV) equipped with a revolutionary powertrain and power management system that minimises energy consumption during operations. It is designed to operate from both manned and unmanned platforms controlled from land. Its testing has been completed, and the system is now ready to be mobilised on field.
- FlatFish is our underwater drone, conceived to perform complex, autonomous subsea asset inspections without vessel support. This robot can be launched from a topside facility or reside on the seabed inside a subsea ROV garage. FlatFish significantly reduces the CO_2 footprint of this type of operation by more than 90% and decrease manning requirements by approximately 70%, offering clients a more cost-effective solution. The development of FlatFish, winner in May 2023 of the Spotlight on New Technology award, as already Hydrone-R in 2021, is at an advanced stage: after a first extensive test program, carried out in Trieste Playground, for the complete testing of all autonomous tasks and inspection functions, the system was mobilised for a deep-water test campaign offshore Brazil in the context of an awarded contract with Shell and Petrobras. After that the FlatFish was deployed in Middle East and it has performed the first inspection campaign of more than 200 km of pipeline. A new contract with Petrobras will allow to build a new evolute FlatFish with innovative features to be qualified in the next deep-water campaign in Brazil scheduled at Q4 2025.

Finally, the potential of these subsea technologies within the offshore domain is vast, both for Oil&Gas developments, as well as for the renewables market segment and even in non-energy sectors, as for example in the Defense field, where we are continuing to work on developing the Rescue and Intervention Deployable Assets for the rescue of submariners, in collaboration with Drass. Saipem was selected by Marina Militare Italiana (the Italian Navy) for the development of the new generation equipment. Saipem is also involved with the Intermarine shipyard for the launch and recovery system of underwater drones from the Uncrewed Surface Vessel for mine countermeasures operation, within the new mine hunting ship development program of Marina Militare Italiana. Saipem is working on two PNRM projects (National Plan for Military Research) dedicated respectively to the development of an innovative subsea robotics system (Hydrone-D) for mine countermeasures and other defense activities (Anti-submarine Warfare and critical underwater infrastructure protection), and to the development of underwater detection sensors and equipment for the protection of sensitive areas such as ports and critical infrastructures. Saipem has been recently awarded of other two projects for the newly created Polo Nazionale della Dimensione Subacquea (PNS), in partnership with Italian industry and academic entities. A Memorandum of Understanding (MoU) was also signed with Fincantieri to evaluate opportunities in the area of surveillance and control of critical infrastructures.

With regards to Onshore and Floating solutions for the Oil & Gas industry, the **Energy Carriers** business line is active in improving the efficiency and sustainability of the Natural Gas supply chain, with solutions spanning from Liquified Natural Gas (LNG) to nearshore and floating production, to natural gas monetisation, leveraging on the consolidated experience and proprietary technologies for fertiliser production.

Regarding the latter topic, the ongoing activities on the proprietary “Snamprogetti™ Urea Technology” include:

- improving resistance to corrosion and fostering cost reduction through the development of a novel construction materials. In this respect, Saipem and Tubacex Innovación have recently developed together a new grade SuperDuplex material SATURN31™ for application in the High-Pressure section of Urea plants. It has been designed to be used with traditional construction techniques as well as additive manufacturing. Recently some pieces of internals (ferrules) of the Urea Stripper, fabricated with the new material, have been installed in two operating plants to demonstrate the resistance of the material to the corrosive environment. This material is now ready for commercial deployment;

- continuing to enlarge our portfolio of high-end solutions with the deployment of the Snamprogetti SuperCups™ trays, for urea reactor, which drastically increase the mixing efficiency of the reactant phases, thus boosting the conversion rate of urea synthesis aiming to significantly reduce the energy footprint of urea production and its CO_2 emissions; several new and "revamped" facilities are adopting the SuperCups technology. As part of our R&D program to develop the second generation of SuperCups with the aim of further increasing the efficiency, the application of additive manufacturing by using the new SATURN31™ material is being studied, to enable making second generation Supercups with a particular design;
- The integration of proprietary "Snamprogetti™ Urea Technology" in the overall ammonia-urea complex has always been a peculiar feature of Saipem. Today, Saipem is engaged in the execution of CERES Project in Western Australia, where the novel SynCOR Ammonia™ technology by Topsoe allows outstanding results in terms of energy efficiency and CO_2 emissions. While executing this project, Saipem is adopting cutting-edge solutions such as extensive modularisation and integration with renewable energy;
- an innovative solution for Wastewater Treatment in Ammonia-Urea complexes, the SPELL technology, has been developed by a cooperation with Purammon. The technology can remove nitrogen through a novel electrochemical process, in compliance with the most stringent environmental regulations. To support the technology demonstration towards the final customers, in 2022 a mobile containerised demo plant, with max capacity equal to 2 m^3/h has been built and exercised. A further test campaign was recently completed with good outcome also as power consumption. The next step will be an industrial experimentation aimed to demonstrate technology integration with specific industrial environment before full-scale technology deployment.

Efforts in the LNG field are ongoing: the proprietary Liqueflex™ and Liqueflex™ N_2 technologies for the liquefaction of natural gas, have been just devised for small and mid-scale plants, to suit the current market scenario requiring quick time to market solutions. In association with the LNG technology, Saipem patented also a Telescopic Joint named "CASS", consisting in a joint with an innovative design that absorbs pipe's thermal contraction in cryogenic application avoiding piping loops, with a consistent optimisation of pipeline routing and related construction costs and plant capex reduction. The innovative joint is applicable to cryogenic pipes but also on hot application. Saipem has developed the solution and is in the process of completing a DNV certification. Next step will be the installation in an operation plant upon entering in a collaboration agreement with concerned Operators.

In relation to High Octane technologies, the identification and investigation of new possible configurations, for etherification unit to further reduce energy intensity of the entire process, are underway.

Furthermore, Saipem is progressing with the "Smart Pipeline" initiative, aiming to make "intelligent" onshore pipelines, by us designed, through the implementation of new installation methodologies for structural integrity monitoring systems. We have already developed tools capable of automatically and accurately installing sensors directly onto the pipeline. Currently, we are focusing on developing methodologies that involve less invasive and less impactful installation on pipeline laying activities, utilising sensors that allow for monitoring any displacements of the infrastructure over time by reconstructing its geometric shape. This technology, named 3D Shaping, is potentially applicable not only to pipelines but also to all other linear structures.

Innovation for the energy transition

The second part of this report describes the activities regarding energy transition and more in general all our initiatives designed to an improved sustainability. Recently, in order to exploit all the opportunities in the field of energy transition, two additional themes have been added, namely Geothermal and innovative Nuclear energy solutions.

In the medium term, targeting progressive decarbonisation of energy and overall CO_2 emissions reduction, also in the energy-intensive sectors (Hard to Abate), we are pursuing several initiatives that reflect the following main pillars:

1. CO_2 Management and decarbonisation of Hard to Abate Industries: we aim to continue to produce energy and products using fossil fuels while significantly reducing their associated climate-altering emissions. This applies not only to the Oil & Gas industry but also to other energy-intensive industries.
2. Offshore Renewables: we are particularly oriented towards offshore wind but also floating solar.

3. Geothermal: not only a continuous renewable source to produce electricity but also a source of zero-carbon heat for the Hard to Abate Industry and residential heating.
4. Offshore Nuclear: a zero-carbon energy source than can efficiently and sustainably support growing energy needs and ensure the diversification and security of energy supply.
5. Hydrogen: we see it both as a low-carbon chemical intermediate and as an energy carrier (including derivatives as ammonia and methanol) that can gradually replace natural gas in those applications difficult to electrify.
6. Low Carbon Emissions Fuels: biofuels, synthetic hydrocarbon liquids and also gaseous (biogas, synthetic methane and bio-methane).

Aside of these efforts two further areas are under intense scrutiny to target significant sustainable goals:

- Circular Economy: adopting new models that aim to create value and protect the environment by improving the management of resources, eliminating waste through better design, and maximising the circulation of products.
- Water Source Management: this resource is precious and critical, and we have started a dedicated effort.

It is worth noting that a lot of mutual interconnections can be found among all the different pillars.

CO_2 Management and decarbonisation of Hard to Abate Industries

As "Hard to abate" industries are responsible for about 25% of the worldwide CO_2 anthropic emissions, it is important to find solutions for the related sectors, whose decarbonisation represents an important challenge for the achievement of carbon neutrality targets, such as steel or cement production, as well as paper mills, waste treatment plants, etc.
The recent contract acquisitions of Tangguh, in Indonesia, and for the East Coast Cluster in the United Kingdom, confirm the strong background of Saipem in Carbon Capture, Utilisation & Storage (CCUS) thanks to capture process technology, experience in transportation of fluids over long distances, conversion of CO_2 into chemicals and offshore drilling for CO_2 injection.
We have extensive experience in all commercial technologies related to CO_2 capture, thanks to our vast knowledge in the natural gas treatment, and in the refineries. Additionally, we have our own "CO_2 Solutions by Saipem" technology, which aims to reduce the cost and environmental impact of capturing CO_2 from combustion processes. This technology uses an absorption process with a carbonate solution enhanced by a proprietary enzyme that can operate in process conditions. We have already tested this technology on a large scale at a demonstration plant (30 tonnes per day) in operation in Québec. We are also collaborating with Novonesis, a leading biotech company specialised in enzyme production and optimisation, to secure the enzyme supply chain.
We have applied our "CO_2 Solutions" technology in Bluenzyme™ 200, a modularised system for post-combustion carbon capture having a nominal capture capacity of 200 tonnes of CO_2 per day, Bluenzyme™ is a a compact and effective solution that can be brought quickly to the market and be applied to post-combustion emissions from new or existing plants. In the last part of the year the Bluenzyme™ solution was selected for two new projects, the former with Hera Ambiente in Ferrara, Italy (see also later) and the Ren-gas project in Tampere, Finland, to produce e-methane from the 40,000 tonnes/y captured CO_2.
We are also actively participating in the ongoing EU-funded innovation project "ACCSESS", started in 2021 and involving 18 European partners (with Sintef as the coordinator) in the frame of the Horizon 2020 programme. ACCSESS is demonstrating the capture of CO_2 from flue gases coming from several hard-to-abate industries such as pulp and paper, cement production and waste-to-energy. A 2-tonne-per-day pilot plant, previously designed to be operated with amine solvent, was modified to operate with our CO_2 Solutions technology, which was identified as the leading technology of the ACCSESS project and then. successfully operated with our technology in the waste-to-energy plant Hafslund Oslo Celsio in Klemetsrud, and at the Technology Centre Mongstad, both in Norway, this time integrated with a Rotating Packed Bed (RPB) absorber unit, developed by Prospin and constructed by Proceler, demonstrating stable operations and well satisfying target performance. RPB use represents the next stage of development of our CO_2 Solutions technology. We are going to complete an additional test campaign at the Stora Enso kraft pulp mill in Skutskär, Sweden, then move to the Heidelberg Cement kiln in Górażdże, Poland, for the final test campaign of the project.
We successfully applied to the Horizon Europe call also for the project "COREu", always coordinated by Sintef. Started in 2024, it is a large Research and Innovation project aiming to demonstrate key technologies for the entire CCS value chain, supporting the development of CCS routes linking emitters with storage sites in Central Eastern Europe. Therein Saipem will contribute to improve models for the safe design and operation of CO_2

transport networks and to support safe and long-term storage for the injected CO_2. In this respect the previously mentioned Flatfish will be used for subsea leakage monitoring as an underwater autonomous drone integrated with a CO_2 detection system with a "sensors fusion" approach.
We are continuously working to further improve our capabilities in CO_2 transportation, also in view of our recent commercial successes previously mentioned. We are enhancing our knowledge on thermodynamic models and simulation methodologies to support pipelines integrity analysis, developing guidelines to support our clients in the fulfillment of an inspection and monitoring plan for CO_2 transport pipelines and for dry pre-commissioning. We have participated to several JIPs with the scope of refining our knowledge on several relevant aspects, i.e the evaluation of safety and environmental forecasting models for accidental releases of CO_2 from subsea pipeline systems. Furthermore, our associated Norwegian company Moss Maritime has developed solutions for ship transport of liquefied CO_2 vessel to collect and store CO_2 from various industrial sources and deliver it to either onshore terminals for piping into final storage site/reservoir or to deliver the CO_2 offshore directly to the storage site. Moss Maritime has also developed CO_2 floating injection units with or without storage, as well as solutions with integrated CO_2 conditioning equipment onboard the liquid CO_2 carriers for direct injection from such carriers.
With regards to CO_2 storage, Saipem is involved in various initiatives all along the project life cycle, for import and export terminals, assessing the technologies to properly treat and liquefy CO_2, to manage liquefied CO_2 loading and unloading and its boil off gas also through its reliquefaction, to optimise the scheme for its injection into wells.
In terms of CO_2-reuse, we are constantly scouting for the latest technology developments, with priority for CO_2 to e-Fuels, CO_2 to Chemicals followed by carbonation of industrial residues, evaluating the potential CO_2 reuse options, particularly in areas where infrastructure for CO_2 collection and transport to storage is not available.

Other decarbonisation services
To help our clients meet their Net Zero emission targets, we have also created specialised decarbonisation services that address both the emissions generated directly by the client's facilities and those throughout its supply chain:

- EmiRed™: an innovative solution and a methodology for "low-carbon design". It supports the sustainable investment decisions and the carbon neutrality ambitions pursued by the operators in the Energy Industry.
- LCA (Life Cycle Assessment) evaluations, providing a reliable, transparent and quantitative assessment of the potential environmental impacts of projects, products, processes and integrated systems.

Offshore Renewables
Saipem keeps investing with the Offshore Wind business line in both bottom-fixed and floating solutions.
Regarding bottom fixed solutions, Saipem has progressed in the design of two-piece jacket for midwater depths (50-80 m) and wind turbines up to 20 MW and started the development of a new modular concept extending the portfolio of products Saipem can offer in this segment.
For floating wind, Saipem has been testing the adaptability and scalability of our Star1 semi-submersible technology for different types of turbines with positive outcomes since the 15 MW standard product design could be successfully adapted with only minor geometrical modifications. Saipem also kept on progressing for its industrialisation, in particular through the local final assembly solution called SmartYard. High productivity solutions (fit-up, welding, non-destructive testing, etc.) are being validated internally and through the RECIF JIP (supported by ADEME, French Energy Transition Agency) to make this final assembly as efficient as possible. We are also engaged in the "FloatFarm" EU-funded project, started early 2024. The project aims to significantly advance the maturity and competitiveness of floating offshore wind technology and will see the deployment of a small-scale Star1 prototype in the gulf of Naples. Design of the prototype significantly progressed in 2024.
Regarding the floating electrical substation, the generic design for a 500 MW high voltage alternating current (HVAC) unit has been completed and a Statement of Feasibility by DNV has been issued. Saipem has also joined the 2nd phase of JIP for floating substations led by DNV.

In the offshore renewables area, the Company is also developing further initiatives: for example, XolarSurf is a new concept of "Offshore Floating Solar Park", developed by Moss Maritime, with support from Equinor, for applications also under severe wave conditions; together with Sintef we have previously performed extensive model tests campaign on a scaled floating solar model. Early in 2024 DNV handed over a Statement of

Conformity for the design brief outlining the design methodology for the XolarSurf concept. Then a prototype was deployed offshore Frøya in Norway, where it will remain for about a year.

Geothermal
An R&D programme has been developed to position Saipem in a new energy landscape, investigating solutions for the exploration of geothermal resources beyond their conventional technical and geographic boundaries. In particular, methods and technologies to exploit resources not economically viable with conventional solutions are being investigated, also moving towards never-exploited geothermal resources such as offshore. Moving from ready to market solutions to new developments, three key areas, involving also the transfer of skills from Oil&Gas, have been identified:

- next-generation (unconventional) technologies to overcome obstacles of conventional (hydrothermal) geothermal vastly expanding resource availability and potential commercial adoption;
- solutions for harnessing geothermal energy from depleted Oil&Gas wells as an innovative alternative to their plug and abandonment;
- sustainable exploitation of substantial and consistently distributed geothermal resources globally available in offshore settings to date not yet commercially exploited.

Furthermore, Saipem recognises the importance of geothermal energy also for the hybridisation of close-to-market projects and technologies by carrying out the following activities:

- recovery of co-products from geothermal systems including the possibility to extract from geothermal brines critical and strategic minerals (such as lithium) fundamental for both energy and digital transitions;
- integration of our own carbon capture technology, CO_2 Solutions, with low-to medium-enthalpy geothermal energy; just in this respect, our Bluenzyme™ 200 solution for CCS, suitable for utilising heat recoverable from low-temperature sources, can further reduce emissions by leveraging geothermal energy as a process energy source. This concept is being concretely applied in a project by the Hera Group and Saipem, named CapturEste, for the decarbonisation of the waste-to-energy plant of Herambiente in Ferrara, which was recently selected by the European Innovation Fund, aimed at supporting the deployment of cutting-edge clean technologies across Europe, to receive nearly €24 million in grants; it will be the first industrial-scale example of CCS applied to a plant of this type in Italy. The initiative has been selected for its high level of innovation, and its potential replicability in other waste-to-energy plants and other hard-to-abate industrial sectors across Europe.

As regards geothermal, collaborations with reference research centers are being defined as well as discussions with possible strategic partners for a quicker development. In line with this strategy, Saipem has signed a MoU with Geolog and Ignis H2 Energy, companies specialised in the geothermal sector. The goal is to develop advanced technological solutions and conduct feasibilities studies for new geothermal plants in order to obtain clean and renewable energy, in Italy and on a global scale.

Offshore Nuclear
As regards nuclear energy Saipem's interest has the aim of further strengthening our efforts in achieving Net Zero objectives within 2050. Nuclear energy is in fact an energy source than can efficiently and sustainably support growing energy needs and ensure the diversification and security of energy supply. In this light, Saipem intends to evaluate the potential application of the new generation of compact reactors (SMR - Small Modular Reactors) for offshore plants, to generate power and high temperature heat with very low-climate changing emissions. As a first step, we have signed a cooperation agreement with newcleo to identify innovative solutions for the offshore application of the newcleo's nuclear technology "Small Modular Lead-cooled Fast Reactor". The agreement includes a feasibility study on the development of floating nuclear prototypes, connecting to the grid on land or to other users. The collaboration between the two companies, which will combine their skills, experience and knowledge, will allow to exercise on novel design configurations on one of the most promising technologies in this field: newcleo's technology leverage passive security systems unique in the marine environment, enabling much greater efficiency in the use of extracted uranium compared to other conventional fission reactors. This is thanks to the reuse of spent nuclear fuel used by other reactors, in line with the principles of circular economy.

Hydrogen and Low Carbon Ammonia
Saipem can design, size and execute industrial plants using green and blue hydrogen technologies for industrial sectors, either the conventional ones based on Hydrogen both as a chemical intermediate and for hard-to-abate

sectors where electrification is not feasible, or as energy carrier for heavy duty vehicles, rail and maritime transportation. Saipem provides industrial solutions such as large-scale electrolyser plants for hybrid industrial applications, including those defined by the low carbon ammonia and green hydrogen valley projects.
In November 2023, the entry of Sosteneo (Generali Investments) into Puglia Green Hydrogen Valley (PGHyV) alongside Edison (the major industrial shareholder) and Saipem represented a key step in the development of Italy's largest Hydrogen Valley. The PGHyV aims to build two green hydrogen production plants in Italy, in Brindisi, and Taranto for a total capacity of 160 MW and powered by renewable electricity provided by dedicated 260 MW photovoltaic plants as well as by the electric grid via green power purchase agreement. The two plants will produce up to 260 million cubic meters of renewable hydrogen per year and 190.000 tonnes of CO_2 emissions reduction. The produced green hydrogen will be transported to end users through a repurposed pure hydrogen pipeline and new connecting ancillary gas network, contributing to the decarbonisation of the nearby industrial sites of Brindisi (incl. petrochemical industry and power stations) and Taranto (incl. energy intensive industries such as a big steel-making plant and refineries), combining several H_2 applications into an integrated H_2 ecosystem. The project has been submitted to IPCEI (Important Projects of Common European Interest) funding; in February 2024 it has been notified to Saipem, together with its Partners, the possibility to access a €370 million funding grant, among 33 projects included by the European Commission in Hy2Infra, the third IPCEI to support the development of hydrogen infrastructure in Europe.

In synergy with CO_2 capture green hydrogen is an enabler in the value chain of e-fuels, and several projects and initiatives are ongoing in Europe, USA and Australia with capacities ranging from 50 to 500 MW. With the purpose to address the market and drive demand, Saipem has signed an MOU with Nel, a major electrolysis technology provider, where Nel provides its alkaline and PEM (Proton Exchange Membrane) electrolyser technologies, along with technical services, while Saipem manages the design, engineering, procurement, and construction of the hydrogen facilities. The result of the collaboration is the IVHY™ 100 system, a 100 MW scalable and modular solution based on Nel's alkaline technology, facilitating easier installation and commissioning for large-scale hydrogen production.
Furthermore, in order to offer ready for certification plants and solutions, Saipem is developing a digital platform for the traceability and management of guarantees of origin from renewable sources to renewable hydrogen production. The platform can be complemented by other solutions developed by Saipem (such as EmiRed™) to enhance the Saipem's value proposition for consultancy services in the sustainability market domain.
In the infrastructure sector, Saipem is also heavily involved in the development of onshore and offshore pipeline readiness for pure hydrogen and hydrogen/natural gas blending and is conducting studies in Mediterranean and North Sea areas. Saipem has obtained the Technology Qualification statement from RINA fot the methodology for evaluating the performance of metallic materials and related welds for the construction of subsea pipelines for hydrogen transport. Moreover, Moss Maritime is involved in the design of ship liquefied hydrogen transportation vessels, an "Approval in Principle" certificate was awarded from DNV for a liquefied hydrogen (LH_2) containment system design, currently being further developed.

Ammonia is a carbon-free molecule which can be liquefied under mild conditions; hence, it is widely recognised as one of the pivotal elements of the energy transition both as a hydrogen carrier and as a direct fuel. Leveraging decades of experience in the execution of Ammonia projects, Saipem is nowadays at the forefront in the implementation of solutions that allow the development of the whole ammonia value chain; currently, Saipem is engaged in various Blue Ammonia initiatives providing solutions to achieve the highest possible carbon capture rate (up to 99%) by proper integration of the ammonia process with the utilities (especially steam and power generation) and management of the captured CO_2. It is worth mentioning that these initiatives are based on different capture technologies, selected for the specific project to meet the peculiar targets.
To facilitate the deployment of an end-to-end ammonia value chain, large infrastructures are required for the storage and transportation of ammonia as well as for its cracking, when ammonia needs to be reconverted to hydrogen. Saipem is developing innovative solutions for large ammonia terminals, such as the use of Gravity Based Structures (GBS) to overcome issues of large-scale onshore facilities, which are already under consideration by prospect clients in engineering studies and FEEDs for ammonia storage, cracking and pipelines.

Low Carbon Emissions Fuels

The energy landscape drives Saipem to look with increasing interest at the technologies of Low Carbon emission fuels production, both liquid (biofuels, and synthetic hydrocarbon liquids) and gaseous (biogas, hydrogen, synthetic methane and bio-methane). While these fuels provide today a small percentage of global energy demand, they will be key to decarbonise long-distance transportation and parts of heavy industry. As technology integrator and developer, Saipem is involved in various initiatives, all along the project life cycle, aimed at driving its customers to select and develop the most suitable technology paths for producing sustainable products. In particular, for the production of synthetic fuels, such as e-methane- (as in the Ren-Gas project in Finland), e-naphtha and SAF (Sustainable Aviation Fuel), Saipem is actively assessing these technologies and evaluating the associated technological risks.
Additionally, Saipem is conducting assessments on technologies that can convert biomass into SAF through bio-isobutene intermediate production processes. By leveraging our expertise in oligomerisation and hydrogenation, we aim to optimise these processes and develop solutions that span the entire value chain. This effort further allows us to leverage our proprietary technological expertise, applying it at the forefront of future solutions.

Circular economy

As far as the circular economy is concerned and specifically plastic waste, Saipem strategy is aimed to face the Plastic Dilemma: "we need polymers, but we must overcome the serious issues related to plastic waste". Among the alternatives, the chemical recycling of plastic waste, turning it into valuable products (in a strictly closed model: new polymers with properties and applications same as traditional virgin polymers), is the closest approach to a sustainable deployment within the existing markets and supply chains. The following polymers are focused in terms of chemical recycling technologies solutions: Polyolefins (i.e.: PE and PP), PET (Poly-Ethylene-Terephthalate) and PS (Polystyrene). While for PS a scouting is on-going to select the technology providers to be engaged, for PET Saipem and Garbo, an Italian chemical company, have signed an investment agreement to support the development, industrialisation and commercialisation on a global scale of a PET glycolytic depolymerisation technology, named ChemPET, producing the intermediate ester of the traditional PET synthesis from fossil based raw materials, to be used to produce chemically recycled PET, with the same properties and applications of virgin PET. As far as Polyolefins-rich plastic waste, pyrolysis is currently the chemical recycling technological pathway representing a feasible transition in the next future. With respect to pyrolysis, due to the wide technology competitive landscape, the approach currently followed by Saipem is to pursue partnerships and/or commercial agreements with different technology providers, depending on feedstock requirements, product characteristics (py-oil), geographic area, existing plastic waste sorting companies and final product off-takers.

Still about circularity, we are developing innovative schemes that integrate oxy-fuel combustion, green hydrogen production and the subsequent generation of low carbon fuels. These schemes include recovery of waste streams (organic-based and plastic waste but also wastewater) and co-products (captured CO_2, oxygen, pure water). With this scope, in 2024, a collaboration was undertaken with Itea SpA, owner of the patented ISOTHERM Pwr® Flameless Oxy-Combustion technology for the co-development of innovative schemes which allow the production of low-cost energy using the previously described waste streams as feedstock to oxy-combustion.

Finally, with regard to **Sustainable Infrastructures** business line active on railway projects, in line with its strategy aimed to protect the environment by improving the management of resources and maximising the reuse and recycling of waste and byproducts, a proof-of-concept related to the development of a digital platform for the tracking of construction waste and excavated materials as byproducts on railway projects has been tested. The innovative digital platform leverages blockchain technology to track and manage construction waste and byproducts generated during the execution phase of railway infrastructure projects. By providing a transparent, tamper-proof ledger, the platform ensures the tracking of waste and byproduct from the generation to the final destination, including transport, and has been developed to be aligned with the latest Italian legislation. It enables real-time data sharing among stakeholders, including contractors, waste and byproduct handlers, and regulatory bodies, fostering compliance with environmental standards while enabling continuous control on the data, thus reducing the possibility of human error during the process.

Water Resource Management
In 2024, Saipem has undertaken its journey in this sector dividing activities into four main clusters: wastewater treatments, primary water treatments, water infrastructures, water recycling and reuse. In addition to the activities underway, and previously described in this report, a few new applications have been identified to be explored: mitigation of losses in large water distribution networks through innovative monitoring systems based on the most recent technologies and, more generally, the application of the Water Management System which brings together different aspects of water network management in a single integrated solution. In the offshore sector, scouting is underway for some cutting-edge technologies such as massive transport and underwater storage of fresh water and subsea desalination systems.

Open Innovation
In addition to the participation to the Evolen programme in France and to the "Open Italy" programme, coordinated by Elis Innovation Hub (and which allowed to identify the startup Revolt active in the field of green hydrogen tracking and certification, previously described in the Hydrogen section), Saipem has recently entered into two accelerators of the CDP Venture Capital's National Network: Zero, the Cleantech accelerator and CrossConnect dedicated to physical and digital infrastructures.

Novel Innovation methodologies
Saipem developed, in collaboration with the Politecnico di Milano, two new methodologies; a first of kind approach to identify, assess, and manage technological risks to support the effective implementation of complex projects and the "TechInnoValue" to track and measure value generated by technology innovation inside the executed projects, in relation to the sustainable development of the business and in line with Saipem's ESG objectives.

Intellectual property
Within the complete framework of technology innovation activities, Saipem filed 22 new patent applications in 2024.

HUMAN RESOURCES

Quality

In the definition and governance of the Quality management system, the main activities undertaken in 2024 are outlined as follows:

- in the second half of the year, reorganisation of the function with the redistribution of roles and responsibilities by geographical region in relation to executive projects, and with the centralisation of systemic aspects in order to emphasize the propensity to continuous improvement;
- management and maintenance of Quality certifications relevant for the Company (ISO 9001);
- analysis and discussion, during the review by the Top Management, of the Quality results for 2023 and 2024 in terms of performance indicators and progress of the main activities and identification of the list of improvement actions to be formalised with the issuance of the Quality Plan 2025;
- continuing optimisation and formalisation of Quality Assurance and Quality Control processes, in line with the current organisational model. In this context, the following sub-processes have been redefined:
  - Non conformities;
  - Return of Experience (REX) and Lessons Learned (LL);
  - Cost of Non-Quality (CoNQ) and Quality Investigation;
  - Customer Satisfaction;
  - Corrective Actions Management;
  - in the bid phase, methodology for estimating the personnel required for the project execution phase;
  - drafting of new Group Criteria for the Pipe Tracking System process;
- the identification of innovative digital solutions aimed at simplifying the management of Quality Assurance and Quality Control processes. Among these, the following are reported:
  - the application of Module 1 of the Request for Inspection (RFI) & Quality Check tool on Bonny T7 Site project, which aims to streamline the management of quality inspections and related certificates on site;
  - digitisation of the Audit Management process;
- re-issuance of contracts with the American Society for Testing and Materials (ASTM) International and ILI Limited related to the provision of technical standards at Group level, through the analysis of usage statistics, redefining the optimised scopes for the stipulation of Contracts for 2024-2027, maintaining the same level of service;
- comprehensive analysis of the Quality professional family, coordinating the contribution of the various functions of each related structure, and drafting the technical skills development plan responding to the needs of the Company;
- organisation, in partnership with the Quinn Consortium, of the second edition of the Master HSEQ Synergy in “HSEQ Management Systems in Energy Transition and Digitalisation for Sustainable Development”, aiming to accompany trainees in a training path using specific modules for the energy world, the principles of the health, safety, environment and quality (HSEQ) culture, project management, sustainability and the digital culture.

Human Resources Management

Through top-quality training programmes, performance management, coaching initiatives, well-being and welfare measures supporting the work-life balance, Saipem works to create an environment in which everyone can grow professionally and contribute to our collective success. The Company considers inclusion to be an essential value, and fosters the enhancement of diversity as an opportunity and key to success, responding to the challenges of the global market while spreading a culture in which the range of personal and cultural features are considered a value and a source of mutual enrichment.

This commitment is represented by the Diversity, Equality & Inclusion Strategy, defined consistently with the Group’s Diversity, Equality & Inclusion Policy, which represents the corporate responsibility to fostering an inclusive culture free of all forms of discrimination and prejudice, in accordance with the principles of equity and equal opportunities.

In 2024, the Company continued with its policies of alternating between remote and in-person work, aiming to foster greater flexibility in job performance, assisted by the synergic use of technologies and digitalisation to maximise the effectiveness of the different company processes.

In addition to the retention actions aiming to maintain critical skills and enhance the existing competences, an ambitious recruitment plan was implemented with a view to consolidating both the outstanding corporate skills and those required to support the energy transition. The development initiatives also included the introduction of a new appointment process, aiming to enhance technical-managerial careers that have a significant impact on company results, or highly specialist careers that are critical to the achievement of business strategies.

As regards our expatriate personnel, with a view to offering competitive salaries and improving motivation and engagement, the Company has confirmed the more flexible tools already in use, updating the remuneration indexes and assessing new ways of defining pay schemes.

Organisational initiatives have also been developed with a view to continuously improving performance. Among these, the reorganisation of the Human Resources and Organisation Function, establishing highly specialised Centres of Expertise relating to human resources processes, aiming to provide an increasingly qualified service to internal and external clients.

The re-engineering of the HR processes continued through the Global Payroll project, which will enable the use of Business Intelligence tools to ensure a more effective monitoring of the main labour cost elements, and develop a digital platform for managing the human capital which, through data integration and optimisation, places the employee experience at the centre of the processes, bringing major benefits in terms of the reduction in the number of systems and related connections.

The Company has also launched a major Data Governance initiative to reorganise and optimise the management of critical corporate data. The project was launched with a focus on the award and management of business projects and is also in preparation for the integrated digital management of the project personnel scheduling processes, for which the requirements have been drafted. A method for assessing the allocation of an employee to the project has been introduced, in relation to specific contractual parameters, and the semi-automatic mapping of Saipem employee experiences since 2009 was successfully tested from and can be appreciated in natural language through Copilot365. In 2024, the Company enabled 10,000 employees to use the world's most advanced corporate Generative AI tool, aiming to reduce the time spent on routine tasks, focus on activities with higher added value and increase well-being. In addition to a training partnership to co-create prompts to use for recurrent company uses in the different functions, including the first AI Agent experience, investments were made in Robot Processing Automation with 78 automation bots processing various instruments and data fields already implemented, saving over 14,000 man/hours.

Saipem has continued its commitment to updating skills linked to the Strategic Plan, and two permanent training centres are underway, with the aim of developing and strengthening skills in the Offshore Drilling and Offshore Engineering & Construction fields. In 2024, the Company received the prestigious HR Innovation Award from Milan Polytechnic for the "People Care & Development through Digital Augmentation" programme, which integrates five training applications using extended reality and artificial intelligence technologies, enhancing training standards while reducing costs and increasing the safety and psychological well-being of Saipem's people. The awarded applications concern virtual simulations of offshore welding and construction, a subsea drone training simulator enhanced with synthetic data generated by Artificial Intelligence, virtual tours to become familiar with the vessel fleet and psychological support services in the metaverse, with custom virtual environments for more meaningful, personal experiences.

Saipem considers health as a fundamental right to be protected, fostering an approach blending care and prevention, and provides concrete tools to its people to understand, manage and improve both, in full compliance with the national and international privacy and other regulations. To ensure increasingly higher protection of worker health and safety, an agreement was signed with the trade unions relating to the introduction of a technological artificial intelligence-based solution ("Smart Cameras") to identify and mitigate risk situations deriving from operations performed both on board vessels and in the yards. To improve safety in the yards, the Video Analytics for Workplace System was also implemented; this measures and reports potential breaches of Health, Safety and Environment regulations.

Saipem's central focus on skills is also reflected in the creation of common value for all internal and external stakeholders, defining an interconnected ecosystem among companies and training institutions to foster the growth of business relevant skills. For example, in 2024 the new Upper Technological Institute was launched in the Marche region, a 2-year post-diploma training programme through which Saipem and other local industrial partners facilitate careers guidance for local young people, aiming to train technicians for infrastructures and plants with a view to their employment in the company.

Within an associative working group, Saipem led the development of an initiative aiming to map the skills needs in the evolving energy market, with a focus on the distinctive skills and emerging professions linked to the energy transition. The efforts focused on the development of a knowledge and skills analysis model, based on the outcome of interviews with our Technology Managers and verified using Generative AI, which was tested on the set of transition technologies included in the Strategic Plan. The result is a list of technical, power and enabling skills for each transition technology.

The behavioural model "One Saipem Way in Safety" was introduced, aiming to develop soft skills among employees and manage the interpersonal relations of the most important assets to Saipem and its clients: people. The model is based on the fundamental and essential dogma of physical and psychological safety, and on the 5 pillars "People, Future, Courage, Together and Results", expressed through specific expected behaviours.

Finally, in October, starting from a workshop planned to listen to the priority needs of the Top Management, the HR Department launched a process to define a sustainable People Strategy, aiming to ensure that the business and projects can promptly count on motivated people with the skills required for each operational context, in the most suitable professional role, cost-effectively over time, and who feel as accomplished as possible in their work with Saipem.
The initiative action plan defined within the corporate identity framework is based on the 5 areas of intervention of the new model:
- Staffing & Workload Management;
- Competence-based Organisation;
- People-centricity;
- Saipem Culture;
- Human Augmentation.

To mention just a few of the planned initiatives, the Saipem People Academy, open to employees, clients, partners, subcontractors and the civil society, which will support the development and transfer of leadership styles and skills, the correct management of team relations, continuous employability and personal wellbeing. The Academy will build bridges with universities, research centres and industrial associations to promote a sustainable energy transition and guide innovation in the energy and infrastructure sector. The Saipem People Academy will immediately have access to the two above-mentioned permanent training centres, which on one hand will develop drilling and well management skills and on the other offshore construction and lifting skills. Using the Drilling Simulator and Crane Simulator, the centres will offer the most advanced training systems for virtual simulation of processes, scenarios, activities and tools in real time, allowing people to develop technical skills and take decisions in a zero-risk environment.

Compensation

The 2024 Remuneration Policy is designed to support Saipem's growth process, business strategy, mission and corporate values through remuneration mechanisms used to attract, motivate and retain high professional and managerial talents , with distinctive and critical skills for Saipem, and encourage the achievement of the 2024-2027 Strategic Plan objectives and sustainable growth of the Company.

This Policy was designed in accordance with the governance model adopted and in compliance with the provisions of the Consolidated Finance Law, the Consob Issuers' Regulation and the Corporate Governance Code, pursuing the alignment with the management's interests and motivation with those of the shareholders and all the stakeholders, with the priority objective of creating sustainable value over the medium-long term.
For 2024, the Policy Guidelines included a remuneration structure for managerial resources based on a Short-Term Variable Incentive Plan and share-based long-term incentives, through the second allocation of the Long-Term Variable Incentive Plan for the three-year period 2023-2025.

The 2024 Short-Term Variable Incentive Plan was a monetary incentive, with a view to focusing on improving the Company's financial and capital structure, envisages the achievement of an entry gate based on Saipem's Adjusted Net Financial Position at the end of 2024.
The 2023-2025 Long-Term Variable Incentive Plan is share-based and has been designed to maximise the value of the incentive in the long term, strengthen management participation in business risk and improve company performance. The variable remuneration structure established was linked to economic and financial targets consistent with the Strategic Plan, as well as the 2024 priorities, and included a significant weight of the ESG component, equal to 20% of the targets for both plans. In particular, the ESG indicators were identified consistently with the Saipem Sustainability Plan, identifying quantitative and measurable objectives in relation to Safety, Environment, Diversity & Inclusion, Business Ethics and Anti-corruption, Business Integrity and People Management issues.

The 2024 Remuneration Policy is described in detail in the first section of the "2024 Report on Remuneration Policy and Compensation Paid" (so-called 2024 Remuneration Policy) and was approved by Saipem's Board of Directors on March 12, 2024; it was subsequently submitted for a binding vote by the Shareholders' Meeting on May 14, 2024, receiving a 99.2% vote in favour.
As described in Section II of the document, in 2023, following the achievement of the Group's objectives and management performance assessments, the Group awarded individual Short-Term Variable Incentives as provided for by the 2023 Remuneration Policy.

During 2024, the deployment of the corporate targets was carried out according to a top-down logic on the entire managerial population, ensuring a process of verification and monitoring of such objectives during the year.

In relation to the Long Term Variable Incentive plans, in the light of the failure to reach the minimum performance threshold of the objectives, the 2019-2021 Long Term Variable Incentive Plan, with reference to the 2021 allocation, was not activated.

As reported in the 2024 Remuneration Policy's Guidelines 2024, Saipem has also implemented a second allocation of the share-based Long Term Variable Incentive Plan for managerial resources for the three-year period 2023-2025. The Plan involves assignment free of charge of Saipem SpA ordinary shares (performance shares) against the achievement of specific performance indicators, measured at the end of the three-year reference period on the basis of two business-based objectives (cumulative Adjusted EBITDA for the three year period and Adjusted ROAIC over the three-year period), an objective linked to the Saipem share performance (Total Shareholder Return) measured on a three-year basis in terms of positioning in relation to a Peer Group of competitor companies (relating to the Engineering & Construction and Drilling businesses) and ESG objectives.

The 2024 Remuneration Policy took into account the challenges faced and overcome by Saipem in recent years, in a scenario highly penalised by the pandemic, the continuous increase in inflation rates, energy prices and

commodity prices, which maintain a complex market scenario for the company. With the support of the shareholders and the significant efforts of its employees, Saipem has been able to turn the situation around, improving levels of efficiency, productivity and innovation and optimising the risk profile of contracts and the orders portfolio through appropriate re-balancing; confirming these results, senior unsecured guaranteed equity-linked securities expiring in 2029 for a total face value of €500 million were issued.
The 2024 Remuneration Policy therefore also aimed at improving engagement, consolidating commitment and keeping motivation high, as well as ensuring talent retention, in order to guarantee the best execution of existing projects and those that will be acquired.

Gender pay equality initiatives were also implemented, aiming to align compensation to the emerging trends of individual local markets, ensuring greater salary competitiveness compared to the labour market.

Saipem continued to support its effort to reduce the gender pay gap, pursuing the principle of Equal Pay for Equal Work and providing disclosure on the fixed and total annual remuneration ratio between men and women by qualification, both in relation to Italy and the consolidated Group perimeters in Section II of the 2024 Remuneration Report.

Cyber Security

Cyber attacks are an increasing risk factor for the global economy and, according to what was reported by the most recent Allianz Risk Barometer, remain the greatest concern for risk managers of the companies involved in the survey. Saipem's commitment to tackling these threats and mitigating the related risk is growing accordingly. The preventive actions to strengthen cybersecurity measures and the continuous improvement of detection and response capabilities to cybersecurity events ensured that no critical incidents occurred also in 2024. Despite this, an increase in the cases (12) deemed worthy of reporting to the National Cybersecurity Agency (ACN) was recorded, mainly linked to infections caused by malware in individual systems, which were promptly contained to prevent impacts on other company assets.

The most used attack technique in these cases is Social Engineering, which exploits the emotions of its victims, leading them into error. Saipem has therefore enhanced its efforts in training its employees in order to increase their awareness of the risks of cyber threats. In this field, in addition to periodic mandatory training, delivered to 3,969 people for a total of more than 10,137 hours, further actions were also implemented:
- awareness "pills" during the Cybersecurity Awareness Month on increasingly important topics, including CEO impersonation and frauds leveraging social media and Artificial Intelligence;
- periodic simulated phishing campaigns to verify the level of knowledge and awareness of the company population against the most common attack vector used by cybercriminals;
- webinars about the recognition of the main Social Engineering techniques and their application in corporate and personal environments.

An increase in the cyber risk linked to the supply chain is reported, both in terms of operational continuity and impacts on information managed by vendors; particularly, the General Data Protection Regulation requires that Saipem as Data Controller, controls its vendors and has the obligation to report any data breaches to the Italian Data Protection Authority, in addition to implementing all the countermeasures useful for circumscribing the event and preventing it from occurring again. Directive (EU) 2022/2555 – NIS 2 – also ensures a strong monitoring of the supply chain with the aim of reducing the risk of disruption.
In cooperation with the Supply Chain Function, a list of minimum cybersecurity requirements was implemented in the new vendor management tool; all vendors must provide feedback directly into the platform. A remediation plan is drafted to manage any deviations from these requirements. The findings of the analysis of the answers provided by the vendors will also help prioritising audits.
Organisational measures are, in addition to technical measures, already identified and being released as part of the long-term (three-year) "Information Security and Data Management" programme launched in 2022, which tackles the following topics:
- Digital Identity Management and Access Governance;

- Data Governance with a focus on non-structured data;
- Encrypted traffic analysis and protection;
- Safe Remote Access to Operational Technology (OT) systems;
- Network segmentation;
- Privileged Access Management.

In 2024, the "Asset Operational Technology and Cybersecurity Requirements Control" programme was launched, aiming to ensure the competitive performance of offshore assets in a market that is increasingly sensitive to resilience to cybersecurity threats, in compliance with the provisions of Resolution MSC.428 (98) "Maritime Cyber Risk Management in Safety Management Systems" of the International Maritime Organisation (IMO). This programme includes activities related to the identification and mitigation of cyber risks for the industrial control systems (ICS) and the definition of their governance and operational management.

A key role for the assessment and continuous improvement of approach to security is played by internal and external monitoring. The correct operation of the Saipem Security Model is constantly monitored by the Audit and Risk Committee (CCR), which reports to the BoD, and by the company Internal Audit function.

In addition, further controls are performed by both certification bodies and specific platforms:
- the certification according to the international Standard ISO/IEC 27001:2022 has been renewed in March for the "Cyber security event monitoring and incident management" activities, in compliance with the new version of the standard;
- through BitSight and CyberVadis, market leaders in the Cyber Security Assessment of businesses, Saipem was able to identify its areas for improvement and plan targeted interventions; the results of both platforms place Saipem above the industry benchmarks.

DIGITAL AND ICT SERVICES

In 2024, the activity of cost rationalisation and investment optimisation in the Digital and ICT Services area continued steadily. This directional approach aims to ensure a balanced and economically and financially sustainable evolutionary roadmap, capable of supporting the business. In this global context, the company's effort has been maximised to ensure the development and adoption of digital solutions and the maintenance of adequate service levels in the ICT area.

In support of these directional indications in 2024:
- The evolutionary guidelines of the digital program in force since 2021 and its focus on the efficiency of work processes have been confirmed;
- Saipem's digital roadmap has been updated, taking into account market evolutions, particularly for generative Artificial Intelligence tools, to align it and enable the full integration of the digital needs of staff functions with those of business verticals and engineering processes;
- Specific corporate-level objectives have been confirmed to promote the digital transformation process.

Regarding the main initiatives launched, Saipem has:
- confirmed and maintained a constant transformation speed for all initiatives that integrally pertain to the Engineering, Procurement, and Construction (EPC Integration) processes, key to our core business;
- continued to develop and industrialise technological components supporting the digital transformation of our assets and safety;
- developed and put into production various digital solutions supporting staff functions (e.g., HSE, HCM, RPA, Process Automation & Mining, etc.);
- adopted Microsoft's generative Artificial Intelligence tool, Copilot365, enabling about 10,000 colleagues in Italy and worldwide to use it by the end of 2024.

The EPC Integration development area is dedicated to the centralisation and standardisation of data from "vertical" systems dedicated to individual functions and the integration of work processes within the execution of EPCI projects.
EPC integration includes two main complementary initiatives.
The "EPiC" visualisation and collaboration platform, for which support for the adoption of already industrialised applications continues, thanks to information efforts and the provision of onboarding, training, and user support services. Additionally, there is a particular focus on implementing corrections and new functionalities requested by stakeholders. Updates to applications aimed at the Supply Chain, Vendor Document Management, and AWP (Advanced Work Package) have been released to projects, while the development and integration phase of a Digital Control Tower and the extension of Management of Changes for use with joint venture partners continues. The RFI application for managing certificates at construction sites on the Salesforce/EPiC platform has been put into production.
The development of the "EPC Digital Platform," which aims to standardise and integrate plant engineering and material management processes with supply chain and construction processes. The core package of this initiative is in the production launch phase for use on the Liverpool Bay pilot project.

Furthermore, for the Installation/Offshore Construction phase, the following activities are noted.
Development of the Offshore Vessel Simulator for modeling the JSD600 and Saipem Constellation vessels, the production launch, and the adoption phase of the Vessel Reporting System (VRS) 2.0, and improvements to the Pipeline Productivity Tool (PPT) 2.0 – tools for monitoring and analysing offshore productivity – for which the production release phase is ongoing.

For the digitisation of our assets, the ICT infrastructure and Digital architecture standardisation programme, which aims to converge digital and ICT resources towards the same architectural design and performance capacity, started at the beginning of 2023, has been completed.

This will allow Saipem to adopt all digital solutions in development and new ones for its assets, whether they are market standards or developments tailored to the specificities of operations. It will also provide a common architectural design for all asset-related solutions, ensuring greater efficiency and better cost control, both in the development and adoption and service level management phases.
In 2024, Saipem has improved and continued to implement our IoT and Data Platform, considering the vertical solutions already present in our technology portfolio.
In parallel, we launched the digital modernisation plan for our fleet and the planning of future technological solutions, capable of transforming typical asset management processes, improving their utilisation through greater reliance on data-driven decisions and implemented algorithms (e.g., predictive maintenance, remote assistance, operational dashboards).
The paradigm on which this activity program is based is to increase governance levels over the data generated by our managed assets, using advanced analytics techniques to support decision-making processes and efficiency recovery in operations (e.g., fuel management) and sustainability (e.g., greenhouse gas emissions - GHG).
The digital platform consists of a cloud component responsible for the centralised collection and processing of all data from our assets, which are equipped with an "Edge Computing" component installed on board to optimise computational capacity and data transmission in suboptimal conditions.
As of today, this component is installed on the following assets: Scarabeo 9, Saipem 7000, Castorone, Saipem 10000, FDS, Pioneer, Sea Lion 7, Perro Negro 9, Perro Negro 7, FDS 2, Saipem 12000, Santorini, Scarabeo 8, Saipem Endeavour, Dehe, Castoro X, Castoro XII. A programme for the industrialisation of some of its sub-components and the connection of the data acquisition module to critical data sources is underway, as well as a process for identifying valuable IoT data and technologies that allow their enrichment with relevant information and their exposure for business use.
In this context, Saipem has achieved a higher level of centrality and control over our data, which has given us the opportunity to start defining Saipem's new Data Governance. This path includes, in parallel, a stream of initiatives in the Data Culture area.

At the end of 2024, the digital solutions addressing the following application areas for the Asset Based Services business line are nearing completion:
- Anomaly detection, as the first step of the planned path for implementing predictive maintenance;
- Digitisation of on-board logbooks;
- Digitisation of asset management of change processes;
- Drilling simulator for rigs;
- Digitisation of budget preparation processes for pipe-laying projects;
- Additive Manufacturing on board;
- POC for data acquisition from Crawler cranes on site.

Additionally, initiatives related to the evaluation of the use of:
- Digital and autonomous mobile platforms in operational sites;
- Smart wearables;
- New scanning technologies for monitoring construction progress;
- Passive exoskeletons;
- Aggregation and correlation tools of the information system (CMMS, DMS, 3D models) of our offshore assets.

The main milestones of the electronic work permit roll-out programme (e-permit to work) for our naval assets, aimed at strengthening safety management on board, have been completed.
In 2024, the entire operational fleet was covered, and it is planned to extend its use to onshore yards and new offshore means in 2025. In this context, the HOC4All solution for the digitalised management of the process of detecting, sharing, and analysing observations related to potential hazards or good practices is now available across the entire Saipem marine fleet. The solution, already available for onshore sites, involving Saipem and non-Saipem colleagues on board our vessels, also contributes to the spread of active safety culture. A smart camera system for detecting "unsafe conditions" has been implemented on the fleet and yards to facilitate

prompt resolution. Further teleassistance and telemedicine solutions have also been tested and proposed, increasing flexibility regarding offshore presence.
Other developments have been implemented on the first offshore drilling assets to better monitor daily activities and facilitate the document management system, and new solutions for managing the structural integrity of ships and optimising maintenance interventions have also been adopted.
A process of reviewing the CMMS system (centralised maintenance and warehouse management system) currently in use has been initiated for a possible replacement.
An activity to evaluate HSE technologies for improving on-board safety, such as Smart PPE, has been initiated.

In the Corporate area, numerous digital initiatives have been launched and, in several cases, completed. Especially:
- the company ERP update project has been launched;
- an analysis activity aimed at consolidating processes on a smaller number of software platforms, with the goal of reducing the company's application portfolio, is underway;
- a programme of activities aimed at digitising, automating, and optimising processes is underway;
- In the Project Control area, an analysis aimed at optimising the data model underlying the reporting area has been completed;
- an activity aimed at introducing accounting management in IAS Local Package and consolidated is underway;
- a series of dashboards for Internal Audit on KCI related to the acquisition and execution of business projects has been finalised;
- the Low Value Purchase process has been automated, improved, and adopted through the support of a digital platform;
- an activity aimed at digitising the Technical Bid Evaluation process has been launched;
- the archiving of procurement documentation related to issued orders has been automated; the final integrations related to platforms dedicated to staff functions (e.g., Sustainability, HSE, Vendor Feedback, Insurance, Legal, etc.) are being addressed;
- a project for the introduction of artificial intelligence elements to support the compilation of project risk registers has been launched;
- the functionalities of the cloud tool already adopted for NLP (Natural Language Processing) research in the document area have been extended with the integration of Sharepoint and Opentext D2 environments;
- a new and more advanced personnel management platform has been put into production, allowing the centralisation of processes, currently fragmented across a series of other applications progressively being phased out. All HR management processes are being migrated to this platform;
- the dematerialisation of selected internal authorisation flows has continued;
- the tools for project economic control, progress, and planning are being consolidated;
- a project aimed at introducing a platform to support the automation of the Due Diligence process has been launched;
- An activity to introduce artificial intelligence tools to support the end user with reference to queries within Risk Management procedures has been launched;
- The extension of the CRM platform to the main business lines has been finalised;
- an activity aimed at converging all information related to commercial references of the main business lines onto the CRM platform has been finalised;
- a digital platform to support the Legal Office processes has been implemented;
- the implementation of a platform to support the digitisation of Maritime Certification and Flags Management activities has been launched and completed in some parts;
- a portal dedicated to digital topics and a new chatbot communication channel (Saipup) have been adopted;
- a project for the modernisation and redesign of the company portal (intranet) has been completed;
- the enterprise architecture activity to support integrations between different technologies, solutions, and data is evolving.

The technological evolution and transformation path aimed at rationalising and modernising its information assets (e.g., applications, platforms, data architectures, and infrastructures) continues; this initiative is confirmed as a key enabler of the program that focuses on data valorisation.

In particular, the new container management environments, both in the cloud and on board naval vessels (Kubernetes), have been put into production, and the adoption of the low-code methodology has been consolidated. The focus has been on Machine Learning and DevOps topics.
Thanks to an engagement, co-creation, and training path on specific business use cases, still active, new generative artificial intelligence technologies integrated with chatbots and personal productivity assistants (ChatGPT and Microsoft CoPilot365) have been adopted by a pilot group (about 3,500 resources). By the end of 2024, the user base of Copilot365 has been extended to 10,000 users, with the plan to reach 15,000 by early 2025.
The project for cataloging data sources and setting up the environment for their governance has been launched.
The technology to support autonomous (self-service) data consumption for analysis purposes has been acquired.
New initiatives have been launched in the area of centralised infrastructure management and optimisation tools, addressing numerous technical evaluation areas for the correct analysis, configuration, and management of IT systems.

In the cyber security area, the multi-year program of initiatives aimed at further improving the company's security posture is underway.
Six project streams have been identified for managing digital identities, protecting Internet browsing even when performed outside the company perimeter, securing OT systems on our naval vessels, segmenting the Saipem communication network, governing and classifying unstructured data, and managing privileged accounts.

Governance activities and compliance and security processes have been positively carried out according to defined schedule.

RISK MANAGEMENT

Saipem implements and maintains an adequate internal control and risk management system, comprising instruments, organisational structures, and procedures designed to safeguard corporate assets and ensure the effectiveness and efficiency of internal processes, reliable financial reporting, as well as compliance with laws and regulations, the Articles of Association and Group procedures. To this end, Saipem has been adopted and developed over time an Integrated Risk Management model and is an integral part of the internal control and risk management system. The aim of this model is to obtain an organic and overall vision of the main risks for the Group, ensuring consistency of methodologies and supporting tools and a raised sharing and awareness, at all levels of the organisation, that an adequate identification, assessment, and risk management may have a positive impact on the achievement of objectives and on the Group's value.
The structure of the Group's internal control system assigns specific roles to the management and control bodies, compliance committees, Group management and all personnel. It is based on the principles contained in the Code of Ethics and the Corporate Governance Code, as well as on applicable legislation, the "CoSO Report" and national and international best practices. Additional information on the internal control and risk management system, including details concerning its architecture, instruments, and design, as well as the roles, responsibilities and duties of its key actors, is included in the "2024 Corporate Governance and Shareholding Structure Report".
The Integrated Risk Management model, which involves all the company structures, includes the identification, assessment and analysis of the company risk profile and the appropriate implementation of possible mitigation actions, including the transfer of the risks to the market through insurance processes.
The risk assessment is performed by management during risk assessment sessions, i.e., meetings and workshops coordinated by the "Integrated Risk Management and Compliance" function every six months with the involvement of the business and staff functions in the head offices, as well as relevant subsidiaries identified on the basis of economic, financial and qualitative parameters. The risk assessment, which makes use of the specialist activities and skills of the risk management systems present in the various company areas, is aimed at identifying events that could have an impact on Saipem's strategic and operational objectives, taking into account both the potential developments in the business and organisation model and Group procedures and the changes in the external context (specifically, political, economic, social, technological and legal aspects), as well as in the industry and competitors. Furthermore, Saipem has developed a process to monitor the Group's main risks on a quarterly basis through specific monitoring indicators which measure the evolution of risks and the effectiveness of the related mitigation activities.

Also, as a result of its reference business, Saipem is exposed to potential risks falling into one of the following categories:
- strategic;
- operational;
- external.

The occurrence of unexpected events can have negative effects on the Company's operations and commercial activities, and therefore on the Group's financial position, performance, and cash flow. The emerging market development issues arising out of the energy transition, associated with an increasing focus on environmental sustainability, social responsibility and governance objectives, could have implications on Saipem's strategic positioning. For mitigation purposes, the Company launched a while ago an integrated and continuous process of identification, assessment and management of the various types of ESG risks ("Environmental", "Social" and "Governance"), in line with the reference international standards. Drawing upon the findings of the risk assessment sessions, this iterative process prioritises the risks and is one of the preliminary steps supporting the materiality assessment, whose results are subsequently taken into consideration in the risk management activities, ensuring that the assessment of the ESG topics is integrated into the overall risk assessments.
For ESG risks related to climate change in particular, a quantitative/financial assessment of their impacts during and beyond the plan horizon is performed, in accordance with the recommendations of the Task Force on

Climate Related Financial Disclosure (TCFD). For more details refer to the section "Risk management and internal controls on sustainability reporting".

With regard to the current geopolitical situation, which is characterised by various zones of conflicts, the following is noted:
- there are no residual operations underway in Russia and/or with Russian clients; the prior contractual relations were completed and, accordingly, the documentary formalisation process is being finalised, in full compliance with EU legislation. Also, the Strategic Plan 2025-2028 does not envisage the acquisition of new contracts in Russia;
- in Israel, Saipem, having evacuated its personnel working on the Haifa project after the attacks of October 7, 2023 and subsequently resumed the activities in 2024 using mainly local personnel, has adopted safety measures suited to the context. The negotiations with the client to redefine the scope of works and responsibilities of the Group, in order to limit its exposure in a high-risk area, were concluded positively;
- the Company has minimum offshore activities in the Red Sea, far from the area concerned by the attacks and boarding attempts on commercial vessels transiting through the Suez Canal.

Any worsening of the geopolitical scenario could have implications on the supply chain and on the Group's activities, although Saipem's procurement chain does not include direct strategic and/or critical vendors in the areas affected by the fighting; the extent of the impacts, for both the projects underway and future initiatives, will depend on the duration and evolution of the conflicts, which are particularly complex given the many parties involved and the continuous developments.
Therefore, considering the current macroeconomic context, affected by a combination of geopolitical effects, increasing restrictions to global trade, market fragmentation, inflation and fluctuating interest rates, it is reported that the revenues and consequently the margins the Company achieves could vary, with potential negative effects on its financial position, performance, and cash flow.

For a broader discussion of the main risk factors identified, analysed, assessed and managed by the management, the main areas of potential uncertainty taken into consideration in drafting the consolidated financial statements are reported below. See the "Notes to the consolidated financial statements" for information on liabilities for risks provided for and the section "Guarantees, commitments and risks - Legal proceedings" in the "Notes to the consolidated financial statements" for the most significant legal proceedings.

List of risks

1. Financial risks
2. Country risks
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. Risks associated with legal proceedings (legal, administrative, tax and labour)
9. Risks associated with asset management
10. Risks related to human resources
11. HSE risks
12. Risks associated with client contract management
13. Compliance risks

1. Financial risks

Description and impact

Saipem operates in a business characterised by the risk of payment collections that are not temporally aligned with the outgoing cash flow, and of the erosion of its margins, which could expose the Company to **liquidity risks**, not being able to meet its payment commitments with impacts on profit and loss if the company is forced to bear additional costs to meet its obligations. As a worst-case scenario this could lead to a situation of insolvency which puts business continuity at risk.

In addition, the instability of the macroeconomic and geopolitical scenario or other operational aspects could cause a deterioration in the financial position of clients and partners involved in projects execution, exposing the Group to **credit risk**, i.e. the potential non-compliance of a commercial counterparty in paying any amounts due (i.e. delayed and/or non payment or failure to meet financial obligations) with the consequent need for Saipem to have to meet part or all of their obligations. These dynamics could have significant, unplanned, negative effects on the cash flows; they could cause the deterioration of net working capital and the economic-financial situation, with reputational consequences in the industry of reference and/or in the financial markets.
Saipem is also exposed to **risks linked to the availability of bank guarantees** required to support bids to clients and project execution. The main causes of this risk relate to: (i) increase in total amounts required to cover new awards, especially in the case of mega-projects; (ii) greater use of credit lines for projects in JV, if the partners are unable to provide their own guarantees; (iii) partial drop in financial support from European banks for conventional "Oil" projects.
In the event of delays or inability to source adequate lines to support its initiatives, Saipem would have to change or reduce its strategic objectives, with consequent negative effects on its activities and prospects, as well as its financial position, performance, and cash flow.
The main financial risks identified, monitored, and actively managed by the Saipem Group are further detailed in Note 3 "Accounting policies - Financial risk management" in the Notes to the consolidated financial statements.

Mitigation
The management, control and reporting of financial risks is governed by the Financial Risk Policy issued centrally aiming to standardise and coordinate the Group's policies; financial risks are controlled by the periodic calculation of a series of Key Risk Indicators (KRI) subject to specific attention thresholds and periodically updated consistently with the Group's business developments. The control activities established by the Financial Risk Policy also include escalation procedures to be followed if the risk thresholds set by the KRIs are exceeded.
To ensure positive or neutral cash flows during project execution, right from the contractual negotiation phase, Saipem defines the contractual terms and conditions with clients, so as to be protected in terms of financial exposure (e.g., advanced payments, performance bonds), and monitors its contracts through stringent procedures for obtaining the certifications necessary to proceed with invoicing, or through constant verification and reporting to the client of all contractual or executive variations of the project; changes in net working capital are constantly monitored.
The management continuously monitors the need for bank guarantees, both for projects underway and any future initiatives, and the developments in the financial markets in order to anticipate and prevent any shortcomings in the lines required to submit bids. To extend its sources of supply, it develops partnerships with general and local financial and insurance institutions. Finally, it performs accurate financial profiling of its partners.

2. Country risks

Description and impact
A significant part of the Group's activities are performed in the Middle East, Sub-Saharan Africa and Latin America, regions historically marked by low political, social and economic stability and many potential risk elements, including: (i) instability of the legislative framework and uncertainties over the protection of the company's rights in the event of contractual breaches by local entities; (ii) adverse developments or applications of laws, regulations, unilateral contractual modifications that reduce the value of the assets, forced divestments and expropriations; (iii) various restrictions on construction, drilling, import and export activities; (iv) increases in applicable tax rates; (v) domestic social conflicts that may worsen the local economic context or lead to sabotage, attacks and violence; (vi) acts of terrorism, vandalism or piracy; (vii) limitations to or increased costs of insurance cover.
The potential deterioration of the geopolitical scenario, linked to the continuing hostilities between Russia and Ukraine and the crisis in the Middle East, as well as the increasing restrictions and duties on international trade, further increase the risk of social tensions and conflicts, with potential negative repercussions on the global economy, financial market trends and the supply chain. This scenario could consequently impact the Group's business continuity or put the originally envisaged economic conditions at risk, requiring the Company to implement specific organisational and managerial interventions to ensure, in compliance with the company and

local policies, the continuation of the activities under safe conditions, with increased costs, delays and negative impacts on the margins of projects performed in critical countries.

Mitigation

Saipem is committed to constantly and closely monitoring political, social, and economic developments, terrorist threats arising in the countries where it operates or intends to invest, both through specialised internal resources and through providers of security services and information analyses. Monitoring aims to analyse the situation in terms of both socio-economic and security trends, in coordination with the Crisis Unit of the Ministry of Foreign Affairs. During the year, particular attention was paid to the situation in the Middle East, given the Israel-Palestine conflict, as well as developments in the political, social and economic context of countries of interest (Mozambique, Nigeria, Venezuela, Guyana, Libya, etc.).
Exposure to country risk is assessed through a comprehensive security model inspired by the criteria of prevention, precaution, protection, information, promotion and participation, with the aim of reducing the risk deriving from the actions of individuals or legal entities, which could expose the company and its assets (human, material and reputational) to potential damage. If the ability to work in the country is temporarily compromised by emerging situations of instability, the possible de-mobilisation of the site is assessed in order to protect the company's personnel and assets; for this purpose, the Group has implemented a series of ICT tools to guarantee the complete traceability of its personnel working abroad. Once favourable conditions have been restored, the resumption of ordinary activities is planned, seeking to limit the disruption in operations and always in compliance with the principle of full protection of safety conditions.
Saipem monitors the developments in various laws and its related conformity, and constantly assesses the potential impacts deriving from the restrictive measures adopted by the European Union and/or extra-EU bodies, both towards Russia and other countries, which include: (i) limitations in the financial sector to access major capital markets; (ii) prohibitions in the energy sector on the sale, supply, transfer, or export, directly or indirectly, of essential goods and technologies for the sector; and (iii) restrictions in the technology sector on the export of dual-use goods and technologies (civilian/military), as well as certain goods and technologies capable of contributing to the technological enhancement of the defence and security sector.
Finally, regular checks are made on external agencies providing security services and specific training and control activities are organised to prevent any human rights breaches in the performance of monitoring and protection activities.

3. Biological/pandemic risk

Description and impact

The Group operates in countries where there are biological agents that could potentially harm the health of exposed individuals.
The situation is extremely varied and is constantly evolving: in some countries in which Saipem operates or intends to operate, more or less extensive epidemic outbreaks were recorded for diseases already present in the territories, as well as imported diseases (malaria, dengue, etc.) or linked to climate changes and the increasing invasion of natural habitats by humans, to which Saipem personnel could be exposed in the performance of their activities.
Any outbreaks of infectious diseases could represent a significant risk not only in terms of direct impacts on the health of the personnel but also possible indirect impacts on the Group's financial results, performance and cash flow: interruptions, slowdowns and cost increases in project execution and postponement of investment decisions in the affected sectors, disruptions in the supply chain, delay in client payments, increased risk of litigation (e.g. related to commercial contracts, labour and insurance matters) and complexity of resource turnover due to quarantines and travel restrictions.

Mitigation

Through epidemiological analysis on open sources and data collection on the ground, Saipem is committed to constantly and punctually monitoring the occurrence and evolution of all infectious diseases in the countries of interest and to implement timely measures to prevent and respond to outbreaks. Particular attention is paid to countries where epidemic outbreaks or diseases have been reported which could potentially impact the Group's operations.

Saipem runs numerous awareness-raising campaigns among its staff in order to increase risk awareness and knowledge of the most effective prevention measures. Regular hygiene and health inspections are carried out at the operating sites and personal protective equipment and vaccine and chemoprophylaxis measures are made available to the workforce. Secondary prevention programmes (training of doctors and availability of kits for rapid on-site diagnosis) and treatment programmes (updated and effective treatment protocols) are also developed and implemented. Control programmes of vector-borne disease are in place at all risk sites. Occupational medicine protocols and the travel medicine service are an effective system for protecting the health of workers, and medical evacuation contracts are a guarantee for the safe evacuation of infected patients.

4. Risks related to the supply chain

Description and impact

For the execution of its projects, Saipem purchases materials, goods and services on the global markets that constitute a significant proportion of the price component of its works and services, and is therefore exposed to risks linked to the volatility of prices along the supply chain and their availability in the required times.
Markets remain under significant strain due to the unbalanced supply and demand ratio, inflation, the increasing fragmentation of the Supply Chain due to the introduction of trade restrictions and international sanctions, in addition to speculation and arbitrage. These dynamics could have repercussions on:

- the materials and goods purchased by the Group;
- transport services to reach the operating sites and storage services serving the same sites;
- other services requiring the use of offshore vessels.

The current geopolitical situation also increases market uncertainties, leading to sudden interruptions in the supply chain and the congestion of some specific production and services sectors; in these sectors, vendors may not be able to enter into contractual commitments with valid long-term quotations. Saipem could therefore be exposed to the risk of not being able to source the materials, goods and services required for project implementation from operators in the supply chain at commercial conditions and with delivery terms that are compatible with the project requirements and not be able to transfer or share any price increases caused by the above-described dynamics with its clients.
To guarantee the required supply volumes for its activities, the Group relies on a large number of vendors and subcontractors, in different geographical areas and different levels of experience, selected on the basis of consolidated technical and economic assessments, local content requirements, explicit requests from clients on the basis of contractually agreed vendor lists. The many counterparties could expose Saipem to additional risks which could lead to performance that does not meet expectations and the implementation of recovery plans to guarantee the delivery of the projects. In addition, the contractual management with the client and the project dynamics themselves could lead to change order requests or claims to Saipem from vendors, following for example revised orders due to modifications in the scope of works, the completion and delivery date (delays and/or accelerations) or for unexpected developments in local regulations.
These elements could generate additional costs and delays in project implementation, with negative impacts on financial results and performance, leading to a deterioration in commercial relations with clients and vendors.

Mitigation

Aiming to prevent and mitigate the risks of unavailability and price volatility, Saipem uses specific forecasting tools for the market trend and for the simulation of impacts on the orders portfolio.
Where possible, Saipem starting from as early as the preparation of the offer:

- agrees formulas with its client to cover price variations, for example using refundable contractual forms or including price revision clauses;
- transfers the risk to clients by directly involving them in procurement activities;
- negotiates commercial project agreements with vendors (for example pre-agreements, strategic agreements to secure production spaces during the bid phase, etc.) to ensure that projects are delivered on time and within the budget;
- continuously monitors market developments, with a focus on the Asian market, to extend its vendor List, diversify its supply chain and cope with market fragmentation.

Throughout the project execution, it monitors any impacts on individual projects, in terms of continuity, prices and supply schedules and the production capacity of its vendors, and constantly works in close contact with them.
Lastly, the Company has implemented a structured qualification and selection system geared towards working with reliable suppliers and subcontractors with a strong reputation. The performance of suppliers and subcontractors is agreed and established through standardised contractual schemes as well as specific ones depending on the type of supply (e.g. performance bonds) and is constantly monitored and subject to feedback in order to pursue continuous improvement of the procurement process and project execution.

5. Cyber risks

Description and impact

In the performance of its activities in the offices, operational sites and on the fleet vessels, Saipem uses a large number of IT instruments of various kinds which, due to the effect of the general increase in digitalisation processes, the use of private networks for remote working, the constant increase in cyber threats and the increasing availability of hacking tools that use Artificial Intelligence (AI), are increasingly exposed to potential cyber-attacks. These cyber-attacks could jeopardise business continuity and damage Information Technology (IT) and Operational Technology (OT) systems, as well as result in the loss and/or theft of data and information (including confidential information), causing major effects on business processes and financial, operational, and reputational impacts, particularly on clients. The misuse of AI systems by malicious actors could amplify the adverse effects related, for example, to cyber-attacks via malware and phishing. The supply chain is particularly targeted, whose vulnerabilities are exploited to penetrate the defensive measures employed by the companies. Following the increase in the global cyber threat, the Group has experienced, right from the commercial stage, increasing demands from clients for specific cyber security requirements, the availability of which could therefore affect Saipem's competitiveness level. These requirements also apply to any suppliers and subcontractors involved in operational activities. A delay in the compliance with the stringent cyber security requirements demanded by clients and/or authorities (such as the National Cyber Security Agency) could result in the loss of future business opportunities and potential interruptions of projects and activities in the execution phase.

Mitigation

Saipem continuously implements governance, response and monitoring measures for cyber threats and implements compliance processes, carried out using internal and external specialist personnel and advanced IT security technologies. It has developed an information security management system (ISMS) and adopts procedures and protocols based on industry best practices and integrated international standards in order to meet its clients' security requirements (more information is available in the section "Digital and ICT Services").
Actions have been implemented to strengthen the ability to detect threats and respond to cyber incidents, adopting a platform that is able to provide an external and independent assessment of the Group's level of cyber security maturity and through the performance of a Business Impact Analysis on the perimeter of critical applications. A multidisciplinary working group has been set up to analyse the emerging risks linked to Artificial Intelligence (AI), assess any impacts of the implementation of AI technologies in the company tools and govern their adoption, also in consideration of the Italian and European legislative developments.
The Company deems continuous cooperation with key public and private stakeholders to be of primary importance, and to mitigate the vulnerabilities associated with the supply chain, has adopted a vendor assessment model on the basis of precise cyber security requirements.
Saipem is ensuring a constant assessment of cyber risk both for Information Technology (IT) and Operational Technology (OT) and considers the human factor to be one of the main risk factors for an IT system. For this purpose, it has implemented a cyber awareness plan in order to increase the employees' level of preparedness and awareness. During 2021, the Group obtained the ISO/IEC 27001 certification, for “Cyber security events monitoring and incidents management” and continues to improve its corporate security system in a structured manner. In line with IMO Resolution MSC.428 (98), Saipem introduced a cyber risk assessment model on board the fleet's vessels, as an integral part of the safety management system, appointing a Cyber Security Officer for each unit and running cyber-attack drills on board the vessels. Lastly, several audits were carried out with Internal

Audit, on the entire ISMS, as well as on the infrastructure and the cloud, with assessments carried out by Microsoft, to ascertain compliance with contractual cyber security requirements.

6. Strategic risks and project acquisition risks

Description and impact

Saipem is exposed to various strategic risks, linked to market trends and competitive positioning, both in the conventional Oil&Gas sector, and in Infrastructure, as well as in activities linked to the energy transition, whose impact is less significant in the short term, but increases in the medium and long term. The competitive framework is evolving continuously, also affected by mergers and acquisitions, the creation of joint ventures and local and international strategic and commercial alliances, and by the continuous development and commercialisation of patents and licenses in the fields in which Saipem competes (frequently for example in the energy transition and decarbonisation fields).

As regards the current market context, the overall demand for services is visibly influenced by factors deriving both from ongoing conflicts, which could generate more unpredictable fluctuations in energy demand and supply volumes, and, consequently, in oil and natural gas prices, and from pre-existing macroeconomic, geopolitical and industrial dynamics, including: (i) the global energy supply/demand balance; (ii) OPEC's ability and willingness to establish and maintain certain oil extraction levels, and the forecast production of OPEC countries; (iii) the possible return of exports from Iran; (iv) the overall context of the raw material market, that may impact the general economy and oil and gas demand; (v) market volatility, as well as environmental policies and legislation; and (vi) the growing tendency to choose alternative and renewable energy sources.

These elements may influence the investment policies of Saipem's main clients, exposing it to: (i) delays in the negotiation process and possible non award of future initiatives; (ii) cancellation and suspension of projects already under way; (iii) delays and difficulties in obtaining payment of contractual penalties provided for to indemnify the Company against the cancellation and suspension of such contracts; (iv) strengthening of the level of aggression in commercial strategies by competitors; (v) delays and difficulties in recognising change orders for the scope of work requested by the client and executed by Saipem; (vi) delays and difficulties by the clients in renewing contracts for the offshore drilling fleet prior to the expiry thereof and under economically advantageous terms and conditions; (vii) claims and arbitration and international disputes in the most significant cases.

Moreover, the current energy transition scenarios foresee a gradual shift towards a greater use of renewable energy sources with reduced climate impacts, based mainly on the development and use of a series of new technologies in fields including renewables, the decarbonisation of various industrial sectors (e.g., agriculture, steel and concrete production, transport), energy efficiency and the circular economy.

If the Company is not able to monitor and anticipate the developments in the sectors of interest, both in the Oil&Gas sector and in energy transition services, and suitably update its technologies and assets in order to align its goods and services to market demands and the competitive context, it could have to change or reduce its strategic objectives, both in terms of volumes and margins of new awarded projects, and in terms of revenues and margins of its existing portfolio, with consequent negative effects on its activities, prospects and its financial position, performance, and cash flow.

Mitigation

In the definition of its strategic lines, Saipem assesses macroeconomic, geopolitical and industrial scenarios, the applied technological developments, trends in demand in the reference sectors, also in view of the demands it receives from its clients, as well as developments in the competitive framework. To monitor the trend of demand, Saipem makes use of a widespread organisational structure to cover the areas of interest, and of companies specialised in providing periodic analyses and estimates on relevant market segment trends and on macroeconomic, geopolitical, and technological developments. Furthermore, the Company created the Sustainability, Scenarios and Governance Committee, which is responsible for assisting the Board of Directors in its review and development of scenarios in order to prepare strategies, based on the analysis of the relevant issues for long-term value generation and the corporate governance of the Company and the Group. To ensure a strengthening of its competitive positioning, the Group is constantly striving to create valuable relations with its clients and guide them through the developments of the global energy scenario, while respecting the values and professional ethics of Saipem. It also pursues various commercial opportunities with a global market

perspective, adopting a criterion of customer diversification and geographical balance. The organisational structure responds to these objectives through a centralised commercial function, to monitor market trends, guide the development of order intakes and interaction with clients, ensuring the optimised management of regional and local facilities on a global scale, supported by business lines with distinctive technological and engineering skills that allow both the execution of the entire project portfolio in individual areas of responsibility and to operate in synergy when integrated onshore-offshore business opportunities arise.
The strategy defined for the four-year period of the Stragic Plan 2025-2028 is based on a dual approach which, on the one hand, focuses on conventional sectors in which Saipem boasts a consolidated competitive positioning and, on the other hand, with reference to the medium and long term, sets the goal of expanding its client portfolio and geographic markets to serve and grow in the sectors with the highest technological content linked to energy transition and defence, such as systems for renewables (wind, solar), projects for CO_2 capture and the production of green hydrogen and its derivatives (green ammonia, methanol), plastic recycling, high-speed railway lines, subsea robotics. The ability to compete in new markets will depend on the achievement of suitable positioning, to be built through the creation of new commercial relations with companies working in the field of renewable energy sources and clean technologies, the development of a targeted technological portfolio and the achievement of a specific track record. For this purpose, Saipem internally develops innovative solutions and patents, signs agreements with companies specialising in the analysis of technological developments and in the development of solutions in the energy industry (and in other sectors, such as digitalisation), with universities and research centres, also assessing strategic agreements with third parties (joint ventures and alliances). More information can be found in the section “Research and development”.
The fight against climate change is at the heart of the Group's agenda. It represents one of today's greatest challenges for the energy sector and for society as a whole, so much so that it is considered a crucial part of the business model. In addition to offering its clients increasingly sustainable solutions, investing in clean and renewable technologies, it launched a while ago a programme to constantly update its skills and renew its assets to reduce its carbon footprint. In this regard, it disclosed its medium-long term emissions objectives through its Net Zero programme to the market. The roadmaps describing the methods for achieving the targets are monitored and reviewed annually according to the results obtained, strategic developments and changes in the regulatory, market and technological context. More information can be found on the corporate website in the "Sustainability" section.

7. Project execution risks

Description and impact

Saipem executes complex works and projects in the highly competitive sector of services for the energy industry and infrastructures, each with different dynamics, actors, objectives and competences.
The awarding of contracts is preceded by a bidding phase during which the tender documents and the contractual clauses are analysed and execution plans, timelines, and bid estimates prepared. The preparation of the estimate and the determination of the price are the result of a thorough and precise estimation process that involves various specialist functions and incorporates appropriate risk assessments through the use of contingencies.
When the contract is awarded or throughout its multi-year execution, cost estimates and schedules may vary with respect to those initially planned, also in consideration of the long execution times particularly of EPCI projects, and actual costs could differ from the estimated amounts due to unforeseeable factors that may be:

- external, including disruptions in the supply chain of goods and services, changing geopolitical conditions in the country, delays due to local weather conditions and/or natural disasters, failure to meet contractual obligations by vendors, subcontractors or joint venture partners, etc.;
- internal, as a result of changes in execution programmes and plans due for example to operational, technical and technological complexities, incidents, etc.

These factors could lead to additional costs, delays in execution, non-recognition or delayed recognition of revenue or, as an extreme consequence, the application of Liquidated Damages clauses by the client, resulting in a reduction of originally estimated margins, difficulties in receiving payments and deterioration of the financial exposure, with potential further reputational damage for the Group.

Mitigation

Saipem has adopted an organisational model based on separate business lines to respond to the complexities of its sectors of interest:

- "asset-based services";
- "drilling";
- "offshore wind";
- "energy carriers";
- "sustainable infrastructures";
- "robotics & industrialized solutions".

The business lines have distinctive technological and engineering skills and are structured to manage the various initiatives, from the bid to implementation, supported by the staff functions. They select the project teams for the estimation phase and the execution phase, leveraging on the specialist internal know-how and experience gained from previous projects, and implement the project risk management in accordance with the principles and guidelines given in the international Standard ISO 31000.
In the event of contract award, the project is constantly monitored in terms of progress, costs, revenues, risks and opportunities and consolidated on a quarterly basis in the Project Status Report (PSR). The business line reports regularly to the Group Top Management on the trends of the main projects in the backlog, in terms of operative and financial performances and any deviations from the costs or time schedules, contractual variations and the related negotiations with the clients, exposure to risk and the amount of contingencies. This helps to identify any criticalities and exposure to risk at both a detailed level (i.e. project-level) and at portfolio level (i.e. the Group's overall exposures) and to rapidly implement recovery and mitigation plans.
Saipem has undertaken a process of continuous improvement of the above-described processes and activities in order to: (i) consolidate experiences gained and lessons learned at group level in a structured, systematic manner, disseminating them worldwide to the various operating sites; (ii) strengthen its control systems; (iii) increase the effectiveness and efficiency of project management through the dematerialisation and digitalisation of engineering, procurement, construction and/or installation processes; (iv) strengthen the risk estimation and management processes through, for example, the introduction of Artificial Intelligence models, risk management training courses (principles, methodologies and tools) delivered regularly to the operational departments and staff involved in various roles and project phases in risk management activities, etc.

8. Risks associated with legal proceedings (legal, administrative, tax and labour)

Description and impact

In the ordinary course of operations, the Group may be involved in litigations which, if not resolved by negotiation, may result in judicial or arbitration proceedings that may extend over a significant period of time, thus requiring significant resources, costs and legal expenses considering the lengthy court hearings. Any unfavourable outcomes (in particular, those with high media exposure), or new disputes (regardless of the outcome) could result in significant repercussions on reputation, with a subsequent negative effect on activities, prospects, and the financial position, performance, and cash flow of the Group.
The Group is currently a party to civil, criminal, administrative and tax proceedings in Italy and abroad. The estimation of charges that could reasonably be incurred and the extent of the risk provisions are based on the information available at the time of approval of the financial statements or the interim financial report, but the estimates could be significantly updated or revised during judicial proceedings; despite having performed the necessary assessments, also on the basis of the applicable accounting principles, it cannot be excluded that the Group might in future have to face payments for damages that are not covered by the provision for legal and tax proceedings, or are covered insufficiently, or are uninsured, or exceed the maximum insured amount.

Mitigation

Saipem continuously implements actions to strengthen its internal control system and relies on specialist external consultants (also in foreign regulatory systems) to assist the Company in judicial, civil, fiscal and administrative proceedings.
The Top Management is involved in the management of the most significant litigation cases and provides active and continuous disclosure on the developments of the main legal proceedings to the Board of Directors. Refer

to the section "Guarantees, commitments and risks - Legal proceedings" in the "Notes to the consolidated financial statements" for a description of the status of the most significant proceedings.
The Company constantly monitors both the changes in and compliance with tax regulations, also in order to minimise the impacts due to its operating activities in all countries of interest through internal resources, ICT and advanced digital supports and tax consultants.

9. Risks associated with asset management

Description and impact

In order to execute EPCI projects, drilling services and other services in the energy industry, the Group has numerous owned assets (specialised vessels, drilling rigs, FPSOs, equipment, fabrication yards and logistics bases). Asset availability windows and expected performance, planned in line with existing and future project requirements, are essential for ensuring the performance of activities, and could be affected by various factors, including: (i) the need for repairs or interventions following incidents, malfunctions and failures; (ii) delayed maintenance that affects operating performance; (iii) reduced productivity and efficiency or reworkings with delays in delivery and/or completion of the planned activities; (iv) delays or interruptions in the transfer of vessels from operating sites or naval yards; (v) delays or interruptions in the spare parts supply chain; (vi) adverse weather conditions that cause disruptions or slowdowns in works both offshore (cyclones, adverse weather and sea conditions) and onshore (flooding, site floods); (vii) regulatory requirements relating to the specific crews in the regions in which they work.
These factors could negatively impact the project execution times and costs, and the relationships with clients. In addition, should the Company be unable to ensure the future availability of assets and/or operating services, it may have to adjust its targets, with consequent impacts on its business, prospects, reputation, as well as its financial position, performance, and cash flow.

Mitigation

Saipem is constantly engaged in maintaining, updating, and renewing its assets with the aim of adapting its service offering to the current and future needs of the market. To guarantee the performance of activities, it also makes significant investments for its fleet and fabrication yards, and recently established the "Asset Operational Technology and Cybersecurity Requirements Control Program" to identify and process interventions that are useful for improving control levels on vessels and reducing the risk of cyber-attacks.
Should proprietary assets not be suitable and/or available to meet project needs, Saipem makes use of third-party vessels under project-specific contracts or long-term charter/bare boat agreements and external fabrication yards to ensure that backlog activities and future awards can be carried out and guarantee that the objectives of the four-year plan can be achieved.
Vessel availability is constantly monitored in line with contractual and future commitments, also in relation to scheduled maintenance interventions. In relation to the commitments already made, a close contact with clients ensures that the impacts of any delays are minimised through the review of executive plans or the proposal of alternative proprietary or third-party vessels.
To cope with the increasing demands associated to the energy transition the Company is committed to reducing the medium- and long-term GHG emissions of its assets. The achievement of these objectives is supported by the identification of short-term energy management actions, as well as the monitoring of the possibility to use alternative fuels or electrification.

10. Risks related to human resources

Description and impact

The Group relies significantly on the professional contribution of key personnel and highly specialised individuals who, by virtue of their skills and experience, are vital to the execution of projects and the growth and future development of Saipem.
The ability to attract, motivate and retain highly qualified and skilled personnel with a high level of diversity in terms of age, nationality and gender, in all geographical areas and functions, therefore represents a critical success factor, whose deterioration would expose Saipem to the risk of loss of know-how, with consequent

medium- and long-term negative effects on its activities, prospects and the development of future strategies, as well as on its financial position, performance, and cash flow.
The Company operates in international markets and is therefore subject to international and local labour laws. Some of these countries frequently change local laws, exposing Saipem to various risks in the management of human resources; the lack of a stable legislative framework and the legal uncertainty in these countries can cause internal inefficiencies and litigations that may be detrimental to the Group's activities, prospects and reputation.

Mitigation

Saipem has adopted a skill-based model for the management of human capital with the aim of better directing energies and professional figures to the areas in need and ensuring greater flexibility in the development of personal and professional skills at all levels. Therefore, the organisation of the Group into different business lines is accompanied by targeted recruitment plans, supported by job rotation and training programmes for all international and local operating personnel, staff and management, to encourage the development and growth of younger resources and retain more expert resources, thus guaranteeing the management of distinctive and strategic skills. Aiming to attract, motivate and retain highly professional and managerial resources, Saipem develops a remuneration policy (the main objectives and tools of which are described in the Report on Remuneration Policy and Compensation Paid 2024), has launched Talent Attraction initiatives in cooperation with external bodies (including the Higher Technological Institute in Fano and the University of Urbino), and regularly organises in-house courses, exploiting the wide range of different skills available in the company (e.g. Saipem People Academy).
As defined in the Code of Ethics, in full compliance with applicable legal and contractual provisions, Saipem undertakes to offer equal opportunities to all its employees, making sure that each of them receives a fair statutory and wage treatment based on merit and expertise, without discrimination of any kind. The Company therefore invests in the generational, gender and nationality balance, and has launched specific initiatives focusing on promoting and spreading an inclusive culture through partnerships with the associations "Valore D" and "Parks - Liberi e Uguali". In 2023, Saipem was included in the Gender Equality Index (GEI) and obtained gender equality certification from the Norwegian body Det Norske Veritas.
The Group manages international labour markets through the network of local facilities in all the countries where it works, and through the Swiss company Global Project Services AG, which guarantees the recruitment of international personnel worldwide, monitoring legislative developments relating to personnel management in all the countries in which it operates or may be commercially interested in operating, also resorting to labour law consultants.

11. HSE risks

Description and impact

Saipem's activities may expose it to accidents, which may cause negative impacts on the health and safety of people and the environment. Saipem's activities are subject to the laws and regulations for the protection of the environment, health and safety, at both Italian and international level. Despite the Company's best efforts, the risk of incidents that are detrimental to people's health and to the environment cannot be completely ruled out.
Such events could lead to criminal and/or civil penalties against those responsible and, in some cases, to violations of safety and environmental regulations, also pursuant to the Italian Legislative Decree No. 231/2001. This would lead to costs arising from the fulfilment of obligations under environmental, health and safety laws and regulations, associated costs related to sanctions, not to mention the impact on its image and reputation.
Besides, in order to execute EPCI projects, drilling services and other services in the energy industry, the Group owns numerous assets that are subject to both normal operating risks and catastrophic risks related to weather events and/or natural disasters, which may cause impacts on the safety of people and the environment.
The risks connected with ordinary operations can be caused by:

- wrong or inadequate execution of manoeuvres and work sequences that lead to damage for assets or facilities;
- improper or inadequate routine and/or extraordinary maintenance;
- human factors.

Despite the fact that Saipem has specific know-how and competencies that are constantly kept up to date, that it has implemented internal procedures for the execution of its operations, and regularly carries out maintenance work on its assets in order to monitor their quality and level of reliability, it is not possible to fully exclude the occurrence of incidents.

Mitigation

Saipem has developed an HSE (Health, Safety and Environment) management system which is in line with the requirements of laws in force and with international standards ISO 45001 for health and safety in the workplace and ISO 14001 for environmental management, and for which it has obtained certification for the whole Group. HSE risk management is based on the principles of prevention, protection, awareness, promotion, and participation; its aim is to guarantee the workers' health and safety and to protect the environment and the general well-being of the community. The Company's continuous commitment to HSE topics is reflected by the HSE Strategic Plan, which will be introduced in 2025 based on three pillars: (i) Asset Integrity, (ii) Human Performance and (iii) Innovation.
As regards the risks linked to human health and safety, Saipem is running a series of programmes and specific prevention and mitigation campaigns, alongside awareness raising initiatives in all its operating sites, as well as pilot projects for the application of innovative digital technologies and Artificial Intelligence in HSE fields. In relation to the risks linked to environmental conservation, a structured system is under development to prevent, manage and respond to fluid losses, and various campaigns and initiatives are underway to promote and raise awareness among employees on environmental issues, biodiversity and the efficient and sustainable management of all natural resources. For a detailed description of the HSE activities, programmes and campaigns, refer to the section "Health, Safety, Environment and Quality".
Finally, to mitigate the risks linked to asset management, Saipem incurs significant expenses to maintain its owned assets and:

- develops numerous prevention initiatives, including the Asset Integrity Management System;
- periodically renews certifications issued by the appropriate classification bodies and by flag state authorities following the inspections that the classification bodies perform on group vessels.

All vessels, based on the technical characteristics and the type of each ship, must meet the requirements of applicable international maritime law and laws regulating the Oil&Gas industry.

12. Risks associated with client contract management

Description and impact

In the execution phase of EPC Lump-Sum Turnkey projects, there may be changes to the contractually agreed scope of work that result in additional costs related to the changes requested by the client (change order) and/or higher costs incurred for reasons not attributable to the client (claim). Saipem cooperates with its clients to find agreements on the additional fees that satisfy both parties to avoid compromising the correct performance of works and delaying the completion of the project.
The Company is subject to the risk that delays and difficulties in reaching an agreement and in the recognition of compensations related to change orders and claims may be a source of delay in payment and cause a deterioration of project margins.
Moreover, failing an agreement on additional fees, the Group could be involved in disputes that could even result in judicial or arbitration proceedings and cause a deterioration in the relationships with clients and loss of future business opportunities.

Mitigation

Saipem is constantly striving to maintain solid and positive relationships with its clients and, in order to mitigate these risks, it performs checks on standard contractual terms to protect itself in each jurisdiction of reference, negotiating clauses with clients to protect them also against possible geopolitical (e.g. sanctions) and macroeconomic (e.g. commodity price increases) risks. In addition, the Group has launched various initiatives aimed at improving efficiency and effectiveness both in the contract negotiation phase, on the basis of a risk appetite defined and approved by the Board of Directors, and in the process of preparing the documentation supporting the claim and change order request, for a timelier communication of deviations from contractually agreed work.

Saipem actively participates in industry associations that promote the development and updating of contractual schemes aimed at optimising the balancing of risks, an activity that is particularly relevant with reference to the renewable energy business characterised by technological innovations and non-standardised contractual schemes currently on the market.

13. Compliance risks

Description and impact

Saipem conducts its business with integrity, transparency and fairness and in full compliance with the laws and regulations; in the Group companies, it has adopted and constantly updates an Internal Control and Risk Management System (SCIGR), a Code of Ethics and a Model pursuant to Italian Legislative Decree No 231/2001, as well as an organisation, management and control model applied to companies in foreign countries; it also performs periodic audits. Despite this, it is not possible to totally exclude, due also to the context in some countries in which the Company operates, that it could be exposed to the risk of damage caused by fraudulent behaviour contrary to the company procedures and the applicable laws, or crimes, committed by subcontractors and vendors used by Saipem, also in concert with employees, with consequent negative effects on the Group's financial position, performance, and cash flow, as well as its reputation.
Saipem is also exposed to risks linked to the protection of information and know-how, as in the performance of its activities it relies on sensitive information and data, the access to which and disclosure by employees or unauthorised third parties may lead to fraud and unlawful activities; non-conformities or the incorrect application of the European privacy directive (General Data Protection Regulation - GDPR) in the Group cannot be excluded, and could consequently lead to sanctions applied to Saipem.

Mitigation

Saipem has developed an "Anti-corruption Compliance Program", 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 (included in the Model 231) which establishes that: "corruption practices, illegitimate favours, collusion, solicitation, occurring directly and/or through third parties for personal and career advantages for oneself or others, are without exception prohibited". The "Anti-Corruption Compliance Programme" is dynamic and is constantly focused on the evolution of the national and international regulatory framework and of best practices. Saipem is aware that the first step for the development of an effective strategy against corruption is to know all the available tools for the prevention of corrupt behaviour. In this regard, the Group's people are constantly engaged in training activities (also using new e-learning solutions) in relation to the Organisation, Management and Control Model and the Anti-Corruption laws and, to mitigate and prevent the risks linked to any unethical conduct by vendors and subcontractors, Saipem implements verifications, organises training programmes and requires vendors, subcontractors and partners to read and accept the Model 231, including the Code of Ethics. In order to facilitate the submission of reports, the Group makes various communication channels available to employees and stakeholders, including, but not limited to, ordinary mail, yellow boxes, dedicated e-mail boxes, communication tools on the intranet/internet sites of Saipem SpA and its subsidiaries and a dedicated information channel, overseen by the Compliance Committee, through which it is possible to report any problems related to the internal control system, financial reporting, corporate administrative liability, fraud, or other topics (i.e. violations of the Code of Ethics, mobbing, theft, etc.). Using new digital technologies, a chatbot has been implemented that is accessible to all employees, providing immediate support in the event of doubts or questions relating to compliance procedures, and a digitalisation programme for the third-party due-diligence process is under development.
Saipem periodically performs general audits also using external consultants, considering fraud indicators and red flags, in addition to those specific on suspected offences. Over the years it has developed a management system which, in 2018, obtained three-year certification to the international Standard ISO 37001 - Anti-bribery management systems. The certification was renewed in 2021 and 2024 for 3 more years. For the management of risks related to the leak of confidential information, advanced IT security technologies and procedures have been implemented (more information is available in the specific "Digital, ICT Services" section). Saipem has also adopted principles and rules for its internal management and external communication of corporate documents and information, with particular reference to inside information (more information is available in the specific section within the "2024 Corporate Governance and Shareholding Structure Report").

A specific Privacy Organisation Model was introduced in April 2018, renewed in December 2022 with a view to the continuous improvement and strengthening of the personal data protection mechanisms, to ensure compliance with the EU privacy directive (General Data Protection Regulation - GDPR).

Transfer of risks to the insurance market

The general guidelines applicable in terms of insurance risk transfer for the Saipem Group are revised annually. Based on such guidelines, the Insurance function defines and implements the insurance programme, with the objective of protecting the employees, the assets and the consequences of the civil liability of the Saipem Group and covering certain of the risks associated to the execution of contracts with clients (mainly the construction risks).
The insurance programme also aims at maximising the cost-benefit ratio for the Group, by considering the current conditions of the insurance market (capacity, coverage limits and cost) and by utilising the captive reinsurance company Sigurd Rück AG for the management of selected risks (low intensity/medium frequency).
As the insurance market, as well as the markets of the Group, are constantly evolving, it is not possible to guarantee that all the risks are covered by the insurance programme. Furthermore, the volatility of the insurance market makes it impossible to guarantee the stability in the mid-term of the rates, terms and conditions of the insurance programme.

Saipem makes a distinction between the insurance policies applying indifferently across all the business lines to cover the entire portfolio (the "corporate insurance policies") and the insurance policies taken out for the specific needs of a particular project (the "Specific-to-project Policies").

Corporate insurance policies

The corporate insurance programme includes the following:

Worker's Compensation insurance offering protection to Saipem employees in compliance with the specific regulations in force in the countries where the Group operates.

Property Damage package
- "Hull and Machinery" insurance covering Saipem fleet on an all-risks basis including war risks;
- "Construction Equipment" insurance covering Saipem onshore and offshore construction equipment on an all-risks basis;
- "Cargo" insurance covering the equipment/goods which Saipem is liable for during transport.
- "Offices and Yards" insurance covering building, offices, yards owned or leased by the Group.

Liability coverages
- "Protection & Indemnity (P&I)" insurance covering Saipem liabilities arising out of the navigation and/or operations of its vessels. Saipem fleet is entered into a P&I Club that is part of the International Group of P&I Club;
- "Comprehensive General Liability (CGL)" insurance covering Saipem liabilities arising out of Saipem's operations whether onshore or offshore (always in difference of conditions and/or difference of limits of the P&I coverage which is primary to the CGL). This policy is also extended to cover Saipem Group Employer's liability;
- "Directors & Officers (D&O)" policy providing financial protection for Saipem managers against the consequence of actual or alleged "wrongful acts" when acting in the scope of their managerial duties. The D&O policy covers the defence costs as well as the financial losses;
- "Cyber Insurance Protection" covers both property damage and liabilities which might arise out of a cyber-attack against Saipem information and operating systems.

Specific-to-Project policies

The size and the nature of the projects which Saipem is engaged in makes it impossible to cover related construction risks (risks of loss of or damage to the Works to be delivered) under open and permanent policies. These risks are subject to "specific-to-project" policies commonly referred to as "Construction All Risks (CAR)" policies. In most cases, these policies are provided by the Principal (the client). Alternatively, they fall under Saipem obligations. In any case, Saipem checks that the policy is suitable for the purpose of the project and in line with the market standards. These policies cover all the phases of the project from the engineering to the construction, installation and commissioning and are extended to also cover the warranty period attaching to the project.

ADDITIONAL INFORMATION

Convertible bond - Physical Settlement Notice

On January 8, 2024, Saipem SpA delivered the Physical Settlement Notice to all bondholders of the equity-linked bonds named “€500,000,000 Senior Unsecured Guaranteed Equity-linked bonds due 2029”. In accordance with the Physical Settlement Notice, the bondholders shall be granted the right, effective from January 26, 2024, to convert the bonds into ordinary shares of the Company according to the terms and conditions of the bonds.

Launch of the buy-back programme for Saipem ordinary shares to service the 2023-2025 Variable Long-Term Incentive Plan

On January 15, 2024, Saipem SpA launched the buy-back programme for the Company’s ordinary shares, pursuant to Article 5 of EU Regulation No. 596/2014, as subsequently amended, concerning a maximum number of 29,500,000 shares to service the 2023 allocation of the Company's 2023-2025 Long-Term Variable Incentive Plan. As of January 29, 2024, 22,500,000 treasury shares have been purchased for a total consideration of €32,933,508 (weighted average price €1.4637).

Incident on Castorone vessel

On January 30, 2024, an incident occurred on the Castorone pipelay vessel off the waters of Australia during normal pipelaying operations. The incident did not cause injuries to personnel; only localised damage to the pipeline occurred and the ship did not suffer any damage. On February 13, 2024, the Australian Commonwealth regulator NOPSEMA (National Offshore Petroleum Safety and Environmental Management Authority) communicated its favourable opinion on the resumption of operations of the vessel.

Collaboration agreements

On March 19, 2024, Saipem and Fincantieri, signed a Memorandum of Understanding to evaluate commercial and industrial opportunities for cooperation in the field of autonomous subsea vehicles and their integration with surface and underwater units. The Memorandum, signed at Palazzo Marina, the headquarters of the General Staff of the Italian Navy, is among the initiatives aimed at promoting and developing national excellence in the Underwater sector. The agreement aims to enable the two companies to participate in major programmes in the Italian and international markets in the area of surveillance and control of critical underwater infrastructure and rescue activities, through the use of specific complementary technologies from Fincantieri and Saipem. The collaboration involves the integration of surface vessels and submarines built by Fincantieri with the drone development programme “Hydrone” developed by Sonsub, Saipem's centre of excellence for subsea technologies and solutions.

Prepayment of the loan guaranteed by SACE

On March 28, 2024, Saipem completed the prepayment of the €387 million loan that was signed in February 2023 and communicated to the market on February 13, 2023 and June 21, 2023, with a pool of Italian and international banks, 70% of which was guaranteed by SACE under the "SupportItalia" programme. A first partial prepayment of €150 million had already been made in December 2023, to which the prepayment of the remaining outstanding amount of €237 million was added. The loan agreement envisaged a pre-amortisation period of 2 years, with repayment in 12 quarterly instalments starting on March 31, 2025, and final maturity on December 31, 2027. The prepayments were made by using available cash.

Authorisation to buy-back treasury shares for the 2024 allocation of the 2023-2025 Long-Term Variable Incentive Plan

On May 14, 2024, the Shareholders' Meeting approved the proposal to authorise the buy-back of treasury shares for a period of eighteen months from the date of the shareholders' resolution, of up to a maximum of 31,900,000 ordinary shares and, in any case, up to the overall maximum amount of €77,500,000, to cover the 2024 allocation of the 2023-2025 Long-Term Variable Incentive Plan. Terms and conditions of the aforementioned Incentive Plan approved by the Shareholders' Meeting on May 3, 2023 are available in the documentation provided on the Company's website.

Bond issue

On May 22, 2024, Saipem SpA announced that its subsidiary Saipem Finance International BV had successfully completed the placement of a new fixed rate non-convertible and unsubordinated bond for a total principal amount of €500 million, with maturity in May 2030 (the "Notes"). The Notes pay a fixed annual coupon of 4.875% with a re-offer price of 100%.

Tender offers for two bonds

On May 29, 2024, Saipem SpA announced the final results of the tender offers launched by its subsidiary Saipem Finance International BV (the "Offeror") to the holders of the bonds denominated "2.625% EUR 500m Notes due 7 January 2025" (the "2025 Notes") and "3.375% EUR 500m Notes due 15 July 2026" (the "2026 Notes") issued by the Offeror and admitted to trading on the Euro MTF of the Luxembourg Stock Exchange.
Therefore, the Offeror announced that the final acceptance amount, on the terms and subject to the conditions set out in the Tender Offer Memorandum, was equal to €363,007,000 of which:

- €104,498,000 in respect of the 2025 Notes, and
- €258,509,000 in respect of the 2026 Notes.

Upon completion of the transaction, the 2026 Notes still outstanding are, in nominal amount, equal to €241,491,000 and the 2025 Notes still outstanding are, in nominal amount, equal to €275,407,000.

Regulation on Markets

Article 15 (formerly Article 36) of Consob Regulation on Markets (adopted with Resolution No. 20249 of December 28, 2017): conditions for the listing of shares of companies with control over companies established and regulated under the law of non-EU countries

With regard to the published regulations setting out conditions for the listing of shares of companies with control over companies established and regulated under the law of non-EU countries and that are deemed to be of material significance in relation to the consolidated financial statements:

i. as of December 31, 2024, the regulatory requirements of Article 15 of the Market Regulation apply to the following subsidiaries:
    - Global Petroprojects Services AG;
    - PT Saipem Indonesia;
    - Saimexicana SA de Cv;
    - Saipem America Inc;
    - Saipem Contracting Nigeria Ltd;
    - Saipem do Brasil Serviçōs de Petroleo Ltda;
    - Saipem Drilling Norway AS;
    - Saipem Guyana Inc;

- Saipem India Projects Private Ltd;
- Saipem Ltd;
- Saipem Misr for Petroleum Services (S.A.E.);
- Saipem Singapore Pte Ltd;
- Saudi Arabian Saipem Ltd;
- Sigurd Rück AG;
- Snamprogetti Engineering & Contracting Co Ltd;
- Snamprogetti Saudi Arabia Co Ltd Llc;
- Saipem Australia Pty Ltd;

ii. procedures designed to ensure full compliance with the aforementioned regulations have been adopted.

Business outlook

Saipem has updated its strategic guidelines presented in February 2024, confirming the steady improvement of the Group's performance and the favourable market conditions.
Guidance and medium-term targets have consequently been revised upwards.
Specifically, with reference to the 2025 financial year, the Company expects:
- revenue of approximately €15 billion;
- EBITDA of approximately €1.6 billion;
- Operating Cash Flow (after the repayment of lease liabilities) of approximately €900 million;
- CapEx of about €500 million;
- Free Cash Flow (after the repayment of lease liabilities) of at least €500 million.

Events after the reporting period

Sale of equity interest in KCA Deutag (KCAD)

On January 16, 2025, the 10% equity interest in KCAD was sold to Helmerich & Payne (H&P) for a consideration of around $89.5 million, of which around $8 million was retained in an escrow account until the satisfaction of certain conditions under the agreement in place between the majority shareholders of KCAD and H&P. The sale by Saipem is part of the acquisition of KCAD by H&P and follows the exercise of the drag-along right towards the minority shareholders, including Saipem.
Saipem's equity investment in KCAD was acquired in 2022 as part of the sale of its Onshore Drilling activities. The carrying amount of this equity investment as of December 31, 2024 was €80 million.

Shareholders' Agreement relating to ordinary shares of Saipem SpA

On January 22, 2025, the shareholders Eni SpA and CDP Equity SpA notified Saipem that they had tacitly renewed, for an additional three-year period, the Shareholders' Agreement entered into on January 20, 2022, covering a total of 25.006% of Saipem's ordinary share capital. The Agreement envisaged a three-year term from the effective date (i.e., January 22, 2022) to be automatically renewed on its expiry date (i.e., January 22, 2025) for an additional period of three years only, unless terminated by either party with at least six months' notice. The aforementioned term having expired without having been terminated; the Shareholders' Agreement was automatically renewed for an additional three-year period (ie until January 22, 2028).

Saipem - Simest Memorandum of Understanding

On February 6, 2025, Saipem and Simest, the CDP Group company specialised in the international expansion of Italian companies, signed a memorandum of understanding aimed at promoting new investments, greater competitiveness (also internationally) and growth in the market for companies in Saipem's supply chain.

New revolving credit facility

On February 11, 2025, Saipem entered into a new “Revolving Credit Facility” with a pool of fourteen leading national and international financial institutions for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million “Revolving Credit Facility” signed in February 2023, increasing its amount.

Proposed combination of Saipem and Subsea7

On February 23, 2025, Saipem and Subsea7 announced that they had reached an agreement on the key terms of a possible cross-border merger of the two companies through the signing of a memorandum of understanding. The merger will be structured through the incorporation of Subsea7 into Saipem, in accordance with EU regulations, with the latter to be renamed Saipem7 (Combined Company), which will have shares listed on both the Milan and Oslo stock exchanges.
Siem Industries (main shareholder of Subsea7) would own approximately 11.9% of the Combined Company's share capital, while Eni and CDP Equity (main shareholders of Saipem) would own approximately 10.6% and approximately 6.4%, respectively.
The Combined Company will be structured in four businesses: Offshore Engineering & Construction, Onshore Engineering & Construction, Sustainable Infrastructures and Offshore Drilling. The Offshore Engineering & Construction business will be incorporated into a company with its own operational autonomy, named Subsea7, with its own headquarters in London, which will encompass all the Subsea7's business and the Asset Based Services business of Saipem.
The entering into and signing of binding definitive documents in respect of the Proposed Combination is conditional, inter alia, on the successful completion of confirmatory due diligence by the parties, the execution of a mutually satisfactory merger agreement (the "Merger Agreement") and the approval of the final terms of the Proposed Combination by the Board of Directors of Saipem and Subsea7. The parties will also engage with the relevant works council consultations required by the applicable laws. The parties currently envisage to submit the final terms of the Proposed Combination to their respective Board of Directors for approval and to enter into the Merger Agreement around mid-2025. Completion is currently anticipated to occur in the second half of 2026.

Collaboration agreement

On March 5, 2025, Saipem and Divento, a partnership between Copenhagen Infrastructure Partners (CIP, through the "flagship" fund Copenhagen Infrastructure V), GreenIT, a joint venture between Plenitude (a Company controlled by Eni) and CDP Equity (CDP Group), 7 Seas Wind Power and NiceTechnology, have signed a collaboration agreement involving the application of Star1, Saipem's proprietary technology for floating wind, in favour of the 7 Seas Med projects in Sicily and Ichnusa Wind Power in Sardinia.

Additional information

In compliance with the provisions of Article 2364 of the Italian Civil Code and Article 11 of the Company's Articles of Association, the Board of Directors resolved to call the Annual General Shareholders' Meeting within 180 days from the end of the annual reporting period, as Saipem SpA is required to prepare consolidated financial statement.
Under Article 20 of the Articles of Association, pursuant to Article 2365, second paragraph of the Italian Civil Code, the Board of Directors of Saipem SpA is responsible for amending the Articles of Association to comply with legislative provisions.
Particularly, on January 3, 2024, has been updated the Article 5 of the Articles of Association of Saipem SpA following the registration at the Companies' Register of the resolution taken by the Extraordinary Shareholders' Meeting of December 13, 2023, authorising the convertibility of the equity-linked bonds named "€500,000,000 Senior Unsecured Guaranteed Equity-Linked Bonds due 2029" and the increase in the share capital, in divisible form, excluding Shareholders pre-emption rights pursuant to Article 2441, paragraph 5 of the Italian Civil Code, to be used to convert the aforementioned bonds through the issue of Saipem SpA ordinary shares.
In addition, on March 7, 2024, has been updated the Article 6 of the Articles of Association of Saipem SpA, following the recalculation of privileges enjoyed by Savings Shares, resulting from the Shares Reverse Splits resolved upon by the Board of Directors on June 8, 2022 (executing the Shareholders' Meeting resolution of May 17, 2022) and by the Shareholders' Meeting on April 28, 2017.

Reconciliation of reclassified balance sheets used in the Directors' report with the mandatory financial statements

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(€ million)	Dec. 31, 2024		Dec. 31, 2023	
Reclassified statement of financial position (where not explicitly stated, the component is obtained from the mandatory template)	Partial values from mandatory template	Values from reclassified template	Partial values from mandatory template	Values from reclassified template
A) Net property, plant and equipment		2,844		2.960
Note 16 - Property, plant and equipment	*2,844*		*2,960*	
B) Net intangible assets		668		666
Note 17 - Intangible assets	*668*		*666*	
C) Right-of-use of lease assets		630		428
Note 18 - Right-of-use of lease assets	*630*		*428*	
D) Equity investments		(14)		162
Note 19 - Equity investments	*134*		*211*	
Reclassified from F) - provisions for losses of investees	*(148)*		*(49)*	
E) Working capital		(856)		(648)
Note 10 - Other current financial assets	*324*		*387*	
Reclassified to M) - loan assets not related to operations	*(324)*		*(386)*	
Note 11 - Trade and other receivables	*3,419*		*2,441*	
Note 12 - Inventories	*310*		*256*	
Note 13 - Contract assets	*2,176*		*1,925*	
Note 14 - Current and non-current tax assets	*387*		*390*	
Note 14 - Other current tax assets	*179*		*146*	
Note 15 - Other current assets	*259*		*244*	
Note 21 - Other non-current assets	*65*		*52*	
Note 20 - Deferred tax assets	*320*		*257*	
Note 22 - Trade and other payables	*(3,959)*		*(2,944)*	
Note 23 - Contract liabilities	*(3,434)*		*(3,088)*	
Note 14 - Current and non-current tax liabilities	*(119)*		*(94)*	
Note 14 - Other current tax liabilities	*(129)*		*(192)*	
Note 24 - Other current liabilities	*(157)*		*(33)*	
Note 29 - Other non-current payables and liabilities	*(164)*		*(3)*	
Note 20 - Deferred tax liabilities	*(9)*		*(6)*	
F) Provisions for risks and charges		(652)		(718)
Note 27 - Provisions for risks and charges	*(800)*		*(767)*	
Reclassified to D) - provisions for losses of investees	*148*		*49*	
G) Provisions for employee benefits		(208)		(193)
Note 28 - Employee benefits	*(208)*		*(193)*	
H) Net assets (liabilities) held for sale	-		-	
Note 31 - Discontinued operations and liabilities directly related to assets held for sale	*89*		-	
EMPLOYED CAPITAL, NET		**2,501**		**2,657**

cont.d **RECLASSIFIED STATEMENT OF FINANCIAL POSITION**

(€ million)	Dec. 31, 2024		Dec. 31, 2023	
Reclassified statement of financial position (where not explicitly stated, the component is obtained from the mandatory template)	Partial values from mandatory template	Values from reclassified template	Partial values from mandatory template	Values from reclassified template
I) Equity		2,524		2.394
Note 32 - Equity	*2,524*		*2,394*	
L) Non-controlling interests		-		2
Note 32 - Equity	*-*		*2*	
M) Net financial debt pre-lease liabilities		(683)		(216)
Note 7 - Cash and cash equivalents	*(2,158)*		*(2,136)*	
Note 8 - Financial assets measured at fair value through OCI	*(47)*		*-*	
Note 9 - Other non-current financial assets	*(338)*		*(86)*	
Note 10 - Other current financial assets	*-*		*(1)*	
Note 25 - Current financial liabilities	*61*		*97*	
Note 25 - Non-current financial liabilities	*1,742*		*2,168*	
Note 25 - Current portion of non-current financial liabilities	*381*		*128*	
Reclassified from E) - financial receivables for non-operating purposes (Note 9)	*(324)*		*(386)*	
N) Lease liabilities		660		477
Note 18 - Net lease liabilities	*660*		*477*	
O) Net financial debt		(23)		261
FUNDING		**2,501**		**2,657**

Reclassified income statement

The reclassified income statement differs from the mandatory template solely for the following reclassification:

- the item "other operating income (expense)" (€1 million), which is indicated separately in the mandatory template, are stated under the item “purchases, services and other costs” in the reclassified income statement;
- the items “financial income” (€556 million), “financial expense” (-€572 million) and “derivatives” (-€70 million) and, “net finance income (expense) from financial assets at fair value through profit or loss” (€1 million) which are indicated separately in the mandatory template, are stated under the item “net financial expense” (-€85 million) in the reclassified income statement;
- the items “share of profit (loss) of equity-accounted investees” (-€43 million) and “other gains (losses) from equity investments” (€18 million), which are indicated separately under the statutory scheme, are stated under the item “net gains (losses) on equity investments” (-€25 million) in the reclassified income statement.

All other items are unchanged.

Items of the reclassified statement of cash flows

The reclassified statement of cash flows differs from the mandatory template solely for the following reclassifications:

- the items “depreciation and amortisation” (€675 million), “net impairment losses (reversals of impairment losses) on property, plant and equipment, intangible assets, and Right-of-Use assets” (€48 million), “share of profit (loss) of equity-accounted investees” (€43 million), “other changes” (€26 million) and “change in employee benefit provision” (€14 million), shown separately and included in the net cash flow from operating activities in the statutory scheme, are shown net under “depreciation, amortisations and other non-cash items” (€806 million);
- the “interest income” (-€87 million), “interest expense” (€180 million) and items “income taxes” (€190 million), indicated separately and included in cash flows from working capital in the mandatory template, are shown net under the item “dividends, interests and taxes” (€283 million);
- the items regarding changes in “inventories” (-€50 million), “trade receivables” (-€692 million), “trade payables” (€636 million), “provisions for risk and charges” (-€131 million), “other contract assets and liabilities” (€52 million) and “other assets and liabilities” (€129 million), indicated separately and included in cash flows from working capital in the mandatory template, are shown net under the item “changes in working capital related to operations” (-€56 million);
- the items “dividends received” (€55 million), “interests received” (€61 million), “interest paid” (-€180 million) and “income taxes paid net of refunds of tax credits” (-€196 million), indicated separately and included in cash flows generated by operating activities in the mandatory template, are shown net under the item “dividends received, income taxes paid and interest paid and received” (-€260 million);
- the items relating to investments in “property, plant and equipment” (-€326 million) and “intangible assets” (-€11 million), indicated separately and included in cash flows from investing activities in the mandatory template, are shown net under the item “capital expenditure” (-€337 million);
- the items “increase in non-current loans and borrowings” (€581 million), “decrease in non-current loans and borrowings” (-€754 million) and “increase (decrease) in current loans and borrowings” (-€39 million), indicated separately and included in net cash flows from financing activities in the mandatory template, are shown net under the item “changes in current and non-current loans and borrowings” (-€212 million).

All other items are unchanged.

GLOSSARY

Financial terms

Beta coefficient that defines the measure of the systematic risk of a financial asset, i.e., the trend of an asset's return in line with changes in the reference market. The beta is defined as the ratio between the probability of the expected return of a specific asset with the expected market return, and the variance of the market return.
CGU Cash Generating Unit refers to, as part of the execution of the impairment test, the smallest identifiable group of assets that generates cash inflows or outflows, deriving from the continuous use of assets, largely independent of the cash inflows or outflows from other assets or groups of assets.
FVTOCI (Fair Value Through Other Comprehensive Income) positive and negative components recognised in equity arising from the measurement and realisation of financial instruments, when the conditions set out in IFRS are met, i.e. when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and when the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Headroom (Impairment Loss) positive (or negative) excess of the recoverable amount of a CGU over the carrying amount of that unit.
IFRS International Financial Reporting Standards issued by the IASB (International Accounting Standards Board) and endorsed by the European Commission. They comprise International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and the Standing Interpretations Committee (SIC) adopted by the IASB. The name International Financial Reporting Standards (IFRS) has been adopted by the IASB for standards issued after May 2003. Standards issued before May 2003 have maintained the denomination IAS.
KRI (Key Risk Indicator) key risk indicator as a metric to measure the likelihood that the combined possibility of an event and its consequences will exceed the organisation's risk appetite and have a profoundly negative impact on the organisation's ability to succeed.
LDs (Liquidated Damages) are the amount of damages predetermined in the contract that one of the contracting parties agrees to pay to the other in the event of non-compliance. This clause is beneficial for both parties, as it provides a guarantee on the maximum amount of damages that can be compensated.
Leverage measures a company's level of indebtedness, calculated as the ratio between net financial debt and equity including non-controlling interests.
Long-Only funds active long-only equity managers have strategies characterised by being able to realise a gain only if the underlying market rises: if the latter falls, they can only limit their losses through a reduction in exposure and optimal (but not always feasible) stock selection.
OCI (Other Comprehensive Income) items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by IFRS.
Receivables "in bonis" total amount of receivables of a commercial nature, not expired or past due by no more than twelve months, towards clients deemed solvent.
ROACE (Return on Average Capital Employed) calculated as the ratio between net result before non-controlling interests, plus net financial expense on net financial position the related tax effect and net average capital employed.
Special items items of income arising from events or transactions that are non-recurring or that are not considered to be representative of the ordinary course of business.
SPPI test (Soley payment of principal and interest test), a test on the basis of which it is ascertained whether a financial instrument has the characteristics of eligibility at amortised cost or Fair Value Trough OCI and involves verifying that the cash flows generated by the instrument are represented exclusively by the payment of principal and interest.
WACC Weighted Average Cost of Capital calculated as a weighted average of the cost of the group's debt capital and the cost of risk capital, defined on the basis of the Capital Asset Pricing Model (CAPM) methodology, consistent with the specific risk of Saipem's business, measured by the beta of the Saipem share.

Write-off cancellation or reduction of the value of an asset.

Operational terms

Buckle detection system that utilises electromagnetic waves during pipe laying in order to flag if the pipes laid on the bottom have collapsed or are deformed in any way.
Bundles, bundles of cables.
Carbon Capture and Storage technology which enables the carbon present in gaseous effluents from hydrocarbon combustion and treatment plants to be captured and stored over long periods of time in underground geological formations, thus reducing or eliminating carbon dioxide emissions into the atmosphere.
Central Processing Facility production unit performing the first transformation of crude oil or natural gas.
Cold stacked an inactive plant with skeleton crew and maintenance.
Commissioning series of processes and procedures undertaken in order to start operations of a gas pipeline, associated plants and equipment.
Concrete coating reinforced concrete coating for subsea pipelines in order to ballast and protect them from damage and corrosion.
Conventional waters, water depths of up to 500 metres.
Cracking chemical-physical process, typically employed in dedicated refinery plants, whose objective is to break down the heavy hydrocarbon molecules obtained from primary distillation into lighter fractions.
Debottlenecking removal of obstacles (in rigs/fields) which leads to higher production.
Deck area of a vessel or platform where process plants, equipment, accommodation modules and drilling units are located.
Decommissioning a process undertaken in order to wind down the operations of a gas pipeline and its associated plant and equipment. It is performed at the end of the useful life of the plant or vessel following an incident, for technical or financial reasons, for safety or environmental reasons.
Deep waters water depths of over 500 metres.
Downstream all operations that follow exploration and production operations in the oil sector.
Drillship vessel capable of self-propulsion, designed to carry out drilling operations in deep waters.
Dry-tree wellhead located above the water on a floating production platform.
Dynamically Positioned Heavy Lifting Vessel a vessel equipped with a heavy-lift crane capable of maintaining a defined position with respect to a certain reference system with high precision by means of thrusters (propellers), thereby counteracting the force of the wind, sea, currents, etc.
EPC (Engineering, Procurement, Construction) a type of contract typical of the Onshore Engineering & Construction segment, comprising the provision of engineering services, procurement of materials and construction. The term "turnkey" means when a plant is provided to customer ready for use, so already operational.
EPCI (Engineering, Procurement, Construction, Installation) type of contract typical of the Offshore Engineering & Construction segment, which relates to the realisation of a complex project where the global or main contractor (usually a construction company or a consortium) provides the engineering services, procurement of materials, construction of the system and its infrastructure, transport to site, installation and commissioning/preparatory activities for the start-up of operations.
Fabrication yard yard at which offshore structures are fabricated.
Facilities auxiliary services, structures and installations required to support the main systems.
Farm out awarding of the contract by the client to another entity for a fixed period of time.
FDS (Field Development Ship) combined vessel, dynamically positioned, multi-purpose crane and subsea pipeline laying capability.
FEED (Front-End Engineering and Design) basic engineering and preliminary activities carried out before beginning a complex project to evaluate its technical aspects and enable an initial estimate of the investment required.
Field Engineer on-site engineer.
Flare tall metal structure used to burn off gas produced by oil/gas separation in oil fields when it is not possible to utilise it on site or ship it elsewhere.

FLNG Floating Liquefied Natural Gas unit used for the treatment, liquefaction and storage of gas which is subsequently transferred onto vessels for transportation to end-use markets.
Floatover type of module installation on offshore platforms that does not require lifting operations. A specialised vessel transporting the module uses a ballast system to position itself directly above the location where the module is to be installed. Once the module is in contact with the supports, the vessel disconnects, and the module is subsequently secured to the support structure.
Flowline pipeline used to connect individual wells to a manifold or to gathering and processing facilities.
FPSO vessel Floating Production, Storage and Offloading system comprising a large tanker equipped with a high-capacity production facility. This system, moored at the bow to maintain a geo-stationary position, is effectively a temporarily fixed platform that uses risers to connect the subsea wellheads to the on-board processing, storage and offloading systems.
FPU Floating Production Unit.
FSHR (Free Standing Hybrid Risers) system consisting of a vertical steel pipe ("riser"), which is kept under tension by a floating module position near the water whose buoyancy, ensures stability. A flexible pipe (jumper) connects the upper part of the riser to the Floating Production Unit (FPU), while the riser is anchored to the sea bottom by means of an anchoring system. A rigid pipe (riser base jumper) connects the lower part of the FSHR to the Pipeline End Terminations (PLETs).
FSRU (Floating Storage Regasification Unit) a floating terminal in which liquefied natural gas is stored and then re-gasified before being transported by pipeline.
Gas export line pipeline for carrying gas from the subsea reservoirs to the mainland.
Grass Root Refinery a refinery that is built from scratch with a planned capacity.
Hydrocracker installation in which large hydrocarbon molecules are broken down into smaller ones.
Hydrotesting operation involving high pressure (higher than operational pressure) water being pumped into a pipeline to ensure that it is devoid of defects.
Hydrotreating refining process aimed at improving the characteristics of oil fractions.
Ice Class classification that indicates the additional level of upgrading and other criteria that make a ship seaworthy to sail in sea ice.
International Oil Companies privately-owned, typically publicly traded, oil companies engaged in various fields of the upstream and/or downstream oil industry.
Jacket platform underside structure fixed to the seabed using piles.
Jack-up mobile self-lifting unit comprising a hull and retractable legs used for offshore drilling operations.
J-laying method of pipe laying that utilises an almost vertical launch ramp, making the pipe configuration resemble the letter "J". This type of pipe laying is suitable for deep waters.
Lay-up a laid-up vessel whereby its class certification validity is suspended.
Leased FPSO (Floating Production, Storage and Offloading) vessel for which a lease contract is in place between a client/lessee (Oil Company) and a contractor/lessor, whereby the lessee (client/Oil Company) makes lease payments to the lessor for use of the vessel for a specific period of time. At the end of the lease term, the lessee has the option to purchase the FPSO.
LNG (Liquefied Natural Gas), which is obtained at atmospheric pressure by cooling the natural gas down to -160 °C. It is turned to liquid form for ease of transport from its extraction location to where it will then be transformed and used. A tonne of LNG is equivalent to 1,500 cubic metres of gas.
Local Content policy whereby a group develops local capabilities, transfers its technical and managerial know-how and enhances the local labour market and businesses through its own business activities.
LPG (Liquefied Petroleum Gas) produced in refineries through the fractionation of crude oil and subsequent processes, liquid petroleum gas exists in a gaseous state at ambient temperatures and atmospheric pressure but changes to a liquid state under moderate pressure at ambient temperatures, thus enabling large quantities to be stored in easy-to-handle metal pressure vessels.
LTI Lost Time Injury. An LTI is any work-related injury that renders the injured person temporarily unable to perform any regular job or restricted work on any day/shift after the day or shift on which the injury occurred.
Marginal fields oil fields with scarce exploitable resources or that are recording a drop in production, so it is sought to extend their use via low risk, cost effective technologies.
Midstream sector comprising all those activities relating to the construction and management of the oil transport infrastructure.
Moon pool an opening in the hull of a drillship for equipment to be lowered through.

Mooring buoy offshore mooring system.
Multipipe subsea gas/liquid gravity separation system using a series of small diameter vertical separators operating in parallel (for deep water application).
National Oil Companies State-owned/controlled companies engaged in oil exploration, production, transportation and conversion.
NDT Non-Destructive Testing. A series of inspections and tests used to detect structural defects conducted using methods that do not alter the material under inspection.
NDT Phased Array non-destructive testing method that employs ultrasound to detect structural or welding defects.
Offshore/Onshore the term offshore indicates a portion of open sea, and, by extension, the activities carried out in this area, while onshore refers to land operations.
Oil Services Industry industrial sector that provides services and/or products to the National or International Oil Companies engaged in oil exploration, production, transportation and conversion.
Open Book Estimate (OBE) type of contract where the lump-sum fee for the project (usually for turnkey or EPC projects) is agreed on with the client, with complete transparency, after the contract has been signed and during an advanced stage of the base engineering, on the basis of an overall project cost estimate.
Pig piece of equipment used to clean, descale and survey a pipeline internally.
Piggyback pipeline small-diameter pipeline, fixed to a larger pipeline, used to transport a product other than that of the main line.
Pile long and heavy steel pylon driven into the seabed. A system of piles is used as the foundation for anchoring a fixed platform or other offshore structures.
Pipe-in-pipe subsea pipeline system comprising 2 coaxial pipes, used to transport hot fluids (Oil&Gas). The internal pipe has the function of transporting the fluid. The space between the two pipes is insulated to reduce heat exchange with the external environment. The external pipe provides mechanical protection from the pressure of the water.
Pipe-in-pipe forged end forged end of a coaxial double pipe.
Pipelayer vessel used for subsea pipe laying.
Pipeline pipes and auxiliary equipment used principally for transporting crude oil, oil products and natural gas to the point of delivery.
Pipe Tracking System (PTS) an electronic system used to ensure the full traceability of the components of subsea pipes installed on a project.
Piping and Instrumentation Diagram (P&ID) diagram showing all plant equipment, piping and instrumentation with associated shut-down and safety valves.
Pre Assembled Rack (PAR) pipeline support beams.
Pre-commissioning phase comprising pipeline clean-out and drying.
Pre-drilling template support structure for a drilling platform.
Pre-Salt layer geological formation present on the continental shelves offshore Brazil and Africa.
Pre-Travel Counselling health and medical advice for anyone required to travel, providing them with adequate information on the specific risks in the country of destination and the relevant preventive measures to be taken.
Pulling minor operations on oil wells due to maintenance or marginal replacements.
QHSE Quality, Health, Safety, Environment.
Rig drilling installation comprising the derrick, the drill deck (which supports the derrick), and ancillary installations that enable the descent, ascent and rotation of the drill unit, as well as mud extraction.
Riser manifold connecting the subsea wellhead to the surface.
ROV (Remotely Operated Vehicle) unmanned vehicle, piloted and powered via umbilical, used for subsea surveys and operations.
Shale gas unconventional gas extracted from shale deposits.
Shale oil non-conventional oil obtained from bituminous shale.
Shallow water sees Conventional waters.
Sick Building Syndrome a cluster of symptoms in people working in a specific workplace. The exact causes of the syndrome are not known but the presence of volatile organic compounds, formaldehyde, moulds and dust mites are thought to be contributing factors.

S-laying method of pipe laying that utilises the elastic properties of steel, making the pipe configuration resemble the letter "S", with one end on the seabed and the other under tension on-board the ship. This configuration is suited to medium to shallow-water pipe laying.
Slug catcher equipment for the purification of gas.
Smart stacking when rig is left idle to reduce operational costs and a preservation programme is put in place.
Sour water, water containing dissolved pollutants.
Spar floating production system, anchored to the seabed by means of a semi-rigid mooring system, comprising a vertical cylindrical hull supporting the platform structure.
Spare capacity relationship between crude oil production and production capacity, i. e. quantity of oil which is not currently needed to meet demand.
Spool connection between a subsea pipeline and the platform riser, or between the ends of two pipelines.
Spoolsep unit used to separate water from oil as part of the crude oil treatment process.
Stripping process through which volatile compounds are removed from the liquid solution or the solid mass in which they have been diluted.
Subsea processing operations performed in offshore oil and/or natural gas field developments, especially relating to the equipment and technology employed for the extraction, treatment and transportation of oil or gas below sea level.
Subsea tiebacks lines connecting new oil fields with existing fixed or floating facilities.
Subsea treatment a new process for the development of marginal fields. The system involves the injection and treatment of seawater directly on the seabed.
SURF (Subsea, Umbilical, Risers, Flowlines) facilities, pipelines and equipment connecting the well or subsea system to a floating unit.
Tandem Offloading method used for the transfer of liquids (oil or LNG) between two offshore units in a line via aerial, floating or subsea lines (unlike side-by-side offloading, where the two units are positioned next to each other).
Tar sands mixture of clay, sand, mud, water and bitumen. The tar is made up primarily of high molecular weight hydrocarbons and can be transformed into various petroleum products.
Template rigid and modular subsea structure where the oilfield well-heads are located.
Tender Assisted Drilling unit (TAD) an offshore platform complete with drilling tower, connected to a drilling support tender vessel housing all necessary ancillary infrastructures.
Tendons pulling cables used on tension leg platforms to ensure platform stability during operations.
Tension Leg Platform (TLP) fixed-type floating platform held in position by a system of tendons and anchored to ballast caissons located on the seabed. These platforms are used in ultra-deep waters.
Termination for Convenience the right to unilaterally terminate the contract at any time provided they pay the agreed termination fee to do so (cd. "termination fee").
Tie-in connection between a production line and a subsea wellhead or simply a connection between two pipeline sections.
Tight oil, oil "trapped" in liquid form deep below the earth's surface in low permeability rock formations, which it is difficult to extract using conventional methods.
Topside portion of a platform above the jacket.
Train series of units that achieve a complex refining, petrochemical, liquefaction or natural gas regasification process. A plant can be made up of one or more trains of equal capacity operating in parallel.
Trenching burying of offshore or onshore pipelines.
Trunkline oil pipeline connecting large storage facilities to the production facilities, refineries and/or onshore terminals.
Umbilical flexible connecting sheath, containing flexible pipes and cables.
Upstream relating to exploration and production operations.
Vacuum second stage of oil distillation.
Warm Stacking idle plant, but one ready to resume operations in the event that a new contract is acquired. Personnel are at full strength and ordinary maintenance is normally carried out.
Wellhead fixed structure separating the well from the outside environment.
WHB (Wellhead Barge) vessel equipped for drilling, workover and production (partial or total) operations, connected to process and/or storage plants.

Workover major maintenance operation on a well or replacement of subsea equipment used to transport the oil to the surface.

Other terms

CCUS (Carbon Capture, Utilization and Storage) covers all the solutions making it possible to reduce or fully eliminate from the atmosphere greenhouse gas emissions of polluting treatment plants.
ESG (Environmental Social Governance) refers to the consideration of the operations of a company in relation of its interactions with the environment and territory, community and company management.
ESMA European Securities and Markets Authority.
OECD (Organisation for Economic Co-operation and Development) composed of thirty-five developed countries having in common a democratic system of government and a free market economy.
OPEC Organization of the Petroleum Exporting Countries.

CONSOLIDATED SUSTAINABILITY STATEMENT

in accordance with Italian Legislative Decree No. 125 of December 6, 2024

ESRS 2 General disclosures

This section of the Annual Report represents the "Consolidated Sustainability Statement" document of the Saipem Group (hereinafter Group, Saipem, Company, Undertaking) as of December 31, 2024. The Consolidated Sustainability Statement (hereinafter, Statement or Sustainability Statement) is the disclosure document drafted by Saipem to comply with the obligations laid down in Italian Legislative Decree No. 125/2024 of September 6, 2024, transposing the European Directive No 2022/2464 ("Corporate Sustainability Reporting Directive - CSRD") into Italian law.

The Statement, similarly to what Saipem has done in the past for the Non-Financial Statement (NFS) drawn up in compliance with Italian Legislative Decree No. 254/2016, is a separate section of the consolidated "Directors' Report" marked by a specific reference in order to ensure its clear identification.

BP-1 - General basis for preparation of the sustainability statement

Methodology, principles and reporting criteria

The disclosure in this Report is required in order to offer an understanding of the Group's impact on sustainability issues, and an understanding of the company's performances, position and prospects, as required by Italian Legislative Decree No. 125/2024.
The method for representing the qualitative and quantitative disclosures responds to the drafting criteria specified in the reference regulation: relevance, faithful representation, comparability, verifiability and comprehensibility.
The double materiality assessment, updated annually and with the direct involvement of the Company's stakeholder representatives, has led to the definition of the contents to be reported.

The Consolidated Sustainability Statement is drafted by a dedicated reporting department, in collaboration with all relevant Saipem functions, subsidiaries, operational projects and production sites responsible for the addressed sustainability topics. This document, an integral part of the Annual Report, was approved by the Board of Directors of Saipem SpA on March 11, 2025 and published on the website within the timeframe provided by the legislation. An excerpt of the sole Consolidated Sustainability Statement is also available in the "Sustainability" section of the mentioned corporate website.

With regard to the security of data and information managed by the Company, not exclusively for the purposes of this document, Saipem has adopted adequate 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 Statement is subject to a limited assurance engagement by an independent auditor firm which is distinct from the audit concerning the separate and consolidated financial statements. In their assurance report, the independent auditor provides its compliance attestation of the disclosure provided in accordance with Article 8 of Legislative Decree No. 125/2024 and the European Sustainability Reporting Standards (ESRS), established and adopted by delegated act of the European Commission as ESG (Environmental, Social, and Governance) disclosure standards, significantly increasing the reporting requirements compared with the previously applicable provisions of Legislative Decree No. 254/2016. The audit review is carried out in accordance with the procedures indicated in the section "Independent Auditors' Report" of this document. The Shareholders' Meeting of May 3, 2018, resolved to engage KPMG SpA to carry out the statutory audit of the separate and consolidated financial statements for the nine-year period 2019-2027. Furthermore, in compliance with Article 18 of Italian Legislative Decree No. 125/2024, on December 17, 2024, the Board of Statutory Auditors did not recognise reasons to withdraw the confirmation of the limited assurance appointment previously assigned to KPMG until 2027 covering Saipem Group's Consolidated Non-Financial Statement (NFS). The current engagement now entails the provision of the compliance attestation to the requirements of the CSRD of the Consolidated Sustainability Statement until the end of the engagement period concerning the statutory audit assignment of Saipem Group's separate and consolidated financial statements, i.e., the 2024-2027 period.

Reporting boundary

As required by Italian Legislative Decree No. 125/2024, transposing the EU Directive 2464/2022 (CSRD) on Sustainability Reporting, this document contains information and indicators relating to sustainability performance.
The sustainability reporting perimeter is aligned to the company's financial perimeter.
The reporting perimeter was defined in compliance with the provisions, logics and methodologies used to ensure alignment with the principles of the financial perimeter (paragraph "Principles of consolidation and equity investments" in the Notes to the Annual Financial Statements 2024) and the evaluations of the concept of operational control, introduced by the aforementioned CSRD Directive.

In relation to some specific sites, included in the perimeter due to the effect of the new regulatory requirements and for which, at the time of reporting, the information was unavailable, partial or incomplete, the environmental indicators – the significance of which in relation to the various environmental aspects ranges from around 2% for hazardous waste and 11% for water discharged in water-stressed areas – were estimated on the basis of reliable data available or derived from similar sites. This methodology was implemented to ensure that the statement is consistent and compliant with all the company's activities, as detailed in section "BP-2 - Disclosures in relation to specific circumstances" in chapter ESRS 2.

Saipem intends to ensure a process of continuous improvement to define the sustainability reporting perimeter through the alignment of processes and systems, aiming to guarantee constant compliance over time with the CSRD requirements and the consistency between its own activities in the sustainability field and its economic and financial activities.

The information provided in Saipem's Consolidated Sustainability Statement was extended to include disclosure on the company's material impacts, risks and opportunities through its business, activities and direct or indirect relations in the value chain, upstream and/or downstream:

- following the outcome of its due diligence process and of its double materiality assessment on sustainability topics; and
- in accordance with any specific requirements related to the value chain as provided for by the ESRS standards.

In order to ensure the understanding of the Company's activities, trends, results and the impact it produces, and, at the same time, provide the disclosure required to ensure the understanding of the activities of the whole Saipem Group and also, where possible, place the terms of comparability of performance in context with the information published in previous years or other corporate documents, some expressions defining the various reference perimeters in this report and the related reporting methodologies are described below:

- *Full consolidated* Perimeter
  Perimeter of Saipem's direct and indirect full consolidated subsidiaries (called "*Full Consolidated*" in the document). It also includes all operational cooperation agreements with no legal form (Unincorporated Joint Ventures - UJV), associated to specific projects or sites that fall under the management of each specific subsidiary, therefore in continuity with the reporting perimeter of the Non-Financial Statement 2023. This perimeter is aligned to the CRSD requirement in relation to social and governance data.

- *Group Total* Perimeter
  This perimeter (called "*Group Total*" in the document), used specifically for some social and safety indicators and to ensure the connection with the related targets in the sustainability plan and with the disclosure of previous years, extends the *Full Consolidated,* referred to above, also to companies classified by Saipem as affiliated or under joint control, having a specific legal form (joint venture, consortia) as described in paragraph "Principles of consolidation and equity investments" in the Notes to the Consolidated Financial Statements, in continuity with the reporting perimeter of the Non-Financial Statement 2023.
- *Full consolidated CSRD* Perimeter
  With reference only to environmental data, in compliance with CSRD requirements, this perimeter (called "*Full Consolidated CSRD*" in the document) includes the same entities as the "*Full Consolidated*" reported in previous years, integrating other projects and sites which, on the basis of the internal environmental regulations applied in the past, were not included or present (for example, activities performed at some sites, offices or real estate portions managed environmentally by third parties) and which today are included among those subject to financial control, therefore managed by group entities that are fully consolidated (paragraph "Principles of consolidation and equity investments" of the Notes to the Annual Financial Statements 2024).
  The difference between the "*Full Consolidated*" 2023 and "*Full Consolidated CSRD"* 2024 does not allow the comparability of the data below or the possibility to assess the related trends.
  For this reason, Saipem has decided to report only the data for the reporting year for the *"Full Consolidated CSRD"* perimeter.
- *Group Total CSRD* Perimeter
  With reference only to environmental data (referred to the sections of chapter E1 - Climate Change, for energy and emissions metrics, chapter E2 - Pollution, for spills and chapter E4 - Biodiversity and ecosystems for mapping), the latter reporting perimeter (called "*Group Total CSRD*" in the document) adds to the *Full Consolidated CSRD* also affiliated companies and those under joint control with a specific legal form, integrating the concept, where applicable, of operational control over sites and projects introduced by the CSRD. In this sense, on a case-by-case basis, those aspects that allow the Company to state the existence of an operational control, i.e. the ability to direct the operational activities and relationships of an entity, site, operation, or asset, with responsibility for specific phases or the management of operating processes or any specific governance and contractual arrangements.
  The difference between the "*Group Total*" 2023 and "*Group Total CSRD*" 2024 perimeters does not allow the comparability of the data or the possibility to assess the related trends. For this reason, also for the "*Group Total CSRD*" perimeter, Saipem has decided to report only the data for 2024.

Reporting methodology

Social and Governance Disclosures follow the *Full Consolidated* and, only for some occupational safety indicators, *Group Total* perimeters and are already in line with the requirements introduced by the European Sustainability Reporting regulations, in continuity with the reports of previous years.

Environmental Disclosures follows the *Full Consolidated CSRD* and *Group Total CSRD* perimeters that applied the requirements introduced by the ESRS standards.

It was decided to not include in these perimeters the data for entities and initiatives for which activities were completed or those with a marginal presence or operational activities that do not produce significant effects for the purpose of the correct representation of the disclosure, and on which in any case supporting assessments were made by the relevant functions, demonstrating their negligibility. For more details in this regard, refer to section "BP-2 - Disclosures in relation to specific circumstances" in chapter ESRS 2.

The disclosure relating to **ESRS E3 "Water and marine resources" and E5 "Circular Economy**" are reported in accordance with the *Full Consolidated CSRD* perimeter for 2024, in line with the related underlying requirements.

The disclosure relating to **ESRS E1** "**Climate Change", E2 "Pollution" and E4 "Biodiversity"** are reported only for the *Group Total CSRD* perimeter for 2024, providing any details required by the laws in force.

BP-2 - Disclosures in relation to specific circumstances

Time horizons

The reference period of the Sustainability Statement and the Annual Financial Report is the same.
In drafting the Sustainability Statement, Saipem uses these time horizons:

- short-term: reference period of its statements;
- medium-term: up to 4 years, in line with the Strategic Plan;
- long-term: beyond 4 years.

The definition of medium and long term is aligned to the definition of the time horizons used for strategic planning and the Integrated Risk Management process.

Value chain estimation

As indicated in the section on the metrics of environmental standards, particularly "E1-5 - Energy consumption and mix", "E3-4 - Water consumption", "E5-5 - Resource outflows", when it is not possible to make direct measurements along the value chain, from upstream to downstream, Saipem makes recourse to indirect sources, to determine the related data on environmental aspects. The metrics for which indirect sources are also used include energy consumption, (hazardous and non-hazardous) waste management, water withdrawals and discharges, as well as Scope 3 emissions for the applicable categories, including purchased goods and services (Category 1), fuel and energy-related activities (Category 3), waste generated in operations (Category 5), business travelling (Category 6), employee commuting (Category 7) and upstream leased assets (Category 8).
Saipem uses a complete, coherent and transparent method to estimate the amount of GHG emissions. This methodology is aligned with the most recent International Standards for calculating GHG emissions, validated by a third party according to the principle of ISO 14064-3. The methodology for estimating GHG emissions applies to the data reported periodically in compliance with boundaries defined in the referred internal procedures. In particular, Scope 3 emissions were calculated using the DEFRA (Department for Environment Food & Rural Affairs) database and IEA (International Energy Agency) emission factors, published in 2021.
Furthermore, it is specified that for disclosures relating to waste (hazardous and non-hazardous), water (withdrawal and discharge), emissions (Scope 1 and 2) and energy, the data relating to some sites (as indicated in the paragraph "Reporting Boundary" in section "BP-1 - General basis for preparation of the sustainability statement") were estimated.
The sites subject to estimates were classified in uniform operating categories: fabrication yards, logistic bases, onshore projects, offices and vessels. For the first four categories (fabrication yards, logistic bases, onshore projects and offices), the estimate is based on historical data from similar sites available in the environmental reporting system. For each environmental aspect and each site category, a trimmed mean was calculated using the data available in the environmental reporting system, eliminating the extreme values of the distribution to reduce the influence of non-representative data. A factor was determined on the basis of these processed data to relate environmental performance to hours worked. This factor was then applied to the estimated sites, using the number of hours worked to calculate the environmental impacts. The 11 sites with the most material impacts were included in the 2024 disclosure, the exclusion of the other sites can be considered insignificant, as their overall impact represents about 1% for all applicable environmental aspects.

For vessels, on the other hand, the estimate was done by identifying comparable vessels according to type, energy consumption and the number of persons on board. Also in this case, the environmental data were calculated considering the historical data of similar vessels in the environmental reporting system and in the reference time horizon. Smaller vessels, with lower environmental impacts, and for which the monthly expenditure is below the materiality threshold, were excluded from the estimate and from the disclosure for 2024.

Sources of estimation and outcome uncertainty

For the purposes of reporting forecast information in compliance with the ESRS, some information in the Sustainability Statement has been presented on the basis of estimates, in relation to events that may occur in future or potential future actions by the Company. The forecast information must be deemed as "forward-looking statements", as they also depend on the occurrence of future events and developments. Due to the uncertainty of the occurrence of any future events, both in relation to their actual occurrence and the extent and timing of their occurrence, the deviations between the actual values and the forecast information cannot be assessed in qualitative and quantitative terms at the date of this Statement. All the information concerning scenarios, and relevant potential impacts, risks and opportunities is forecast.

Comparative information
Comparative data are provided for the metrics disclosed in previous periods, where possible, in compliance with ESRS requirements.
In conformity with the transitional provisions of the ESRS, comparative data are not provided for the new metrics introduced in 2024 and for metrics affected by the variation in the reporting perimeter. In these cases, data are provided only for 2024.
An extraction and reconstruction of some environmental data in accordance with the reporting of previous years for the purpose of comparability will be available in other corporate documents published on the sustainability web pages of the official Saipem website.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements
The Report is drafted in compliance with the European Sustainability Reporting Standards (ESRS) used as a reporting standard pursuant to Italian Legislative Decree No. 125/2024. 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.

It also reports the information required by Italian Legislative Decree No. 128/2024 relating to disclosure obligations and tax transparency by large companies.
Saipem decided to include this information, already previously reported in the Non-Financial Statement, among the Entity-Specific disclosures in the Sustainability Statement, ensuring the continuity of disclosure and compliance with the reference standard. It is reported that tax transparency was not considered a material topic, but Saipem in any case decided to report the related information as this meets other regulatory requirements and assures full disclosure to stakeholders.
It is reported that the information in chapter "Tax transparency" in this document is not subject to a conformity opinion by the independent auditors for the purpose of the Sustainability Statement
The information contained in the Statement refers to the topics identified as material. The double materiality assessment, updated annually with the direct involvement of the Company's stakeholder representatives, has led to the definition of the contents to be reported.

Incorporation by reference
The following information is partially incorporated by reference to other parts of the "Directors' report":
- Strategy, business model and value chain (section "SBM 1 - Strategy, business model and value chain" in chapter ESRS 2).

Reference to: "Consolidated financial statements":
- Incidents of corruption or bribery (section "G1-4 - Incidents of corruption or bribery")

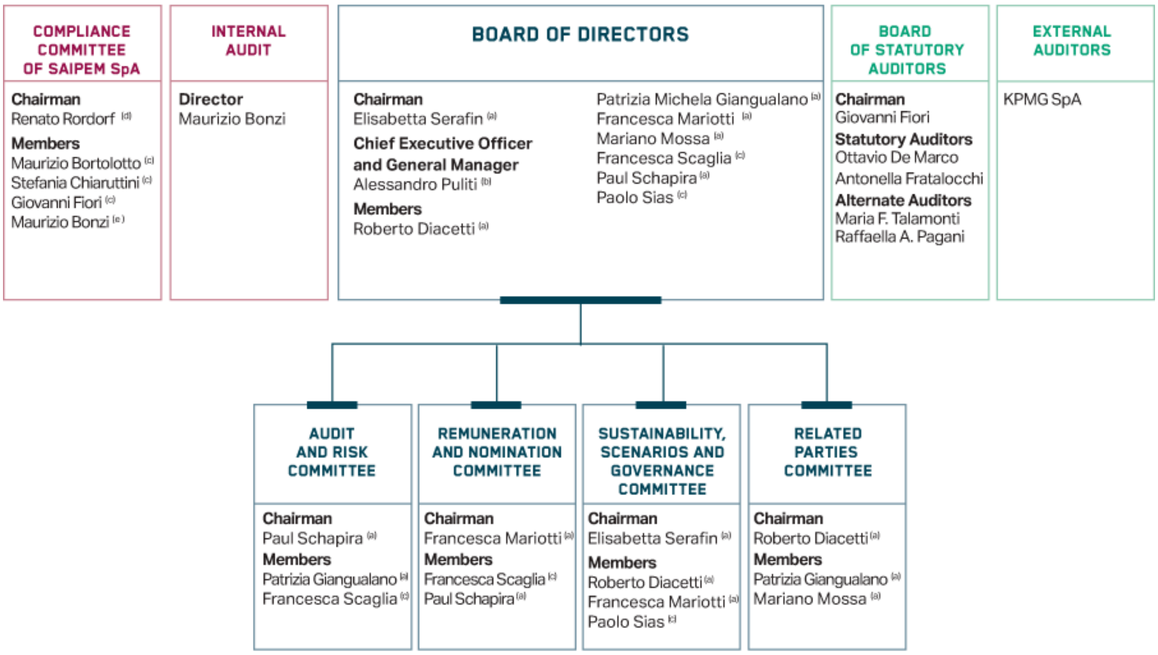
GOV-1 - The role of the administrative, management and supervisory bodies

GOVERNANCE

The current Board of Directors, consisting of 9 members, was appointed by the Shareholders' Meeting of May 14, 2024 for three financial years, and its mandate expires on the date of the meeting called to approve the financial statements as of December 31, 2026.
The Shareholders' Meeting appointed Elisabetta Serafin as Chairman of the Board of Directors.

The Board of Directors of Saipem met on May 14, 2024, and appointed Alessandro Puliti, already General Manager of the Company, as Chief Executive Officer and Director in charge of the establishment and maintenance of the Internal Control and Risk Management System.

MANAGEMENT AND CONTROL BODIES



(a) Independent; appointed by the Shareholders' Meeting on May 14, 2024. (b) Appointed (i) by the Shareholders' Meeting on May 14, 2024 as Director and (ii) by the Board of Directors on May 14, 2024 as Chief Executive Officer. (c) External Member. (d) Internal Member.

The Board of Directors complies with the requirements of the applicable legislation on gender balance: at least two fifths of the Board members (4 out of 9, 44.4%) belong to the female gender, which is less represented. With regard to the composition of the Board up until May 14, 2024 and from May 14, 2024 onwards, the distribution of genders is the same. Gender diversity on the Board stands at 80% (calculated as the ratio of female-male members, as per the CSRD regulations). In addition, in line with the recommendations laid down for companies qualified as large companies pursuant to the Corporate Governance Code, with which Saipem complies, at least half of the Directors (6 out of 9, 67%) are independent: Elisabetta Serafin, Roberto Diacetti, Patrizia Michela Giangualano, Mariano Mossa, Francesca Mariotti and Paul Schapira.

The Board of Directors therefore consists mostly of independent Directors, and none of the other Directors hold executive positions, with the exception of the Chief Executive Officer-General Manager. In addition, 89% of Board members are over 50 years old, with 11% aged between 30 and 50 years.
There are no employee or worker representatives in the Company's administration, management and control bodies.

It should be noted that on February 25, 2020, the Board of Directors adopted the necessary amendments to the Articles of Association to ensure compliance with the most recent legislation on gender equality, pursuant to Italian Law No. 160 of December 27, 2019.
50% of the internal board committees are chaired by a female director.

With regard to the senior management, 2 of the 16 first reports to the CEO are women, as specified below:

Date	Executives Male	No. of Executives Male	% of Executives Male	Executives Female	No. of Executives Female	% of Executives Female
December 31, 2024	M. Bonzi P. Calcagnini S. Chini M. Branchi F. Botta P. Albini F. Abbà M. Toninelli C. Bottaro G. Secchi M. Piasere F. Picciani M. Bellotti G. D'Aloisio	14	87.5	R. Carrara O. Stella	2	12.5

Saipem 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. Saipem adopts a system of Corporate Governance that is based on the general and special regulations applicable to 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 1 January 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.

The Sustainability, Scenarios and Governance Committee and the Audit and Risk Committee are assigned responsibility for the review of the Sustainability Statement, as governed by Italian Legislative Decree No. 125 of September 6, 2024, which provides for the identification of the material impacts, risks and opportunities and the interaction of these with the corporate strategy and model. The specific tasks of the two internal board committees are set out in detail in the section entitled "GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies."

The Board of Statutory Auditors, which was appointed on May 3, 2023 by the Shareholders' Meeting, is composed of 3 standing members, including one female member (with gender diversity therefore at 50%, calculated as the ratio of women-men as per the CSRD regulations), and two alternate members, both of whom are women. All statutory auditors are independent. None of the members of the Board of Statutory Auditors are workers' representatives. The Board of Statutory Auditors carries out monitoring activities on:

- compliance with the law and the Articles of Association;
- observance of the principles of correct administration;
- the adequacy of the company's organisational structure regarding aspects of competence, the internal control system and the management and accounting system, also regarding the reliability of the latter to correctly represent management events;
- the methods of concrete implementation of the corporate governance rules envisaged by codes of conduct drafted by management companies of regulated markets or trade associations, which this Company informs the public it abides by;
- the correctness of the instructions given by the company to its subsidiaries. The Board of Statutory Auditors, as the committee for internal control and account audits, also performs the tasks envisaged by Article 19 of Italian Legislative Decree No. 39/2010.

Following the entry into force of Italian Legislative Decree No. 125/2024, which serves to introduce EU Directive 2022/2464 on consolidated sustainability reporting, among other things, the Board of Statutory Auditors performs a supervisory role with regard to compliance with the provisions established by law on corporate sustainability reporting and on the process of preparing the corresponding materials; the Board monitors the

effectiveness of the company's internal control and risk management systems as well as the efficacy of the internal audit activity.
Specifically, the Board of Statutory Auditors is responsible for:

a. informing the administrative body of the company being audited of the outcome of the audit and, where applicable, of the outcome of the activity designed to certify sustainability reporting; the Board of Statutory Auditors is also tasked with sending the additional report to this body together with any observations;
b. monitoring the financial reporting process, and where applicable, the individual or consolidated sustainability reporting process, as well as any procedures implemented by the company with a view to ensuring compliance with the reporting standards adopted by the Commission; the Board of Statutory Auditors must also submit any recommendations or proposals designed to ensure the completeness thereof;
c. checking the efficacy of the internal quality control and risk management systems used by the company, and where applicable, by the internal audit body, in specific reference to financial reporting and, where present, the separate or consolidated sustainability statements, provided this does not violate the independence of the foregoing;
d. monitoring the statutory audit of the financial statements and consolidated financial statements and, where applicable, certifying the conformity of the separate or consolidated sustainability statements.

Saipem's Compliance Committee reports on the adequacy and implementation of Model 231, as well as any critical aspects identified, and inform of the result of the activities carried out while performing its tasks. The following lines of reporting are provided for: ongoing, reporting to the CEO and General Manager, who informs the Board of Directors as part of the reporting on the exercise of the delegated powers bestowed; half-yearly, to the Board of Directors, the Audit and Risk Committee, and the Board of Statutory Auditors. In order to fulfil the latter obligation, a biannual report is prepared on the activities carried out, highlighting the outcome of the supervisory measures and of any legislative changes with regard to the administrative liability of the relevant bodies.
The Compliance Committee remains in office for the entire duration of the Board of Directors that appointed it. In light of the appointment of the new Board of Directors at the Shareholders' Meeting of May 14, 2024, with a mandate to operate for the financial years 2024, 2025 and 2026 which is set to expire at the Shareholders' Meeting to approve the financial statements as at December 31, 2026, the Board of Directors appointed on July 24, 2024 in accordance with the proposal of the Chief Executive Officer and with the agreement of the Chairman of the Board of Directors – as well as the acknowledgement of the favourable opinions of the Audit and Risk Committee and the Remuneration and Nomination Committee – resolved to update the composition of the Compliance Committee (for information on the composition of the Compliance Committee, see the "Management and control bodies" chart above).
Within the scope of its activities, the Compliance Committee can continue to rely on the collaboration and support of various departments of the company to ensure an adequate flow of information, as well as on the support of the Technical Secretariat of the Compliance Committee.

Saipem's Shareholders meeting has appointed KPMG SpA to perform the statutory audit of Saipem's separate and consolidated financial statements for the 2019-2027 nine-year period. In addition to such audit, the independent auditor firm is also responsible for performing a limited assurance engagement on the Consolidated Sustainability Statement and to provide its relevant independent compliance attestation to Article 8 of Italian Legislative Decree No. 125/2024 and to the European Sustainability Reporting Standards (ESRS).
Italian Legislative Decree No. 125 of September 6, 2024 on corporate sustainability reporting has integrated the provision referred to in Article 154-*bis* of the TUF (Consolidated Law on Financial Intermediation), introducing the new paragraph 5-*ter*. Pursuant to this provision, the delegated administrative bodies and the officer responsible for the company's financial reporting (the " Chief Financial Officer") are required to certify - by means of a specific report - that the Consolidated Sustainability Statement included in the Management Report has been prepared in accordance with the reporting standards pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, with the Italian Legislative Decree adopted to implement Article 13 of Law No. 15 of February 21, 2024, and with the specifications adopted pursuant to Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020. This certification may be provided by a manager other than the Chief Financial Officer, provided that they have specific expertise in

sustainability reporting, and are appointed subject to the mandatory assessment of the Supervisory Body, in accordance with the procedures and the professional requirements set out in the Articles of Association. The declaration shall be prepared according to the model established by the Consob regulation.
In light of the foregoing, on December 18, 2024 – having consulted the Remuneration and Nomination Committee and with the favourable opinion of the Board of Statutory Auditors, in compliance with the relevant legal requirements and the provisions of the Articles of Association – Saipem's Board of Directors, appointed Luca Caviglia (head of Accounting, Administration and Sustainability Reporting department) as the Manager responsible for the company's financial reporting, in accordance with Article 154-*bis* of Italian Legislative Decree No. 58 of February 24, 1998, with responsibility for providing certification in the field of sustainability reporting, pursuant to paragraph 5-*ter* of the above-mentioned article; he is also responsible for preparing the Consolidated Sustainability Statement, as entrusted to the Sustainability Reporting and Control department.

As regards training and information for members of the new Board of Directors appointed by the Shareholders' Meeting of May 14, 2024, the Company has developed and implements a "Board Induction" programme, also in off-site mode. This programme has allowed the Directors to progressively gain knowledge of the Company's industrial, operational and commercial actions, of the financial terms of governance and compliance and the corporate sustainability issues.

Induction sessions included the following:
- June 12, 2024: induction session on sustainability-related issues for the members of the Sustainability, Scenarios and Governance Committee (including the members of the Board of Statutory Auditors);
- June 26, 2024: induction session for the Board of Directors on the Offshore Wind Business Line;
- September 25, 2024: induction session for the Board of Directors on the company's 231 Model and the anti-corruption procedures adopted.

The Board has adequate expertise with regard to the Code of Ethics, as well as national and international regulations and best practices. Specifically, following the new legislation and organisational changes implemented (the latter on December 18, 2024), the Board of Directors approved the latest update of Model 231, which also includes the Code of Ethics. For further information on the changes implemented, please refer to section "G1-1 Business conduct policies and corporate culture".
In light of the experience and professional qualifications of the members of the Board of Directors and the Board of Statutory Auditors, they are deemed to be in possession of the appropriate degree of professionalism and skill to perform the tasks that fall to the aforementioned company bodies, as well as to include all elements that could prove important to the success in terms of sustainability of the company in their assessments.
The members of the above-mentioned bodies possess a high level of expertise in sustainability, and have in-depth knowledge of the environmental, social and economic impacts generated by the company's activities, which are in line with the company's needs; this expertise is also further enhanced through specific training programmes (so-called induction sessions). The members of the Board of Directors and the Board of Statutory Auditors can also refer to specialist external consultants in order to ensure that relevant issues are adequately managed, allowing well-informed and strategic decisions to be made as a result.
In addition, the organisation of sustainability-related themes and programmes are overseen by a structured governance system with dedicated internal board bodies (for example, the Sustainability, Scenarios and Governance Committee, the Audit and Risk Committee), Board of Statutory Auditors and by well-organised management, quality, control and reporting processes. Specific control activities and procedures apply to the management of impacts, risks and opportunities in the company's Materiality Assessment, Risk Management and Sustainability Planning processes. The Board of Directors is periodically updated on business risk methodologies during the meetings presenting the results of the Risk Assessment and the quarterly monitoring of Key Risk Indicators.

GOV 2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Saipem Board of Directors plays a central role in guiding the issuer, working to achieve sustainable success through a series of tangible actions. First and foremost, the Board establishes the strategic lines and objectives of the company and the group (including ESG objectives) via an annual process that sees the implementation of updates to the four-year plan, with the contribution of all the relevant functions. This includes the approval of strategic and sustainability-related plans that also consider the analysis of relevant sustainability issues/IROs (impacts, risks and opportunities); this is also subject to the specific approval of the Board, with a view to generating long-term value.

In order to guarantee consistency with the principle of sustainable success, periodic monitoring of the progress and implementation of the Strategic Plan is also provided for, during Board meetings where the directors receive updates on how the various scenarios are evolving, on the initiatives in progress, and on their progress with respect to the objectives and any points requiring attention. Regarding monitoring of the four-year sustainability plan, the Board is supported by the Sustainability, Scenarios and Governance Committee. This committee receives regular updates throughout the year on ongoing initiatives, their progress against defined targets and any issues requiring attention. The Committee reports to the Board of Directors on the matter.

With reference to the information provided to the administration, management and control bodies, and the methods according to which the sustainability issues addressed by them were managed during the period of reference, the following sustainability-related activities carried out by the internal board committees are highlighted:

- the Audit and Risk Committee (composed exclusively of non-executive directors, the majority independent): as referred to above, its tasks include: (i) to assess – following consultation with the officer responsible for the company's financial reporting and the internal certification of compliance of the company's sustainability reporting, the statutory auditor and, if different, the auditor of the Consolidated Sustainability Statement, and the Board of Statutory Auditors – the correct application of the relevant standards for the purposes of sustainability reporting, prior to approval by the Board of Directors; (ii) to assess the degree to which the sustainability reporting correctly represents the business model, the company's strategies, the relevant impacts, risks and opportunities in the field of sustainability and the performance levels achieved, working alongside the Sustainability, Scenarios and Governance Committee; (iii) to examine the content of the information that is periodically provided on sustainability issues in sustainability reporting which are relevant to the Internal Control and Risk Management System, including in light of the outcomes of any auditing activities deigned to monitor risks pertaining to sustainability reporting; (iv) to examine the adequacy of the powers and means assigned to the officer responsible for the company's financial reporting and the internal certification of compliance of the company's sustainability reporting. Additionally, the Audit and Risk Committee periodically receives information from the relevant company departments regarding the results of risk assessment activities and monitoring of top risks, including those related to sustainability. During the course of 2024, the Audit and Risk Committee discussed sustainability-related issues at its meetings on February 26, March 6, June 5, July 16 and December 13, and in the meetings of February 21, 2025 and March 7, 2025, has reviewed the draft of 2024 Consolidated Sustainability Statement;
- the Sustainability, Scenarios and Governance Committee (composed of four non-executive directors, three of whom are independent, and chaired by the Chairman of the Board of Administration of Saipem, also independent) is tasked with facilitating the Board of Directors with advisory, preparatory and consultative functions, for its evaluations and decisions relative to issues of sustainability, such as Environmental, Social & Governance (ESG), connected to the performance of the company's activities, to the dynamics of interactions with all stakeholders, to the company's responsibility to society, 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 and to artificial intelligence; The Sustainability, Scenarios and Governance Committee is also tasked with examining the general approach taken to annual sustainability reporting (the Consolidated Sustainability Statement and the Sustainability Report), the organisation of the content thereof, and the consistency with the results of the annual process on sustainability themes and related IROs (impacts, risks and opportunities). The Committee

must also assess the comprehensiveness and transparency of the information provided to stakeholders, reporting the outcome of these assessments via its chairperson to the Audit and Risk Committee, for the assessments that fall within the remit of the latter pursuant to its regulations, providing a judgement to the Board of Directors in this regard. During the course of 2024, the Sustainability, Scenarios and Governance Committee examined sustainability-related issues (including the materiality analysis) at its meetings on February 21, 2024, March 5, 2024, June 12, 2024, October 16, 2024 and December 11, 2024; in the meetings on February 18, 2025 and March 4, 2025, has reviewed the draft of 2024 Consolidated Sustainability Statement.

THE MAIN SUSTAINABILITY MATTERS FACED BY THE BOARD OF DIRECTORS IN 2024

In accordance with the provisions of their respective regulations, Saipem's internal board committees approve the annual calendar of meetings for each committee, with the support of the Corporate Affairs and Governance department and other relevant company departments and structures; the dates for the meetings across the entire financial year are specified after consultation with the relevant company departments and with the chairpersons of the respective internal board committees, in consideration of the tasks and powers provided for under the regulations of each such committee. Of specific interest to the purpose of this report, the results of the materiality assessment, the approval and monitoring of the four-year Sustainability Plan, the structure and contents of the sustainability reporting and the approval of the ESG component of the management's variable incentive plans, the initiatives for the local communities and any other issue of interest for the company's positioning. In financial year 2024, the Board of Directors met 12 times. In some of the meetings (9 out of 12 meetings) the following ESG topics were discussed:

Sustainability issues dealt with	Corresponding ESG macro-topics
Examination of the indicators for the short- and long-term variable incentive plans 2023-2025; analysis of the ESG component of the variable incentive scheme. Sharing of the results of the materiality analysis on sustainability issues 2024. 2024-2027 Sustainability Plan. Periodic analysis of risk assessment results and risk monitoring (including ESG risks). Non-Financial Statement 2023 and Sustainability Report 2023. Information regarding market scenarios. Governance update following Italian Legislative Decree No. 125/2024 on corporate sustainability reporting. Update of the Regulations of the Internal Board Committees regarding sustainability.	Climate Change, Biodiversity, Water, Circular economy, Community development, Human and Labour Rights, Safe workplace, Health, Sustainable Employment, Business Ethics, Sustainability Governance, Remuneration and ESG component.
No profit initiatives and local communities plan: guidelines and budget 2024.	Community development
2024 Report on Remuneration Policy and Compensation Paid.	Climate Change, Business Ethics, Human and Labour Rights, Safe workplace
Performance trends related to health, safety and environment.	Safe Workplace
Human Rights and Modern Slavery Statement 2023.	Human and Labour Rights
Update of the Model 231 (including the Code of Ethics) Update of Saipem's Sustainability Policy.	Business ethics

Note: the correspondence between ESG and impacts, risks and opportunities is given in sections "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" and "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities".

Within the context of issues relating to sustainability, the meetings of the Board of Directors and the Sustainability, Scenarios and Governance Committee are generally attended by representatives of the company departments responsible for overseeing sustainability-related processes.

Once a year, the administration, management and control bodies are informed on the material impacts, risks and opportunities during the double materiality assessment on sustainability topics, and on the results and effectiveness of the policies, actions, metrics and objectives adopted to tackle the relevant impacts, risks and opportunities during the approval of the sustainability plan.

The final results of the double materiality assessment, in relation to the impacts, risks and opportunities, are agreed in advance with the board's Sustainability, Scenarios and Governance Committee, and with the Audit and Risk Committee. Subsequently, also on the basis of the opinion and proposals of these Committees, these results are approved by the Board of Directors by the end of the reference year. Board of Director's members also contribute to discussions on the relevance of sustainability issues, along with all of the company's other stakeholder groups. The topics emerging from the double materiality assessment constitute a fundamental basis both for a) updating the Saipem Sustainability Plan, contributing to the definition of the four-year Strategic Plan and the corporate objectives by identifying the stakeholders' priorities, and for b) defining the sustainability topics to be dealt with in the sustainability annual reporting. At company level, the Integrated Risk Management and compliance function carries out the identification, analysis and assessment of the risks, and includes the assessment of the events that involve strategic external and operational risks. The Chief Integrated Risk Management and Compliance Officer and the Chief Executive Officer (i) carry out a biannual assessment to evaluate the risk profile in relation to the achievement of strategic, operational and reputational objectives, including any risks connected to sustainability issues, and inform the Audit and Risk Committee and the Board of Directors of these; they also (ii) provide the Audit and Risk Committee and the Board of Directors with a quarterly update on the trends followed by the main risks (including risks related to sustainability issues) and work to identify appropriate remedial actions.
When assessing commercial initiatives, the Board of Directors evaluates the risks associated with each individual initiative, including the risks linked to sustainability issues.

It should also be noted also that, with reference to the activities connected to the development of the Strategic Plan and in the analysis of the relevant sustainability issues with a view to generating long-term value, the Sustainability, Scenarios and Governance Committee assesses the proposals drafted by members of the management team on the scenarios and strategic lines for the preparation of the multi-year Strategic Plan, expressing a positive view towards the examination by the Board of Directors. In 2024, the Board therefore examined and approved the update to the scenarios and strategic lines which constitute the foundation of the 2024-2027 Strategic Plan, and after an initial reading session, proceeded to approve the 2024-2027 Strategic Plan during the meeting of 28 February 2024.
As part of the process referred to above, the company assesses market scenarios, taking into account the following elements:
(i) developments in the global macroeconomic scenario and the topics (economic, social, legal and technological) potentially of greatest impact on the reference industry;
(ii) the short- and long-term trends of the fundamental industry drivers (e.g., oil and natural gas prices and demand);
(iii) the developments in the energy scenario, with particular reference to energy transition topics (e.g., climate change, developments in the carbon market and reference legislation) and the related emerging technologies;
(iv) the expectations of stakeholders (for example, customers and the financial community), identified through the double materiality analysis;
(v) the effects of the developments in the main market drivers (with a medium-term focus) on the level and type of future investments in the various reference markets of Saipem;
(vi) the analysis of the competition scenario and the positioning of Saipem compared to competitors in terms of performance and strategies. Within this context, the strategic planning and sustainability departments work together to ensure consistency between the objectives of the Strategic Plan and those of the Sustainability Plan. As mentioned previously, following its consultation with the Audit and Risk Committee and the Sustainability, Scenarios and Governance Committee, the Board of Directors also agrees with the significant sustainability issues identified following the annual consultation with stakeholders as part of the company's corporate sustainability framework.

The preparation of our Group's Consolidated Sustainability Statement is prepared by a dedicated reporting department, in collaboration with all relevant Saipem functions and the subsidiaries who oversee the sustainability matters addressed in the document, including all involved operational projects, and production sites. Saipem's sustainability reporting system is based on specific procedures that define roles, responsibilities, activities, information flows and validation process. Furthermore, the Company's functions responsible for sustainability data are supported by dedicated IT systems, which undergo continuous development to ensure the reporting process remains as efficient, automated, integrated and robust as possible. For details regarding the control process underlying sustainability reporting, refer to the section "GOV-5 - Risk management and internal controls over sustainability reporting", paragraph "Control activities on sustainability reporting".

GOV-3 - Integration of sustainability-related performance in incentive schemes

The incentive system

The Remuneration Policy is part of the business strategy, defined to be consistent with it, and helps to promote alignment of the vision and efforts of management with the priority objective of creating sustainable value in line with the expectations of stakeholders. Given the transversal nature of this topic, the sustainability objectives are defined consistently with the various operational contexts and the indications emerging from stakeholder consultations on sustainability material topics and other contextual evidence. The Board of Directors approves the management incentive plans, at the proposal of the Remuneration and Nomination Committee, through which the Company's objectives are assigned to the CEO and General Director. The objectives, particularly those relating to ESG topics, are defined on the basis of the company's strategic plan, and taking into account sustainability areas identified as those with the greatest priority by the company stakeholders, following the materiality assessment, scenarios and business contexts. The objectives are then reported as part of a cascade process to the management of the organisation, and are described in detail in the annual "Report on Remuneration Policy and Compensation Paid", available on the company website. The active and regular involvement of stakeholders in the determination of sustainability priorities (including, for example, through materiality analyses) 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.

Link between Strategy, Sustainable development and Remuneration Policy

The objectives connected to the Short- and Long-Term Variable Incentive Plans, which also apply to the CEO-General Manager and all executives/senior managers have been established in order to further support the corporate strategy and the actions necessary to ensure the profitability and sustainability of the company in the medium-long term.

From this perspective, the 2024 Remuneration Policy confirms Saipem's attention towards the ESG component of the objectives and in general towards the sustainability of the business, represented by adherence to the principles of the UN Global Compact, the UN Sustainable Development Goals (SDGs), as well as the European guidelines aimed at supporting economic recovery and sustainable development. The ESG objectives included in the variable incentive plans are in line with the objectives established as part of the four-year Sustainability Plan.

In particular, Saipem **prioritises the issue of safety at work for their own people and subcontractors**; such a priority remains central and relevant to the business model, and is confirmed as a key element in the ESG component of the Short-Term Incentive Plan, predicting the adoption of TRIFR (Total Recordable Injury Frequency Rate) and HLFR (High Level Frequency Rate) indices, used by the industry in the sector as international standards.

In addition, for some time now, **climate change** has also been recognised as a priority by the double materiality analysis carried out with the involvement of stakeholders. Therefore Saipem increased its commitment to monitor and improve its performance in terms of direct Greenhouse Gases (GHG) emissions from its assets and operations (Scope 1), and those deriving from the purchase of electricity, heat and steam from third parties (Scope 2), as well as the indirect emissions deriving from its supply chain and the mobility of personnel (Scope 3). The objectives are consistent with what was already indicated starting from 2021 in the Net Zero Programme, prepared following a structured process of analysis and internal sharing and subject to a dedicated governance. Saipem's strategy in terms of decarbonisation of its assets and operations is one of the Four-year Sustainability Plan pillars. In particular, the following long-term commitments have been identified and disclosed:

- Net Zero in 2050 for GHG emissions in Scope 1, 2 and 3;

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

The aforementioned commitments are completed by annual objectives relating to "Scope 1 and 2 GHG emissions avoided" (with a weight of 5%) through the implementation of efficient energy and emissions management initiatives. Specifically, the Short-Term Incentive Plan includes a target relating to the GHG emissions prevented in 2024, which has been reached with an overall saving of approximately 70 kt of CO_2 eq, as a result of the implementation of energy efficiency and energy saving initiatives and the purchase of energy from renewable sources. The Long-Term Incentive Plan also includes an objective pertaining to cumulative GHG emissions avoided in the three-year period 2024-2026 (with a weight of 5%) as a result of the energy management initiatives implemented. In addition, the Long-Term Plan also envisages an objective regarding the compensation of part of the residual GHG emissions (with a weight of 5%) through a programme started in 2023 for the participation to offsetting projects carried out "Beyond Saipem's value chain", validated and certified by independent third parties following universally recognised standards.
Saipem is also actively engaged in the promotion of an inclusive culture that enhances its resources as bearers of a wealth of fundamental skills for the business. Since the company believes in the value of people and diversity, it is committed to creating a work environment in which different personal and cultural characteristics and orientations are considered a resource and a source of mutual enrichment. Saipem always recognises the centrality of its people in their uniqueness and commits to ensure their development based on principles of equity, solidarity and the respect of human rights and equal opportunities, as a lever for positive change and a transformation engine. Saipem considers equal opportunities as a pillar of the company's strategy embedded in the Code of Ethics, thus promoting working conditions that assure personal and professional growth while also offering all employees the same work opportunities, ensuring that everyone can enjoy fair treatment based exclusively on criteria of merit and competence, without discrimination. The Diversity, Equity & Inclusion strategy ensures that the key elements of the people management policy are the enhancement of merit, distinctive and critical professional skills and the application of the principle of equity, with an emphasis on gender equality, an item that is present in the strategic agendas and policy acts of many countries globally. The achievement of gender equality and the empowerment of all women and girls represents one of the 17 Sustainable Development Goals of the 2030 Agenda that UN States have committed to achieve. Saipem embraces the European Union's Gender Equality Strategy 2020-2025, and establishes objectives focused on gender inclusion and female empowerment.

In particular, the following objectives have been identified in the Long-Term Variable Incentive Plan:
- Saipem commits to ensuring fair accessibility in the selection process for Group structure positions, through the identification of a shortlist of equal candidates for men and women, respecting gender equality and meritocracy criteria;
- Saipem aims to invest in the enhancement of skills and STEM (Science, Technology, Engineering and Mathematics) roles, strengthening female presence in Italy. Skills in STEM subjects play a central role in social, cultural and economic relaunch; therefore, Saipem commits to encourage and favour the recruitment of women with STEM degrees through a structured process, also through the involvement of Role Model Saipem during days of professional guidance at schools and universities, with the objective of increasing the exposure and trust in STEM careers and contrasting cognitive bias.

With reference to the topics of Business Ethics and Anti-corruption, in continuity with previous years, Saipem confirms its commitment to strengthening training activities to support the objective of combating corruption. Specifically, the Short-Term Incentive Plan includes an objective that is designed to guarantee the implementation of the anti-corruption training plan for at-risk members of staff, as well to ensure the dissemination of a culture of business ethics within the company and towards suppliers. Meanwhile, in the Long-Term Incentive Plan, performance measurement is linked to two specific objectives connected to the rotation of expatriates who hold critical positions in Group companies, and to the dissemination of knowledge on issues relating to the internal control system among young graduates, through the provision of experience in the Control and Compliance departments.

The 2024 Remuneration Policy Guidelines provide for the maintenance of the 2023-2025 Short-Term Variable Incentive Plan, approved by the Board of Directors on March 7, 2023, as described in the 2023 Policy Report. The Plan envisages, subject to the achievement of the Entry Gate based on the Adjusted Net Financial Position (NFP) economic-financial indicator measured as of December 31, 2024, and the achievement of a score of at least 80 points in the corporate form (so-called trigger), the activation of the system and the consequent payment of the incentive accrued. The performance conditions are measured on the basis of the 2024 objectives and targets approved by the Board of Directors on March 12, 2024, consistently with the strategic lines and the business model.

The weight of the ESG objectives out of all the 2024 objectives is 20%, divided into: 5% total recordable injury frequency rate, 5% high level frequency rate, 5% annual GHG (Scope 1 and Scope 2) emissions avoided and 5% Business Ethics and Anti-corruption.

Each of the objectives is measured according to a 50-150 performance scale, in relation to the weight assigned to them (below 50 points, the performance of each objective is considered to be zero). For the purpose of attributing the incentive, the overall performance threshold is 80 points.

As regards the long-term variable incentive plan, the weight of the ESG objectives is 20%, divided into: 5% cumulative GHG emissions avoided in 3 years; 5% cumulative GHG emissions compensated in 3 years; 5% Diversity & Inclusion; 5% Business Integrity & People Management.

GOV-4 - Statement on due diligence

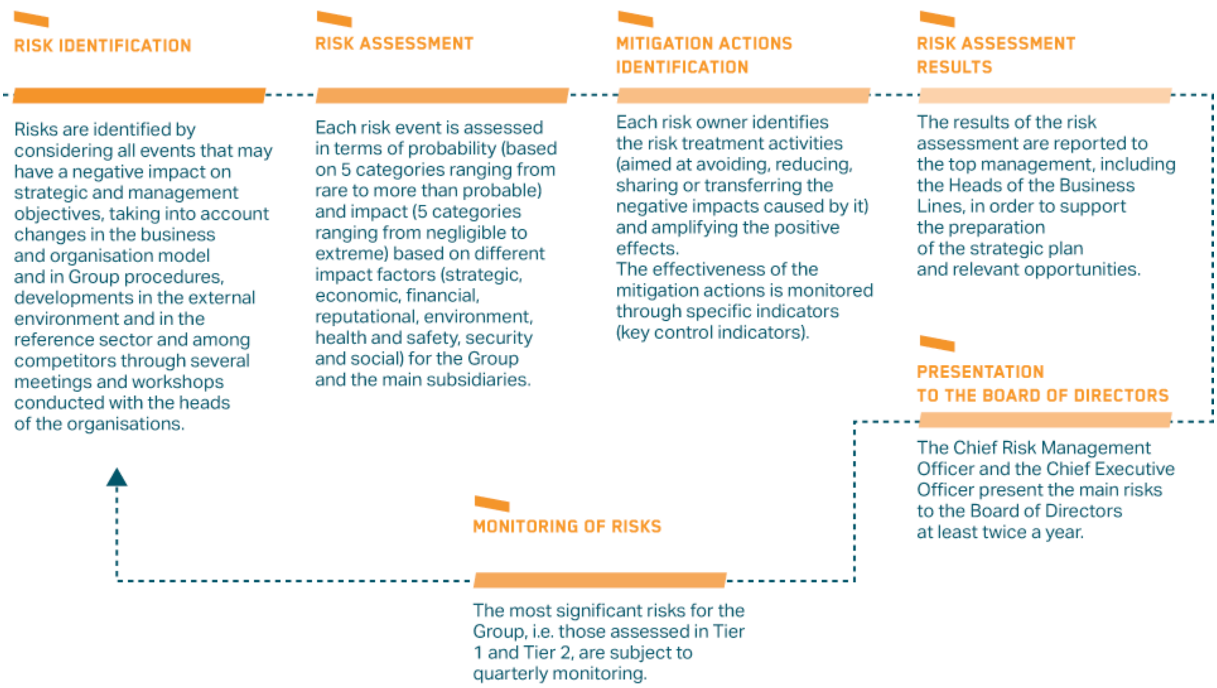
CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies GOV-3 - Integration of sustainability-related performance in incentive schemes SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model;
b) Engaging with affected stakeholders in all key steps of the due diligence	GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies SBM-2 - Interests and views of stakeholders IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities Policy-related sections in each topical standard SBM-2 Interests and views of stakeholders, chapters S1, S2, S3, S4
c) Identifying and assessing adverse impacts	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities
d) Taking actions to address those adverse impacts	E1-1 - Transition plan for climate change mitigation E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model Action-related sections in each topical standard
e) Tracking the effectiveness of these efforts and communicating	SBM-1 - Strategy, business model, and value chain - Sustainability plan GOV-1 - The role of the administrative, management and supervisory bodies GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies Metric- and target-related sections in each topical standard

For details on the various topics, refer to the paragraphs of the specific ESRS.

GOV-5 - Risk management and internal controls over sustainability reporting

Saipem's Corporate Risk Management and Internal Control System (SCIGR) includes rules, procedures and structures to identify, measure, manage and monitor the main risks, thus supporting the long-term success of the company. This system (of which the checks on sustainability reporting constitute a part) is included in Saipem's organisational model and follows the Management System Guideline "Internal Control and Risk Management System", based on the Code of Ethics, the Corporate Governance Code, the "CoSO Report" framework and the relevant best practices. The SCIGR involves various departments and roles in the company, from directors to operating personnel, aiming to ensure integrity, transparency and efficiency through appropriate regulations, fostering traceable and segregated behaviour. Saipem seeks to raise awareness of internal control among all its personnel, verifying and continuously updating the system to ensure it remains suited to the company risks, operating sectors and legislative innovations. Saipem manages reports on internal control problems, financial disclosure, administrative responsibility, fraud, through a specific internal whistleblowing regulation that allows anonymous reporting. It ensures protection for whistleblowers in good faith and presents the results of the investigations to the relevant bodies. The system is periodically verified and updated to ensure its effectiveness.

Integrated Risk Management process - Risk management



The company's integrated risk management model in the Internal Control and Risk Management System (SCIGR) seeks to assure a complete overview of the company risks, standardise the risk management methodologies and increase awareness of the risks throughout the company, with a direct impact on the company objectives and value. Integrated Risk Management, which feeds the risk analysis within the double materiality analysis (see section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities") follows the CoSO Report, as well as national and international best practices. It entails the identification, evaluation and analysis of risks at corporate level, business line level and subsidiary level, as well as providing for the monitoring of Top Risks, in order to update Saipem's risk profile with respect to the strategic and management objectives. The risk assessment is updated on a biannual basis, through meetings and workshops with the "risk owners", i.e. the organisational departments/units tasked with overseeing these objectives and ensuring that the main risks for which they are responsible are identified, assessed and managed. More specifically, the purpose of the activities is to enable the assessment of the extent of the risks identified, as well as to provide useful information to establish whether the corresponding risk management actions have been implemented, and via what strategies (i.e. avoiding, accepting, reducing, transferring, sharing or balancing the risk).

A quarterly monitoring process of the main risks uses specific indicators to monitor the evolution of the risks and the effectiveness of the mitigation activities. The company risk management model also integrates ESG and climate change risks.
Please see the specific sections in the "Consolidated Director's Report", under the paragraph "Corporate Risk Management", for further details regarding the elements that make up the Internal Control and Risk Management System (SCIGR), and in particular the three levels of control that define Risk Governance.

Internal Audit function

The Internal Audit Director reports hierarchically to the Board of Directors and, therefore, to the Chairman, without prejudice to the functional reporting to the Audit and Risk Committee and to the Chief Executive Officer-CEO, as the director in charge of supervising the Internal Control and Risk Management System (SCIGR). He/she is also in charge of verifying that the Internal control and Risk Management System is operational, adequate and consistent with the guidelines defined by the Board of Directors.

In 2024, the Internal Audit function implemented the Audit Plan approved by the Board of Directors on March 12, 2024, and reported regularly and periodically on its implementation to the Audit and Risk Committee, the Board of Statutory Auditors and the Compliance Committee where relevant. On March 12, 2024, the Internal Audit manager also shared their assessment of the adequacy of the Internal Control and Risk Management System, based on the outcomes of the monitoring activities carried out during the period of reference.

The main responsibilities of the Internal Audit Department are:

(i) to verify, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operations and suitability of the SCIGR of Saipem, also to support the assessments of the company bodies and corporate structures, through the integrated planning of audits and supervisory activities in accordance with the Model 231, the performance of planned and unplanned interventions and the monitoring of the implementation of corrective actions;
(ii) to ensure specialised support to management with regards to the Internal Control and Risk Management System, in order to facilitate effectiveness, efficiency and integration of controls in company processes;
(iii) to contribute to independent monitoring activities required by the internal control models adopted by the company;
(iv) to ensure the management of preliminary activities, in support of the evaluations carried out by the relevant corporate control bodies, regarding reports (anonymous reports included) concerning the failure to comply with external laws and regulations, as well as with the rules and standards provided for by Saipem's internal regulatory system.

Control activities on sustainability reporting

In addition, in order to further strengthen the reliability, timeliness, and completeness of the reporting process, in 2019 Saipem has developed an Internal Control System dedicated to sustainability reporting. This control system was established in line with existing principles and practices, as well as in accordance with the "Internal Control-Integrated Framework", one of the most widely-recognised reference frameworks for internal controls, published by the Committee of Sponsoring Organisations of the Treadway Commission (CoSO). A dedicated department has been established to coordinate and plan activities required for the control system's operation. Specific internal procedures have been issued, including the Group's Risk and Control Matrix and a Management System Guideline, updated in early 2025 to incorporate the new regulatory requirements from Legislative Decree 125/2024 (which implements the EU Directive 2022/2464 – the Corporate Sustainability Reporting Directive, CSRD – in the Italian legal system), and to address recent organisational changes.
A set of controls and monitoring has been defined for the Group, broken down by macro-processes, sub-processes and indicators, as well as by type of site/project/asset, to be implemented as applicable. The focus on the site/project/asset is fundamental as there are specificities in non-financial reporting processes, in particular for the collection of primary data, often of a physical and non-monetary nature. The primary objective of the internal control system which monitors non-financial reporting is to ensure that sustainability information

and data provide a truthful and correct overview of the company's sustainability performance, in compliance with the laws and regulations in force.
To achieve this objective, a number of mitigation measures are being rolled out in order to address and reduce the risks associated with sustainability reporting.
Risk assessment is one of the five interconnected components that constitute the above-mentioned CoSO Framework, and under which the principles that govern it are grouped. At Saipem, risk assessment in relation to sustainability reporting processes is carried out annually, and aims to pinpoint the main risks directly connected to reporting; this process is based on specific criteria, such as:

- the existence of a formal procedure with methodology, roles, responsibilities and validation of performance indicators (KPIs);
- the use of IT systems to record sustainability data;
- the timeliness of data availability;
- the frequency of the findings or misalignments that emerged during previous monitoring and auditing activities.

The main risks connected to reporting include:

- delays to reporting, i.e. not included in the reporting flow within a short period of time after the related event has taken place;
- inaccurate information, i.e. containing approximations or inaccuracies;
- Incomplete information, i.e. which only partially reflects the event to which it refers.

In addition to these risks, other typical risks of the standard reporting processes include the following:
- for evaluation and estimate processes;

- estimates and evaluations formulated without the appropriate documentary support from the sources of information available within the company, or based on sources of information which are inadequate for evaluation purposes, or, lastly, that are inconsistent with the sources of information used to support them;
- calculation methods that do not comply with the reporting principles;
- non-uniformity of methods of calculation or in applying the formulas for the same cases and in different accounting periods (quarterly, half-yearly and annual);

- for the drafting of the Consolidated Sustainability Statement:

- Incompleteness, i.e. with the omission of details required by the standards or regulations currently in force;
- Inconsistency, i.e. a lack of homogeneity in terms of the amounts across different sections;
- poor clarity, i.e. a lack of correctness and comprehensibility of the information reported.

Mitigation measures adopted also include the provision of training and information to staff members involved in the collection and reporting of data relating to sustainability issues. Periodic refresher courses are organised for this purpose, addressing themes such as current legislation, international best practices and monitoring and control techniques, and sometimes, the teams in charge for the reporting are taken through the entire reporting process via "WalkThrough Tests".
In operational terms, the Control System is divided into the following phases:

a. definition of the scope of application through quantitative assessments (identification of relevant Group companies and necessary and compulsory sustainability indicators according to current regulations);
b. identification and evaluation of controls. Specific control activities are identified, which may include approvals, authorisations, audits, 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 inspections, depending on the position of the control in the reporting flow;
c. 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 heads of the organisational function managing the phase or task on which the risk lies. Independent monitoring is carried out with the assistance of Saipem's Internal Audit function on a six-month basis;
d. internal control system reporting and assessment. A summary disclosure on the Internal Control System on sustainability reporting is prepared, describing the main findings of Ongoing and Iindependent monitoring

activities. This information is shared with both the Audit and Risk Committee and the Board of Statutory Auditors.

Since the introduction of the System, to date some reporting processes have been strengthened; new company procedures have been integrated, new indicators have been incorporated into the company's IT systems and some calculations previously done manually have been automated. It is also worth highlighting the ways in which Saipem continuously invests in new technologies and digital tools. The implementation of advanced software to manage sustainability reporting processes and the control activities themselves – with reference to the latter, from the design phase right through to the execution of verification tests and the tracking of any remedial actions – has enabled reporting processes to be further automated, improving the accuracy of calculations and reconciliation, and therefore boosting operational efficiency, transparency and reliability of information and related controls.
Aiming to further strengthen the effectiveness of its ESG operating processes, the Internal Audit function has integrated a set of ESG topic checks in the work programmes used for independent audits and monitoring of companies, branches and some material processes. The considered topics mainly relate to compliance with human rights, sustainable supply chain and environmental topics. These tests are carried out on a sample of companies and/or some of the processes included in the annual audit plan as approved by the Board of Directors; on the basis of the results of the audits carried out, any necessary remedial actions and the time-scales for the implementation of these are established with the management team.

SBM-1 - Strategy, business model and value chain

Saipem Group is a global leader in the engineering and construction of major projects for the energy and infrastructure sectors, both offshore and onshore, and in offshore drilling. With over 30,000 employees of 130 nationalities, the Company works in over 50 countries, with 6 fabrication yards and a sea fleet consisting, at the end of 2024, of 26 owned vessels (9 drilling vessels and 17 construction vessels), as well as several leased vessels. Details on events recorded during the year that led to changes in the composition of the fleet compared to the previous year are given in the "Directors' Report" in sections "Asset Based Services and Offshore Wind" for construction vessels; and "Offshore Drilling" for drilling vessels. The Company operates 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. 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. An undertaking affecting both the conventional business linked to fossil sources, and emerging renewables markets with the development of new technologies and appropriate skills. The Saipem Group's 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 its operations and infrastructures and plants realised for the clients, and to improve the safety of staff and vendors.
For information concerning the distribution of personnel, refer to section "S1-6 - Characteristics of the Undertaking's Employees".

CORE BUSINESS REVENUE BY BUSINESS

(€ million)	2024	2023
Total, of which	**14,549**	**11,874**
Asset Based Services	8,058	6,069
Energy Carriers	5,573	5,062
Offshore Drilling	918	743

The Company has no revenues in the carbon sector, or in the fabrication of chemicals, controversial weapons, tobacco cultivation and production. As regards income from the oil and gas sector, as required by the ESRS, the Company only offers drilling services for hydrocarbon research and production, which in 2024 amounted to €918 million in revenues, equal to 6% of total consolidated revenue.

Sustainability plan

The four-year Sustainability Plan "Our Journey to a Sustainable Business", approved by the Board of Directors, is drafted and updated annually. It is integrated in the Company's strategic business guidelines with the aim of implementing an integrated strategy that combines the business and financial objectives of the Strategic Plan with a set of ESG factors. It sets out the commitments undertaken by the Group 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 driven by the results of the double materiality assessment, as well as the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community.
The Plan contains over 100 objectives and consequent actions, indicators and targets on sustainability topics, built around three pillars: the fight against combating climate change and environmental protection, central focus on people, value creation in the supply chain and the territories.
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 sustainability planning process involves the interim monitoring of objectives and the effective implementation of the actions undertaken. At least every six months, the managers of the objectives report on the degree of achievement of the actions and specific targets, also using a specific IT platform.

The objectives defined in the Sustainability Plan are detailed in the sections on the various topics.
As described in section "GOV 2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" in this chapter, the corporate Strategic Plan also includes targets relating to sustainability, which aim to increase Saipem's market share and enter new energy transition sectors. For more details on the Strategy, refer to the paragraph below.

Development of the market scenario and strategy

The forecasts given in this paragraph are to be considered "forward-looking statements", as they depend on the occurrence of events and future developments beyond the control of the Company.
As reported in the paragraph "Market conditions" in the Annual Financial Statements, the current context is marked by the prolonged positive cycle in Saipem's reference markets, particularly the Oil&Gas market, in line with the growing need to access secure and economically viable energy sources. In 2024, according to the preliminary estimates of the International Monetary Fund, the global economy grew by 3.2% on 2023, supported by strong expansion in India (+6.5%), the better-than-expected performance of the US economy (+2.8%) and the slight improvement recorded in the Eurozone (+0.8%). These factors together compensated for the slowdown in the Chinese economy, aggravated by a prolonged crisis in the real estate sector.
Medium-term forecasts agree on stable economic growth of around 3% per annum, in the light of some ongoing geopolitical instabilities (particularly, the Russia-Ukraine conflict and the instability in the Middle East) and some remaining economic instabilities linked to the intensification of protectionist policies and the consequent risks for global supply chains.
In 2024, the energy sector has confirmed the recovery that began in previous years, both in renewables and conventional fields like oil and gas, supported by the progressive stabilisation of the macro-economic scenario. Brent crude prices were highly volatile throughout the year, settling at an average of 80 dollars a barrel, substantially in line with the expectations for 2024. This dynamic has led to higher growth investment volumes being recorded in the global Oil&Gas market in recent years. Supporting this trend were, in addition to inflation, the need to support the future demand for hydrocarbons, also by strengthening energy infrastructures as a strategy for mitigating procurement risks.
In today's scenario, the major oil companies are implementing a dual strategy, also through mergers and acquisitions, aiming on one hand to maintain the solidity of their financial structure, in line with the positive results achieved in conventional products, and on the other to continue the process of integrating their portfolios with activities and investments in the framework of the energy transition, also in line with the CO_2 emissions reduction targets.
Expectations in the Oil&Gas sector for the coming years are confirmed positive in various regions (e.g., Africa and the Middle East, areas in which Saipem is historically present) and transversely in relation to Saipem's various reference markets, including E&C Offshore, both in the conventional and trunkline segment and in the SURF

(Subsea, Umbilicals, Risers and Flowlines) and Offshore Drilling segments, particularly in relation to activities linked to the development of deep-water projects. The same will apply also to the E&C Onshore market, diversified between upstream, midstream (Liquefied Natural Gas and regasification) and downstream. The unique skills Saipem boasts throughout the Oil&Gas value chain will continue to act as a catalysed to implement integrated Offshore and Onshore projects, such as the recent award of the Hail & Gasha (United Arab Emirates) and Kaminho (Angola) projects. In the Offshore Construction market, particular interest will be paid to both the consolidation of its positioning in the areas in which Saipem historically works, specifically in the conventional segment linked to fixed platforms, as well as the expansion towards new geographical areas, at the same time exploring opportunities linked to the positive trunkline cycle, supporting both the transport of Oil&Gas products and sustainable CO_2 and H_2 products. In the Offshore Wind market, a multi-step strategy will continue to be implemented, consolidating the experience gained thus far in projects completed for the installation of foundations, then extending along the value chain, also through cooperation with turbine developers and manufacturers, parallel to the full development of the market expected in the coming years. This market, which in 2024 showed slight signs of recovery on the previous year, with new wind farms launched in Asia and Europe and the award of new contracts, through tenders launched in the United Kingdom for both fixed and floating projects, is in any case expected to see significant growth in the medium-long term, although some complexities remain, such as the integration into the electricity transmission system, the lack of sector standardisation and the developments in the policies supporting the sector. In the Onshore Construction sector, Saipem will continue to adopt a very selective commercial approach, with a de-risking and repositioning of its portfolio, focusing on engineering and O&M services integrated by a range of Project Management Consultancy (PMC) services. While in conventional energy segments it will continue to adopt an approach integrated into the Offshore business, in energy transition segments it will strengthen its range of services, with particular attention to:

- Liquefied Natural Gas (GNL), selecting both projects and partners carefully;
- blue and green fertilisers, exploiting both proprietary solutions and extending technological range;
- biofuels/Sustainable Aviation Fuel (“SAF”), enhancing its know-how and experience gained;
- Carbon Capture, Utilisation and Storage (CCUS), extending its value proposition also into the power generation sector.

The CCUS segment, which includes CO_2 capture, transport and storage (re-injection), will remain a fundamental pillar in Saipem's energy transition strategy, exploiting its operational experience and knowledge, providing engineering services and enhancing its technological know-how throughout the value chain. At the same time, Saipem will continue to promote proprietary modular CCUS solutions including BlueEnzyme™. Furthermore, Saipem is working intensely on the commercial development of sustainable solutions, including IVHY 100 for green hydrogen, ChemPET for chemical plastic recycling, Star1 for floating offshore wind and FlatFish/Hydrone in the subsea robotics field. In addition, in the sustainable infrastructures sector, it will pursue a commercial expansion strategy in both infrastructure segments other than railways and in foreign markets.
Saipem is aware that climate change will have significant direct and indirect impacts on its activities and therefore incorporates various long-term scenarios into the development of its business strategy. The transition to a long-term low-carbon economy and the increasing need to access safe and sustainable energy sources will create opportunities in the demand for innovative solutions and energy infrastructures in the various energy transition sectors in which Saipem holds a competitive advantage and distinctive skills. Different scenarios are used to assess the long-term drivers (2050) external to the Company, and each of these represents a potential route to a different market structure. The central reference scenario is based around a temperature increase of ~2.0 °C by the end of the century, in line with a category C3 scenario as identified by the International Panel for Climate Change (IPCC) in its Sixth Assessment Report. In addition to this central scenario, Saipem also applies an improved scenario, with a temperature increase of 1.6 °C by the end of the century, mid-way between the figure identified by the International Energy Agency (IEA) in the Net Zero scenario (NZE) with a 1.5 °C temperature increase and the Announced Pledges scenario of 1.7 °C, and a pejorative scenario of 2.2 °C. In the central scenario, the energy mix evolves gradually, expanding towards renewables, with energy from fossil sources reaching its peak respectively at the end of the decade for oil and half way through the following decade for gas. In this scenario, global energy demand will increase until 2030, then settling at similar levels for the subsequent decades, thanks to more efficient processes and the passage to energy carriers from molecules (e.g., oil, gas) to electrons (renewable sources). Furthermore, the growing commitment of the governments of major countries to progressively reduce climate-altering emissions, supported by the adoption of ESG strategies by financial

investors and the pressure of public opinion, is expected to continue to drive a gradual transition from conventional energy sources to renewables and low-carbon sources. The achievement of the climate objectives of governments and businesses will depend mainly on the development and adoption of a series of new technologies in fields including renewables, the decarbonisation of various industrial sectors (including farming, energy generation, steel and concrete production, transport), energy efficiency and the circular economy, thus creating a significant market for innovative solutions for the implementation of new energy infrastructures and GHG emission reductions. All this represents a major opportunity of particular interest to Saipem, supported by its current engineering skills and experiences in these sectors, which represent a competitive advantage in the new energy transition sectors. In particular, Saipem continues focusing its efforts on certain key areas, such as:

- technology partnerships, patents and pilot plants on various green plant technologies (e.g. Bluenzyme^{TM} for CO_2 eq capture, Star1 for floating wind);
- innovative robotic solutions (e.g. subsea drones such as the Flatfish), to offer low carbon footprint monitoring and maintenance services;
- proven experiences and track records in plants and technologies that will become of primary importance to the CO_2 eq capture strategies and the hybridisation of energy sources (e.g., treatment of CO_2 from oil wells, refineries evolving into bio-refineries, ammonia plants);

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

- carbon dioxide capture, use and storage, with various initiatives already at advanced stages in several countries and further expectations for long-term growth. This market is expected to evolve also in sectors beyond Oil&Gas, including hard-to-abate energy production, steel and concrete, allowing Saipem to exploit its specific knowledge of the sector as well as its proprietary enzyme technology. Moreover, Saipem will capitalise on its long experience in trunklines, placing its knowledge and technical competence at the disposal of CO_2 transport pipelines, as recently confirmed by the award of the Tangguh UCC and NEP/NZT (UK East Coast Cluster) contracts;
- low-carbon fertilisers such as green and blue ammonia, for sustainable growth, driven by the increasing demand for sustainable agriculture;
- biofuels and Sustainable Aviation Fuel (SAF), further strengthening Saipem's role in this field. This market is expected to evolve in line with the development of (road, air and maritime) transport decarbonisation policies and objectives;
- Liquefied Natural Gas (LNG), as a transition energy carrier able to meet the energy needs of various regions around the world;
- hydrogen and new energy carriers based on it such as ammonia, methanol and electrofuels (e-fuels), primarily when produced from zero-impact energy sources. This market is expected to expand rapidly in the coming decades, supporting the decarbonisation of air and sea transport;
- chemical recycling market of plastic, both through depolymerisation and plastic-to-liquid conversion, with dedicated technological development initiatives;
- offshore wind energy, for which significant investments are foreseen in several countries, requiring an ever-growing contribution of skills and competencies along the whole value chain. Saipem will also continue to invest in the development of floating wind technologies, focusing on its proprietary technology Star 1, at the same time seeking to establish partnerships with major manufacturers of turbine for the design of wind turbine generators (WTG) and foundations, promoting the standardisation of solutions to ensure faster commercial deployment;
- geothermal energy, aiming to supply a continuous, reliable renewable energy source.

Company management and organisation model

Saipem is a "One Company" that adopts an integrated and innovative business model, organised into six main business lines: E&C Offshore, Drilling Offshore, E&C Onshore, Offshore Wind, Sustainable Infrastructures, and Robotics & Industrialized Solutions. This approach allows Saipem to identify and develop tailored solutions for its clients, focusing on sustainability and efficiency.

The six business lines are further organised into three reporting lines:

- **Asset Based Services**: includes the E&C Offshore and Offshore Wind business lines. The E&C Offshore business line has a diversified fleet for offshore construction, numerous yards in key areas for the sector,

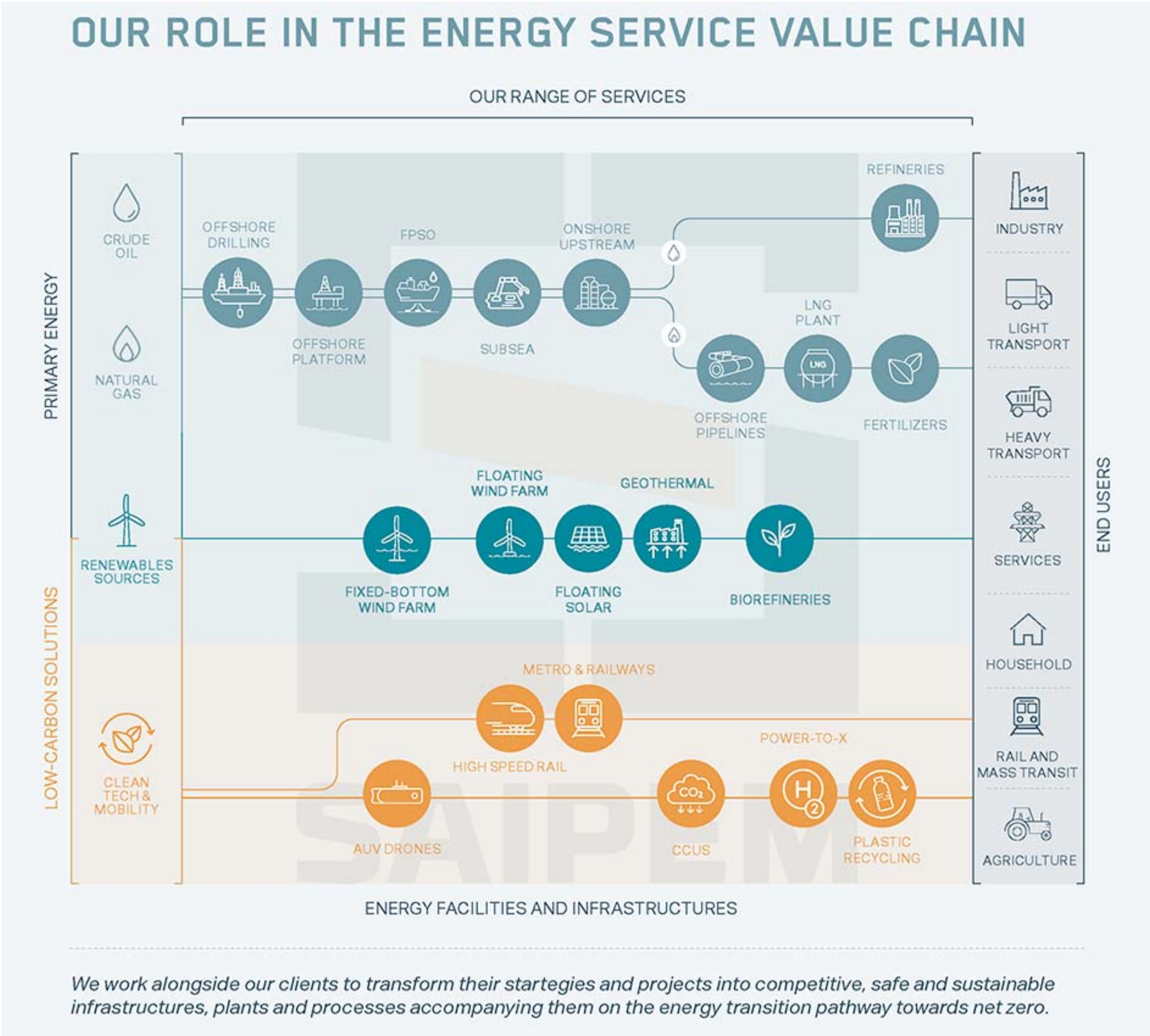
shallow water platforms, equipment and systems for fluid transport and underwater operations monitoring, SURF (Subsea, Umbilicals, Risers and Flowlines), as well as decommissioning. The Offshore Wind business line, on the other hand, works in the construction of fixed and floating plants;
- **Offshore Drilling**: the Group has a drilling fleet that is able to work at all depths, including drilling vessels with dual ram rig for ultra-deep-waters, jack-ups for operations in shallow waters and semi-submersibles;
- **Energy Carriers**: includes the business lines E&C Onshore, Sustainable Infrastructures and Robotics & Industrialized Solutions. E&C Onshore: implementation of projects including LNG and regasification plants, biofuels, Carbon Capture, Utilisation and Storage Hubs, Operations & Maintenance. Sustainable Infrastructures: development of projects in the new ecosystem of energy transition and sustainable mobility (HV/HC railways, monitoring of infrastructure works and improvement in efficiency, underground systems and trams). Robotics and Industrialized Solutions: development of modular, repeatable, scalable plants and monitoring and maintenance services based on digital technologies, such as subsea robotics.

This structure allows Saipem to offer a full range of services, from offshore construction and drilling to sustainable energy and industrialised robotic solutions.

Value chain

Saipem plays a fundamental role in the energy market value chain, contributing with a wide range of services to the construction of energy plants and infrastructures both offshore and onshore. For this purpose, Saipem works with a broad, diversified ecosystem of vendors and subcontractors, and safely manages numerous construction sites and vessels (for more details on vendors and subcontractors, refer respectively to sections "G1-2 - Management of relationships with suppliers" and the entity-specific metrics at the end of chapter S2). In addition to its commitment to the energy industry, Saipem provides services for the construction of infrastructures for sustainable transport development, particularly for railways.
Within its activities, Saipem works as an operator supporting the safety of energy sources and transition, contributing to the diversification of supply infrastructures and the development of safe and sustainable plants, including bio-refineries, blue and green solutions and the circular economy.
Furthermore, it is operationally involved in the implementation of marine wind farms and the development of proprietary floating wind technologies, in addition to offering industrial solutions for decarbonisation, CO_2 capture and reuse, hydrogen treatment and assessing prospects and cooperation linked to new nuclear frontiers.

The main streams of services offered in the energy value chain are described below. The description should be considered purely an indicative representation of its activities, and Saipem's positioning in this regard could be subject to changes consistently with the developments in its business strategy



Energy value chain

The energy industry is a crucial sector for economic and social development and its value chain is complex and diversified, split over several phases, each of which contributes to the creation of sustainable value for its stakeholders.

The value chain structure can be described according to the specific energy source. In the Oil&Gas sector, this runs from hydrocarbon extraction to the marketing of refined products serving many industrial segments and end consumers. This chain includes many operators working in the phases generally identified as upstream (extraction, resource development and production) and downstream (transport and storage of produced resources up to their processing into finished products). Similarly, in the renewables, low-carbon and sustainable mobility sector, value creation originates in the generation phase and extends to activities relating to the transmission, storage, innovative and sustainable services and energy distribution which, through its clients, are intended for end consumers.

The main streams in which Saipem is present along the energy value chain are described below.

Through its various Business Lines, Saipem focuses on the execution of large-scale projects for the construction of infrastructures for the development, production, treatment, transformation and transport of oil and gas and their derivatives, onshore and offshore, the generation of renewables (mainly offshore wind) and the implementation of plants for the decarbonisation of operations in both the Oil&Gas industry and, in future, in

so-called Hard-to-Abate industries (cement works, steelworks, waste treatment, etc.). The Group's range includes a wide variety of services in the various phases of the value chain and in different investment sectors that the clients, typically energy and oil companies, plan to implement, as described in the following paragraphs. Aiming to integrate its range of services into the various business lines, Saipem has introduced the concept of "One Saipem", which represents a strategic approach designed to offer a single interface to its clients, ensuring rapid and efficient project execution and performance. This model focuses on the integration of skills, experiences and the optimised use of assets, for managing integrated projects both onshore and offshore.
The upstream and downstream value chain is specific to each project commissioned from Saipem, depending on the reference stream, the type of activities planned and the related scope of works included in the contract by the client. Considering the broad range of services offered by Saipem in the energy chain, onshore and offshore, both in the pre-execution and execution phases, and its key role in the implementation of the related infrastructures, albeit to different extents depending on the industrial process phase in which Saipem is called on to work, these services may include one or more of the following activities: preliminary designs, breakdowns, forecasts, site evaluations, engineering and architectural simulations, feasibility studies, front end (FEED), engineering, procurement, transport, installation, construction, subsea drilling, pre-commissioning and commissioning, maintenance and inspections. These activities are performed using a highly specialised fleet of vessels, numerous construction sites in different geographical areas, qualified engineering centres and a skilled, reliable workforce.
In addition to Saipem employees, and non-employees in its workforce, the clients, any project partners, local communities and institutions and, indirectly, distribution companies and consumers are involved in all these activities, when applicable. In addition to these are subcontractors and vendors with different characteristics and sizes according to the type of supplies or services to be provided, distinguished between onshore and offshore operations. These go from the supply of raw materials, semi-finished products, equipment, machinery, oils, fuels and various chemicals, stationery, food and water to personal and goods transport, safety, personnel management, naval support, waste disposal, construction, welding, inspection and testing services. For more details on stakeholders, refer to paragraph SBM 2 "Interests and views of stakeholders".
Depending on the business model adopted, it is not envisaged that Saipem holds or managed the ownership of the infrastructures implemented in any phase.

Exploration and production stream

With its own fleet of (fixed and floating) drilling vessels and specific technical and engineering skills, through the Drilling Business Line, Saipem performed offshore drilling services, working at different depths, from shallow water to deep and ultra-deep water and in different environmental conditions. These activities fall within the initial phases of the energy value chain, supporting its clients in both the exploration and the development and production of oil resources (upstream).

Subsea field infrastructure development stream

Saipem is a leader in the design and production of the infrastructures required for the production and transport of offshore oil resources. Through its Asset Based Services Business Line, Saipem offers a range of services, including the engineering design and construction of both fixed and floating platforms, the installation of subsea production units and the related connections, subsea umbilicals, flowlines and risers (SURF) and the reconversion and dismantling of existing structures.
These services are normally provided in "lump-sum turnkey" contracts, in which each processing phase is performed in sequence, with the contribution of vendors and subcontractors, in order to provide the client with a finished "product" ready for use.

Transport and distribution stream

In the transport and distribution of Oil & Gas resources, Saipem is the world leader in the design and laying of subsea pipelines of various sizes and lengths, using advanced, diversified and reliable welding and installation technologies that meet the specific physical and chemical characteristics of the seabed waters. In addition, with reference to clean technologies, linked to the energy transition, the demand is increasing for infrastructures for the transportation of captured CO_2 intended for storage (sequestration) in suitable underwater deposits, both offshore and onshore.

Maintenance and robotics stream

Through its Robotics and Industrialized Solutions Business Line, Saipem has been working for several years in the provision of subsea robotic services for its own offshore operations, through the use of its proprietary fleet of Remote Operating Vehicles (ROV).
More recently, Saipem launched a programme for the implementation of underwater drones, able to work remotely, autonomously and independently (Autonomous Underwater Vehicles - AUV), which, depending on the configurations, are able to be resident, performing inspections, predictive activities, maintenance and operational support.
In addition to offering potential economies and reducing risks compared to more conventional intervention techniques, the performance assured by these vehicles has opened new business sectors in the field of subsea infrastructure safety and monitoring.

Transformation stream

Through its Energy Carriers Business Line, Saipem works in the design and construction of Oil & Gas, energy and chemical plants, especially for onshore projects. With the technical skills developed over the years, Saipem contributes to the implementation of energy refining and production projects, as well as activities for the production of fertilisers and petrochemical products.
The Business Line also works in the engineering and construction of liquefied natural gas (LNG) plants, in the floating production market (e.g. FPSO - Floating Production Storage and Offloading) and in plant management and maintenance.
Saipem is also a key player in the energy transition, supporting the development of plants that use technological solutions with a more sustainable footprint, including bio-refineries and blue and green solutions for gas monetisation.
In particular, with its proven experience in technologies for the enhancement of natural gas, Saipem also works downstream of the gas market sector, in the production of urea, one of the world's most common fertilisers. With its patented Snamprogetti™ Urea Technology, Saipem has been one of the main actors in urea production technologies for years.

Renewables stream

In the renewables segment, Saipem offers its clients a range of solutions, also using proprietary technologies and solutions in the field of hydrogen, photovoltaics and offshore wind. This segment is overseen by the Offshore Wind business line in the Saipem Group, and is the most important sector today (in terms of revenues) in the identified value chain.
With projects already implemented on fixed foundations including Jackets, Monopiles and GBS (Gravity Base Structures) and on offshore electrical substations, Saipem has the ability to manage complex and diversified operations in this sector, working as a key player along the whole value chain, and can offer projects on an EPCI basis (engineering, procurement, construction and installation) with its engineering skills, specialised fleet and specific fabrication yards.
Looking to the future of offshore wind, Saipem is preparing to consolidate its presence in the Floating Wind sector, offering advanced solutions for foundations and floating substations with its proprietary technology Star1. These innovative solutions complete the company's value proposal for the near future, responding to the increasing demand for sustainability and flexibility in wind energy generation systems.
Saipem is also developing other innovation initiatives in the renewables field: these include XolarSurf, a new concept of Floating Offshore Solar Park, developed by subsidiary company Moss Maritime in partnership with Equinor.

Hydrogen stream

In the hydrogen field, Saipem offers its skill and ability to design, develop and implement industrial plants based on green and blue hydrogen technologies, where hydrogen can be used as both a raw material and in Hard-to-Abate sectors, where electrification is not feasible, and as an energy carrier for heavy-goods vehicles, rail and maritime transport. Saipem is able to supply industrial solutions consisting of large-scale electrolysis plants for hybrid industrial applications, including the green ammonia and green hydrogen valley projects.

Decarbonisation and low-carbon solutions stream

Saipem is working on several decarbonisation and low-carbon initiatives, offering many solutions to its clients through the Energy Carriers and Robotics business lines, also through the use of proprietary technologies and solutions for CO_2 capture, re-use and storage (CCUS).
In particular, Saipem has developed Bluenzyme™, a proprietary modular solution for post-combustion CO_2 capture, using the proprietary CO_2 Solutions technology. Bluenzyme™ is a plug & play system developed for different industrial, Oil&Gas and hard-to-abate sectors, designed to offer clients a compact and effective solution with low "time-to-market"; the product can be applied to post-combustion emissions in new or existing plants.
Saipem also works in biofuels and bio-refineries, for the production of low-carbon fuels for transport.

Sustainable infrastructures stream

Finally, Saipem works in the development and construction of transport and civil infrastructures for railways and urban mobility, fully complying with quality standards while giving priority to safety and sustainability and ensuring minimal environmental impacts.
The main track records mostly concern the railway infrastructures where Saipem, through the dedicated Sustainable Infrastructures Business Line, provides design, construction, testing and commissioning services for both conventional and high-speed railway lines.
The value chain is represented upstream by the project contractor companies and bodies, typically rail transport companies as well as industrial or mining concerns, and by the supply chain involved, while downstream is usually the company in charge of the operation of the railway infrastructure.
The players involved in the activities, in addition to direct and indirect employees, are usually Saipem's project partners, the third parties and local people affected by the infrastructure crossing the area, the subcontractors and vendors involved in the implementation of the works.

SBM-2 - Interests and views of stakeholders

Relations with stakeholders

Constant dialogue with its stakeholders is one of the essential tools that allow the Company to understand the interests and expectations to generate shared value. Saipem's approach presumes open and transparent relations between all parties involved, and promotes positive and mutually advantageous interactions with all of its stakeholders, at global level as well as locally 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 (MSG), a corporate governance tool adopted in the entire Group, designed to define the salient aspects and roles and responsibilities in the interaction with 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:

One of the main methods used by the Company to engage stakeholders and ensure that their interests and views in relation to the business model and strategy are expressed and collected, is the materiality assessment (for more information on the type and number of stakeholders engaged in the process, refer to section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities"). The results of the process are used to develop the contents of the Strategic Plan, the Sustainability Plan and the Short- and Long-Term Incentive Plan, ensuring that the views and priorities of stakeholders are adequately considered in the Company's strategy.
In this context, the Company engaged representatives of the main stakeholder categories – including, as an example, clients, the financial community, employees and vendors.

The members of the Board of Directors and all other Saipem stakeholder groups contribute to the consultation on the materiality of sustainability topics. For more detail, refer to section "GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies"

The processes used to guide Saipem's business model and strategy to take into account the interests and views of: the financial community, clients, institutions and trade associations, own workforce - S1 (employees), affected communities – S3 (local communities), local organisations and NGOs and value chain workers - S2 (vendors), are described below.

Financial community

Saipem maintains an ongoing dialogue with the financial community, to which it guarantees maximum transparency and fair access to information. Individual shareholders can liaise directly with the Company Secretariat. Relations with key players in the financial community and the equity market are governed specifically by the Investor Relations and Rating Management function. Sustainability 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 energy transition, security and loss prevention initiatives and on their results in order to secure competitive terms and conditions. The risk transfer process identifies the insurance or financial capacities for appropriately covering our risk profile and specific underlying exposures.

The main engagement initiatives

- Participation in 19 general and specialist energy-sector conferences.
- Organisation of 8 post-result or specific roadshows, held both in presence and remotely.
- Activities were held in 11 cities in 8 different countries.
- Around 240 investment firms were met, engaging around 400 professionals for a total of more than 600 interactions carried out with them.
- The investment companies met work mainly in the shares market, but some of them operate in the securities market as well.
- Engagement activities with 22 financial stakeholders on ESG topics through meetings or in response to specific requests.

Clients

Clients are one of Saipem's fundamental stakeholders, and guaranteeing their satisfaction is vital both in terms of the profitability of project budgets and the effectiveness, efficiency and sustainability of the processes adopted for their implementation. In addition to constant reporting and frequent meetings on operating projects, specific customer satisfaction monitoring and analysis systems are implemented by each business line. Client relations also aim to understand their needs and expectations with a view to being a "solution provider". 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. The implementation of a new digital management function of the Project Customer Satisfaction process has been completed, with the possibility of configuring questionnaires based on the peculiarities of each Business Line and of the specific project, with automatic return and logging of responses and multi-dimensional display of analytics.

The main engagement initiatives

- Involvement of clients through a customer satisfaction monitoring system (12 evaluations of clients involved). 100% 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 50% 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), reaching an average general assessment value of 8.5.
- 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.
- Membership of "Net Zero Pact", an initiative created by the company Scottish and Southern Energy (SSE) plc with 10 other founding partners in the aftermath of COP26 (Glasgow, 2021), bringing together various companies at all levels of the energy sector – civil, maritime, renewables, electrical engineering and others – committed to a fair and equal transition to net zero carbon emissions, participating in the "Net Zero Ambition" working group with a focus on emissions in the supply chain.
- Cooperation on initiatives and engagement of some clients in events on some topics including human rights, personal safety, such as Safety Leadership Summit with ExxonMobil.

Institutions and Business Associations

Saipem has always been engaged in a dialogue with institutions and industry associations in the countries where it has a presence. The activity of interest representation is carried out by the Saipem 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 and international diplomatic network, engaging in a constant dialogue with the Ministry of Foreign Affairs and International Cooperation and with foreign diplomatic institutions in Italy.
In its host countries, Saipem undertakes to maintain constant dialogue with institutions and public and private parties working in the different areas, ensuring continuous interaction, which is fundamental for correct and transparent relations, based on a strategy of common and lasting value creation.

The main engagement initiatives

- Participation in 2024 in meetings with national institutions to promote its own industrial excellences. For example, National Sea Plan, Hearings of the Interministerial Sea Policy Committee (CIPOM), meetings with the Ministries of Environment and Energy Security (MASE), Enterprises and Made in Italy (MIMIT) and Foreign Affairs and International Cooperation (MAECI) and participation in the Working Table on the long-distance underwater cable supply chain promoted by the MIMIT.
- Significant contacts were made with European Institutions, including the European Commission's DG CLIMA (Directorate-General for Climate Action) and the Italian Permanent Representation to the European Union. Moreover, the Group was invited to provide recommendations for the initiatives of the first 100 days of the European Commission, focusing on administrative simplification and Green Deal policies.
- Participation in several international forums, including the Italy-Argentina Business Forum and the Italy-Romania Business Forum and a round table with the Minister of Economics and Planning of Saudi Arabia.
- Intensification of cooperation with Confindustria, taking part in technical groups on topics including open innovation, sustainability and the environment. Saipem joined the nuclear working group and strengthened its participation in Assolombarda.
- Saipem is a member of several other industrial associations, including Assorisorse, Confindustria Energia (in 2024, it played a key role), Confitarma, Confindustria Assafrica and Mediterraneo. It also contributes to industrial and economic dialogue with international stakeholders through its membership of ISPI.
- Saipem is a member of associations and networks active in the European energy transition: World Energy Council (WEC) Italy, AERO (Italian association for offshore renewables, of which Saipem is founding member), Wind Europe and Hydrogen Europe which aim to support the development of the wind and renewables sector in Italy.
- Active participation in the Gas Industry Advisory Committee 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 establish a structured and systematic political dialogue on natural gas.
- In 2024, the Group was a member of 94 Italian, European and international groupings trade associations, of which 58 referred to Saipem SpA.
- In 2024, Saipem took part in the meetings of Building Responsibly, helping to develop strategies and tools to promote "worker welfare principles" on compliance with workers' rights, in the engineering and construction sector.
- Saipem maintained relations with major institutional counterparties including the National Cybersecurity Agency (ACN), the Department of Security Information (DIS), the National Cybercrime Centre for Critical Infrastructure Protection (CNAIPIC) and the Chief Information Security Officer (CISO) community of Cassa Depositi e Prestiti. It also took part in joint operational meetings with the Postal and Communications Police and peers in the energy sector.

Employees (S1)

Saipem's employees (including workers made available by third-party companies) are a fundamental group of stakeholders and the Company engages them directly in a range of initiatives and processes. In particular, the company considers their interests and views in its double materiality assessment process. Their engagement aims to strengthen relations, guaranteeing that their views and priorities, particularly in relation to human rights, are integrated into the corporate strategy.
Saipem has defined a Sustainable People Strategy, functional to ensuring that the business and the projects can promptly count on motivated people holding the skills required in every operating context, in the most suitable professional role and who are as fulfilled as possible in working with Saipem. The strategy is the result of listening to the needs and priorities by the CEO and the Leadership Team.
In line with the expectations of its employees, Saipem undertakes to enhance its 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.

The main engagement initiatives

- Employees involved in events on HSE issues (LiHS programme, World Environment Day celebration, drug and alcohol prevention programme, cardiovascular disease prevention programme).
- Safety Leadership Summit, a strategic event to align and discuss with ExxonMobil.
- LiHS Global Cascade, to celebrate the World Day for Safety and Health at Work. Employees were engaged in an event organised by the HSE Culture, Human Performance and Training department on Occupational Health and Safety topics. More details on the initiative are provided in section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".
- Saipem H&S Award: rewarding colleagues whose life-saving actions have demonstrated the fundamental value of safety. The prize was awarded by the CEO to the employees during an event.
- Leadership in Health & Safety Summit, the event launching the new Human Performance strategy with the Top Management.
- Launch of the HSEQ Community, a specific channel for sharing, cooperating on and learning HSEQ issues.
- Company voluntary initiatives (activities in partnership with Plastic Free Odv Onlus at Saipem offices in Milan, Arbatax and Fano).
- Clean Up campaign: Setting up of volunteering campaigns in countries like Saudi Arabia, Senegal, France, Azerbaijan and Ivory Coast.
- Raising awareness on DE&I issues in partnership with the Valore D Association and Parks Liberi e Uguali.
- Launch of a Diversity & Inclusion survey at Italy level to understand the degree of satisfaction and awareness of employees on gender equality issues in the workplace.
- Engagement of employees through the Strategy Line Up 2024, an event presenting the company strategy and objectives.

- Saipem's Open Day "IngegnosaMente" dedicated to employees and their families.

Local communities (S3)

The company undertakes to maintain continuous and transparent dialogue with local stakeholders, adapting its strategies and actions to effectively respond to the needs and expectations of the communities. The approach is used to create value at local level, one of the three pillars in Saipem's Sustainability Plan, which concretely creates new jobs, strengthens the demand for local goods and services and improves infrastructures. Furthermore, the company's contribution extends to the education system, fostering the development of vocational skills and promoting the strengthening and respect for people's fundamental rights.
The Company's commitment aims to support social, economic and cultural progress in local communities, contributing to the improvement of standards of living. Each project and each operating site adopt a targeted approach, calibrated to the specific context in which they work, ensuring open dialogue with the local communities. This active engagement translates into the direct participation of the communities in the local development projects and the concrete and prompt support of the Company in emergencies and crisis situations.

Local organisations and NGOs

Saipem is committed (i) to transparency and dialogue with local and non-governmental organisations in the countries where it operates; (ii) in the regular publication of information, objectives and results on topics of external interest through Saipem's institutional channels. It is also of interest to Saipem, with a view to creating shared value and local development, to facilitate cooperation with third parties on development projects. In order to identify and implement them, it has to interact with organisations of proven experience and integrity with whom to establish short- and medium-term collaborative relationships.

The main engagement initiatives

- Initiatives for the community, developed through partnerships and cooperation with local and non-governmental organisations (e.g., Lifegate and Plastic Free in Italy, Instituto Sabendo Mais in Brazil, Women In Mining association in Senegal, LVIA (Lay Volunteers International Association) and Unies Vers'elle in Senegal, Women Across Difference (WAD) in Guyana).
- Continued collaboration with One Ocean Foundation, started at the end of 2022 for supporting the refinement and deepening of the first reporting tool for companies on issues related to ocean protection is still ongoing and has given birth to the Ocean Disclosure Initiative (ODI). An initiative of One Ocean Foundation developed in collaboration with SDA Bocconi School of Management, McKinsey & Co and CSIC (Consejo Superior de Investigaciones Científicas). In 2024, Saipem took part in the One Ocean Summit Young, organised by the One Ocean Foundation to educate and inspire young people, through talks, screenings and new challenges on sea sustainability.
- Participation in the World Congress on Safety and Health 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 UN Global Compact Network.

Vendors (S2)

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 develops and maintains long-term relationships with its suppliers, whose reliability from a technical, financial, organisational and ethical point of view is guaranteed by a structured evaluation and management process. Vendors are also pro-actively involved in initiatives to further their knowledge of HSE topics and human and labour rights. They are also fundamental partners for reducing our environmental footprint and the Company works continuously and pro-actively with them. Saipem considers workers throughout the value chain, both upstream and downstream, as a fundamental stakeholder group. For more details on the value chain, see section “SBM-1 - Strategy, business model and value chain” in chapter ESRS 2.

The main engagement initiatives

- Delivering Together: the first Suppliers Day targeting over 350 representatives of Saipem’s extensive supply chain to discuss the challenges and opportunities of the current market scenario, and Saipem’s strategy and values also in relation to the sustainable supply chain, and define how to further improve and strengthen relations for mutual success.
- Subcontractors involved in HSE initiatives including the LiHS Global Cascade, a call to action to celebrate the World Day for Safety and Health at Work, addressed to organisational leaders, called to organise an event to align the teams to the new Health & Safety Vision and relaunch the messages underlying the LiHS philosophy. Hundreds of events were organised globally, also engaging clients, subcontractors and partners, strengthening a common health and safety culture.
- Workshops on business ethics topics for subcontractors in the Arab Emirates, Brazil and Qatar.

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts

Saipem has conducted a thorough analysis of the impacts, identifying whether they are concentrated within its own operations or along the value chain, as well as how they originate or connect to the strategy and business model described in the section "SBM-1 - Strategy, business model, and value chain”. These findings are detailed in the following table and below in the accompanying text and are further explored within the material topics.
Given the nature of its business, Saipem operates within a diverse and complex value chain, collaborating with a broad and varied ecosystem of actors.
For impact assessments within the scope of the double materiality process, the upstream value chain includes direct suppliers and subcontractors, while the downstream value chain encompasses partners and joint ventures (JVs), subcontractors of partners/Joint Ventures, and clients. The assessment of impacts related to the own operations segment covers Saipem employees and agency personnel.
For further details, please refer to the table below, which includes a description of the impacts, their connection to Saipem's business model and value chain, as well as their expected time horizon.

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Climate change risks & management	E1 - Climate change	Climate change adaptation	Improvement of territories' resilience in a climate adaptation perspective through initiatives aimed at communities that may be impacted more by extreme events (I5 E1)	Own operations, Downstream	Actual	Positive	Short-term
Energy Greenhouse gas emissions	E1 - Climate change	Climate change mitigation; Energy	Increased GHG emissions due to fuel and electricity consumption from own operations and along the value chain (I6 E1)	Upstream, Own operations, Downstream	Actual	Negative	Short-term
Greenhouse gas emissions	E1 - Climate change	Climate change mitigation	Reducing carbon footprint through development and delivery of new technology solutions and dissemination of best practices and promotion of energy transition-oriented projects along the value chain (I8 E1)	Upstream, Downstream	Actual	Positive	Short-term
Energy	E1 - Climate change	Energy	Promotion of the use of renewable energy sources to clients (I7 E1)	Downstream	Actual	Positive	Medium-term
Climate change risks & management	E1 - Climate change	Climate change adaptation	Impacts on the environment due to unforeseen damage to assets (vessel, fabrication yard) during business operations (I9 E1)	Own operations, Downstream	Potential	Negative	Short-term
Spills	E2 - Pollution	Pollution of water, pollution of soil	Impacts on the environment due to unforeseen damage to assets (vessel, fabrication yard) during business operations (I9 E2)	Own operations, Downstream	Potential	Negative	Short-term
Water	E3 - Water and Marine resources	Water: Marine resources	Awareness and knowledge in water withdrawal/consumption through the development of new technological solutions and promotion of best practices to benefit the entire value chain (I11 E3)	Own operations, Downstream	Actual	Positive	Short-term
	E3 - Water and Marine resources	Water: Marine resources	Depletion of ecosystem services and change in water quality as a result of water use (I12 E3)	Own operations, Downstream	Actual	Negative	Short-term
Biodiversity Protection of natural land cover	E4 - Biodiversity and ecosystems	Direct impact drivers of biodiversity loss; Impacts on the state of species; Impacts and dependencies on ecosystem services	Protection of biodiversity through: - cultural change through promotion of knowledge and awareness by involving the value chain and communities; - investments in nature-based offsetting/compensation initiatives with environmental and social co-benefits, particularly to mitigate deforestation and forest degradation in order to create value beyond the value chain (I1 E4)	Downstream	Actual	Positive	Short-term /Medium-term
Biodiversity	E4 - Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Depletion of ecosystem services and change in water quality as a result of water use (I12 E4)	Own operations, Downstream	Potential	Negative	Short-term
Materials management	E5 - Resource use and circular economy	Resources inflows, including resource use	Resource consumption due to purchases for operational projects and company operations (I2 E5)	Upstream, Own operations	Actual	Negative	Short-term
Non-hazardous waste management	E5 - Resource use and circular economy	Waste	Improvement of environmental aspects (waste) by sharing best practices and defining guidelines for the benefit of the value chain/clients/vendors (I3 E5)	Upstream, Downstream	Actual	Positive	Short-term
	E5 - Resource use and circular economy	Waste	Production of waste from operations/projects (I4 E5)	Own operations, Downstream	Actual	Negative	Short-term
Public Health	S1 - Own workforce	Working conditions	Continuous improvement in knowledge and attention to health issues through participation in working groups, partnerships and collaboration with local healthcare facilities (I15 S1)	Own operations	Actual	Positive	Short-term
Public Health Travel medicine	S1 - Own workforce	Working conditions	Improvement and protection of the health conditions of workers through campaigns, specific initiatives and management systems (I25 S1)	Own operations	Actual	Positive	Short-term
Employee incentives & benefits Employee wellbeing	S1 - Own workforce	Working conditions	Increase in employee wellbeing through initiatives, welfare tools, benefits, and incentives (I22 S1)	Own operations	Actual	Positive	Short-term
Employee development Talent acquisition & retention	S1 - Own workforce	Equal treatment and opportunities for all	Increase in skills and opportunities for people through development programmes, on the job training, education and collaboration with academic institutions (I21 S1)	Own operations	Actual	Positive	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all	Improvement in technologies, skills, industry practices, and culture in the HSE field training (I20 S1)	Own operations	Actual	Positive	Medium-term

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Fair & inclusive workplace	S1 - Own workforce	Equal treatment and opportunities for all	Improvement in work-life balance through equal opportunity policies and promotion of an inclusive environment, also aimed at increasing hiring of women in STEM disciplines (I23 S1)	Own operations	Actual	Positive	Short-term/ Medium-term
Security practices	S1 - Own workforce	Equal treatment and opportunities for all	Violation of human rights through abuse of force or other security practices that do not comply with laws, regulations, or contractual requirements (I19 S1)	Upstream, Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions	Impacts on human health due to unforeseen damage to assets (vessels, fabrication yards) during business operation (I10 S1)	Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions	Injuries to people caused by incidents in the workplace (I27 S1)	Own operations	Actual	Negative	Short-term
Security practices	S2 - Workers in the value chain	Equal treatment and opportunities for all	Violation of human rights through abuse of force or other security practices that do not comply with laws, regulations, or contractual requirements (I19 S2)	Upstream, Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S2 - Workers in the value chain	Working conditions	Impacts on human health due to unforeseen damage to assets (vessels, fabrication yards) during business operation (I10 S2)	Own operations, Downstream	Potential	Negative	Short-term
	S2 - Workers in the value chain	Working conditions; Equal treatment and opportunities for all	Improvement in technologies, skills, industry practices, and culture in the HSE field training (I20 S2)	Own operations	Actual	Positive	Medium-term
Social inclusion	S2 - Workers in the value chain	Equal treatment and opportunities for all	Local market development and improvement of welfare, infrastructure, employment (I17 S2)	Upstream Own operations Downstream	Actual	Positive	Medium-term
Fair & Inclusive Workplace	S2 - Workers in the value chain	Equal treatment and opportunities for all	Improvement in work-life balance through equal opportunity policies and promotion of an inclusive environment, also aimed at increasing hiring of women in STEM disciplines (I23 S2)	Own operations	Actual	Positive	Short-term Medium-term
Human & labour rights	S2 - Workers in the value chain	Working conditions	Violation of workers' rights and non-compliance with decent working conditions (e.g., forced labour, excessive working hours, recruitment fees) (I26 S2)	Upstream, Own operations, Downstream	Actual	Negative	Short-term
Community support & development	S3 - Affected communities	Communities' civil and political rights	Increase in skills and opportunities for people through development programmes, on the job training, education and collaboration with academic institutions (I21 S3)	Own operations	Actual	Positive	Medium-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Continuous improvement in knowledge and attention to health issues through participation in working groups, partnerships and collaboration with local healthcare facilities (I15 S3)	Own operations	Actual	Positive	Short-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Diritti civili e politici delle comunità	Improvement and protection of the health conditions of local communities through campaigns, specific initiatives and management systems (I16 S3)	Own operations	Actual	Positive	Short-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Local market development and improvement of welfare, infrastructure, employment (I17 S3)	Own operations	Actual	Positive	Short-term Medium-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Impact on local communities (access to resources, accident risk, pollution risk, impact on local culture, noise, vibrations, interference with economic activities, flora, fauna, etc.) (I18 S3)	Own operations	Actual	Negative	Short-term
Responsible operations	G1 - Business conduct	Corruption and bribery	Combating the spread of illegal practices in areas of operations (I13 G1)	Own operations	Actual	Positive	Medium-term
Business ethics	G1 - Business conduct	Corruption and bribery	Economic damage caused to clients/stakeholders/shareholders/ companies due to corruption (I14 G1)	Upstream, Own operations, Downstream	Potential	Negative	Short-term
Artificial intelligence	Entity specific	N/A	Economic, reputational and data management-related damage to third parties resulting from business practices not in line with cybersecurity best practices and other industry regulations (I24)	Own operations, Downstream	Potential	Negative	Short-term

Material risks

In the table and the text below, the material risks are described along with their correspondence to the ESRS topic and its sub-topic, where they are concentrated along the value chain, and the potential effects they could generate for Saipem.

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Alternative fuels Climate change risks & management Energy Greenhouse gas emissions	E1 - Climate change	Climate change adaptation; Climate change mitigation; Energy	Change in the ESG scenario that that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The speed and intensity of such regulatory changes could impact business operations (e.g., reduced demand for certain services), operating costs (e.g., stricter carbon tax policies), and long-term strategies (e.g., increased investments in technological innovation) (R1 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Climate change risks & management	E1 - Climate change	Climate change adaptation; Energy	Major Assets Integrity and Transportation accidents with damage to people, the environment, assets, projects and reputation (R11 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Climate change risks & management Greenhouse gas emissions	E1 - Climate change	Climate change adaptation; Climate change mitigation	Loss of business opportunities due to difficulties in obtaining bank guarantees for the Oil&Gas sector (R7 E1)	Upstream	Medium-term (2-4 years)
Climate change risks & management	E1 - Climate change	Climate change adaptation	The occurrence of events with potential effects on the health of workers and people living near operations and/or with over time exposure capable of causing work related diseases. This risk, exacerbated by climate change, could have reputational and market effects for Saipem (e.g., low confidence among stakeholders, including financial stakeholders and clients; costs related to business interruptions and decreased market demand due to reputational damage), as well as legal consequences (e.g., legal disputes, sanctions) (R8 E1)	Own operations, Downstream	Short-term (<1 year)
	E1 - Climate change	Climate change adaptation	Unavailability of fleets, yards, ships, vehicles, services or infrastructures for the execution of "low carbon" and "green" projects connected to energy transition. This risk, intensified by extreme weather events, may lead to increased operational costs for Saipem due to delays and restoration of business operations, loss of business opportunities, and legal penalties (e.g., contractual non-compliance) (R4 E1)	Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Energy	E1 - Climate change	Energy	Inadequate management and protection of the intellectual property of the Company or third parties in the application of new technologies relating to energy transition (R3 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Greenhouse gas emissions	E1 - Climate change	Climate change mitigation	Poor Vendor/Subcontractor ESG performance. For Saipem, this risk may result in operational/project impacts (e.g., an increase in indirect emissions, operational disruptions), reputational impacts (e.g., low confidence among clients and financial stakeholders), and legal/regulatory impacts (e.g., violation of environmental regulations, liability for environmental damage) (R5 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Energy Greenhouse gas emissions	E1 - Climate change	Climate change mitigation; Energy	In terms of energy transition, increase in market competitiveness, inadequate competitive position of Saipem, possibility of fluctuations in Client demands and order intake (R2 E1)	Downstream	Medium-term (2-4 years)

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Spills	E2 - Pollution	Pollution of water; Pollution of soil	Major Assets Integrity and Transportation accidents with damage to people, the environment, assets, projects and reputation (R11 E2)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Water	E3 - Water and Marine resources	Water; Marine resources	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The effects of this risk could include operational adjustments required to align to the new regulations, reputational risks deriving from the inappropriate management and protection of water and marine resources and legal impacts linked to failure to comply with the evolving regulatory practices (R1 E3)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Circular economy Non-hazardous waste management	E5 – Resource use and circular economy	Resource outflows related to products and services; Waste	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The effects of this risks could include operational adjustments required to align to the new regulations, reputational risks deriving from the inappropriate management of resources and waste, and legal impacts linked to failure to comply with the evolving regulatory practices (R1 E5)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Employee incentives & benefits Employee wellbeing Fair & equitable compensation	S1 - Own workforce	Working conditions	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. This risk could have reputational effects for Saipem (i.e. possible social violations and the resulting low confidence among stakeholders, including its own employees), as well as legal effects (i.e. litigation, sanctions) (R1 S1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Occupational Health and Safety Employee incentives & benefits Employee wellbeing Public Health	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market effects for Saipem (i.e. low confidence among stakeholders, including its own employees, financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions) (R8 S1)	Own operations, Downstream	Short-term (<1 year)
Employee development Employee incentives & benefits Employee wellbeing Fair & equitable compensation Human & Labour Rights	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all; Other work-related rights	Inability to attract talented profiles from the labour market, retain key competencies internally, as well as develop and manage appropriate succession plans (R6 S1)	Own operations, Downstream	Medium-term (2-4 years)
Occupational health and safety	S2 - Workers in the value chain	Working conditions; Equal treatment and opportunities for all	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market effects for Saipem (i.e. low confidence among stakeholders, including financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions) (R8 S2)	Own operations, Downstream	Short-term (<1 year)

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Security practices	S1 - Own workforce	N/A	Global and local security: changes in the geopolitical scenario. This risk could have significant impacts on Saipem's workforce, particularly in terms of operating impacts (i.e. physical safety of individuals, disruption of operations, workforce repositioning, reputational impacts (public criticism and low confidence among stakeholders in case of failure to protect the safety of its people, loss of talent attraction and retention), legal impacts (i.e. liability in case of accidents/security violations) (R9 S1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
	S2 - Workers in the value chain	N/A	Global and local security: changes in the geopolitical scenario. The consequences of this risk, which may include effects on the health, safety, and wellbeing of workers along the value chain, can lead to reputational damage for Saipem (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities, legal consequences (for violation of local regulations, compensation obligations, legal actions by stakeholders) (R9 S2)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Security practices Supply chain management	S2 - Workers in the value chain	Equal treatment and opportunities for all	Poor vendors/subcontractors ESG performance. The consequences of this risk may lead to reputational damage for Saipem (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities, legal consequences (for violation of local regulations, compensation obligations, legal actions by stakeholders) (R5 S2)	Upstream, Own operations, Downstream	Short-term (<1 year)
Community support & development	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market effects for Saipem (i.e. low confidence among stakeholders, including partners, local and financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions) (R8 S3)	Own operations, Downstream	Short-term (<1 year)
Human & labour rights	S3 - Affected communities	N/A	Global and local security: changes in the geopolitical scenario. This risk could have significant impacts for Saipem, particularly in terms of operational impacts (i.e. increase in safety risks for the communities, interruption of operations), reputational impacts (public criticism and low confidence among stakeholders in the event of failure to protect the security of the communities) (R9 S3)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Business ethics	G1 - Business conduct	Corporate culture; Corruption and bribery	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. This risk could mean for Saipem: operational adaptations required to align to new regulations, impacts on reputation due to ESG violations, judicial impacts linked to failure to conform to new laws, legal liability for social/environmental violations. (R1 G1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
	G1 - Business conduct	Corporate culture; Corruption and bribery	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk, with effects on business ethics as it involves the company's responsibility for guaranteeing safe working conditions, could have market and reputational effects for Saipem (i.e. low confidence among stakeholders, including financial stakeholders and clients; costs linked to the suspension of business activities and drop in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions). (R8 G1)	Own operations, Downstream	Short-term (<1 year)
Business ethics Responsible procurement	G1 - Business conduct	Corporate culture; Management of relationships with suppliers including payment practices; Corruption and bribery	Poor vendors/subcontractors ESG performance. The consequences of this risk, which may derive from business practices that are not aligned to Saipem's standards, may cause reputational damage (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities. (R5 G1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Artificial intelligence	N/A - Artificial Intelligence (non ESRS topic)	-	Inability to guarantee the integrity of corporate data related to the occurrence of cyber attacks. This risk could have reputational effects (i.e. low confidence among stakeholders, including financial stakeholders, partners and clients), operating effects (i.e. costs linked to the interruption and delay of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. sanctions, legal actions, compensation for damages in case of data protection law breaches) for Saipem. (R10)	Upstream, Own operations, Downstream	Short-term (<1 year)

The current financial effects of the Saipem Group's material risks on its financial position, financial performance and cash flows for the 2024 reporting period are described below.
Regarding the risk related to energy transition, particularly increased market competitiveness, Saipem's inadequate competitive positioning, and potential fluctuations in client demand and order intake, refer to the Notes to the consolidated financial statements, specifically the "Impairment" paragraph in Note 17 "Intangible Assets", where the Company's Sensitivity Analysis is described, conducted to estimate the recoverable amount totalling €4.16 million relating to the Cash Generating Units (CGUs) Asset Based Services, Energy Carriers, and Robotics & Industrialized Solutions. Furthermore, regarding the risk related to the inability to attract talented profiles from the labour market, retain key skills internally, and develop and manage adequate succession plans, refer to the Consolidated Financial Statements, both in the "Human Resources" and the "Incentive Plans" sections. The Incentive Plan is valued at a fair value of €8.3 million.
With regard to the other risks reported in the above table, no additional financial effects have been recognised in the 2024 consolidated financial statements. Furthermore, to date no evidence has emerged indicating any significant risk of important adjustments being required in the subsequent financial year to the carrying amounts of assets and liabilities reported in the financial statements in relation to the above-mentioned risks. For further details, refer to the "Effects of Climate Change" sections under Note 3 "Accounting estimates and significant judgments" in the Notes to the statutory financial statements, "Market conditions" in the "Operating review" section of the Directos' report, and "Market scenario" in the letter to shareholders.

For Saipem, the importance of evaluating various environmental, social, and governance issues is also reflected in the risk assessments conducted regarding its own operations and supply and value chain. Responsible management of the supply chain and value chain not only helps reduce the overall ecological footprint, improving operational efficiency and creating a long-term competitive advantage, but also represents an effective de-risking strategy. It reduces exposure to operational, reputational, regulatory, and financial risks while ensuring greater resilience in the face of potential crises, market changes, and operational disruptions.

Among the main risks, in line with the findings of the World Economic Forum's "Global Risks Report", climate change holds a prominent position. Among the various potential negative effects associated with this phenomenon are extreme weather events, such as heat waves, wildfires, floods, hurricanes, as well as "chronic" physical risks, and to the gradual rise in temperatures, and sea level rise. Such events are directly linked to health emergencies and so-called pandemic “climate-sensitive diseases”. As a result, climate change acts as an amplifier and multiplier of existing risks, whose impacts can extend to Saipem's employees as well as to the actors involved in the entire value chain.

In this regard, Saipem is constantly committed to ensuring high standards of health and safety, including the prevention of diseases caused by climatic, environmental, or other factors related to the workplace. The use of incorrect safety practices by third parties, such as partners or subcontractors, could negatively impact the wellbeing of workers and individuals operating near the Group's operations. Therefore, Saipem promotes various specific training activities and awareness campaigns on occupational health and safety risks, with the aim of ensuring a context that encourages the adoption of positive conduct and choices for the health of employees. A work environment that promotes the wellbeing and health of employees by fostering principles of safety, sustainability, and inclusion can indeed have a positive impact not only on reducing HSE incidents but also serve as a business lever to attract and retain talent.

The management of health, safety, and environmental (HSE) issues can also be connected to governance topics. A solid governance framework, based on the interconnection between sustainability, risk management, and business ethics, is an essential element to ensure compliance with two of the strategic principles adopted by Saipem: ensuring proper management of health and safety aspects in the workplace, as well as maintaining high HSE standards in its operations.

Material opportunities

In the table the opportunities are described along with their correspondence to the ESRS topic and its sub-topic, where they are concentrated along the value chain, and the potential positive effects they could generate for Saipem.

Material topic	ESRS topic	Sub-topic	Description of opportunity type	Value chain (Where the opportunity is generated)	Time horizon
Greenhouse gas emissions Energy Alternative fuels	E1 - Climate change	Climate change mitigation; Energy	Renewables projects (for example, offshore wind), low-carbon-emissions business segments (for example, hydrogen, biofuels, CCUS), sustainable infrastructures (railway infrastructures) (O1E1)	Upstream, Operazioni dirette, Downstream	Medium-term (2-4 years)
Circular economy	E5 - Resource use and Circular economy	Resource outflows related to products and services; Waste	Dismantling of platforms, drones for predictive maintenance (O2 E5)	Own operations	Medium-term (2-4 years)

The current financial effects of the Saipem Group’s material opportunities on its financial position, financial performance and cash flows for the 2024 reporting period are described below. With reference to renewable energy projects (Opportunity code O1 E1), refer to the “New Contracts” section within the Directors’ Report. Furthermore, in the “Taxonomy” section of this Sustainability Statement, the activities contributing to climate change mitigation (aligned) are specified, amounting to €682 million in revenue, to which eligible activities amounting to €765 million in revenue are added. Furthermore, regarding the other opportunity, refer to the same

“Taxonomy” section for activities contributing to the Transition to a Circular Economy (eligible activities), representing €433 million in revenue.

Saipem adopts an integrated approach to risk and opportunity management, with the aim of strengthening the resilience of its strategy and business model. This approach is based on the diversification of skills and technologies, as well as the ability to adapt to market changes. The resilience of Saipem's business model is based on several long-term enabling factors, which are discussed in the section "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in chapter E1, under the paragraph "Climate-related scenario analysis and resilience analysis".
The integrated approach adopted by the company allows it to mitigate risks, respond quickly to market changes, and seize emerging opportunities across various sectors, thus ensuring the long-term resilience of the business model.
The resilience analysis was conducted considering the impacts of climate change, and for a complete description of the analysis, please refer to the section "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in chapter E1.

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

29 material topics are associated with the material IROs. In order to ensure greater alignment with the business context and the evaluations of the teams involved in the process, has integrated additional impacts as relevant. The “Artificial Intelligence” material topic is not associated with any ESRS topic, but was identified as an “entity-specific” topic for Saipem, and will be discussed in the chapter “additional information for the entity”.
Material topics are aggregated into 11 macro-topics, and each macro-topic is combined to the respective IROs.

Area	Macro topic	Material topics	ESRS topic
Environment	1 Biodiversity	1 Biodiversity	E4 - Biodiversity and ecosystems
		2 Protection of natural land cover	E4 - Biodiversity and ecosystems
	2 Circular economy	3 Circular economy	E5 - Resource use and circular economy
		4 Materials management	E5 - Resource use and circular economy
		5 Non-hazardous waste management	E5 - Resource use and circular economy
	3 Climate change	6 Alternative fuels	E1 - Climate change
		7 Climate change risks & management	E1 - Climate change
		8 Energy	E1 - Climate change
		9 Greenhouse gas emissions	E1 - Climate change
	4 Spills	10 Spills	E2 – Pollution
	5 Water	11 Water	E3 - Water and marine resources
Social	6 Community development	12 Community support & development	S3 - Affected communities
		13 Social inclusion	S2 - Workers in the value chain
	7 Health	14 Public Health	S1 - Own workforce
		15 Travel medicine	S1 - Own workforce
	8 Human & labour rights	16 Human & labour rights	S1 - Own workforce S2 - Workers in the value chain
		17 Security practices	S1 - Own workforce S2 - Workers in the value chain
		18 Supply chain management	S2 - Workers in the value chain
		19 Fair & equitable compensation	S1 - Own workforce
		20 Fair & Inclusive Workplace	S1 - Own workforce S2 - Workers in the value chain
	9 Safe Workplace	21 Occupational health and safety	S1 - Own workforce S2 - Workers in the value chain
	10 Sustainable employment	22 Employee development	S1 - Own workforce
		23 Employee incentives & benefits	S1 - Own workforce
		24 Employee wellbeing	S1 - Own workforce
		25 Talent acquisition & retention	S1 - Own workforce
Governance	11 Business ethics	26 Responsible procurement	G1 - Business conduct
		27 Artificial intelligence	Entity-specific
		28 Business ethics	G1 - Business conduct
		29 Responsible operations	G1 - Business conduct

Based on the results of the double materiality analysis, the SUSDI department has identified which data points to exclude from reporting as they are not applicable and/or not relevant, and which ones to include in order to define the scope of reporting. To this end, a correlation table between ESRS sustainability matters, disclosure requirements, and data points provided by EFRAG in the Q&A Platform "Compilation of explanations" from January-November 2024 has been prepared, addressing the question: “ID 177 - Mapping sustainability matters (ESRS 1 AR 16) with Disclosure Requirements”.

A detailed representation of the material IROs determined by Saipem’s operations and its value chain is given in the above-mentioned tables. The present document details the management of the aforementioned IROs through a representation of management systems and performances achieved in the company’s operations.

Material topics and sharing of final result

The final results were shared preliminarily with the Sustainability, Scenarios and Governance Committee and with the Audit and Risk Committee during two different meetings and validated by the Board of Directors, whose members participated in the double materiality assessment, during the meeting of December 18, 2024. The topics that emerged from the double materiality assessment also become the basis for the update of the Saipem Sustainability Plan, that is taken into consideration for the definition of the four-year strategic plan and company targets and provide useful elements for the integrated risk management process.

LIST OF MATERIAL TOPICS

	Saipem's material topic	Impact materiality	Financial materiality
1	Greenhouse gas emissions	✓	✓
2	Climate change risks & management	✓	✓
3	Materials management	✓	
4	Energy	✓	✓
5	Water	✓	✓
6	Occupational health and safety	✓	✓
7	Non-hazardous waste management	✓	✓
8	Employee incentives & benefits	✓	✓
9	Security practices	✓	✓
10	Employee development	✓	✓
11	Employee wellbeing	✓	✓
12	Fair & inclusive workplace	✓	
13	Responsible operations	✓	
14	Alternative fuels		✓
15	Travel medicine	✓	
16	Business ethics	✓	✓
17	Public Health	✓	✓
18	Biodiversity	✓	
19	Supply chain management		✓
20	Community support & development	✓	✓
21	Social inclusion	✓	
22	Fair & equitable compensation		✓
23	Protection of natural land cover	✓	
24	Artificial intelligence	✓	✓
25	Talent acquisition & retention	✓	
26	Circular economy		✓
27	Responsible procurement		✓
28	Human & labour rights	✓	✓
29	Spills	✓	✓

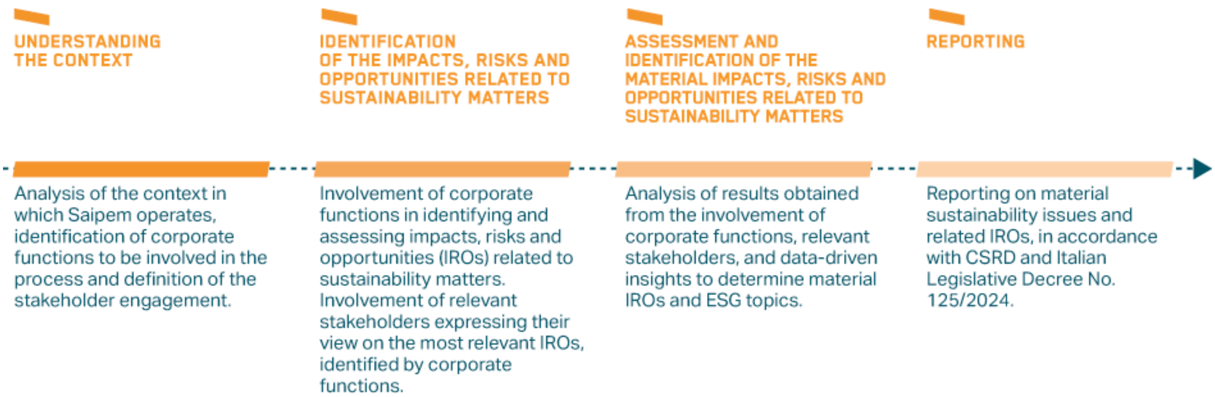
IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities

Double materiality assessment and definition of contents

In compliance with Articles 3 and 4 of Legislative Decree No. 125/2024, this document provides disclosure on sustainability issues deemed to be significant and material according to a process that considers the specific activities of Saipem and the interests of all categories of its stakeholders, as described below. As provided for in the ESRS reporting standards and in accordance with the Saipem procedures, the Company implements and updates a material topic analysis every year, in order to ensure that the analyses cover the whole reporting period. This aims to identify and give priority to the sustainability aspects of their own business which could substantially affect the assessments and decisions of their own stakeholders and which are deemed most relevant to the Company itself. The analysis is performed also taking into account the direct involvement of the representatives of all main categories of external stakeholders, employees, the Company management, the Board of Statutory Auditors and the Board of Directors.

According to the provisions of the CSRD, Saipem has implemented the assessment in line with the principle of "double materiality". This leads to the need to provide information according to two perspectives: 1) the perspective considering the impact of business activities on people and the environment (impact materiality), and 2) the perspective that considers how the sustainability topics affect the company itself and its economic and financial value (financial materiality), according to the following methodology, indicated in the ESRS:

- **the impact perspective** assesses the materiality of the sustainability **aspects** in terms of potential or real impacts on the environment and on people linked to business operations or the value chain, upstream or downstream, considered in the short-, medium- or long-term;
- **the financial perspective** evaluates the materiality of **sustainability** risks or opportunities that have, or could reasonably be expected to have, a material influence on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of equity over the short-, medium- or long-term.



UNDERSTANDING OF THE CONTEXT

The analysis took into account Saipem's activity, the evolution of its business model and strategy, as described in SBM-1, and the operational context (particularly the energy sector) and sustainability (e.g. current and emerging sustainability topics) in order to update the list of ESG topics relating to the Company's business. In identify the impacts, the players involved in the value chain were assessed, taking into account direct (e.g. vendors) and indirect (Subcontractors of partners/JVs) relations.

It led to the identification of a preliminary long list of 50 ESG topics that was useful for identifying any emerging topics from the context and sector and consequently for identifying the functions (21 in total) to be involved in the identification of impacts, risks and opportunities (IRO).
During this phase, the engagement strategy was also defined for key internal and external stakeholders, identified with the support of the functions responsible for engagement in the specific stakeholder category, aiming to have them participate in the online double materiality survey.

CONTEXT ANALYSIS USING A TOOL BASED ON ARTIFICIAL INTELLIGENCE

To take into account IRO (Impacts, Risks and Opportunities) and sustainability topics relevant to the context in which Saipem works, the company integrated its analysis using a tool that, based on artificial intelligence, analyses reporting standards and developments in both mandatory and voluntary regulations, reference sector benchmarks an emerging global topics. Also in 2024, the materiality assessment used artificial intelligence to consider insights from:

- the financial and sustainability reports of 325 companies from similar industries and sectors to Saipem;
- the analyses of 4,440 mandatory initiatives and 2,325 voluntary initiatives;
- more of 4,200 articles.

IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES IN RELATION TO SUSTAINABILITY TOPICS

In cooperation with the relevant functions, an exercise was carried out to identify and assess the IROs associated with the issues under their responsibility. Each function involved in the IRO identification took into account, in relation to the topics under their responsibility, processes and instruments that the Company intrinsically implements in its day-to-day activities (due diligence, whistleblowing mechanisms, audits, risk analyses, etc.). The results of these processes/instruments are inputs considered in the identification and assessment of impacts and risks.

IMPACTS

As regards the impacts, these were classified according to the following parameters:
- **nature**: positive/negative;
- **type**: actual/potential;
- **time horizon**: short-, medium- and long term;
- **impact description**;
- **position along value chain**;

and evaluated using the following parameters:
- **Severity**: taking into consideration **the scale**, i.e. how severe/advantageous the impact is for people and the environment; the scope, i.e., how widespread the impact is, only for negative impacts **the irremediable character**, i.e., the extent to which the negative impact can be remedied.
- **Probability (likelihood)**: the probability that the impact occurs.

These assessments were performed using qualitative scales (from low to high), the combination of the assessments obtained for severity and probability determined a significance score assigned by the function concerned.
Moreover, some impacts were further assessed according to the Saipem Revalue model methodology, which measures the social and environmental impacts of the company's activities in monetary terms. Revalue aims to show how Saipem creates value through its sustainable business practices. Specifically, if the impact corresponds to an impact also quantified using the Revalue methodology available on the Saipem website, sustainability section, this is integrated into the severity assessment.
The impact assessment (by the relevant functions and using the Revalue Model) in this phase assured their initial prioritisation, aiming to select those to subject to further assessment by external stakeholders. All the impacts that received the highest positive and negative scores were selected, considering a broader score interval for negative impacts than positive ones, in order to apply a more conservative approach. Furthermore, it is underlined that the identified positive impacts are not to be considered as compensating the otherwise identified negative impacts. Impacts above the identified relevance thresholds were aggregated where possible.

The impacts were then submitted to the representatives of all the main stakeholder categories for a second prioritisation via the online survey.

RISKS AND OPPORTUNITIES

The **risks and opportunities** were identified in cooperation with the functions responsible for risk management and strategy, as follows.

As regards the **risks**, the activity was performed jointly with the Integrated Risk Management and Compliance function. IRM identified and quantified a list of potential negative financial impacts associated to the 50 previously mapped ESG topics. The evaluation was performed by this function on the basis of the methodology used for the annual risk assessment 2024 and agreed with the Board of Directors, analysing the aggregated risks and considering the various impact metrics provided for in the methodology. The identification and assessment of potential negative financial impacts led to their initial prioritisation: as for the impacts, a first materiality threshold was defined in order to identify the greatest material risks to include in the double materiality survey and to be submitted to the stakeholders for a second prioritisation.

As regards the **opportunities**, along with the Integrated Risk Management and compliance, Strategy and M&A and Planning & Control functions, the opportunities connected to ESG topics in the Saipem's four-year Strategic Plan and relating to projects already included in the Backlog and to be awarded were considered.

The identified opportunities were then included in the double materiality survey submitted to the stakeholders for a second prioritisation.
The **risks and opportunities** were assessed according to the evaluation scales provided for in the Integrated Risk Management process, using the following parameters:

- **Magnitude:** how significant would the financial effect be if the risk or opportunity occurred;
- **Likelihood:** the probability that the risk or opportunity may occur.

The combination of assessments obtained on magnitude and probability determined a significance score assigned by the IRM function.
As occurs for impacts, the identified risks and opportunities were also associated to their position in the value chain and considered in the short-, medium- and long-time horizon.
Each function involved in the IRO assessment process considered, in relation to the topics of their responsibility, the regulatory framework and internal procedures, and the related mitigation actions, which constantly affect Saipem's operating processes, aiming to reduce/mitigate every negative risk/impact (net approach). This choice was also made in consideration of the fact that all the risk and opportunity assessments integrated into the Financial Report are based on the concept of residuality, in line with Saipem's Integrated Risk Management process.
The sustainability function then integrated some IROs considering them prior to the actions implemented by Saipem in order to assure their disclosure.

ENGAGEMENT OF SAIPEM'S INTERNAL AND EXTERNAL STAKEHOLDERS

Using an online questionnaire, Saipem engaged a selection of its internal and external stakeholders, to assess a first selection of impacts deemed to be material by the functions responsible for the identified ESG topics, and to assess any negative financial effects (risks) or positive effects (opportunities) identified by the relevant functions.

The stakeholder categories involved and the materiality perspective they indicated in their participation in the online questionnaire are illustrated below:

Assessment perspective	Type of stakeholder	No. of respondents
Financial materiality	Board of Directors and Board of Statutory Auditors	8
	Senior Manager	337
	Financial community	24
Impact materiality	Clients	7
	Employees	1,624
	Vendors	36
	Union representatives	-
	Local and international organisations	18
	Business Associations	6
TOTAL OF RESPONDENTS		**2,060**

EVALUATION OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES IN RELATION TO SUSTAINABILITY TOPICS

To determine the material IRO (and relevant connected topics), the following sources were taken into consideration:

- context analysis using a tool based on Artificial Intelligence ("AI tool");
- analysis of the Saipem functions identified in the "Understanding of the context" and involved in the "Identification of impacts, risks and opportunities in relation to sustainability topics" ("function");
- consultations targeting internal and external stakeholders ("survey").

It is specified that to define the materiality threshold for analysing the score, various scenarios were taken into consideration to determine a threshold that guaranteed:

- representativeness and completeness of the topics;
- enhancement of the contribution and assessments of the various players (internal functions, internal and external stakeholders, AI tool);
- prioritisation of topics obtaining the highest scores in the assessment;
- selection of a methodology that reflects the above-listed criteria and were uniform in terms of impacts, risks and opportunities.

Here below, we explain the methodology used to:
- impact analysis;
- risk analysis;
- opportunity analysis.

IMPACT ANALYSIS

To determine the material impacts (and related topics) the following steps were taken:
- identification of impacts and association of each one of them to one or more topics in a long list of 50 ESG topics;
- determination of the score of each impact. The score of each impact is determined by the score:
  - that the functions assigned in the "Identification of impacts, risks and opportunities in relation to sustainability topics" (internal component);
  - that the stakeholders assigned through the "survey";
  - that the "AI tool" assigns to the associated topic (external components);
  - all the scores were normalised in order to align them to the same assessment scale;
- allocation of a weight to the internal and external components (in relation to the latter, by assigning a specific weight to both the AI tool and to the various categories of stakeholders involved in the "survey");
- the determination of a first materiality threshold: the association of each ESG topic to a score deriving from the average of points assigned to the corresponding impacts listed above, defining a priority classification. The impacts associated to the first 10 topics with the highest score for the internal component and the first 10 topics with the highest score for the external components were then selected;
- determination of a second materiality threshold, calculating the average score of the single impacts associated to the above-mentioned topics.

To determine which impacts exceeded the material threshold, for impacts associated to more than one topic, the highest score was taken into account.

RISK ANALYSIS

To determine the material risks (and related topics) the following steps were taken:
- identification of risks and association of each one of them to one or more topics in a long list of 50 ESG topics. By virtue of their implications for Saipem's strategic positioning, these are considered, also in relation to the impacts, in the integrated and continuous process of identifying, assessing and managing various types of ESG risks, which could impact Saipem's strategic and managerial objectives. This interactive process prioritises the ESG risks to support the double materiality assessment, the results of which are then subsequently taken into consideration in the risk management activities, ensuring that the assessment of the risks of ESG topics is integrated into the overall risk assessments;
- determination of the value of each risk, established by the score:
  - that the function assigned in the "Identification of impacts, risks and opportunities in relation to sustainability topics" (internal component);
  - that the stakeholders assigned through the "survey";
  - that the "AI tool" assigns to the associated topic (external components);
- all the scores were normalised in order to align them to the same assessment scale;
- allocation of a weight to the internal and external components (in relation to the latter, by assigning a specific weight to both the AI tool and to the various categories of stakeholders involved in the "survey");
- the determination of a first materiality threshold: the association of each ESG topic to a score deriving from the average of points assigned to the corresponding risks listed above, defining a priority classification. The risks associated to the first 10 topics with the highest score for the internal component and the first 10 topics with the highest score for the external components were then selected;
- determination of a second materiality threshold, calculating and considering the average score of the single risks associated to the above-mentioned topics.

To determine which impacts exceeded the material threshold, for risks associated to more than one topic, the highest score was taken into account:
- aggregation of two pairs of potential negative financial impacts covering similar aspects: "Possibility of fluctuation in client demands, award of orders (energy transition/renewables/infrastructure projects, use of

alternative fuels and energy efficiency)" and was integrated into "In terms of energy transition, increase in market competitiveness, inadequate competitive position of Saipem, possibility of fluctuations in Client demands and the award of orders" and "Non conformity of the vendor/subcontractor to contractual requirements" integrated into "Low ESG performance of vendors/subcontractors".

OPPORTUNITY ANALYSIS

To determine the material opportunities (and related topics) the following steps were taken:
- identification of opportunities and association of each one of them to one or more topics in a long list of 50 ESG topics;
- determination of the value of each opportunity, determined by the score:
  - that the function assigned in the "Identification of impacts, risks and opportunities in relation to sustainability topics" (internal component);
  - that the stakeholders assigned through the "survey";
  - that the "AI tool" assigns to the associated topic (external components);
- all the scores were normalised in order to align them to the same assessment scale;
- allocation of a weight to the internal and external components (in relation to the latter, by assigning a specific weight to both the AI tool and to the various categories of stakeholders involved in the "survey");
- determination of a single materiality threshold, calculating and considering the average opportunity scores associated to the above-mentioned topics.

For details on the decision-making process and the internal control procedures relating to the Sustainability Reporting process linked to impacts, risks and opportunities, see the sections "GOV 2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies", and "GOV 5 - Risk management and internal controls on sustainability reporting", in chapter ESRS 2.

As described in chapter E4, downstream of the risk assessment process, no systems risks were identified in relation to the loss of biodiversity, but the potential negative impacts following environmental incidents were examined. Saipem consults internal and external stakeholders to assess the main topics linked to the protection of biodiversity, aiming to obtain a positive impact in the company's operating sites and projects.

For more information on the dual materiality assessment for all material ESRS (E2, E3, E5, S1, S2, S3, G1) refer to each relevant chapter, while for chapters E1 and E4 refer to section "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in both chapters.

Notes on non-materiality:
- ESRS G1-5 - Political influence and lobbying activities: Saipem is registered with the EU transparency register; however, the materiality assessment did not highlight this topic as material by virtue of the related measures and systems in place. For more information on how Saipem interacts with institutions and trade associations, refer to section SBM-2 "Interests and views of stakeholders", particularly paragraph "Institutions and trade associations", in chapter ESRS 2.
- ESRS G1-6 - Payment practices: despite the broad network of commercial and financial relations, payment practices did not emerge as a material topic in the double materiality assessment by virtue of Saipem's type of business, characterised mainly by large businesses in its supply chain. Saipem in fact works mainly with large-sized companies and, consequently, does not deem that payment practices can have a significant impact on small-and-medium-sized enterprises (SMEs).

Notes on non-applicability
- ESRS E2 - Microplastics: Saipem has conducted an analysis to estimate the amount of microplastics generated by its yards and disposed of in 2023. The analysis considered the total waste and those directed to landfills or other treatment facilities, based on the data collected and studies available. It is estimated that in 2023, an irrelevant amount of microplastics was generated in percentage terms compared to the total amount of wastes. It is specified that the methodology used will be verified and updated annually.
- ESRS E2 - Substances of concern and very high concern: the analysis performed to estimate the use of hazardous substances based on waste generated and disposed of in 2023, involved the sites of Saipem and

its subcontractors, thus representing the whole value chain. For each hazardous waste, the chemical composition was identified, verifying if it contained carcinogenic, mutagenic or teratogenic substances. If these substances were present, they were considered hazardous and the percentage by weight in relation to the total weight generated was calculated. The results show that the amount of hazardous substances is irrelevant.

- The ESRS S4 is not considered applicable as Saipem's clients do not correspond to the definition (Individuals who ultimately use or are intended to use a given product or service) given in Attachment II "Acronyms and Glossary of Terms".

IRO-2 - Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

The following table lists the disclosure requirements met by the Statement and where they can be found in the document:

TABLE RELATING TO DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

Disclosure requirements	Disclosure requirements	Statement sections (page No.)
ESRS 2	BP-1	122
ESRS 2	BP-2	125
ESRS 2	GOV-1	127
ESRS 2	GOV-2	131
ESRS 2	GOV-3	134
ESRS 2	GOV-4	136
ESRS 2	GOV-5	137
ESRS 2	SBM-1	140
ESRS 2	SBM-2	148
ESRS 2	SBM-3	153
ESRS 2	IRO-1	163
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ESRS E1	ESRS 2 GOV-3	134
ESRS E1	E1-1	190
ESRS E1	ESRS 2 SBM-3	E1 SBM-3, 192; ESRS 2 SBM-3, 153
ESRS E1	ESRS 2 IRO-1	163
ESRS E1	E1-2	199
ESRS E1	E1-3	200
ESRS E1	E1-4	205
ESRS E1	E1-5	209
ESRS E1	E1-6	210
ESRS E1	E1-7	213
ESRS E1	E1-8	214
ESRS E1	E1-9	Phase-in
ESRS E2	ESRS 2 IRO-1	163
ESRS E2	E2-1	215
ESRS E2	E2-2	216
ESRS E2	E2-3	217
ESRS E2	E2-4	218
ESRS E2	E2-5	Non applicabile

Disclosure requirements	Disclosure requirements	Statement sections (page No.)
ESRS E2	E2-6	Phase-in
ESRS E3	ESRS 2 IRO-1	163
ESRS E3	E3-1	220
ESRS E3	E3-2	220
ESRS E3	E3-3	223
ESRS E3	E3-4	225
ESRS E3	E3-5	Phase-in
ESRS E4	E4-1	226
ESRS E4	ESRS 2 SBM-3	E4 SBM-3, 153; ESRS 2 SBM-3, 227
ESRS E4	ESRS 2 IRO-1	163
ESRS E4	E4-2	229
ESRS E4	E4-3	230
ESRS E4	E4-4	232
ESRS E4	E4-5	233
ESRS E4	E4-6	Phase-in
ESRS E5	ESRS 2 IRO-1	163
ESRS E5	E5-1	236
ESRS E5	E5-2	237
ESRS E5	E5-3	239
ESRS E5	E5-4	240
ESRS E5	E5-5	242
ESRS E5	E5-6	Phase-in
ESRS S1	ESRS 2 SBM-2	148
ESRS S1	ESRS 2 SBM-3	S1 SBM-3, 244; ESRS 2 SBM-3, 153
ESRS S1	S1-1	248
ESRS S1	S1-2	249
ESRS S1	S1-3	250
ESRS S1	S1-4	253
ESRS S1	S1-5	270
ESRS S1	S1-6	274
ESRS S1	S1-7	276
ESRS S1	S1-8	276
ESRS S1	S1-9	277
ESRS S1	S1-10	278
ESRS S1	S1-11	Phase-in
ESRS S1	S1-12	278
ESRS S1	S1-13	279
ESRS S1	S1-14	280
ESRS S1	S1-15	Phase-in
ESRS S1	S1-16	282
ESRS S1	S1-17	284
ESRS S2	ESRS 2 SBM-2	148
ESRS S2	ESRS 2 SBM-3	S2 SBM-3, 286; ESRS 2 SBM-3, 153
ESRS S2	S2-1	288
ESRS S2	S2-2	289
ESRS S2	S2-3	290
ESRS S2	S2-4	290
ESRS S2	S2-5	293
ESRS S3	ESRS 2 SBM-2	148
ESRS S3	ESRS 2 SBM-3	S3 SBM-3, 296; ESRS 2 SBM-3, 153
ESRS S3	S3-1	298
ESRS S3	S3-2	299
ESRS S3	S3-3	300
ESRS S3	S3-4	301
ESRS S3	S3-5	308
ESRS S4	ESRS 2 SBM-2	Non applicabile

Disclosure requirements	Disclosure requirements	Statement sections (page No.)
ESRS S4	ESRS 2 SBM-3	Non applicabile
ESRS S4	S4-1	Non applicabile
ESRS S4	S4-2	Non applicabile
ESRS S4	S4-3	Non applicabile
ESRS S4	S4-4	Non applicabile
ESRS S4	S4-5	Non applicabile
ESRS G1	ESRS 2 GOV-1	G1 GOV-1 310; ESRS 2 GOV-1, 127
ESRS G1	ESRS 2 IRO-1	163
ESRS G1	G1-1	311
ESRS G1	G1-2	315
ESRS G1	G1-3	319
ESRS G1	G1-4	321
ESRS G1	G1-5	Non rilevante
ESRS G1	G1-6	Non rilevante

Disclosure requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation reference [3]	EU Climate Law reference [4]	material yes/no	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21, letter d)	Attachment I, table 1, indicator No. 13		Commission Delegated Regulation (EU) 2020/1816[5], Annex II		Yes	127
ESRS 2 GOV-1 Percentage of Board of Directors' members who are independent, paragraph 21, letter e)			Delegated Regulation (EU) 2020/1816, Annex II		Yes	127
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Attachment I, table 3, indicator No. 10				Yes	136
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40, letter d), point i)	Attachment I, table 1, indicator No. 4	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453[6] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Yes	140
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40, letter d), point ii)	Attachment I, table 2, indicator No. 9		Delegated Regulation (EU) 2020/1816, Annex II		Yes	140
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40, letter d), point iii)	Attachment I, table 1, indicator No. 14		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Yes	140
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818[7], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Yes	140
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Yes	190
ESRS E1-1 Undertakings excluded from Paris-aligned agreement, paragraph 16(g)		Article 449(2) of Regulation (EU) No. 575/2013; Implementing Regulation (EU) 2022/2453 of the Commission, model 1: Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking bookClimate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g)		Yes	190
ESRS E1-4 GHG emission reduction targets, paragraph 34	Attachment I, table 2, indicator No. 4	Article 449(2) of Regulation (EU) No. 575/2013; Implementing Regulation (EU) 2022/2453 of the Commission, model 3: Banking book - Indicators of potential transition risk linked to climate change: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Yes	205

Disclosure requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation [3] reference	EU Climate Law [4] reference	material yes/no	Page
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Attachment I, table 1, indicator No. 5 and attachment I, table 2, indicator No. 5				Yes	209
ESRS E1-5 - Energy consumption and mix, paragraph 37	Attachment I, table 1, indicator No. 5				Yes	209
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Attachment I, table 1, indicator No. 6				Yes	209
ESRS E1-6 - Gross Scopes 1, 2, 3 and total GES emissions, paragraph 44	Attachment I, table 1, indicator No. 1 and 2	Article 449(2) of Regulation (EU) No. 575/2013; Implementing Regulation (EU) 2022/2453 of the Commission, model 1: Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking bookClimate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8 (1)		Yes	210
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Attachment I, table 1, indicator No. 3	Article 449(2) of Regulation (EU) No. 575/2013; Implementing Regulation (EU) 2022/2453 of the Commission, model 3: Banking book - Indicators of potential transition risk linked to climate change: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 (1)		Yes	210
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 (1)	Yes	213
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II and Delegated Regulation (EU) 2020/1816, Annex II		Yes	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449(2) of Regulation (EU) No. 575/2013; points 46 and 47 of Implementing Regulation (EU) 2022/2453 of the Commission, model 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Yes	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets Article 449a Regulation (EU) No 575/2013; by energy-efficiency classes paragraph 67 (c)		Article 449(2) of Regulation (EU) No. 575/2013; point 34 of Implementing Regulation (EU) 2022/2453 of the Commission, model 2: Banking book - Indicators of potential transition risk linked to climate change: loans collateralised by immovable property - Energy efficiency of the collateral			Yes	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II)		Yes	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Attachment I, table 1, indicator No. 8; attachment I, table 2, indicator No. 2; attachment 1, table 2, indicator No. 1; attachment I, table 2, indicator No. 3				Yes	218 The regulation was not applicable to the company, the disclosure was provided with entity-specific metrics
ESRS E3-1 Water and marine resources, paragraph 9	Attachment I, table 2, indicator No. 7				Yes	220
ESRS E3-1 Dedicated policy paragraph 13	Attachment I, table 2, indicator No. 8				Yes	220
ESRS E3-1 Sustainable oceans and seas paragraph 14	Attachment I, table 2, indicator No. 12				Yes	220
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Attachment I, table 2, indicator No. 6.2				Yes	225

Disclosure requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation [3] reference	EU Climate Law [4] reference	material yes/no	Page
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Attachment I, table 2, indicator No. 6.1				Yes	225
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Attachment I, table 1, indicator No. 7				Yes	163
ESRS 2 IRO-1 - E4, paragraph 16, letter b)	Attachment I, table 2, indicator No. 10				Yes	163
ESRS 2 IRO-1 - E4, paragraph 16, letter c)	Attachment I, table 2, indicator No. 14				Yes	163
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Attachment I, table 2, indicator No. 11				Yes	229
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Attachment I, table 2, indicator No. 12				Yes	229
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Attachment I, table 2, indicator No. 15				Yes	229
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Attachment I, table 2, indicator No. 13				Yes	242
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Attachment I, table 1, indicator No. 9				Yes	242
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Attachment I, table 3, indicator No. 13				Yes	244; 153
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Attachment I, table 3, indicator No. 12				Yes	244; 153
ESRS S1-1 Human rights policy commitments paragraph 20	Attachment I, table 3, indicator No. 9 and attachment I, table 1, indicator No. 11				Yes	248
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Yes	248
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Attachment I, table 3, indicator No. 11				Yes	248
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Attachment I, table 3, indicator No. 1				Yes	248
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Attachment I, table 3, indicator No. 5				Yes	250
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Attachment I, table 3, indicator No. 2		Delegated Regulation (EU) 2020/1816, Annex II		Yes	280
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Attachment I, table 3, indicator No. 3				Yes	280
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Attachment I, table 1, indicator No. 12		Delegated Regulation (EU) 2020/1816, Annex II		Yes	282
ESRS S1-16 Excessive CEO pay ratio, paragraph 97(b)	Attachment I, table 3, indicator No. 8				Yes	282
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Attachment I, table 3, indicator No. 7				Yes	284
ESRS S1-17 Nonrespect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Attachment I, table 1, indicator No. 10 and attachment I, table 3, indicator No. 14		Delegated Regulation (EU) 20201816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		Yes	284
ESRS 2- SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Attachment I, table 3, indicator No. 12 and 13				Yes	286; 253
ESRS S2-1 Human rights policy commitments paragraph 17	Attachment I, table 3, indicator No. 9 and attachment I, table 1, indicator No. 11				Yes	288
ESRS S2-1 - Policies related to value chain workers, paragraph 18	Attachment I, table 3, indicator No. 4 and 11				Yes	288
ESRS S2-1 Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Attachment I, table 1, indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		Yes	288
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Yes	288

Disclosure requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation [3] reference	EU Climate Law [4] reference	material yes/no	Page
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Attachment I, table 3, indicator No. 14				Yes	290
ESRS S3-1 Human rights policy commitments paragraph 16	Attachment I, table 3, indicator No. 9 and attachment I, table 1, indicator No. 11				Yes	298
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Attachment I, table 1, indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		Yes	298
ESRS S3-4 Human rights issues and incidents paragraph 36	Attachment I, table 3, indicator No. 14				Yes	301
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Attachment I, table 3, indicator No. 9 and attachment I, table 1, indicator No. 11				No	-
ESRS S4-1 Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	Attachment I, table 1, indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		No	-
ESRS S4-4 Human rights issues and incidents paragraph 35	Attachment I, table 3, indicator No. 14				No	-
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Attachment I, table 3, indicator No. 15				Yes	311
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Attachment I, table 3, indicator No. 6				Yes	311
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Attachment I, table 3, indicator No. 17		Delegated Regulation (EU) 2020/1816, Annex II		Yes	321
ESRS G1-4 Standards of anticorruption and anti- bribery paragraph 24 (b)	Attachment I, table 3, indicator No. 16				Yes	321

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
(2) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171,29.6.2016, p. 1).
(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No. 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
(5) Commission Delegated Regulation (EU) 2020/1816 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
(6) Commission Implementing Regulation (EU) 2022/2453 of November 30, 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p.1.).
(7) Commission Delegated Regulation (EU) 2020/1818 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

ENVIRONMENTAL INFORMATION

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

Sustainable activities according to the EU Taxonomy[2, 3]

The EU Taxonomy (hereinafter also referred to as the "Regulation" or "Taxonomy") is a unified system of classification of environmentally sustainable economic activities, established by the European Union with Regulation 2020/852, in force from July 12, 2020. This system aims to identify environmentally sustainable economic activities, in order to guide the choices of all participants in financial markets by promoting sustainable investments, preventing greenwashing and supporting the objectives of the EU 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 substantially contributes to achieving one or more of the six environmental objectives;
- it does not cause significant harm to any of the other environmental objectives;
- it is performed in compliance with the minimum safeguards.

This disclosure is drafted in compliance with Regulation (EU) 2020/852 and the related applicable delegated acts, in particular:

- Climate Delegated Regulation 2021/2139, which introduces the economic activities and related technical screening criteria for climate change mitigation and adaptation objectives;
- the Regulation 2021/2178 relating to Article 8, also known as the "Delegated Regulation on disclosure";
- Delegated Regulation 2022/1214 as regards economic activities in certain energy sectors, supplementing the Climate Delegated Regulation and Delegated Regulation on Article 8;
- Delegated Regulation 2023/2485 introducing additional technical screening criteria and activities falling under the first two objectives, supplementing the Climate Delegated Regulation;
- Delegated Regulation 2023/2486 introducing the list of economic activities for the remaining four environmental objectives.

Identification of Taxonomy-eligible activities

The EU Taxonomy defines as eligible the economic activities listed in the Climate Delegated Regulation (as amended) and in the Delegated Regulation on the remaining environmental objectives. Saipem has therefore identified within its business those activities performed in line with the indications of the above-referred Delegated Regulations and has determined their eligibility. In 2024, Saipem identified the projects for its clients relating to the classification of economic activities eligible for European Taxonomy, particularly the main projects identified concern the "climate change mitigation" objective (Annex I of the Climate Delegated Regulation) and the "transition to a circular economy" and "pollution prevention and control" objectives (Annexes II and III of the Commission Delegated Regulation 2023/2486). In addition, the engineering and construction projects that Saipem carries out in the natural gas sector and representing around 54% of 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 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").

(2) SASB-KPI IF-EN-410b.1.
(3) SASB KPI IF-EN-410b.3.

Eligible activities as defined in the Regulations are described below.

TABLE 1. ELIGIBLE ECONOMIC ACTIVITIES

Goal	Economic activities according to Taxonomy	Description of Saipem activities
Climate change mitigation (CCM)	1.4 Conservation forestry	Purchase of carbon credits
	3.2 Manufacture of equipment for the production and use of hydrogen	Projects for the manufacture of hydrogen production equipment
	3.6 Manufacture of other low carbon technologies	Carbon capture and other low carbon technologies projects (e.g. Supercups™)
	3.10 Manufacture of hydrogen	Hydrogen production engineering and studies
	3.15 Manufacture of anhydrous ammonia	Design and construction of ammonia and urea production plants
	3.17 Manufacture of plastics in primary form	Plastic recycling projects
	4.1 Electricity generation using solar photovoltaic technology	Photovoltaic plant construction projects
	4.3 Electricity generation from wind power	Offshore wind farm construction projects
	4.6 Electricity generation from geothermal power	Projects relating to the production of electricity from geothermal energy
	4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids	Projects relating to the design and construction of bio-refineries
	4.14 Transmission and distribution networks for renewable and low-carbon gases	Construction projects for pipelines potentially used for hydrogen transportation
	4.26 Pre-commercial phases of advanced energy production technologies starting from nuclear processes with a minimum quantity of waste from the fuel cycle	Agreements for assessing the application of new-generation compact reactors
	5.1 Construction, extension and operation of water collection, treatment and supply systems	Water transportation pipeline construction projects
	5.11 Transport of CO_2	CO_2 transport projects
	5.12 Underground permanent geological storage of CO_2	Projects relating to studies for underground permanent geological CO2 storage
	6.14 Infrastructure for rail transport	Rail infrastructure construction
	7.3 Installation, maintenance and repair of energy efficiency equipment	Investments to increase asset efficiency
	7.6 Installation, maintenance and repair of renewable energy technologies	Installation of equipment for the production of electricity from renewable sources
	8.2 Data-driven solutions for GHG emissions reductions	Use of solutions for the provision of data and analyses to reduce greenhouse gas emissions
	9.1 Close to market research, development and innovation	Research and development focusing on the goal of climate change mitigation
Transition to a circular economy (CE)	3.3 Demolition and wrecking of buildings and other structures	Decommissioning projects
	4.1 Provision of IT/OT (information technology/operational technology) data-driven solutions	Use of underwater drones for infrastructure monitoring and maintenance
	5.3 Preparation for re-use of end-of-life products and product components	Reconversion of assets, including the conversion of the Scarabeo 5
Pollution prevention and control (PPC)	2.4 Remediation of contaminated sites and areas	Spill prevention and control systems

As an engineering and construction company, Saipem plays a key role in supporting its clients also in the design and construction of plants and facilities in line with environmental sustainability requirements. Therefore, in accordance with Recital (37) of the Delegated Regulation 2021/2139 the Saipem engineering and construction projects were identified as eligible for Taxonomy as they are preparatory for the client's activity. This is, for example, the case of "Production of anhydrous ammonia" (activity 3.15), for which Saipem also has a technology that improves the efficiency of urea plants, and with reference to the "Manufacture of biogas and biofuels for use

in transport and of bioliquids" (4.13), as well as for analyses and feasibility studies relating to activities falling within the eligibility classification for Taxonomy.
Furthermore, for the activity 3.15 "Production of anhydrous ammonia", it is specified that all activities relating to projects for the implementation of ammonia and urea production plants were considered eligible, considering ammonia as an intermediate for urea production.
For activity 4.14 "Transmission and distribution networks for renewable and low-carbon gases", according to the activity description, the projects associated to networks that are potentially suitable for the transport of hydrogen in future, even if not currently intended for the transmission and distribution of these or other low-emissions renewable gases, were considered eligible.
For activity 3.6 "Manufacture of other low carbon technologies", projects relating to CO_2 capture technologies applied to other sectors of the economy were included, in order to underline the technological development and application for the purpose of capture. Eligibility was assessed in relation to the activity description, considering CO_2 capture as a technology able to substantially reduce greenhouse gas emissions in other sectors of the economy.
For activity PPC 2.4 "Remediation of contaminated sites and areas", eligibility was assessed with reference to point f) "other specialised pollution-control activities", for projects relating to interventions to control any spills or contaminations.

Analysis of alignment to Taxonomy

An economic activity is considered aligned to the EU Taxonomy if it substantially contributes to at least one of the six environmental objectives, does no significant harm to any of the other five environmental objectives and complies with the minimum safeguards. Following the identification of the eligible economic activities, specific analyses were conducted on the technical screening criteria established by the Delegated Regulations on Climate and the remaining environmental objectives for the main projects relating to each of the identified activities, in order to assess their alignment. This verification was performed by the relevant company and project functions, including the Sustainability, Environment, Engineering functions, etc., and with the direct involvement of the Project Manager/Director and is supported by the collection of specific data and the analysis of the project documentation, with particular reference to the Environmental and Social Impact Assessment (ESIA) and other technical documents.

Substantial contribution to the climate change mitigation objective

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR ACTIVITY 4.1

Requirements relating to the substantial contribution criterion for activity 4.1 require that the activity produces electrical energy using solar and photovoltaic technology. Within the scope of the analysis, Saipem considered projects concerning the construction of photovoltaic plants, which meet the required criteria.

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR ACTIVITY 4.3

In compliance with the requirements of the substantial contribution criterion of the Climate Delegated Regulation, only projects relating to the construction and installation of offshore wind farms were considered.

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR ACTIVITY 4.13

The substantial contribution criterion refers to a specific requirement in the asset operation phase relating to the reduction of greenhouse gas emissions and the type of feedstock used. This information is not directly managed by Saipem, which works only in the construction of the asset. The information concerning the alignment was provided by the client, who included it as aligned in its own CapEx Plan.

ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION FOR ACTIVITY 6.14

Activity 6.14 performed by Saipem meets the substantial contribution criteria as the infrastructure for rail transport consist of: electrified trackside infrastructures and associated sub-systems and infrastructures 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 the compliance with the Do No Significant Harm (DNSH) criteria was carried out 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 any potential non-conformities.

CLIMATE CHANGE ADAPTATION

The DNSH climate change adaptation criterion is the same for activities 4.1, 4.3, 4.13 and 6.14 and requires conformity with Appendix A of Delegated Regulation 2021/2139. For each project in the above-mentioned activities, Saipem identifies the climate risks deemed relevant, as well as the actions to reduce any negative consequences. The risks also linked to climate impacts in the projects are identified, assessed and consolidated using a risk register for each project, including applicable physical climate risks, consistently with the provisions of Appendix A, with a time frame limited to the period of project execution and not extended to the useful life of the asset delivered to the client. For the latter, in its capacity as EPC contractor, Saipem applies the climate-related and other parameters indicated by the client to the design.
The physical climate risk analysis is conducted consistently with the time frame of the implemented projects, which have a short-term overview due to the nature of the projects themselves, from a few months to a few years; therefore, it is deemed that it provides a representation of the material physical risks for projects classified as aligned to Taxonomy and the related mitigation actions, consistently with the DNSH criterion.

SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES

In relation to the objective of sustainable use and protection of water and marine resources, for activity 4.13 and 6.14 a conformity verification with Appendix B of the Climate Delegated Regulation is required. For these projects, the potential impacts of the works on waters and mitigation solutions were identified in the environmental impact studies conducted. This DNSH is not applicable to activity 4.1. For activity 4.3, on the other hand, the criterion refers exclusively to offshore plants, and is therefore applicable to Saipem. This requirement specifies that appropriate measures are adopted to prevent or mitigate the introduction of energy, including noise impacts in the marine environment, without hampering the achievement of a good ecological state. In this regard, the potential impacts are considered in the Environmental Management Plan or other documents, in which acoustic disturbance monitoring actions and related mitigation measures are established. The DNSH criterion relating to the objective of sustainable use and protection of water and marine resources is therefore considered complied with for activities 4.3, 4.13 and 6.14.

TRANSITION TO A CIRCULAR ECONOMY

For activities 4.1 and 4.3, the DNSH criterion relating to transition to a circular economy required a review of the techniques used to foster the circular economy by assessing the availability and use of equipment and components that are long lasting, recyclable and easily dismantled and refurbished. In this regard, Saipem takes into account the materials and equipment used in its projects, where possible assessing circularity-related options for its purchases or the re-use of its equipment in future projects. For 6.14, it was verified that waste linked to construction and demolition was produced in line with the best available techniques and that at least 70% (in weight) of this non-hazardous waste was prepared for re-use, recycling and other types of material recovery. In addition, the alignment of these projects was assessed considering the update introduced by the amendment to Annex I of the Delegated Regulation 2021/2139. The techniques, analyses, procedures and management systems adopted by the Company are deemed to comply with the DNSH requirements for transition to a circular economy for the three above-mentioned economic activities. For activity 4.13 the transition to a circular economy DNSH criterion is not applicable.

POLLUTION PREVENTION AND CONTROL

The DNSH for pollution prevention and control is relevant only to activity 6.14. Ante operam and post operam noise studies are performed for railway infrastructure projects; furthermore, impact mitigation measures are considered during the construction works. The publication of Delegated Regulation 2023/2485 introduced an amendment to the DNSH requirements for activity 6.14. Specifically, compliance with the criteria indicated in Appendix C of the Climate Delegated Regulation is required. However, this integration does not apply to Saipem as it does not include the fabrication of components during the project execution. The pollution prevention and control DNSH requirements are therefore met.

PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

The DNSH criterion for activities 4.1, 4.3, 4.13 and 6.14 refer to Appendix D of Delegated Regulation 2021/2139, which requires the performance of an impact assessment on biodiversity and ecosystems. The eligible projects are subject to Environmental Impact Assessments – sometimes provided by the clients – which describe the related measures for preventing and mitigating negative impacts, particularly in relation to fish stocks, marine mammals and birds. Moreover, no significant impacts on habitats and species in protected areas were identified. Also for those projects located near Nature 2000 sites, the potential effects of construction were considered not to compromise the state of conservation of the sites. As regards activity 4.3, and in the specific case of offshore wind farms, Saipem takes due consideration of the actions which could impact the integrity of the sea bed and biodiversity, formalised in specific environmental management plans. The DNSH criteria for activity 6.14 were integrated into Delegated Regulation 2023/2485 with additional requirements. In particular, in the construction of infrastructures, Saipem does not have significant impacts on Nature 2000 sites and does not compromise the recovery or maintenance of protected species in the areas in which it operates. The requirements of this DNSH are therefore met for all the above-mentioned activities.

Eligible but not aligned activities

The alignment analysis, performed by assessing the applicable criteria, checking the specific data and analysing the project documentation as a whole, was done using an approach based on the materiality of the activity. In cases of minor activities, for which the retrieval of information was difficult and the impacts of which on the construction of the KPI negligible, the alignment to the technical criteria was not analysed.

Minimum safeguards

At Group level, Saipem has examined compliance with the Minimum Safeguards in relation to human rights, taxation, fair competition and corruption, in order to guarantee compliance with Article 3(c) of Regulation 2020/852. The analysis started with a self-assessment, with a review of the corporate documents and procedures to guarantee the alignment of Saipem's operations with the provisions of the OECD Guidelines for multinational companies, updated in 2023, 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 connection between the minimum safeguards laid down in the Taxonomy and the SFDR (Sustainable Financial Disclosure Regulation) principle of "do no significant harm", as underlined in the FAQ published in June 2023. Therefore, the request to consider some additional indicators among the minimum safeguards was introduced:

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

The assessment process, consistently with the concept of due diligence included in the above-mentioned main reference frameworks, includes the updating of risks considering any events (convictions in relation to the above-mentioned topics) and the related preventive checks, where deemed necessary.
For more information on any convictions or litigation, refer to the paragraph "Litigation" in the Note to the Consolidated Financial Statements No. 34 "Guarantees, commitments, risks and contingent liabilities".

Saipem is not involved in the fabrication or sale of controversial weapons. For more details on the remaining indicators, refer to the chapters "GOV-1 - The role of the administrative, management and supervisory bodies" and "S1-16 - Remuneration metrics (pay gap and total remuneration)" in this document.

Human Rights, including workers' rights

Saipem's commitment to these topics and the actions undertaken are described in the chapter "S1 Own workforce" and "S2 Workers in the value chain" in this document.

Taxation

The taxation policy and strategy are described in the paragraph "Tax transparency" of this document.

Anti-corruption

For all information relating to the Saipem Anti-corruption system, refer to section G1, particularly G1-1 - Conduct policies and corporate culture, G1-3 - Prevention and detection of corruption and bribery, and G1-4 - Incidents of corruption or bribery in this document, which include a detailed description of the actions implemented by the company to minimise the risk and prevent and identify corruption phenomena.

Fair competition

Saipem demonstrates its commitment to fostering fair competition in its Code of Ethics, underlining how the Company's business and corporate activities must be performed transparently, honestly and fairly, in good faith and in full compliance with the rules on competition. In addition, Saipem adopts selection policies for its vendors in order to ensure quality, costs and the necessary supply of products and services through a diversified network of commercial partners, preferring competitive selection processes and favouring the rotation of its vendors.

In conclusion, Saipem performs its economic activities in compliance with the Minimum Safeguards, in line with the requirements of Article 3(c) of Regulation 2020/852.

Disclosure on EU Taxonomy and KPI calculation criteria

The tables provided at the end of this chapter include the information concerning the indicators detailed in the models given in Annex V of Delegated Regulation 2023/2486, which amends the Delegated Regulation 2021/2178, as well as the models included in the Delegated Regulation 2022/1214, for economic activities in specific energy sectors such as gas and nuclear. The proportion of eligible economic activities aligned to the Taxonomy in terms of Turnover, CapEx, OpEx is calculated in compliance with the normative requirements and using the accounting criteria specified in Annex I to Delegated Regulation 2021/2178 and Annex V of Delegated Regulation 2023/2486. The main results and notes on the accounting standards are given below.

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2024

Economic activities	Code	Turnover (k€)	Proportion of turnover (%)
Taxonomy-eligible activities		**1,895,484**	**13.03**
Environmentally sustainable activities (Taxonomy-aligned)		**682,304**	**4.69**
Electricity generation using solar photovoltaic technology	CCM 4.1	1,310	0.01
Electricity generation from wind power	CCM 4.3	200,719	1.38
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	34,806	0.24
Infrastructure for rail transport	CCM 6.14	445,469	3.06
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**1,213,180**	**8.34**
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	4,743	0.03
Manufacture of other low carbon technologies	CCM 3.6	12,292	0.09
Manufacture of hydrogen	CCM 3.10	9,893	0.07
Manufacture of anhydrous ammonia	CCM 3.15	430,214	2.96
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	297,138	2.04
Transport of CO_2	CCM 5.11	6,271	0.04
Demolition and wrecking of buildings and other structures	CE 3.3	7,920	0.05
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	26,582	0.18
Preparation for re-use of end-of-life products and product components	CE 5.3	398,885	2.74
Remediation of contaminated sites and areas	PPC 2.4	14,473	0.10
Other (*)		4,769	0.04

(*) Other eligible activities include: CCM 3.17 Manufacture of plastics in primary form; CCM 4.3 Electricity generation from wind power (not aligned); CCM 4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids (not aligned); CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems; CCM 6.14 Infrastructure for rail transport (not aligned).

Compared to 2023, an increase in the percentage of eligible activities was reported in 2024 (from 11.88% to 13.03%), despite the increase in total turnover, due to the increased contribution of projects relating to the construction of ammonia and urea production plants, the construction of pipelines potentially used to transport low-carbon-emissions gases and projects for the conversion of end-of-life products. The percentage of turnover relating to aligned activities has on the other hand decreased (from 6.55% to 4.69%) due to the completion of almost all projects relating to the installation of infrastructures for the production of electricity from wind power, which also affects the CapEx and OpEx KPI trends. In any case, a greater contribution of projects for the construction of infrastructures for railway transport in Italy and the construction of bio-refineries is underlined.

PROPORTION OF CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2024

Economic activities	Code	CapEx (k€)	CapEx proportion (%)
Taxonomy-eligible activities		**57,340**	**7.02**
Environmentally sustainable activities (Taxonomy-aligned)		**39,713**	**4.86**
Electricity generation from wind power	CCM 4.3	39,713	4.86
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**17,627**	**2.16**
Manufacture of anhydrous ammonia	CCM 3.15	1,184	0.14
Transport of CO_2	CCM 5.11	3,100	0.38
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	4,615	0.57
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	77	0.01
Demolition and wrecking of buildings and other structures	CE 3.3	3,903	0.48
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	4,748	0.58

PROPORTION OF OPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2024

Economic activities	Code	OpEx (k€)	OpEx share (%)
Taxonomy-eligible activities		**220,137**	**15.23**
Environmentally sustainable activities (Taxonomy-aligned)		**164,802**	**11.40**
Electricity generation using solar photovoltaic technology	CCM 4.1	51	0.00
Electricity generation from wind power	CCM 4.3	162,436	11.24
Infrastructure for rail transport	CCM 6.14	2,315	0.16
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**55,335**	**3.83**
Conservation forestry	CCM 1.4	660	0.04
Manufacture of other low carbon technologies	CCM 3.6	2,033	0.14
Manufacture of hydrogen	CCM 3.10	237	0.02
Manufacture of anhydrous ammonia	CCM 3.15	10,503	0.72
Manufacture of plastics in primary form	CCM 3.17	388	0.03
Electricity generation from wind power	CCM 4.3	7,818	0.54
Electricity generation from geothermal energy	CCM 4.6	293	0.02
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	415	0.03
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	23,949	1.66
Transport of CO_2	CCM 5.11	1,260	0.09
Close to market research, development and innovation	CCM 9.1	1,231	0.09
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	5,005	0.35
Remediation of contaminated sites and areas	PPC 2.4	1,153	0.08
Other (*)		390	0.02

(*) Other eligible activities include: CCM.4.26 Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle; CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems; CCM 5.12 Underground permanent geological storage of CO_2; CCM 8.2 Data-driven solutions for GHG emissions reductions; CE 3.3 Demolition and wrecking of buildings and other structures; CE 5.3 Preparation for re-use of end-of-life products and product components.

ACCOUNTING POLICY

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

The turnover KPIs were determined as follows:

- **denominator:** core business revenue (reference to the Note to the Consolidated Financial Statements No. 35 "Core business revenue") and
- **numerator:** the revenues of the Taxonomy eligible and/or aligned projects.

The CapEx KPIs were determined as follows:

- **denominator:** the additions to ROU and tangible and intangible assets during 2024 (reference to the Notes to the consolidated financial statements 16 “Property, plant and equipment”, 17 “Intangible assets” and 18 “Right-of-Use assets, lease assets and lease liabilities”) and
- **numerator**: the part of the mentioned additions referred to:
  a) assets or processes associated with Taxonomy eligible and/or aligned economic activities;
  b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ("CapEx plan");
  c) 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 (Net Zero Programme).

Relating to point a), this includes the CapEx fully dedicated to eligible and/or aligned projects and a part of the CapEx referred to assets, estimated in relation to their use in the period of the plan years 2025-2028 for eligible and/or aligned projects.

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:
  a) assets and processes associated to economic activities eligible and/or aligned to Taxonomy, including training needs and other needs for human resources adaptation, as well as direct non-capitalised costs for research and development;
  b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned;
  c) 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 (Net Zero Programme).

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. In particular, for the Onshore E&C Business Line specific maintenance jobs were considered, for the Offshore E&C and Offshore Drilling Business Lines, the costs on the maintenance centres of the assets (vessels and yards) were considered in relation to their utilization on eligible/aligned projects in 2024.

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 (job or cost centre) 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 research and development projects and eligible for 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 aligned activities on turnover relating to eligible activities is 36%, falling from 55% in the previous year, mainly due to the completion of some offshore wind farm installation projects and the greater contribution to the turnover of eligible non-aligned activities (anhydrous ammonia production plants, construction of transmission and distribution networks for renewable and low-carbon gases, preparation of end-of-life products and components for re-use).
Breakdown of CapEx KPI numerator by accounting category.

Accounting category	Percentage share
Additions to property, plant and equipment	90.1
Additions to intangible assets, including:	0
- related to business combinations	0
Additions to capitalised right-of-use assets	9.9

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

Type	Percentage share
a) Related to assets or processes that are associated with Taxonomy-aligned economic activities	91.8
b) Part of a plan to expand Taxonomy-aligned economic activities (CapEx plan)	0
c) related to the purchase of output from Taxonomy-eligible and/or aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions	8.2

The percentage of capital expenditure (CapEx) aligned on the capital expenditures (CapEx) eligible for Taxonomy is 69%.
Type a) CapEx refer to investments in assets operating for eligible/aligned projects.

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

Type	Percentage share
a) Related to assets or processes that are associated with Taxonomy-aligned economic activities	99.5
of which:	
- short-term lease	87.6
- expense for research and development	7.0
- maintenance and repair of assets	4.9
b) Part of a plan to expand Taxonomy-aligned economic activities (CapEx plan)	0
c) 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	0.5

The percentage of operational expenditure (OpEx) aligned on the operational expenditures (OpEx) eligible for the Taxonomy is 75%.

TABLE A - PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2024 DISCLOSURE

Economic activities	Code (1)	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	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover for year N-1	Category of enabling activity	Category of enabling activity
	2024			Criteria for substantial contribution						DNSH ("Do Not Significant Harm") criteria									
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	(%)	E	T
Electricity generation using solar photovoltaic technology	CCM 4.1	1,310	0.01	**Y**	N	N/EL	N/EL	N/EL	N/EL		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	0.06		
Electricity generation from wind power	CCM 4.3	200,719	1.38	**Y**	N	N/EL	N/EL	N/EL	N/EL		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	3.92		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	34,806	0.24	**Y**	N	N/EL	N/EL	N/EL	N/EL		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	0.00		
Infrastructure for rail transport	CCM 6.14	445,469	3.06	**Y**	N	N/EL	N/EL	N/EL	N/EL		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	2.57	E	
A.1 Environmentally sustainable activities (Taxonomy-aligned) (2)		**682,304**	**4.69**	**4.69**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**6.55**		
Of which enabling		445,469	3.06	3.06	0.00	0.00	0.00	0.00	0.00		Y	Y	Y	Y	Y	Y	2.57	E	
Of which for transition		0	0.00	0.00													0.00		T
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										
Manufacture of equipment for the production and use of hydrogen	CCM 3.2, CCA 3.2	4,743	0.03	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Manufacture of other low carbon technologies	CCM 3.6, CCA 3.6	12,292	0.09	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.10		
Manufacture of hydrogen	CCM 3.10, CCA 3.10	9,893	0.07	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.01		
Manufacture of anhydrous ammonia	CCM 3.15, CCA 3.15	430,214	2.96	**EL**	EL	N/EL	N/EL	N/EL	N/EL								2.22		
Manufacture of plastics in primary form	CCM 3.17, CCA 3.17	1,534	0.01	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.02		
Electricity generation from wind power	CCM 4.3, CCA 4.3	2,000	0.02	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.02		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13, CCA 4.13	737	0.01	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.19		
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14, CCA 4.14	297,138	2.04	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.86		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1, CCA 5.1	409	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.01		
Transport of CO_2	CCM 5.11, CCA 5.11	6,271	0.04	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.01		
Infrastructure for rail transport	CCM 6.14, CCA 6.14	88	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.29		
Demolition and wrecking of buildings and other structures	CE 3.3	7,920	0.05	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.04		
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	26,582	0.18	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.15		
Preparation for re-use of end-of-life products and product components	CE 5.3	398,885	2.74	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								1.31		
Remediation of contaminated sites and areas	PPC 2.4	14,473	0.10	N/EL	N/EL	N/EL	**EL**	N/EL	N/EL								0.10		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1,213,180**	**8.34**	**5.26**	**0.00**	**0.00**	**0.10**	**2.98**	**0.00**								**5.33**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**1,895,484**	**13.03**	**9.95**	**0.00**	**0.00**	**0.10**	**2.98**	**0.00**								**11.88**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		**12,653,786**	**86.97**																
Total (A+B)		**14,549,270**	**100.00**																

Code (1)	**Proportion of turnover/Total turnover (%)** Aligned by objective	Eligible by objective
CCM	4.69	9.95
CCA	0.00	9.95
WTR	0.00	0.00
CE	0.00	2.98
PPC	0.00	0.10
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) EL – The activity is eligible for taxonomy and aligned to taxonomy in relation to the relevant environmental objective; N – The activity is eligible for taxonomy, but is not aligned to taxonomy in relation to the relevant environmental objective; N/AM – Not eligible; the activity is not eligible for taxonomy for the relevant objective; AM – Activity eligible for taxonomy for the relevant objective; N/A - Not Applicable.

TABLE B - PROPORTION OF CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - 2024 DISCLOSURE

	2024			Criteria for substantial contribution						DNSH ("Do Not Significant Harm") criteria									
Economic activities	Code [1]	CapEx	Proportion of CapEx year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx for year N-1	Category of enabling activity	Category of enabling activity
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	(%)	E	T
Electricity generation from wind power	CCM 4.3	39,713	4.86	Y	N	N/EL	N/EL	N/EL	N/EL		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	13.51		
CapEx of sustainable activities (Taxonomy-aligned) (A.1) [2]		**39,713**	**4.86**	**4.86**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**13.51**		
Of which enabling		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	0.00	E	
Of which for transition		0	0.00	0.00													0.00		T
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										
Manufacture of anhydrous ammonia	CCM 3.15, CCA 3.15	1,184	0.14	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Electricity generation from wind power	CCM 4.3, CCA 4.3	0	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.32		
Transport of CO_2	CCM 5.11, CCA 5.11	3,100	0.38	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.96		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3, CCA 7.3	4,615	0.57	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.53		
Installation, maintenance and repair of technology for renewable energies	CCM 7.6, CCA 7.6	77	0.01	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.17		
Purchase and ownership of buildings	CCM 7.7, CCA 7.7	0	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								3.92		
Close to market research, development and innovation	CCM 9.1, CCA 9.1	0	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.06		
Demolition and wrecking of buildings and other structures	CE 3.3	3,903	0.48	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.14		
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	4,748	0.58	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.66		
Remediation of contaminated sites and areas	PPC 2.4	0	0.00	N/EL	N/EL	N/EL	**EL**	N/EL	N/EL								0.07		
CapEx of Taxonomy-eligible but not Environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**17,627**	**2.16**	**1.10**	**0.00**	**0.00**	**0.00**	**1.06**	**0.00**								**6.83**		
A. CapEx of Taxonomy-eligible (A.1+A.2)		**57,340**	**7.02**	**5.96**	**0.00**	**0.00**	**0.00**	**1.06**	**0.00**								**20.34**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy **non-eligible activities (B)**		**759,147**	**92.98**																
Total (A+B)		**816,487**	**100.00**																

	Proportion of CapEx/Total CapEx (%)	
Code [1]	**Aligned by objective**	**Eligible by objective**
CCM	4.86	5.96
CCA	0.00	5.96
WTR	0.00	0.00
CE	0.00	1.06
PPC	0.00	0.00
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) EL – The activity is eligible for Taxonomy and aligned to Taxonomy in relation to the relevant environmental objective; N – The activity is eligible for Taxonomy, but is not aligned to Taxonomy in relation to the relevant environmental objective; N/AM – Not eligible; the activity is not eligible for Taxonomy for the relevant objective; AM – Activity eligible for Taxonomy for the relevant objective; N/A - Not Applicable.

TABLE C - SHARE OF OPERATING EXPENSES (OPEX) DERIVING FROM PRODUCTS OR SERVICES ASSOCIATED TO ECONOMIC ACTIVITIES ALIGNED TO TAXONOMY - DISCLOSURE 2024

	2024			Criteria for substantial contribution						DNSH ("Do Not Significant Harm") criteria									
Economic activities	**Code (1)**	**OpEx**	**Proportion of OpEx year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx for year N-1**	**Category of enabling activity**	**Category of enabling activity**
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	(%)	E	T
Electricity generation using solar photovoltaic technology	CCM 4.1	51	0.00	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00		
Electricity generation from wind power	CCM 4.3	162,436	11.24	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	21.25		
Infrastructure for rail transport	CCM 6.14	2,315	0.16	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.07	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) (2)		**164,802**	**11.40**	**11.40**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**21.32**		
Of which enabling		2,315	0.16	0.16	0.00	0.00	0.00	0.00	0.00		Y	Y	Y	Y	Y	Y	0.07	E	
Of which for transition		0	0.00	0.00													0.00		T
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	660	0.04	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.03		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2, CCA 3.2	0	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Manufacture of other low carbon technologies	CCM 3.6, CCA 3.6	2,033	0.14	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.10		
Manufacture of hydrogen	CCM 3.10, CCA 3.10	237	0.02														0.00		
Manufacture of anhydrous ammonia	CCM 3.15, CCA 3.15	10,503	0.72	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.84		
Manufacture of plastics in primary form	CCM 3.17, CCA 3.17	388	0.03	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.03		
Electricity generation from wind power	CCM 4.3, CCA 4.3	7,818	0.54	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.34		
Electricity generation from geothermal power	CCM 4.6, CCA 4.6	293	0.02	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13, CCA 4.13	415	0.03	**EL**	EL	N/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	23,949	1.66	**EL**	EL	N/EL	N/EL	N/EL	N/EL								1.47		
Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle	CCM 4.26, CCA 4.26	132	0.01	**EL**	EL	N/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	2	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Transport of CO_2	CCM 5.11, CCA 5.11	1,260	0.09	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.04		
Underground permanent geological storage of CO_2	CCM 5.12, CCA 5.12	15	0.00	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Data-driven solutions for GHG emissions reductions	CCM 8.2, CCA 8.2	125	0.01	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.00		
Close to market research, development and innovation	CCM 9.1, CCA 9.1	1,231	0.09	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0.10		
Demolition and wrecking of buildings and other structures	CE 3.3	39	0.00	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.00		
Provision of IT/OT (information technology/operational technology) data-driven solutions	CE 4.1	5,005	0.35	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.40		
Preparation for re-use of end-of-life products and product components	CE 5.3	77	0.00	N/EL	N/EL	N/EL	N/EL	**EL**	N/EL								0.43		
Remediation of contaminated sites and areas	PPC 2.4	1,153	0.08	N/EL	N/EL	N/EL	**EL**	N/EL	N/EL								0.01		
OpEx of Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**55,335**	**3.83**	**3.39**	**0.00**	**0.00**	**0.08**	**0.35**	**0.00**								**3.80**		
A. OpEx of Taxonomy-eligible (A.1+A.2)		**220,137**	**15.23**	**14.80**	**0.00**	**0.00**	**0.08**	**0.35**	**0.00**								**25.12**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		**1,225,290**	**84.77**																
Total (A+B)		**1,445,427**	**100.00**																

	Proportion of OpEx/Total OpEx (%)	
Code (1)	**Aligned by objective**	**Eligible by objective**
CCM	11.40	14.80
CCA	0.00	14.80
WTR	0.00	0.00
CE	0.00	0.35
PPC	0.00	0.08
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) EL – The activity is eligible for Taxonomy and aligned to Taxonomy in relation to the relevant environmental objective; N – The activity is eligible for Taxonomy, but is not aligned to Taxonomy in relation to the relevant environmental objective; N/AM – Not eligible; the activity is not eligible for Taxonomy for the relevant objective; AM – Activity eligible for Taxonomy for the relevant 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.	Yes
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 (UE) 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 complex projects, Saipem's activities may also include the construction of power plants to serve the plants covered by the awarded contracts. This activity is included in the overall value of the contract and represents a minority part of the project.
The activity in point 1 relates to operating costs for research and development in the agreement between Saipem and newcleo to study the application of "Small Modular Lead-cooled Fast Reactor" technology (SM-LFR) in order to supply zero-emissions electricity and process heat to offshore oil and gas installations and improve their sustainability performance.

TEMPLATE 2 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Row	Economic activities		Turnover CCM + CCA	Turnover Climate change mitigation (CCM)	Turnover Climate change adaptation (CCA)	CapEx CCM + CCA	CapEx Climate change mitigation (CCM)	CapEx Climate change adaptation (CCA)	OpEx CCM + CCA	OpEx Climate change mitigation (CCM)	OpEx Climate change adaptation (CCA)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	Amount (k €)	0	0	0	0	0	0	0	0	0
		(%)	0.00	0.00	0..00	0.00	0.00	0.00	0.00	0.00	0.00
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	Amount (k €)	682,304	682,304	0	39,713	39,713	0	164,802	164,802	0
		(%)	4.69	4.69	0.00	4.86	4.86	0.00	11.40	11.40	0.00
8	Total applicable KPI	Amount (k €)	14,549,270	14,549,270	0	816,487	816,487	0	1,445,427	1,445,427	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00

TEMPLATE 3 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Row	Economic activities		Turnover CCM + CCA	Turnover Climate change mitigation (CCM)	Turnover Climate change adaptation (CCA)	CapEx CCM + CCA	CapEx Climate change mitigation (CCM)	CapEx Climate change adaptation (CCA)	OpEx CCM + CCA	OpEx Climate change mitigation (CCM)	OpEx Climate change adaptation (CCA)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	Amount (k €)	0	0	0	0	0	0	0	0	0
		(%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	Amount (k €)	682,304	682,304	0	39,713	39,713	0	164,802	164,802	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	Amount (k €)	682,304	682,304	0	39,713	39,713	0	164,802	164,802	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00

TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Row	Economic activities		Turnover CCM + CCA	Turnover Climate change mitigation (CCM)	Turnover Climate change adaptation (CCA)	CapEx CCM + CCA	CapEx Climate change mitigation (CCM)	CapEx Climate change adaptation (CCA)	OpEx CCM + CCA	OpEx Climate change mitigation (CCM)	OpEx Climate change adaptation (CCA)
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Amount (k €)	0	0	0	0	0	0	132	132	0
		(%)	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	Amount (k €)	1,213,180	1,213,180	0	17,627	17,627	0	55,203	55,203	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	99.99	99.99	0.00
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	Amount (k €)	1,213,180	1,213,180	0	17,627	17,627	0	55,335	55,335	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00

TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Row	Economic activities		Turnover CCM + CCA	Turnover Climate change mitigation (CCM)	Turnover Climate change adaptation (CCA)	CapEx CCM + CCA	CapEx Climate change mitigation (CCM)	CapEx Climate change adaptation (CCA)	OpEx CCM + CCA	OpEx Climate change mitigation (CCM)	OpEx Climate change adaptation (CCA)
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Amount (k €)	0	0	0	0	0	0	0	0	0
		(%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	Amount (k €)	12,653,786	12,653,786	0	759,147	759,147	0	1,225,290	1,225,290	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	Amount (k €)	12,653,786	12,653,786	0	759,147	759,147	0	1,225,290	1,225,290	0
		(%)	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00	0.00

ESRS E1 Climate change

E1-1 - Transition plan for climate change mitigation

Saipem’s commitment to climate change mitigation is reflected in two main fields of action[4,5]:

- reducing Saipem's carbon footprint (through Net Zero Programme initiatives): by progressively improving the efficiency of its assets and operations, while simultaneously implementing alternative fuels where feasible, pursuing electrification, and scaling up renewable energy to lower greenhouse gas (GHG) emissions;
- supporting its clients’ decarbonisation: supporting them in reducing their carbon footprint, proposing and facilitating low-impact GHG emissions technologies in the engineering phase and offering tailor-made services such as the “Low impact and compensated emissions project”.

Regarding the first sphere of action, since 2021 Saipem has implemented the Net Zero Programme, through which the Group has made a clear commitment: to develop an evolving decarbonisation roadmap aimed at achieving Net Zero for Scope 1, Scope 2 and Scope 3 emissions by 2050.
This transition is supported by specific short- and medium-term targets:

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

The baseline for Scope 3 reduction targets has not yet been calculated, while defining interim Scope 3 targets is a core action of the 2025-2028 Sustainability Plan.

These targets and the corresponding decarbonisation roadmap cover emissions within the defined and validated 2018 perimeter, when coverage was material. The method used to define this perimeter and quantify the related emissions (see Table “Greenhouse gas emission trends in relation to the baseline (2018)” in section “E1-6 - Gross Scopes 1, 2, 3 and total GHG emissions”) is based on the ISO 14064-3 methodology, validated by a third party. Validation is periodically renewed to consider any changes in the perimeter and methodology[6].

(4) SASB KPI EM-SV-110a.2.
(5) SASB KPI IF-EN-410a.2.
(6) The 2018 value was revalued to take into account changes in the methodology for defining the perimeter with material coverage, to represent the emission data trends within an equal perimeter. The value fell from the original 1,387,063 t of CO_2 eq to 1,309,671 t of CO_2 eq (Scope 1 and 2 Market-Based).

To date, Saipem has not formalised a specific 2030 target for Scope 1 and Scope 2 emissions. However, defining such a target – including an assessment of its alignment with the 1.5 °C climate scenario – constitutes a core action of the 2025-2028 Sustainability Plan. This activity will be supported by ongoing monitoring of evolving international guidelines and sectoral best practices, which will serve as key references to strengthen and further refine the decarbonisation roadmap.
Consequently, the Net Zero Programme constitutes a Transition Plan in development, which will be aligned with the ESRS definition of Transition Plans during the 2025-2028 sustainability planning cycle.

Saipem's Net Zero Programme forms an integral part of the four-year Sustainability Plan, entitled "Our Journey to a Sustainable Business", which is itself embedded within the broader Corporate Strategic Plan. The related emission reduction targets, action plans and roadmaps are developed based on scenarios and assumptions described in sections "E1-3 - Actions and resources in relation to climate change policies" and "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model". These consider technological advancements, regulatory trends, and local market and business contexts. These elements are outlined in the Quadriennial Net Zero Group Plan, developed by a multidisciplinary team chaired by the CEO and a Steering Committee composed of Top Management, ensuring the integration of the programme across the Company's business and involving relevant functions and all business lines. The Plan has a four-year duration and is updated annually. The Net Zero Programme and its contents were validated by an independent third-party (Bureau Veritas) at the end of 2021, for the first time and after that in 2024.

As regards the main decarbonisation levers, in the context of the Net Zero Programme, Saipem is working to offer clients yards and projects with "Reduced Environmental Impact and Compensated Emissions", introducing, in synergy with the clients and based on their requests, technical energy saving, energy efficiency measures and the use of renewables, self-produced or purchased from the grid, in order to reduce emissions, and to compensate residual emissions through the purchase of carbon credits generated outside the value chain. The impact and emission reduction measures outlined in the framework include the use of LED lighting systems, high-efficiency HVAC installations, plant and vehicle electrification, IoT sensor-enabled digitalisation, low-impact machinery deployment.

In addition, Saipem's strategy supporting decarbonisation and the energy transition involves offering technologies, including, for example, the CCUS technology which can be used to significantly reduce CO_2 emissions from various industrial processes, particularly in heavy "hard to abate" industries such as steel and concrete, and allow the production of "Blue Hydrogen", through which low-carbon fertilisers are produced. In the medium- and long-term, the development of technologies and skills, along with the economies of scale and modularisation, will make it possible to produce hydrogen from renewable sources and water electrolysis ("Green Hydrogen"), used both together with and as a replacement for Blue Hydrogen. The commitment towards technological development, already demonstrated with the industrialization 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 experiencing. Diversification in less carbon-intensive business segments (e.g. biorefineries, chemical recycling of plastic, 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. In this context, geothermal energy (including essential raw material recovery) is referenced not only as a continuous renewable source for electricity generation, but also as a zero-carbon heat source for hard-to-abate industrial sectors and residential heating systems.

Furthermore, in supporting its clients' decarbonisation processes, Saipem has identified key projects that qualify as eligible economic activities under the EU Taxonomy classification. The following projects resulted as environmentally sustainable (aligned with the technical screening criteria of the EU Taxonomy): projects related to the construction or operation of power plants for electricity production from wind energy, particularly those concerning the construction and installation of structures for offshore wind farms; projects related to rail transport infrastructure that include electrified trackside infrastructure and associated subsystems; projects

linked to the production of biogas and biofuels for transport; and projects for the construction of photovoltaic plants.
The new energy landscape that will emerge in the coming years as detailed in section "SBM-1 - Strategy, Business Model, and Value Chain", will form a mosaic composed of many competing forces, complex to predict 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.

The 2025-2028 Technology 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, and the results achieved in the previous technology plan. Finally, this represents one of the main drivers for drafting the four-year sustainability plan. Depending on the specific type of projects and investments, the effort is divided between Research & Development (OpEx) and, to a lower extent, Technological Investments (CapEx).

The approval of the Saipem's four-year Technological Plan coincides with the approval of the Strategic Plan, of which the Technological Plan is a part, and with which it is aligned on the main directives. The processes for the approval of the Technological 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 2025-2028 Technology Plan confirms the Saipem's dual strategy which sees its technological investments concentrated on the one hand on maintaining its 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 main objective of the Technological Plan is to progressively move towards the full development the various technological solutions identified in the previous plans for the various sectors, leading to their marketing, for some of these, by the end of the Plan.

The Company has undertaken various actions towards the energy transition with a strategy characterised by 6 main pillars, as detailed in section "E1-3 - Actions and resources in relation to climate change policies".

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

CLIMATE-RELATED SCENARIO ANALYSIS AND RESILIENCE ANALYSIS

Saipem is aware that climate change may have a significant direct and indirect effect on its business operations. The assessments concerning corporate risks, including those linked to climate, apply to the Group's assets and operations, and are an integral part of Saipem's risk governance. The following paragraphs define the time horizons and scope of application of the company risk assessments, as reported in paragraph "Impairment of non-financial assets" in the Annual Financial Report. The areas of uncertainty covered by the analyses described below mainly concern the long-term evolution of the energy scenario (energy mix). In this sense, the company is working to diversify its portfolio in new energy transition markets and to mitigate climate change, through targeted investments, advanced technologies, partnerships and the diversification of services.

The activities aiming to identify and assess climate change risks, to which Saipem's activities are intrinsically exposed, are separate processes depending on the type of identified risk (physical and transition risks) and are described below.

As regards physical risks, reference is made to risks deriving from climate hazards, including in particular: coastal or river floods, cyclones, hurricanes, typhoons, storms and heavy precipitations (rain, hail, snow/ice), heat waves, droughts, fires, also in line with the climate risk classification provided for in Regulation EU 2021/2139.
To assess these risks, the following reflections on the Group's business activities and assets were taken into consideration:

- For projects, the physical climate risk assessment is integrated into the Project Risk Assessment and HSE Risk Assessment processes, in line with the project time horizon, which may vary from a few months to a few years. Within these processes, performed during the initial phases of the project and kept updated throughout, any physical climate risks associated to the project scope of work are also assessed, including storms, typhoons, strong precipitations and floods. During the project performance, the risk assessment is updated to reflect any changes in climatic conditions or in the identified risks. The risk assessment processes involve the company's main project functions.
- An assessment was performed for the main corporate fixed assets, in terms of operations (therefore excluding both vessels, which are mobile, and offices). The yard assessment was then performed through the ThinkHazard![7] platform, which offers a general overview of the hazards for a given location, to be considered in the implementation of projects to promote resilience to disasters and to the climate. The platform screens the probability of various natural hazards affecting an area (very low, low, medium and high), and provides information on how to reduce the impact of these hazards and where to find more information. The risk levels provided are based on data published by a series of private, academic and public organisations. The frequency with which an intensity can be defined in terms of average recurrence interval, or return period, is expressed as "1 in 100 years" or "100-year return period". Alternatively, it can be expressed as the chance of the intensity value being exceeded on an annual basis: for the 100-year return period hazard this probability would be 1% chance of exceedance in any given year (1.0% = 1/100); for the 500-year return period this is 0.2% (0.2% = 1/500). This ratio uses the return period as the reference to frequency. Longer return periods correspond to having a smaller chance that the damaging intensity will be exceeded during the reference period, hence the risk of damage is lower.

Following the above-mentioned assessment, extreme climatic events are identified which could impact the Group's activities or assets, causing, for example, the flooding of production sites or yards, damage to assets, people or the environment (e.g. spills), in addition to interruptions in operations if the weather and sea conditions worsen in offshore operating areas.

In particular, considering the Group's geographical presence and the related operations, the main results highlight how some yards could be exposed to hazards relating to coastal flooding, while for other operational projects the hazards may concern heavy precipitations, cyclones, hurricanes and typhoons.

The detail of the physical risks identified for which Saipem has already implemented or will implement actions to mitigate is given below:

- Material incidents to asset integrity and transport (R11 E1):
  a. Materiality: damage to people, the environment, assets, projects and reputation.
  b. Mitigation: implementation of safety protocols and preventive maintenance of assets. Insurance coverage.
- Effects on workers' health (R8 E1):
  c. Materiality: potential occupational diseases and reputational and market impacts.
  d. Mitigation: health and safety programmes, continuous monitoring and employee training.
- Unavailability of fleets, yards, vessels, vehicles, services or infrastructures (R4 E1):
  e. Materiality: increased operating costs, loss of business opportunities and legal penalties.

(7) ThinkHazard! Documentation: https://gfdrr.github.io/thinkhazardmethods/#about-thinkhazard.

f. Mitigation: continuous improvement of assets and equipment, preventive planning for extreme climatic events, contractual and insurance coverage.

As regards transition risks, these are risks associated to the transition to new energy production and consumption systems, with a view to reducing greenhouse gas emissions and mitigating the effects of climate change.
These risks are associated to the following transition events: (i) technology in terms of insufficient effectiveness in implementing the most efficient technologies applicable with impacts on operating costs in the execution of projects and the potential award of projects linked to the use of new technologies; (ii) political and legal events related to the issue of laws and regulations that must be promptly adapted to and which may lead to an increase in operating costs; (iii) market events, in terms of reduced availability of bank guarantees required for the submission of bids and the execution of projects.

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 evolution on the long-term, starting from the Net Zero scenarios (+1.5 °C) up to those with a high climatic impact (+2.5 °C). In particular, the central reference scenario is based around a temperature increase of approximately 2 °C by the end of the century, in line with a category C3 scenario as identified by the International Panel of Climate Change (IPCC) in its Sixth Assessment Report.

The analysis of scenarios considers the macroeconomic and social trends and demand forecasts 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. Both long-term and medium-and short-term scenarios are analysed in the context of the planning process and are considered amongst the elements for defining the Strategic Plan; these are updated every year, discussed with the Top Management and are covered by dedicated meetings of the Board of Directors, making use of external sources (forecasts from analysts, companies from the sector, intergovernmental organisations and other stakeholders and consultants). 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 analysing the resilience of its business, Saipem has considered the various climatic scenarios, in terms of expected market volumes for the various products in its portfolio.
In particular, the scenario analysis is developed around the following considerations:

- in the central scenario (corresponding to an around 2 °C increase in temperature), the demand for oil is expected to increase, with a peak expected in the next 10 years, in line with a progressive transition to electric mobility and alternative fuels.
- In the 1.6 °C scenario, the intermediate scenario between the one identified by the Net Zero Emissions (NZE, +1.5 °C) and the Announced Pledges Scenario (APS, +1.7 °C) of the International Energy Agency, the growth in electric mobility and biofuels and e-fuels will settle at highly sustained levels, accompanied by an accelerated development of electric infrastructure and clean technologies, in the energy generation field, new energy carriers and plastic recycling.
- In the 2.2 °C scenario, oil demand is expected to be substantially stable also in the long term, caused by a limited rate of replacement of conventional fuels, particularly in non-OECD countries. This scenario was not studied in the resilience assessment as it is deemed to not be decisive in the transition risk assessment, and with a limited probability of occurrence.

In the long-term risk analysis, the Saipem Group intends to play a key role in new energy transition markets as an engineering and construction contractor, as it possesses the differentiating skills and technologies needed to implement the infrastructures required to support the increasing demand for energy, and particularly low-carbon energy.
Specifically, the long-term enabling factors for Saipem are based on the following points:

i) in the offshore wind segment, Saipem has already gained experience in the implementation of offshore fixed-foundation plants with a track record of completed projects and will benefit from the market recovery expected in this segment, as well as new market opportunities expected in the floating wind segment;

ii) it has a series of "ready to market" technologies at its disposal, concerning floating wind farms, carbon capture, biofuels, monitoring of offshore infrastructures and the production of green fertilisers;
iii) it focuses on the extension of its options portfolio for the development of new technologies, such as offshore geothermal plants where Saipem, in partnership with other companies, is studying advanced solutions that will support the adoption of the technology in new contexts.

In the light of the above-described enabling factors, and considering Saipem's role in the energy value chain, it is deemed that Saipem can benefit from growth trends in each of the considered scenarios, thanks to its current portfolio of skills, diversified between conventional sectors (oil&gas) and new, clean technologies, including offshore renewables, CO_2 capture and plastic recycling. It should also be considered that the energy transition will tend to develop along different time frames depending on the geographical areas involved; therefore, Saipem's strong geographical diversification will represent a further element of transition risk mitigation.
These elements can already be found in the current Strategic Plan, where over 30% of expected awards will be in green markets. Added to this parameter are expectations of further awards in the natural gas business, considered to be one of the enabling factors for transition that will support the progressive shift towards sustainable energy sources.
In this regard, it is reported that in 2024 the Group was awarded major low carbon projects representing milestones in the energy transition process (NEP and TANGGUH projects for CO_2 transport and capture and the Livorno Biorefinery project).

In economic terms, the resilience analysis was performed within the impairment test process approved in February 2025 and focused on the potential effects of transition risks linked to climate change in relation to the GCUs (cash generating units) subject to recoverable value assessment. As a further element of the analysis, the sensitivities developed to verify the economic sustainability of its assets in the long term were extended. For more details on the impairment test process and the main results, refer to the specific paragraph in the Annual Financial Report "Impairment of non-financial assets".

The detail of the transition risks identified for which Saipem has already implemented or will implement actions to mitigate is given below:

- Difficulties in obtaining bank guarantees for the Oil&Gas sector (R7 E1):
  a. Materiality: loss of business opportunities.
  b. Mitigation: diversification of funding sources and strengthening of relations with banks.
- Inadequate management and protection of the intellectual property in the application of new technologies relating to energy transition (R3 E1):
  c. Materiality: loss of business opportunities, impact on competitive positioning, risks linked to the protection of new technologies.
  d. Mitigation: implementation of management policies for intellectual property and patent protection.
- Inadequate ESG performance of vendors/subcontractors (R5):
  e. Materiality: operational, reputational and administrative/legal impacts.

RESULTS DOUBLE MATERIALITY ASSESSMENT

Within the double materiality assessment, as described in section "IRO 1 Description of the processes to identify and assess material impacts, risks and opportunities" of ESRS 2 chapter, the identified impacts, risks and opportunities linked to the climate are the following.

E1 Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Climate change risks & management	E1 - Climate change	Climate change adaptation	Improvement of territories' resilience in a climate adaptation perspective through initiatives aimed at communities that may be impacted more by extreme events (I5 E1)	Own operations, Downstream	Actual	Positive	Short-term
Energy Greenhouse gas emissions	E1 - Climate change	Climate change mitigation; Energy	Increased GHG emissions due to fuel and electricity consumption from own operations and along the value chain (I6 E1)	Upstream, Own operations, Downstream	Actual	Negative	Short-term
Greenhouse gas emissions	E1 - Climate change	Climate change mitigation	Reducing carbon footprint through development and delivery of new technology solutions and dissemination of best practices and promotion of energy transition-oriented projects along the value chain (I8 E1)	Upstream, Downstream	Actual	Positive	Short-term
Energy	E1 - Climate change	Energy	Promotion of the use of renewable energy sources to clients (I7 E1)	Downstream	Actual	Positive	Medium-term
Climate change risks & management	E1 - Climate change	Climate change adaptation	Impacts on the environment due to unforeseen damage to assets (vessel, fabrication yard) during business operations (I9 E1)	Own operations, Downstream	Potential	Negative	Short-term

It is specified that these impacts are connected to both strategy and business model, as Saipem, by assigning renewable energy sources a key role in decarbonisation, provides business solutions to clients in the renewable sector as well, with particular focus on offshore wind. Furthermore, Saipem's operational assets may be exposed to unforeseen circumstances that could result in environmental damage, such as unintended atmospheric releases of substances.

Finally the increased GHG emissions mainly due to the consumption of fuel and electricity in own operations and along the value chain. Saipem's operations are, in fact, characterised by the installation of construction sites in remote areas and the use of ships to build infrastructure for its clients, and involves the consumption of fossil fuels for carrying out activities and requires the procurement of raw materials, such as metals, for project execution.

E1 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Alternative fuels Climate change risks & management Energy Greenhouse gas emissions	E1 - Climate change	Climate change adaptation; Climate change mitigation; Energy	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The rapidity and intensity of these regulatory changes could affect business operations (i.e. fall in the demand for certain services), operating costs (i.e. stricter carbon tax policies) and long-term strategies (i.e. greater investments in technological innovation) (R1 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Climate change risks & management	E1 - Climate change	Climate change adaptation; Energy	Major Assets Integrity and Transportation accidents with damage to people, the environment, assets, projects and reputation (R11 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Climate change risks & management Greenhouse gas emissions	E1 - Climate change	Climate change adaptation; Climate change mitigation	Loss of business opportunities due to difficulties in obtaining bank guarantees for the Oil&Gas sector (R7 E1)	Upstream	Medium-term (2-4 years)

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Orizzonte temporale
Climate change risks & management	E1 - Climate change	Climate change adaptation	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk, increased by climate change, could have reputational and market risks for Saipem (i.e. low confidence among stakeholders, including financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions) (R8 E1)	Own operations, Downstream	Short-term (<1 anno)
	E1 - Climate change	Climate change adaptation	Unavailability of fleets, yards, ships, vehicles, services or infrastructures for the execution of "low carbon" and "green" projects connected to energy transition. This risk, accentuated by extreme climatic events, may cause Saipem an increase in operating costs due to the delay and resumption of business operations, loss of business opportunities, legal penalties (i.e. breach of contract) (R4 E1)	Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Energy	E1 - Climate change	Energy	Inadequate management and protection of the intellectual property of the Company or third parties in the application of new technologies relating to energy transitio (R3 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Greenhouse gas emissions	E1 - Climate change	Climate change mitigation	Poor ESG performance of vendors/subcontractors. For Saipem, this risk may mean operating/project impacts (i.e. increased indirect emissions, interruptions in operations), reputational impacts (low confidence among clients, financial stakeholders), legal/regulatory impacts (violation of environmental regulations, liability for environmental damages) (R5 E1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Alternative fuels Energy Greenhouse gas emissions	E1 - Climate change	Climate change mitigation; Energy	In terms of energy transition, increase in market competitiveness, inadequate competitive position of Saipem, possibility of fluctuations in Client demands and order intake (R2 E1)	Downstream	Medium-term (2-4 years)

For certain identified risks, an assessment of potential (financial) impact, based on quantitative data or estimates, has been conducted through internal evaluations focused specifically on risk climate-related component. The table below outlines the main risks analysed and their potential financial effects, expressed in accordance with the Integrated Risk Management system metrics.

Event	Risk	Risk description	Evaluation	Financial impact	Impact magnitude	Mitigation measures
Physical > acute	Accidents in assets and transport	Incidents/significant impacts that may occur to strategic assets and projects due to acute weather events (R11 E1) (R8 E1)	Time horizon: > short-term and medium-term Likelihood: > probable	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 > technology	Project complexity (technical novelty/scope of work)	Risk in the execution of new projects to support the energy transition (R2 E1) (R3 E1)	Time horizon: > short-term and medium-term Likelihood: > moderate	Increased operational costs in project execution, delays in operational projects and erosion of project margins	Relevant	Sharing of best practices and lessons learnt, development of contractual clauses to protect business specificities, training and development of personnel skills.
Transition: > technology	Technology innovation	Loss of business opportunities for energy transition projects related to new technologies (R4 E1)	Time horizon: > short-term and medium-term Likelihood: > probable	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: > of a political and legal nature	Emerging sustainability trends	Impacts on business activities deriving from the evolution of regulatory framework (e.g., EU ETS, CBAM, ecc.) (R1 E1) (R5 E1)	Time horizon: > medium-term Likelihood: > probable	Erosion of project margins due to the increase in operating costs linked to the costs of the supplies or potential fines for non compliance	Negligible	Monitoring of the GHG emissions regulations, Net Zero programme with the implementation of energy efficiency initiatives, periodic maintenance and upgrade of assets to constantly improve environmental performance, engagement of vendors in the emissions reduction strategies.
Transition: > market	ESG financial components and constraints	Loss of business opportunities linked to difficulties in obtaining bank guarantees (R1 E1) (R5 E1)	Time horizon: > short-term Likelihood: > rare	Loss of business opportunities	Significant	The main risk mitigation actions are: > activities to increase the limit of the 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.

E1 Material opportunities

Material topic	ESRS topic	Sub-topic	Description of opportunity type	Value chain (Where the opportunity is generated)	Time horizon
Greenhouse gas emissions Energy Alternative fuels	E1 - Climate change	Climate change mitigation; Energy	Renewables projects (for example, offshore wind), low-carbon-emissions business segments (for example, hydrogen, biofuels, CCUS), sustainable infrastructures (railway infrastructures) (O1 E1)	Upstream, Operazioni dirette, Downstream	Medium-term (2-4 years)

(*) I range di Magnitudo sono 5: Trascurabile, Significativo, Rilevante, Molto rilevante ed Estremo. La probabilità stimata è organizzata in 5 range: Rara, Improbabile, Moderata, Probabile e Più che probabile. L'entità dell'impatto economico-finanziario è stimata considerando l'Time horizon del Piano Strategico.

CLIMATE-RELATED OPPORTUNITIES

The identified opportunity relates to "low-emission products and services". The following table provides a more detailed breakdown of the opportunity by business type or projects, featuring a qualitative assessment, based on quantitative data or estimates, of the potential (financial) impact, expressed in accordance with the metrics of the Integrated Risk Management system.

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 potential new acquisitions related to decarbonisation and circular economy projects in the Strategic Plan horizon	Very relevant	Commercial focus to decarbonisation and circular economy projects. Cooperation with relevant clients and institutions. Innovation and R&D activities on new technologies also through collaborations and partnerships.
Products and services	Increase in revenue in the renewables business segment	Time horizon: > medium-term Likelihood: > very likely	Impact associated with potential new acquisitions related to renewable energy projects in the Strategic Plan horizon	Significant	Specific business line focused on offshore wind. Commercial focus to 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 infrastructures	Time horizon: > medium-term Likelihood: > very likely	Impact associated with 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.

(*) 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.

E1-2 - Policies related to climate change mitigation and adaptation

As stated in the Saipem Group Policy "Our sustainable business" approved by the Board of Directors on October 23, 2024 and published on the website, the Company is committed to: *"supporting our clients in the complexity of the energy transition and towards the decarbonisation of production activities, providing innovative and technologically advanced solutions for renewable energy, improving energy efficiency, decarbonising the energy and manufacturing sectors, and digital transformation, thereby providing a specific contribution to the reduction of greenhouse gas emissions and supporting adaptation to climate change"*[8].
The Policy sets out to tackle the main aspects constituting Saipem's impacts, risks and opportunities. In particular, for the climate change topic, Saipem undertakes to reduce its carbon footprint and achieve the Net Zero objective through a range of strategies, including the use of biofuels and renewables.

(8) SASB KPI EM-SV-160a.2

Saipem states: *"we offer our clients solutions for low-impact projects and work with our supply chain to strengthen their commitment to efficiency and decarbonisation"* and *"develop initiatives to support communities in the areas where we operate to contribute to their fair and just transition and to support the most vulnerable areas in adapting to the consequences of climate change"*.

Furthermore, the policy states that *"We have implemented a due diligence process for the identification, assessment, and monitoring of risks, opportunities, dependencies, and impacts on the environment and society, including human rights, which could be generated by our operations or along our value chain. We are committed to working with our stakeholders to identify and implement mitigation measures where potential risks have been identified"*.

The above-mentioned Policy is available on the Saipem website for consultation by potentially involved stakeholders and stakeholders whose contribution is necessary for the purpose of its implementation.

Responsible for the implementation of the Policy is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level, the realisation of the Sustainability Policy is of competence of respective Managing Directors and Project managers/Project Directors. Specifically, the CEO approves the decarbonisation targets and actions of Saipem's Net Zero Programme. Furthermore, these targets and actions are approved by the Board of Directors.

E1-3 - Actions and resources in relation to climate change policies

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 in the document "Net Zero at a Glance", published in 2024, which can be consulted on the institutional website[9].

Planned actions for the reduction of Scope 1 and 2 emissions

All the described actions aim to reduce Scope 1 and 2 emissions and fall within the climate change mitigation actions, which aim to reduce the increase in GHG emissions caused mainly by the consumption of fuel and electricity in the operations managed by Saipem, which also involve subcontractors working on the sites of Saipem and its partners.

Saipem's reduction of direct emissions is based on initiatives which, over time, can be grouped into three "R" clusters: Retrofit, Renewal and Renewables. The main goal of these phases is to reduce the increase in GHG emissions caused by fuel and electricity consumption in Saipem's assets (such as vessels, rigs and TCFs - Temporary Construction Facilities).

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

Renewal (2030-2040) Phase II: replacing assets with innovative assets that are more energy efficient and with lower GHG emissions.

Renewables/Low Carbon (2040-2050) Phase III: significant recourse to renewables or low-GHG emissions sources to power Saipem's assets and operations; for example, offshore by replacing conventional fuels with biofuels, methanol or ammonia. The possible application of Carbon Capture and Storage technologies to the assets will be monitored.

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

- **use of alternative fuels**: replacing fossil fuels with low GHG-emission options, such as the use of HVO biodiesel;

(9) SASB KP IF-EN-410a.2.

- **electrification**: switching from electricity generation with fossil fuel-powered generators to grid power where possible.

To achieve Scope 2 carbon neutrality by 2025, Saipem has implemented a strategy that follows a hierarchy of actions, in order of priority:
- energy savings mainly through procedural and behavioural measures;
- energy efficiency;
- use of renewables purchased from the grid or self-produced;
- compensation of residual emissions through the purchase of carbon credits from compensation projects beyond the value chain, to apply on completion, having considered all the above measures.

This strategy translates into concrete practical actions implemented by Saipem, including: environmental awareness raising campaigns to incentivise the sustainable use of resources, including energy; energy efficiency interventions including the improvement of lighting, heating and cooling systems, or relocation to better energy-performing assets; installation of solar panels and the procurement of renewables from the grid where possible, also through the purchase of Guarantees of Origin.

In order to contain energy consumption, which is constantly monitored, energy assessments are performed and/or updated on the Group's main assets in order to identify any potential specific actions to be implemented. In particular, today Saipem has implemented several climate change mitigation actions. The main contributions derive from the use of biofuel in the fabrication yards, incentives for the implementation of managerial measures to reduce consumption (such as the Saipem Eco Operations) and technical interventions to increase energy production efficiency on board the vessels. With particular reference to 2024, site electrification actions were implemented in Angola, the Saipem Eco Operations campaign was extended to several offshore rigs, improvements were made to the energy production system on board the Saipem Constellation and renewables were purchased from the grid.

The following table shows avoided GHG emissions achieved by implementing the described climate change mitigation actions:

Year	GHG emissions avoided*
2024	69.8 kt of CO_2 eq
2023	47.0 kt of CO_2 eq
2022	38.2 kt of CO_2 eq
2021	37.0 kt of CO_2 eq
2020	27.0 kt of CO_2 eq

(*) Avoided GHG emissions are calculated using ad hoc methodologies tailored to each initiative type, some of which rely on estimated data. Examples of applied methodologies include: calculations performed by independent third parties during energy assessments, as in the case of the cutting-edge Santorini vessel, which guarantees superior energy performance in terms of fuel consumption; monitoring of energy performance KPIs for fleet vessels, based on the comparison of daily fuel consumption during operations against a baseline, according to operating conditions; calculations based on the technical specifications of the most efficient installed equipment and data collected from sites, compared to a reference baseline in relation to actual consumption, such as for the installation of LED lighting or more efficient air conditioning systems in onshore facilities; recording of actual consumption to quantify the use of biofuels and purchased renewable electricity, and thus the corresponding reduction in fossil fuel consumption

Among the contributions to achieving avoided GHG emissions in 2024:

(MWh)	2024
Energy savings through consumption management initiatives	190,364
Of which electricity savings through consumption management initiatives	32,317
Of which fuel savings through consumption management initiatives	158,047

It is specified that the unit of measurement refers to MWh of primary energy and not electric MWh. It is calculated by applying the following conversion factor: 1 toe = 11.63 MWh, as given by the International Energy Agency.

Integrating the information given in the above table, relating to energy savings, the share of renewables must be added to the contribution of GHG emissions avoided.
As reported in section "GOV-3 - Integration of sustainability-related performance in incentive schemes", GHG emissions avoided are an integral part of the Top Management's Variable Incentive Plan.

In addition to the emission reduction measures of Scope 1 and 2, Saipem adopts an offsetting strategy based on the concept of Beyond Value Chain Mitigation, which aims to purchase carbon credits from external projects to reduce global emissions beyond the value chain. In 2023 and 2024, attention focused on REDD+ (Reducing Emissions from Deforestation and Forest Degradation) initiatives aiming to protect the forests. Saipem's offsetting strategy is described in section "E1-7 - GHG removals and GHG mitigation project financed through carbon credits".

The economic resources associated to the reduction of Scope 1 and 2 emissions, specifically referred to the assets and operations of the Saipem Group, which support the targets, are estimated and monitored in the Group GHG Reduction Plan. In particular, the Plan monitors only the resources linked to the actions defined for the specific purpose of assuring a reduction in GHG emissions in the Group's assets and operations; on the other hand, it excludes resources relating to broader initiatives, such as the renewal of assets.
The resources monitored in the GHG Reduction Plan, aiming to meet the reduction targets described at the beginning of the chapter, are estimated and monitored as CapEx and OpEx within specific corporate instruments and are organised by business line and asset.

In particular, the CapEx and OpEx relating to the four-year period of the 2025-2028 Strategic Plan are defined in the GHG Reduction Plans provided for in the Net Zero Programme, in line with the targets set in the corporate Strategic Plan. Furthermore, the economic resources linked to the targets specified in the Top Management's Variable Incentive Plan – annual or three-year, concerning emissions avoided and compensated – are estimated and closely monitored.

In the time horizon beyond the four-year 2025-2028 Corporate Strategic Plan, the GHG Reduction Plans in the Net Zero Programme offer an indicative estimation of the economic resources associated to the related long-term emissions reduction initiatives. These estimates are made using in-house methodologies that consider a range of factors, including the availability and costs of alternative fuels on the market (estimated using sources such as the 2023 and 2024 publications of the "DNV Maritime Forecast to 2050 Report"), the technological progresses that will be available and Saipem's possible long-term strategies. In particular, various simulations are performed on potential emission reductions roadmaps:

- a first case that takes into consideration more "favourable" international scenarios in terms of high availability of biofuels and technological resources. In addition to this, Saipem reasonably applies the best technologies available to decarbonise its assets and operations (e.g. LEDs, hybrid systems, heat recovery systems, etc.);
- a second case that, on the other hand, is aligned to more "unfavourable" international scenarios in terms of low availability (and therefore increased costs) of biofuels and technological resources. In this simulation, Saipem does not plan to implement further technologies in addition to the first simulation;
- a third case, in the most "unfavourable" external scenario, in which Saipem would pursue the greater use of biofuels, facilitating the achievement of its targets;
- a fourth case, also in line with the most "unfavourable" external scenario, in which Saipem would increase, as far as possible, investments in the implementation of the best technological solutions available and low/zero emissions fuels other than biofuels.

All the elements of the Net Zero Programme described above are an integral part of the Sustainability Plan approved by the Board of Directors. This decarbonisation roadmap is reviewed annually on the basis of the results achieved, strategic corporate developments and changes in the market developments and technological context.

As explained above, the economic resources identified refer specifically to measures that have a direct impact in terms of emission reductions, thus excluding costs relating to broader initiatives such as the renewal of assets. With this in mind, the Capex and OpEx identified to reduce the Group's Scope 1 and 2 emissions are:

- €7.9 million in 2024 (included under Investments shown in Note 16 "Property, plant and equipment" and Note 17 "Intangible assets" to the Consolidated Financial Statements);
- approximately €70 million in total for the four-year period 2025-2028.

The CapEx and OpEx estimates are expressed in real terms with reference to euro 2024.

These resources are added to those linked to other technological modernisation initiatives implemented to improve operational efficiency, which also indirectly contribute to the overall emission reductions. Therefore, these resources are not monitored in the Group GHG Reduction Plan.

It should be considered that in quantifying these CapEx and OpEx, the economic benefits relating to fuel savings, avoided Carbon Tax, as well as a premium that the market may offer for projects performed with Net Zero emissions, are not taken into account.

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. These actions aim to mitigate GHG emissions throughout Saipem's value chain. The ultimate objective is the reduction, in the context of the Net Zero Programme, of relevant Scope 3 categories, such as mobility and direct Supply Chain.

As concerns the Supply Chain, a specific process has been identified, aiming to strengthen:

- the monitoring of ESG performance in the supply chain; to this end, Saipem has adopted the Open-es platform;
- the execution of market surveys on different types of assets (equipment/machinery) in order to identify sustainability requirements that affect energy consumption and, consequently, Scope 1 and 2;
- the monitoring of Scope 3 emissions related to the supply chain (in terms of perimeter and granularity) using the Carbon Tracker platform, in order to define reduction targets.

Saipem performed engagement activities in 2024 for over 300 vendors identified among those from the categories with the highest Scope 3 emissions impacts, specifically the purchase of metals. The engagement strategy is based on prioritising vendors according to their Scope 3 criticalities (high, medium, low).
For highly critical vendors, one-to-one meetings were organised to agree the details of mutual sustainability ambitions, the methodology used to account for emissions, and technical support to explain to them how to compile the Carbon Tracker questionnaire in detail.

Resources are allocated annually to monitor the ESG performance of the supply chain and the related emissions through the specific platforms.

With reference to services for clients, Saipem has developed and offered a "low-environmental impact and compensated emissions" site and project format, introducing, in synergy with its clients, and on the basis of client requests, ad hoc efficiency and emission reduction measures, including electrification and the use of renewables and compensating residual emissions through the purchase of carbon credits from offsetting projects.

Furthermore, with reference to the decarbonisation activities supporting clients, refer to section "E1-1 - Transition plan for climate change mitigation".

Saipem is firmly committed to developing advanced technologies for the production of low-carbon fuels and the conversion of biomasses into sustainable fuels. The cooperation with Versalis for the PROESA® technology, used for the sustainable production of bio-ethanol and chemical derivatives from lignocellulosic biomass, is a significant example of this commitment. Saipem is working on projects for the production of synthetic fuels, including synthetic methane and bio-methane, using green hydrogen and carbon dioxide captured from exhaust gases, thus contributing to the decarbonisation of transport and industrial sectors. The ability to compete in new energy transition markets requires a suitable competitive positioning, obtained through some key factors: (i) establishing new commercial relations with companies working in renewables and clean technologies; (ii) possessing the ability to manage new projects and clients, with different features from the traditional ones; (iii) obtaining a specific track record in the new markets; and (iv) developing a targeted technological portfolio. If the company is not able to suitably update its technologies and assets to align the range of services to market demands, it may be forced to modify or reduce its strategic objectives, with negative effects on its activities, prospects, assets and economic and financial situation.

In this context, within the Technological Plan, described in section E1-1 "Transition plan for climate change mitigation", various energy transition actions are pursued by the Company with a strategy based on 6 main pillars:

1. Decarbonisation of "hard-to-abate" industries/CO_2 management: Saipem aims to still produce energy/products using fossil fuels, but significantly reducing the related climate-altering emissions. This applies not only to the Oil&Gas industry, but also to energy-intensive industries (steelworks and cement works).
2. Offshore Renewables: first and foremost, wind power, as well as floating solar power, are particularly relevant to Saipem.
3. Geothermal energy (including the recovery of Critical Raw Materials): this is not only a continuous renewable source for producing electricity but also a heat source from the "zero-carbon" process for "hard-to-abate" industry and domestic heating.
4. Offshore Nuclear: an energy source that can effectively support the growing energy demands and ensure the diversification and safety of the related procurement.
5. Hydrogen: can act as a low-carbon chemical intermediate and, as an energy carrier (including the derivatives ammonia and methanol), could progressively replace natural gas, especially in applications that are harder to electrify.
6. "Low Carbon" emissions fuels: biofuels, synthetic liquid and gaseous hydrocarbons (biogas, synthetic methane, biomethane).

Alongside these efforts, two other areas are closely scrutinised to achieve significant Sustainability objectives that also affect the topic of climate change:

- Circular Economy: embracing new models aiming to create value for the environment, improving resource management, eliminating waste through more efficient design and maximising the circulation of products (first and foremost plastics).
- Water Management: this resource is precious and critical and specific efforts have been launched in this sense.

Saipem filed 22 new patent applications in 2024, 11 of which for new dercarbonisation technologies. In total, Saipem has a portfolio of 2,639 patents and new patent applications.

Overall €33 million were spent on R&D and technological applications (CapEx and OpEx) in 2024 (included under the Investments item reported in Note 16 "Property, plant and equipment" and Note 17 "Intangible assets" of the Consolidated Financial Statements, and in the "Adjusted operating result and costs by function" table within the "Financial and economic results, Economic results" chapter of the Directors' Report), of which €15 million for eligible activities according to the European Taxonomy classification.
The four-year Technological Plan has a total value of €187 million, of which around €70 million for activities relating to eligible activities according to the European Taxonomy.

For more details on the quantification of the company's investments supporting the implementation of its transition plan, referring to the fundamental performance indicators of capital expenditure (CapEx) and operating expenditures (OpEx) aligned to the Taxonomy, refer to the paragraph "Disclosure pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)".

Saipem actively supports the absorption of GHG from the atmosphere through the development of CO_2 Capture and Storage (CCS) projects throughout the value chain. A brief description of the CCS projects developed for Saipem's clients, is given below, reporting also the annual capacities of the clients' plants:

- Herambiente, Ferrara (CCS CapturEste project): this project consists in the application of the Saipem Bluenzyme Carbon Capture solution to remove the whole fossil component from the CO_2 emissions produced by Ferrara WtE. The plant is expected to capture around 64,000 TPY starting from 2028.

- Stockholm Exergi, Stockholm (BECCS project): the project includes a large-scale CO_2 capture plant installed at the Värtaverket bio-cogeneration plant of Stockholm Exergi. The plant is expected to capture 800,000 TPY of biogenic carbon dioxide starting from 2029, leading "negative CO_2 emissions".

The actions relating to risks linked to changes in the ESG scenario, the unavailability of assets for "low carbon" and "green" projects, and the management of intellectual property are described in section SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model". The measures for managing the environmental impacts deriving from unexpected damage to assets are described in chapter "E2-4 - Pollution of air, water and soil".

In 2024, to improve territories and enhance local community resilience for extreme weather events, Saipem contributed to the purchase of a high-capacity innovative pump for the activities of the Fire Brigade of the City and Province of Ravenna to combat future extreme weather scenarios, participating in a fundraising initiative organised by Assorisorse and Ravenna Municipal Council to the pump purchase. For further information on Saipem's initiatives for local communities, refer to chapter "S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions".

E1-4 - Targets related to climate change mitigation and adaptation

As described in section "SBM 1 – Strategy, business model and value chain" of chapter ESRS 2, the four-year "Our Journey to a Sustainable Business" plan was designed to implement an integrated strategy combining business and financial objectives with ESG factors. This plan translates the Company's undertakings outlined in the Sustainability Policy into measurable qualitative and quantitative objectives, aiming to create short- and long-term value for all stakeholders. The annual updating of the Sustainability Plan is based on the results of the double materiality assessment (in the section "IRO 1 - Description of the processes to identify and assess material impacts, risks and opportunities of ESRS 2 chapter" of chapter ESRS 2, as well as the evolution of the international context and the inputs from stakeholders, including clients and the financial community. The Plan's objectives are aligned with the Group's corporate strategies and policies. The sustainability planning process allows Saipem to monitor the effectiveness of the policies and actions undertaken every six months[10].

The climate change mitigation qualitative and quantitative objectives in the 2024-2027 Sustainability Plan are depicted below to describe their level of achievement:

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Reduction of Scope 1 and 2 emissions	2035	50% vs. baseline (2018)	Reduction achieved: 25% vs baseline[11] (50% target achievement progress)	■ (green)	Confirmed
GHG emissions avoided due to energy management initiatives in the year **[Incentive scheme]**	2024	47 kt of CO_2 eq	69.8 kt of CO_2 eq	■ (green)	Confirmed
GHG emissions avoided due to energy management initiatives in 3 years **[Incentive scheme]**	2023-2025	138 kt of CO_2 eq	Emissions avoided 23-24 116.8 kt of CO_2 eq (approx. 85% of target)	■ (green)	Confirmed
GHG emissions offset due to Saipem's offsetting strategy in 3 years **[Incentive scheme]**	2023-2025	250 kt of CO_2 eq	200 kt of CO_2 eq compensated in 2 years (target 80%)	■ (green)	Confirmed
Scope 2 carbon neutrality by 2025	2025	Scope 2 carbon neutrality	Scope 2 emissions reduction: 58% vs. 2018 baseline[11]	■ (green)	Confirmed

■ (green) Target/action reached or, for 2025 or later years objectives, in progress and according to plan.
■ (orange) Target/action partially reached or still in progress.
■ (red) Target/action not reached or postponed.

(10) SASB KP EM-SV-160a.2.
(11) The 2018 value was revalued to take into account changes in the methodology for defining the perimeter with material coverage, to represent the emission data trends within an equal perimeter. The value fell from the original 1,387,063 t of CO_2 eq to 1,309,671 t of CO_2 eq (Scope 1 and 2 Market-Based).

Actions in the 2024-2027 Plan	Target year	Ambition level	2024 Result	Status	2025-2028 Plan
Renewal of third-party certification for Net Zero programme	2024	Certification renewal	Certification renewed	■	
Scope 3 emissions - Mobility: continue participation in the SAF programme	2024-2027	Maintain participation in the SAF programme	Contracts signed with KLM/Air France, SAS and ITA	■	Confirmed
Define work processes, roles and responsibilities within Saipem to ensure compliance with CBAM (Carbon Border Adjustment Mechanism) regulations	2024-2025	Issue a procedure	Actions, roles and responsibilities identified, including customs tracking/invoicing arrangements	■	Confirmed
Issue of corporate criteria/guidelines for the selection of offsetting projects to invest in	2024-2025	Issue guidelines	Guidelines prepared, approved by the CEO and validated by independent third party	■	
Mapping of client emissions	2024	Development of a methodology for estimating "sold product" emissions and Scope 3 (client) GHG emissions	In-house methodology developed	■	Confirmed
Organise 2 low impact events with emission offsetting in Milan and Fano, Italy	2024	2 low carbon events	2 Open Days events organised in Milan and Fano (9 tonnes CO_2 compensated)	■	
Expand the number of suppliers registered on Carbon Tracker and strengthen the information and data available on the platform	2026	800 vendors involved	907 vendors involved	■	New target
Execution of ad hoc market surveys for identifying "green procurement" requirements	2024	2 market surveys	2 surveys carried out	■	New target

■ Target/action reached or, for 2025 or later years objectives, in progress and according to plan.
■ Target/action partially reached or still in progress.
■ Target/action not reached or postponed.

Also in 2024, the "Emissions avoided through energy management initiatives" objective was included in the Variable Incentive Plan as both a short (annual) and long (three-year) term incentive target. Furthermore, the emissions compensated through the offsetting strategy were included as a long-term climate target: more information is available in section "E1-7 - GHG removals and GHG mitigation projects financed through carbon credits".

The goals still underway, also found in the previous versions of the Sustainability Plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives of the 2025-2028 Sustainability Plan

Objectives	Target	Target year	Value chain	Material topic	IROs
Reduction of Scope 1 and 2 emissions	50% reduction in Scope 1 and 2 GHG emissions compared to the baseline (2018 emissions)[12]	2035	Own operations	Climate Change Risks & Management Energy Greenhouse Gas Emissions	I5 E1, I6 E1, I7 E1, I8 E1, I9 E1, R1 E1, R2 E1, R3 E1, R4 E1, R5 E1, R7 E1, R8 E1, R11 E1, O1 E1
GHG emissions avoided due to energy management initiatives in the year	69.8 kt of CO_2 eq as GHG emissions avoided	2025	Own operations	Climate Change Risks & Management Energy Greenhouse Gas Emissions	I5 E1, I9 E1, R1 E1, R4 E1, R7 E1, R8 E1, R11 E1, O1 E1
GHG emissions avoided due to energy management initiatives in 3 years	138 kt of CO_2 eq of GHG emissions avoided in three years (2023-2025)	2025	Own operations	Climate Change Risks & Management Energy Greenhouse Gas Emissions	I5 E1, I9 E1, R1 E1, R4 E1, R7 E1, R8 E1, R11 E1
GHG emissions offset due to Saipem's offsetting strategy in 3 years	250 kt di CO_2 eq of compensated emissions in 3 years (2023-2025)	2025	Own operations	Climate Change Risks & Management	I5 E1, I6 E1, I7 E1, I9 E1, R1 E1, R2 E1, R4 E1, R5 E1, R7 E1, R8 E1, R11 E1, O1 E1
Scope 2 carbon neutrality by 2025	Scope 2 carbon neutrality[12]	2025	Own operations	Climate Change Risks & Management Energy Greenhouse Gas Emissions	I5 E1, I6 E1, I7 E1, I9 E1, R1 E1, R2 E1, R4 E1, R5 E1, R7 E1, R8 E1, R11 E1, O1 E1
Expand the number of suppliers registered on Carbon Tracker and strengthen the information and data available on the platform	+100 critical vendors involved 10 one-to-one meeting	2025	Own operations Upstream Downstream	Climate Change Risks & Management Greenhouse Gas Emissions	I5 E1, I9 E1, I6 E1, I8 E1, R1 E1, R2 E1, R5 E1, R4 E1, R7 E1, R8 E1, R11 E1, O1 E1

Today, Saipem has not formalised a specific target for 2030 for Scope 1 and Scope 2 emissions, but the definition of a target for this type of emissions is a core action of the Sustainability Plan 2025-2028. The target to reduce Scope 1 and 2 emissions by 2035, expressed as a percentage, is calculated in relation to an absolute emissions baseline (tonnes of CO_2 eq) and does not include absorptions/carbon credits/emissions avoided. The baseline for the target of reducing Scope 3 emissions has not yet been calculated but the definition of intermediate Scope 3 objectives is a core action of the Sustainability Plan 2025-2028. The objective for carbon neutrality for Scope 2 emissions by 2025 includes, following the reduction in emissions, the compensation of residual emissions and the purchase of carbon credits.

The emission reductions objectives refer to the emissions in the table "Greenhouse gas emissions trends compared to the baseline (2018)" in section "E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions". In particular, the target includes 100% of Scope 1 and 2 emissions for 2018, corresponding to 1,309.7 kt CO_2 eq and composed 97% of Scope 1 emissions and 3% of Scope 2 Market-based emissions.

As regards the perimeter, this was defined and validated in 2018 when the coverage was material. The method used to define the perimeter and quantify emissions is based on the ISO 14064-1 methodology, validated by

(12) The 2018 value was revalued to take into account changes in the methodology for defining the perimeter with material coverage, to represent the emission data trends within an equal perimeter. The value fell from the original 1,387,063 t of CO_2 eq to 1,309,671 t of CO_2 eq (Scope 1 and 2 Market-Based).

a third party. This validation is periodically renewed to consider any changes in the perimeter and methodology[13].

The target was developed using in-house methodologies, which take into account international scenarios of alternative fuel availability, as described in section E1-3 Actions and resources in relation to climate change policies", and today does not derive from sector decarbonisation processes. The target achievement progress and future scenarios are assessed annually in the GHG Reduction Plan, validated by a third party in 2024, taking into consideration the potential future business volumes and emission reductions initiatives, divided into:
- energy saving initiatives, therefore low/zero cost initiatives related to good energy management practices;
- energy efficiency initiatives, related to technological improvements;
- initiatives using renewables or in any case low-carbon energy, also including alternative fuels used in offshore fields.

The quantitative detail of these initiatives is represented in the table below.

Scope 1 and 2 Market-based GHG emissions reduction targets

(kt CO_2 eq)	2018	2035 goals
GHG Emissions	1,309.7	654.8
Energy efficiency	-	127.3
Energy saving	-	22.8
Use of renewables	-	206.4
Variations in business	-	298.3
Other	-	

The reduction targets and related decarbonisation levers refer to the perimeter identified in the Net Zero Programme defined in section E1-1 "Transition plan for climate change mitigation".

As described in section E1-3 "Actions and resources in relation to climate change policies", the roadmaps and related GHG savings are estimated using an in-house methodology that considers a range of factors, including the availability and costs of alternative fuels on the market, technological progress that will be made available and Saipem's potential long-term strategies. As explained above, various simulations of potential emission reductions roadmaps are made; the savings represented in the above table refer to the third simulation described in section E1-3 "Actions and resources in relation to climate change policies", i.e. an "unfavourable" international scenario in terms of low availability (and therefore higher costs) of biofuels and technological resources but in which Saipem would pursue the greater use of biofuels, through commercial agreements that can facilitate the application of assets and operations in order to achieve their objectives.

(13) The 2018 value was revalued to take into account changes in the methodology for defining the perimeter with material coverage, to represent the emission data trends within an equal perimeter. The value fell from the original 1,387,063 t of CO_2 eq to 1,309,671 t of CO_2 eq (Scope 1 and 2 Market-Based).

E1-5 - Energy consumption and mix[14]

		2024 Group Total CSRD
Energy consumption and mix		
Fuel consumption from crude oil and petroleum products	(MWh)	3,662,010.9
Fuel consumption from natural gas	(MWh)	160,413.4
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	(MWh)	77,338.6
Total energy consumption from fossil sources	(MWh)	3,899,763.0
Share of fossil sources in total energy consumption	(%)	97
Consumption of fuels for renewable sources, including biomass	(MWh)	60,758.6
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	(MWh)	60,963.6
The consumption of self-generated non-fuel renewable energy	(MWh)	1,465.9
Total energy consumption from renewable sources	(MWh)	123,188.2
Share of renewable sources in total energy consumption	(%)	3
Total energy consumption	(MWh)	4,312,943.5
of which estimated	(MWh)	289,992.4
Energy intensity per net revenue	(MWh/mln)	296.4

It is specified that the unit of measurement refers to MWh of primary energy and not electric MWh. It is calculated by applying the following conversion factor: 1 toe = 11.63 MWh, as given by the International Energy Agency.

Information concerning energy consumption is reported for complexes over which the company holds financial control and those for which it holds operational control. The data referring to financial control represent the largest share, exceeding 90% of the total amount. The definition of this new perimeter does not allow the accurate comparison with the values of previous years. For further information, refer to section “BP-1 - General basis for preparation of sustainability statements” in chapter ESRS 2.

Total energy consumption, given in the previous table for 2024, includes the estimated proportion identified as “of which estimated”, in order to include sites that fall under the Company’s financial control, not included in the environmental reporting system. For more information on the estimations, refer to section “BP-1 - General basis for preparation of sustainability statements” in chapter ESRS 2.
The energy consumption data recorded in the environmental reporting system are collected through a structured approach for measuring and monitoring total energy consumption, encompassing electricity, fuels and renewable sources. Measurement is primarily conducted through direct monitoring instruments, including electrical energy meters installed at operational sites, direct fuel tank measurements and digital energy management systems (e.g., BMS). The data are aggregated by operational unit and converted, enabling comparative analysis across different energy sources. Particular focus is given to distinguishing between: grid electricity, self-produced renewable energy and fuel consumption for operational activities. Where directly measured data are unavailable, Saipem employs estimates based on recognised methodologies consistent with international standards. Estimates are derived using standardised conversion factors, historical data, typical consumption patterns and sector-specific benchmarks. This approach is applied exclusively in contexts where direct measurements are neither technically nor operationally feasible

Energy intensity based on net revenue

Due to the specific character of Saipem's business, associated with NACE code 41.2, all the activities it works in are in high-climate-impact sectors. Consequently, all revenue relates to high-climate-impact sectors. Therefore, the energy intensity rate is calculated by the ratio between total energy consumption and net revenue, and for 2024 is 296.4 MWh/mln€. The value used as a denominator to calculate the intensity refers to the row “Core business revenue” in the Income Statement.

(14) SASB KPI EM-SV-110a.1.

E1-6 - Gross Scopes 1, 2, 3 and total GHG emissions

In disclosing information on GHG emissions, Saipem takes into account the "Group Total CSRD" reporting perimeter described in section "BP-1 - General basis for preparation of sustainability statement" of chapter ESRS 2.

GHG Emissions

The energy consumption data are used to calculate Scope 1 and 2 GHG emissions and a part of Scope 3 emissions. Saipem uses a methodology for estimating GHG emissions that is validated by an independent third party (Bureau Veritas) 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 activities contributing most significantly to Saipem's GHG emissions are: Scope 1, the use of fuels for electricity generation, primarily diesel for the fleet, drilling rigs, and onshore fabrication yards - especially in remote areas without grid access; Scope 2, purchased electricity for construction sites, offices, and other land-based facilities; Scope 3, procurement of materials (predominantly metals) and fuel consumption by chartered vessels supporting offshore projects.

The following GHG emissions are considered in the document:
- direct emissions deriving from the use of fuels (Scope 1);
- location and market-based indirect emissions deriving from the purchase of electrical and thermal energy (Scope 2);
- indirect Scope 3 emissions deriving from:
  - extraction and transport of fuels used, directly or indirectly (Fuel- and energy-related activities, not included in scope 1 or 2 category);
  - loss of electricity and thermal energy purchased from transmission networks (Fuel-and energy-related activities, not included in scope 1 or 2 category);
  - water withdrawals and discharges (Purchased goods and services category);
  - material procurement (Purchased goods and services category) and waste disposal (Waste generated in operations category);
  - material shipment (Upstream transport and distribution category);
  - hotel accommodation during business trips (Business travel category);
  - travel by air and by land for business trips (Business travel category);
  - leased assets (Upstream leased assets category);
  - commuting in permanent sites (Employee commuting category).

The direct emissions deriving from the use of fuels (Scope 1) do not include contributions deriving from biomass combustion, corresponding to 15,581 tCO_2 of biogenic emissions. The percentage of these contributions to Scope 2 emissions is implicit in the national emissions factors used and cannot be extrapolated.
During 2024, around 40% of electricity purchased was covered by Guarantee of Origin and International Renewable Energy Certificates.
As regards Scope 3 emissions, the most impacting categories in terms of emissions are the upstream leased assets and purchased goods and services. Reporting details for each calculated category are provided below:

- Category 1 - Purchased goods and services: The calculation considers the procurement of materials purchased by the company across the entire Saipem perimeter, measured by weight in relation to the commodity codes associated with different material types. The weight is then multiplied by a material-specific emission factor. This category additionally includes emissions from water supply and disposal across the entire reporting perimeter. In this case, the activity data used for calculations are withdrawal volumes and discharge types. Emission factors used derive from the DEFRA database.
- Category 3 - Fuel- and energy-related activities (not included in Scope 1 or 2): The calculation uses fuel consumption, electricity and heat usage within the reporting perimeter. Emission factors used derive from the DEFRA database.

- Category 4 - Upstream transportation and distribution: The calculation considers all material and asset movements across the entire Saipem perimeter, utilising information regarding weight, transport mode used (sea, air, land), and distance travelled. Emission factors used derive from the DEFRA database.
- Category 5 - Waste generated in operations: The calculation uses the weights of waste produced within the reporting perimeter. Emission factors used, by type and destination of waste, derive from the DEFRA database.
- Category 6 - Business travel: The calculation uses employee travel data for both air and rail journeys, utilising information on distances travelled and flight class (in the case of air travel). Hotel stays are also taken into consideration, with calculations being influenced by both the country and the number of overnight stays. Emission factors used derive from the DEFRA database.
- Category 7 - Employee commuting: For the purpose of the calculation, an annual survey is conducted among employees at permanent work sites worldwide, consisting primarily of offices along with some logistics bases and manufacturing yards. Data are therefore collected regarding the mode of transport used for home-to-work commuting, the distance travelled, and the number of remote working days. Emission factors used, by asset type and distance travelled, derive from the DEFRA database.
- Category 8 - Upstream leased assets: The calculation uses reported fuel, electricity and heat consumption for various projects within the reporting perimeter; the consumption data are those provided by suppliers of offshore vessels used in Saipem projects. Emission factors used, by type of fuel, derive from the DEFRA database.

Scope 3 emissions are mainly derived using inputs to the company's upstream and downstream value chain and Emission Factors taken from the reference literature. The only categories contemplating emissions declared by vendors are leased assets and a share (around 18%) of air travel.
The methodology for the quantification of Scope 1, 2 and 3 GHG emissions is aligned with the requirements of the 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 and the DEFRA database. Scope 3 emissions were calculated using the DEFRA database and IEA emission factors. Saipem adopts DEFRA and IEA emission factors published in 2021.

Greenhouse gas emissions trends in relation to the baseline (2018)

	2018	2023	2024	2024 vs 2023 (%)
(kt CO_2 eq)	Group Total	Group Total	Group Total	Group Total
GHG emissions Scope 1 and 2 (market-based)	1,309.7	1,041.9	978.0	(6)

The information given in the table aims to show the Scope 1 and Scope 2 market-based emissions trends compared to 2023 and the base year in relation to which the reduction targets were defined (2018). Therefore, the value for 2024 was aligned to the "Group Total" perimeter, aligned with the baseline, in order to allow an accurate comparison. The GHG emission value of 978.0 kt CO_2 eq differs from the GHG inventory boundary 2024 of 1,122 kt CO_2 eq as shown in the table below.

Scope 1, 2, 3 GHG emissions by category

		2024 Group Total CSRD
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	(t CO_2 eq)	1,103,048.5
- of which estimated	(t CO_2 eq)	71,705.0
Scope 1 GHG emissions from regulated emission trading schemes	(%)	0
Scope 2 GHG emissions		
Gross Scope 2 GHG emissions location-based	(t CO_2 eq)	20,470.7
- of which estimated	(t CO_2 eq)	1,181.2
Gross Scope 2 GHG emissions market-based	(t CO_2 eq)	18,676.7
- of which estimated	(t CO_2 eq)	1,043.5
Scope 3 GHG emissions		
Gross Scope 3 GHG emissions	(kt CO_2 eq)	9,386,251.4
1. Purchased goods and services	(t CO_2 eq)	8,092,457.4
2. Capital goods	(t CO_2 eq)	-
3. Fuel- and energy-related Activities (not included in Scope1 or Scope 2)	(t CO_2 eq)	246,017.6
4. Upstream transportation and distribution	(t CO_2 eq)	159,905.2
5. Waste generated in operations	(t CO_2 eq)	34,430.9
6. Business travel	(t CO_2 eq)	76,550.1
7. Employee commuting	(t CO_2 eq)	9,335.4
8. Upstream leased assets	(t CO_2 eq)	767,554.6
9. Downstream transportation and distribution	(t CO_2 eq)	-
10. Processing of sold products	(t CO_2 eq)	-
11. Use of sold products	(t CO_2 eq)	-
12. End-of-life treatment of sold products	(t CO_2 eq)	-
13. Downstream leased assets	(t CO_2 eq)	-
14. Franchises	(t CO_2 eq)	-
15. Investments	(t CO_2 eq)	-
Total GHG emissions		
Total emissions (Scope 1, 2 location-based and 3)	(t CO_2 eq)	10,509,770.6
Total emissions (Scope 1, 2 market-based and 3)	(t CO_2 eq)	10,507,976.6
Emissions intensity (Scope 1, 2 market-based and 3)	(t CO_2 eq/mln€)	**722.2**

To calculate 2024 direct (Scope 1) emissions, the following Global Warming Potential values were used: 1 (CO_2), 29.8 (CH_4), 273 (N_2O) (ref. IPPC Sixth Assessment Report).
The "Purchased goods and services" category includes certain Capex, mainly ship upgrades, which are not completed in the course of the year, but are of multi-year use, for which it was not possible to disaggregate, with the current collection systems, the data in order to report in the category "Capital goods".
The "Downstream transportation and distribution" and "Processing of sold products" categories are not relevant for Saipem's business. Saipem is an EPC company and its core business is the construction of infrastructures for the energy industry. It does not produce products that are transported, distributed or processed.
The "Use of sold products" and "End-of-life treatment of sold products" are not relevant for Saipem's business, as the infrastructures built by Saipem are designed and constructed on a custom basis, according to the Client's needs, and are often built in joint ventures in which Saipem is not always engineering leader. Furthermore, these infrastructures have a very long life after Saipem's work, and in this period Saipem has no control over or information on any changes in the emissions produced by the infrastructure, or in relation to their disposal. For these reasons, the categories are considered not relevant.
The "Downstream leased assets" category is considered applicable, but with no emissions for 2024.
The "Franchising" category do not apply to Saipem's business.
The "Investments" category is not relevant for Saipem's business.

Information concerning energy consumption is reported for complexes over which the company holds financial control and those for which it holds operational control. The definition of this new perimeter does not allow the accurate comparison with the values of previous years. For more information, refer to section "BP-1 - General basis for preparation of sustainability statement" of chapter ESRS 2. The gross Scope 1 GHG emissions, as well as gross Scope 2 GHG emissions (both location-based and market-based) reported in the 2024 table, include for each item the estimated proportion indicated as "of which estimated". This approach enables identification of sites falling under the Company's financial control but excluded from the environmental reporting system. For more information on the estimated data, refer to section "BP-1 - General basis for preparation of sustainability statements" in chapter ESRS 2.

As required by the regulation, below is the detail of total Scope 1 and 2 (location-based and market-based) emissions deriving from: 1) sites falling within the Full Consolidated CSRD perimeter and 2) sites that the company controls operationally in the CSRD field. For more information, refer to section "BP-1 - General basis for preparation of sustainability statement" of chapter ESRS 2.

($t\ CO_2\ eq$)	2024	
	Full consolidated CSRD	Sites over which the company has operational control
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	1,062,456.4	40,592.1
of which estimated	71,705.0	-
Scope 2 GHG emissions		
Gross Scope 2 GHG emissions location-based	17,951.7	2,519.0
of which estimated	1,181.2	
Gross Scope 2 GHG emissions market-based	15,913.3	2,763.7
of which estimated	1,043.5	

The values obtained from the sums of the information given in the table correspond, for each category, to the values reported in accordance with the Group Total CSRD perimeter.

For more information on the estimates, refer to paragraph BP-1 "General basis for preparation of sustainability statement" of chapter ESRS 2.

GHG Intensity based on net revenue

As indicated for energy intensity based on net revenue, Saipem's operations – classified under NACE code 41.2 – fall within climate-high-impact sectors. Consequently, all revenue relates to high-climate-impact sectors. In 2024, Saipem recorded a GHG intensity of 722.2 t of CO_2 eq/€mln (the value is calculated considering the Scope 1, market-based Scope 2 and Scope 3 emissions in relation to revenue in millions of euro). The value used as denominator in calculating the intensity refers to the row "Core business revenue" in the Income Statement.

E1-7 - GHG removals and GHG mitigation projects financed through carbon credits

As described in section "GOV-3 Integration of sustainability-related performance in incentive schemes", the long-term incentives for the Management of Saipem include a target for the compensation of GHG emissions.
Therefore, Saipem has launched mitigation initiatives beyond its value chain, funding offsetting projects. In 2024, Saipem cancelled 100,000 carbon credits, equivalent to the compensation of 100,000 tonnes of CO_2 equivalent. The funding targeted a portfolio of nature-based projects, with a special focus on REDD+ initiatives (Reducing Emissions from Deforestation and Forest Degradation). These projects were selected not only for their ability to avoid emissions, but also their additional environmental benefits, including the protection of biodiversity and ecosystems and social protections, fostering the sustainable development of the local communities.
To identify projects of greatest interest and value, Saipem has developed an in-house risk assessment model. This tool analyses the risks linked to funded projects and supports the selection of new investment opportunities. The main assessment criteria include:

- the registration of the project with international standards;
- the vintage of credits, in conformity in particular with the ISO 14068 guidelines;
- additional certifications, such as CCBS (Climate, Community & Biodiversity Standards), or SD VISta (Sustainable Development Verified Impact Standard).

In the validation of the Net Zero programme in 2024 by an Independent Third Party, the risk model was found to meet the most recent requirements defined by the standard ISO 14068-1.

		2024	2023
Carbon credits cancelled in the reporting year			
Total	(t CO_2 eq)	100,000	100,000
Share from removal projects	(%)	0	0
Share from reduction projects	(%)	100	100
Verified Carbon Standard	(%)	100	100
Share from projects within the EU	(%)	0	0
Percentage that qualifies as corresponding adjustment	(%)	0	0

Looking to the future, in line with the long-term Incentive Plan for compensation, Saipem intends to achieve the target of 250,000 tonnes of CO_2 equivalent compensated in the three-year period 2024-2026.

For more details on the actions planned to reduce and neutralise residual GHG emissions, refer to section "E1-1 - Transition plan for climate change mitigation" which explains the actions planned in the Saipem Net Zero programme.

Saipem has set the target of achieving carbon neutrality of its Scope 2 emissions by 2025, using carbon credits as a complementary measure for compensating residual emissions, without replacing direct reduction actions. The credits purchased to neutralise residual emissions will be selected through the risk model developed in-house, which is inspired by international guidelines, including ISO 14068-1 and the SBTi's Beyond Value Chain Mitigation Reports.

E1-8 - Internal carbon pricing

Saipem has established an internal Carbon Pricing system based on a Carbon Fee mechanism from 2022 to fund cross-cutting climate initiatives (e.g., the adoption of platforms to manage vendor's ESG topics and to manage emissions in the supply chain, participation to compensation programmes, validation and/or consulting services on climate issues). The internal carbon price fee is used to distribute the costs for the above initiatives proportionally to the GHG emissions of each business line.

Saipem's internal Carbon Pricing system applies to emissions in all the Company's business lines according to the perimeter identified in the Net Zero Programme described in section "E1-1 Transition plan for climate change mitigation". Every Business Line contributes to funding emissions compensation activities according to their Scope 1 and Scope 2 market-based emissions.
87% of Scope 1 emissions and 86% of market-based Scope 2 emissions reported in 2024 are used to allocate the financial resources of the aforementioned activities across different business lines.

The price is updated annually in accordance with the varying expenditure in line with the fluctuations of carbon credit unit prices and the vendor monitoring platform usage fee, as well as other the activities reported.

Types of internal carbon prices	**Volume at stake** (t CO_2 eq)	**Applied prices** (€/t CO_2 eq)	**Perimeter description**
Internal carbon price (Economic resources allocated Scope 1 and 2 emissions)	978,169	1.14	Perimeter described in section "E1-1 Transition plan for climate change mitigation"

Percentage of Scope 1 GHG emissions covered by the internal carbon pricing system	87%
Percentage of Scope 2 Market-based GHG emissions covered by the internal carbon pricing system	86%
Percentage of Scope 3 GHG emissions covered by the internal carbon pricing system	0%

ESRS E2 Pollution

Impacts, risks and opportunities identification 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 and takes into account all Saipem's sites and business activities, in addition to the upstream and downstream value chain. The categories of stakeholders involved, the methods used to conduct the consultations and the impacts, risks and opportunities, also relating to pollution, are described in the sections of the ESRS 2 ("SBM 2 - Stakeholder interests and opinions", "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" and "IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities").

E2 Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Spills	E2 - Pollution	Pollution of water, pollution of soil	Impacts on the environment due to unforeseen damage to assets (vessel, fabrication yard) during business operations (I9 E2)	Own operations, Downstream	Potential	Negative	Short-term

It should be noted that this impact is linked to strategy and the business model, as Saipem's operational assets may encounter unforeseen circumstances potentially causing environmental damage, such as including unintended releases of substances into soil and water matrices.

Although some spills occurred in 2024 (72% of which were under 10 litres), the material impact was considered potential, as these are accidental events whose occurrence is not certain. This assessment considers the unforeseeable nature of such episodes that may occur sporadically and non-systematically. The spills that occurred in 2024 and were reported in section "E2-4 - Pollution of air, water and soil" were not considered relevant accidental events.
However, although uncertain, spills can have significant consequences on the environment and the company's operations, especially in the case of unexpected damage to assets, such as vessels and fabrication yards, during business operations. These events could cause the uncontrolled release of harmful substances, with potential repercussions on land and marine ecosystems. For this reason, it is fundamental to adopt preventive measures and prompt response strategies to mitigate the impacts and ensure operational safety. Consequently, although the impact was classified as potential, the spills were nevertheless reported in section "E2-4 – Pollution of air, water and soil", in accordance with Saipem's environmental reporting procedures. This accounting reflects both the potential environmental significance of such events, and the precautionary principle embedded in the reporting criteria.

E2 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Spills	E2 - Pollution	Pollution of water, pollution of soil	Major Assets Integrity and Transportation accidents with damage to people, the environment, assets, projects and reputation. (R11 E2)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

It is specified that in the material risk assessment, spills of oil, sludge, and other harmful substances into the water and sub-soil were considered.

E2-1 - Policies related to pollution

Saipem is committed to the protection and conservation of natural capital and biodiversity and to environmental protection in all its activities, through the assessment, management, and monitoring of risks and opportunities, mitigation, restoration and systematic compensation of any risks and impacts, and continuous improvement of its performance[15].

Saipem is aware that all its activities, from the planning and design phases to construction and commissioning, can have potential impacts on the environment, both directly and throughout the value chain, and for this reason, as indicated in the Group Policy "Our sustainable business", approved by the Board of Directors and published on the company website, it undertakes to minimise land and water pollution, promoting the use of solutions and technologies with low environmental impacts in terms of pollution; this Policy applies to all material impacts, risks and opportunities.
Measures to prevent environmental accidents are fully integrated into the Saipem Group's certified environmental management system, applied to our operations, and which involves our vendors, partners and clients.
Responsible for the implementation of the Policy is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level, the realisation of the Sustainability Policy is of competence of respective Managing Directors and Project managers/Project Directors. The above-mentioned Policy is available on the Saipem website for consultation by potentially involved stakeholders and stakeholders whose contribution is necessary for the purpose of its implementation.

E2-2 - Actions and resources related to pollution

Spill prevention and response[16]

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 negative impact mitigation and emergency management, for which it adopts advanced equipment and procedures. The Saipem spill management system is based on the following hierarchy of actions, carried out regularly:

- prevention: actions are implemented to identify specific risk areas and improve the operational processes and controls on the sites and vessels with greater risk of spills; detailed instructions are also provided by drafting site-specific documents (Spill Management Plans) to specify the preventive actions in relation to the hazardous materials used and the logistical features of the operating site;
- 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 both on onshore worksites and offshore vessels, involving, if necessary, clients or third parties designated for emergency response activities. During 2024, 292 spill drills were carried out, far beyond the set target of 288 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 to intervene. 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. It is specified that, whenever possible or technically feasible, recovery activities are implemented for any spills that may occur. Integrating the actions undertaken to avoid potential spills, hazardous substances are correctly managed, for example ensuring the presence of paved areas in the places where the most critical operations are performed, the use of containment tanks and spill kits kept on site ready to use in the event of an emergency;
- reporting: environmental incidents and "near misses" (events that, under slightly different conditions, could have caused environmental damage) are reported through a specific software and subsequently analysed to assess the causes, prevent recurrence and share the "lessons learned" within the Company.

Saipem also offers emergency prevention and management services for spills occurring at sea. In particular, the services provided include training, the use of underwater drones and rapid remote intervention of OIE (Offset

(15) SASB KPI IF-EN-160a.2.
(16) SASB KPI EM-SV-150a.2.

Installation Equipment) for monitoring and predictive maintenance activities. The OIE is developed in partnership with OSRL (Oil Spill Response Ltd), a leading international company in this field. This system, a pioneering and globally unique technological solution, is designed to intervene in spills from subsea wellheads in shallow waters (up to around 600 metres depth) when direct vertical access is not possible.

The resources allocated in relation to the prevention and emergency management services to prevent and reduce water and soil pollution are described in paragraph "Sustainable activities according to the EU Taxonomy". Disclosure pursuant to Article 8 of Regulation 2020/852 reports the CapEx and OpEx information linked to the criterion of Substantial Contribution "Pollution prevention and reduction".

E2-3 - Targets related to pollution[17,18]

As described in the related section "SBM 1 - Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. The Sustainability Plan is integrated into the Company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time. Today, no specific targets as defined by ESRS have been defined, but the Plan specifies objectives relating to specific actions.
The qualitative objectives relating to pollution in the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement:

Actions in the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Progressive replacement of mineral oil with biodegradable oil for impact minimisation in case of accidental spill	2024	2 pieces of equipement	Evaluation performed on two pieces of equipment and replacement of mineral oil with biodegradable oil	■	Confirmed

■ Action achieved or, for those planned for 2025-2026-2027, in progress according to plan.
■ Action partially achieved or still in progress.
■ Action not achieved or postponed.

The actions still underway, also found in the previous versions of the plan, were maintained or updated as defined in the column "2025-2028 Plan".

With reference to the new Sustainability Plan, the following indicator is reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Progressive replacement of mineral oil with biodegradable oil for impact minimisation in case of accidental spill	Feasibility study for the replacement of 2 pieces of equipment	2025	Own operations	Spills	I9 E2 R11 E2

The Saipem sustainability plan targets referring to water and soil pollution are voluntary.

(17) SASB KPI EM-SV-150a.2
(18) SASB KPI EM-SV-160a.2.

E2-4 - Pollution of air, water and soil

Spills

Each spill is assessed in terms of criticality, according to the actual and potential impacts generated by the event, and in relation to the consequences indicated in the environmental matrix. All the incidents are accompanied by an analysis and evaluation of the causes. With reference to spill risks, the list of mitigation and prevention measures is assessed and identified in order to reduce the risk of future occurrence and/or environmental impacts.
Saipem confirms that Regulation (EC) 166/2006, to which ESRS standards refer, is not applicable to Saipem Group, as it applies to activities and entities that manage or control industrial complexes that directly perform the processes or perform one or more of the production activities listed in Attachment I of the referred regulation.
The NACE codes associated to the Companies of the Group operating within the scope of application of the Directive have instead shown that Saipem performs activities relating to engineering, the installation of infrastructures and the provision of services and technologies for energy, oil and gas, renewables and infrastructures, fields that do not fall within the industrial activities governed by the Regulation (EC) 166/2006; in addition, having completed and delivered the plants and infrastructure works performed on behalf of the clients, Saipem's obligations end and it is no longer involved in the direct management of the operating plants.

Consequently, Saipem does not collect data on water and soil pollutants according to the categories established in Annex II of Regulation (EC) 166/2006 to which the ESRS refer. Regarding air pollutants, it should be noted that, with the exception of atmospheric GHG emissions, which are reported in the "E1 - Climate Change" chapter, these were not considered material. Therefore, the calculated metrics are not disclosed.

In accordance with the provisions set forth in this section "E2-4 - Pollution of Air, Water and Soil" and as part of a continuous improvement process, Saipem will continue to assess the possibility of extending monitoring to other pollutants covered by Regulation 166/2006, where applicable and where emission thresholds are exceeded at site level.

With reference to the reporting period, in order to provide evidence of the impacts generated, an entity-specific metric is provided, aligned with what was reported in previous years.

Spills		2024	2023
		Group Total CSRD	Group Total
Number of spills			
Total	(n.)	32	27
Spills of chemical substances	(n.)	1	1
Spills of oily substances	(n.)	26	20
Spills of biodegradable substances	(n.)	2	4
Spills of drilling muds	(n.)	2	2
Spills of wastewater	(n.)	1	-
Volume of spills			
Total	(m^3)	7.724	10.75
Spills of chemical substances	(m^3)	0.001	0.002
Spills of oily substances	(m^3)	0.252	9.09
Spills of biodegradable substances	(m^3)	0.201	0.04
Spills of drilling muds	(m^3)	2.27	1.6
Spills of wastewater	(m^3)	5	-

Information concerning water and soil pollution is reported for complexes over which the company holds financial control and those for which it holds operational control. The definition of this new perimeter does not allow the accurate comparison with the values of previous years. Despite this, it can however be demonstrated that the sites in which spills occurred in 2024 are sites that would have been included in the previous perimeter. It is observed that the volume of spills referred to chemical or oily substances has fallen, while the amount of

biodegradable substances spilled increased. This is in line with the commitment to reduce pollution, in the case of spills, by replacing oily substances with others with lower environmental impacts (e.g. Biodegradable ones). For more information on the reporting perimeter, refer to section "BP-1 - General basis for preparation of sustainable statements in chapter ESRS 2.
The internal company regulations define a minimum material limit of 1 litre, above which the spill must be reported as an incident, with the related report.

Out of 32 total spills in 2024, 23 were less than 10 litres.
The 2 main spills (with more than 500 litres) are:

- a spill of wastewater (5,000 litres) onto the ground due to the breakage of a sewage pipe by an excavator during operations at the Gela Refinery. This spill constitutes around 65% of the volume released in 2024;
- a spill into the sea of drilling mud on the offshore drilling rig Scarabeo 8 (2,000 litres) due to the collapse of the upper packer on the slip joint, whose main function is to contain the drilling fluid inside the marine riser.

Saipem uses an IT system to structure and manage data collection for environmental reporting, ensuring the recording, monitoring and validation of the information. The operational sites directly enter the number and volume of spills and near-misses. The dedicated team verifies the information and data collected to ensure accuracy.

The information provided in the table is sourced using various data acquisition methods (direct measuring or estimation) depending on the type of spill. The estimations are based on the type of comparable event, related experience and knowledge of the equipment and systems involved.

These methodologies do not involve third-party certifications.

ESRS E3 Water and marine resources

Impacts, risks and opportunities identification is carried out with the direct involvement of representatives from all the main stakeholder categories (including employees), Saipem management and the Board of Directors and takes into account all Saipem's sites and business activities, in addition to the upstream and downstream value chain. The categories of stakeholders involved, the methods used to conduct the consultations and the impacts, risks and opportunities, including those relating to water and marine resources, are described in the sections "SBM-2 - Interests and views of stakeholders", "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" and "IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities" in chapter ESRS 2.

Material impacts E3

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Water	E3 - Water e Marine resources	Water; Marine resources	Awareness and knowledge in water withdrawal/consumption through the development of new technological solutions and promotion of best practices to benefit the entire value chain (I11 E3)	Own operations, Downstream	Actual	Positive	Short-term
	E3 - Water e Marine resources	Water; Marine resources	Depletion of ecosystem services and change in water quality as a result of water use (I12 E3)	Own operations, Downstream	Actual	Negative	Short-term

With regard to impacts on the aquatic environment, Saipem's operational activities – both onshore (for example, consumption of domestic water resources and technical activities such as hydrotesting) and offshore – entail daily interaction with a range of natural ecosystems, and can generate impacts of different kinds. More specifically, some operations can lead to a depletion of ecosystem services and a change in water quality (negative impact), especially in areas close to rivers, lakes or in marine environments.

However, Saipem simultaneously contributes positively to promoting awareness and knowledge regarding the use of water resources, via the development and adoption of technological solutions and the promotion of best practices which can generate tangible benefits, not only in its own operations, but along the entire value chain, promoting a more efficient, responsible use of water resources.

Material risks E3

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Water	E3 - Water e Marine resources	Water; Marine resources	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The effects of these risks could include operational adjustments in order to align with the new regulations, reputational risks deriving from the inappropriate management and protection of water and marine resources, and legal impacts linked to failure to comply with the evolving regulatory practices (R1 E3)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

E3-1 - Policies related to water and marine resources

Saipem is committed to the protection and conservation of natural capital and biodiversity and to the protection of the environment in all its activities, through the assessment, prevention, management, and monitoring of risks and opportunities, systematic mitigation, restoration and compensation of any risks and impacts, and continuous improvement of its performance[19].

Saipem is aware of the need for greater resilience in water resource management planning, not least in response to the effects of climate change, as set out in the Group's "Our Sustainable Business" policy, approved by the Board of Directors. This policy is translated into tangible operational actions, in order to address the risks associated with potential changes in ESG scenarios: Saipem is dedicated to safeguarding biodiversity and minimising the impact of its activities on all ecosystems, including marine ecosystems. Furthermore, the Group undertakes to minimise the impact of all its environmental matrices generally, fostering the use of low-impact solutions and technologies and encouraging the sustainable use of natural resources (including water resources with special attention to areas with high water stress). Saipem tackles this issue and generally the improvement of water management in several fields at the same time: internal awareness raising through specific campaigns and events, dissemination and implementation of best practices in its own operations and engaging the value chain and local communities, as well as the development of new technologies.
This policy is extended not only to the company's own operations, but also to operations involving suppliers, partners and clients, and covers all relevant impacts, risks and opportunities.

Responsible for the implementation of the Policy is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level, the realization of the Sustainability Policy is of competence of respective Managing Directors and Project managers/Project Directors.
The above-mentioned policy is available for consultation on the Saipem website by stakeholders who may be potentially involved, and by stakeholders whose contribution is necessary for its implementation.

E3-2 - Actions and resources related to water and marine resources

The water resource management strategy is an integral part of the Group's environmental strategy; in particular, relating to the environmental pillar, this is defined in the environmental management system documentation; it is also an objective of the Group HSEQ plan. The approach to water management aims to maximise reuse, where

(19) SASB KPI IF-EN-160a.2.

possible, and reduction of consumption in all operational sites and projects, particularly those in water-stressed areas. The key actions taken to promote knowledge and awareness on water withdrawal/consumption through the development of new technological solutions and promotion of best practices to the benefit of the entire value chain are listed below[20,21].

To increase awareness of the importance of water resources and promote virtuous behaviours, Saipem celebrates World Water Day every year on March 22, with a dedicated environmental campaign. This initiative includes activities designed to raise awareness, workshops and the sharing of good practices for sustainable water management. If applied to our everyday work as well as in the personal and domestic environment, these actions help to generate positive impacts. By promoting a culture of conscious water use, Saipem encourages behaviours designed to reduce water withdrawal, optimising resources and enhancing efficient solutions, with benefits that extend along the entire value chain.
Based on the concept introduced for ships by the Ship Energy Efficiency Management Plan (SEEMP) of the International Marine Organization (MARPOL Annex VI), Saipem has chosen to implement Yard Energy and Water Efficiency Management Plans (YEWEMP) in its fabrication yards. These management plans constitute structured programmes that set out a series of strategies, measures and monitoring systems designed to optimise energy and water use on site.

Since 2023, the Energy Carriers business line has implemented a number of significant measures to improve water savings in the company's fabrication yards. These measures include the installation of water meters in order to monitor water usage, identify areas of water wastage and enable corrective measures to be adopted. In Saudi Arabia, a series of actions were taken to reduce water consumption in the Berri and Marjan projects during hydrotesting activities, as part of the project scope.
Hydrotesting involves filling pipes with water to check for leaks and ensure their structural integrity. To optimise usage, water meters were installed to accurately measure the volume of water used during these tests. By monitoring water use, any areas of inefficiency and waste were promptly identified, enabling targeted corrective actions to be implemented.
The water used for hydrotesting purposes was reused in accordance with specific quality criteria and project requirements. Other precautionary measures taken include ensuring proper handling to prevent contamination after the initial draining from the pipelines, such as using clean and covered storage tanks and ensuring that the storage environment is free of pollutants and debris.
In following these requirements, the Berri project successfully reused approximately 35,605 m^3 of water for hydrotesting, while the Marjan project reused approximately 1,636.73 m^3 in 2024. This served not only to reduce the use of fresh water, but also to foster sustainable water management practices within the projects.

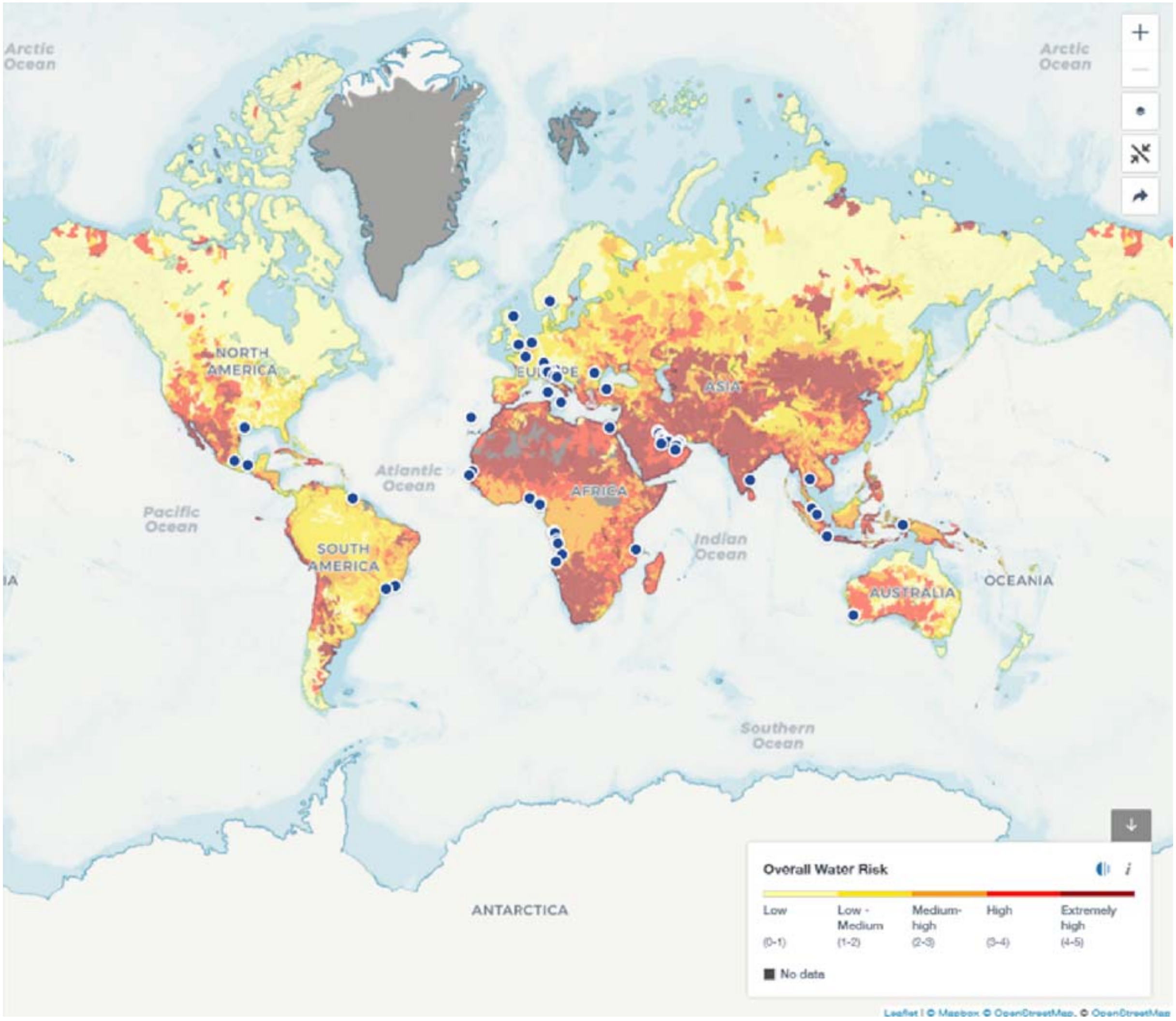
Within the context of the Baleine Phase 2 offshore construction project, an innovative solution has been implemented to reduce surface water pollution using the JellyfishBot marine robotic mechanism, a multi-purpose technology for collecting waste and hydrocarbons. This robot removes floating waste, and is also used to carry out water quality tests and to help remove pollutants present in surface water.

Within the context of the onshore projects currently in progress in Italy, the Sustainable Infrastructures (SINFR) business line has implemented various virtuous models for the management of discharged water and of water extracted for industrial/process purposes, with a view to improving the quality thereof and enabling it to be reused (where this is technically and economically feasible). In this regard, the initiative for the treatment and reuse of wastewater and process water necessary for the TBM (Tunnel Boring Machine) excavation implemented by the "Consorzio Florentia" on the site for the construction of the HSR junction in Florence beginning in 2024 is of particular note. Specifically, the water used for the TBM and withdrawn from the aquifer during the excavation of the tunnels is currently treated, recovered and reused within the excavation activity. This minimises the amount of waste released into the sewage system, reducing the project's water footprint (as well as slashing discharge costs). In addition, the rain water collected from the run-off from the draining surfaces at the Bricchette Cavriglia (Arezzo) railway terminal is reused on site, as part of the dust abatement operations.

(20) SASB KPI IF-EN-410a.2.
(21) SASB KPI EM-SV-140a.2.

To mitigate the risk of changes within the ESG scenario, which could lead to regulatory developments regarding the energy transition and other environmental and social issues, Saipem is dedicated to monitoring water management regulations on a constant basis. In addition, by annually mapping its sites, Saipem is able to continuously implement initiatives designed to maximise water reuse and reduce consumption, promoting the upgrade of assets in order to enable constant improvements in water resource management.
To counteract the depletion of ecosystem services and changes in the quality of water resources, Saipem conducts environmental impact assessments on environmental matrices (water included), both regarding consumption and discharge. Furthermore, Saipem performs monitoring activities in compliance with project requirements (laws, clients, etc.) on the water that is withdrawn and discharged.

WATER-STRESSED AREAS



The above-mentioned actions can be applied to all operating sites, including those in areas exposed to water stress. The mapping of Saipem sites located in areas with water stress, updated annually, is the basis for defining these initiatives.

This mapping is carried out at the sites within the “CSRD Fully Consolidated Perimeter”, in line with the measures already established in the section “BP-1 - basis for preparation of sustainability statements” in chapter ESRS 2, using the Aqueduct tool.

The results of the assessments on the impact of the company's activities on water and marine resources and the mapping of sites in water-stressed areas are used to identify possible actions for mitigation and improvement, as set out in the examples of the projects described above, as well as to establish KPIs for reducing water consumption or enabling water reuse.

Saipem is also implementing various initiatives across its offshore fleet for the production of drinking water, designed to reduce the use of plastic and fresh water from onshore bottling plants. For more information, refer to the section "E5-2 - Actions and resources related to resource use and circular economy".

E3-3 - Targets related to water and marine resources

As described in the corresponding section "SBM-1 - Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan 2025-2028 is driven by developments in the international context and by the inputs and requests of stakeholders, inlcuding clients and the financial community. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.

The qualitative and quantitative objectives linked to water in the Sustainability Plan 2024-2027, and reported in the previous statement, are represented below to describe the progress achieved[22,23]:

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Reduce and reuse domestic water	2027	70% of applicable sites/projects* with reduction in domestic water consumption vs. the average of the previous 2 years (indicator calculated as water consumption on WMH**)	24 sites achieved the target in 2024 (53% of applicable sites/projects*)	■	Confirmed

(*) The applicable sites/projects are those that have been operating for at least two years, and which use freshwater from superficial bodies public network water well.
(**) Worked Man Hour.

■ Target reached/action achieved or, for 2025-2026-2027, objectives in progress and according to plan.
■ Target partially reached/action partially achieved or still in progress.
■ Target not reached/action not achieved or postponed.

Other planned actions of the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Increase water reuse during hydrotesting activities	2027	Achieve 50% of reused water for each applicable project*	One project (the Berri project) has reached its objective**	■	Confirmed

(*) The applicability is affected by technical and regulatory factors, and by the type of requirements established by the client with regard to the potential for reusing water for hydrotesting.
(**) According to the Sustainability Plan, the target is applicable to 3 sites for 2024.

■ Target reached/action achieved or, for 2025-2026-2027, objectives in progress and according to plan.
■ Target partially reached/action partially achieved or still in progress.
■ Target not reached/action not achieved or postponed.

The goals still underway, also found in the previous versions of the Plan, were maintained or updated as defined in the column "2025-2028 Plan".

(22) SASB KPI EM-SV-140a.2.
(23) SASB KPI EM-SV-160a.2.

New objectives of the 2025-2028 Sustainability Plan

Objectives	Target	Target year	Value chain	Material topic	IROs
Reduce and reuse domestic water	70% of applicable sites/projects* achieved a reduction in domestic water consumption vs. the average from the previous 2 years (indicator calculated as water consumption on WMH**)	2027	Own operations	Water	I11 E3 I12 E3

(*) The applicable sites/projects are those that have been operating for at least two years, and which use freshwater from superficial water bodies water well, public network.
(**) Worked Man Hour.

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Increase water reuse during hydrotesting activities	Achieve 50% reuse of water from hydrotesting for each project where this is applicable*	2027	Own operations	Water	I11 E3 I12 E3

(*) The applicability is affected by technical and regulatory factors, and by the type of requirements established by the clients with regard to the potential for reusing water for hydrotesting.

No specific objectives have been established in accordance with CSRD requirements for marine resources.

Saipem undertakes to manage water resources in a conscious and correct manner, with special attention paid to areas exposed to water stress. Saipem's action and objectives are 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 affected by water stress.

Saipem has always worked in the offshore sector, developing know-how and technologies with particular attention to the protection of the subsea environment; in its activities it adopts a responsible and sustainable approach, supported by the constant monitoring of technological developments.
With reference to Deep Sea Mining, also after technical investigations, currently Saipem has decided not to perform activities relating to this specific sector, while monitoring its technical and regulatory developments. For the sake of clarity, it should also be noted that any Memoranda of Understanding signed with other third companies have expired without having performed any operational activities.
Saipem does not source gravel extracted from sea beds.
The Saipem Sustainability Plan targets referring to water are voluntary.

E3-4 - Water consumption

(m³)	2024 Full consolidated CSRD	Full consolidated
Total water withdrawn, of which:	**3,657,264.2**	**3,283,826.7**
- sea water	885,135.6	1,321,415.9
- surface water bodies	3,632.0	11,918.8
- water well	731,407.8	453,852.0
- fresh water/from Public Network	1,856,795.0	1,496,640.0
- estimated	180,293.9	-

The total of water withdrawals is equivalent to the total water consumption in the reporting year.
With regard to the total water withdrawn during the year, it can be observed that the withdrawal of water for domestic use (as per the Sustainability Plan objective) represents 71% of the total water withdrawal, while salt water represents 24%[24].
It should be noted that, due to the nature of Saipem's activities, water is not stored other than for direct operational use; as such, this is included in the reports as water consumed.

The extension of the perimeter, established pursuant to the laws in force, prevents close comparison with the values of previous years. For more information on the reporting perimeter, refer to section “BP-1 - General basis for preparation of the sustainability statement” in chapter ESRS 2.

The total water withdrawn, as stated in the previous table for 2024, includes the “estimated” values with a view to including sites that fall under the company’s financial control, but which are not present in the environmental reporting system. For more information on the “estimated” entries, please see section “BP-1 - General basis for preparation of the sustainability statement” in chapter ESRS 2.

(m³)	2024 Full consolidated CSRD	2023 Full consolidated
Total water discharged, of which:	**1,460,351.8**	**1,608,051.5**
- water discharged into the sewer systems	150,603.6	183,705.7
- water discharged into superficial water bodies	280,070.4	448,038.5
- water discharged into the sea	941,516.9	976,307.4
- estimated	88,160.9	

The extension of the perimeter, established pursuant to the laws in force, prevents close comparison with the values of previous years. For more information on the reporting perimeter, refer to section “BP-1 - General basis for preparation of the sustainability statement” in chapter ESRS 2. The total water discharged, as stated in the previous table for 2024, includes the “estimated” values, with a view to including sites that fall under the company’s financial control, but which are not present in the environmental reporting system. For more information on the “estimated” entries, please see section “BP-1 - General basis for preparation of the sustainability statement” in chapter ESRS 2.

Water consumption in water-stressed areas

(m³)	2024 Full consolidated CSRD	2023 Full consolidated
Total water withdrawn	**1,772,402.5**	**1,283,999.1**
- of which estimated	112,834.3	
Total water discharged (*)	**408,647.5**	**330,002.9**
- of which estimated	44,633.9	

(*) It is specified that all the water discharged in areas with water stress fall into the freshwater category.

(24) SASB KPI EM-SV-140a.1.

The extension of the perimeter, established pursuant to the laws in force, prevents close comparison with the values of previous years. For further information on the reporting perimeter, please refer to section "BP-1 - General basis for preparation of the sustainability statement" in chapter ESRS 2. The total amounts of water discharged and withdrawn in water-stressed areas, as set out in the table above for the year 2024, include the values under the "of which estimated" entries, in order to include the sites that fall under Saipem financial control but which are not present in the environmental reporting system. For more information on the "of which estimated" entries, please see "BP-1 - General basis for preparation of the sustainability statement" in chapter ESRS 2.

Recycled and re-used water

		2024 Full consolidated CSRD	2023 Full consolidated
Recycled and re-used water			
Re-used water	(m^3)	239,205.6	182,749.5
	(%)	7	6

The percentage of reused water is calculated as the total amount of water reused divided by the total amount of water withdrawn.

In this case too, the extension of the perimeter, established pursuant to the laws in force, prevents close comparison with the values of previous years. For more information on the reporting perimeter, refer to section "BP-1 - General basis for preparation of the sustainability statement" in chapter ESRS 2.

For the data provided in the environmental reporting system, direct measurement is carried out when direct meter readings are available at the site, or in cases where water bills are provided by the water supplier. Where direct measurement is not possible, an estimate is made on the basis of the site characteristics, the number of people present, the size of the site, the geography of the site and the operational activities carried out. Other information is also taken into consideration, such as whether there is a desalinator or pumping system from which the hours of operation can be derived, taking the relative flow rate of the machinery into account.

These methodologies do not involve third-party certifications.

Water use intensity

(m^3/m €)	2024 full consolidated CSRD
Water use intensity	251.4

ESRS E4 - Biodiversity and ecosystems

E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Aware of the importance of biodiversity and ecosystems for the well-being of society today and tomorrow, their rapid decline that threatens both nature and people, and the close correlation with the climate crisis, Saipem is committed to the assessment, prevention, mitigation, restoration and systematic compensation of the impacts and risks on biodiversity and the ecosystems in the areas in which it operates. Moreover, working on climate change mitigation and adaptation, Saipem is committed to contributing to biodiversity conservation by addressing the main factors causing its loss.

Biodiversity protection and the minimisation of impacts on ecosystems are fully integrated into the Saipem Group's certified Environmental Management System and are issues of fundamental importance in Saipem's four-year Sustainability Plan, integrated into the Group's Strategic Plan.

Consequently, Saipem is committed to biodiversity conservation and protection, acting at Group level and in its operating sites/projects relating to the operational phases in which it is directly involved.
Saipem assesses the potential impacts deriving from project awards in relation to its environmental objectives and policies.
Right from the bid evaluation phase, Saipem assesses and analyses the risks linked to GHG emissions, water withdrawal, waste management and conservation of biodiversity.
In order to categorise each environmental risk into low, medium and high-risk levels, some general information on the project is assessed, including the type of project, its location, the estimation of hours worked (WHM), project duration and revenue. To assess the residual risks, mitigation measures are planned, included in or generally applied to a specific activity. Faced with these, from the materiality assessment the risk linked to attention to biodiversity and ecosystems was not deemed material.
Saipem also periodically assesses the biodiversity risk in its operating sites using specific tools (including IBAT - Integrated Biodiversity Assessment Tool) to identify and assess the risks linked to protected onshore and offshore areas that could be affected by Saipem's activities.
This impact and risk assessment is maintained continuously updated in the activities relating to the above-mentioned environmental management system.

Lastly, Saipem's commitment to biodiversity and ecosystems, while not covered by a specific resilience analysis, covers various fields of action both within and beyond its value chain, and is based mainly on:
1) The promotion of actions in the value chain, especially:
- in its role EPCI Contractor, assessing and mitigating its operational impact, while supporting clients to achieve their biodiversity protection goals (e.g. by means of specific office and project-based initiatives, single use plastic reduction, sea water potabilisation systems installed onboard vessels, suitable community-based initiatives);
- as an Advanced Engineering Technology Platform, developing and fostering innovative technologies to protect biodiversity (e.g., drones/Hydrones, plastic recycling technologies, decarbonisation, monitoring systems).

2) Fostering actions beyond the value chain:
- supporting nature-based projects and solutions, in line with its broader sustainability strategy, to protect biodiversity (e.g., for forest protection and related ecosystems).

Saipem achieves the above-described actions through:
- partnerships and collaborations with clients, vendors, universities, research bodies and institutions;
- engagement of employees and local communities, through specific social initiatives for local development, also focusing on specific topics relating to biodiversity conservation and protection.

SBM-3 - Material impacts, risks and opportunities and their interaction with the corporate strategy and model

Saipem protects biodiversity and ecosystems as part of its corporate strategy through:
- the analysis and mitigation of impacts caused by the projects’ operating activities;
- cultural changes through the promotion of knowledge and awareness of the value chain and the local communities where it works;
- investments in offsetting/nature-based compensation initiatives with collateral environmental and social benefits, particularly to mitigate deforestation and forestry degradation, on a voluntary basis, in order to create value beyond the value chain.

Furthermore, Saipem analyses the sites where it works to determine the impacts which potentially affect the sites themselves and any potentially sensitive areas nearby.

For each operating site or project, Saipem assesses the environmental aspects in line with the system procedures, also including the evaluation of any impacts on land consumption and the evaluation of potential

impacts on fauna and flora. In the event of significant results, a prevention, mitigation and site monitoring system is implemented.
Specifically, with reference to the impact analysis, it is reported that no negative impacts relating to soil degradation, desertification and soil waterproofing were recorded. It is also confirmed that Saipem operations have no negative impacts on threatened species.

Moreover, as already mentioned, it is noted that even though the double materiality assessment did not highlight any material risks linked to the attention to biodiversity and ecosystems, Saipem performs a biodiversity risk assessment right from the bid evaluation phase for project execution, as described in section "E4-5 – Impact metrics for biodiversity and ecosystem changes".

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

In the context of double materiality analysis, impacts, risks and opportunities identification 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. It also considers all Saipem's sites and business activities, as well as the upstream and downstream value chain. The categories of stakeholders involved, the methods used to conduct the consultations and the impacts, risks and opportunities, also relating to biodiversity and ecosystems, are described in the sections "SBM 2 - Stakeholder interests and opinions", "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" and "IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2.

E4 Material impacts

Tema materiale	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Biodiversity Protection of natural land cove	E4 - Biodiversity and ecosystems	Direct impact factors on the loss of biodiversity; Impacts on the state of species; Impacts and dependencies on ecosystem services	Protection of biodiversity through: - cultural change through promotion of knowledge and awareness by involving the value chain and communities; - investments in nature-based offsetting/compensation initiatives with environmental and social co-benefits, particularly to mitigate deforestation and forest degradation in order to create value beyond the value chain (I1 E4)	Downstream	Actual	Positive	Short-term /Medium-term
Biodiversity	E4 - Biodiversity and ecosystems	Direct impact factors on the loss of biodiversity	Depletion of ecosystem services and change in water quality as a result of water use (I12 E4)	Own operations, Downstream	Potential	Negative	Short-term

It should be noted that this latter impact is linked to strategy and the business model, as Saipem's operational activities, both onshore and offshore, interact daily with various natural environments. These interactions may lead to modifications or transformations, potentially diminishing the ability of natural habitats to deliver ecosystem services. Based on the activities and analyses carried out by Saipem on the topic, no significant dependencies were identified in relation to the natural capital, in terms of fauna, flora, air, water and soil components and biodiversity.
The IRM (Integrated Risk Management) process aims to assess the risks which could negatively affect the company's objectives. This process involves all levels of the organisational structure, in a multidisciplinary and integrated approach. Considering the nature of Saipem's activities, limited over time and linked mainly to the construction rather than the operation of industrial plants, no systemic risks and residues relating to biodiversity loss were identified.

Within the perimeter of environmental risk management, the responsible functions have examined the potential impacts which could occur in relation to an environmental incident, including the negative impacts on biodiversity, and a potential negative impact was reported, as indicated in the table.
Through an in-depth context analysis, including consultation with its internal stakeholders (e.g. colleagues from local firms) and external stakeholders (e.g. members of local communities, clients, partners, vendors, institutions, research bodies, associations and universities), assesses the main topics affecting their well-being, needs and expectations in relation to the protection of biodiversity. Maintaining its engagement with the above-mentioned stakeholders on this issue, Saipem generally aims at ensuring a positive net impact on

biodiversity in the company's operating sites and projects and strengthening the value of natural capital and local communities in the areas in which it operates.

Furthermore, Saipem analyses the sites where it works to determine the impacts which potentially affect the sites themselves and any potentially sensitive areas nearby. For this purpose, in 2024 159 worksites were analysed (all the Saipem sites included in the "Group Total CSRD" perimeter excluding vessels, which may not be considered as physical sites) and their potential proximity to IUCN, UNESCO areas or Natura 2000 sites. No criticalities were identified; the mapped sites are all beyond the boundaries of IUCN and UNESCO areas. On the other hand, one site was identified as falling in a Natura 2000 area (for details see section "E4-5 - Impact metrics for biodiversity changes").

As concerns the assessment of impacts of biodiversity in the value chain, Saipem is also continuing to map the sites of its vendors (to be completed by the end of 2025).

E4-2 - Policies related to biodiversity and ecosystems

Saipem is committed to the protection and conservation of natural capital and biodiversity and to environmental protection in all its activities, through the assessment, management, and monitoring of risks and opportunities, mitigation, restoration and systematic compensation of any risks and impacts, and continuous improvement of its performance[25].

Working on climate adaptation and mitigation measures, Saipem contributes to the preservation of biodiversity, tackling the main factors that determine any losses (e.g. climate change, variations in land use, the use of water resources, impacts on the direct exploitation of ecosystems and on flora and fauna and pollution).

As described in the "Our sustainable business" policy, the aspects of safeguarding of biodiversity and minimising impacts on ecosystems, including marine ecosystems, are aspects that are fully integrated into the Saipem Group's environmental management system, certified in accordance with ISO 14001:2015 by DNV, applied to its operations, and which involves its vendors, partners and clients. The policy therefore applies to all the Saipem Group, covering all biodiversity and ecosystem impacts identified and is approved by the Board of Directors.

Saipem supports the principles of "No net loss of biodiversity", "No Net Deforestation" and, where applicable, "Net improvement" and "Net Gain" approaches, engaging internal stakeholders (e.g. colleagues of local companies) and external stakeholders (e.g. members of local communities, clients, partners, vendors, institutions, research bodies, associations and universities), generally aiming to obtain a net positive impact on the biodiversity of its sites and projects, also strengthening the value of the natural capital and the local communities in the areas in which it operates. The definition of appropriate KPIs and goals, the systematic monitoring and reporting of its biodiversity protection performance, as well as informing and engaging key stakeholders on this topic, are additional key areas of Saipem's broad responsible approach.

As indicated in the policy, Saipem undertakes to protect and preserve the natural capital and biodiversity and protect the environment in all its activities, through a due diligence process used to identify, assess and monitor risks (including physical and transition risks, as specified in section "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model, management of impacts, risks and opportunities", in chapter ESRS 2) and opportunities, dependencies and impacts on the environment and on society, including human rights, which could be generated by operating activities or throughout the value chain. The level of stakeholder cooperation is constantly renewed over time in order to ensure the definition and implementation of mitigation measures where potential risks have been identified.
Moreover, Saipem annually assesses the biodiversity risk exposure of its operational sites, mapping their geographical proximity to protected areas and other important areas for the conservation of species and ecosystems, and define actions to mitigate impacts or protect biodiversity in the area where it operates.

(25) SASB KPI IF-EN-160a.2.

Responsible for the implementation of the Policy is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level, the realization of the Sustainability Policy is of competence of respective Managing Directors and Project managers/Project Directors.
The above-mentioned Policy is available on the Saipem website for consultation by potentially involved stakeholders and stakeholders whose contribution is necessary for the purpose of its implementation.

Considering the specific character of the activities undertaken by Saipem, the topics concerning invasive exotic species, the traceability of products, components and raw materials, farming practices and sustainable soil use have no direct application in the company's operational context.

E4-3 - Actions and resources related to biodiversity and ecosystems

Saipem fosters research and technological innovation using increasingly digitalised processes to improve environmental sustainability in the sector. For example, the use of underwater robots to perform highly complex tasks in deep sea water, including new generation resident and independent underwater drones - (Hydrones) also used to monitor marine biodiversity, the morphology of deep water sea beds and water quality, as well as inspect asset integrity (including spill prevention activities), the development of advanced plastic recycling technologies, also to promote recyclability and decarbonisation, are all solutions that allow Saipem to contribute through innovation to the conservation and protection of biodiversity, tackling the main factors determining their loss through very specific technical activities.

More information on the services offered to clients to prevent spills is given in section "E2-2 – Actions and resources related to pollution".

The main biodiversity protection actions worldwide

Offshore design activities aiming to protect marine biodiversity: assessment for the replacement of mineral oils with biodegradable oils on vessels (as described in section "E2-3 - Targets related to pollution") and reduction of single-use plastics on Saipem's offshore vessels (as described in section "E5-2 - Actions and resources for the use of resources and the circular economy") for the purpose of protecting biodiversity and marine ecosystems where the problem of pollution generated by the even more common use of single-use plastics is known.

Initiative for local communities aiming to reduce floating waste through the renewed membership of the Water Defenders Alliance promoted by Lifegate with the renewal for another year of the Seabin installed in June 2023 on San Giorgio Maggiore Island (Italy) in Venice, with a collection capacity of over 500 kg of waste per year, including microplastics, as also indicated on the Lifegate website in relation to the Seabin project, and the inauguration of a new Seabin in the Milano Darsena docks in October 2024.

Marine biodiversity study for the Hail & Ghasha Project (United Arab Emirates) the purpose of which includes the engineering, procurement and construction (EPC) of four drilling centres and a treatment facility to be built on artificial islands, in addition to various offshore facilities and over 300 km of subsea pipelines, located in the Marawah Marine Biodiversity Reserve (MMBR), in Abu Dhabi, Saipem conducted detailed assessments and monitoring of the marine environment, including the sampling and analysis of water and sediments, measurement of marine currents through the use of Acoustic Doppler Current Profilers (ADCP), mapping of marine habitats and monitoring of marine flora and fauna, benthic fauna, marine mammals and reptiles. During the study period, dolphins of the Indian Ocean and sea turtles were observed, confirming a healthy ecosystem. The study contributed to the protection of the local marine biodiversity (MMBR). The results of the study were fundamental for updating documents, including the Environmental Impact Assessment (EIA) and the Construction Environmental Management Plan (CEMP). These documents/authorisations proposed mitigation measures that are implemented during the EPC. The study also led to the mapping of current marine biodiversity species, leading to an increase in the number of Marine

Mammal and Reptile Observatories (MMRO) in all project sites, as well as awareness raising campaigns and educational brochures to ensure the surveillance and preservation of this species.

Biodiversity management plan in Rovuma (Mozambique): in the Rovuma project, the activities of which include the maintenance of the Coral Sul FLNG (Floating Liquefied Natural Gas) unit for the liquefaction of offshore natural gas in Mozambique and the creation of an onshore logistics base, Saipem is developing a Biodiversity Management Plan in line with the principles of the International Finance Corporation (IFC) to mitigate impacts on critical species and habitats. The plan under development mainly concerns marine biodiversity (corals and marine phanerogams) in the "near-shore" part of the project. It will include the choice and implementation of mitigation measures (e.g. relocation/protection), monitoring and assessment of the residual impacts to ensure the effective protection of biodiversity and, where necessary, appropriate compensation (e.g. coral plantations).

Fauna conservation programme (Australia): in the Perdaman project, aiming to develop a urea production plant in the Burrup peninsula, located around 20 km north-west of Karratha, on the west coast of Australia, the Joint Venture between Saipem and Clough implemented a fauna capture and migration programme to protect species at risk. The species at risk on the site were initially determined through research in the databases managed by the authority in relation to the type of habitat. The actual disturbance and migration of the fauna on the site complied with the authorisations provided pursuant to the Biodiversity Conservation Act. The conservation programme concerned the phase prior to "site clearing" and construction. Specialised personnel were used, while local personnel were trained in this regard. Fauna seen on site were transferred and registered in a database that is periodically provided to the competent authorities. During the programme, 107 sightings of fauna were recorded and 54 animals were transferred to safe areas, demonstrating Saipem's commitment to safeguarding threatened species.

In the context of the projects linked to infrastructures, for which Saipem holds the role of executor, 7 environmental function employees were trained for the professional figure of "Envision Sustainability Professional" and obtained the related certificate.
The Envision protocol assesses the effectiveness of investments in relation to the ecosystem, considering climate and environmental risks, the durability of the works and the improvement of the quality of life. This approach pays particular attention to the topics of biodiversity, assessed under the "Natural World" category, in order to determine the credits required to the rating level for assigning the sustainability level of the Envision protocol.

The Envision Protocol is an infrastructure sustainability rating system that assesses the effectiveness of investments in relation to the ecosystem, considering climate and environmental risks, the durability of the works and the improvement of the quality of life. This approach pays particular attention to the topics of biodiversity, assessed under the "Natural World" category, in order to determine the project's rating level. In detail, this approach sets out in the design phase to conserve sites of high ecological value, farmland and undeveloped land, recover abandoned areas, protect surface water and groundwater, improve or create wetlands and water reserves, manage rainwater, reduce the impact of pesticides and fertilisers, improve functional habitats and control invasive species.

In relation to the protection of biodiversity and ecosystems in the territories in which it operates, Saipem also invests in emissions compensation initiatives through the purchase of carbon credits generated by nature-based projects as described in section "E1-7 - Absorption of GHG and GHG emissions mitigation projects funded with carbon credits".

Moreover, Saipem works in the communities with local development initiatives, as described in chapter S3 which gives some examples of activities linked to the protection of biodiversity performed in 2024.
To combat the impoverishment of ecosystem services and the change in water quality, as indicated in sections "E4-1 - Transition plan and attention to biodiversity and ecosystems in the corporate strategy and model" and "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in

chapter E4, Saipem conducts assessments of the environmental impacts on environmental matrices, including water, in terms of both consumption and discharges. Furthermore, the company performs monitoring activities in compliance with project requirements (laws, clients, etc.) on discharge water.
Based on the assessments, mitigation measures are adopted and KPIs established to reduce consumption and reuse water. For more details, refer to section "E3-2 - Actions and resources related to water and marine resources".

These initiatives apply to all Saipem operating sites, guaranteeing the sustainable management of water resources and the minimisation of negative environmental impacts.

E4-4 - Targets related to biodiversity and ecosystems

Saipem, by working on climate mitigation and adaptation measures, contributes to biodiversity conservation by addressing the main factors causing its loss[26].
The goals were established on the basis of the results of the materiality assessment described in chapter ESRS 2, section "IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities", considering the impacts, risks and opportunities in its own operations and in the value chain linked to biodiversity and ecosystems. The company has identified these aspects in relation to its operations and value chain, both upstream and downstream. When targets are defined, the reference geographical area is also specified. In defining its goals, Saipem has not taken into consideration any ecological thresholds pursuant to the reference standard. The objectives are aligned to the "Our sustainable business" policy.

Saipem's strategy for protecting biodiversity beyond its own value chain is based on carbon credits from nature-based projects, consequently safeguarding biodiversity, but does not purchase biodiversity offsets.
As described in the related section "SBM 1 Strategy, business model and value chain" in chapter ESRS 2, the update of the 2025-2028 Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.

The qualitative and quantitative objectives relating to biodiversity protection in the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement:

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Mapping the operating sites of major suppliers in biodiversity-sensitive areas	2025	1,921 vendors[27] (0 baseline @ 2023)	0 vendors (Initiating the identification of a supplier cluster for mapping)	🟧	Finalisation of supplier cluster identification for mapping + completion of 100% cluster mapping

Actions planned in the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Mapping of Saipem operational sites in biodiversity-sensitive areas	2024	Mapping of all operating sites	Sites mapped: no sites in IUCN sensitive areas or UNESCO protected areas	🟩	confirmed

🟩 Target reached/Action achieved or, for 2025-2026-2027 objectives, in progress and according to plan.
🟧 Target partially reached/Action partially achieved or still in progress.
🟥 Target not reached/Action not achievedor postponed.

(26) SASB KPI EM-SV-160a.2.
(27). 1,921 vendors corresponding to vendors who: (i) have been evaluated from 2022; (ii) have an "active" qualification in 2024; (iii) and at least one product class qualified at HSE level, according to what defined in the Saipem procedures.

The goals or actions still underway, also found in the previous versions of the plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives for the 2025-2028 Sustainability Plan

With reference to the new Sustainability Plan, the following indicators are reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Mapping of Saipem operational sites in biodiversity-sensitive areas	Mapping of all Saipem operating sites to assess the presence of IUNCN or UNESCO sites	2025	Own operations	Biodiversity	I1 E4 I12 E4
Mapping the operating sites of major suppliers in biodiversity-sensitive areas	Identification of supplier cluster for mapping and completion of 100% cluster mapping	2025	Downstream	Biodiversity	I1 E4 I12 E4

Saipem adopts an inclusive approach to its activities, actively engaging local communities and stakeholders. This commitment ensures that the objectives are defined in such a way as to take into account the special features of each project, ensuring a harmonious implementation that respects the needs and specific character of the affected territory.

E4-5 - Impact metrics related to biodiversity and ecosystems change

Since 2023, Saipem's operating sites and projects have been mapped using a Geographic Information System (GIS) to systematically identify potentially critical areas, interventions and/or further improvement goals.

In 2024, 159 sites were analysed (all Saipem sites included within the "Group Total CSRD" perimeter excluding vessels, which cannot be considered physical sites) and their potential proximity to IUCN and UNESCO areas and Natura 2000 sites. No criticalities were identified; the mapped sites are all outside the IUCN and UNESCO areas. On the other hand, one site falling in a Natura 2000 area was identified. The details of the analysis are given below.

IUCN AREAS

No sites fall in a category I or II IUCN area[28].

(28) For the analysis have been considered the following categories: Ia (Strict Nature Reserve - Protected areas set aside to protect biodiversity and also possibly geological/geomorphological features, where human visitation, use, and impacts are strictly controlled and limited), Ib (Wilderness Area – Protected areas similar to strict nature reserves, but generally larger and protected in a slightly less stringent manner. These areas are devoid of modern infrastructure, though they allow human activity to the level of sustaining local indigenous groups and their cultural and spiritual values), II (National Park – Protected areas similar to a wilderness area in terms of size and main objective of protecting functioning ecosystems. However, category II areas tend to be more lenient with human visitation and its supporting infrastructure. These areas are managed in a way that may contribute to local economies through promoting educational and recreational tourism on a scale that will not reduce the effectiveness of conservation efforts).

Proximity area analysis:

- several areas totalling approximately 1.1 hectares of soil occupancy by the related buildings which accommodate office facilities (Abu Dhabi offices - UAE at the Wafra Square Building, Moss Maritime offices in Oslo (Norway), the offices in Perth Australia, Saipem Limited branch offices in Norway, the offices of Saipem Norway AS near Stavanger in Norway and the offices of Talatona in Saipem Luxembourg) are within a distance of 5 km from category I or II IUCN areas (variable approximately from 2 km to 4.8 km depending on the site) which perform non-operational activities, the impacts of which on biodiversity and ecosystems is assessed within the activities performed as part of the ISO 14001-certified Environmental Management System, and were found to be non-material. Furthermore, the logistics base of Abu Dhabi - UAE (approximately 6 hectares of soil occupancy by the related building) lies at a distance of approximately 2.5 km from a category II IUCN area (the "Al Saadyat Marine National Park"): the impacts on biodiversity and ecosystems are identified, mitigated and maintained up-to-date in the above-mentioned Environmental Management System.

Finally, it is reported that from the analysis it emerged that some sites over which Saipem holds no operational control under CSRD and which are therefore not deemed to be sites with material impacts, as in these sites Saipem performs mainly supervision and/or maintenance activities, lie within a distance of less than 5 km from category I or II IUCN areas (the office in Kuala Lumpur SubCon Engineering NFPS EPC 2, the CERES fertilisation system in Australia for which Saipem, in Joint Venture with Clough, is developing an EPCI and the FSRU in Ravenna working in offshore activities in the Ravenna area).

UNESCO AREAS

No sites fall in a UNESCO area.

Proximity area analysis:

- within a distance of 5 km from UNESCO areas (variable, approximately between 720 m and 3.6 km depending on the site) there are several areas totalling approximately 0.7 hectares of soil occupancy by the related buildings which accommodate office facilities (the offices of the Saipem SA Senegal branch in Dakar, the office in Mexico City, the offices in Rio de Janeiro, Brazil, the offices in Amsterdam, the offices of the Saipem branch in Turkey and the offices in Talatona of Saipem Luxembourg) which do not perform operational activities, for which the impacts on biodiversity and ecosystems are assessed within the activities of the ISO 14001 Environmental Management System and are not deemed significant. Furthermore, the Schiedam base in the Netherlands (approximately 0.1 hectares of soil occupancy by the related building) lies at a distance of approximately 3.5 km from a UNESCO site (the "Van Nellefabriek" site): the impacts on biodiversity and ecosystems are identified, mitigated and maintained up-to-date in the above-mentioned Environmental Management System.

Finally, it is reported that from the analysis it emerged that some sites over which Saipem holds no operational control under CSRD and which are therefore not deemed to be sites with material impacts, as in these sites Saipem performs mainly supervision and/or maintenance activities, lie within a distance of less than 5 km from UNESCO areas (the HS/HC hub in Verona West and the Hook-up & Commissioning Hub in Senegal).

NATURA 2000 SITES

Of the sites analysed, one site falls in a Natura 2000 area, the FECAMP OWF site, on which Saipem has concluded operative activities. In relation to Saipem's activities, the site is not deemed material in terms of impacts; in any case it is reported that from the environmental study performed by the Client, it emerged that for the project site, although falling within a Natura 2000 area, no significant impacts are expected on the population of birds in the area and for which the site was categorised as a Natura 2000 site (Littoral Seino-Marin site).

Proximity area analysis:

- within a distance of 5 km from Natura 2000 sites (variable, approximately between 800 m and 4.5 km depending on the site) there are several areas totalling approximately 2.4 hectares of soil occupancy by the related buildings which accommodate office facilities (the offices in Fano and Marghera, Italy, the offices in Madeira, Portugal, those in Paris, France and the offices in Talatona of Saipem Luxembourg) which do not perform operations, for which the impacts on biodiversity and ecosystems are assessed within the activities of the ISO 14001 Environmental Management System and are not deemed significant. Furthermore, within a distance of 5 km (variable, approximately between 310 m and 3.5 km depending on the site) we also find the following sites close to Natura 2000 sites, totalling approximately 10.4 hectares of soil occupancy by the related buildings:

- the Intermare Sarda yard in Arbatax;
- the SanVitale site in Ravenna;
- the former Sarom area in Ravenna;
- the Onshore&Pineta site in Ravenna.

The impacts on biodiversity and ecosystems of these sites are identified, mitigated and updated as part of the above-mentioned Environmental Management System.
Finally, it is reported that from the analysis it emerged that some sites for which Saipem holds no operational control under CSRD and which are therefore not deemed to be sites with material impacts, as in these sites Saipem performs mainly supervision and/or maintenance activities, lie within a distance of less than 5 km from Natura 2000 areas: the Cagliari Porto Canale facility, the Metanodotto Minerbio construction site in Imola, and the FSRU in Ravenna working in offshore activities in the Ravenna area, the San Giorgio del Porto shipyard in Marseille, the high-speed/high-capacity rail hub in West Verona, the Codogno-Mantua railway duplication, and the Gela Refinery).

Considering the above, the undertaking does not directly contribute to the impact factors of land-use change, freshwater-use change and/or sea-use change in its value chain.

ESRS E5 Resource use and circular economy

Impacts, risks and opportunities identification is carried out with the direct involvement of representatives from all the main stakeholder categories (including employees), the management of Saipem and the Board of Directors. It also considers all Saipem's sites and business activities. The categories of stakeholders involved, the methods used to conduct the consultations and the impacts, risks and opportunities, also relating to the use of resources and the circular economy, are described in the sections of the ESRS 2 ("SBM 2 - Interests and views of stakeholders", "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" and "IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities").

E5 Material impacts

Tema materiale	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Materials management	E5 - Resource use and circular economy	Resources inflows, including resource use	Resource consumption due to purchases for operational projects and company operations (I2 E5)	Upstream, Own operations	Actual	Negative	Short-term
Non-hazardous waste management	E5 - Resource use and circular economy	Waste	Improvement of environmental aspects (waste) by sharing best practices and defining guidelines for the benefit of the value chain/clients/vendors (I3 E5)	Upstream. Downstream	Actual	Positive	Short-term
	E5 - Resource use and circular economy	Waste	Production of waste from operations/projects (I4 E5)	Own operations, Downstream	Actual	Negative	Short-term

E5 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Circular economy Non-hazardous waste management	E5 - Resource use and circular economy	Resource outflows related to products and services; Waste	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. The effects of this risks could include operational adjustments required to align to the new regulations, reputational risks deriving from the inappropriate management of resources and waste, and legal impacts linked to failure to comply with the evolving regulatory practices. (R1 E5)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

E5 Material opportunities

Material topic	ESRS topic	Sub-topic	Description of opportunity type	Value chain (Where the opportunity is generated)	Time horizon
Circular economy	E5 - Resource use and circular economy	Resource outflows related to products and services; Waste	Dismantling of platforms, drones for predictive maintenance (O2 E5)	Own operations	Medium-term (2-4 years)

E5-1 - Policies related to resource use and circular economy

Saipem is committed to environmental protection in all its activities, through the assessment, management, and monitoring of risks and opportunities, mitigation, restoration and systematic compensation of any risks and impacts, and continuous improvement of its performance. This commitment is reported in the "Our sustainable business" Group Policy, which translates into concrete operational actions to tackle the risks linked to potential changes in the ESG scenarios; it is specified that this policy applies to all identified impacts, risks and opportunities and is applicable to Saipem and to the value chain[29].

The use of renewable energy, the deployment of low-impact solutions and technologies, the sustainable use of natural resources and raw materials, the promotion of circularity and proper waste management, the reduction of plastic pollution are fully integrated aspects both in Saipem Group's procurement process and in the certified environmental management system that are applied in Company's operations and involve suppliers, partners, and clients.

As stated in the policy, Saipem undertakes to protect the environment in all its activities, through a due diligence process for the identification, assessment and monitoring of risks, opportunities, dependencies and impacts on the environment, which could be generated by its operations or along its value chain. The level of stakeholder cooperation is constantly renewed over time in order to ensure the definition and implementation of mitigation measures where potential risks have been identified.

Responsible for the implementation of the Policy is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level, the realization of the Sustainability Policy is of competence of respective Managing Directors and Project managers/Project Directors. The above-mentioned Policy is available on the Saipem website for consultation by potentially involved stakeholders and stakeholders whose contribution is necessary for the purpose of its implementation.

(29) SASB KPI IF-EN-160a.2.

E5-2 - Actions and resources related to resource use and circular economy

The circular economy initiatives promoted focus on development and innovation projects for specific technologies, such as those enhancing municipal and industrial waste and the disposal of plastic, part of the Technological Plan described in section “E1-1 - Transition Plan for climate change mitigation” and business opportunities focusing on decommissioning and predictive maintenance, as described in the section on Taxonomy.
Saipem aims to reduce waste generation, maximising material re-use and recycling, and guaranteeing that disposal is managed by vendors who meet high environmental standards. Saipem promotes innovative measures and develops new materials to replace any hazardous ones with sustainable alternatives, also to ensure adaptation to potential evolutions in environmental regulations and international standards.

Saipem's approach to Circular Economy

Saipem’s approach to managing sustainable sites is fundamental for minimising the environmental impact of projects, integrating the principles of the circular economy, promoting the efficient use of resources and reducing waste. In this context, the solutions developed by Saipem are applied to projects and are implemented recurrently, such as the installation of portable photovoltaic systems that can be reused in other projects. The initiatives are tailored and customised according to the specific project requirements.
Saipem promotes the implementation and monitoring of circular economy practices in its projects and sites, through initiatives such as sharing, leasing, loans, reuse, repair, restructuring, reconditioning and recycling of exist materials and products, extending their life cycle. Right from the design phase, circular economy elements to be adopted during project execution are assessed. At Group level, increasing attention is paid to identifying circular solutions for the end of life of assets and plants, fostering their reconversion and destination to new uses rather than decommissioning. To this end, one project certainly worthy of mention is the conversion of the Scarabeo 5 drilling unit into an FPU plant. This project has two main phases: the completion of the conversion in a third-party yard in China, with the required structural and technical modifications, currently in progress and expected to be completed by the summer 2025, and the transfer to Congo, where between October 2025 and February-March 2026 the installation, hook-up, commissioning and performance test phases will be completed to ensure operations.

Plastic production and recycling

Saipem supplies pre-engineered solutions for transforming plastics that are not recycled today into petrochemical intermediates that can be used to produce new plastic, reducing the use of fossil sources and recourse to waste incineration, with the consequent benefits in terms of avoided climate-altering gas emissions.

Saipem has proven experience in the application of petrochemical technologies alongside its experience in developing and implementing innovative technologies applied to the emerging advanced plastic waste recycling market.

The processes for transforming plastic wastes into new products is based on both proprietary technologies and cooperation agreements with key actors in the related sectors, and focus mainly on:

- conversion of mixed plastics that cannot be recycled today into synthetic hydrocarbons to be reintroduced into the production cycle of new plastics;
- depolymerisation of specific polymers that cannot be recycled today, also using as input processing wastes from current recycling processes as materials to produce new monomers that are absolutely equivalent to those made using fossil sources;
- production of synthesis gas and chemical intermediates (hydrogen, methanol, ammonia) from the gasification of plastic-based mixed wastes.

Saipem’s approach to the plastic recycling market is not limited to the supply of solutions, but the Company works actively to promote projects by setting up partnerships with the main actors in the supply chain, from waste suppliers to product users.

For instance, in 2023, Saipem signed a partnership with Garbo to develop ChemPET, a chemical plastic recycling technology based on PET depolymerisation. Recently, in 2024, Saipem confirmed its commitment to this innovative sector and acquired a stake in ChemPET to develop and market this technology globally.
ChemPET technology is a response to the increasing demand for sustainable plastic recycling solutions, also in view of increasingly strict regulations, and helps to reduce PET waste directed to landfills or incineration.
Leveraging on Garbo's ten years of experience in the technological development of PET glycolysis, in pilot plants for testing and technological development in operation at the ChemPET site in CeraNo. In Italy, Saipem has planned the implementation of the first medium-scale industrial plant for chemical PET recycling, able to treat 100% of textiles waste converted into BHET, the base monomer for subsequent transformation into new, chemically recycled PET. Operations are planned to start between late 2028 and early 2029.

Saipem has undertaken initiatives to reduce the use of plastics on board its fleet. In 2022, a drinking water production system was implemented on board the FDS 2 vessel, which in 2024 prevented the disposal of around 7 tonnes of plastic bottles. This value is calculated by comparing the estimated amount of plastic in the plastic bottles of water purchased in the reporting year, compared to the same average value recorded in the years prior to the implementation of the system.
In 2023 a similar system was installed and certified on the Castorone, and during 2024 the certification for potability of water on another vessel (FDS) has been started for the freshwater production system and its effects will be observed starting from 2025. Efforts are currently underway to extend this initiative to the rest of the fleet in the next years.

Waste management

Saipem adopts a responsible and specific waste management system based on the type of operating activity, which is also shared with the third-party companies it operates with.
Hazardous and non-hazardous 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. Following feasibility analysis, 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 (e.g. Replacement of mineral oils with biodegradable oils). The feasibility assessment phase is done for all equipment on board of the vessels, therefore each analysis is specific and may require the use of different and innovative materials.
With a view to reducing waste directed for disposal, with particular reference to sites where sustainable infrastructures are implemented, the use of materials such as earth and excavation rock is preferred, as these are by-products pursuant to Article 184-*bis* of Italian Legislative Decree No. 152/2006.

In order to comply with its internal procedures, 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.). This action leads to an improvement of environmental aspects (waste) by sharing best practices and defining guidelines that benefit the value chain/Clients/vendors.

Any type of service provided by a subcontractor is associated to a Commodity Code, and each one of these is associated to an HSE criticality level. The HSE criticality level is assessed on the basis of feedback received from the Business Lines and the analysis of the HSE data. Vendor requirements are defined on the basis of criticality levels. Therefore, as waste management is considered highly critical, vendors are subject to additional assessments and to contractual incentive schemes aiming to reward excellent safety results or discourage the failure to comply with rules, procedures and good practices. 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. This action also helps to mitigate the negative impact of Consumption of resources due to purchases for operational projects and business operations.

Furthermore, on the basis of the Green Procurement guidelines, during the purchasing process for certain goods, such as lighting, heating and electronic systems, paper products, food packaging and canteen waste management, vending machines, vehicles and means of transport, gardening products, cleaning products, Saipem has prepared "Product/Service Guidelines" including specific HSE requirements in order to reduce the environmental impacts of the specific article (considering the product life cycle: e.g. packaging), in line with the European Green Public Procurement requirements. The guidelines are a tool for supporting the relevant HSE function when drafting requirements for vendor identification during tendering.

To mitigate the negative impact relating to the production of waste in operations/projects and to raise awareness on this issue, Saipem has carried out numerous waste management campaigns globally, demonstrating its strong commitment to sustainability. In Angola, through the associate Petromar, in 2023 it launched a waste management programme through initiatives for the local communities. Among these, in 2024 Petromar distributed 500 re-usable bags to the workers in the village of Ambriz to reduce the use of single-use plastics, and also contributed to a plastic bottle recycling project with the collaboration of the Cooperbango cooperative and the participation of the students at the Maptess training centre. Furthermore, in 2024 Petromar continued an initiative that was launched in 2023 to build a municipal waste landfill in Ambriz, expected to be completed by the end of 2025. In 2024, the initiative included community awareness raising campaigns for the residents of the municipality of Ambriz and the start of the construction works for the landfill. In 2024, the Karimun yard and the vessel SWTB Bautino, part of the Asset Based Services business line, used the organic waste produced to produce compost.
For several years, Saipem has been celebrating the European Week for Waste Reduction, extending it to all its sites worldwide in order to raise awareness, foster cultural changes and best practices to reduce and generally improve waste production. All employees are invited to participate in and contribute to the campaign individually and collectively. For this occasion, clients and vendors are invited to participate in the activities organised.
Furthermore, with regard to Saipem's business activities contributing to the circular economy goal, reference is also made to the section "Sustainable activities according to the European taxonomy." The Report, drafted pursuant to Article 8 of Regulation 2020/852, also reports information on CapEx and OpEx related to the Substantial Contribution Criterion "Transition to a circular economy", specifically for activities 3.3 "Demolition of buildings and other structures" and 4.1 "Provision of IT/OT solutions (information technologies/operational technologies) based on data."

Waste reduction and efforts to improve disposal methods (particularly recycling) are commitments that Saipem has included in its Sustainability Plan goals. Saipem sets its goals by analysing the KPIs from the last four years (2020 to 2024), considering the business activity, region and country where Saipem operates, in order to set targeted and effective improvement goals. Waste KPIs are defined by country, considering all active projects and thinking of each site in terms of the quantity of waste produced and recycled. The experiences of past projects are considered as a starting point for defining the baseline for implementing targets in subsequent financial years.

E5-3 - Targets related to resource use and circular economy

As described in the related section "SBM 1 Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.
Today, no specific targets as defined by ESRS have been defined, but the Plan specifies objectives relating to specific actions.

The qualitative objectives relating to the use of resources and the circular economy in the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement[30]:

Actions in the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Reduce plastic use: actions identified by the roadmap	2024	1) Strengthen the commitment to reduce single-use plastic in the canteens, offices and drink and snack dispensers. 2) Analysis of the use of single-use plastic and the implementation of reduction actions where possible.	1) Use of plastic bottles eliminated in Milan and Fano sites 2) The BLs identified specific projects/sites to implement improvement actions to reduce single-use plastic consumption	■ (green)	
Reduction in the use of plastic: Potable water system installed on offshore vessels	2024	1 Drinking water system installed	1 potable water system on board the FDS under certification	■ (orange)	Confirmed
Waste management and recycling	2024	Maintain and/or increase the % of recycled waste in the applicable sites	27 sites out of 30 reached the target	■ (orange)	Confirmed

■ Action reached or, for 2025-2026-2027 objectives, in progress according to plan.
■ Action partially reached or still in progress.
■ Action not reached or postponed.

New objectives for the Sustainability Plan 2025-2028

With reference to the new Sustainability Plan, the following indicator is reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Reducing plastic use byinstalling a potable water system on offshore vessels	Installation of a potable water system on board 2 more offshore vessels compared to 2024 Feasibility study for the installation of potable water system on board 3 other offshore vessels	2026 2025	Own operations	Materials management Non-hazardous waste management Biodiversity	I12 E5 I3 E5 I4 E5 R1 E5 O2 E5

This target lies at the prevention level in the waste hierarchy, as it aims to reduce waste.

In defining its goals, Saipem has not taken into consideration any ecological thresholds pursuant to the reference standard or specific allocations for the company.

The targets in the Saipem sustainability plan referring to the use of resources and the circular economy are voluntary.

E5-4 - Resource inflows

In 2024, Saipem purchased around 800 product categories for goods, of which around 300 are considered critical for the company's core business. The "Critical" level is applicable in Saipem to goods with medium or high (highly critical) impact on Saipem's performance or Technical/HSE areas, such as goods impacting the quality of

(30) SASB KPI EM-SV-160a.2.

the final product. In more detail, in the event of criticality or high criticality relating to materials, the vendors must have technical capacities assessed by engineering to produce those specific goods.

In 2024 the most representative, in terms of weight, are the following:
- structural steel works,
- oil products,
- pipes and fittings in other materials,
- industrial chemical products,
- high-strength carbon steel pipes,
- structural materials for offshore facilities,
- low-carbon steel pipes,
- various construction materials,
- cladded pipes,
- mooring systems and equipement,
- cathodic protection anodes,
- cable trays.

In 2024 these materials accounted for around 95% of the gross weight of incoming resources out of a total of around 2.7 million tonnes, calculated as the total of incoming flows, considering the material delivered in the year 2024. The calculation excludes material already owned by Saipem, but moved for logistical or operational reasons. The purchases made by Saipem always ensure the necessary quality and reliability for supporting operations and projects and, in 2024, came mainly from vendors in Europe, followed by the Middle East and Far East.
Procurement Management is assured for each Project. Depending on the specific character, each project must establish suitable strategies and ensure the planning, implementation and monitoring of the project purchasing activities for materials, services and works, complying with budget limits and project schedules.
It is specified that rare-earth elements are not part of the main incoming resource flows, but analyses are underway to assess their relevance. This issue will be discussed in next year's report.
Additionally, the company currently does not have formalised policies and procedures requiring suppliers to provide biological materials from sustainable supply chains with certification, nor secondary, reused, or recycled components to be used in the creation of corporate products and services. As a result, any weight share related to such materials would depend exclusively on the specific characteristics of the suppliers, with information currently unavailable for the purchased products. Moreover, considering the size of the spending categories not related to these types of materials, the share corresponding to these categories can be considered negligible within the overall corporate expenditure.
However, Saipem recognises the importance and sensitivity of the issue and confirms its intention to build metrics and measurement methodologies that will allow for the collection of more accurate information starting from the next year.

E5-5 - Resource outflows

(t)	2024 Full consolidated CSRD	2023 Full consolidated
Total weight of waste produced, of which:	**1,223,121.1**	**709,746.9**
- waste disposed in landfill sites	98,843.95	144,389.0
- incinerated:	2,102.1	2,880.6
- in Saipem plants (*)	1,268.7	2,076.1
- in external plants	833.4	804.5
- not directed to disposal	119,266.6	52,588.4
- of which recycled	119,266.6	52,588.4
- other disposal operations	967,632.1	509,897.9
- estimated	35,276.3	
Hazardous	**81,638.5**	**42,779.8**
- waste disposed in landfill sites	6,268.1	6,243.7
- incinerated:	922.7	1,295.7
- in Saipem plants (*)	236.8	512.3
- in external plants	685.9	783.4
- not directed to disposal	42,301.7	1,379.6
- of which recycled	42,301.7	1,379.6
- other disposal operations	30,146.7	33,869.8
- estimated	1,999.3	
Non Hazardous	**1,141,482.7**	**666,967.1**
- waste disposed in landfill sites	92,575.9	138,145.3
- incinerated:	1,179.5	1,584.9
- in Saipem plants(*)	1,031.9	1,563.8
- in external plants	147.6	21.1
- not directed to disposal	76,964.8	51,208.8
- of which recycled	76,964.8	51,208.8
- other disposal operations	937,485.5	476,028.1
- estimated	33,277.0	
Non-recycled waste	1,103,854.5	657,158.5
Non-recycled waste (%)	90	93

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.

The increase in the amount of waste is also associated to an extension of the perimeter, defined pursuant to the laws in force, which therefore prevents the close comparison with the values of previous years.
The total weight of hazardous and non-hazardous waste, given in the previous table for 2024, includes the "estimated" values in order to include sites that fall under the Company's financial control, not included in the environmental reporting system.
For more information on the estimations, refer to section "BP-1 - General basis for preparation of sustainability statement" in chapter ESRS 2.

In the reporting process based on waste composition, Saipem adopts an approach based on the classification of the materials present in the waste, divided into two macro-categories: hazardous and non-hazardous waste.
Hazardous waste includes materials containing or contaminated by substances that, by their nature, quantity or concentration, may represent a risk for health or the environment. These include, for example, contaminated clothing and absorbent materials, batteries, waste oils generated by the maintenance of onshore/offshore machinery and equipment, electronic waste, mud from wastewater treatment plants, solvents and waste from welding activities.
Non-hazardous waste, on the other hand, includes materials that are not classified as hazardous waste or inert waste. These include construction waste (bricks, concrete), organic kitchen waste, paper and cardboard, plastic, glass, ferrous and non-ferrous metals, uncontaminated dredging materials, wood, used tyres and mixed municipal waste.

Saipem also reports data on the total quantity of hazardous waste (above table) and radioactive waste produced during the execution of its projects, where applicable. For the definition of radioactive waste, refer to Article 3(7), of the Euratom Directive 2011/70 of the European Council.
The data included in the environmental reporting system on waste management are generated by collecting from various sources, including waste transfer notes, waste traceability registers, waste delivery notes, landfill delivery receipts, collection receipts, disposal registers, waste management operator reports and, in some cases, are estimated if the waste is collected by publicly owned bodies. Without direct measuring, estimates are made based on the volume of the waste container and/or tipper and the number of waste transport journeys.

The data are reported in the environmental reporting IT system in m^3 and/or tonnes, depending on the available unit. The tool has an incorporated conversion factor (density of the type of waste) in order to convert tonnes into m^3 where necessary.

SOCIAL INFORMATION

ESRS S1 - Own workforce

Saipem's employees are a fundamental group of stakeholders and Saipem engages them directly in a range of initiatives and processes. In particular, within the double materiality process, their interests and views are considered; their engagement aims to strengthen relations and integrate their views and priorities, including those relating to human and labour rights, into the business strategy.

The company makes recourse to its own employees and workers made available by third-party companies working mainly in the field of personnel recruitment. In Saipem's operations, employees and non-employee workers are subject to material risks and impacts.

Saipem uses the mobility of its personnel as a tool for developing its business. Therefore, in drafting the indicators linked to the workforce, two different views are used: Role Company view, in which the personnel are represented on the basis of their Home Company, the entity with which the employee has their primary employment relationship; Service Company view, according to which the personnel are represented on the basis of the company to which they are actually seconded (Host Company). The specific view used will be indicated for each indicator.

For more information on Saipem's main stakeholders and how they are engaged, refer to the section "SBM 2 - Interests and views of stakeholders" in chapter ESRS 2.

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts and risks emerging from the double materiality assessment (including those relating to employees), are fundamental inputs for updating Saipem's Sustainability Plan. The Plan is integrated in the four-year Strategic Plan and the company objectives, providing useful elements for the integrated risk management process (more details can be found in section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2).

The potential and actual risks and impacts identified concerning direct employees are taken into account to define and guide the Saipem strategy and business model. These aspects are assessed through integrated risk management processes, developed in compliance with the "CoSO Report" framework and the international best practices.

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

Within the double materiality assessment, as described in section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2, the following impacts and risks are linked to own workforce:

S1 Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Public Health	S1 - Own workforce	Working conditions	Continuous improvement in knowledge and attention to health issues through participation in working groups, partnerships and collaboration with local healthcare facilities (I15 S1)	Own operations	Actual	Positive	Short-term
Public Health Travel medicine	S1 - Own workforce	Working conditions	Improvement and protection of the health conditions of workers through campaigns, specific initiatives and management systems (I25 S1)	Own operations	Actual	Positive	Short-term
Employee incentives & benefits Employee wellbeing	S1 - Own workforce	Working conditions	Increase in employee wellbeing through initiatives, welfare tools, benefits, and incentives (I22 S1)	Own operations	Actual	Positive	Short-term
Employee development Talent acquisition & retention	S1 - Own workforce	Equal treatment and opportunities for all	Increase in skills and opportunities for people through development programmes, on the job training, education and collaboration with academic institutions (I21 S1)	Own operations	Actual	Positive	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all	Improvement in technologies, skills, industry practices, and culture in the HSE field training (I20 S1)	Own operations	Actual	Positive	Medium-term
Fair & Inclusive Workplace	S1 - Own workforce	Equal treatment and opportunities for all i	Improvement in work-life balance through equal opportunity policies and promotion of an inclusive environment, also aimed at increasing hiring of women in STEM disciplines (I23 S1)	Own operations	Actual	Positive	Short-term/ Medium-term
Security practices	S1 - Own workforce	Equal treatment and opportunities for all	Violation of human rights through abuse of force or other security practices that do not comply with laws, regulations, or contractual requirements (I19 S1)	Upstream, Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions	Impacts on human health due to unforseen damage to assets (vessels, fabrication yards) during business operations (I10 S1)	Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S1 - Own workforce	Working conditions	Injuries to people caused by incidents in the workplace (I27 S1)	Own operations	Actual	Negative	Short-term

The company makes recourse to its own employees and workers made available by third-party companies working mainly in the field of personnel recruitment; refer to section S1-6 for more details on the composition of Saipem's workforce. Both employees and workers made available by third party undertakings are subject to material impacts and risks.

The negative impacts "Personal injury caused by work-related incidents" and "Impacts on people's health due to unexpected damage to assets (vessels, fabrication yards) during business operations" are mainly related to individual incidents that may occur on operating sites during the performance of activities (e.g. offshore construction, works at height). The impact "Abusing force or using security practices that violate laws, regulations, or contractual requirements" may have both a systemic component, linked to the territorial context and once linked to individual incidents. This impact is closely related to Saipem's strategy and business model, as the company works in a sector and in countries characterised by security risks due to unstable geopolitical contexts. These contexts could have repercussions due to the need to adopt security services for which appropriate standards must be assured in order to avoid abusing force towards employees.

For Saipem, minimising the risk of major accident events is a top priority. The Company is well aware that these events can have serious repercussions on people, the community and its reputation. As a company that works mainly as a contracting company, working safely also means providing safe and reliable services to its clients. For more information on "Security of people" refer to section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

The detailed description of activities that generate positive impacts is given in section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions", illustrating the specific initiatives contributing to these effects.

Saipem intends to play a crucial role in the energy transition to a low-carbon-emissions future. This objective guides all the Company's strategic decisions, working also to improve the energy transition skills of its people. For this reason, in 2024, in the Assorisorse working group, Saipem developed a pioneering initiative aiming to map the skills needs in the evolving energy market, with a focus on the distinctive skills and emerging professions linked to the energy transition. This initiative is connected to the identified impact "Increase in the skills and opportunities for people through development programmes, on the job training, instruction and cooperation with academic institutions". Efforts focused on the development of an analytical knowledge, abilities and skills model, based on the results of the interviews with the Company's Technology Managers and verified using a Generative AI tool, which was tested on the set of transition technologies in the Strategic Plan (Advanced Robotics and Automation, Carbon Capture Utilization and Storage, Critical Raw Materials, Floating Solar, Geothermal, Hydrogen Value Chain, Innovative Nuclear Technologies, Low Carbon Fuels, Offshore Wind, Plastic Recycling, Water Management). The main output of the analysis is a Business Intelligence dashboard that not only highlights the interdependencies between emerging technologies and the required skills, but also offers strategic insights and operational tools to facilitate the alignment of education results with the needs of industry, thus improving the ability of tomorrow's human capital to effectively manage energy transition challenges. Through these efforts, Saipem aims to promote a well-informed and reactive educational ecosystem that can accelerate the adoption of sustainable, low-carbon energy solutions.
For more information on the improvement of energy transition skills, refer to section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions", particularly the actions described in section "Skills, knowledge and attracting talents".

S1 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated))	Time horizon
Employee incentives & benefits Employee wellbeing Fair & equitable compensation	S1 - Own workforce	Working conditions	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. This risk could have reputational effects for Saipem (i.e. for social violations and consequent low confidence among stakeholders, including employees), and legal effects (i.e. litigation, sanctions). (R1 S1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Occupational Health and Safety Employee incentives & benefits Employee wellbeing Public Health	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market effects for Saipem (i.e. low confidence among stakeholders, including employees, financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions). (R8 S1)	Own operations, Downstream	Short-term (<1 year)
Employee development Employee incentives & benefits Employee wellbeing Fair & equitable compensation Human & Labour Rights	S1 - Own workforce	Working conditions; Equal treatment and opportunities for all; Other work-related rights	Inability to attract talented profiles from the labour market, retain key competencies internally, as well as develop and manage appropriate succession plans. (R6 S1)	Own operations, Downstream	Medium-term (2-4 years)
Security practices	S1 - Own workforce	N/A	Global and local security: changes in the geopolitical scenario. This risk could have significant impacts for Saipem's workforce, particularly in terms of operational impacts (i.e. physical safety of persons, interruption of operations, workforce repositioning), reputational impacts (public criticism and low confidence among stakeholders in the event of failure to protect the safety of its people, loss of talent attraction and retention), legal impacts (i.e. liability in the event of accidents/safety violations) (R9 S1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

It is specified that the material risks deriving from the impact identified in the previous table refer to Saipem's workers.

HSE Risk Assessment

Saipem has established an HSE (Health, Safety and Environment) risk management process to achieve an acceptable level and controlled exposure to the HSE risk for Personnel, the Environment, the Company and its Assets during the performance of all its activities. This includes the management of the maintenance and monitoring operations for Saipem's Assets (within the boundaries of the company - offices, yards, logistics bases, projects, etc.). The general approach to HSE risk assessment involves the following five main phases: identification of HSE hazards, assessment of HSE risks, assessment of the acceptability of HSE risks, elimination, HSE risk mitigation and reduction, review and update of the HSE risk assessment document, when necessary. This assessment and the related results are documented and shared with stakeholders, i.e. Saipem's workers and subcontractors for occupational health and safety risk and local communities for social, environmental and health and safety risks in the local communities.
In particular, the hazards must be identified using structured review methodologies, designed to identify:

- the HSE risks of all the routine and extra-routine activities (e.g. management of maintenance and monitoring operations for Saipem's assets);
- HSE hazards and impacts generated by third parties, outside or in the vicinity of the activities;
- who (e.g. people) or what (e.g. assets) may be affected, and in which way;
- the possible causes of Health, Safety, Environmental and Social incidents.

If a major Scope of Work is assigned, on a contractual basis, to a subcontractor, the HSE Project Risk Assessment is performed together with the key representatives of this subcontractor.
Appropriately monitoring HSE performance, using a series of Process Performance Indicators (PPIs), including recordable accidental events or the closure rate of HSE investigations, the company aims to facilitate the improvement of HSE processes, identify the positive and negative trends for which HSE performance must be improved, also through the definition of HSE objectives at various levels of the organisation.

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 Sapem 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.

This country risk classification is used by Saipem operationally in the human and labour rights due diligence process. The country context, known as systemic risk, could affect workers' rights, particularly in some categories deemed at risk, such as migrant workers and local communities, including indigenous communities. Based on this analysis, 49% of Saipem's main operating companies are based in high-risk countries, while the remaining 51% are located in medium-, moderate- and low-risk countries[31].
Saipem implements stringent management, control and monitoring procedures to ensure that these rights are respected for all personnel, including those from third-party companies and in the value chain. Also it ensures reporting systems for any violations of these rights and the implementation of effective remedies.

(31) The list of high HLR risk countries is given below: Afghanistan, Algeria, Angola, Azerbaijan, Bahrain, Bangladesh, Belarus, Bolivia, Brazil, Burkina Faso, Burundi, Cambodia, Cameroon, Central African Republic, Chad, China, Colombia, Comoros, Congo, Cuba, Democratic Republic of Congo, Ecuador, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Guatemala, Guinea, Guinea Bissau, Haiti, Honduras, Hong Kong, India, Iran, Iraq, Jordan, Kazakhstan, Kenya, North Korea, Kosovo, Kuwait, Kyrgyzstan, Laos, Lebanon, Liberia, Libya, Malaysia, Maldives, Mali, Marshall Islands, Mauritania, Micronesia, Morocco, Myanmar, Nauru, Nicaragua, Nigeria, Oman, Pakistan, Papua New Guinea, Peru, Philippines, Qatar, Russia, Rwanda, Saudi Arabia, Somalia, Sri Lanka, Sudan, South Sudan, Syria, Tajikistan, Tanzania, Thailand, East Timor, Tonga, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, United Arab Emirates, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe

More information on the management of whistleblowing, refer to section "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns".

S1-1 - Policies related to own workforce

Saipem has adopted policies to manage the risks and impacts related to its own workforce, applying them to all personnel. Respect for and promotion of human and labour rights, along with health, safety, and personal protection, are foundational values for the company. All these principles are integral to Saipem; therefore, all partners and vendors along the value chain are expected to comply with them, especially those outlined in the Code of Ethics, Supplier Code of Conduct, and specific contractual clauses stipulated with them.

As described in the "Our Sustainable Business" policy, Saipem respects all internationally recognised human rights. The Company promotes these rights, working within the reference 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. Saipem signed up to the latter in 2016, further strengthening its principles on human and labour rights, environmental protection and fighting corruption. These principles are integrated into the strategies, policies and procedures, and in the Company's everyday operations, and therefore no forms of discrimination, illegal recruitment, exploitation or trafficking of human beings, violence or ill-treatment, forced or child labour is permitted. Therefore, Saipem promotes these rights within its activities and in partnership with its partners and vendors, through awareness initiatives and verification activities, and through constant and transparent dialogue with all stakeholders.

Saipem's "Our Sustainable Business" policy also includes due diligence on human rights. With this in mind, in the countries where Saipem works, the potential or actual negative impacts are identified and human and labour rights risks are assessed, implementing all the necessary actions to remedy these impacts and monitoring their effectiveness to minimise these risks, also through the engagement of stakeholders, with particular reference to the local communities and all parties involved in the operations. Also reporting systems for any violations of these rights and the implementation of effective remedies are ensured. The whistleblowing procedure and complaint methods are published on the website. More information on the management of whistleblowing and the identified remedies, refer to section "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns".
All types of gender, cultural, ethnic, religious diversity, or diversity of age, skills or any other type, are a characteristic element of Saipem's workforce, and for this reason the company undertakes to always respect the cultural aspects and traditions of the social context in which it works, also in relation to the affected communities, and to create an inclusive working environment for all people. Diversity is covered both in the above-mentioned "Sustainability" policy as well as in its "Diversity, Equality & Inclusion" policy.

Regarding the activities aimed at protecting personnel and assets to provide a safe environment for its operations, Saipem is guided by its Vision on Health and Safety and international standards, including the *Voluntary Principles on Security and Human Rights* and the laws of the Countries in which it operates. Creating a context of mutual respect and trust between the company, its people, and local stakeholders is essential for preventing and minimising the need for security interventions and measures.

The "Health, Safety, Environment and Security" policy describes how the Top management is firmly committed to meeting requirements concerning health, safety and environment, as well as legal and other issues, eliminating, where technically feasible, or in any case appropriately managing risks and impacts of business operations, ensuring the consultation and participation of workers and all stakeholders, including local communities, in all health, safety and environmental issues.

Saipem ensures a safe working environment that respects the environment, for its people, sub-contractors and host communities:
- adopting measures to prevent injuries, negative health impacts and damage to assets;

- demanding compliance with life-saving rules;
- designing and implementing initiatives to provide the knowledge and skills needed to enable everyone to do their job safely;
- ensuring the precise identification and assessment of all HSE risks, promptness and adequacy of mitigation measures and control over all operations, including those performed by vendors, subcontractors, partners and also as part of the due diligence process during mergers and acquisitions.

Furthermore, the assessments of potential environmental and social risks and impacts take into account any potential effects on the local communities lying near the company's operations (for more details please refer to S3 - Affected communities).

The three policies referred to in this chapter can be found on the website.

The "Our people" policy highlights how the enhancement of human capital and skills monitoring and development are strategic factors for achieving the corporate objectives. Moreover, people's professional knowledge held is considered as a major incentive for sustainable growth and an asset that must be protected, developed and taken advantage of. The development of a culture oriented to sharing know-how is the main instrument for consolidating the wealth of knowledge and experience. Training is an essential tool supporting the business activities, enhancing the opportunities for employment, organisational integration processes and change management.

Responsible for the implementation of the here described policies is the CEO, who is availing of his first line top managers who play a head role in the involved functions; in particular, in this area, the Chief People, HSEQ and Sustainability Officer.
For the specific Diversity issue, since 2023 a "Diversity and Inclusion" Committee has been appointed, chaired by the CEO and composed by the Chief People, HSEQ and Sustainability, the Chief Integrated Risk Management and Compliance Officers and the Chief External Communication Officer.

S1-2 - Processes for engaging with own workers and workers' representatives about impacts

Saipem pursues a constructive dialogue with employees and their representatives, engaging them in the identification and assessment of actual or potential positive and/or negative material impacts that concern them.

To this end, in compliance with applicable European legislation and the provisions of the national reference collective contracts, Saipem has established a European Works Council (EWC) to provide designated representatives with information and/or to follow up on consultations on transnational matters of significant interest or strategic importance, including national issues that have potentially significant transnational consequences.

To ensure compliance with the EWC requirements, information related to the consultations must be promptly shared with related department by the HR Manager of the subsidiaries, especially for entities located in the European Economic Area (EEA). These departments collaborate in the planning and organisation of the ordinary and extraordinary meetings envisaged by the Articles of Association of the Saipem EWC. The meetings may be held annually, as defined in the Articles of Association, or whenever there are communications regarding topics of transnational importance that may have a significant impact on the company organisation. Therefore, at organisational level, the activities of the EWC are coordinated and managed, in the department reporting to the Chief People, HSEQ and Sustainability Officer, via the international industrial relations function, which guarantees the coordination with the relevant local facilities reporting to the HR managers of the subsidiaries.
As regards the engagement of the workforce, internal communication, via the company intranet and organisational notices, it promotes a common corporate culture, contributing to the dissemination of strategies,

increasing the engagement of its people to achieve the company's objectives. Saipem ensures that internal communication is clear, targeted and far-reaching, subject to continuous improvement supported by the contributions gathered from Saipem's people and feedback on the effectiveness of the communication, such as through participation in online surveys

Saipem offers all workers the same job opportunities, in full compliance with the relevant local law. Further, always in compliance with the regulatory framework of the countries in which the Company operates, Saipem is committed to promote and respect the freedoms and prerogatives of trade unions and employees' representatives. Saipem, furthermore, encompasses the guiding principles of the United Nations' Universal Declaration of Human Rights, the OECD Guidelines on Multinational Enterprises, as well as the Fundamental Conventions of the International Labour Organization (ILO). Saipem's Human Resources functions worldwide must be aware of the relevant laws and regulations applicable to the specific economic sector or local territory of competence, as well as the reference international standards governing the management of work relationships; they must also ensure compliance with the guidelines and best practices promoted within the framework of the United Nations Global Compact initiative.

On April 15, 2024 an important industrial relations protocol was signed with the general and national trade unions in the Energy and Oil sector called "Corporate participation model" based on the concept of participation and engagement of Saipem people.
This unique protocol stems from the belief that a more participatory system of industrial relations, built around people, helps to maintain and strengthen Saipem's position in the fields in which it is actively engaged. The outlined system of industrial relations is based on three levels of contact: participation and information, consultation and discussion, negotiation and contracting, also consistently with the provisions of the collective labour contracts in force. The agreement also provides for the establishment of a non-negotiating Joint Saipem Corporate Committee (CAPS), based on the discussion of technical and other aspects and contents (e.g. training, health and safety, environmental protection, welfare, work methods) and the launch of a training programme focusing mainly on participation, on which both the trade unions and the company will work together. The CAPS is composed of the focal points on the reference company functions, the representatives of the national secretariats and four trade union representatives, for each of the protocol signatory organisations and any replacements designated by them.

The main engagement initiatives described are addressed to all Saipem's own workers.

S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns

Reporting suspected violations

A fundamental part of the structured management of the demands of Saipem's stakeholders is the internal "whistleblowing" report management process, governed by a specific internal regulatory standard. The process is accessible and made available to employees (using a range of tools, including the intranet or the company noticeboards), workers in the value chain and external stakeholders (as it is also published on the Company website). The description of processes implemented to prevent personal injury caused by work-related incidents is given in section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

The management of Whistleblowing Reports and the related data processing for the purposes of privacy is performed by Saipem SpA, also in the interest of its subsidiaries, in compliance with the provisions of applicable laws, including in particular, the principles of necessity, proportionality and lawfulness of the processing as provided in the Privacy Code. This is done consistently with the related provisions of specific internal regulatory documents. The operational and management autonomy of Subsidiaries are complied with in all cases, ensuring the confidentiality requirements underlying the preliminary investigations, in compliance with the requirements imposed by the internal regulatory documents and the applicable laws.

Whistleblowing reports are any information, news, fact or conduct of which Saipem's people may become aware concerning potential violations, improper conduct or practices that do not comply with the provisions of the Code of Ethics and/or which may cause damage or prejudice even only the image of Saipem SpA or one of its subsidiaries. This refers to employees, members of the company bodies, the independent auditors of Saipem SpA and the related subsidiaries and third parties in business relations with these companies. The reports may concern one or more of the following topics: the internal control system, accounting, internal accounting controls, auditing, fraud, administrative liability of the Company under Legislative Decree No. 231/2001, and others (such as violations of the Code of Ethics, mobbing, security, gender harassment and discrimination, etc.).

Saipem has prepared various channels of communication as a way to facilitate the sending of reports, including, but not necessarily limited to, regular post, yellow boxes, e-mail, and communication tools on the intranet/internet sites of Saipem SpA and its subsidiaries.

The Spot Audit and Whistleblowing department ensures that all appropriate controls are in place for any facts that have been reported, guaranteeing:
(i) that these phases are performed in the quickest possible time and in compliance with the completeness and accuracy of the investigations;
(ii) that full confidentiality is maintained in the appropriate methods to protect the whistleblower.
The investigations are composed of the following phases:
(a) preliminary verification;
(b) assessment;
(c) audit;
(d) monitoring of corrective actions.
The Spot Audit department 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.
If during the investigations findings are identified in relation to the Corporate Risk Management and Internal Control System, the Spot Audit function defines recommendations, based on which the management of the audited areas or processes drafts a plan of corrective actions. The Internal Audit function is in charge of monitoring the progress of their implementation. Specifically:
- it monitors all the corrective actions through a periodic declaration by the management (so-called documentary follow up) with particular attention to the actions relating to findings with the highest priority;
- it performs an operational audit of the effective implementation of the corrective actions (so-called field follow up) relating to audit reports with the most critical summary assessment of the SCIGR.

The main corrective actions identified were: assessment of disciplinary measures, awareness raising on the Saipem Group's Code of Ethics, the transfer of an employee and other initiatives aiming to improve the quality of life on board a vessel for all personnel.

The company ensures proper awareness and understanding of whistleblowing channels through ongoing communication and training initiatives. In 2024, a cascading Business Ethics Workshop was conducted, it was launched with a message from our CEO, focusing on corporate ethical principles and including a dedicated section on whistleblowing procedures. The initiative has involved the entire population of Saipem Group.
Seafarers and/or crew members have the right to submit a complaint in the event of violations of their rights, as defined in the Maritime Laws defined in the Maritime Labour Convention, 2006 (MLC 2006). This process is governed by a specific internal procedure and implemented on board Saipem's offshore vessels.

These actions are adopted with the aim of mitigating any significant negative impacts that there could be for people, concerning particularly material topics such as the potential violation of human rights, also due to safety practices that do not comply with laws or regulations.

As regards safety, the Hazard Observation Card (HOC) is a tool for gathering suggestions for improvement and reporting negative/positive practices observed on site and to eliminate unsafe actions and conditions. All employees and third parties can actively compile a hard copy or digital HOC (using a QR code). The HSE team is in charge of analysing the HOCs and, if necessary, identifying corrective actions, engaging all the required

actors. Every planned action is monitored until completion. An HOC assessment is conducted regularly in the HSE meetings. Implementing safety risk management measures aims to mitigate any negative impacts on people caused by unexpected damages to company assets, including vessels and sites, during business operations.
Furthermore, it is also fundamental to tackle problems relating to environment deterioration and consequent risks for human health that may be caused by substance losses. Having mitigation measures for this impact is important as the uncontrolled accidental spill of substances can contaminate soil and water resources, damaging local ecosystems and placing people's health at risk. Preventing and mitigating these incidents helps to protect the environment, but also guarantees people's safety and well-being.

The Spot Audit and Whistleblowing function guarantees the confidentiality of any reports, protecting the identity of the whistleblower and protecting them from retaliation. Specifically:

- the communication flows ensure the principles of confidentiality of the person reported, the whistleblower, and generally all the persons and facts relating to the whistleblowing report. In any case the Spot Audit and Whistleblowing department ensures the anonymisation of the persons and facts which may unambiguously refer to the report;
- it is forbidden to carry out any acts of retaliation that cause or could cause, directly or indirectly, unfair harm to the Whistleblower These protection measures apply to Saipem personnel and third parties. Moreover, they also apply to the whistleblower's facilitators and colleagues.

Reports may be anonymous and equivalent to ordinary reports, where substantiated. Information is shared only with authorised subjects. If false reports are made by gross negligence or wilful misconduct, the protections are not guaranteed.

Saipem adopts health and safety risk management and organisational procedures aiming to avoid or reduce, as far as possible, risks on people, including potential effects on local communities. The most significant steps of the HSE investigation process following events with actual or potential impacts on people are: (i) Event identification: preliminary information is gathered on the event to understand the causes and circumstances and define the best immediate intervention actions (ii) Immediate intervention: for example, immediate medical assistance and ensuring the safety of the area in order to prevent further damage. (iii) Investigation: an in-depth investigation to determine the causes of the event and identify the necessary corrective measures. (iv) Implementation of corrective measures: application of all the identified corrective measures, including changes to work processes, additional training, improvements in equipment and updating of safety procedures. In addition to these steps, the completion of the HSE investigation process and the implementation of the related corrective measures and their effectiveness are continuously monitored, also through feedback from employees.

In relation to the management of Emergency and Crisis, the Company also identifies direct communication flows between the Worksite Manager, who manages the emergency in accordance with the Emergency Response Plan of the specific site, and the Country LCU (team of people set up in each country where Saipem works) which, informed by the Worksite Manager, supports any interventions and informs the Corporate Functions through the Emergency Notification App and other communication tools. The Corporate Functions provide specialist support and, when necessary, inform the Corporate Crisis Committee and the CEO of Saipem, depending on the severity of the emergency, raising the emergency level. A debriefing is held at the end of each actual or simulated emergency, to analyse the emergency management and identify improvement actions. The actions are monitored in the HSE management system and through the continuous monitoring of HSE performance.

These mitigation actions are linked to the negative impact "personal injury caused by work-related incidents".

S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

People, with their dedication and professionalism, essential for achieving the corporate objectives, are a crucial factor for Saipem. The following paragraphs investigate the topics dealt with, including health and safety, skills, talent attraction, employment, fair pay, welfare, work-life balance and well-being. The interventions on impacts and the management of material risks (following the double materiality assessment described in section "IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities" in chapter ESRS 2) for the workforce and the effectiveness of such actions are also described.

Health and safety

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following positive impact: "Improvement of technologies, skills, sector practices and the HSE culture" and the following risks: "Change in the ESG scenario that can generate legislative developments concerning energy transition and other environmental and social topics" and "The occurrence of events with potential effects on the health of workers and people living near operations and/or with prolonged exposure that can cause occupational diseases".

The health and safety of all personnel is a priority and strategic objective for Saipem. This commitment is a fundamental pillar of the "HSES" policy and Sustainability Plan in the Group's "People Centrality" pillar "Health, Safety, Environment and Security". 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, and the local communities present near the operating sites, 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. Saipem performs internal HSEQ audits on: the HSEQ management system, conformity with the applicable HSE legislative requirements in the countries in which Saipem operates, as well as any contractual HSEQ requirements.

In 2024, more than 286 internal audits were conducted to monitor Saipem's Integrated Management System (first party audits). In more detail, 22 relating to the Health Management System, 47 to ISO 45001 (Safety), 26 in accordance with ISO 14001 (Environment), 73 integrated Environment and Safety, 9 in accordance with the Asset Integrity system, 46 Legislative Compliance and 7 on the Organisation and Control Model adopted in relation to the occupational health and safety and environmental aspects. In accordance with its own procedures, Saipem constantly monitors the HSE performance of its subcontractors in different ways, also planning and conducting HSE audits on a sample basis (56 in 2024) and Quality audits.

Again, in accordance with the company procedures, the criticalities emerging during the audits are managed by the audited parties, defining appropriate Corrective action plans to solve them. The audit teams then assess their effectiveness, always with a view to the continuous improvement of HSE and Quality performances.

The criticalities emerging during the audits are also subjected to constant monitoring and quantitative analysis. In 2024, 338 non-conformities were recorded, both major (106) and minor (232).

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 (DNV), the ISO 45001 and ISO 14001 certifications were confirmed for Saipem SpA and all the Group's main undertakings. This allowed the health and safety management system to cover 99% of direct employees and agency personnel, excluding subcontractors,

for the full consolidated perimeter (93% for the Group perimeter), guaranteeing a uniform and systematic approach to process management.

Safe operations[32]

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following positive impact: "Improvement of technologies, skills, sector practices and the HSE culture".

Guaranteeing safety during the whole project life cycle, from design to delivery, is of fundamental importance to Saipem and is clearly described in the Company's HSES Policy. During the design phase, safety is guaranteed through the design risk management and the identification, assessment and continuous reduction of the main risks, through process safety measures. Design risk management is implemented through a range of engineering activities, including Inherent Safe Design. Inherent Safe Design is the main approach to follow to avoid any hazards and/or mitigate the correlated risks: this requires continuous discussion and regular meetings among all the areas involved and the safety specialists from the start of design and throughout all project execution phases, in order to assess and review the main design choices (including process alternatives, layout solutions, etc.) to:

- consider all the possibilities to reduce risks (ALARP); and
- promptly and correctly select the safety requirements/measures. The management of design and execution safety aspects is also ensured by the following activities.

1. Review of hazards during project development: all the main risks that affect each area of the facility to be implemented are identified and classified using 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, transport and installation phases. The second step is the HAZOP analysis which aims to underline the hazards that may arise from the project, in terms of incident scenarios, and provide information for implementing improvements in the design of protective and preventive measures. The final step is to identify preventive and mitigation measures for the main hazards identified during the updating of the HAZID and HAZOP assessments. All these Safety Critical Design Measures (SCDM) are included in a specific register.
2. Safety studies that include, for example, the analysis of the flammability risk and the quantitative risk assessment (QRA).
3. Design of safety system of protection including, but not limited to, Fire & Gas system, fire-fighting system and passive fire protection.
4. Identification of the safety and environment critical elements (SECE): all systems or equipment that are considered to offer significant benefits for the prevention, detection, control or mitigation of a potential serious hazard and the failure of which could compromise the system performing the safety function. For SECEs, relevant performance standards are defined and assessed in order to verify their correct design, functionality and availability.
5. The Functional Safety Life cycle activities in accordance with standards IEC 61511 and IEC 61508 are part of the safety activities performed for the design and operation phases, including the assignment of SILs (Safety Integrity Levels), the specification of safety requirements for SIFs (Safety Instrumented Functions) and verification activities.

Asset integrity

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following negative impact: "Impacts on people's health due to unexpected damage to assets (vessels, fabrication yards) during business operations" and the following risk: "The occurrence of events with potential effects on the health of workers and people living near operations and/or with prolonged exposure that can cause occupational diseases."

Working in safety, minimising the risk of occurrence of major accident events, is a priority for Saipem. The Company is in fact aware that these events can have serious impacts on people, the environment, the wider community, its own assets and reputation.

(32) SASB KPI SV-320a.2.

For Saipem, working mainly as a contracting company, working in safety 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. The Company is committed 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 every offshore unit (construction, drilling and floaters) are analysed in terms of their potential impact on people, the environment and material damage to the asset and/or in terms of delays in project execution. Material incident scenarios are identified and analysed through specific studies aiming to identify the preventive and mitigative barriers of each scenario with potential escalation to a material incident. Safety Critical Elements (SCE) and performance standards are identified for each one, along with the activities required to ensure the achievement of these performance levels during the whole asset life cycle (assurance activities). The activities described above are included in the so-called "Safety Case", for which a further improvement process was launched to identify the Safety Critical Equipment and Safety Critical Tasks associated with barriers dependent on human action, mapping the actions, responsibilities and skills required to perform the task in a reliable manner. Skills are managed through a Competence Assessment & Assurance process, aimed at identifying any skills gaps and filling them with appropriate internal and external training activities, through courses or on the job training; this also applies to emergency management, for which periodic drills are performed.

During all asset life cycles, the assurance activities, including maintenance, tests, personnel training, updating of procedures and manuals, are carried out by the operating and asset management departments. Changes are managed through specific procedures aiming to identify the level of impact of the change, assure the involvement of experts in the areas affected, identify the correct level of final approval, and manage the change process up to its complete closure. Saipem constantly monitors its asset integrity performance, gathering information on the state of health of all safety critical elements, as well as skills and critical procedures. This information is represented through a set of Key Performance Indicators, developed for each of the three business sectors concerned: offshore construction, drilling and floaters production. In addition, systematic audits and Barrier Self-Verifications are performed by the Vessel Management Teams. All the performance information is consolidated and presented during periodic reviews to define improvement actions: on a quarterly basis with the Chief Operating Officer, relevant Business Line managers and on a six-monthly basis with the Chief Executive Officer of Saipem.

Safety of people

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following negative impact: "Impacts on people's health due to unexpected damage to assets (vessels, fabrication yards) during business operations", the following positive impact: "Improvement of technologies, skills, sector practices and the HSE culture" and the following risk "Change in the ESG scenario that can generate legislative developments concerning energy transition and other environmental and social topics".

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 2025, 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 SA8000 Social Accountability International (SAI) certification (obtained for Saipem SpA in March 2022 and maintained in 2024) confirming the implementation of a social accountability management system in the field of human and worker rights and their well-being in 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 (asset integrity);
- ensure the appropriate assessment of the health and safety risks of the people working in all its operating sites and those linked to the interference with activities contracted to vendors operating in Saipem's facilities or yards;
- 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 Saipem'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 is 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.

Leadership in safety and HSE culture

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following positive impacts: "Continuous improvement of knowledge and attention to health topics through participation in round tables, partnerships and collaboration with local healthcare facilities", "Improvement and protection of the health of workers through campaigns, specific initiatives and management systems" and "Improvement of technologies, skills, sector practices and the HSE culture".
Saipem has launched several initiatives to ensure the safety of its employees. Among these, the dissemination of the Leadership in Health and Safety (LiHS) programme, which aims to foster a safety culture at all company levels.
With regard to the initiatives promoted by Saipem on the dissemination of a safety culture within the organisation, the main actions carried out in 2024 were:
- the launch and dissemination of the Human Performance programme, the new programme for improving HSE performance that aims to integrate the five HP principles into its operational approach;

- the launch of the new Saipem film based on the five Human Performance principles, "Fail Safe";
- the strengthening of LiHS topics through the LiHS Reload activities;
- the organisation of events with partners and clients, including the Leadership in Health & Safety Summit, in partnership with ExxonMobil;
- the LiHS Global Cascade, to celebrate the World Day for Safety and Health at Work with alignment events organised by Saipem leaders;
- the re-introduction of the Health & Safety Award, a prize celebrating the actions that embody the values of courage, leadership and responsibility;
- the launch of the HSEQ Community, a specific channel for sharing, cooperating and learning.

HSE training

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following positive impacts: "Continuous improvement of knowledge and attention to health topics through participation in round tables, partnerships and collaboration with local healthcare facilities", "Improvement and protection of the health of workers through campaigns, specific initiatives and management systems" and "Improvement of technologies, skills, sector practices and the HSE culture".

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.
In 2024, after six months of intense research and development, Saipem created a new programme based on **Human Performance (HP)** principles. The main objective of this initiative is to significantly improve safety performance, optimising and perfecting its HSE processes.
It clearly emerged that rules and procedures alone are not sufficient, as a significant number of incidents are caused by inappropriate behaviour, strictly linked to Human Performance factors. To tackle this challenge, Saipem has introduced the HP programme, aiming to integrate the Human Performance principles into its activities, fostering a profound change in culture and conduct.
A central element of the programme is the **HP kit**, including training tools to provide a solid theoretical grounding in Human Performance, as well as advanced brainstorming activities, aiming to identify areas for intervention and process improvement. These initiatives are based on the experience and methods determining the success of the LiHS programme.

A key component of the kit is the new Saipem film, *Fail Safe*, inspired by an actual incident which occurred in a confined space, analysed using Human Performance principles.
The film aims to underline the importance of integrating Human Performance principles in the corporate safety culture, assuring greater awareness of and attention to human behaviour in operating contexts.
Furthermore, as part of the HSE training, the refresher course for supervisors and managers was redesigned in 2024. The redesign makes the highly practical and interactive "Listening & Building" course, based on the power of effective communication and the awareness of the human factor influence.

As regards the economic resources used for employees training, in 2024 €20.2 million were invested. These amounts are higher than the previous year, which were €15.2 million.

Employee health

The actions taken by Saipem on employee health described below are closely related to the following positive impacts: "Improvement and protection of the health of workers through campaigns, specific initiatives and management systems", "Continuous improvement of knowledge and attention to health topics through participation in round tables, partnerships and collaboration with local healthcare facilities".

Saipem considers health a fundamental right to be protected, promoting an approach blending care and prevention. For the company, health is a holistic and universal concept that goes beyond the mere concept of complete physical, mental and social well-being, including also personal realisation and the enhancement of individual and social resources. At Saipem, promoting health means providing its people with concrete tools to understand, manage and improve their health, always in compliance with privacy and the national and international regulations.

Saipem guarantees top-level medical assistance to its workers, even in remote locations, through a continuously developing healthcare management system. This includes medical fitness examinations and personnel training for specific work destinations. Moreover, the company implements specific processes to tackle medical emergencies in order to promptly ensure the best care. Saipem's health management system is based on international principles, including the WHO Peking Declaration, the global occupational health strategy and European laws, including Directive 2000/54/EC, transposed in Italy by Legislative Decree No. 81/2008 on risk identification and assessment for each site/project, implementing and constantly monitoring preventive measures.

Saipem's health management system offers healthcare services integrated with local resources, responding to both professional and personal needs. To ensure an appropriate level of care abroad, the company has set up telehealth services, which represent a fundamental support tool for healthcare personnel in remote and offshore areas. In 2024, in addition to the existing services (telecardiology and teleradiology), the teledermatology service was implemented abroad, and the telepsychology service will be launched in 2025.
Through a well-structured Traveller's Medicine system, prompt and correct information is given to workers concerning the specific risks of their destinations along with recommendations relating to vaccinations and the indispensable conduct to adopt in the country of destination. To ensure multi-channel access to this information, Saipem has developed a travel medicine app, *"Sì Viaggiare"* for travelling workers, which is constantly updated in relation to any health emergencies in all the countries around the world. With a view to health promotion also in the country, the app has been making available free of charge on the main mobile application stores.

Saipem actively participates in the WHP (Workplace Health Promotion) programme, and in 2024, for the tenth consecutive year, obtained the recognition of "Workplace that promotes health initiatives". These initiatives include the promotion of a balanced diet, active life styles, stop smoking programmes and targeted addiction prevention actions. 2024 saw the launch of the programme *"Tailormade- La nutrizione si misura"*, an innovative project that offers dietary programmes more suited to specific nutritional requirements in some of its company restaurants.
At the same time, various thematic webinars were held to raise awareness on the importance of a correct diet as a tool for preventing disease and for environmental sustainability.
Also in 2024, Saipem renewed its commitment to the secondary prevention of non-transmissible diseases, particularly cardiovascular disease, updating the risk assessment tool already used for recruitment to specific prevention programmes. These were also updated in accordance with the latest guidelines.
A health check-up programme has been running in Milan since January 2024, and in 2025 will be extended to other sites in Italy, for the early identification of cancer, cardiovascular and other diseases. The programme, which is totally free and voluntary for workers, includes specific procedures according to gender and age, consistently with national prevention plans and the reference guidelines.
In the past, Saipem developed the Smart Clinic concept, a dashboard of services available to workers to meet various health, mental well-being and social needs. The services offered include not only those strictly linked to working life (first aid, occupational health, travellers' medicine) but also those benefiting private life, including training activities for caregivers, self-medication support and self-administration of drugs. Alongside these, Saipem makes a psychological support service available to its workers, aiming to offer additional resources to cope with everyday challenges and pressures, which can affect mental balance and harm individual well-being. The service, managed by qualified experts in the psychology field, includes both face-to-face and remote sessions with a male or female specialist, according to any potential gender preferences. This support is offered alongside more traditional options, such as classic interviews and collective training sessions on specific topics and more innovative subjects such as the use of the metaverse. The metaverse is a tool used by the psychotherapist to create a setting that puts patients at ease, fostering relaxation and dialogue. The psychology service also provides support to the organisation, helping to understand and manage internal dynamics, constructively solve conflicts and create a harmonious working environment, increasing the workers' psychological perception of safety. In 2024, several collective meetings were organised with a range

of professionals from the various Italian sites, on issues including parenthood, marriage and partnerships, managing children and new addictions. Parallel to the psychological support, in Italy Saipem also offers its workers a social care service to manage family problems, support for the elderly, disabled relatives, access to social safety nets and local support networks. The service is tailored to the specific needs of its users. During the year, Saipem also developed a disability management model, based on the World Health Organisation's ICF classification which aims to identify any obstacles hindering full participation in company life and promote targeted structural and pro-active solutions to remove these.

Skills, knowledge and attracting talents

The actions taken by Saipem on skills, knowledge and attracting talents described below are closely related to the following positive impact: “Increase in the skills and opportunities for people through development programmes, on the job training, instruction and cooperation with academic institutions” and the following risk “Inability to attract talents from the labour market, retain key skills in-house and manage appropriate succession plans”.

This year as well, Saipem maintains its commitment to promoting and supporting the growth of its people through key development initiatives focusing on professional and aptitude skills.
The cornerstone of this commitment was the dissemination of the new Behavioural Model (One Saipem Way in Safety) and the creation of engagement on the underlying values and principles. Saipem has designed and implemented a skills communication, training and instruction process for the whole company population.
The training programme stands out for its dynamic, stimulating and interactive approach, delivered in blended mode with the learner at the centre of the experience in both its live and on-line parts.
In the second half of 2024, 6 e-learning modules were made available, one of which introduces the model and one for each of the pillar (People, Future, Courage, Together and Results), while in the first months of 2025 specific face to face training will be delivered to Managers and Senior Managers, supporting them in the implementation of the Behavioural Model in typical people management processes. In parallel, Saipem has designed behavioural training to support the learning of all the skills outlined in the Model.

Aiming to foster the development of People and their alignment to the corporate objectives, the Performance Management process began to be implemented for the whole company population. The process engaged people and managers in communicating the allocation of target sheets for all Saipem employees. Partially completed, these can be tailored to foster a pro-active approach. Ultimate responsibility lies with the managers; moreover, the One Saipem Way Behavioural Model is an integral part of each performance sheet.

Throughout the year, the development activities continued, monitoring the motivation of some resources and other differentiated initiatives according to the target population and with reference to their specific professional path. For young people, the aim is to identify, orientate and develop potential; for experts, it is to assess soft skills and the potential for professional/managerial growth; and finally, for the managerial population, it is to verify the potential for growth towards more complex positions and identify possible further development.
The development initiatives also included the introduction of a new appointment process, aiming to enhance technical and managerial careers that have a significant impact on company results, or highly specialist careers that are critical to the achievement of business strategies.

With a view to enhancing and engaging Saipem’s people right from the start, various onboarding initiatives have been run at Group level.
In particular, in Italy a structured onboarding process began in 2023 and aims to be extended to all foreign sites, in some cases through local initiatives, by the end of 2025.
This process sets out to increase loyalty and integrate new hires better into the company context, through specific activities and events, to increase know-how and, at the same time, spread a corporate culture based on common values. One of the initiatives in the process is the “Welcome to Saipem” event run for new resources. The event aims to present the company and its business, the main projects, organisational processes and main initiatives, including those on Sustainability Safety and Environment, Development and Training processes, the company’s commitments to Diversity, Equality & Inclusion and the value of corporate

welfare, in order to raise awareness among new hires of the specific features of the context. The second edition of the event was held in July 2024, with the participation of around 250 new resources who joined the company between November 2023 and June 2024. The third edition was held in January 2025, with revised delivery methods following some feedback received from the participants in the previous editions and organised in blended mode, with the possibility to take part both remotely and face to face at the headquarters in Milan.

The Business Lines are also running some significant onboarding programmes for young graduates.
In Fano, at the Offshore business's centre of excellence, the Saipem High School Academy was run for a total of 9 weeks from October 14, 2024 to December 13, 2024. The initiative addressed 15 resources who, following their training, will join Saipem in their capacity as 2nd Assistant on board the Construction fleet vessels. The aim of the training course was to introduce the participants to knowledge of the Oil&Gas business and provide them the groundings in offshore installation techniques.
In the Drilling Business Line, following the successful pilot initiative in 2023, the apprenticeship training course was replicated in Milan for 6 high-school leavers with no work experience (5 electronic engineers who will then go on the vessels + 1 Asset Power Automation Engineer who will be working onshore in maintenance activities to support the vessels). The course began in November and will end in early 2025, providing the students with the first learning tools for their smooth entry into the company and the workplace.

As regards foreign sites, the "Parcours d'intégration" programme was developed in France to integrate new joiners. The programme is implemented in several phases, starting from when the new joiners arrive at Saipem, welcomed by the HR Partner in a meeting during which the main issues relating to their career in the company are explained. Thereafter, they are sent to an "integration meeting" which allows every new colleague to find out about Saipem's activities, presented by the CEO of Saipem SA and their line managers.
Another phase in this process is the participation in a workshop entitled "La Fresque du Climat", presented by the Sustainability colleagues to raise awareness on climate issues in an educational and cooperative workshop.

Managers were another population engaged in major Group-level initiatives. Firstly, Saipem experimented a Coaching project for young managers, with a view to the self-development of skills. The service, available on a digital platform, represents a new tool allowing the people involved to increase their awareness of their own potential and improve performance through the definition and implementation of a bespoke growth plan, with the support of certified and qualified Coaches.

In India, aiming to strengthen leadership and management skills, indoor and outdoor experiential training projects were organised, aiming to identify and perfect attitudes and behaviours through integration with activities simulating real life scenarios that help the participants to overcome fears, express emotions in a non-judgemental way and challenge inhibitions.
Supporting future managers in France, a training course entitled "Poseidon" has been studied for people recognised as Key/High Potential who will hold significant responsibilities in the organisation in the near future.
The main aim is to develop managerial skills, increase professional efficiency, create a dynamic network and strengthen knowledge of the Group, while sharing and promoting Saipem's values.

In addition to soft skills, Saipem continues its commitment to the upskilling and reskilling of skills linked to its Business Strategy.
The offshore sector is a critical area for the future of Saipem, and transferring and conserving technical and specialist know-how is essential for strengthening the leadership position in the sector. For this reason, two permanent training centres are under completion in 2025, devoted to the developing and strengthening of Drilling and Offshore skills. The first will be set up in the offices in Milan, while the second is in Fano, in proximity to the reference business.

The importance of specific offshore skills in Saipem is also underlined by the creation of a new e-learning course (Green Set Engineering) on the topic of Offshore Engineering.

The course, designed entirely in the Offshore Business Line, includes over 40 subjects, and will allow all resources to study out skills and acquire new knowledge, thus fostering a culture of excellence that will help us to tackle future challenges with renewed strength and ability.

Again concerning the strategic skills for Saipem's business, a series of Project Management initiatives that Saipem has run over time should also be reported, including:

- E-Learning PM basic course under completion (the course is due to be issued by May 2025) to be included in the onboarding programme for new joiners;
- PM Takeaway, an internal course addressed mainly to the PM population and subsequently extended also to other critical project figures;
- PM Academy (in partnership with Milan Polytechnic);
- PM Agile, run by Milan Polytechnic for Digital resources;
- PM Leading in Action, an initiative for PMs of the Offshore Business Line to enhance the soft and managerial skills of their role in a highly experiential format.

The centrality of skills for Saipem is also reflected in the creation of common value for all internal and external stakeholders, and the engagement strategy is based on three fundamental principles:

- **Educational advocacy**: all initiatives aimed at the development of school-enterprise relations, both with regard to secondary schools and universities, aimed at school/work guidance, the development of joint projects, the creation of study paths.
- **Social impact projects**: all initiatives that have an impact on the territory and involve, schools, students, confederations.
- **Employee relations**: all those events and/or projects addressed to Saipem employees that aim at enhancing skills and personal development, engaging and promoting corporate culture, values and people strategy aimed at increasing productivity and personal well-being.

In 2024, this led to the activation by Saipem of a range of initiatives, aiming to define an interconnected ecosystem between society and educational institutions to foster the growth of skills useful for the business, with particular reference to the management of complex projects and the energy transition world.
In November 2024, the ITS Academy was launched. This specialist high-technology school offers access to a level-5 ministerial diploma, aiming to enhance the direct relationship between school and business, increasing specific skills and practical capacities in the Marches region. Saipem is once again group leader, engaging local businesses, training institutions, Confindustria Pesaro Urbino and the ITS 4 puntozero Foundation.
Again with a view to careers guidance, Saipem decided to accompany young people on a discovery of their hopes and talent through their awareness of Saipem’s technical and other professions. This activity began in 2024 with “Progetto Sinergia- Innovating the future”, a project addressed to 6 secondary schools in Italy (San Donato Milanese, Milan, Pesaro, Ancona, Tortolì, Mestre) which aims to develop soft skills to offer innovative inputs to the company on top cs linked to its corporate business. During the school year 2024-2025, divided into groups, the students will work on a “challenge” introduced by Saipem, in which they have to develop an awareness campaign on the importance of energy transition at sea. In addition to the support of Saipem experts assigned to the schools, the students will have access to specific “life skills” training, creating a bridge between school and the job market.

In 2024, Saipem laid the foundations for launching the “Centro di Orientamento Nazionale” (“National Guidance Centre”) project, also with the involvement of the Ministry of Education and Merit. In 2025, the project will launch a series of activities throughout Italy, aiming to accompany young secondary school students towards the labour market.

Partnerships continued with universities for training and professional guidance, with training sessions focusing on technical and soft skills, co-teaching and sponsorships of research, technological development and innovation activities. 2024 also marked the consolidation of relations with the universities of the Marches region (University of Urbino, Polytechnic of the Marche region) during which Saipem launched joint scientific research projects in various fields of interest to the company. These initiatives laid the foundations for developing relations and, in academic year 2024-2025, will see the definition of university dissertations to be assigned to

the students, as well as further collaborations on bachelor's and master's degree programmes in Engineering for Sustainable Manufacturing and Green Industrial Engineering.
Through the historical cooperation with the Polytechnic University of Milan, in 2024 Saipem's role in the "Complex Project" degree programme run by the Management Engineering department was further strengthened. The students performed project work assigned by Saipem, made available by the project tutors. The final works were presented to the Saipem managers during a specific session organised at the headquarters in Milan. This activity will be replicated during 2025.
In the project management field, this year Saipem hosted the national final of the Project Management championships organised in partnership with ANIMP and IPMA. Saipem put its know-how at the disposal of the winners, offering them a "PM for a day" experience.
Internationally, in 2024 Saipem signed a number of cooperation projects with universities near the foreign sites where it operates. The most important of these agreements were developed in:

- Saudi Arabia, aiming to enhance local skills, both through universities and local training centres. Moreover, in 2024 an international training programme was developed, divided between Italy and Saudi Arabia, engaging 25 young Saudi employees, with a view to increasing their managerial skills;
- Angola, with a view to developing energy transition skills, with an "Erasmus" programme defined with the Polytechnic University of the Marche region.

Equal treatment and enhancement of differences

The actions taken by Saipem on equal treatment and enhancement of differences described below are closely related to the following positive impact: "Improvement of the work-life balance through equal opportunities policies and the promotion of an inclusive environment, also with a view to increasing the number of women in STEM subjects".

Saipem continues its support for the values of diversity and inclusion, disseminating a culture in which different personal characteristics and orientations are considered a value and source of mutual enrichment. This commitment is represented by the Diversity, Equality & Inclusion Strategy defined consistently with the Group Diversity, Equality & Inclusion Policy. The DE&I Strategy was presented and approved by the Diversity & Inclusion Committee, aiming to ensure the promotion and adoption of DE&I principles into the company policies. The strategy is based on 5 Pillars:

- Gender Equality: ensuring equal opportunities in development and management processes, encouraging female empowerment;
- Generations: fostering inter-generational dialogue, fostering cooperation and the dissemination of skills;
- LGBTQ+: ensuring that sexual orientation and gender identity do not represent an element of discrimination;
- Multicultural: enhancing cultural differences as a source of enrichment in compliance with local specificities;
- Workability: ensuring full accessibility and employability of all persons with disabilities, fostering their inclusion.

GENDER EQUALITY

Demonstrating the importance of reducing the gender gap, in December 2024 Saipem obtained confirmation of its Gender Equality certification in accordance with Standard Uni Pdr 125:2022, issued by the accreditation body DNV. In the same month, Saipem also received from DNV, for the third year running, the renewed certification in accordance with the International Standard ISO 30415:2021 "Human Resources Management Diversity and Inclusion", representing a reference guideline for adopting a plan for continuous improvement and for ensuring attention to diversity and inclusion. Attention to the gender equality pillar, also fostering a culture of inclusion free of barriers and prejudices, is also demonstrated in the recruitment process: in May 2024, at Group level the course *"Recruiting Biases: How to recognise and avoid them"* was delivered.
Saipem has reconfirmed the focus on the enhancement and development of female STEM skills. To pursue this objective, Saipem strengthened its commitment through inspiration and guidance activities: one example of this is the Elis *"Sistema Scuola Impresa Role Model"* programme, which continued during the year, extending the pool of Role Models involved (15 in total). The Saipem Role Models also starred in the annual Open Day and, in particular at the sites in Milan and Fano, gave Inspirational Talks to primary and middle school children.

Further supporting female empowerment in the STEM sector, Saipem joined the Assolombarda *"STEAMiamoci"* project, involving its company Role Models as a source of inspiration for the new generations. The aim of enhancing female empowerment is also demonstrated by the Community of women in the Group's companies in Brazil and Mozambique, fostering a fair and inclusive working environment.
The Brazilian Women Circle network intends to promote female solidarity, building a network of support and encouragement, in addition to exchanging advice and other important contents such as: the impact of social media on women's self-esteem, challenges and opportunities for female leadership, types of harassment, how to identify and report it, mental health: work-life balance and self-care, etc. The network met 12 time in 2024.
The Network mission promoted by Mozambique is to celebrate diversity among Saipem's women, supporting them and promoting an inclusive environment enhancing female talents and fostering the development of a united and resilient community of women.
For Saipem, women's emancipation is an essential element for the social development of communities and countries, and is also ensured through the promotion of specific days: in July 2024, the African Women's Day was promoted in Angola, and in August the Emirati Women's Day in Abu Dhabi, aiming to honour the central role played by women in society. For Petromar, gender equity also represents an material element, along with other topics included in the agenda of the local DE&I Committee, recently set up with the aim of supporting an inclusive culture and mentality in the company. Within the DE&I strategy, the interest in the topic of gender violence remains high, and one example of this is the webinar *"Ferite invisibili"* ("invisible wounds"), designed in partnership with the psychologists from SmartClinic and promoted nationally during International Women's Day; to further strengthen the fight against gender violence, Saipem has joined the *"PARI"* project, a network of businesses working to develop concrete actions and cultural tools to combat the phenomenon. Saipem also celebrated the International Day for the Elimination of Violence Against Women (November 25), for the third year running supporting the ONU campaign *"Orange the World: End violence against women now"*, with specific initiatives. The commitment to raise awareness and prevent workplace harassment remains a priority; the *"Workplace harassment"* prevention campaign continued and in February 2024 the course "Behaviours contrary to the Code of Ethics" was made available at Group level. Generally speaking, training has been confirmed as a strategic channel for spreading knowledge and awareness of DE&I issues. One example of this are courses delivered on the topics of Unconscious Bias, Disability and Gender Harassment, and the training initiatives (mentoring programmes, sharing labs, webinars) promoted by the Valore D association, of which Saipem is a supporting member.
Moreover, Saipem continues to promote awareness raising and training campaigns to prevent workplace harassment and gender violence. Initiatives include:

- from 2022, promotion of an e-learning course on gender harassment addressed to all the Group's personnel;
- from August 2023, distribution of an information leaflet on workplace harassment to personnel assigned to vessels and yards;
- from September 2023, technical training activities for the Compliance Committee to disseminate guidelines and best practices on the management of workplace harassment;
- from February 2024, training delivered to human Resources and general managers of the Group to raise awareness on responsibilities in relation to workplace harassment;
- March 8, 2024, thematic webinar on gender violence addressed to Saipem Italy personnel;
- October 2024, participation in the project "Pari insieme contro la violenza di genere" ("All together against gender violence").

GENERATIONS

The importance of the Generations pillar lies in Saipem's investment in young skills, as a driver for a sustainable future. In May 2024, the Milan office hosted 24 students from Milan Polytechnic, Turin Polytechnic and Bergamo University for the Italian final of the IPMA Project Management Championship.
No less important was the conclusion of the first edition of the *"Saipem Synergy master - HSEQ Management Systems in Energy Transition and Digitalization for Sustainable Development"*, in partnership with the QUINN consortium of the University of Pisa.
Supporting youth training and development, Saipem France has run several programmes: 60 young trainees from various schools and universities of engineering and economics; in March 2024, a company visit was

organised for 30 from the IFP (l'École nationale supérieure du pétrole et des moteurs) to the Saipem Constellation dry dock in Marseilles.
Saipem is successfully investing in the training of young people and is running several initiatives also in Sub-Saharan Africa and the Middle East. The Saipem Baleine project in Ivory Coast has launched the Youngers Development Programme, aiming to offer a significant contribution to the development of young Ivorians, training them to work in production plants and maintenance.
In the United Arab Emirates, young Emiri talents were engaged in the programme "*Integrating New Emirates Employees at Saipem UAE: Orientation, Motivation, and Training for Success*" which, with a targeted training plan, aims to recruit them in Saipem UAE's project activities.
Snamprogetti Saudi Arabia Co. Ltd has launched the Green Innovation Challenge (GIC) for the Maarif schools in the eastern region of Saudi Arabia. The GIC is a unique initiative supporting sustainability and environmental awareness among students.

LGBTQ+
The LGBTQ+ pillar is particularly important to Saipem, which during the year in partnership with the Parks Liberi e Uguali Association promoted several information webinars; in December 2024, an event was also held aiming to encourage greater awareness and sensitivity towards sexual orientation and gender identities.

MULTICULTURAL
Saipem has always been committed to supporting the values of diversity and inclusion, considering differences as an opportunity for mutual enrichment and an essential element for the sustainability and competitiveness of its business. Aiming to study and enhance the different cultures in Saipem, in 2024 the *"Multicultural"* project was launched with a view to strengthening DE&I awareness through the knowledge of various practices and initiatives run in different geographical areas, as well as the local characteristics, in order to define a specific action plan to integrate differences and build a common strategy. Specific Country Guides were also produced to inform of the customs and conduct to adopt in all countries where the company works.

WORKABILITY
Saipem Italy launched the "*Workability*" project, which aims to ensure the accessibility and employability of people with disabilities, fostering their inclusion and participation in company life through interventions aiming to foster equal opportunities, supporting their integration and skills development.
Saipem France has also run a range of initiatives, including *"Coffee Signs"*, *"Hand bike: 1 km virtual race by hand pedalling"*, engaging employees in interactive games aiming to raise awareness of both visible and invisible barriers.
In August 2024, Saipem do Brasil launched the development programme *"Tutoria"* (which aims to promote professional development, supporting the professional growth of people with disabilities), engaging 8 employees. The *"Affirmative vacancies"* programme, publishing vacancies open exclusively to people with disabilities on its LinkedIn page, was successfully launched.

Welfare, work-life balance and wellbeing
The actions taken by Saipem on welfare, work-life balance and well-being described below are closely related to the following positive impact: "Increase in worker well-being through initiatives, welfare tools, benefits and incentives".

As part of its employee engagement policies, welfare initiatives play an increasingly important role, setting the aim of improving quality of life, satisfaction and motivation and fostering the work-life balance. Saipem's attention to the wellbeing of its employees, from the choice of a new company headquarters to the structured welfare programme, offers services in various fields, with particular attention to three major pillars: Health, Family and Savings. With this in mind, the company continues to offer specific services to its employees.
In 2024, Saipem issued global benefit and welfare guidelines to promote a work culture that prioritises wellbeing. At Group level, the guidelines refer to both conventional benefits (e.g. pension funds and supplementary health insurance) and work-life balance initiatives, further supporting the personal and family needs of its employees. This is used as a reference framework for all the companies in the Group, underlining the importance of taking care of the health and wellbeing of its people.

The Euty App was introduced in September 2024 for employees in Italy. This new proposal, offered free of charge to all workers, is a simple and clear tool used to make aware decisions, accompanying them in decisive moments of their lives. The App offers modules designed to tackle "everyday" problems and issues deemed most important for employees, including Support to Caregivers, Financial Education, Training, Parenthood, Bureaucracy, First Homes and Public Welfare, offering support in crucial moments of their lives and promoting their physical and mental well-being. The App also provides training and information, including digital contents, webinars and updated training resources, with a Welfare Coach at the employees' disposal offering individual and tailored guidance through an active listening approach.
Another initiative introduced in 2024 was the launch of the *"Be Active with Saipem"* campaign, promoting a healthy lifestyle through sports and physical activity, inviting employees to take part in sports competitions wearing the One Saipem Team t-shirt, gifted by Saipem to all participants.
Saipem gives priority to the well-being of its employees' families, offering a range of continuously expanding support services, working to guarantee their well-being in all phases of life.
In June and July, the parents of children aged from 6 to 16 can take advantage of the *"Estate Welfy"* programme. The programme allows 400 young adults to take part, for up to two weeks, in the summer camps organised at top-level facilities in various seaside or mountain areas, with recreational and sports activities, STEM subjects and English language learning. In addition to this, the Company offers solutions for assistance with elderly or disabled relatives, and for training, coaching, counselling and guidance. Furthermore, expenditure incurred for school fees and materials or family care may be reimbursed through the conversion of welfare credits.

In addition to the existing welfare initiatives in the countries[33] 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[34], 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.

GLOBAL WELFARE INITIATIVES

The actions taken by Saipem on global welfare described below are closely related to the following positive impact: "Increase in worker well-being through initiatives, welfare tools, benefits and incentives".

In Abu Dhabi, in the United Arab Emirates, employees took part in sports activities, including the ADNOC marathon, promoting a healthy lifestyle. On December 14, more than 300 employees took part in the event, representing the Company.
Events held in India included the Saipem Sports Day and Saipem's Got Talent. The first event engaged around 800 employees in sports activities, reflecting the company's commitment to promoting physical well-being and

(33) Out of the following entities, 34 responded positively to the question "Does the company offer an option to control and/or vary the location where employees work (e.g. telecommuting, work from home)?" Saipem India Projects Pvt Ltd, Chennai; Saipem SpA Qatar Branch; SEIIB; Saimexicana SA de Cv; Saipem SpA Oman Branch; Saipem Romania; Saipem Luxembourg Angola Branch; Saipem America; Saipem Canada Inc; Saipem Asia Sdn Bhd; Saipem Australia Pty Ltd; Saipem Singapore Pte Ltd; Saipem SpA Algeria Branch; Global Projects Services AG; Sigurd Rück AG; Saipem Kazakhstan branch; North Caspian Service Co; CCSJV Sarl; Saipem Mocambique Lda; Saipem Ltd; Saipem Norge; Moss Maritime AS; Saipem Finance Netherlands BV; Saipem International BV; Saipem Contracting Netherlands BV - Amsterdam; Saipem Contracting Netherlands BV - Schiedam Base; Saipem do Brasil; Saipem SA; Saipem SpA, Libyan Branch (SALIB); Petromar Angola; Saipem Ltd Norway Branch; Kwanda - Suporte Logistica Lda; Saipem Luxembourg SA; Saipem Contracting Nigeria Ltd.
(34) With reference to the supplementary pension plans, the following 15 entities indicated a number of resources covered by these plans: Saipem Romania; Global Projects Services AG; Sigurd Rück AG; Saipem Ltd; Saipem Drilling Norway; Saipem Norge; Moss Maritime AS; Saipem Finance Netherlands BV; Saipem International BV; Saipem Contracting Netherlands BV - Amsterdam; Saipem Contracting Netherlands BV - Schiedam Base; Saipem do Brasil; Saipem Ltd Norway Branch; Kwanda - Suporte Logistica Lda; Saipem SpA (Managers). In many regulatory contexts where Saipem works, the company policies supplement the applicable regulations, particularly with reference to health insurance, and on the basis of the forecasts provided for in collective agreements, additional benefits are offered to employees and their families, including support to their children's education, and the possibility to convert the performance-based bonus scheme in place at Saipem SpA/Italy into welfare initiatives.

fostering bonds between employees through inclusive events. The second event aimed to celebrate the skills and talents of its employees, promoting top-level commitment, a positive working environment and strengthening the sense of corporate belonging and recognition.
Finally, in France, strengthening the ties between the employees and the company – as well as among employees – after the COVID period, a crowdfunding platform was made available to support well-being, environmental and social projects in the company. The projects are proposed to employees and funded with a virtual budget put at their disposal every month. 26 projects have been implemented to date, with the participation of around 1,000 employees.

Security and cyber security practices

The actions taken by Saipem on security and cyber security practices described below are closely related to the following negative impact: "abusing force or using security practices that violate laws, regulations, or contractual requirements" and the following risk: "Global and local security: changes in the geopolitical scenario".

The Saipem security model is based on a thorough analysis of the Operational Environment, i.e. the understanding of the local context in political, criminal, economic, ethical, social and legal terms, in order to identify the mitigation measures required to ensure an appropriate "security framework" for the business in which to develop the company's activities. For the physical safety of the persons who have to be protected, the reference is the standard UNI 31000 on "Risk management - Principles and guidelines". In the light of the above, Saipem is:

1. managing security risk by taking preventive and defensive measures, in full compliance with regulations, human rights and the highest international standards;
2. promoting the adoption of a uniform and integrated security system to ensure appropriate coordination of emergency and crisis management;
3. ensuring the management of information gathered from relevant stakeholders in full compliance with the law and adopting international best practices;
4. romoting the monitoring and management of security risks by designing optimal solutions that minimise the impact of adverse events and their likelihood of occurrence;
5. setting up the most effective protection plans and mechanisms to safeguard the Company's personnel and assets;
6. providing training and information to personnel on security risks in the work place right from the pre-travelling phase.

The main security risk mitigation actions taken in 2024 are:

- constant monitoring of the main threats to operational Security and verification of the suitability of the countermeasures adopted in a structured risk management process;
- implementation of a local security organisation at country, operational company and/or project level, under the coordination of Area Security Manager functions;
- engagement of the Security Function in the life of projects, right from the project bid (commercial) phases;
- strengthening of the corporate Security culture;
- cooperation with the Ministry of Foreign Affairs and its Crisis Unit and the local authorities in the countries affected by Saipem operations;
- emergency and crisis-evacuation management plans;
- introduction of mandatory Health and Safety training initiatives for the personnel working abroad before leaving (pre travel Induction) and on arrival (local security induction), as well as cybersecurity awareness;
- conformity with sector regulations and frameworks (Legislative Decree No 81/2008, 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 the project activities, before deciding to submit a bid, Saipem's Security function performs a specific Security Risk Assessment, given in the

Project Security Execution Plan which analyses the security risk linked to the operating activities and the context, including any human rights violations. 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. In relation to the international scenario, the return of the Israel-Palestine conflict has brought instability back to a region that has always been a hub of tensions. In this context, the evacuation of 63 Saipem expatriates in Israel (of whom 15 Italian) by plane from the Ben Gurion airport in Tel Aviv was completed successfully.

For information on Cybersecurity, an important pillar in the management of Business Security, refer to section "Additional entity specific information", paragraph "Artificial Intelligence".

Saipem's approach to human rights

The actions taken by Saipem on human rights described below are closely related to the following negative impact: "Abusing force or using security practices that violate laws, regulations, or contractual requirements".

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 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.

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 subsequently maintaining this in 2024 is 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 are given in specific sections ("S1-2 - Processes for engaging with own workers and workers' representatives about impacts", "S1-8 - Collective bargaining coverage and social dialogue").

Collaborations and training activities

Collaboration continued in 2024 within Building Responsibly, a coalition of large engineering and construction companies cooperating to raise the standards in promoting workers' rights and well-being across the sector. In 2024, Saipem presented its mental health initiatives implemented for its employees in its offices and operating sites.
In 2024, Saipem continued to take part in the OIIDU (Italian Observatory on Business & Human Rights) innovation laboratory, which organised the Capacity Building Programme for companies on Human Rights issues. This

programme aims to increase awareness and strengthen skills in human rights issues in its companies, fostering dialogue and training in order to tackle human rights challenges in line with the expectations of civil society and the developments in European law, in line with existing international references.

Moreover, to engage the whole Supply Chain Function, in 2023 a new training programme was launched on the *"Sustainable Supply Chain"*, also with a focus on human and labour rights and environmental issues. The training aims to reinforce the knowledge of these topics, particularly the risks and impacts associated with suppliers and subcontractors and along the entire supply chain. In 2024, the whole Supply Chain function population were engaged, with a total of 960 people trained.
In December 2024, a training course on human and labour rights and Saipem's related principles and policies was launched for workers on the IRPA Sardinia project. The course trained a total of 78 Italian and international workers.

A human and labour rights training course for Saipem's direct vendors has been running since 2023. The e-learning course covers topics relating to the principles and fundamental labour rights defined by the International Labour Organisation (ILO), as well as the requirements and principles relating to decent work. It also described the basic human rights and modern slavery requirements included in the Saipem Vendor Code of Conduct, which summarises Saipem's targets in relation to the prohibition of all forms of forced or child labour, human trafficking, slavery, discrimination and harassment, and the guarantee of dignified working conditions, in line of local laws and principles defined by the ILO. The training programme was launched in late 2023 and continued throughout 2024. In 2024, 100 key vendors were selected and invited for the training, counting for 4% of total purchases in the previous year. 61 vendors took part in the training programme (for a total of 150 people). Since the training was launched in 2023, 128 vendors (for a total of 257 people) took part in the course.

Due Diligence on human rights at operational sites

Starting from 2022, Saipem has introduced a system for identifying and assessing risks of impacts on human and labour rights (HLR) through a special register that allows for the identification and classification of potential impacts that the Company can generate during operations and define adequate mitigation actions. This register also integrates the country risk assessment to highlight any systemic risks due to the country context. From 2023, the register was standardised and implemented in all countries where Saipem performs operating activities, also considering the number of employees.

In 2024, the risk register was implemented and completed by all relevant Saipem operating areas, for a total of 45 companies and branches working in 36 countries, achieving the target set in the Sustainability Plan.

To guarantee the effectiveness of the process, constant dialogue is maintained with Saipem's operating companies to ensure the correct implementation of the process, in line with internal and international standards, and the impacts and actions implemented to mitigate any risks are monitored.

Furthermore, in 2024, 3 human and labour rights workshops were organised at the operating companies in France, Angola and the United Arab Emirates, engaging the top management and first reports. The aim of this initiative is to raise awareness and knowledge of human rights, creating open dialogue among the participants on potential impacts and operational risks, defining a series of specific actions to mitigate these risks, ensuring respect for human rights in line with international standards and local laws.

In 2024, following the implementation of the risk register, a total of 279 potential risks and related impacts were identified and classified as follows:

The potential risks mapped and found to be material include the violation of freedom of association in some countries, discrimination in salaries and benefits, compliance with working hours and overtime, risks of violation of workers' rights among vendors, potential impacts on local communities and security service risks in some contexts.
For the identified risks, all Saipem's operating companies have developed a mitigation plan, defining the actions in line with the stakeholder category involved and the level of risk. The action plans are monitored annually by the relevant corporate functions responsible for the topic, within the human resources and sustainability functions, and evidence is gathered. The risk register is updated annually, along with the action plan, on the basis of any new risks identified and the state and effectiveness of the implemented mitigation measures.
Among the actions launched in 2024, as regards subcontractors and manpower agencies, in some countries compliance verifications were conducted in relation to the local labour laws. In particular, these verifications were launched by the operating companies n Angola, Indonesia, Brazil and India.
Reference is also made to section "S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions" relating to audits on human and labour rights that also involve manpower agencies.

In its HSE management system, Saipem has defined roles, responsibilities and operating methods, to govern the planning, management and costs of its health, safety and environment system.
HSE expenses are costs incurred by Saipem specifically to support the HSE Management System, improve safety and environmental performance and safeguard the health of its workers.
The HSE expenses of the Saipem Group include the expenses identified by each subsidiary and branch, for the main HSE cost items. These include: the HSE expenses of the Saipem Group include the expenses identified by each Subsidiary and Branch, for the main HSE cost items: expenses for HSE personnel, expenses for external HSE services, including for example costs for audits, consultancy, environmental monitoring, etc., costs for HSE training for personnel and expenses for the purchase of personal protective equipment. As a clear split is not possible, the information given below related also to the expenses in the supply chain.

Collective bargaining

2024 was marked by constant and profitable discussions with the trade unions in the Energy and Oil, Metalworkers and Maritime sectors, both nationally and at local/trade union level.

On January 15, 2024, to ensure increasingly higher protection of worker health and safety, an agreement was signed with the trade unions relating of the Energy and Oil sectors to the introduction of a technological artificial intelligence-based solution ("Smart Cameras") to identify and mitigate potential risk situations deriving from operations performed both on board the vessels working in Italian territorial waters and on Italian work sites. The tool was assessed in-depth both in HSE terms and in relation to privacy, through discussions between the relevant company functions and the "Joint National Body" ("OPN"), a trade-union based technical committee envisaged in the reference collective labour contract provisions. A similar agreement was signed in July 2024 with the maritime trade unions. A first experimental stage was launched in Italy on board the Saipem 10000 drilling unit used in the Cassiopea project. This experiment was subject to an agreement with the trade unions in the maritime sector and the territorial facilities of Gela in the Energy and Oil sector.

In February 2024, a protocol of understanding was signed with the Energy and Oil trade unions in the health and welfare field, relating to some initiatives aiming to improve the quality of life of Saipem's people. These services, today available at the site in Milan (e.g. smart clinic, check-ups for the over 45s, etc.), will also be extended to the other sites. This protocol also introduced a further important welfare measure to strengthen supplementary healthcare (FASIE) as provided for in the collective contracts. From January 2025, Saipem will also cover all the costs of the automatic subscription of its employees (Energy and Oil CCNL) to the FASIE under the so-called "Standard" option.
In March and September 2024, close discussions continued with the Trade Unions on potential new methods of managing working hours and agile working, and two agreements were signed with the representatives of the Energy and Oil sector extending the rules currently in force until March 31 of this year, introducing some improvements in agile working (e.g., work life-balance for personnel suffering from chronic diseases).
In the second half of 2024, a framework agreement was signed with the Trade Unions of both the Energy and Oil and Metal Engineering sectors in relation to the performance-based bonus scheme which defines the objectives of this scheme for 2024. The signed agreement provides for the achievement of objectives that are fully consistent and aligned to the main targets and drivers defined in the 2024-2027 Strategic Plan presented in April 2024.
With reference to the maritime sector, 2024 was also marked by discussions with national and local Trade Unions, working to renew the regulatory part of the sections of the Collective Labour Contracts of specific interest to Saipem.
Finally, intense discussions were held with trade union representatives in the metalworking sector, aiming to discuss and agree on the process for maximising operational efficiency through the stable increase in personnel, and guarantee increasingly efficient working conditions for the personnel working in the Arbatax yard.
With reference to international industrial relations, worthy of mention are the negotiation and renewal of collective agreements in Angola, Brazil, Mexico, Nigeria and Singapore. In Norway, in June 2024, a collective labour contract was renewed in the industrial sector governing the remuneration of the personnel involved in offshore drilling, as well as a sector-level framework agreement for Oil Services Companies signed by the Confederation of Norwegian Enterprise (NHO) and the Norwegian Oil and Gas Association with the Norwegian Confederation of Trade Unions (LO). In France, an agreement was signed with the reference trade unions to define the agenda of the mandatory negotiations for the period 2024-2026 and the existing agreement on remote working and the right to disconnect was completed. Also worthy of mention is the start of negotiations concerning the participation bonus for the period 2024-2026, the Company's transfer plan and, in compliance with local laws, the distribution of value in the event of an exceptional increase in profit. Finally, integrations to previous agreements concerning the PEG & PERCOG savings plan and the establishment of a social security guarantee scheme in Saipem SA were also signed. As regards transnational discussions through the European Works Council (EWC), in 2024 an extraordinary remote meeting was organised in May to discuss the updating of the Strategic Plan 2024-2027. Furthermore, a plenary meeting was held at Saipem SpA in Fano, focusing on the health and safety and human resources management updates, with particular attention to personnel employed in the European Economic Area. The Neptun project in Romania was also investigated during the meeting.

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As described in the related section "SBM-1 - Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.

The qualitative and quantitative objectives relating to own workforce in the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement.

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Improve H&S Performance	2024	TRIFR < 0.41 HLFR < 0.92 (baseline @2023: 0.32 and 0.74)	TRIFR = 0.34 HLFR = 0.49	■	New indicators defined
Implementation of the "Digital Permit to Work" (e-PTW) on board 100% of the Saipem fleet	2025	100% fleet (32%@2023)	100% fleet involved (25 vessels)	■	-
Launch of new medical check-ups for selected segments of Italian employees	2024	500 employees (0 @2023)	Programme launched with more than 1,000 employees involved	■	Continuation in other sites
Introduction of the Hepatitis C Virus screening test in protocols	2027	Introduction in medical protocols and 60% coverage of all personnel screened (0 @2023)	Screening introduced covering 95% of the people undergoing screening	■	-
Increase the number of women with STEM degrees in Saipem SpA [Incentive Scheme]	2025	+10% of Women in STEM @2025 vs. @2022 (baseline 497)	+25% STEM women in 2024 vs 2022	■	Confirmed
Human rights risk assessment at all operational sites	2024	Coverage of all major operating sites[35]	All main operational sites carried out the risk assessment	■	-

■ Target reached/Action achieved or, for 2025-2026-2027 objectives, in progress and according to plan.
■ Target partially reached/Action partially achieved or still in progress.
■ Target not reached/Action not achieved or postponed.

(35) Operating Companies with more than 30 employees, or those that, although with less than 30 employees, are working on an operating project. Baseline 0 @2021.

Other planned actions of the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Action status	2025-2028 Plan
Develop and implement a new HSE training initiative based on Human Performance principles	2027	Initiative developed	Initiative based on Human Performance was developed. It will be implemented in the next years	🟩	Confirmed
Strengthening Saipem's and its partners' leadership on safety through engagement initiatives with key stakeholders such as clients and vendors	2027	An engagement initiative per year	One engagement initiative with a client, as planned	🟩	Confirmed
Creation of Smart Clinics for the Fano and Arbatax sites	2026	1 smart clinic	Smart Clinic in Arbatax completed, Smart Clinic in Fano under completion	🟩	Completion for Fano
Adopt a Gender Equality criterion in the recruitment process for structural positions [Incentive Schemes]	2025	Guidelines for gender equality in recruitment	Guideline for gender equality in the recruiting process defined	🟩	Confirmed
Adoption of a Global Employment guideline	2025	Adopted Guidelines	Global Employment Guidelines under definition	🟩	Confirmed
Launch of a mentoring programme	2024	Programme activated	Postponed	🟥	Confirmed
Maintain the Gender Equality Certification and the ISO30415 attestation on Diversity & Inclusion	2024	Certification and attestation confirmed	Certification and attestation confirmed	🟩	Confirmed
Parental Onboarding programme: feasibility study and implementation	2026	Feasibility study carried out Implementation of identified solutions	Feasibility study finalised and under implementation	🟩	Confirmed
Completion of the first edition of the HSEQ Master and launch of a new edition	2024	Completion of the first edition. Start up of second edition	First edition of HSEQ Master completed and new edition launched in Autumn 2024	🟩	-
Launch of the Saipem ITS (Istituto Tecnico Superiore) in the Marche region, Italy	2026	ITS started	ITS launched in Fano (Italy)	🟩	-
Participation in the launch of the "Centro Orientamento Nazionale" in Italy	2026	"Centro Orientamento Nazionale" started in Italy	Ongoing activity	🟩	-
Maintain SA8000 certification	2024	Certification confirmed	Certification confirmed	🟩	Confirmed

🟩 Target reached/Action achieved or, for 2025-2026-2027, in progress and according to plan.
🟧 Target partially reached/Action partially achieved or still in progress.
🟥 Target not reached/Action not achieved or postponed.

The goals still underway, also found in the previous versions of the Plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives of the 2025-2028 Sustainability Plan

With reference to the new Sustainability Plan, the following objectives are reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives	Target	Target year	Value chain	Material topic	IROs
Improve H&S Performance	Potential High Consequence Frequency Rate (PHCFR) <0,21 Failed Lucky Frequency Rate (FLKFR) <0,12 (0.21 and 0.12 baseline @2024: estimation)	2025	Own operations Downstream	Safety practices Occupational Health and Safety	I10 S1 I19 S1 I20 S1 I27 S1 R8 S1 R9 S1
Start up Telepsychology service overseas	Active service in 100% of Saipem Sites Baseline 0 @2024	2025	Own operations	Occupational Health and Safety Public Health Travel medicine	I10 S1 I20 S1 I15 S1 I25 S1 R8 S1
Implementation of the CVDPP Programme (CardioVascular Disease Prevention Programme)	50% of sites where the service is active 40% of people submitted to a screening 50% of people undergoing a follow-up (Baseline 0 @2024)	2025 2025 2026	Own operations	Public Health Travel medicine	I15 S1 I25 S1 R8 S1
Launch of new medical check-ups for selected segments of Italian employees	Check up launched in 4 other Italian sites (in addition to Milan, where it was already active from 2024- Baseline)	2025	Own operations	Public Health	I15 S1 I25 S1 R8 S1
Increase the number of women with STEM degrees in Saipem SpA **[Incentive Scheme]**	+10% of Women in STEM @2025 vs. @2022 (baseline:497)	2025	Own operations	Fair & Inclusive Workplace	I23 S1
Ensure the principle of equal opportunity in development processes by promoting gender balance in leadership roles **[Incentive scheme]**	+3.8% increase in women with managerial responsibilities (Senior Managers and Middle Managers) out of the total population with managerial responsibilities compared to 2024 (baseline: 16.7 @2024)	2027	Own operations	Fair & Inclusive Workplace	I23 S1
Human rights risks and impacts mapping and maintenance of an action plan for all relevant operating sites	Delivery of 3 workshops to support the mapping process at operating company/project level (in addition to the 3 workshops in 2024 - baseline)	2025	Own operations Upstream Downstream	Human & Labour Rights	R6 S1 R1 S1 I19 S1
Support to the development of technical skills with the launch of two specific Training Centres for Offshore E&C and Drilling activities	2 Training Centres launched and operational (baseline: 0 @2024)	2025	Own operations	Employee development	I21 S1 R6 S1

It is specified that the objectives listed refers to the "Group Total" perimeter.

Annual targets related to health, Safety and environment

GROUP SAFETY STRATEGIC PLAN AND HSE PLAN

The objectives linked to the "Safety practices" and "Occupational health and safety" material topics mentioned in the "New objectives of the 2025-2028 Sustainability Plan" table represent some of the targets defined in the Group Safety Strategic Plan, which lists the actions identified in the organisation and validated by the Top management, aiming to improve safety performances and prevent so-called "Life Altering events" which have irreversible consequences on people's lives.

The Safety Strategic Plan, approved by the CEO of Saipem, introduces a "change of paradigm", i.e., the principle according to which safety is not based on the lack of incidents, but rather on the presence and effectiveness of "Safeguards": barriers represented by equipment, processes and skills, aiming to eliminate or reduce the consequences of any incidents.

The Safety Strategic Plan is based on three fundamental pillars: Human Performance, Technology and Asset Integrity. It ultimately aims to eliminate fatal accidents and Life Altering events.

Over the years, Saipem has demonstrated consistent improvement in its safety performance indicators, such as the TRIFR (Total Recordable Injury Frequency Rate), LTIFR (Lost Time Injury Frequency Rate) and HLFR (High Level Frequency Rate), confirming the effectiveness of measures implemented to date. However, in recent years these parameters have plateaued and are no longer representative of HSE performance, particularly regarding the previously strong correlation between low-potential and high-potential incidents, which has now weakened. This finding has led Saipem to develop an innovative strategy focused on preventing those incidents with significant potential for harm to both people and the environment. To this end, new indicators have been established to monitor both the commitment to and effectiveness of implemented actions, with the aim of driving continuous improvement towards eliminating fatal accidents and so-called "Life Altering" incidents - those resulting in permanent disability.
This has highlighted the need for a paradigm shift and the adoption of an alternative strategy specifically targeting incidents with significant potential for harm. To this end, worksite safety is no longer assessed purely based on the absence of incidents, but rather on the presence and effectiveness of "Safeguards" – meaning barriers and preventive measures designed to eliminate or reduce the consequences of potential incidents, while reinforcing the integrity of equipment, processes, and staff competencies.
Given the context, two new indicators were defined for 2025:

- Potential High Consequence Frequency Rate (PHCFR)[36]: "High Consequence Events" are incidents where barriers were either absent or ineffective, resulting in the potential to cause significant harm to people and the environment.
- Failed Lucky Frequency Rate (FLKFR)[37]: This objective examines Near Miss events, by definition involving zero actual harm but which could prove potentially harmful to people and the environment in the absence of barriers (potential is assessed under the worst-case scenario). This objective specifically targets "Failed Lucky" vents, incidents that had the potential to cause significant harm despite existing barriers. A "Failed Lucky" event is so termed because the absence of actual consequences stems from random/fortuitous factors, not from the integrity and effectiveness of barriers. Where barriers do prevent harm, the term "Failed Safe" would apply.

The TRIFR and LTIFR will continue to be reported and monitored solely for industry benchmarking purposes, while the HLFR (High Level Frequency Rate) has been replaced by new indicators that account not only for potential consequences, but also for barrier integrity.

Furthermore, consistently with the work done in previous years, on the basis of the results documented in the analysis of the HSE performance of Saipem and its subcontractors, the contents of the Management's HSE Review and the materiality assessment, Saipem drafts an annual Group HSE (Health, Safety, Environment) plan, identifying actions and targets to complete and support the implementation of the Safety Strategic Plan in the organisation.

S1-6 - Characteristics of the Undertaking's Employees

The following paragraphs provide details on the Saipem Group's workforce composition. It is specified that the data relate to employees active as of December 31, 2024, reported as headcount and presented according to the company where each employee operates (Service Company view), consistent with the representation provided throughout the Annual Report. Moreover, the population involved in the sale of part of the Onshore Drilling Business was excluded from the calculation perimeter.

	2024 Full consolidated		
(n.)	Male	Female	Total
Number of employees	26,579	3,858	30,437
On open-ended contract	14,283	3,374	17,657
On fixed-term contract	12,296	484	12,780

The total number of direct employees is 31,085, of which 27,193 men and 3,892 women.

(36) PHCFR (Potential High Consequence Frequency Rate): calculated as No. of events classified as "High Consequence" on hours worked, multiplied by 1,000,000.
(37) FLKFR (Failed Lucky Frequency Rate): calculated as No. of events classified as "Failed Lucky" on hours worked, multiplied by 1,000,000.

This detail is useful for ensuring coherence in calculating the percentages given in sections "S1-8 - Collective bargaining coverage and social dialogue", "S1-12 - Persons with disabilities" and "S1-13 - Training and Skills Development metrics" below, which use the direct employee data for the numerator.

		2024 Full consolidated						
Geographical areas[38]		America	CIS	Europe	Middle East	North Africa	Far East	Sub-Saharan Africa
Number of employees	(No.)	1,700	237	9,596	7,043	588	5,450	5,823
On open-ended contract	(No.)	1,243	58	7,244	2,392	123	3,163	3,434
On fixed-term contract	(No.)	457	179	2,352	4,651	465	2,287	2,389

It is specified that there are no employees with non-guaranteed or variable working hours

Countries in which most employees work

Countries	Total Employees
Italy	5,092
Saudi Arabia	3,540

Turnover

		2024 Full consolidated	2023 Full consolidated
Employees who left the company	(No.)	4,354	-
Total turnover	(%)	15	25

Please note that the figures relate to Companies in which personnel are seconded and not employed.
The total turnover is calculated as the ratio between all the annual exits and the average resources in the year.

In assessing the Group's turnover rate, the nature of Saipem's business must be taken into account: as a contracting company, it works on large projects with 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.
Although it remains significant, the total turnover rate in any case fell compared to 2023, and in 2024 reached 15%.

(38) The division of countries in the various geographical areas is given below. America: Argentina, Bahamas, Barbados, Bolivia, Brazil, Canada, Cayman Islands, Chile, Colombia, Ecuador, Guyana, Mexico, Panama, Peru, Suriname, Trinidad and Tobago, United States, Uruguay, Venezuela and the US Virgin Islands. CIS: Azerbaijan, Kazakhstan, Russia, Turkmenistan and Ukraine. Europe: Albania, Austria, Belarus, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Hungary, Ireland Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, the Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey and the United Kingdom. Middle East: Bahrain, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia and United Arab Emirates. North Africa: Algeria, Egypt, Libya, Morocco, Senegal and Tunisia. Far East: Australia, Bangladesh, China, Georgia, Hong Kong, India, Indonesia, Japan, Malaysia, Marshall Islands, Myanmar, Nepal, New Caledonia, New Zealand, Pakistan, Papua New Guinea, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam. Sub-Saharan Africa: Angola, Cameroon, Congo, Ivory Coast, Equatorial Guinea, Gabon, Ghana, Guinea, Kenya, Mauritius, Mozambique, Namibia, Niger, Nigeria, South Africa, Tanzania and Uganda.

Entity specific metrics

		2024 Full consolidated	2023 Full consolidated
Total employees at period end	(No.)	30,437	28,756
Employee categories			
Senior Manager	(No.)	385	396
	(%)	1.3	1.4
Manager	(No.)	5,213	4,697
	(%)	17.1	16.3
White Collar	(No.)	15,778	14,583
	(%)	51.8	50.7
Blue Collar	(No.)	9,061	9,080
	(%)	29.8	31.6
Voluntary turnover [3]	(%)	5	8

The voluntary turnover is calculated as the ratio between all the annual voluntary exits and the average resources in the year.

The percentages of total and voluntary turnover (for the full consolidated perimeter) broken down by gender and age, in 2024, are as follows:

(%)	Voluntary turnover	Total turnover
Detail by gender		
Female employees	4	10
Male employees	5	15
Detail by age		
Employees under 30 years of age	9	18
Employees aged between 30 and 50	5	14
Employees over 50 years of age	3	14

S1-7 - Characteristics of non-employee workers in the undertaking's own workforce

The number of non-employee workers are given below, reported by number of persons and relating to the resources working as of December 31, 2024.

(No.)	2024 Full consolidated	2023 Full consolidated
Workers who are not employees	8,991	5,898

S1-8 - Collective bargaining coverage and social dialogue

In compliance with applicable European legislation and the provisions of the national reference collective contracts, Saipem has established a European Works Council (EWC) to provide designated representatives with information and/or to follow up on consultations on transnational matters of significant interest or strategic importance, including national issues that have potentially significant transnational consequences.

With reference to what stated in section "S1-6 - Characteristics of the Undertaking's Employees", in the specific case of this section, it is specified that the data and related metrics are given according to the company where the employee is directly employed (and not seconded), as this is considered the company that guarantees the employee's collective bargaining coverage, i.e. the company with which the employee has their primary employment relationship. To ensure coherence in calculating the related ratio, the denominator also uses the total number of direct employees, 31,085.

51% of Saipem employees are covered by collective bargaining. Some details of coverage in relevant countries in the EEA and non-EEA geographical areas are given below along with information on workers' representation.

	Collective bargaining coverage		Social dialogue
Coverage Rate	Employed workers - EEA (for Countries with >50 empl. representing >10% total empl.)	Employed workers - non EEA	Work place representation (EEA only) (for Countries with >50 empl. representing >10% total empl.)
0-19%		CIS; Europe (non EEA); Middle East; North Africa	
20-39%		Middle East; Not Assigned	
40-59%		America	
60-79%			
80-100%	Italy	Sub-Saharan Africa	Italy

(%)	2024 Full consolidated	2023 Full consolidated
Employees covered by collective bargaining agreements	51	40

The "Not assigned" cluster refers to employees whose activities, characterised by the frequent missions during the year depending on project needs, do not allow them to be assigned to a specific geographical area. This category of Saipem employees represents around 20% of the total workforce.

S1-9 - Diversity metrics

With reference to what stated in section "S1-6 - Characteristics of the Undertaking's Employees", and consistently with this, in the specific case of this section, it is specified that the data and related metrics are reported on the basis of the company where the employee is seconded (and not where they are directly employed).

(No.)		2024 Full consolidated	2023 Full consolidated
Distribution at top management level			
Senior Manager		385	396
Male(*)		341	
	(%)	89	
Female		44	42
	(%)	11	11

(*) Indicator reported from 2024.

The table below also provides a complete view of the distribution by gender:

(No.)	2024 Full consolidated	2023 Full consolidated
Age ranges		
Employees under 30 years of age	3,281	2,796
of which women	643	475
of which men:	2,638	2,321
Employees aged between 30 and 50	21,229	20,524
of which women	2,588	2,392
of which men:	18,641	18,132
Employees over 50 years of age	5,927	5,436
of which women	627	561
of which men:	5,300	4,875

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. 62%, those between 30 and 50 years amount to 38%, while there are no Senior Manager employees in the<30 group.

As regards the category of Managers, the over 50 account for 37% of the category, those between 30 and 50 63%. In relation to the White Collar category, to 30 to 50 age group represents 71%, the >50 14% and the <30 group 15%. Finally, for Blue Collars, 18% is over 50 and 73% is in the 30-50 age group; 9% is in the <30 group.

Entity specific metrics

(No.)		2024 Full consolidated	2023 Full consolidated
Distribution at managerial level			
Manager	(No.)	5,213	4,697
Male (*)	(No.)	4,311	
	(%)	83	
Female	(No.)	902	793
	(%)	17	17

(*) Indicator introduced in 2024.

The percentage of women holding managerial positions compared to the total number of women is 24%.

Multiculturalism	2024 Full consolidated	2023 Full consolidated
Number of nationalities represented in the employee population	130	130

S1-10 - Adequate wages

Saipem ensures that all employees receive appropriate remuneration, quantified in conformity with the laws in force and specific features of each country in which the Company works. The aim is to ensure equal pay for all workers, taking into account the various qualifications and roles. This approach strengthens Saipem commitment to the well-being and satisfaction of its people.

S1-12 – Persons with disabilities

The figures on employees of the Company with disabilities are given below.

With reference to what stated in section "S1-6 - Characteristics of the Undertaking's Employees", in the specific case of this section, it is specified that the data and related metrics are given according to the company where the employee is directly employed (and not seconded), as, consistently with the nature of the disclosure, it considers the company where the employee has the primary employment relationship. To ensure coherence in calculating the related ratio, the denominator also uses the total number of direct employees, 31,085 (27,193 men and 3,892 women).

(%.)	2024 Full consolidated	2023 Full consolidated
Employees with disabilities	0.6	0.9
of which women (*)	2.6	-
of which men (*)	0.3	-

(*) Indicator introduced in 2024.

In Saipem's workforce, employees with disabilities represent 0.6%. 41% of the employee category are men, and 59% women.

S1-13 - Training and Skills Development metrics

Performance Evaluation

Through the Performance Management process, Saipem contributes primarily to the dissemination of company strategies and priorities, guiding people's activities by promoting continuous improvement and strengthening personal and professional skills and corporate results.

Annually, the managers have the possibility to assign targets and assess the contributions made and results achieved by the people they manage, engaging, in addition to these people, also any internal stakeholders who cooperate with the person on specific projects and/or geographical areas. Crucial and integrating parts of the process are self-assessment and continuous feedback. The process is currently managed by on the corporate Mypeople system and, where this is not possible, on excel files provided by the relevant function.

With reference to what is stated in section "S1-6 - Characteristics of the Undertaking's Employees", in the specific case of metrics relating to performance evaluation, it is specified that the data are reported on the basis of the company where the employee is directly employed (and not where they are seconded). The managers of the employee companies are responsible for assigning and reporting the objectives of each employee, and consequently they are also responsible for the evaluation of their performance. To ensure coherence in calculating the related ratio, the denominator also uses the total number of direct employees, equal to 31,085 (27,193 men and 3,892 women).

		2024 Full consolidated	2023 Full consolidated
Employees subject to performance assessment	(No.)	23,094	19,483
	(%)	74	68
Female employees involved	(%)	73	66
Male employees involved	(%)	75	68

From 2023, the performance assessment indicator is calculated considering the forms closed in the reporting year on the performance of the previous year, rather than the forms opened in the reporting year. It is deemed that this measures Saipem's actual commitment to assessing the performance of its employees even more effectively. Finally, in relation to the indicators on performance evaluation, 23,094 documents were evaluated in 2024 (corresponding to 74% of the company population). Specifically, 73% of women and 75% of men were evaluated for the full consolidated perimeter.

Training

With reference to the information already provided in section "S1-6 - Characteristics of the Undertaking's Employees" for employee training metrics specifically, data are reported according to the companies where employees are permanently employed (not seconded), as permanent employing companies are the owners of training requests. The sole exception concerns anti-corruption training. While included in the metrics below under the permanent employment view (consistent with other training topics), in section "G1-3 – Prevention and detection of corruption and bribery" it is reported according to company of secondment (not company of employment), as planning is based on targeted high-risk countries.

Regarding the training delivered in 2024, on average, each employee participated in 26.8 hours of training. Specifically, every male employee took part in an average of 27.4 hours, while female employees took part in 22.6 hours.

Entity specific metrics related to training

		2024 Full consolidated	2023 Full consolidated
Training			
Total hours of training	(hours)	832,208	828,246
HSE training delivered to employees	(hours)	576,386	527,105
Training on managerial skills	(hours)	51,379	82,989
Training on technical competences	(hours)	204,443	218,152
Total direct training costs	(mln €)	20.2	15.2

In detail, male employees benefited from 89%, and female employees from 11% of the hours of training delivered. As regards the attendance of training courses by professional category, in 2024 training was delivered for 1% to senior managers and 14% to managers; white collars took part in 46% and blue collars in 39% of the training.

As concerns HSE training, a 9% increase in the hours of training delivered to employees was recorded. In particular, 298,225 hours of HSE for blue collars, 238,033 to white collars, 38,004 hours to managers and finally, 2,123 hours of HSE training were delivered to senior managers.

S1-14 - Health and safety metrics

In 2024, 99% of Saipem employees were covered by a health and safety management system. Particular reference is made to ISO 45001, the international Occupational Health and Safety standard, designed to protect employees and visitors from work-related incidents and diseases. It is used to mitigate all the factors which can cause irreparable damage to employees and companies.

In its HSE management system, Saipem has: (i) defined the processes and governs its responsibilities in relation to the acquisition, monitoring and reporting of HSE data, Process Performance Indicators and related targets, the investigation of HSE incidents and the tools used to communicate information in order to facilitate the improvement process through the appropriate monitoring of HSE performance; (ii) identified the positive and negative trends for which the HSE performance results must be improved or aiming to disseminate best practices; (iii) supported the process for defining HSE targets at various levels of the organisation; (iv) guaranteed reliable data and information for the systematic internal communication to employees and for external communication needs[39].
Saipem ensures that all work sites and projects implement an efficient and reliable HSE data collection process, in conformity with the defined reporting methods and schedules, and guarantees an appropriate series of controls to ensure the completeness and reliability of HSE data reported for all work sites; it also provides the HSE data analysis to all functions concerned. The main HSE data are formally documented in the Annual Safety Report and the 1st Half Safety Report, while the widest possible distribution within the whole Saipem Group is assured by their publication in specific common areas.

With reference to what stated in section "S1-6 - Characteristics of the Undertaking's Employees", in the specific case of this section, it is specified that the data and related metrics are reported on the basis of the company where the employee is seconded (and not where they are directly employed), in order to report these events for the companies in which they occur, therefore where the employee is actually working,

(39) SASB KPI IF-EN-320a.1.

Safety

		2024 Full consolidated	2023 Full consolidated
Fatal accidents:			
Total, of which:	(No.)	-	1
Employees	(No.)	-	-
Subcontractors	(No.)	-	1
Totl Recordable Injury (TRI)			
Employees	(No.)	38	34
Total Recordable Injury Frequency Rate (TRIFR)			
Employees	(ratio)	0.55	0.43
Occupational diseases reported			
Employees	(No.)	15	11
Days lost [a]			
Employees	(No.)	542	878

The information on agency personnel is reported in the "subcontractors" category in chapter S2. The information will be separated and reported in line with the requirements of the laws in force in the 2025 report.
TRIFR (Total Recordable Injury Frequency Rate): it is calculated as TRI number on hours worked, multiplied by 1,000,000.

Entity specific metrics

To ensure coherence with the disclosures of previous years, the following table contains information and data on the other health and safety metrics applied to Saipem employees.

		2024 Full consolidated	2023 Full consolidated
Lost Time Injury (LTI)			
Employees	(No.)	11	10
High-consequences work-related injury [a]			
Employees	(No.)	2	3
Of which with permanent disabilities:			
Employees	(No.)	1	1
Severity Rate [a]			
Employees	(ratio)	0.008	0.009
Near miss			
Employees	(No.)	87	125
Fatal Accident Frequency Rate (FTLFR)			
Employees	(ratio)	-	-
LTI Frequency Rate (LTIFR)			
Employees	(ratio)	0.16	0.13
High-consequence work-related injuries Frequency Rate (HCWRFR) [a]			
Employees	(ratio)	0.029	0.038
High-Level Event Frequency Rate (HLFR)			
Employees	(ratio)	0.81	1.09

(a) Updated 2023 data based on the number of days lost during 2024 for accidents that occurred in 2023.
FTLFR (Fatal Accident Frequency Rate): it is calculated as number of fatal accidents per hours worked, multiplied by 100,000,000.
LTIFR (LTI Frequency Rate): it is calculated as number of LTI on hours worked, multiplied by 1,000,000.
HCWRFR (High-consequence work-related injuries Frequency Rate): it is calculated as number of High-consequence work-related injuries per hours worked, multiplied by 1,000,000.
HLFR (High-level event frequency events): it is calculated as number of HL Events per hours worked, multiplied by 1,000,000.
SR (Severity Rate): it is calculated as number of lost days of work per hours worked, multiplied by 1,000.

In order to provide full disclosure, relating the 2024 health and safety objectives of the Sustainability Plan, defined above, in relation to the application of the new CSRD regulation, with results achieved during the year on the basis of consistent data and a uniform perimeter, the following table contains an indication of the performance achieved on the relevant metrics, according to the Group Total perimeter (presented in section "BP-1 - General basis for preparation of the sustainability statement" in chapter ESRS 2), which includes all the subsidiaries and associates of the Saipem Group.

		2024		2023	
		Group Total	Full consolidated	Group Total	Full consolidated
Total Recordable Injury Frequency Rate (TRIFR)					
Totals (employees and subcontractors)	(ratio)	0.34	0.38	0.32	0.32
High-Level Event Frequency Rate (HLFR)					
Totals (employees and subcontractors)	(ratio)	0.49	0.51	0.74	0.74

The detailed information on subcontractors is given in the section on Entity Specific metrics in S2.

In 2024, the Group performance in terms of Safety indicators is in line with previous years: the TRIFR was 0.34 (0.32 in 2023) and the LTIFR 0.09 in 2024 (compared to 0.10 in 2023).
Diversely, the HLFR (High Level Frequency Rate) trend fell significantly, confirming that the actions taken contributed to reducing the number of potentially harmful events for people (0.49 compared to 0.74 in 2023).

No fatal accidents were recorded in 2024.

In relation to the employee category, two HCWR (High Consequences Work Related) injuries were recorded, one causing a permanent partial disability and one temporary disability.

From the results of the investigations, it can be seen that the identified prevention and protection actions aim to underline the importance of the control of operating procedures and work stations before starting work, reviewing the effectiveness of the operating procedures, the guarantee of prompt technical and operational training to perform specific activities (also through "on the job training") and raising awareness among personnel, strengthening the importance of compliance with Life Saving Rules (LSR), i.e. the rules that every Saipem resource is bound to comply with in order to ensure their own safety and that of their colleagues.

The installation of the *"video analytics"* technology, which began in 2023 on the Berri project in Saudi Arabia, continued in 2024 on 6 vessels of the offshore fleet, for which specific scenarios were identified, including the use of safety helmets, coveralls, the presence of spills and, for drilling vessels, the verification of people on the drill floor. The Video Analytics technology uses artificial intelligence to identify hazards in real time, in compliance with privacy provisions, using the instrumentation on site. This is a very effective safety management and accident prevention solution, and will therefore be progressively extended to other projects and on board the fleet.
The electronic work permit installation plan was completed in 2024, and will subsequently be implemented in the yards with a roll-out completed in Arbatax and started in Karimun.

S1-16 - Compensation metrics (pay gap and total compensation)

Equal pay

Saipem defines on an annual basis the guidelines of the Remuneration Policy, and in particular prepares precise provisions to govern remuneration policies and reduce remuneration disparities between men and women, according to the principle of "equal pay for equal work", in all the countries in which it operates. Remuneration is monitored annually; it is specified that, considering Saipem's significant global presence, variations in total data between the years of observation may also be due to fluctuations in exchange rates and a composition of the workforce in various countries related to the business operation trends.

With reference to what stated in section "S1-6 - Characteristics of the Undertaking's Employees", in the specific case of this section, it is specified that the data and related metrics are reported on the basis of the company where the employee is directly employed (and not where they are seconded), as the remuneration and compensation processes are defined on the basis of the company that hired them.

Considering average pay by gender at Group level, it is reported that women were on average paid 3% more than men in 2024 (thus with a gender pay gap, calculated pursuant to the law, of -2.58%). Although it has changed over the years, this value has always been in favour of the female gender, in compliance with the remuneration policy guidelines applied by Saipem. The indicator is calculated by measuring the total remuneration for men and women, without adjustments (e.g. role, classification, level, education, office, etc).

Considering only basic salaries, the pay gap for the Senior Manager category in 2024, was around 14%, in line with 2023; as concerns Middle Managers, the indicator was 7%; for White Collars, the value was 17%.

Considering basic salaries and the variable component, for Senior Managers the pay gap is around 15%, for Middle Managers 7% and for White Collars 16%.

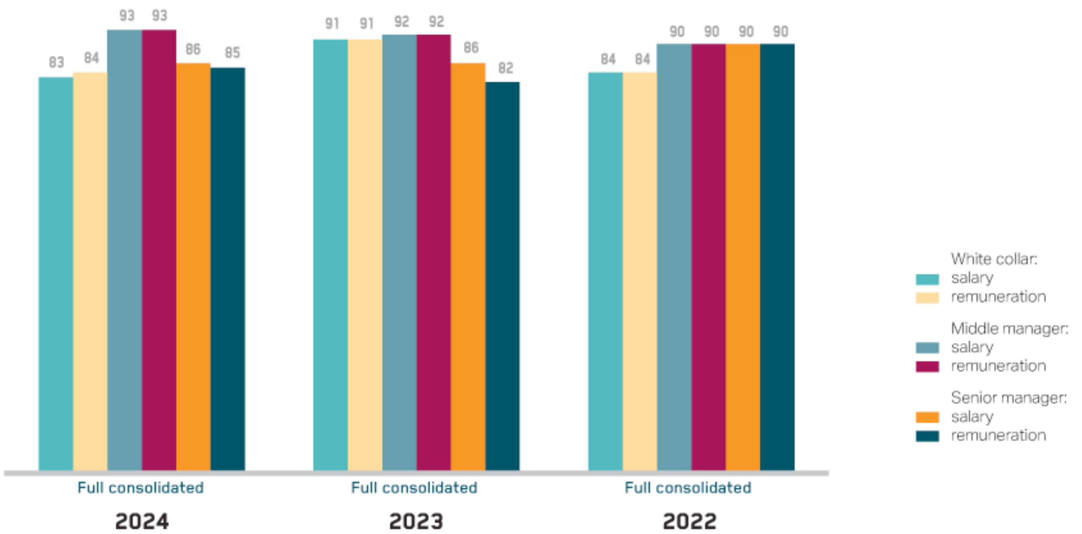
Other data related to remuneration

The ratio between the total remuneration of the Chief Executive Officer-CEO and the overall median remuneration of employees in 2024 was 78.

Entity specific metrics

The indicators presented in the previous paragraphs were calculated in line with the provisions of the law. The following graph represents the trend in relation to previous years; therefore, the calculation method described in the notes was maintained.

GENDER PAY GAP (%)



Note: The salary gender pay gap indicator is calculated as the ratio between the average salary of a woman compared to the average salary of a man, by category. The remuneration gender pay gap indicator is calculated as the ratio between the average remuneration of a woman compared to the average remuneration of a man, by category. The remuneration includes the salary and the variable part.
For Italy, the indicator considers population hired by Saipem SpA and Servizi Italia SpA with Energy and Oil CCNL.

Regarding the ratio between the total remuneration of the Chief Executive Officer-CEO and the median total remuneration of employees, and with the aim of providing a more accurate representation of this metric while accounting for Saipem's significant global presence, the calculation excluded extreme high and low values (outliers). These outliers were in some cases attributable to exchange rate effects and the conversion of compensation into euros. This methodology resulted in a ratio of 69.
For 2024, the ratio between the total remuneration of the Chief Executive Officer-CEO and the overall average remuneration of Saipem employees, calculated with reference to Saipem SpA and the main companies in the Group (excluding outliers), was respectively 36 and 57. Also in relation to the ratio between the total remuneration of the Chief Executive Officer-CEO and the overall median remuneration of employees in 2024 was 41 for Saipem SpA. Finally, the percentage increase of total remuneration of the Chief Executive Officer-CEO was less than the percentage increase of the average remuneration of employees of Saipem SpA in 2024.

S1-17 -Incidents, complaints and severe human rights impacts

The following files were opened in 2024: 7 whistleblowing report files on discrimination issues, of which 1 is still open and the remaining 6 are closed; 1 whistleblowing report file on local communities issues, already closed; 17 whistleblowing report files on workers' rights issues, of which 2 are still open and the remaining 15 are closed; 49 whistleblowing report files on mobbing/harassment issues, of which 22 still open and the remaining 27 are closed. All 74 files were received through official channels (whistleblowing e-mail account, e-mails sent to the internal audit function, notifications to the CC, written letters) and were forwarded to the responsible company bodies (Board of Statutory Auditors of Saipem SpA, Compliance Committee of Saipem SpA and Compliance Committees of the companies affected by the whistleblowing reports).
In relation to discrimination, with reference to the 6 closed cases, in 4 cases the relevant 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 no violation was confirmed in 1 case, corrective action was identified, while in 1 case, the violation was confirmed. The following corrective actions were identified: training activities and direct awareness raising for the personnel concerned.
It should also be noted that 3 discrimination issues cases reported in 2023 were closed in 2024; they were still open at the time of the last reporting. With reference to the 3 closed cases, in 2 cases the relevant 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, while although no violation was confirmed, in 1 case corrective actions were identified. The corrective action identified consists in an awareness raising activity on compliance with the Group's Code of Ethics addressed to the person reported.

In the area of mobbing/harassment, with reference to the 27 closed cases, in 15 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 6 cases and in 6 cases, though without violation, corrective action was taken. The following corrective actions were taken: assessment of various type of disciplinary measures, awareness raising actions on sexual harassment and compliance with the Code of Ethics, reassignment of an employee, performance of periodic analyses on the work climate, monitoring of the behaviour of an employee and a legal assessment of the facts reported and the consequent identification of any legal actions to be taken.

It should also be noted that 17 mobbing/harassment cases reported in 2023 were closed in 2024; they were still open at the time of the last reporting. With reference to the 17 closed cases, in 9 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, whilst violation was confirmed in 7 cases and in 1 case, though without violation, corrective action was taken. The following corrective actions were implemented: assessment of a disciplinary measure, training activities, transfer of the reported resources and awareness raising in relation to the Code of Ethics.

In 2024, 56 discrimination events were reported, corresponding to discrimination, mobbing and harassment files listed in the table. The detailed breakdown of reports is provided below:

(No.)	2024	2023
Number of cases reported		
Total, of which:	198	226
- founded or partially founded	43	65
- unfounded	117	161
- open	38	-

(No.)	2024	2023
Files on cases of discrimination		
Total, of which:	7	11
- founded or partially founded	1	2
- unfounded	5	9
- open	1	-
Files regarding mobbing and harassment (*)		
Total, of which:	49	54
- founded or partially founded	6	23
- unfounded	21	31
- open	22	-
Files regarding violations of the rights of local communities		
Total, of which:	1	1
- founded or partially founded	1	-
- unfounded	-	1
- open	-	-
Files in relation to other workers' rights		
Total, of which:	17	37
- founded or partially founded	5	4
- unfounded	10	33
- open	2	-

The 2023 data is updated as of December 31, 2024.
(*) Note: the category "Mobbing and harassment" includes mobbing, assaults, abuse, offensive conduct, verbal harassment, threats.

In the area of workers' rights, with reference to the 15 closed cases, in 9 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 5 cases and in 1 case, though without violation, corrective action was taken. The corrective actions were as follows: awareness raising on company procedures, change in a resource planning procedure, alignment of contractual requirements to local legal provisions, request to terminate the contractual relationship with a vendor of the Saipem Group and its subcontractor and monitoring of the correct management of personal protective equipment by a vendor.

It should also be noted that 3 workers' rights cases reported in 2023 were closed in 2024; 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 identified corrective action concerned the performance of a verification and consequent periodic monitoring of a vendor in relation to the correct payment of salaries and the related contributions to its employees.

The undertaking declared that in 2024 no serious human rights incidents were reported, for example forced labour, human trafficking or child labour, and that the Company was not sentenced in court to pay sums of money in compensation for damages, in relation to the matter discussed in this section.

ESRS S2 Workers in the value chain

Saipem considers workers throughout the value chain, both upstream and downstream, as a fundamental stakeholder group. Saipem believes in sharing sustainable value along its entire supply chain. Saipem develops and maintains long-term relationships with its vendors, whose technical, financial, organisational and ethical reliability is ensured through a well-structured assessment and management process and by involving vendors and subcontractors in initiatives to strengthen their knowledge on HSE issues and human and labour rights.
For more details on the value chain and the main stakeholder engagement initiatives, see the sections "SBM-1 - Strategy, business model and value chain" and "SBM-2 - Interests and views of stakeholders" in the chapter ESRS 2.

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model impact, risk and opportunity management

The impacts, risks and opportunities emerging from the double materiality assessment (including those relating to workers in the value chain), are a fundamental input for updating Saipem's Sustainability Plan, a document that contributes to the definition of the four-year Strategic Plan and the corporate objectives, as it provides information useful to the integrated risk management process. Further details on the interaction between significant impacts, risks and opportunities and Saipem's strategy and business model are provided in the section "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in the chapter ESRS 2.

The main types of workers characterising the value chain and considered in the double materiality assessment are:

- workers of subcontracting companies working at company sites;
- workers of companies working in partnership with Saipem at company production sites and worksites;
- workers of vendors of goods and services.

No particularly vulnerable categories of workers were identified.

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.

Regarding the human rights issue, every year Saipem carries out an analysis of the country situation, based on international reports on human rights, including the risks of forced and child labour. Based on the results of this analysis, the countries are classified in relation to human rights-related risks into four distinct risk categories: high, medium, moderate and low. For further information, refer to section "S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions, metrics and targets".
In addition to the country analysis, vendors are also classified according to the product category of the products and services provided, by business sector, with a particular focus on service providers such as subcontractors and employment agencies. These analyses are used in the various supply chain management processes, from the vendor qualification process to the identification of high-risk vendors for possible audits, as well as the operational human and labour rights due diligence as described in the following section. In high-risk countries for human rights, Saipem implements due diligence procedures to identify risks of modern slavery and forced or child labour.

Regarding to HSE, the risk assessment process described in the previous section "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in the chapter ESRS 2 applies for all Saipem workers and those working as subcontractors and partners.
For the projects, before the start of worksite operations, the HSE risks are assessed through the Project Risk Assessment (PRA) developed by the Enterprise Risk Management function based on internal methodologies.
Where a significant scope of work is assigned on a contractual basis to a subcontractor, the HSE Project Risk Assessment is carried out together with key representatives of the subcontractor.

Out of 9,832 active vendors with existing contracts, 4,362 operate in countries at high risk of human rights violations, and 1,720 are classified as HSE risk. A list of countries at high risk of violating human and labour rights is drawn up annually; for 2024 these countries are distributed in the various geographical areas with the following percentages: 12% America, 38% Africa, 9% CIS, 3% Europe, 14% Middle East and 23% Oceania and Asia.

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

Within the double materiality assessment, as described in section "IRO 1 - Description of the processes to identify and assess material impacts, risks and opportunities" in the chapter ESRS 2, the impacts and risks relating to workers in the value chain are the following:

S2 Material impacts

Tema materiale	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Security practices	S2 - Workers in the value chain	Equal treatment and opportunities for all	Violation of human rights through abuse of force or other security practices that do not comply with laws, regulations, or contractual requirements (I19 S2)	Upstream, Own operations, Downstream	Potential	Negative	Short-term
Occupational Health and Safety	S2 - Workers in the value chain	Working conditions	Impacts on human health due to unforeseen damage to assets (vessels, fabrication yards) during business operation (I10 S2)	Own operations, Downstream	Potential	Negative	Short-term
	S2 - Workers in the value chain	Working conditions; Equal treatment and opportunities for all	Improvement in technologies, skills, industry practices, and culture in the HSE field training (I20 S2)	Own operations	Actual	Positive	Medium-term
Social inclusion	S2 - Workers in the value chain	Equal treatment and opportunities for all	Local market development and improvement of welfare, infrastructure, employment (I17 S2)	Own operations	Actual	Positive	Medium-term
Fair & Inclusive Workplace	S2 - Workers in the value chain	Equal treatment and opportunities for all	Improvement in work-life balance through equal opportunity policies and promotion of an inclusive environment, also aimed at increasing hiring of women in STEM disciplines (I23 S2)	Own operations	Actual	Positive	Short-term/ Medium-term
Human & Labour Rights	S2 - Workers in the value chain	Working conditions	Violation of workers' rights and non-compliance with decent working conditions (e.g., forced labour, excessive working hours, recruitment fees) (I26 S2)	Upstream, Own operations, Downstream	Actual	Negative	Short-term
Occupational Health and Safety	S2 - Workers in the value chain	Working conditions	Injuries to people caused by incidents in the workplace (I27 S2)	Own operations	Actual	Negative	Short-term

Workers in the value chain include all those operating within the value chain outlined in section SBM-1. The specific categories identified include all the workers of direct vendors and subcontractors, as well as those of partners and joint ventures, and clients. Due to the types of activities carried out, some of these workers may also operate at Saipem's operational sites (for example, workers of subcontractors, Partners/JVs, and Clients), and may therefore be exposed to significant impacts and risks. For more details, see S1-SBM3.

The "impacts on human health and the environment due to unexpected damage to assets (vessels, fabrication yards) during business operations" are mainly linked to individual incidents while the negative impacts associated with "Violation of workers' rights and failure to ensure decent working conditions" are mainly systemic in nature in the high-risk geographic areas, identified above, where Saipem operates.

The impacts of "Development of the local market and improvement of well-being, infrastructures, employment" and "Human rights violations due to the use of excessive force or other security practices not compliant with laws, regulations, or contractual requirements" are related to the strategy and business model. This is because, for the former, Saipem operates in numerous countries creating job opportunities and promoting training and skills development, also involving its local vendors and their employees with a particular focus on the development of technical capabilities and the enhancement of the standards for protection of the health and safety of workers and their rights. In addition, for the latter, the Company operates in a sector and countries exposed to security risks due to unstable geopolitical situations. These situations could have repercussions due to the need to employ security services for which it is essential to ensure appropriate standards to prevent instances of excessive use of force against workers in the value chain.

For the description of the activities that determine the positive impacts, please refer to the section S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions.

Material risks for the undertaking arising from impacts and dependencies on value chain workers are listed below:

S2 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Occupational Health and Safety	S2 - Workers in the value chain	Working conditions; Equal treatment and opportunities for all	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market risks for Saipem (i.e. low confidence among stakeholders, including financial stakeholders, partners and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions). (R8 S2)	Own operations, Downstream	Short-term (<1 year)
Security practices	S2 - Workers in the value chain	N/A	Global and local security: changes in the geopolitical scenario. The consequences of this risk, which may include impacts on the health, safety, and well-being of workers throughout the value chain, may cause reputational damage to Saipem (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities, and legal consequences (due to breaches of local regulations, compensation obligations, and legal actions by stakeholders). (R9 S2)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
Security practices Supply chain management	S2 - Workers in the value chain	Equal treatment and opportunities for all	Poor vendors/subcontractors ESG performance. The consequences of this risk may cause reputational damage to Saipem (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities, and legal consequences (due to breaches of local regulations, compensation obligations, and legal actions by stakeholders). (R5 S2)	Upstream, Own operations, Downstream	Short-term (<1 year)

In addition, the following risk: “The occurrence of events with potential effects on the health of workers and people living near operations and/or with prolonged exposure that can cause occupational diseases” derives from the following material impact: “Unexpected damage to assets (vessels, fabrication yards) during business operations that may endanger human health”. With regard to the risks of “Low ESG performance of vendors/subcontractors” and “Global and local security: changes in the geopolitical scenario”, these are not linked to impacts but arise from dependencies: in the first case, dependency on supplies from vendors, and in the second case, dependency on the local geopolitical situation.

S2-1 - Policies related to value chain workers

As already indicated in section “S1-1 - Policies related to own workforce”, Saipem operates within the framework of the United Nations Universal Declaration of Human Rights, the ILO Fundamental Conventions, the OECD Guidelines 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, strengthening its principles on major issues such as respect for human and labour rights, integrated into strategies, policies and procedures, as well as in daily operations of society.
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.
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 2022, Saipem has published the Human Rights and Modern Slavery Statement in accordance with the “OECD Due Diligence Guidance for Responsible Business Conduct”.
These documents are also made available to all the stakeholders through their publication on Saipem’s website.

Saipem's commitment is also reflected 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. Additionally, Saipem's Code of Ethics, which all the partners and vendors throughout the value chain are required to adhere to, firmly rejects 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. The Code of Ethics applies to all of Saipem's population, as well as to third parties with whom the Company collaborates both upstream and downstream.

All partners and vendors along the value chain are expected to comply with described principles, especially those outlined in the Code of Ethics, Vendor Code of Conduct, and specific contractual clauses stipulated by Saipem. The Vendor Code of Conduct defines Saipem's expectations and requirements also with regard to the respect of human rights, including the prohibition of any form of modern slavery or child labour, the business ethics, and the protection of community rights.

In 2024, Saipem introduced additional contract specifications that include the respect of requirements on human and labour rights, applicable to all vendors throughout the performance of the contract.

In the countries where Saipem operates, as part of its due diligence, it identifies potential or actual negative impacts and assesses risks pertaining to human rights. It then takes the necessary actions and monitors their effectiveness to ensure these risks are minimised and any impacts are resolved, also through stakeholder engagement, with a particular focus on local communities and partners in the value chain involved in its operations.

Saipem provides systems for reporting any violations of rights and implementing effective remedies, also for workers in the value chain, as outlined in S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns.

Please refer to section "S1-1 - Policies related to own workforce" for more details about compliance with the policies on Health, Safety, Environment and Security, which also extend to vendors, subcontractors and partners, and the Diversity, Equality & Inclusion policy, which also applies to vendors. The section "SBM-2 - Interests and views of stakeholders" in the chapter ESRS 2 delves into stakeholder engagement and the related procedures, which also apply to workers in the value chain.

Responsible for the implementation of the here described policies is the CEO, who is availing of his first line top managers who play a head role in the involved functions; in particular, in this area, the Chief People, HSEQ and Sustainability Officer and the Chief Supply Chain, Digital and IT Officer.

S2-2 - Processes for engaging with value chain workers about impacts

As described in the sections "S1-13 - Training and skills development metrics" and "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions", Saipem adopts a number of initiatives to involve the workers in its value chain, focusing on training and safety promotion campaigns. The Leadership in Health and Safety (LiHS) programme promotes safe behaviour and leadership development at all company levels. The 2023 Health & Safety Vision aligns all stakeholders on common safety objectives. Special events, such as Saipem Safety Day and specific workshops for the vessels, are organised to raise safety awareness. HSE training is also crucial to reducing risks, through specific campaigns and programmes to raise worker awareness of the dangers associated with their activities. Saipem also participates in international conferences such as the World Congress on Health & Safety at Work and implements programmes such as "Process Safety Fundamentals" and fire risk prevention campaigns, ensuring continuous improvement in safety performance.

For more information on the initiatives implemented by Saipem for the workers in the value chain, please also refer to section "SBM-2 - Interests and views of stakeholders" in the chapter ESRS 2, and section "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns" in relation to the inputs from the whistleblowing system and the Hazard Observation Cards (HOC).
The highest managerial position with operational responsibility for ensuring the engagement of the workers in the value chain takes place and that Saipem's approach is guided by the results, is the Chief Supply Chain, Digital and IT Officer.

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

For information on the dedicated channels established by Saipem to enable value chain workers to communicate directly with the company regarding concerns or needs, and to receive assistance, please refer to section "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns".

S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions, metrics and targets

Value chain workers are a key pillar of Saipem's business and success, thanks to their professionalism and commitment, and are essential to the execution of operational and business activities. Saipem is align with international best practices concerning human and labour rights, actively monitoring compliance and working with vendors to promote the sustainability of their business while minimising risks along the supply chain.

Following the double materiality assessment outlined in section "IRO1 - Description of the processes to identify and assess material impacts, risks and opportunities" in the chapter ESRS 2, the paragraphs below examine the actions taken, in relation to the value chain workers, to prevent, mitigate and address the significant negative impacts, achieve significant positive impacts, and mitigate the related risks. The topics covered include: country-level human and labour rights risk assessments (HLR), human rights due diligence at operational sites (HLR risk register), workplace human rights, security and human rights, partnerships and training activities, safety practices, and cybersecurity. The processes described below are integrated into the existing risk management processes within each specific corporate function.

Actions on significant health, safety, and environmental impacts for the workforce

Within its HSE management system, Saipem has established the responsibilities and procedures for the Risk Assessment associated with an activity, which considers the combination of the likelihood of the HSE hazard occurring and the severity of the consequences it may generate.
The risk acceptability assessment requires the use of the HSE Risk Matrix, which identifies three possible areas corresponding to different risk levels, for each combination of frequency (columns of the matrix) and severity (rows of the matrix):

a. Red Area - unacceptable risk: the activities cannot be carried out until control measures capable of reducing the risk to an acceptable level (yellow or green area) have been implemented.
b. Yellow Area - the risk is tolerable as it is assessed as ALARP (As Low As Reasonably Practicable). The activities can be commenced, but it is necessary to:
- identify adequate risk reduction control measures;
- ensure that the risk is subjected to periodic monitoring and assessment so that it remains constantly within the ALARP range;
- guarantee, in this way, that a risk threshold considered intolerable is not exceeded.

c. Green area - acceptable risk: the activities can be started without the need for additional control measures.

Risk control measures

The controls for the identified HSE risk must be established considering the following criteria:
- if the risk is considered acceptable, establish a process of continuous improvement to ensure that the risk remains within an acceptable level;
- if the risk is not considered acceptable, identify risk control measures using the risk control hierarchy, made up of the following steps, with decreasing levels of effectiveness:

- elimination of the risk - The risk is reduced by removing the hazard at its source, e.g. new design/engineering;
- replacement - The risk is reduced by replacement with an alternative method, material or device;
- technical controls - The risk is reduced by preventing personnel from interacting with the hazard, e.g. removing personnel (through automation), enclosing the process or hazard, installing machine guards, or reducing personnel exposure time;
- administrative controls - The risk is reduced by managing exposure through systems and procedures, e.g. work permits, special rules or work instructions;
- personal protective equipment - The risk is reduced by using personal protective equipment (PPE). All the above measures must be fully considered before resorting to the use of PPE. Where necessary, PPE must be used to support the above measures.

The person responsible and the deadline for implementation must be established for each control measure identified.
Collective Protective Measures (CPMs) may also be implemented. These are measures that can be categorised at different levels within the hierarchy of HSE risk controls. These CPMs control risks directly at source through technical or organisational means provided on a collective basis. Therefore, CPMs take precedence over other protective measures applied to individual employees.
Workers are informed of the results of the risk assessments and the control measures established to make or keep the risk within acceptable levels. They are also trained on the use and maintenance of Personal Protective Equipment.

Please refer to section “S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions” for information on the HSE audits, including those on the Company’s subcontractors, as well as the management of Corrective Action Plans and subsequent monitoring of their effectiveness.
See also the entity-specific metrics for HSE training involving the subcontractors’ employees at operational sites.
In addition to the HSE functions, the management of significant health, safety, and environmental impacts, assessed as described above, involves all the functions within the Company’s/Corporate Asset’s organisation with various responsibilities for health, safety, and environment, with the support of the Company’s Top Management. Since it is not possible provide a precise breakdown, for information related to expenditures generated by the above actions, see section “S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions”, paragraph 43.

Saipem is also committed to developing the local market and enhancing well-being, infrastructure, employment, human capital, skills, and awareness in the countries where it operates. Lastly, the projects implemented also aim to manage the risk of poor ESG performance in relation to human and labour rights.

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 evaluation 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.

Saipem uses the results of the analyses to classify countries based on risks related to human and labour rights, separating them into four categories: high, medium, moderate, and low risk. This classification is crucial for the vendor qualification process and for identifying high-risk vendors to be audited. This classification also supports the human and labour rights due diligence process at operational level. Based on this analysis, 49% of Saipem's main operating companies are based in high-risk countries, while the remaining 51% are located in medium-, moderate- and low-risk countries.
The actions described address the "Global and local security: changes in the geopolitical scenario" risk.

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

Starting from 2022, Saipem has introduced a system for identifying and assessing risks of impacts on human and labour rights (HLR) through a special register that allows for the identification and classification of potential impacts that the Company can generate during operations and define adequate actions to mitigate such risks. This register also includes the country risk assessment to identify any systemic risks arising from the country's own situation. Since 2023, the register has been standardised and implemented in all the countries where Saipem conducts operations, also taking into account the number of employees present. For 2024 results, refer to the corresponding paragraph in section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

The analysis of the results of the 2024 risk registers identified potential impacts relating to freedom of association in certain countries, discrimination in employment treatment and benefits, compliance with working hours and overtime regulations, risks of violations of workers' rights and decent work conditions along the supply chain, and risks associated with security operations in some local contexts.

Based on the results of the risk assessment, a number of actions were identified to mitigate the potential impacts, some of them already carried out in 2024 or planned for 2025; they were reported in the action plan for each operating company. Among the actions taken, compliance checks in relation to local labour rights legislation were carried out in certain countries with respect to the subcontractors and employment agencies. Specifically, these checks were initiated by the companies operating in Angola, Indonesia, Brazil, and India.

Since 2023, a documented process has been implemented to identify key vendors operating in certain countries and providing specific services for Saipem. The definition of the vendor risk profile is based on the country risk, the type of activity (commodity code), the total orders and other information (duration of the commercial relationship, feedback, etc.). A prioritisation of vendors based on their risk profile is essential due to the vast supply chain involved in Saipem's projects and activities and is necessary to identify specific mitigation actions included in Saipem's Sustainability Plan.

In 2024, as part of the programme of assessments on certain critical vendors selected based on the criterion described above, Saipem conducted human and labour rights assessments at 5 subcontractors in China, Angola, and Saudi Arabia, and 6 employment agencies in Saudi Arabia. The purpose of these assessments was to ensure compliance with local regulations, with the aim of preventing and mitigating potential violations of local labour laws, and complying with Saipem's principles and the related contractual clauses.
The assessments focused on the issue of respect for human rights (child and forced labour, forms of modern slavery, discrimination, etc.) and ensuring decent working conditions, related to recruitment and employment, working hours and overtime, salary payments, welfare conditions, and management of their vendors. Following the assessment, a report was prepared and shared with the subcontractors, which were asked to develop an improvement plan to mitigate or eliminate the key issues identified and submit the supporting evidence. The main critical concerns identified involved the management of working hours and overtime, the management of personnel and working conditions, and welfare conditions, in alignment with local and international standards. The subcontractors' improvement plans are regularly monitored to ensure that the measures and corrective actions are properly implemented in accordance with local regulations and Saipem's requirements.
For information on the training on human and labour rights involving vendors, see section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

The management of the supply chain in line with international standards involves the corporate Supply Chain function at global level and the related Procurement and Contract Management functions at local level. The impact assessment and compliance check, previously described, also involve the International Industrial Relations and Sustainability functions.

For more information on the security and cybersecurity practices, see the paragraph Additional information for Entities, which describes the vendor management procedures in relation to the minimum cybersecurity requirements.
Lastly, with regard to the mitigation actions related to health risks caused by leaks and spills of substances or unexpected damage to assets, see the section "S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

Concerning the impacts related to Development of the local market and improvement of well-being, Improvement of work-life balance through equal opportunity policies and promotion of an inclusive environment, see the initiatives described in the section "S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions". Saipem supports the creation of local value by sourcing goods and services from local vendors and enhancing the skills of local personnel and vendors.
Additionally, some of the initiatives reported in the section "S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions" are aimed at generating knowledge and technical skills and supporting the development of local entrepreneurship, which also contribute to the positive impacts for the supply chain and its employees.

For details regarding the management and quantification of reports on violations of labour rights issues, please refer to sections "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns" and "S1-17 - Incidents, complaints and severe human rights impacts" which contain all the reports, including the mitigation actions initiated for vendors.

The actions described are consistent with the policies and are part of the company management systems that ensure their control and effectiveness.

S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

With reference to the section "SBM-2 - Interests and views of stakeholders" in the chapter ESRS 2, which defines workers in the value chain as a fundamental group in setting the corporate objectives, which are established using the materiality assessment to identify and assess the material impacts, risks and opportunities (described in detail in section "IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities" in the chapter ESRS 2), the status of the objectives set in the 2024-2027 Sustainability Plan and the objectives set in the 2025-2028 Sustainability Plan are described below. In this context, the double materiality assessment enabled the identification of topics to be acted on to mitigate and/or improve impact or risk aspects related to workers along the value chain.
As described in the related section SBM 1 - Strategy, business model and value chain" in the chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Improve Safety performance for subcontractors	2024	TRIFR< 0.29 HLFR < 0.55 (Baseline@2023: 0.23 and 0.44)	TRIFR = 0.23 HLFR = 0.28	■ (green)	-
Carry out audits of Saipem vendors and manpower agencies on human and labour rights issues	2024	11 audits (compared to 10 audits in 2023)	5 main subcontractors and 6 manpower agencies audited	■ (green)	New target
Strengthen awareness on human and labour rights	2024	Involvement of 50% of the main subcontractors in high risk countries[40]	61% of main subcontractors took part to the training	■ (green)	New target
Reinforce competencies on sustainability issues within the supply chain function through specific training	2024	80% of the Supply Chain function (Baseline 2023: 0%)	85% of the personnel of the Supply Chain function completed the training	■ (green)	

■ (green) Target reached or, for the 2025-2026-2027 objectives, in progress and according to plan.
■ (yellow) Target partially reached or still in progress.
■ (red) Target not reached or postponed.

It is specified that the objectives listed are in line with the "Group Total" perimeter.

The objectives still underway, also present in the previous versions of the Plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives of the 2025-2028 Sustainability Plan

Objectives	Target	Target year	Value chain	Material topic	IROs
Conducting audits on human and labour rights for top risk vendors identified annually based on purchase volumes, commodity and country risk, etc.	5 subcontractors identified (baseline 2024: 5 subcontractors audited)	2025	Own operations Upstream Downstream	Supply chain management Human & Labour Rights Fair & equitable compensation Fair & Inclusive Workplace	I23 S2 R5 S2
Training initiative to strengthen awareness on the human and labour rights topic	Involvement of 50% of the top risk vendors (baseline 2024: 0)	2025	Own operations Upstream Downstream	Supply chain management Human & Labour Rights Fair & equitable compensation Fair & Inclusive Workplace	I23 S2 R5 S2

Entity specific metrics

The tables below provide the information regarding HSE training and safety metrics for the subcontractor category. In addition to the subcontractors, workers in the value chain also include employees of companies that are not within the Full Consolidated scope, for which the training information is provided at the bottom of each table concerned.

Training of subcontractors

		2024 Full consolidated	2023 Full consolidated
HSE training delivered to subcontractors	(hours)	1,171,231	1,164,349

Health and Safety metrics of subcontractors

With regard to the information provided on employees in the section "S1-14 - Health and Safety Metrics", the metrics related to the health and safety data of subcontractors are provided below.

(40) The selection of the main subcontractors was carried out according to the criteria described in S2-4. In 2024, a total of 100 key vendors were selected and invited for training, covering 4% of the total purchases in the previous year. The baseline for 2023 is considered to be zero because it involves new subcontractors.

		2024 Full consolidated	2023 Full consolidated
Lost Time Injury (LTI)			
Subcontractors	(No.)	5	6
High-consequences work-related injury [(a)]			
Subcontractors	(No.)	2	-
Of which with permanent disabilities:			
Subcontractors	(No.)	1	-
Days lost [(a)]			
Subcontractors	(No.)	420	267
Severity Rate [(a)]			
Subcontractors	(ratio)	0.005	0.002
Total Recordable Injury (TRI)			
Subcontractors	(No.)	23	20
Near miss			
Subcontractors	(No.)	58	84
Fatal Accident Frequency Rate (FTLFR)			
Subcontractors	(ratio)	-	1.1
LTI Frequency Rate (LTIFR)			
Subcontractors	(ratio)	0.06	0.07
High-consequence work-related injuries Frequency Rate (HCWRFR) [(a)]			
Subcontractors	(ratio)	0.022	-
Total Recordable Injury Frequency Rate (TRIFR)			
Subcontractors	(ratio)	0.26	0.22
High-Level Event Frequency Rate (HLFR)			
Subcontractors	(ratio)	0.28	0.44

(a) Updated 2023 data based on the number of days lost during 2024 for accidents that occurred in 2023. Refer to the table in section"S1-14 - Health and Safety Metrics" for the methodologies for calculating metrics.

In addition to the subcontractors, Saipem's value chain includes all employees that are reported within the Group Total scope but not within the Full Consolidated scope, totalling around 32,000 value chain employees. For this category, 29 events occurred that were classifiable as TRI.

As outlined in section "S1-14 - Health and Safety Metrics", the data related to subcontractors for the health and safety metrics linked to the 2024 targets of the Sustainability Plan are provided below:

		2024		2023	
		Group Total	Full consolidated	Group Total	Full consolidated
Total Recordable Injury Frequency Rate (TRIFR)					
Subcontractors	(ratio)	0.23	0.26	0.23	0.22
High-Level Event Frequency Rate (HLFR)					
Subcontractors	(ratio)	0.28	0.28	0.44	0.44

The metrics relating to the relationship with vendors in the value chain are also provided below.

		2024	2023
Active vendors	(No.)	20,151	21,979
Active vendors working in countries with a high risk of human and labour rights breaches	(No.)	8,651	-
Vendors qualified in the year	(No.)	4,229	6,364
Vendors with existing contracts	(No.)	9,832	10,897
Vendors with existing contracts in countries with a high risk of human and labour rights breaches	(No.)	4,362	4,880
Vendors with existing contracts classified at risk for HSE	(No.)	1,720	1,500
Vendors with existing contracts (for critical qualifications)	(No.)	5,987	-
Vendors with existing contracts in countries with a high risk of human and labour rights breaches (for critical qualifications)	(No.)	2,564	-
Ordered by critical vendors	(%)	85	75
Vendors qualified in the year working in countries with a high risk of human and labour rights breaches, total of which:	(No.)	1,159	2,902
- for critical qualifications (*)	(No.)	594	803
- for non-critical qualifications	(No.)	725	2,447
New vendors working in countries with a high risk of human and labour rights breaches, assessed on the issue	(No.)	818	431
Vendors qualified in the year for activities considered at HSE risk	(%)	17	8
Vendors assessed on HSE issues	(No.)	713	474
Qualified vendors during the year for critical qualifications	(No.)	2,570	-
Active vendors that have signed the Supplier Code of Conduct	(%)	91	63

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.
(*) 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.

ESRS S3 Affected communities

Saipem is committed to contributing to the progress of the local communities, and to the social, economic and cultural development and improvement of their living conditions, also respecting the human rights of their members. Local communities are actively involved in the implementation of local development projects and Saipem provides proactive support in crisis and emergency situations.

For more information on the main engagement actions in affected communities, see sections "SBM-2 - Interests and views of stakeholders" in chapter ESRS 2 and the section "S3-2 - Processes for engaging with affected communities about impacts".

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts, risks and opportunities emerging from the double materiality assessment (including those relating to affected communities), are a fundamental input for updating Saipem's Sustainability Plan. This plan is considered in the definition of the four-year Strategic Plan and the corporate objectives, providing useful elements for the integrated risk management process (more details can be found in the sections "GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies"; "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model"; "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities"; given in chapter ESRS 2).

Through an integrated and continuous process, the results of the double materiality assessment are also included in the risk assessment activities, aiming to align the corporate strategy to the stakeholder expectations and anticipating emerging risks.

For Saipem, local communities are all the people or groups that live or work nearby and which may be impacted by the company's operations. These may be near operating sites, plants or other physical facilities, or may include remoter communities that are in any case affected by the activities undertaken in these places. Saipem has particular regard for the indigenous peoples that may suffer any actual or potential impacts of its operations.

Local communities are therefore key interlocutors for Saipem, which undertakes to keep an open and transparent dialogue with them, engaging them actively in the implementation of socio-economic development projects.
In measuring significant risks and opportunities relating to the impacts and dependencies linked to the affected communities, Saipem engages a selection of representatives of the local communities.

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

Within the double materiality assessment, as described in section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2, the following impacts and risks are linked to the affected communities:

S3 Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Community support & development	S3 - Affected communities	Communities' civil and political rights	Increase in skills and opportunities for people through development programmes, on the job training, education and collaboration with academic institutions (I21 S3)	Own operations	Actual	Positive	Medium-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Continuous improvement in knowledge and attention to health issues through participation in working groups, partnerships and collaboration with local healthcare facilities (I15 S3)	Own operations	Actual	Positive	Short-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Improvement and protection of the health conditions of local communities through campaigns, specific initiatives and management systems (I16 S3)	Own operations	Actual	Positive	Short-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Local market development and improvement of welfare, infrastructure, employment (I17 S3)	Own operations	Actual	Positive	Short-term/ Medium-term
	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	Impact on local communities (access to resources, accident risk, pollution risk, impact on local culture, noise, vibrations, interference with economic activities, flora, fauna, etc.) (I18 S3)	Own operations	Actual	Negative	Short-term

Specifically, the last impact is connected to the strategy and business model, as Saipem's operations interact with numerous territorial contexts and local communities. Saipem's projects aimed at infrastructure construction could limit local communities' access to vital ecosystems, reduce the availability of natural resources, and influence the traditions, social practices, and cultural values of these communities.

For the description of the activities that determine the positive impacts, please refer to the section "S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions".

S3 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Community support & development	S3 - Affected communities	Communities' economic, social and cultural rights; Communities' civil and political rights	The occurrence of events with potential effects on the health of workers and people living near operations and/or over time exposure capable of causing work related diseases. This risk could have reputational and market effects for Saipem (i.e. low confidence among stakeholders, including partners, local and financial stakeholders and clients; costs linked to the interruption of business activities and a fall in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions). (R8 S3)	Own operations, Downstream	Short-term (<1 anno)
Human & Labour Rights	S3 - Affected communities	N/A	Global and local security: changes in the geopolitical scenario. This risk could have significant impacts for Saipem, particularly in terms of operational impacts (i.e. increase in safety risks for the communities, interruption of operations), reputational impacts (public criticism and low confidence among stakeholders in the event of failure to protect the security of the communities). (R9 S3)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

Through an in-depth analysis of the local context, Saipem assesses which local communities are likely to be impacted by its operations. The analysis of which communities are most likely to be impacted, and of their needs and expectations, is also assured through project documents, including ESHIA (Environmental Social & Health Impact studies), developed internally or made available by clients, aiming to assess the environmental and social impacts of the operational projects Saipem is involved in.
Precisely through the implementation of the outputs of the specialised studies included in the Environmental and Social Impact Assessment Studies, in its operational projects Saipem supports the client's activities, in line with the contractual requirements and those arising from any authorisations requirements which may arise, also involving the affected local communities, with whom the client interacts more directly, identifying and managing any potential impacts and reports first-hand.
The activities in which Saipem is responsible for the direct management of the environmental and social impacts generated locally related to fabrication yards and owned logistics bases. For these sites, the potential effects of Saipem's activities on the social context and on local stakeholders are identified and assessed, in order to both minimise the negative impacts and define and implement specifications and projects aiming to contribute to the development of the local socio-economic context, in partnership with the identified local stakeholders. The overall risk profile (including the environmental and social one) for every project is identified, analysed and monitored from the commercial phase. More details on the ongoing processes are given in section "S3-3 - Processes to remedy negative impacts and channels allowing the affected communities to express concerns".

Moreover, Saipem considers contractual agreements and local regulations to effectively respond to the needs of local stakeholders, guaranteeing the appropriate management of socio-economic and environmental impacts.

S3-1 - Policies related to affected communities

In the "Our sustainable business" policy, Saipem undertakes to respect the human rights of the affected communities and the specific rights of indigenous peoples, particularly concerning their cultures, lifestyles, institutions, ties to their homeland and development models; it is specified that the policy applies to all Saipem's activities and covers all material impacts, risks and opportunities.

Working within the reference framework of the UN Universal Declaration of Human Rights, the Core Conventions of the ILO (International Labour Organization), the OECD Guidelines for Multinational Enterprises, United Nations Guiding Principles on Business and Human Rights and the Principles of the Global Compact, which the company signed up to in 2016, Saipem undertakes to respect the internationally recognised Human

Rights of the affected communities (and the special rights of indigenous communities) with particular reference, consistently with the Saipem Code of Ethics and its "Our sustainable business" policy, their cultural, economic and social rights, protecting them and fostering forms of continuous and informed consultation in order to take their legitimate expectations into due consideration, disseminating knowledge of the company values and principles internally and externally, also by issuing regulatory documents, undertaking to assess and monitor the risks, opportunities and impacts generated at environmental and socio-economic level in order to implement actions guaranteeing appropriate management in order to minimise negative impacts and maximise positive ones, contributing to the socio-economic development of the territories it works in. Saipem also guarantees reporting systems for any violations of these rights, implementing effective forms of remedy, complying with the commitments made to the clients, and where necessary managing relations with the local communities together.

In carrying out activities, it strives to assess and monitor the risks, opportunities, and impacts generated at an environmental and socio-economic level, to implement actions that ensure their proper management, aimed at minimising negative impacts and maximising positive ones, also through collaboration with local communities and all local stakeholders. For more details please refer to section "S1-1 - Policies related to own workforce".

Saipem is also committed to contributing to the socio-economic development of the areas in which it operates, creating opportunities for growth and enhancement of the skills of people and businesses, as well as promoting the transfer of knowledge and the development of local professionals.

Eventually, it cooperates in the realisation of initiatives aimed at ensuring sustainable and lasting local development by activating networks of skills and knowledge, sharing resources and capacities, and working in partnership with communities, local organisations, and development promoters.

Responsible for the implementation of the here described policies is the CEO, who is availing of his first line top managers, each of them for his/her areas of competence, both at corporate and operational level; further, at Project/Operating company level the realization of the here described policies is of competence of respective Managing Directors and Project Managers/Project Directors.

It is specified that a Plan of initiatives addressed to local communities is drafted annually, approved by the Board of Directors of Saipem and monitored every six months.

S3-2 - Processes for engaging with affected communities about impacts

Relations with the local context

Saipem is committed to establishing relations with its local stakeholders (including indigenous people if present) 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, including the communities and their representatives, the authorities, institutions, associations and non-governmental organisations in the territory where it operates and which are affected parties, or may potentially be affected, by the activities carried out by the Company and by the main impacts they may generate on the communities.
A context analysis is performed to assess which are the main topics influencing their well-being, needs and expectations. The context analysis takes into account a range of inputs and information, including in particular local regulations and contractual documents provided by the Client, such as the Environmental Social & Health Impact Assessment (ESHIA).
The results of the local context analysis and stakeholder needs and expectations are the elements taken into consideration for the proper selection and implementation of initiatives supporting the local communities. Saipem's presence in the territories is divided between "long-term", where the Company owns fabrication yards, logistics bases and other operating structures that allow structured relations and partnerships with various local stakeholders or their representatives to be established, and "short/medium-term" presence,

where Saipem performs specific operating projects within set contract deadlines which therefore require the participation of the company in more targeted and short-term sustainable development initiatives often coordinated by the client. In both cases, Saipem aims to develop initiatives based on a long-term perspective in the areas where it operates. The initiatives are designed to assure that their benefits have lasting effects, even beyond the involvement of Saipem, particularly encouraging the development of skills in the communities in order to allow them to manage the initiatives in an increasingly autonomous manner and fostering the engagement of local organisations with experience and know-how in the management of local projects and initiatives, leading to the potential duplication by other actors or the community itself, with a view to enhancing their effects. Saipem's involvement and dialogue with local stakeholders anyhow 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. The local Managing Directors have the operational responsibility to ensure that this engagement takes place and that the results guide the approach of the undertaking. Significant examples of cooperation with local stakeholders include cooperation with universities and schools, with representatives of the local authorities/institutions, with non-governmental organisations working in the territory running socio-economic development programmes, including vocational training and instruction, the promotion of health and safety in the host communities and environmental protection.

Where indigenous communities are present, specific engagement channels are defined for the local context, in order to respect their cultural, intellectual, religious and spiritual features and inform them of the operating activities to be undertaken. In some cases, specific processes are in place to foster the use of vendors and hire personnel from indigenous communities.

On the basis of the processes described thus far, Saipem implements Local Community Initiatives (LCI) that are described in more detail in section “S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions”, which also include the processes to verify the effectiveness of these projects for the affected communities.

S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns

Saipem implements strict measures to guarantee compliance with human and labour rights, aligning to both international standards and local regulations. Its corporate policies include the Code of Ethics and the “Our sustainable business” policy, and guarantee compliance with the human rights of the affected communities and the special rights of the indigenous peoples, particularly concerning their cultures, lifestyles, institutions, ties to their homeland and development models, as detailed in the previous sections (“S3-1 – Policies related to affected communities” and “S3-2 - Processes for engaging with affected communities about impacts”). Saipem undertakes to protect the rights of local communities, forbidding all forms of discrimination, corruption, forced or child labour. Saipem’s continuous commitment also engages value chain workers. For more details, please refer to section “S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns”.

In its operating projects, through the social and environmental impact assessment process, potential impacts and environmental and safety risks for both Saipem personnel and the local communities are identified and managed (for more details refer to section “S1-1 - Policies related to own workforce”).

Furthermore, during the due diligence process, the potential impacts on human rights in the local communities which could be caused by Saipem's activities in the area where it operates are identified and managed. Through this process, the risks and implemented mitigation actions are monitored. For more details, refer to paragraph “Due Diligence on human rights and in operating sites (HLR risk register)”, in chapter S2.

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 Community 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 involves the provision of various communication channels, including face-to-face meetings, specific phone lines, written complaint forms and online platforms, including the company website. This process allows potential negative social impacts to be identified and managed or mitigated.

The demands of the communities are managed through a specific register in which each demand is recorded, followed by an initial verification to determine its validity and materiality. Saipem undertakes to promptly solve every issue through a specific management team that works with the relevant corporate functions to identify and implement the necessary actions. A periodic monitoring and reporting process, which includes the analysis of the actions undertaken, ensures their effectiveness. Specific training is delivered to all employees involved in the process to ensure that they can correctly distinguish the various reported demands, especially those which could be deemed whistleblowing reports. In this way, Saipem ensures that the concerns of the local communities are managed effectively and transparently, reducing the risk of conflicts and guaranteeing positive and lasting relations with the communities.
Generally, the whistleblowing procedure described in section “S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns” can also be used by the local communities.

S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

Saipem's Sustainability Plan “Sustainable Value Creation” pillar includes the thematic area "Local Impact", which also refers to Saipem’s Local Community Initiatives (LCI). Saipem uses a uniform approach to managing LCI in all its operating areas during all phases of the activities planned and defined at Group level, in line with the Strategic Plan and the Sustainability Plan. Saipem is present in various countries and global energy markets through decentralised structures that meet the needs of local realities. LCI therefore aim to effectively respond to the needs and expectations of local stakeholders and are identified through a careful, objective and tried-and-tested analysis of the context in which Saipem operates, as described in section “S3-2 - Processes for engaging with affected communities about impacts”. LCI monitoring activities shall verify the effectiveness of the implemented initiatives, the involvement of stakeholders, the achievement of objectives, or if it is necessary to propose corrective actions. On a six-monthly basis, the status of each LCI is gathered, while final feedback is given annually (e.g., reports on initiatives with a description of the activities and results achieved, photos, videos etc.) in a report.

Context analyses are performed to identify any needs and gaps in the territories. The analysis is based on legislative and contractual studies, benchmark analyses and discussions held with the local communities in which Saipem operates. The identified initiatives aim to fill any existing gaps. For each initiative, specific indicators and KPIs are identified to monitor the effectiveness of the actions undertaken to tackle the short and long-term material impacts, risks and opportunities.

Following the double materiality assessment (described in section “IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities” in chapter ESRS 2) on the topic of local communities one negative impact and two risks were found to be material (as indicated in section “SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model, management of impacts, risks and opportunities”, in chapter ESRS 2). No opportunities were reported. Consequently, the following paragraphs examine the actions undertaken and additional initiatives Saipem has implemented with the primary objective of managing and mitigating the negative impacts and risks and producing positive impacts for the affected communities. Also refer to sections “S3-1 - Policies related to affected communities”, “S3-2 - Processes for engaging with affected communities about impacts”, “S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns" and "S1-4 - Taking actions on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions", for details on the policies, engagement processes and mitigation of current and potential negative impacts.

Every initiative contributes to the achievement of the 17 Sustainable Development Goals (SDGs) of the 2030 Sustainable Development Agenda.

The continuous improvement of knowledge and attention to health issues, through participation in working groups and partnerships with local healthcare facilities, as well as the improvement and protection of health conditions of workers and local communities, through campaigns and management systems, are two of Saipem's positive impacts on local communities. The main initiatives linked to these impacts are illustrated below.

Training programme for medical personnel in Ambriz hospital, Angola
Petromar, a Saipem operating company in Ambriz, has been continuously contributing to a Malaria Prevention Programme since 2018, with the objective of reducing the mortality of malaria. In 2023, the programme addressed the rural community of Ambriz, in line with the National Malaria Control Programme (NMCP), with the WHO guidelines and in coordination with the Municipal Health Department; in 2024 the programme continued with the organisation of specific training courses for medical personnel in the mother-and-child area, leading not only to greater control of malaria (e.g. fumigation) but also improved vaccination coverage, management of respiratory infections (e.g. pneumonia) and diarrhoeal diseases, as well as improved malnutrition control, tuberculosis screening and midwifery training. In detail, the 2024 initiative achieved the following main results:

- an improvement in vaccine coverage: 4,223 children were vaccinated (around 73% of the total population in Ambriz) and 658 young women;
- 61 fumigation sessions and 25 Indoor Residual Spraying sessions were performed to prevent malaria (the sessions covered all the cases in Ambriz);
- training of approximately 70 nurses (31 women and 39 men) in the mother-and-child area and in vaccine administration techniques.

Community health promotion programme, West Pangke Village, Indonesia
This initiative, developed by Saipem for the second year running, promotes health through a fumigation programme implemented twice a year, in July and December, to protect the inhabitants of West Pangke, the closest village to the Saipem Karimun fabrication yard, from malaria and dengue. Through this programme, in 2024 two fumigation sessions (one in July and the other in December) assured the 100% coverage of the area to be treated, benefiting all the inhabitants of West Pangke.

Construction of "La petite maison rose", Senegal
The goal of this initiative, under finalisation, is the construction of a secure shelter for abandoned children in difficulty and women victims of domestic violence. The construction of this shelter ("La petite maison rose") started in 2023 through collaboration between LVIA (Lay Volunteers International Association) and UNIES VERS'ELLE, a humanitarian organisation for international solidarity established in 2008. The centre, which will be finalised by May 2025, was designed to host 200 children a year. The children will be provided with basic necessities, educational psychological and health services. Moreover, the centre will organise specific activities aiming to facilitate the social cohesion of the children and their integration in the community.

As regards the improvement of skills and opportunities through development programmes, on the job training, instruction and cooperation with academic institutions, the following projects and programmes are implemented.

Archimedes Project, Rio de Janeiro, Brazil
The Archimedes Project, in partnership with the Sabendo Mais Institute and the Department of Mathematics and Physics of the Universidade Federal do Rio de Janeiro (UFRJ), aims to promote courses, workshops and laboratories for students aged between 12 and 16 with strong logic and mathematical skills from the poorest

community in Rio de Janeiro, the favela Complexo da Maré. In 2024, the initiative engaged 50 students, 45% of whom girls. Each student was able to attend around 150 hours/year of courses, workshops and laboratories. Furthermore, the project includes a follow-up, two years after taking part in the project, when the students can sit tests to enter the best high schools in Rio de Janeiro. Once the tests are succeeded, all students receive an English language scholarship from the Sociedade Brasileira de Cultura Inglesa (SBCI), through the partnership between the Sabendo Mais Institute and SBCI. At the SBCI, Saipem supports the students for 4 more years with specific English courses, also supporting any with low school performance with tutoring activities. Saipem also guarantees socio-pedagogic support for these students.

Internship programmes, Guyana

Saipem promotes a range of vocational training initiatives in Guyana to meet the local content requirements. It works with the Guyana Industrial Training Center, the Government Technical Institute and the University of Guyana to offer six-month internships in the HSE and civil engineering fields at the Saipem yard in Vreeden-Hoop.

Furthermore, in 2024 it began working with the NGO Women Across Differences on two initiatives supporting training for young women and single mothers. In detail, Saipem offered five scholarships to five unemployed single women aged between 18 and 30, selected by the NGO, to attend the Global Technology Institute and acquire ICT skills that can offer them better future work prospects and quality of life. Moreover, Saipem also helped seven single mothers to return to school, guaranteeing them the opportunity to sign up for courses run by the Government Technical Institute (GTI), the Guyana Industrial Technical Center, the Institute of Distance & Continuing Education (IDCE) and the Carnegie School of Economics.

Educational support, Mozambique

Continuing on the activities of 2023, the initiative aims to purchase school materials for the "Escola Primária e Secundária Samora Machel", a public school in Pemba, in the province of Cabo Delgado, built in 2009. It aims to continue to improve the level and quality of education at the school, given the actual needs of this facility. The beneficiaries of the initiative, completed in January 2025, are a total of 2,688 students; many of them come from families with limited financial resources facing difficulties in purchasing essential school materials. As a result, students often lack the necessary materials needed for active participation in the learning process.

"Talentissimo" Programme, Angola

This initiative aims to reinforce the skills and capabilities of local students on subjects such as mechanics and electronics. The main objective is to identify and attract young graduates, facilitate their future recruitment and promote the Saipem brand in engineering schools and universities. In 2024, internships were given to 16 students from the 4th and 5th years of the Catholic University and Jean Piaget, Oscar Ribas, e Agostinho Neto studying mechanical and electrical subjects.

Between 2022 (the year the initiative was launched in Angola) and 2024, after the programme 14 students (2 females and 12 males) were hired by one of the Saipem companies operating in Angola (SAILUX).

Various initiatives are implemented to develop the local market and improve well-being, infrastructures, employment, the development of human capital, skills and awareness.

Educational support, Rumuolumeni, Nigeria

Responding to the demands of the Rumuolumeni Community and in compliance with the sustainable contribution of Saipem Contracting Nigeria Ltd (SCNL) in the education sector, as outlined in Article 9 of the Memorandum of Understanding, in 2023 the SCNL had successfully completed 12 classrooms for the secondary school in the Rumuolumeni community. This initiative provided educational infrastructures helping to improve the school attendance of all students. In 2024, the initiative was completed with the supply of classroom furnishings (desks, chairs, blackboards for students and teachers) to ensure the full use of the Community Secondary School in Rumuolumeni.

Support for an orphanage, Cabinda, Angola

The prevalent poverty in certain regions of Angola coupled with family breakdowns, has led to a significant rise in abandoned children. Petromar Lda, in Angola, launched an initiative, which continued in 2024, supporting the children in the Lourenço Amadeu orphanage in Malembo, supplying basic necessities and food, as well as helping to restore part of the orphanage infrastructure.

Initiatives in Australia

As regards the Australia Burrup Urea Fertilizer Project, the management and engagement of local communities was organised on different levels through the drafting of plans and programmes to foster inclusion & engagement, protect and conserve the natural and cultural heritage ("Heritage" projects), pursuing the respect for traditions and conserving historical sites.
These activities are divided into two macro-groups/recipients/interlocutors, better specified in the following two subsections:

1 initiatives targeting Indigenous communities/Native Aborigines and the protection of sites of interest;
2 initiatives targeting resident communities (City of Karratha).

Management of relations with the native aborigine communities of Australia and the protection of sites of interest and the "Heritage" natural heritage

The project area is close to the Murujuga National Park, renowned for its vast concentration of Aborigine petroglyphs. Saipem will adopt management strategies to protect these and the surrounding area. The project will be performed in traditional areas and economically disadvantaged indigenous communities, the most affected by development. It is fundamental to consider their needs in order to minimise the negative impacts and maximise the positive opportunities.
A Cultural Heritage Management Plan (CHMP) was drafted to tackle the problems of the cultural heritage, focusing on the protection of aborigine sites.
The aims include the minimisation of impacts on archaeological sites, through the implementation of procedures approved by the local aborigine communities and the maintenance of continuous dialogue with the local communities. Periodical specific consultations are scheduled with local representatives and the Construction team to ensure the full agreement on programmes and anticipate any preparatory actions to protect the identified sites and assets.
Saipem and its partners recognise the importance of training in cultural awareness, through a programme developed by the local aborigine community for the personnel involved in the project, subjected to an induction phase before recruitment and mobilisation.

Management and engagement of local communities

Karratha, founded in 1968, is the closest community to the project, with around 17,000 inhabitants. The town has grown thanks to the mining industries and the development of the Oil&Gas sector, linked to the offshore natural gas fields.
Considering the new industrial developments in the area, in February 2024 an assessment of the social impact was completed, analysing the effects on the local community and the required mitigations. Furthermore, a human rights risk assessment was performed to identify and tackle the human rights concerns during the plant construction. The results of these assessments were included in the Social Impact Management Plan, with mitigation measures and objectives for the project to be performed between 2025 and 2027 (project time horizon).

For information concerning the mitigation actions for the risk "Global and local safety: changes in the geopolitical scenario" refer to paragraph "Security and cybersecurity practices" in section "S1-4 - Taking actions on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".
Other initiatives that, although not directly connected to a specific positive impact, are transversal to several impacts and in line with Saipem's sustainability strategy, are listed below.

Corporate volunteering, Italy

Between October and November 2024, Saipem continued its commitment to corporate voluntary work across Italy. This year the sites of Arbatax, Fano and Milan were involved in three different voluntary events in partnership with the volunteer association ONLUS Plastic Free, engaging around 160 volunteers (for a total of 640 hours) in collecting around 2,067 kg of waste (13 kg per person).

Clean up and awareness in Senegal, Saudi Arabia, France, Azerbaijan, UAE and Ivory Coast.
In 2024, and particularly in September and October, on Clean Up Day (September 20, 2024), Saipem contributed to several clean up initiatives targeting areas with different ecosystems in various countries in Asia, the Middle East and Africa, promoting a sustainability culture. In detail, they saw the involvement of over 377 volunteers (for a total of 1,508 hours) collecting around 9,380 kg of waste (25 kg per person). Moreover, various environmental awareness raising campaigns were organised. One example is the campaign organised in three different sessions in Senegal at the local public school in the Hann District in Dakar, raising awareness among students on plastic pollution, also distributing over 300 water bottles.

Seabin 2023-2024
Following the installation of the first seabin on San Giorgio Maggiore island in the Venice Lagoon in 2023, with a collection capacity of over 500 kg of waste per year, including microplastics, as also indicated on the Lifegate website in relation to the Seabin project, Saipem confirms its front-line role in fighting plastic pollution, renewing the seabin in Venice for another year and "adopting" a new seabin in the Milano Darsena docks, where the many visitors cause waste problems - plastics and cigarette butts - especially at the weekend, which the seabin is able to collect.
The initiative is in line with Saipem's sustainability strategy. The seabin is a floating "waste basket" equipped with an advanced filtering system that uses a technology to collect the waste found in ports, lakes and dock waters, and in one year is able to dispose of over 500 kg of small waste, including plastics, microplastics and microfibres, thus contributing to reducing sea pollution.
Saipem's decision to manage the seabin is a symbolic and cultural awareness gesture that complements the framework of the Group's other actions on the issues, from the reduction of single-use plastic in its operational activities and offices to its commitment to promoting technological innovations for plastic recycling. With this initiative, Saipem consolidates its partnership with LifeGate, which began last 2023 with the installation of the first seabin in Venice, strengthening its participation in the Water Defenders Alliance, which sets out to work with businesses and institutions to combat the pollution of the seas, lakes and city docks.

Community HSE Programme, Ambriz, Angola
One of our operating companies, Petromar, has run initiatives in Ambriz, Angola, including environmental and health awareness raising sessions. It has also promoted plastic and kitchen oil recycling, engaging local women in the production of home-made soap from spent oil. The initiative contributed to spread a culture of waste reduction, encouraging the reuse of materials and promoting the circular economy.

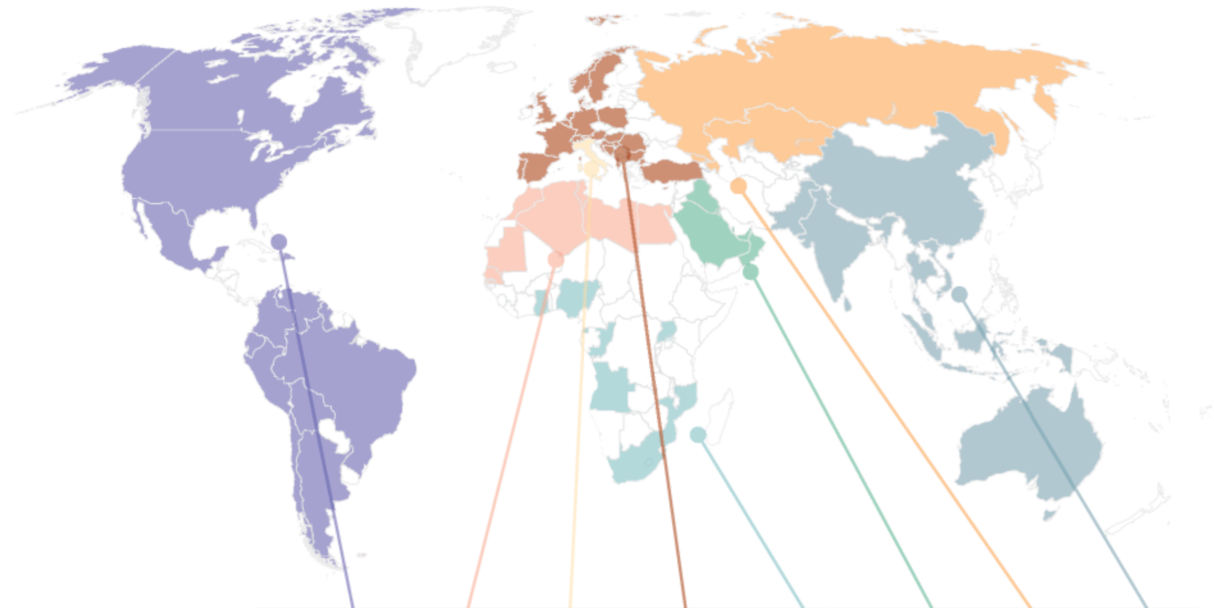
In relation to the topics relating to relations with local communities, no serious problems or incidents relating to human rights were reported in relation to the affected communities. The only report was closed by the relevant company bodies, on the basis of the investigations carried out, deeming that the reported facts did not in this case violate the Code of Ethics.

The socio-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 the Group 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. **Our commitment to local communities in 2024 amounted to €1,575,795 of investments in local community initiatives, with 65 projects implemented in 17 countries.**

Some entity-specific indicators pertaining to our impact on the territory are described below:

	2024		2023	
(%)	Group Total	Full consolidated	Group Total	Full consolidated
Local employees	72	70	71	69
Local managers	55	54	53	54
Purchased from local vendors	69		51	

EXPENDITURE FOR OPERATING PROJECTS (*) BY GEOGRAPHICAL AREAS(€ million)



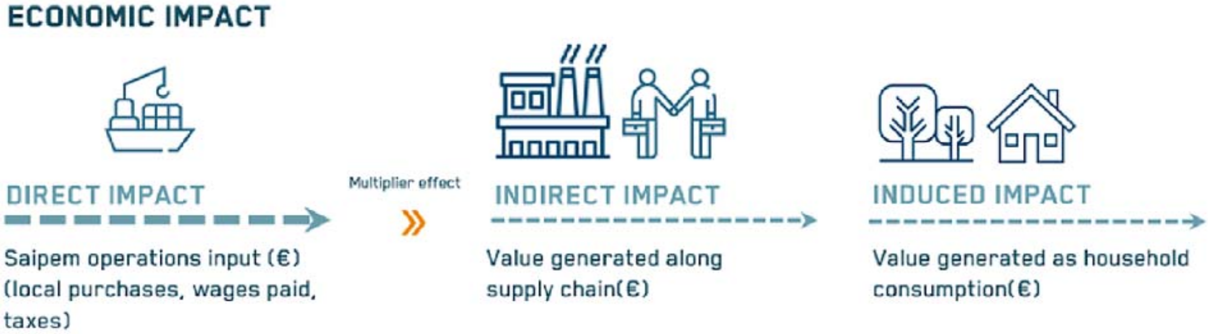
	Americas	North Africa	Italy	Europe	Sub-Saharan Africa	Middle East	CIS	Far East and Oceania
Global vendors	457	194	81	133	1,587	1,265	4	187
Local vendors (**)	654	29	624	1,090	1,125	4,160	(79)	1,002
Expenditure for operating projects at a local level on total	59%	13%	89%	89%	41%	77%	-	84%

(*) Estimated monetary value of payments made to vendors in 2024.
Furthermore, the amount spent and not allocated to specific geographical areas, due to equity investments, personnel costs and other operating costs, is €2,250 million.
(**) Local vendors means entities that have their registered offices in countries included in the geographical area indicated.

Local employees are employees who work in the country where they were hired. Local Manager means the total of the 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.

Quantifying our local impacts

In order to enhance and quantify the value generated in the countries in which it works through its commitment to maximise Local Content, Saipem has developed an in-house model (SELCE "Saipem Externalities Local Content Evaluation") to quantify the value of its presence in the territory in terms of the economy, employment and human capital development. The model applied in major operational areas where Saipem works demonstrates the impact on the countries' economies.

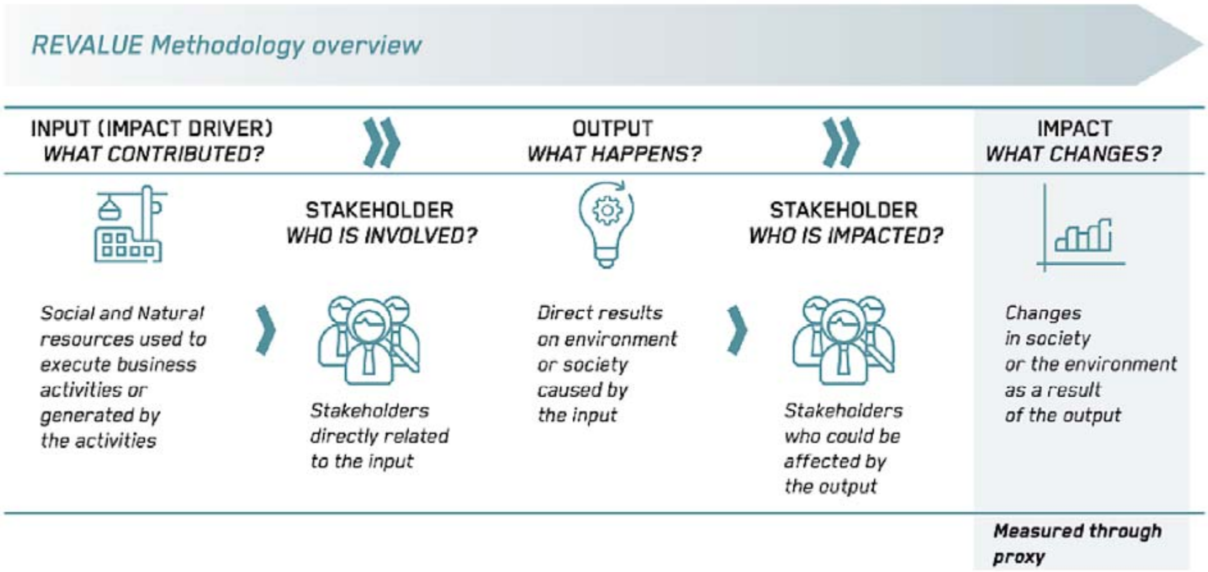


Economic impact
The economic impact is the overall financial impact on the local economy and society generated by the purchase of goods and services from local vendors, the salaries paid to local personnel employed in Saipem's projects and the taxes paid in the country, quantified as direct, indirect and induced impacts.

Employment impact
The employment impact quantifies the total number of direct and indirect jobs equivalent created through Saipem's activities in the supply chain and the induced effects associated to the increase in household consumption and taxes paid.

Impact on human capital development
The impact on human capital development is the economic value associated to the training activities offered by Saipem to its local employees, calculated as an increase in expected income over the life of the trained personnel and the consequent impact on the local economy in terms of increased household consumption and taxes paid.

The REVALUE (Real Value) model serves as a second quantification tool for environmental and social impacts on a global perspective. This model considers the relationships between the inputs of the business activity, the corresponding outputs and their long-term impacts (outcome), quantifying them in monetary terms, through the use of specific proxies.



More details on the SELCE and REVALUE models are given in the specific reports published every year by the company.

S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Saipem's four-year Sustainability Plan includes business objectives and ESG factors, transforming the company's commitments into measurable objectives in order to create value for all stakeholders. The annual updating of the Plan is driven by the double materiality assessment, developments in the international context and inputs from stakeholders. The Sustainability Plan is integrated into the company's strategic business guidelines, describing its undertakings in the Sustainability Policy in terms of qualitative and quantitative objectives that are measurable over time.

As described in the related section "SBM 1 Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community. With reference to this chapter and the section "SBM-2 - Interests and views of stakeholders" in chapter ESRS 2, which states that the affected communities are a fundamental group in the definition of its corporate objectives, defined following the materiality assessment performed to identify and assess the material impacts, risks and opportunities (described in detail in section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2), the qualitative objectives of the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement:

Actions in the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Implementation of the yearly Local Community Initiatives plan	2024	Plan completed	More than 90% of the planned initiatives were completed	■	Confirmed
Development and application of a methodology for effective identification and monitoring of health initiatives	2024	Methodology applied	Methodology completed and applied to identify health initiatives	■	
Development and application of a methodology for local initiatives effectiveness	2027	Methodology completed, including: environment, socio-economic development, education and professional training	Methodology under finalisation	■	Confirmed
Initiatives for environmental protection	2024	Renewal of the Seabin in Venice and adoption of a new Seabin	Seabin renewed in Venice and new Seabin adopted in Milano Darsena	■	

■ Target reached/Action achieved or, for 2025-2026-2027 objectives, in progress and according to plan.
■ Target partially reached/Action partially achieved or still in progress.
■ Target not reached/Action not achieved or postponed.

It is specified that the objectives listed are in line with the "Group Total" perimeter.
The goals still underway, also found in the previous versions of the Plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives for the Sustainability Plan 2025-2028

With reference to the new Sustainability Plan, the following objectives are reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Implement the 2025 Local Community Initiatives plan, as planned	All initiatives in the Plan implemented	2025	Own operations Downstream	Community support & development	I15 S3 I16 S3 I17 S3 I18 S3 I21 S3 R8 S3
Develop a methodology for local initiatives effectiveness	Methodology completed, including: environment, socio-economic development, education and professional training	2027	Own operations Downstream	Community support & development	I15 S3 I16 S3 I17 S3 I18 S3 I21 S3 R8 S3

GOVERNANCE INFORMATION

ESRS G1 Business conduct

ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

Saipem adopts a traditional administration and control model, consisting of different bodies with specific responsibilities. The Board of Directors, composed of executive and non-executive directors elected by the shareholders, manages the company and defines the strategic guidelines, monitoring operations and ensuring compliance with the regulations. The Board of Statutory Auditors, with appropriate professional skills, oversees the administrative and accounting correctness, ensuring conformity with laws and regulations and verifying the correct company management. The Remuneration and Nominations Committee proposes remuneration policies for directors and managers, selecting and assessing candidates for managerial positions, and monitoring the succession of directors to guarantee continuous and effective management. The Audit and Risk Committee supports the Board of Directors in decisions concerning the internal control and risk management system, assessing the suitability of financial disclosures and Consolidated Sustainability Statement. The Related Parties Committee examines the transactions with related parties, ensuring procedural transparency and correctness, expressing preventive opinions on key operations. The Sustainability, Scenarios and Governance Committee manages sustainability issues, analysing long-term strategic scenarios and proposing corporate governance initiatives. On the basis of the principles of the Corporate Governance code relating to the composition of the corporate bodies, all the members of the above-mentioned bodies have skills suited to their assigned tasks, as detailed in section "GOV-1 - The role of the administrative, management and supervisory bodies". The Company adopts diversity criteria, including gender diversity, for its Board of Directors, ensuring the professional skill of its members. The control body is formed to ensure that it can operate independently and professionally.
In addition to the above-described administration, management and control bodies, the Shareholders' Meeting, composed of the company's shareholders, is the main decision-making body, which appoints the Board of Directors and examines and approves the Annual Financial Report integrating the Consolidated Sustainability Statement.

For more details on the role of the administration, management and control bodies, refer to section "GOV-1 - The role of the administration, management and supervisory bodies" and "GOV 2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" in chapter ESRS 2.

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

Within the double materiality assessment, as described in section "IRO 1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2, the following impacts and risks are linked to matters relating to business conduct.

G1 Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Responsible operations	G1 - Business conduct	Corruption and bribery	Combating the spread of illegal practices in areas of operations (I13 G1)	Own operations	Actual	Positive	Medium-term
Business ethics	G1 - Business conduct	Corruption and bribery	Dyears economici nei confronti dei clienti/stakeholder/ azionisti/società a causa di fenomeni di corruzione (I14 G1)	Upstream, Own operations, Downstream	Potential	Negative	Short-term

G1 Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Business ethics	G1 - Business conduct	Corporate culture; Corruption and bribery	Change in the ESG scenario that may generate evolutions in regulations regarding energy transition and other environmental and social topics. This risk could mean for Saipem: operational adaptations required to align to new regulations, impacts on reputation due to ESG violations, judicial impacts linked to failure to conform to new laws, legal liability for social/environmental violations. (R1 G1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)
	G1 - Business conduct	Corporate culture; Corruption and bribery	The occurrence of events with potential effects on the health of workers and people living near operations and/or with prolonged exposure that can cause occupational diseases. This risk, with effects on business ethics as it involves the company's responsibility for guaranteeing safe working conditions, could have market and reputational effects for Saipem (i.e. low confidence among stakeholders, including financial stakeholders and clients; costs linked to the suspension of business activities and drop in market demand due to reputational damage), as well as legal effects (i.e. litigation, sanctions). (R8 G1)	Own operations, Downstream	Short-term (<1 year)
Business ethics Responsible procurement	G1 - Business conduct	Corporate culture; Management of relationships with suppliers including payment practices Corruption and bribery	Poor vendors/subcontractors ESG performance. The consequences of this risk, which may derive from business practices that are not aligned to Saipem's standards, may cause reputational damage (low confidence among clients, public opinion, financial stakeholders, loss of talent attraction and retention), loss of business opportunities. (R5 G1)	Upstream, Own operations, Downstream	Medium-term (2-4 years)

It is specified that the impact "Economic damage caused to clients/stakeholders/shareholders/the company due to corruption phenomena" is connected to the strategy and business model, as Saipem operates in a sector and in countries and geographical areas exposed to corruption risk. These contexts might have direct repercussions on key stakeholders such as clients, shareholders, etc.

G1-1 - Corporate culture and business conduct policies

Saipem promotes its business culture through the One Saipem Way model (for more information refer to section "S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related own workforce, and effectiveness of those actions"), which aims to strengthen the conduct model and inspire the values that guide the Company's approach to people's well-being and safety. It represents the archetype that now guides our employees' skills, behaviours, and competencies, hence at the basis for all employee development and management processes. Saipem culture is underpinned by the high attention attributed to proper, ethical conduct and the principles of fairness, transparency and integrity.

The following paragraph illustrates the specific policies Saipem has produced in relation to business conduct:

- With the "Global Compliance" policy, Saipem ensures the continuous monitoring of regulatory developments in order to guarantee the dissemination and foster knowledge of the rules and regulations applicable to its activities. Saipem has adopted compliance rules, integrated into its internal control system, with a view to complying with legal obligations, control best practices and ensuring compliance with the Code of Ethics.
  Saipem adopts a preventive approach to risks and establishes appropriate controls to promptly identify any shortcomings or violations of the compliance rules.
  Moreover, it adopts organisational tools that assign clear roles and responsibilities on compliance, identifying the internal departments in charge of assessing the regulatory context and drafting and implementing appropriate compliance initiatives.
  Saipem establishes suitable information channels and tools for ensuring the management of disclosure on the operation of the internal control system, in addition to monitoring and reporting tools to verify the effectiveness of the internal control system over time, also in terms of compliance aspects.
- With its "Our partners of the value chain" policy, Saipem adopts thorough qualification and selection processes to verify and assess the technical skill, ethical, economic and financial reliability of its partners

and minimise the risks involved in working with third parties. Saipem cooperates with partners who meet the necessary requirements of professionalism, ethics, integrity and transparency, selecting partners that share the same values and making them active participants in the risk prevention process. Partners are selected also assessing the potential benefits for Saipem and all stakeholders within a global, long-term vision.
- In its "Information Management" policy, the company undertakes to manage information in compliance with the laws and regulations in force, including the obligations relating to privacy and the processing of insider information. Saipem guarantees information security, also with a view to protecting company secrets, depending on their relevance. It assesses the risks in order to identify the most appropriate security measures.

Responsible for the implementation of the here described policies is the CEO, who is availing of his first line top managers who play a head role in the involved functions; in particular, in this area, the Chief People, HSEQ and Sustainability Officer. At operational level are also responsible the Business Lines Chief Operating Officers and the Project Managers/Project Director and the Managing Directors of the operating companies of the Group.
Saipem verifies the suitability and promptly updates the compliance rules, also working in line with national and international best practices in order to pursue excellence. Saipem's management and people actively participate in the continuous improvement of its compliance rules, providing indications, suggestions and feedback from their experience in the field.

Regulatory system
In order 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 internal and external laws and regulations. The entire body of Saipem legislation is based on and is consistent with a general reference framework which includes: legal provisions, Articles of Association, Corporate Governance Code, CoSO Report, Organisation, Management and Control Model, the principles underlying the internal control systems.

"Model 231 (including the Code of Ethics)"
In 2004, the Board of Directors of Saipem SpA resolved to adopt its organisation, management and control model "Model 231 (including the Code of Ethics)" (hereinafter the "Model 231"), aiming to prevent the commission of offences sanctioned under Legislative Decree No. 231/2001 "Regulation on the administrative responsibility of legal persons, companies and associations, including those without legal personality", pursuant to Article 11 of Italian Law No. 300 of September 29, 2000". 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 Confidustria 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 the Company, 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 set of 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 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. Whistleblowers 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.

In 2024, the Saipem SpA Model 231 was updated to include the following organisational and legislative changes:
- a first update, dated June 30, 2024, was necessary following the legislative updates of December 18, 2023 in relation to regulatory interventions, in particular Italian Decree-Law No. 19 of March 2, 2024, which introduced further urgent provisions for implementing the National Recovery and Resilience Plan (NRRP), reviewing the predicate offence provided for in Article 512-*bis* of the Italian Criminal Code (fraudulent transfer of assets). Also Article 51 paragraph 1 of Law No. 206 of December 27, 2023, which integrated the crime of sale of industrial products with false or misleading trademarks (Article 517 of Italian Criminal Code);
- the update of July 24, 2024 concerned the new composition of the Compliance Committee, today composed of four external members (of whom one from the Board of Statutory Auditors) and an internal member (Internal Audit Manager);
- on December 18, 2024, the Board of Directors approved further updates to the Model 231, considering the 231 risk assessment activities carried out in the second half of 2024, regulatory updates and the recent organisational changes. Among the regulatory interventions, the following are reported: a) Law No. 90 of June 28, 2024 modified the category of offences relating to "cyber crimes" as per Article 24-*bis* of Italian Legislative Decree No. 231/2001; b) Legislative Decree No. 141 of October 2, 2024, which modified the category of offences relating to "smuggling offences" as per Article 25-*sexiesdecies* of Italian Legislative Decree No. 231/2001; c) Italian Legislative Decree No. 87 of June 14, 2024 modified the category of offences relating to "tax crimes" as per Article 25-*quinquiesdecies* of Italian Legislative Decree No. 231/2001; d) Law No. 112 of August 8, 2024, introducing changes to the category of offences relating to "offences against the Public Administration", including Article 314-*bis* of the criminal code, "Embezzlement of funds or property"; e) Law No. 114 of August 9, 2024, modifying the category of offences relating to "offences against the Public Administration" deriving from the repeal of Article 323 of the criminal code "Abuse of office" and the changes relating to Article 346-*bis* of the criminal code, "Influence peddling"; f) Decree Law No. 145 of October 11, 2024, modifying Article 22 of Italian Legislative Decree 286/1998 "Permanent and fixed-term employment", part of Article 25-*duodecies* "Employment of third country nationals whose residence is undocumented". The Code of Ethics was also updated to specify the definition of third countries and strengthen the management's commitment to promoting these principles.

Anti-Corruption Compliance Programme
Saipem has always conducted its business with loyalty and integrity, in full compliance with laws and regulations. Saipem has put in place a solid and effective whistleblowing system for discouraging, detecting, investigating and reporting any illegal behaviour in the Company.
Recognising corruption as an intolerable obstacle to efficient business and fair competition, Saipem has developed an "Anti-Corruption Compliance Programme", comprising a thorough set of rules and controls aimed

at preventing corruption. This programme aligns with international best practices and supports the "zero tolerance" principle articulated 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, the "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 years, with a commitment to continuous improvement, the programme has been consistently updated in accordance with applicable anti-corruption provisions and international conventions. Saipem SpA is one of the first Italian companies to obtain the international certification according to the ISO 37001:2016 "Antibribery Management Systems" standard. The certification, granted by an independent third party, defines requirements and provides guidelines to help organisations prevent, detect and address corruption. It ensures compliance with anti-bribery legislation and any other voluntary commitments relevant to their activities. The certification process, conducted through an audit phase from January to April 2018, evaluated factors such as organisational structure, local presence, processes and services. Two subsequent re-certification audits were completed and on April 28, 2021 a new ISO 37001:2016 certificate was issued, valid until April 27, 2024 and on April 28, 2024 the new ISO 37001:2016 certificate was issued, valid until April 27, 2027.

Strengthening internal knowledge on business ethics

Recognising that the first step to developing an effective strategy to fight corruption is gaining a deep understanding of tools for preventing corrupt behaviours, Saipem places a strong emphasis on the commitment and constant attention of its personnel to the issue. Employees are expected to grasp and implement the control mechanisms outlined in Saipem's internal anti-corruption regulations as an integral part of their daily business activities. To achieve this, employees are dedicated to participating in mandatory training sessions to gain the necessary knowledge of anti-corruption laws, ethics, compliance provisions, and internal anti-corruption regulations. These training activities are typically linked to Model 231 requirements and the anti-corruption regulations outlined in the "Anti-Corruption" Management System Guideline. Specific training courses are organised, particularly focusing on sensitive issues concerning the top management, the Procurement, AFC, Commercial, Tendering and HR functions of the whole Group for Procurement and the CEOs of the subsidiaries, as well as all personnel at risk. The training programme is customised based on geographical area and are delivered through e-learning courses, classrooms and are tailored to the nature of the trainees.
"Light" courses are also planned for personnel who do not fall in the "risk" categories.

Saipem released the "Saipem Business Integrity Guide" serving as an additional tool for employees to better understand internal rules and share the Company's ethical values. The Guide provides an overview of the relevant principles and concrete examples to facilitate their understanding.
In 2024 the CEO promoted a cascading workshop on Business Integrity, initially engaging the first and second reports and then in turn disseminated to subsequent hierarchical levels.
Bearing witness to the company's commitment to disseminating its business culture also throughout the value chain, workshops were organised for some key operational business projects with the involvement of subcontractors and vendors.

For more details on the prevention and identification of corruption and bribery, see section "G1-3 - Prevention and detection of corruption and bribery".

Whistleblowing

Saipem put in place a robust and effective system to deter, detect, investigate and report any illegal behaviour in the company, facilitated by a whistleblowing system. Whistleblowers are protected from all forms of retaliation, discrimination or penalisation, for reasons linked directly or indirectly to the matter reported, without prejudice to legal obligations and the protection of the rights of the Company or the persons accused of willful misconduct or gross negligence. Confidentiality of the whistleblower's identity is always ensured, and sanctions are applied to those violating provisions established to guarantee the whistleblower's protection.
Moreover, Saipem SpA has adopted a Whistleblowing report management procedure.
For more details on Whistleblowing processes, refer to section "S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns".

As described in the related section "SBM 1 - Strategy, business model and value chain" in chapter ESRS 2, the update of the Sustainability Plan is driven by the developments in the international context and the inputs and demands of stakeholders, such as clients and the financial community.
With reference to section "SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model" in chapter ESRS 2, which defines that the governance and business ethics topics are material (the double materiality assessment is described in section "IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities" in chapter ESRS 2), the objectives are described below:

2024-2027 Objectives	Target year	Target	2024 Result	Status	2025-2028 Plan
Continue training in Anti-bribery and Compliance 231 for at-risk personnel[41], covering 100% of the Countries in the 2024 training plan **[incentive scheme]**	2024	Min. 15 countries Max. 19 countries	19 countries were engaged in the training	🟩	Confirmed with new targets
Implement a job rotation programme for recent graduates to ensure experience in the Control and Compliance Functions **[incentive scheme]**	2025	Min: 5% Target: 10% Max: 15%	17 graduates out of 116 involved (15% of population)	🟩	Confirmed

🟩 Target reached/Action achieved or, for 2025-2026-2027 objectives, in progress and according to plan.
🟧 Target partially reached/Action partially achieved or still in progress.
🟥 Target not reached/Action not achieved or postponed.

The goals still underway, also found in the previous versions of the plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives for the Sustainability Plan 2025-2028

Objectives	Target	Target year	Value chain	Material topic	IROs
Continue training in Anti-bribery and Compliance 231 for at-risk personnel, covering 100% of the Countries in the training plan **[incentive scheme]**	19 countries involved	2025	Own operations	Business ethics Responsible operations	I13 G1 I14 G1 R1 G1 R5 G1 R8 G1
Implement a job rotation programme for recent graduates to ensure experience in the Control and Compliance Functions **[incentive scheme]**	Engage Min: 5% Target: 10% Max: 15% of young graduates hired in the programme	2025	Own operations	Business ethics Responsible operations	I13 G1 I14 G1 R1 G1 R5 G1 R8 G1

It is specified that the objectives listed are in line with the "Group Total" perimeter.

G1-2 - Management of relationships with suppliers

Listening to and engaging with stakeholders, including value chain workers, are fundamental elements for strengthening trust and building shared value, as well as for pursuing concrete sustainable development goals.

(41) As outlined in the Anti-Corruption MSG, Personnel At Risk Personnel refers to: any Saipem employee or manager, who: a. is likely to have a Relevant Contact with a Public Official in connection with his/her work; b. supervises employees or Business Partners likely to have such Relevant Contact; c. is able to enter into contracts with third parties on Saipem's behalf or have a significant influence over decision making in relation to the awarding of those contracts; d. is involved with internal control issues or other activities covered by the Anti-Corruption Laws; e. any Saipem employee identified as at-risk by a manager in one of the above categories.

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.

The complexity and heterogeneity of Saipem's supply chain require a system guaranteeing an alignment between the company's standards and those adopted by its vendors. This is essential for preventing and mitigating the risks, guaranteeing a suitable and resilient supply chain for the needs of the operational projects in progress, potential awards and developments in the market scenario. 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. 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 Supplier Code of Conduct, as well as the requirements laid down in the specific HSE policies and standards.

The procurement process, aiming to satisfy the needs expressed by the Group's different entities, 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: 1) the definition of the market approach strategy to apply to various supplies and the definition of project and non-project based procurement plans based on efficient and effective purchasing solutions; 2) 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; 3) the drafting and issue of supply contracts/orders, including vendor relations; 4) post-order and contract management activities; 5) 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.

Vendors are responsible for managing risks in their operations, and Saipem demands that, in turn, they require compliance with 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;
- vendor conformity with the HSE requirements defined by Saipem and its ability to manage these issues;
- their financial, reputational and ethical reliability;
- their ability to manage sustainability issues.

Vendor requirements are verified during the qualification phase using the new SupplHi platform.
SupplHi is a modular, cloud-based SaaS platform, adopted by Saipem to efficiently manage its vendor base. The platform, already used for the Carbon Tracker and Vendor Performance Evaluation (VPE), focuses on the vendor qualification processes and on the evaluation and monitoring of the counterparty risk (VDD) with multi-dimension criteria applied to sustainability practices, the measurement of greenhouse gas (GHG) emissions and cyber security requirements, and is the only mandatory gateway for all direct vendors to the Saipem Group.

The qualification process begins with the registration phase, during which the vendors must provide detailed information on the company, the shareholders, as well as financial data, any certifications and previous experiences. The SupplHi platform allows Saipem to efficiently manage the qualification process, ensuring that only vendors who meet certain specific requirements are selected for evaluation. Moreover, vendors can update their information and monitor the status of their candidature directly on the platform. This transparent, structured system facilitates communication between Saipem and its vendors, improving cooperation efficiency and quality.

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 risk level on sustainability topics 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 or platforms. Vendors for whom material problems are found during the VERC process may not be qualified or sign contracts.
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 2024, the number of VERCs drawn up amounted to 4,242, of which 2,699 drawn up as part of the qualification processes managed during the year, 1,465 for the issuance of purchase documents, carried out on a total of 2,701 vendors.

Furthermore, vendors are assessed depending on the level of risk of exposure to problems linked to human rights and/or health and safety and environmental management aspects, by analysing the documents provided during qualification, to check compliance with the Saipem principles and the vendor's ability to manage these issues.
In particular, key HSE vendors are subjected to an in-depth analysis of their management and performance documents, the results of which are integrated into the qualification process. Vendors not deemed suitable in the management of HSE requirements and who do not guarantee the related minimum requirements are not qualified to work with the Company.
In 2024, within the qualification process, 2 audits were performed on labour rights and HSE aspects for new vendors in India and China. The audits were conducted by an external independent auditor (DNV), by auditors certified in accordance with the standard SA8000. Following these audits, some non-conformities and findings were reported, and improvement actions required of these vendors, particularly in relation to health and safety, working hours, remuneration, disciplinary actions and contractual clauses, through specific action plans agreed with the vendors, which are under completion.

In 2024, Saipem also adopted the Open-es Platform for vendor qualification, in order to monitor the ESG performance of its vendors, improving the transparency and sustainability of its supply chain. The platform allows all companies to measure their ESG performance, analyse and share data and experiences, compare their performance with other companies in the sector, identifying areas of strength and areas for improvement, obtaining customised development plans and identifying improvement solutions to be implemented.

During the bid and contract execution phases, further controls are also 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 and labour rights.

In the Saipem SpA certified SA8000 system, an audit was also conducted on a catering services provider in Italy.

Additional checks on technical aspects and the vendor's ethical integrity are 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 informal checks were carried out by the Post-Order function team, specifically trained 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 2024, 115 new checklists were prepared.
In order to share the ethical principles, inform and train vendors on the 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.

The process of identifying key vendors working in some countries and providing specific services to Saipem continued in 2024. The definition of the vendor risk profile is based on the country risk, the type of sector and activity (product code), the total orders and other information (duration of the commercial relationship, feedback, etc.). A prioritisation of vendors based on their risk profile is essential due to the vast supply chain involved in projects and activities and is necessary to identify specific mitigation actions included in Saipem's Sustainability Plan.

In 2024, as an integral part of the Sustainability Plan, the key vendors identified on the basis of the prioritisation process were engaged in the following initiatives:
- social assessment programme;
- Human and Labour Rights training campaigns.

The social assessment programme involved 11 key vendors (five subcontractors and six employment agencies) selected according to the above-defined criteria. The selected subcontractors represented approximately 3% of the total purchases in the previous year. The programme was structured into various phases and includes a preliminary engagement of the management of the vendors in one-to-one meetings aiming to present Saipem's expectations and requirements in relation to its Code of Ethics and the Supplier Code of Conduct, agreeing objectives and assessment processes with them. The social assessment process was conducted for employment agencies using a specific questionnaire, while for subcontractors, audits were performed at the operating site. The conformity verifications focused on human rights (child and forced labour, discrimination, etc.) and dignified working conditions, including recruitment and employment, compliance with working hours and overtime, payment of salaries, overtime and benefits, as well as supply chain management. The main results identified criticalities in the management of working hours and overtime, personnel management, payment of salaries and benefits in compliance with local laws. For the subcontractors, the welfare conditions guaranteed to their employees were also assessed. Vendors were informed on the results of the audits and improvement actions were requested to strengthen the ability to manage these aspects.

In 2024, the training campaign on human and labour rights continues, engaging many identified key vendors, representing a total of 4% of orders in 2023. The e-learning module was addressed to subcontractors and their management. The training is based on the human rights and modern slavery included in the Saipem Supplier Code of Conduct, which summarises the expectations of Saipem in relation to the prohibition of all forms of forced or child labour, human trafficking, slavery, discrimination and harassment, and the guarantee of dignified working conditions, in line of local laws and principles defined by the ILO. The training programme launched in 2024 saw the participation of 61 vendors (for a total of 150 people) in the training activities (61% of the total). Since 2023, 128 vendors have taken part in the training programme (for a total of 290 people).

As a member of the Global Compact and the UNGC Network Italy, Saipem undertakes to work closely with the workers in its value chain through a solid governance model, ethical commercial practices and pioneering

technologies, key components not only for the long-term growth of the company but of the whole value chain. The company fosters training, safety and respect for human rights, monitoring the conformity and behaviour of its vendors.
Furthermore Saipem adheres to Building Responsibly, a coalition of leading engineering and construction companies working together to raise the bar in promoting workers' rights and well-being across the sector. The company intends to continue to work with BR and the associated companies, integrating the principles of worker protection in its business practices to share and raise awareness on human and labour rights issues, especially throughout the supply chain.

On the conduct of vendors, including 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 2024, 2,349 feedback surveys on vendor performances were prepared and published, of which 87% with a positive outcome and 11% with a neutral outcome. Negative feedback on the other hand counted for 2% (none related to ESG aspects).
In 2024, no vendors were not qualified or suspended for ESG-related issues.

For more details on how Saipem takes the workers in the value chain into account, refer to section "S2-2 - Processes for engaging with value chain workers about impacts".

G1-3 - Prevention and detection of corruption and bribery

Saipem requests compliance by Business Partners with the applicable laws, including the Anti-corruption Laws pertinent to the business activities carried out with Saipem. Business Partners must be subjected to appropriate due diligence, signing written contracts before carrying out any activities for or on behalf of Saipem, and must be paid only in compliance with the contractual conditions. All contracts with Covered Business Partners - defined as any Business Partner acting on behalf of Saipemor in its interest, or who might have relevant contact with Public Officials in the course of the work performed for or on behalf of Saipem (e.g., Joint Ventures, Intermediaries, Consultants, distributors, high-risk vendors, agents, franchisees, brokers, etc.) - shall be negotiated, signed and managed in compliance with the Anti-Corruption Regulatory Documents governing these contracts[42;43].

Before Saipem SpA or any of its subsidiaries enter into a new Joint Venture and when a new partner joins an existing Joint Venture, they must follow the due diligence and approval internal processes set out in Saipem's Anti-Corruption Regulatory Documents concerning Joint Venture agreements. All Joint Venture Agreements must be negotiated, entered into and managed in compliance with Saipem's Anti-Corruption Regulatory Documents governing these cases and the prevention of illegal activities.

For more details on how Saipem monitors ethical conduct, also in terms of anti-corruption, among its vendors, refer to section "G1-2 - Management of vendor relations", which illustrates the vendor qualification process.
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. For more information, refer to section "G1-1 - Business culture and conduct policies", which illustrates the "Anti-Corruption Compliance Programme" in more detail. In addition to the above-mentioned initiatives, an "Anti-Corruption Management System Guideline" (Anti-Corruption MSG) which repealed and replaced the previous Anti-Corruption Compliance Guideline, was drafted in 2012, to optimise the compliance system in force at the time. 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

(42) SASB KPI IF-EN-510a.3.
(43) SASB KPI EM-SV-510a.2.

operations). The last version of the Anti-Corruption MSG was issued in 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.

Moreover, the Internal Audit function of Saipem shall independently review and assess the internal control system also 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. The Saipem SpA Anti-Corruption Support Unit submits an interim report on its monitoring activities – along with the reports received from any Anti-Corruption Support Units established by Subsidiaries – which becomes part of the Compliance Report: to the Saipem SpA Compliance Committee, the Saipem SpA Board of Statutory Auditors, the Saipem SpA Audit and Risk Committee, the Chief Executive Officer and the Manager in charge and to the Internal Audit function of Saipem SpA.

Internal Audits are planned according to an annual Audit Plan developed using a "risk-based" methodology. The Audit Plan sets out to ensure the monitoring of the Internal Control and Risk Management System and the coverage, during the plan year and in the following two years, of the main Processes, Projects and Operating Entities of the Group, through audits aiming to:
(i) evaluate the structural suitability and effectiveness of the control systems and
(ii) cover a significant part of the company's *top risks*.

The Audit Plan Proposal is defined through a *Risk* Assessment integrating quantitative analyses and qualitative assessments, on the basis of which the Internal Audit Function develops an independent opinion of the audits to perform. The Audit Plan Proposal is agreed with the administration, control and compliance bodies, and is approved by the Board of Directors.

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.

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 2024, in addition to the delivery methods already adopted, live sessions were run for offshore personnel, with the use of training videos and the distribution of documentation also translated into the local language. This allowed almost 7 times more participants to be reached compared to 2023.
All Saipem Personnel at risk are bound to attend a mandatory anti-corruption training programme, and the management are responsible for guaranteeing training and periodic refresher courses for the related employees.
The contents of the anti-corruption courses include the definition of corruption, international laws, Saipem's procedures and policies and whistleblowing procedures. Specifically, the courses mentioned deal with topics linked to gifts and hospitality, political contributions, charity contributions, no profit initiatives, social initiatives for local communities, sponsorships, vendors and Covered Business Partners, joint ventures, consultants, personnel recruitment, acquisitions and disposals, relations with Public Officials and key private bodies.
For the members of the administration, management and control bodies, an induction session was organised on September 25, 2024 on the Company's Model 231 and the anti-corruption procedures adopted.

As mentioned in section "S1-13 - Training and skills development metrics", training on anti-corruption topics is reported based on the service company of the employee (rather than the role company) because the planning is carried out based on high-risk countries that require intervention. The goal is therefore to train employees working in the relevant country.

Company	Full consolidated
Hours of training on anti-corruption topics:	45,215
- Senior Managers	438
- Managers	9,047
- White Collars	27,919
- Blue Collars	7,811
Employees in risk functions trained on anti-corruption issues (%)	28

G1-4 - Incidents of corruption or bribery

In 2024 no confirmed cases of active and passive corruption were reported. More information on legal proceedings in which the Group is involved is available in Note 34 to the Notes to the consolidated financial statements, "Guarantees, commitments and risks"[44].

It is specified that if violations of the anti-corruption procedures are reported, the Company has a disciplinary and sanctioning system.

(44) SASB KP IF-EN-510a.2.

ADDITIONAL ENTITY SPECIFIC INFORMATION

Artificial Intelligence and cyber security

Material impacts

Material topic	ESRS topic	Sub-topic	Impact description	Value chain (where the impact occurs)	Type	Nature	Time horizon
Artificial intelligence	N/A	N/A	Economic, reputational and data management-related damage to third parties resulting from business practices not in line with cybersecurity best practices and other industry regulations (I24)	Own operations, Downstream	Potential	Negative	Short-term

It is specified that this latter impact correlates with Saipem's business model, given its operational framework characterised by decentralised activities requiring extensive external communications with multiple counterparties (including suppliers, client partners, and regulatory authorities) that may compromise both physical and cybersecurity protocols.

Material risks

Material topic	ESRS topic	Sub-topic	Description of risk type	Value chain (Where the risk is generated)	Time horizon
Artificial intelligence	N/A - Artificial Intelligence (non ESRS topic)	-	Inability to guarantee the integrity of corporate data related to the occurrence of cyber-attacks This risk could expose Saipem to reputational consequences (e.g., erosion of stakeholder trust, including financial counterparties, partners and clients), operational impacts (e.g., costs from business interruption and delays, and market demand reduction stemming from reputational harm), and legal exposures (e.g., regulatory sanctions, litigation, compensation claims for potential data protection violations). (R10)	Upstream, Own operations, Downstream	Short-term (<1 anno)

Saipem uses the potential of Artificial Intelligence (AI) and digital solutions to improve its operational efficiency, sustainability and the work experience of its people. In 2024, the company furthered its study of and launched the adoption of generative artificial intelligence technologies with some clear objectives: to increase personal productivity, improve the work experience, enhance business skills and knowledge, increase the efficiency of its engineering processes, improve the proposal of innovative products in terms of sustainability and environmental impacts, and increase occupational safety[45].

Some examples of specific AI applications are described below:
1. **Personal productivity**: use of generative IA tools to draft minutes of meetings, help create presentations, review and compare documents, and in the research and enhancement of data and information.
2. **Analysis and comparison of documents**: use of AI-based semantic engines that produce, analyse and compare large volumes of documents, identifying opportunities for improvement, especially in projects.
3. **Personnel safety**: to guarantee the safety of people on board the vessels in the fleet, fabrication yards and onshore sites, real time images are acquired, in compliance with privacy and labour laws, in order to promptly identify hazards (unsafe acts/unsafe conditions). This approach aims to protect the health and safety of personnel working in critical or high-risk situations, thus protecting human life.
4. **3D models**: use of AI instruments to generate 3D models, fundamental resource for developing Saipem's projects.

With reference to personal productivity, the adoption of Copilot365, a consolidated yet continuously evolving tool based on generative AI, had a direct impact on improving employee efficiency and productivity, simplifying day-to-day work activities and allowing them to focus on tasks with greater added value. This also improved the

(45) SASB KPI EM-SV-540a.1.

way of working in the company, contributing to the creation of a leaner and more technologically advanced working environment.
In 2024, Saipem launched a process to adopt Copilot365, and in December reached around 10,000 members of the Group; it was declared a significant saving in the time spent each week on day-to-day activities by over 50% of the colleagues that use it.

To improve the occupational safety in yards, together with Invigilo Technologies Pte Ltd, a start-up from Singapore, a video-analysis system based on artificial intelligence was implemented: Video Analytics for Workplace System (VAWS). This system detects and reports potential HSE (Health, Safety and Environment) violations in real time, providing insights and statistics to support HSE management. The system was initially tested in 2023 in a site of the Berri Project in Saudi Arabia, for the construction of onshore facilities for a gas field in the Arabian Gulf. The VAWS system detects various types of HSE violations, including failure to comply with PPE requirements, working at height, proximity to heavy machinery. Using high-resolution cameras, the video analytical software uses an artificial intelligence algorithm to identify unsafe acts and conditions. Real time notifications are sent via local dashboards or mobile devices to HSE operators, who can confirm or refuse any event reported by the system.
Furthermore, the VAWS system responds to major problems relating to the protection of personal data and cyber security, by adopting appropriate technical, legal and organisational measures.
In 2024, the VAWS system was also implemented on the vessels Perro Negro 11 and Saipem 10000. The system will be switched on by the end of 2025 also on the Scarabeo 9, Saipem 7000, Perro Negro 13, Perro Negro 7. The total roll out plan for the solution includes 5 onshore sites and 9 offshore vessels. Pending the completion of the implementation process, the Saipem research and development team will continue to work to improve the effectiveness and efficiency of HSE monitoring using VAWS.
To mitigate the risk "Inability to guarantee the integrity of corporate data related to the occurrence of cyber-attacks" and to manage the negative impact relating to "Economic damage, damage to reputation and data management, damage to third parties, deriving from business practices that are not aligned to the cybersecurity best practice and other sector regulations" Saipem is implementing a governance and compliance system based on Artificial Intelligence ("AI") aligned to the principles listed in the European Artificial Intelligence Regulation (Regulation 2024/1689/EU, the so-called "AI Act"). This system will be the result of a multidisciplinary work with a risk based approach (as required by the AI Act), aiming to analyse the impact of the use of Artificial intelligence systems on topics such as human rights, ICT security, personal data, intellectual property, etc.
In line with the provisions of the Regulation, any AI system with an unacceptable risk, as it may harm the fundamental rights and freedoms of individuals, will be identified and - if necessary - excluded, and a company AI literacy programme will be structured to allow people to acquire the correct awareness of the use of AI systems. Furthermore, to mitigate the above-mentioned risk and impact, Saipem has developed several Cybersecurity initiatives for data protection, a fundamental pillar in the overall management of Corporate Security. For this reason, a Data Protection Framework (FNCS) was implemented in order to reduce threats through solid security and governance protocols.
Saipem appointed a Chief Security and Information Security Officer, reporting to the People, HSEQ & ustainability Manager, and aims at maintaining its ISO 27001 "Information Security Management System" certification for the "Cyber Security Incident Monitoring and Management" process. In 2023, within the Vendor Management process, a list of minimum cybersecurity requirements was drawn up and all vendors are required to fulfil them. Deviations from a minimum threshold will be followed by remediation plans and actions taken by vendors in order to be qualified.
In 2024, the information and data management Security Programme continued, composed of the following projects: 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 initially planned two-year programme duration was extended for another year.

To strengthen the related internal skills, Saipem has increased its efforts to train employees on the awareness of cyber risks. In this field, in addition to periodic mandatory training, delivered to 3,888 people for a total of more than 11,900 hours, other actions were also implemented:

- awareness "pills" during the Cybersecurity Awareness Month on increasingly important topics including the impersonation of the CEO, social media fraud and Artificial Intelligence;
- periodic simulated phishing campaigns to verify the level of knowledge and awareness of the company population of the main hacking methods used by cybercriminals;
- webinars on the recognition of the main Social Engineering techniques and their application in corporate and personal environments.

In relation to the system resilience assessments, Vulnerability Assessments are carried out monthly. Penetration Tests (a simulated cyber-attack to verify the resilience of the security measures) are performed annually on the defined representative perimeters.
Simulated phishing campaigns continue in order to assess the opportunity for further training initiatives.

The Group's cybersecurity performance in the last two years is reported below:

	2024	**2023**
Cyber incidents	23,796	39,396
of which critical cyber incidents	-	-
Identified vulnerabilities	46,994	104,177
Critical vulnerabilities	2	1

In line with the requirements of Resolution MSC.428 (98) "Maritime Cyber Risk Management in Safety Management Systems" of the International Maritime Organization (IMO), cyber risk is considered among the risks that can impact the security of the fleet, personnel and the environment; consequently, Cybersecurity Officers have been appointed (on board each vessel) and a series of cyber attack drills have been launched on board the vessels, following scenarios and models that are an integral part of the Emergency and Crisis management system of Saipem SpA. The responsible function maintains constant contacts with the local authorities and embassies in the countries in which it operates, as well as with the central Crisis Unit of the Ministry of Foreign Affairs.
The correct operation of the Saipem Cyber security model is subject to regular disclosure to the Audit and Risk Committee (CCR) and periodically audited by the Internal Audit function.
Saipem conducts internal technical audits on the peripheral corporate security functions, down to project level, in order to ensure compliance with instructions and security guidelines.

The qualitative objectives relating to the Sustainability Plan 2024-2027, and reported in the previous report, are represented below in order to describe their level of achievement:

Actions in the 2024-2027 Sustainability Plan	Year	Ambition level	2024 Result	Status	2025-2028 Plan
Maintain the Detection and Response process in accordance with ISO/IEC 27001 through confirmation of certification	2024	Certification renewed	Certification renewed in March 2024	■ (green)	Confirmed

■ (green) Action achieved or, for 2025-2026-2027 objectives, in progress and according to plan.
■ (orange) Action partially achieved or still in progress.
■ (red) Action not achieved or postponed.

The goals still underway, also found in the previous versions of the plan, were maintained or updated as defined in the column "2025-2028 Plan".

New objectives for the Sustainability Plan 2025-2028

With reference to the new Sustainability Plan, the following qualitative objectives are reported, aiming to monitor the effectiveness of the policies and actions on this specific topic:

Objectives (non-measurable)	Actions	Year	Value chain	Material topic	IROs
Maintain the Detection and Response process in accordance with ISO/IEC 27001 through confirmation of certification	Certification maintained	2025	Own operations	Responsible operations Artificial intelligence	I13 I24 R10
Training and awareness activities to reduce the cyber risk	Increase in the number of users correctly reporting cases of phishing during the simulation campaigns in order to assess training effectiveness	2025	Own operations	Responsible operations Artificial intelligence	I13 I24 R10

ADDITIONAL DISCLOSURE REQUIREMENTS

The “Responsible Tax” topic was not deemed to be material, but some information is required by Italian Legislative Decree No. 128/2024 on disclosure obligations and fiscal transparency by large companies.
This topic is not subject to a conformity opinion by the independent auditors.

Tax transparency

Saipem adopts a Group Tax Strategy which defines the cornerstones and guidelines inspiring its business activities in the management of tax variables. This document, drafted in conformity with the Code of Ethics and Group Sustainability Policy, is periodically updated by the Tax function and subjected to the approval of the Board of Directors of Saipem SpA, which defines its objectives (so-called "Tone at the top principle") and is responsible for disseminating a business culture based on the values of honesty and integrity and 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 constant management of taxation, the Tax Control Framework (TCF) was implemented and adopted by Saipem SpA and Servizi Energia Italia SpA, in line with the principles and guidelines contained in the Group Tax Strategy. This system 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 assures the monitoring of areas in which tax risk can occur, and, specifically, monitors and manages:

- the fulfilment tax risk, i.e., the risk of not correctly fulfilling all legal tax requirements;
- the interpretative tax risk, i.e., the risk arising from the interpretation of the tax laws;
- the risk of tax fraud, i.e. the risk of incurring a violation that constitutes a fraudulent tax offence, with particular regard to the predicate offences listed in Italian Legislative Decree No. 231/2001.

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

- first-level monitoring by the management of the operating departments concerned by tax risks;
- second-level monitoring by the Tax Risk Manager aiming to assess the suitability and effectiveness of the first-level tax controls, and, where responsible, by the corporate functions guaranteeing compliance with specific legislation (e.g. Law No. 262/2005);
- third-level monitoring by the Internal Audit function on the suitability of the Internal Control and Risk Management System.

The results of the operational monitoring activities and the correct operation of the Tax Control Framework, as well as the main aspects characterising the tax risk management, are reported annually in a specific report addressed to the Board of Directors and the Control Bodies and the Italian Revenue Agency.
The solidity of the TCF has allowed Saipem SpA and Servizi Energia Italia SpA to be admitted, from 2023, to the Cooperative Compliance Scheme with the Italian Revenue Agency, pursuant to Italian Legislative Decree No. 128/2015, aiming to reduce the level of uncertainty on material tax matters and prevent the occurrence of tax litigation through constant and preventive forms of dialogue. The permanent adoption of this regime is a clear indicator of the desire to apply those principles of transparency and integrity that distinguish the business culture in relation to the tax variable.

Country-by-Country Report

The report was drafted on the basis of the Country-by-Country Report ("CbCR") drafted and presented to the Italian tax authorities by Saipem SpA in its capacity as Parent Company of the Saipem Group. For each jurisdiction in which the Group operates, the aggregated data of all the entities belonging to the Group in relation to revenue, pre-tax results and current income taxes are given below.
The subjective scope of reporting includes all the companies directly or indirectly controlled by Saipem SpA and fully consolidated.
The data relating to the branches (the permanent establishments, PEs) of the companies in the perimeter, are accounted for with references to the fiscal jurisdictions where they are actual registered and operate. These data are extracted from the local qualified financial statements or, if not available, by the separate accounts drafted for financial, tax, regulatory or internal management or control purposes.
With reference to subsidiaries, the data presented in the report are extracted from the management system used by Saipem SpA to produce its consolidated financial statements. They therefore correspond to the contents of the "reporting package" of financial reporting models that the companies in the perimeter send to the Parent Company on the closure of the financial statements and which are certified by the auditors and rectified to deduct the data concerning permanent establishments. In fact, the data of the permanent establishment are notified with reference to the tax jurisdiction in which the PE is located and are consequently excluded from the amounts of the entity to which they belong.
The reporting period corresponds to the financial year 2023 of the Parent Company Saipem SpA, which coincides with the calendar year.

(€ million)

Year 2023							
	Revenue						
Tax jurisdiction	Non-Related Party	Related Party	Totals	Profits (Losses) before income taxes	Income taxes paid (based on cash accounting)	Accrued income tax (current year)	Workforce
Angola	218	54	272	32	8	9	1,135
Saudi Arabia	1,903	323	2,226	(104)	26	2	3,849
Australia	229	125	354	(77)	-	-	224
Azerbaijan	247	-	247	137	15	15	462
Brazil	509	28	537	(57)	10	-	840
Canada	-	-	-	(4)	-	-	12
Chile	18	-	18	9	3	2	59
China	-	17	17	1	-	-	71
Cyprus	-	1	1	-	-	-	78
Congo	21	3	24	1	-	-	121
Ivory Coast	735	-	735	141	2	2	392
Egypt	197	178	375	31	-	1	493
United Arab Emirates	249	17	266	(54)	-	-	1,395
Russian Federation	5	-	6	(9)	1	2	32
France	1,265	688	1,954	121	16	27	1,725
Ghana	1	-	1	-	-	-	7
Greece	91	-	91	1	2	-	6
Guyana	245	6	252	102	19	24	376
India	6	61	67	(5)	3	-	1,915
Indonesia	237	295	532	39	13	13	2,893
Iraq	9	-	9	(8)	1	-	25
Israel	101	-	101	(31)	-	-	50
Italy	1,314	3,008	4,322	283	(47)	(66)	4,175
Kazakhstan	-	-	-	(82)	-	-	41
Kuwait	99	-	99	4	-	-	168
Libya	48	-	48	8	1	2	24
Luxembourg	2	22	24	(11)	-	-	9
Malaysia	(1)	19	18	-	-	-	96
Mauritania	161	-	161	51	12	7	1
Mexico	75	16	92	9	-	-	209
Mozambique	536	3	539	12	5	4	114
Nigeria	679	22	702	19	20	5	2,626
Norway	169	82	250	18	-	-	385
Oman	23	-	23	(5)	-	-	88
Netherlands	196	1,167	1,364	(159)	13	12	207
Peru	(5)	12	7	(18)	4	-	118
Portugal	266	485	750	46	13	8	95
Qatar	1,592	-	1,592	(74)	-	(5)	1,370
United Kingdom	810	193	1,003	125	4	12	836
Republic of Korea	-	2	2	-	-	-	2
Romania	14	149	163	9	1	1	181
Senegal	-	-	-	(9)	1	1	265
Singapore	80	5	85	(47)	3	-	3
United States	120	202	322	49	2	1	333
Switzerland	79	329	408	46	3	5	291
Thailand	6	-	6	(16)	-	-	121
Turkey	12	-	12	1	1	2	48

The aggregated data by tax jurisdiction are the following:

- **Total revenue**: indicates the sum of revenue generated in the tax jurisdiction in the reference year by all entities in the Group that are resident or operating via branches or PEs, with separate evidence of the revenue generated by third-party transactions ("Non-related parties") and intra-group transactions

("Related parties"). revenue include all positive income components, including, but not limited to: revenue from the sale of products and provision of services, royalties received for the rights of use of industrial patents, interest income, capital gains on the sale of plants, real estate and machinery, intangible assets and equity investments, unrealised income (such as the fair value of non-hedging derivatives).

- **Pre-tax Profits (Losses)**: the sum of profits and losses gross of income tax recorded in the reference year by all entities of the Group resident in the tax jurisdiction or operating there through branches or PEs.
- **Income taxes paid (based on cash accounting)**: includes income taxes paid in the reference year by all entities of the Group resident in the tax jurisdiction or operating there through branches or PEs, and to the tax jurisdiction of residence and all other tax jurisdictions. Withholding taxes paid by other companies in the Group, in their capacity as withholding agents, applied to compensation paid by the latter to the former mainly for the provision of services are also assigned to the entities.
- **Accrued income tax (current year)**: income taxes accrued on the pre-tax result for the year, recorded by all the entities in the Group resident in the tax jurisdiction or operating there through branches or PEs. It excludes deferred tax assets and liabilities and any uncertain tax treatments.
- **Number of workers**: represents the average number of workers, calculated for the observation period on an FTE ("Full Time Equivalent") basis, employed by all the entities (including branches and PEs) belonging to the Group resident for tax purposes in a specific tax jurisdiction.
- **Reporting currency**: the currency used in the report is euro. Amounts in € million. Values denoted in currencies other than the euo are converted using the average exchange rate recorded in the observed financial year.

Annex I gives a summary description of the economic activity performed by the entities for whom the data are included in the above table.

ANNEX I

Tax jurisdiction	Entity	Main activity
Angola	Saipem Luxembourg SA Angola Branch	Provision of services to non-related parties
Saudi Arabia	Saudi Arabian Saipem SA	Provision of services to non-related parties; Administration, management or support services
	Snamprogetti Saudi Arabia Co Ltd	Provision of services to non-related parties; Administration, management or support services
	Snamprogetti Engineering & Contracting Co Ltd	Provision of services to non-related parties; Administration, management or support services
Australia	Saipem Australia Pty	Provision of services to non-related parties; Administration, management or support services
	SPCM Australia Branch	Provision of services to non-related parties; Administration, management or support services
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
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
Cyprus	SPCM Cyprus Branch	Administration, management or support services
Congo	Boscongo SA	Fabrication or production; Provision of services to non-related parties
	Saipem SpA Congo	Provision of services to non-related parties
	Servizi Energia Italia SpA ATE Congo	Administration, management or support services; Provision of services to non-related parties
Ivory Coast	Servizi Energia Italia SpA Ivory Coast Branch	Provision of services to non-related parties
	SPCM Ivory Coast 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 Egypt Branch	Administration, management or support services; Provision of services to non-related parties

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
France	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
	Saipem Projects France SA	Provision of services to non-related parties
	Sofresid Engineering SA	Provision of services to non-related parties; Administration, management or assistance services
Ghana	Saiwest Ltd	Provision of services to non-related parties
Greece	Saipem Ltd Grecia Branch	Provision of services to non-related parties
Guyana	Saipem Guyana	Fabrication or 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	Provision of services to non-related parties
Indonesia	PT Saipem Indonesia	Fabrication or production; Provision of services to non-related parties
	SPCM Indonesia Branch	Provision of services to non-related parties
Iraq	Saipem SpA Iraq Branch	Provision of services to non-related parties
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 or Contracts; Fabrication or production; Provision of services to non-related parties; Holding of shares or other equity instruments
	Saipem Offshore Construction SpA	Provision of services to non-related parties
	Servizi Energia Italia SpA	Provision of services to non-related parties
	Snamprogetti Chiyoda SAS	Provision of services to non-related parties

Tax jurisdiction	Entity	Main activity
Kazakhstan	North Caspian Service Co	Administration, management or support services
	Saipem SpA Kazakhstan Branch	Provision of services to non-related parties
Kuwait	Saipem SpA Kuwait Branch	Provision of services to non-related parties
Libya	Saipem SpA Lybia Branch	Provision of services to non-related parties
Luxembourg	Saipem Luxembourg SA	Administration, management or support services
Malaysia	Saipem Asia 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 SpA Mexico Branch	Provision of services to non-related parties
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 Mozambique Branch)	Provision of services to non-related parties
Nigeria	Saipem Nigeria Ltd	Administration, management or support services
	Saipem Contracting Nigeria Ltd	Provision of services to non-related parties
	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
The 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	Internal Group 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
Oman	Saipem SpA Oman Branch	Provision of services to non-related parties
Peru	Petrex SA	Provision of services to non-related parties
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
United Kingdom	Saipem Ltd	Provision of services to non-related parties

Tax jurisdiction	Entity	Main activity
Republic of Korea	Saipem Asia South Korea Branch	Provision of services to non-related parties; Administration, management or support services
Romania	Saipem Romania Srl	Provision of services to non-related parties; Administration, management or support services
	Saipem SpA Aricestii Rahtivani Branch	Provision of services to non-related parties
Russia	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
Senegal	Saipem SA Senegal Branch	Provision of services to non-related parties
Singapore	Saipem Singapore Pte	Provision of services to non-related parties; Administration, management or support services
United States	Saipem America Inc	Provision of services to non-related parties
	SPCM US Branch	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
Turkey	Servizi Energia Italia SpA Turchia Branch	Provision of services to non-related parties

DIRECTORS' REPORT OF SAIPEM SpA

FINANCIAL AND ECONOMIC RESULTS

This Directors' Report only includes comment on the economic, equity and financial results of Saipem SpA. For any other information required by law and regulations, reference is made to the Consolidated Financial Statements Directors' Report.

Operating results

The information to the market is provided on consolidated basis, in accordance with the provisions of IFRS 8, and is detailed following the same reporting segments listed below:

> **Asset Based Services**, which includes the **Offshore Engineering & Construction** and **Offshore Wind** activities;
> **Offshore Drilling**; and
> **Energy Carriers**, which includes the **Onshore Engineering & Construction**, **Sustainable Infrastructures, and Robotics & Industrialized Solutions** activities.

The sectors clustered in the reporting segments shown above have similar economic characteristics; moreover, the Offshore Wind, Sustainable Infrastructures, and Robotics & Industrialized Solutions sectors are not, at present, so significant and, therefore, they have not been analysed in - separate reporting in line with the provisions of IFRS 8.
Discontinued operations include minor activities in Kazakhstan and Romania related to the Onshore Drilling business (DRON), whose transfer to third parties was completed on June 30, 2024.

INCOME STATEMENT (*)

(€ million)	Year 2024	Year 2023	% Ch.
Core business revenue	**5,872**	**4,130**	**42.2**
Other revenue and income	93	150	
Purchases, services, and other costs	(4,898)	(3,903)	
Net reversals of impairment loss (impairment loss) on trade receivables and other assets	(7)	(7)	
Personnel cost and related expenses	(725)	(571)	
Other operating income (expense)	-	(1)	
Gross operating profit (EBITDA)	**335**	**(202)**	**n.s.**
Depreciation, amortisation, and impairment losses	(76)	(63)	
Operating result (EBIT)	**259**	**(265)**	**n.s.**
Net financial income (expense)	36	(8)	
Net financial income (expense) on equity capital expenditures	(98)	301	
Pre-tax profit (loss)	**197**	**28**	**n.s.**
Income taxes	76	64	
Profit (loss) for the year - Continuing operations	**273**	**92**	**n.s.**
Profit (loss) for the year - Discontinued operations	**6**	**15**	**n.s.**
Profit (loss) for the year	**279**	**107**	**n.s.**

(*) I The results of the Onshore Drilling segment divested as of June 30, 2024, have been recognized as discontinued operations in accordance with the criteria set out in IFRS 5.
.

Core business revenues amounted to €5,872 million, representing an increase of 42.2% compared to the previous year.
Gross operating profit (EBITDA) was €335 million. Depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets totalled €76 million.
The **operating result (EBIT)** recorded a profit of €259 million, against a loss of €265 million the previous year.
Net financial income of €36 million was an improvement of €44 million compared to the net financial expense of €8 million in the previous year, primarily due to higher income related to the net financial position of €28 million, lower net expenses from derivative instruments of €15 million, the recognition of interest on tax receivables and lower miscellaneous charges of €10 million, partially offset by a deterioration of exchange rate differences of €9 million.
The item mainly includes other financial income from subsidiaries and associated companies amounting to €37 million, net income related to the net financial position of €29 million, interest on tax receivables of €6 million, expenses related to financial lease liabilities of €16 million, expenses on derivative instrument transactions of €7 million, expenses for factoring transactions and towards other debtors of €6 million, interest resulting from the application of IAS 19 of €2 million, and exchange losses of €5 million.
The balance of gains (losses) on equity investments was negative at €98 million, showing a deterioration compared to the previous year (gain of €301 million), mainly due to the recognition of provisions for losses in connection with the shareholding interest in PSS Netherlands BV (€105 million) and the impairment of the investments in Saipem International BV (€86 million), Saipem SA (€48 million) and Saipem Luxembourg BV (€2 million), partially offset by dividends distributed by Servizi Energia Italia Spa (€121 million), the complete release of the loss coverage fund in Snamprogetti Netherlands BV (€10 million) as well as the write-back of the same company (€12 million).

The improvement recorded in operating results and financial income, partially offset by the deterioration noted in net losses on equity investments, led to a **pre-tax profit** of €197 million, compared to €28 million in the previous year.

The overall tax amount for the period amounted to positive result of €76 million (€64 million in the previous year), mainly referred to the effects of the tax consolidation scheme. This marks an increase of €12 million mainly due to the lower incidence of net deferred taxes (€43 million), higher utilization for tax provisions (€25 million), relating to foreign tax credit previously written-down and recognised at the reporting date, partially offset by lower adjustments for CIT purposes (€38 million), lower adjustments of foreign taxes (€6 million), higher taxes for IRAP (€4 million) and the impact of the Global Minimum Tax (€8 million).
Therefore, the tax result for the financial year includes Italian tax adjustments relating to Saipem SpA and the Italian companies included in the domestic tax consolidation scheme and tax assets (€37 million), net utilisations for tax provision (€21 million), and net deferred tax liabilities (€18 million).

The **net result - Continuing operations** therefore presents a profit of €273 million, compared to €92 million the previous year. The net result, including the net Discontinued operations profit of €6 million, determined a profit of €279 million.

OPERATING RESULT AND COSTS BY FUNCTION

(€ million)	Year 2024	Year 2023	% Ch.
Core business revenue	5,872	4,130	42.0
Production costs	(5,462)	(4,223)	
Idle costs	(37)	(21)	
Selling expenses	(54)	(68)	
Costs for research and development	(23)	(21)	
Net other operating income (expense)	55	27	
General expenses	(93)	(89)	
Operating result (EBIT)	259	(265)	n.s.

Saipem SpA achieved core business revenues of €5,872 million in the 2024, marking an increase of €1,742 million – growth of 42.2% compared to 2023.
Production costs, including direct costs of sales and depreciation of the vessels and equipment used, were in total €5,462 million, showing an increase of €1,239 million compared to 2023, consistent with the higher volumes performed.
Idle costs increased €16 million compared to 2023, mainly due to the higher costs of the third-party rented vessel Normand Maximus, which was under seizure until May.
Commercial expenses amounted to €54 million, showed a decrease of €14 million compared to 2023; research and development expenses recorded as operating costs, amounted to €23 million; net other operating income (expense) increase by €28 million mainly due to non-recurring transactions whose main components are the utilization of a provision, previously recorded in excess, and the actualization of other non-current payables coming from the outcome of the settlement concluded in connection with the disputes related to the GNL3 Arzew litigation; general expenses, amounted to €93 million, largely in line with 2023.

83% of revenues were earned abroad (81% in the previous year), and 33% towards companies within Saipem Group and related parties (48% in the previous year).

Asset Based Services

(€ million)	Year 2024	Year 2023
Core business revenue	4,198	2,707
Cost of sales	(3,864)	(2,880)
Gross operating profit (EBITDA)	334	(173)
Depreciation and amortisation	(45)	(41)
Operating result (EBIT)	289	(214)

Revenues in 2024 amounted to €4,198 million, an increase of 55.1% compared to the corresponding period of 2023, mainly attributable to higher volumes in the Middle East, Europe and Italy.
The cost of sales, equal to €3,864 million, has increased by €984 million, consistently with the higher volumes realized.
Gross operating margin (EBITDA) in 2024 was €334 million.
Depreciation and amortisation were €45 million, up €4 million compared to 2023, due to the employment of leased vessels, required to projects execution.
The operating result (EBIT) for 2024 was positive for €289 million (compared to the loss recorded in 2023 of €214 million).

Energy Carriers

(€ million)	Year 2024	Year 2023
Core business revenue	**1,607**	**1,363**
Cost of sales	**(1,595)**	**(1,393)**
Gross operating profit (EBITDA)	**11**	**(30)**
Depreciation and amortisation	(28)	(20)
Operating result (EBIT)	**(17)**	**(50)**

Revenues for 2024 amounted to €1,607 million and show an increase of 17.9% compared to the corresponding period of 2023, mainly as an effect of the higher volumes in Italy, Sub-Saharan Africa, and the Middle East.
The cost of sales, equal to €1,595 million, has increased by €203 million compared to 2023, consistent with the higher volumes realized.
Gross operating profit (EBITDA) in 2024 was €11 million.
Depreciation and amortisation amounted to €28 million, an increase of €8 million compared to 2023, due to the entry into operation of the accommodation vessels leased for the execution of the Hail & Ghasha project in the United Arab Emirates.
The operating result (EBIT) for 2024 showed a loss of €17 million, albeit an improvement on the 2023 loss of €50 million.

Offshore Drilling

(€ million)	Year 2024	Year 2023
Core business revenue	**67**	**60**
Cost of sales	(78)	(59)
Gross operating profit (EBITDA)	(11)	1
Depreciation and amortisation	(2)	(2)
Operating result (EBIT)	**(13)**	**(1)**

Revenues for 2024 amounted to €67 million and show an increase of 10.3% compared to the corresponding period of 2023, mainly attributable to business support activities for other companies of the group, to the sale of the warehouse related to the semi-submersible Scarabeo 8, now owned by Saipem Drilling Norway AS and to the drillship Santorini, employed from April in Ivory Coast.
Cost of sales for 2024 amounted to €78 million, shows an increase of €19 million compared to 2023 due to fact that in 2023 the item benefited of some non-recurring operations positive economic impact such as the gain from the sale of semi-submersible Scarabeo 5 amounted to €10 million; in addition, the 2024 cost of sale amount incorporates the economic effect of the Scarabeo 8 warehouse accounting closure that was necessary for the subsequent above mentioned sale.
Consequently, the decrease of €10 million registered by the gross operating margin (EBITDA) between 2023 and 2024 is mainly due to lack of the positive economic impact of the non-recurring operations described above.
Depreciation and amortisation amounted to €2 million, in line with the corresponding period of 2023.
The operating result (EBIT) for 2024 shows a loss of €13 million, a deterioration compared to the loss recorded in 2023, which amounted to €1 million.

Balance sheet and financial position

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Net property, plant and equipment	115	118
Net intangible assets	23	21
Right-of-use of lease assets	187	140
Equity investments	2,128	2,213
Non-current assets	**2,453**	**2,492**
Net current assets	**(429)**	**(405)**
Provisions for employee benefits	(93)	(92)
Net assets held for sale	1	2
NET CAPITAL EMPLOYED	**1,932**	**1,997**
Equity	**2,573**	**2,395**
Net financial debt (cash) pre-IFRS 16 lease liabilities	(850)	(553)
Lease liabilities	209	155
Net financial debt (liquid funds)	**(641)**	**(398)**
FUNDING	**1,932**	**1,997**

Note 33 "Discontinued operations, assets held for sale and directly associated liabilities" provides detailed financial information on the discontinued operations.

Non-current assets at the end of 2024 stood at €2,453 million, a net decrease of €39 million compared to 2023. This decrease is due to:

- the net decrease in financial fixed assets amounted to €85 million, primarily due to the write-down of investments in Saipem International BV (€86 million), Saipem SA (€48 million), and Saipem Luxembourg BV (€2 million), partially offset by the acquisition of a 20% stake in Rosetti Marino Spa from Saipem SA (€36 million), the capital increase subscription in Chempet Srl (€2 million), and the value recovery of the investments cost in Snamprogetti Netherlands BV (€12 million) as well as in Andromeda Consultoria Técnica e Representações Ltda (€1 million);
- a net decrease of €3 million in tangible fixed assets due to the difference between investment during the year (€18 million), amortisation, depreciation and impairment losses (€16 million) and net sales and disposals (€4 million), as well as the recognition as assets held for sale of the fixed assets relating to a base in the Middle East (€1 million); investment primarily regarded the construction of Hy Drone, maintenance and improvement of existing technical fixed assets, and the purchase of industrial and commercial equipment;
- a net increase in leased assets of €47 million due to the subscription of new contracts (€100 million), amortization, depreciation and impairment losses (€51 million) and the termination of existing contracts (€2 million). The increases mainly relate to the rental of plants and machinery in the United Arab Emirates for the Hail and Ghasha project and in Qatar for the North Field Production Sustainability (NFPS) EPCOL project, and to the leasing of office buildings at foreign subsidiaries;
- a net increase of €2 million in intangible assets due to the difference between investment during the year (€10 million) and amortisation and depreciation (€8 million); investment primarily regarded processes developed internally aimed at strengthening and improving operational and technological systems.

Net working capital decreased by €24 million compared to 2023, settling at a negative value of €429 million, due to the increase in trade payables and net contractual liabilities (€259 million), other current and non-current liabilities (€159 million), and liabilities for income taxes (€35 million), partially offset by the increase in trade receivables (€164 million), inventories and contract assets (€87 million), net deferred tax assets (€43 million), and other current and non-current assets (€80 million), and by the decrease in provisions for risks and charges (€55 million).

Provisions for employee benefits amounted to €93 million, an increase of €1 million compared to the previous year.

Assets (liabilities) held for sale amounted to €1 million, down €1 million compared to the previous year. This change was attributable to the disposal of Onshore Drilling initiated in 2022, which involved the transfer of assets in Kazakhstan and Romania (€2 million), and to the recognition of equipment and machinery related to a base in the Middle East (€1 million).

In light of the above, the net capital employed fell by €65 million, standing at €1,932 million at year-end, compared to €1,997 million as at year-end 2023.

As regards hedging instruments, the net equity recorded an increase of €178 million, reaching €2,573 million at the end of 2024; this increase is due mainly to the positive result for the year (€279 million) and the positive variation in the fair value long-term incentive plans' reserves with the free allocation of own shares (€13 million), partially compensated by the buyback of own shares (€65 million) and the negative change in fair value measurement of financial instruments reserves (€49 million).

Statement of main changes in equity

The main changes in equity during the year are as follows:

(€ million)

Equity as of December 31, 2023	**2,395**
Increase due to:	
- 2024 profit	279
- fair value long-term incentive plans	13
Decrease due to:	
- buy-back of treasury shares	(65)
- change in reserves for valuation at fair value of financial instruments	(49)
Equity as of December 31, 2024	**2,573**

For further details on the changes shown in the table, reference should be made to Note 32 of the "Notes to the statutory financial statements".

NET FINANCIAL POSITION

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Non-current bank loans and borrowings	-	235
Non-current bonds and other financial liabilities	429	417
Net medium/long-term debt	**429**	**652**
Cash and cash equivalents	(1,719)	(1,292)
Financial assets measured at fair value through OCI	(229)	-
Financial assets measured at fair value through profit and loss	(46)	-
Other current financial assets	(536)	(870)
Current bank loans and borrowings	-	-
Current bonds and other financial liabilities	1,251	957
Current net financial debt (net cash and cash equivalents)	**(1,279)**	**(1,205)**
Net financial debt (liquid funds) pre-IFRS 16	**(850)**	**(553)**
Current lease liabilities	62	26
Non-current lease liabilities	147	129
Net financial debt (liquid funds)	**(641)**	**(398)**

The net financial position of the Company shows net cash of €641 million at the end of 2024 (€398 million as of December 31, 2023), an improvement of €243 million.
It comprises cash held at banks and credit institutions amounting to €1,719 million, financial assets measured at fair value through other comprehensive income of €229 million, financial assets measured at fair value through profit or loss of €46 million, and financial receivables of €536 million to other lenders, net of short-term payables of €1,251 million, long-term payables of €429 million, and lease liabilities of €209 million.
Financial receivables to other lenders essentially regard the balance (€534 million) due from the subsidiary Saipem Finance International BV, for activities relating to centralised financial management for the Saipem Group, and from the jointly-controlled entity La Catulliana (€2 million).
The improvement in the net financial position compared to December 31, 2023, is essentially due to the positive cash flow generated by operating activities (€399 million), the cash flow from divestments (€34 million), of which €7 million relating to Discontinued operations, the positive effect of exchange rates on liquidity (€49 million), offset by investments in tangible and intangible fixed assets and equity investments (€69 million), the net negative change in the convertible bond loan (€13 million), the purchase of treasury shares for €65 million, and the change in lease liabilities of €92 million excluding repayments (€38 million).
For information on net financial debt as required by Consob, Communication No. 5/21 of April 29, 2021, see Note 26 "Analyses of net financial debt (liquid funds)".

Reclassified statement of cash flows

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Profit (loss) for the year - Continuing operations	273	92
Adjustments to reconcile the year's profit with cash flows from operating activities:		
Depreciation, amortisation and other non-monetary items	167	(173)
Net (gains) losses on disposals of assets	(1)	(26)
Dividends, interest and income taxes	(209)	(49)
Cash flows generated by operating activities before changes in working capital	**230**	**(156)**
Changes in working capital related to operations	(49)	709
Dividends received, income taxes paid, interest paid and received	218	47
Net cash flows from operating activities - Continuing operations	**399**	**600**
Net cash flows from operating activities - Discontinued operations	**-**	**(1)**
Net cash flows from operating activities	**399**	**599**
Capital expenditure – Continuing operations	(28)	(26)
Capital expenditure - Discontinued operations	-	-
Equity investments	(41)	(126)
Disposals and partial sales of investments and property, plant and equipment - Continuing operations	27	51
Disposals and partial sales of investments and property, plant and equipment - Discontinuing operations	7	39
Free cash flows	**364**	**537**
Investments and divestments related to financing activities	58	(517)
Changes in short and long-term financial liabilities	72	233
Repayments of lease liabilities	(38)	(38)
Net variation of convertible bond	(13)	72
Sale (purchase) of treasury shares	(65)	-
Cash flow from capital and reserves	-	-
Effects of exchange differences	49	(27)
Net cash flows for the year	**427**	**260**
Free cash flows	**364**	**537**
Repayments of lease liabilities	(38)	(38)
Sale (purchase) of treasury shares	(65)	-
Net variation of convertible bond	(13)	72
Cash flow from capital and reserves	-	-
Exchange differences on net debt	49	(27)
Changes in net financial debt (cash and cash equivalents) before lease liabilities	**297**	**544**
Financing for the year	(94)	(60)
Decrease in lease liabilities	38	38
Exchange differences and other variations	2	2
Change in lease liabilities	**(54)**	**(20)**
Change in net financial debt (liquid funds)	**243**	**524**
Net financial debt (net cash and cash equivalents) opening balance	**(398)**	**126**
Net financial debt (net cash and cash equivalents) closing balance	**(641)**	**(398)**

The net cash flow generated by operating activities - Continuing operations was positive for €399 million, and the negative flow deriving from investment and disposal activities (€35 million), generated a positive free cash flow of €364 million.

Reconciliation of reclassified statement of financial position, income statement and statement of cash flows with the mandatory templates

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

The reclassified statement of financial position differs from the mandatory template only in the reclassifications shown in the table.

(€ thousand)

		Dec. 31, 2024		Dec. 31, 2023	
Reclassified statement of financial position	Reference to the notes to the financial statement as at December 31, 2024	Partial values from mandatory template	Values from reclassified template	Partial values from mandatory template	Values from reclassified template
Non-current assets					
Property, plant and equipment	(note 12)	114,504		117,936	
Intangible assets	(note 13)	23,485		21,260	
Right-of-use of lease assets		187,021		139,809	
Equity investments	(note 15)	2,127,666		2,213,473	
Total non-current assets			2,452,676		2,492,478
Net current assets					
Inventories and contract assets	(note 8)	983,253		895,837	
Other current financial assets	(note 6)	480		666	
Trade receivables	(note 7)	1,494,112		1,330,062	
Trade payables and contract liabilities	(note 19)	(3,088,181)		(2,828,843)	
Taxes payable and net tax provision, consisting of:					
- current income tax assets and liabilities	(note 20)	(44,300)		(9,528)	
- non current income tax liabilities	(note 28)	(509)		(24)	
- other current tax liabilities	(note 21)	(39,628)		(33,485)	
- current tax assets	(note 9)	134,385		124,592	
- other current income tax assets	(note 10)	18,574		13,090	
- deferred tax assets and liabilities	(note 16)	213,119		179,812	
Provisions for risks and charges	(note 25)	(241,139)		(296,502)	
Other operating assets (liabilities), consisting of:					
- other assets (non-current)	(notes 17, 30)	36,184		14,568	
- other assets (current)	(notes 7, 11, 30)	466,175		407,228	
- other liabilities (non-current)	(notes 29, 30)	(82,725)		(6,333)	
- other liabilities (current)	(notes 19, 22, 30)	(278,401)		(195,690)	
Total net current assets			(428,601)		(404,550)
Provisions for employee benefits	(note 26)		(92,814)		(92,031)
Assets held for sale	(note 31)		855		1,926
NET CAPITAL EMPLOYED			1,932,116		1,997,823
Equity	(note 32)		2,573,248		2,395,261
Net financial debt (net cash)					
Non-current financial liabilities		429,453		651,444	
Current financial liabilities		1,250,784		957,276	
Net lease liabilities		208,825		155,493	
less:					
- cash and cash equivalents		1,718,946		1,291,539	
- financial assets measured at fair value through OCI		228,798			
- financial assets measured at fair value through profit and loss		46,493			
- other current financial assets		535,957		870,112	
Total net financial debt (net cash) [(1)]			(641,132)		(397,438)
FUNDING			1,932,116		1,997,823

(1) For more details on the composition of net financial indebtedness (net cash and cash equivalents) see also note 24.

RECLASSIFIED STATEMENT OF CASH FLOWS

(€ thousand)

	Dec. 31, 2024		Dec. 31, 2023	
Items of the reclassified cash flow statement and merging/reclassifications of items of the mandatory statement	Partial values from mandatory template	Values from reclassified template	Partial values from mandatory template	Values from reclassified template
Net result - Continuing operations		**272,551**		**92,227**
Adjustments to reconcile the year's profit with cash flows from operating activities:				
- depreciation, amortisation and other non-monetary items		167,028		(173,271)
. depreciation and amortisation	75,548		59,797	
. impairment losses (reversals of impairment losses) on property, plant and equipment and intangible assets	-		3,265	
. impairment losses (reversals of impairment losses) on equity investments	126,976		(267,749)	
. other changes	(36,466)		40,405	
. change in employee benefits	970		(8,989)	
- net gains on disposal of assets		(660)		(26,336)
- dividends, interest and income taxes:		(208,980)		(48,883)
. dividends	(121,002)		(504)	
. interest income	(112,349)		(55,757)	
. interest expense	100,205		71,285	
- income taxes	(75,834)		(63,907)	
Changes in working capital:		(48,574)		709,009
- inventories	12,216		8,962	
- trade receivables	(152,949)		(313,532)	
- trade payables	5,795		362,279	
- provisions for risks and charges	(55,794)		(19,331)	
- contract assets and liabilities	146,339		634,110	
- other assets and liabilities	(4,181)		36,521	
Dividends received, income taxes paid, interest paid and received:		218,209		47,421
- dividends received	121,002		504	
- interest received	108,907		54,164	
- interest paid	(87,637)		(63,293)	
- income taxes paid net of refunds of tax credits	75,937		56,046	
Net cash flows from operating activities - Continuing operations		**399,574**		**600,167**
Net cash flows from operating activities - Discontinued operations		**26**		**(1,274)**
Net cash flows from operating activities		**399,600**		**598,893**
Capital expenditure:		(28,075)		(26,326)
- intangible assets	(10,369)		(9,441)	
- property, plant and equipment - continuing operations	(17,706)		(16,885)	
- property, plant and equipment - discontinued operations	-		-	
Capital expenditure related to operations:		(41,472)		(126,170)
- equity investments	(41,472)		(76,170)	
- change in payables related to investing activities	-		(50,000)	
Disposals:		34,169		89,449
- property, plant and equipment - continuing operations	5,049		78,837	
- property, plant and equipment - discontinued operations	7,039		38,671	
- intangible assets	-		1	
- equity investments	148		-	
- change in receivables related to investing activities	21,746		(28,060)	
- loan assets for operating purposes	187		384	
Free cash flows		**364,222**		**536,230**

cont'd STATEMENT OF CASH FLOWS

(€ thousand)

Items of the reclassified cash flow statement and merging/reclassifications of items of the mandatory statement	Dec. 31, 2024 Partial values from mandatory template	Dec. 31, 2024 Values from reclassified template	Dec. 31, 2023 Partial values from mandatory template	Dec. 31, 2023 Values from reclassified template
Free cash flows		**364,222**		**536,230**
(Investments) disinvestments related to financing activities		58,864		(517,201)
Change in current and non-current financial liabilities:		20,572		267,920
- proceeds from long-term debt	15,437		805,898	
- decrease in non-current loans and borrowings	(237,510)		(261,999)	
- net variation of convertible bond	(12,565)		72,344	
- repayments of lease liabilities	(38,379)		(37,683)	
- increase (decrease) in current loans and borrowings	293,589		(310,640)	
Cash flow from capital and reserves:		(65,266)		-
- share capital increase net of charges	-		-	
- dividend distribution	(16)		-	
- sale (buy-back) of treasury shares	(65,250)		-	
Exchange differences on cash and cash equivalents:		49,015		(27,294)
- effects of exchange differences	49,015		(27,294)	
Net cash flows for the year		**427,407**		**259,655**

Business outlook and events after the reporting period

Saipem SpA Board of Directors held on February, 25, 2025 approved the Strategic Plan 2025-2028 confirming the path of derisking of the business profile of the Group, including an acceleration of the repositioning of the Onshore E&C business as well as the introduction of a new Project Management Consultancy service. The Board of Directors approved an upgraded shareholders remuneration policy that envisages the distribution of at least 40% of Free Cash Flow post repayment of lease liabilities. In line with the upgraded shareholders remuneration policy, the Board of Directors intends to propose a dividend of €333 million (1) for 2025 (on the 2024 results) and envisages a dividend of at least $300 million (2) for 2026 (on the 2025 results).
The medium-term economic and financial guidance and targets have consequently been revised upwards.

For further information on the business outlook and events after the reporting period, see Note 46 of the Statutory Financial Statements.

03.

CONSOLIDATED FINANCIAL STATEMENTS

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Statement of financial position

(€ million)	Note [1]	Dec. 31, 2024 Total	Dec. 31, 2024 of which with related parties [2]	Dec. 31, 2023 Total	Dec. 31, 2023 of which with related parties [2]
ASSETS					
Current assets					
Cash and cash equivalents	(No. 7)	2,158		2,136	
Financial assets measured at fair value through profit and loss	(No. 8)	47		-	
Financial assets measured at fair value through OCI	(No. 9)	338		86	
Other financial assets	(No. 10)	324	324	387	384
Lease assets	(No. 18)	83		98	
Trade and other receivables	(No. 11)	3,419	1,234	2,441	985
Inventories	(No. 12)	310		256	
Contract assets	(No. 13)	2,176		1,925	
Tax assets	(No. 14)	382		385	
Other tax assets	(No. 14)	179		146	
Other assets	(No. 15 and 30)	259	36	244	23
Total current assets		**9,675**		**8,104**	
Non-current assets					
Property, plant and equipment	(No. 16)	2,844		2,960	
Intangible assets	(No. 17)	668		666	
Right-of-Use assets	(No. 18)	630		428	
Equity investments accounted for using the equity method	(No. 19)	134		211	
Other equity investments	(No. 19)	–		-	
Other financial assets		–		1	
Lease assets	(No. 18)	89		155	
Deferred tax assets	(No. 20)	320		257	
Tax assets	(No. 14)	5		5	
Other assets	(No. 21 and 30)	65	–	52	-
Total non-current assets		**4,755**		**4,735**	
Discontinued operations and assets held for sale	(No. 31)	89	–	26	-
TOTAL ASSETS		**14,519**		**12,865**	
LIABILITIES AND EQUITY					
Current liabilities					
Current financial liabilities	(No. 25)	61	1	97	1
Current portion of non-current financial liabilities	(No. 25)	381		128	
Current portion of non-current lease liabilities	(No. 18)	354		299	
Trade and other payables	(No. 22)	3,959	270	2,944	177
Contract liabilities	(No. 23)	3.434	836	3,088	893
Tax liabilities	(No. 14)	89		74	
Other tax liabilities	(No. 14)	129		192	
Other liabilities	(No. 24 and 30)	157		33	
Total current liabilities		**8,564**		**6,855**	
Non-current liabilities					
Non-current financial liabilities	(No. 25)	1,742		2,168	
Non-current leases liabilities	(No. 18)	478	–	431	1
Provisions for risks and charges	(No. 27)	800		767	
Employee benefits	(No. 28)	208		193	
Deferred tax liabilities	(No. 20)	9		6	
Tax liabilities	(No. 14)	30		20	
Other payables and liabilities	(No. 29 and 30)	164		3	
Total non-current liabilities		**3,431**		**3,588**	
Discontinued operations and liabilities directly related to assets held for sale	(No. 31)	–	–	26	-
TOTAL LIABILITIES		**11,995**		**10,469**	
EQUITY					
Non-controlling interests	(No. 32)	–		2	
Equity attributable to the owners of the parent:	(No. 32)	2,524		2,394	
- share capital	(No. 32)	502		502	
- share premium reserve	(No. 32)	1,622		1,622	
- other reserves	(No. 32)	(92)		28	
- retained profit		325		137	
- profit (loss) for the year		306		179	
- negative reserve for treasury shares in portfolio	(No. 32)	(139)		(74)	
Total equity		**2,524**		**2,396**	
TOTAL LIABILITIES AND EQUITY		**14,519**		**12,865**	

(1) The notes are an integral part of the consolidated financial statements.
(2) For an analysis of figures shown as "of which with related parties", see Note 44 "Related party transactions".

Income statement

(€ million)	Note [1]	Year 2024 Total	Year 2024 of which with related parties [2]	Year 2023 Total	Year 2023 of which with related parties [2]
REVENUE					
Core business revenue	(No. 35)	14.549	4.111	11,874	3,454
Other revenue and income	(No. 35)	3	1	24	2
Total revenue		**14,552**		**11,898**	
Operating expenses					
Purchases, services and other costs	(No. 36)	(11,161)	(840)	(9,232)	(574)
Net reversals of impairment losses (impairment losses) on trade and other receivables	(No. 36)	(5)		1	
Personnel expenses	(No. 36)	(2,058)		(1,736)	
Depreciation, amortisation and impairment losses	(No. 36)	(723)		(489)	
Other operating income (expense)	(No. 36)	1		(5)	
OPERATING PROFIT (LOSS)		**606**		**437**	
Financial income (expense)					
Financial income		556	62	672	29
Financial expense		(572)	(4)	(765)	(2)
Net finance income (expense) from financial assets at fair value through profit or loss		1		-	
Derivative financial instruments		(70)		(74)	
Net financial income (expense)	(No. 37)	**(85)**		**(167)**	
Gains (losses) on equity investments					
Share of profit (loss) of equity-accounted investees		(43)		107	
Other gains (losses) from equity investments		18		(47)	
Net gains (loss) on equity investments	(No. 38)	**(25)**		**60**	
PRE-TAX PROFIT (LOSS)		**496**		**330**	
Income taxes	(No. 39)	(190)		(145)	
PROFIT (LOSS) FOR THE YEAR - Continuing operations		306		185	
PROFIT (LOSS) FOR THE YEAR - Discontinued operations		-		(6)	
PROFIT (LOSS) FOR THE YEAR		**306**		**179**	
Attributable to Saipem Group:					
Continuing operations		306		185	
Discontinued operations	(No. 31)	-	-	(6)	(19)
Non-controlling interests	(No. 40)				
Continuing operations		-		-	
Discontinued operations	(No. 31)	-		-	
Profit (loss) per share on Saipem's profit (loss) for the year (€ per share)					
Basic profit (loss) per share	(No. 41)	0.16		0.09	
Diluted profit (loss) per share	(No. 41)	0.15		0.09	
Profit (loss) per share on Saipem's profit (loss) for the year - Continuing operations (€ per share)					
Basic profit (loss) per share	(No. 41)	0.16		0.09	
Diluted profit (loss) per share	(No. 41)	0.15		0.09	

(1) The notes are an integral part of the consolidated financial statements.
(2) For an analysis of figures shown as "of which with related parties", see Note 44 "Related party transactions".

Statement of comprehensive income

(€ million)	Note [1]	2024	2023
Profit (loss) for the year		**306**	**179**
Other items of comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plans for employees	(No. 32)	1	(10)
Change in fair value of equity investments measured at fair value through OCI	(No. 32)	-	-
Share of other comprehensive income of equity-accounted investments relating to remeasurement of defined benefit plans	(No. 32)	(1)	(1)
Income tax relating to items that will not be reclassified	(No. 39)	-	3
Total items that will not be reclassified subsequently to profit or loss		**-**	**(8)**
Items that may be reclassified subsequently to profit or loss			
Change in the fair value of cash flow hedges	(No. 32)	(165)	124
Change in the fair value of financial assets, other than equity investments, measured at fair value through OCI	(No. 32)	1	3
Exchange differences arising from the translation into euro of financial statements in currencies other than euro	(No. 32)	16	(31)
Share of other comprehensive income of equity-accounted investments	(No. 32)	(1)	-
Income tax relating to items that may be reclassified	(No. 39)	25	(30)
Total items that may be reclassified subsequently to profit or loss		**(124)**	**66**
Total other comprehensive income, net of taxation		**(124)**	**58**
Comprehensive profit (loss) for the year		**182**	**237**
Attributable to Saipem Group:			
Continuing operations		182	244
Discontinued operations		-	(6)
Non-controlling interests			
Continuing operations		-	(1)
Discontinued operations		-	-

(1) The notes are an integral part of the consolidated financial statements.

Statement of changes in equity

(€ million)	Saipem shareholders' equity															Non-controlling interests	Total equity
	Share capital	Share premium reserve	Other reserves	Legal reserve	Reserve for treasury shares	Fair value reserve (equity investments)	Cash flow hedge reserve, net of taxation	Fair value reserve (AFS financial instruments), net of taxation	Translation reserve	Reserve for employee defined benefit plans, net of taxation	Reserve for OCI on equity-accounted investments	Retained earnings (losses carried forward)	Profit (loss) for the year	Negative reserve for treasury shares in portfolio	Total		
Balance as of December 31, 2023	**502**	**1.622**	**80**	**–**	**–**	**–**	**19**	**(2)**	**(45)**	**(22)**	**(2)**	**137**	**179**	**(74)**	**2.394**	**2**	**2.396**
Profit (loss) for the year 2024	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**306**	**–**	**306**	**–**	**306**
Other items of comprehensive income																	
Items that will not be reclassified subsequently to profit or loss																	
Revaluations of defined benefit plans for employees net of tax effect	–	–	–	–	–	–	–	–	–	1	–	–	–	–	1	–	1
Change in fair value of equity investments measured at fair value through OCI	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of other comprehensive income of equity-accounted investments relating to remeasurement of defined benefit plans, net of taxation	–	–	–	–	–	–	–	–	–	–	(1)	–	–	–	(1)	–	(1)
Other comprehensive income relating to discontinued operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	1	(1)	–	–	–	–	–	–
Items that may be reclassified subsequently to profit or loss																	
Change in fair value of cash flow hedges, net of taxation	–	–	–	–	–	–	(140)	–	–	–	–	–	–	–	(140)	–	(140)
Change in the fair value of financial assets, other than equity investments, measured at fair value through OCI	–	–	–	–	–	–	–	1	–	–	–	–	–	–	1	–	1
Exchange differences of financial statements in currencies other than euro	–	–	–	–	–	–	–	–	15	–	–	1	–	–	16	–	16
Share of other comprehensive income of equity-accounted investments	–	–	–	–	–	–	–	–	–	–	(1)	–	–	–	(1)	–	(1)
Other comprehensive income relating to discontinued operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**	**(140)**	**1**	**15**	**–**	**(1)**	**1**	**–**	**–**	**(124)**	**-**	**(124)**
Total comprehensive income (loss) for 2024	**–**	**–**	**–**	**–**	**–**	**–**	**(140)**	**1**	**15**	**1**	**(2)**	**1**	**306**	**–**	**182**	**-**	**182**
Owner transactions																	
Dividend distribution	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Retained earnings (losses)	–	–	–	5	–	–	–	–	–	–	–	174	(179)	–	–	–	–
Reverse stock split	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (reduction) of share capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capitalisation of costs of share capital increase net of taxes	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Treasury shares repurchased	–	–	–	–	–	–	–	–	–	–	–	–	–	(65)	(65)	–	(65)
Purchase/sale of non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(2)	(2)
Other owner transactions (contribution for future capital increase)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transactions with companies under common control	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change of reserve of convertible bond	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other changes in equity	**–**	**–**	**–**	**5**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**174**	**(179)**	**(65)**	**(65)**	**(2)**	**(67)**
Recognition of fair value of stock-based incentive plans																	
Other changes	–	–	–	–	–	–	–	–	–	–	–	13	–	–	13	–	13
Total	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**13**	**–**	**–**	**13**	**–**	**13**
Balance as of December 31, 2024	**502**	**1.622**	**80**	**5**	**–**	**–**	**(121)**	**(1)**	**(30)**	**(21)**	**(4)**	**325**	**306**	**(139)**	**2.524**	**–**	**2.524**

For details see Note 32 "Equity".

cont'd **Statement of changes in equity**

(€ million)	Saipem shareholders' equity																
	Share capital	Share premium reserve	Other reserves	Legal reserve	Reserve for treasury shares	Fair value reserve (equity investments)	Cash flow hedge reserve, net of taxation	Fair value reserve (AFS financial instruments), net of taxation	Translation reserve	Reserve for employee defined benefit plans, net of taxation	Reserve for OCI on equity-accounted investments	Retained earnings (losses carried forward)	Profit (loss) for the year	Negative reserve for treasury shares in portfolio	Total	Non-controlling interests	Total equity
Balance as of December 31, 2022	**502**	**1,877**	**–**	**–**	**–**	**–**	**(76)**	**(4)**	**(20)**	**(16)**	**–**	**91**	**(209)**	**(77)**	**2,068**	**18**	**2,086**
Profit (loss) for the year 2023	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**179**	**–**	**179**	**–**	**179**
Other items of comprehensive income																	
Items that will not be reclassified subsequently to profit or loss																	
Revaluations of defined benefit plans for employees net of tax effect	–	–	–	–	–	–	–	–	–	(7)	–	–	–	–	(7)	–	(7)
Change in fair value of equity investments measured at fair value through OCI	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of other comprehensive income of equity-accounted investments relating to remeasurement of defined benefit plans, net of taxation	–	–	–	–	–	–	–	–	–	–	(1)	–	–	–	(1)	–	(1)
Other comprehensive income relating to discontinued operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(7)**	**(1)**	**–**	**–**	**–**	**(8)**	**–**	**(8)**
Items that may be reclassified subsequently to profit or loss																	
Change in fair value of cash flow hedges, net of taxation	–	–	–	–	–	–	95	–	–	–	–	–	–	–	95	–	95
Change in the fair value of financial assets, other than equity investments, measured at fair value through OCI	–	–	–	–	–	–	–	2	–	–	–	–	–	–	2	–	2
Exchange differences of financial statements in currencies other than euro	–	–	–	–	–	–	–	–	(26)	–	–	(4)	–	–	(30)	(1)	(31)
Share of other comprehensive income of equity-accounted investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other comprehensive income relating to discontinued operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**	**95**	**2**	**(26)**	**–**	**–**	**(4)**	**–**	**–**	**67**	**(1)**	**66**
Total comprehensive income (loss) for 2023	**–**	**–**	**–**	**–**	**–**	**–**	**95**	**2**	**(26)**	**(7)**	**(1)**	**(4)**	**179**	**–**	**238**	**(1)**	**237**
Owner transactions																	
Dividend distribution	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Retained earnings (losses)	–	(256)	–	–	–	–	–	–	–	–	–	47	209	–	–	–	–
Reverse stock split	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (reduction) of share capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capitalisation of costs of share capital increase net of taxes	–	1	–	–	–	–	–	–	–	–	–	–	–	–	1	–	1
Treasury shares repurchased	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Purchase of non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(13)	(13)
Other owner transactions (contribution for future capital increase)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transactions with companies under common control	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change of reserve of convertible bond	–	–	80	–	–	–	–	–	–	–	–	–	–	–	80	–	80
Total	**–**	**(255)**	**80**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**47**	**209**	**–**	**81**	**(13)**	**68**
Other changes in equity																	
Recognition of fair value of stock-based incentive plans	–	–	–	–	–	–	–	–	–	–	–	3	–	3	6	–	6
Other changes	–	–	–	–	–	–	–	–	1	1	(1)	–	–	–	1	(2)	(1)
Total	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1**	**1**	**(1)**	**3**	**–**	**3**	**7**	**(2)**	**5**
Balance as of December 31, 2023	**502**	**1,622**	**80**	**–**	**–**	**–**	**19**	**(2)**	**(45)**	**(22)**	**(2)**	**137**	**179**	**(74)**	**2,394**	**2**	**2,396**

Statement of cash flows

(€ million)	Note [1]	Year 2024	Year 2023
Profit (loss) for the year attributable to Saipem Group - Continuing operations		306	185
Profit (loss) for the year attributable to Saipem Group - Discontinued operations		–	(6)
Profit (loss) attributable to non-controlling interests		–	-
Adjustments to reconcile the year's profit (loss) to cash flows from operating activities:			
- depreciation and amortisation - continuing operations	(No. 36)	675	460
- depreciation and amortisation - discontinued operations		–	-
- net impairment losses (reversals of impairment losses) on property, plant and equipment, intangible assets and right-of-use assets	(No. 36)	48	29
- share of profit (loss) of equity-accounted investees	(No. 38)	43	(107)
- net (gains) losses on disposal of assets and business		(18)	34
- interest income		(87)	(54)
- interest expense		180	161
- income taxes	(No. 39)	190	145
- other changes		26	25
Changes in working capital:			
- inventories		(50)	(45)
- trade receivables		(692)	(261)
- trade payables		636	20
- provisions for risks and charges		(131)	(324)
- contract assets and liabilities		52	463
- other assets and liabilities		129	13
Cash flow from working capital - Continuing operations		(56)	(134)
Cash flow from working capital - Discontinued operations		–	6
Cash flow working capital		*(56)*	*(128)*
Change in the provision for employee benefits - Continuing operations		14	6
Change in the provision for employee benefits - Discontinued operations		–	-
Dividends received		55	69
Interest received		61	51
Interest paid		(180)	(150)
Income taxes paid net of refunds of tax credits		(196)	(134)
Net cash flows from operating activities - Continuing operations [a]		1.061	586
Net cash flows from operating activities - Discontinued operations [b]		–	–
Net cash flows from operating activities		**1.061**	**586**
of which with related parties - Continuing operations [2]		3,117	2,711
of which with related parties - Discontinued operations [2]		–	(17)
Investments:			
- property, plant and equipment - Continuing operations		(326)	(472)
- property, plant and equipment - Discontinued operations		–	-
- intangible assets	(No. 17)	(11)	(10)
- equity investments	(No. 19)	(6)	(1)
- securities for operating purposes		–	-
- financial receivables for operating purposes		–	-
Cash flow from investments - Continuing operations		(343)	(483)
Cash flow from investments - Discontinued operations		–	-
Cash flow from investments		*(343)*	*(483)*
Disposals:			
- property, plant and equipment		26	58
- out-of-scope entities and business units		13	63
- equity investments		–	24
- securities for operating purposes		–	-
- financial receivables for operating purposes		–	-
Cash flow from disposals - Continuing operations		39	145
Cash flow from disposals - Discontinued operations		–	-
Cash flow from disposals		*39*	*145*
Net variation of securities and financial receivables not related to operations		*(238)*	*163*

(1) The notes are an integral part of the consolidated financial statements.
(2) For an analysis of figures shown as "of which with related parties", see Note 44 "Related party transactions".
(a) Net cash flows from operating activities - Continuing operations does not include the gains on disposal of business equal to 119, for year 2022.
(b) Net cash flows from operating activities - Discontinued operations includes the gains on disposal of business equal to 119, for year 2022.

cont'd Statement of cash flows

(€ million)	Note [1]	Year 2024	Year 2023
Net cash flows from investing activities		**(542)**	**(175)**
of which with related parties [2]	(No. 44)	**60**	**105**
Increase in non-current financial liabilities		581	1,867
Decrease in non-current financial liabilities		(754)	(2,042)
Decrease in lease liabilities		(252)	(119)
Increase (decrease) in current financial liabilities		(39)	(60)
Cash flow from increases (decreases) in financial debt		**(464)**	**(354)**
Net capital contributions by non-controlling interests		-	-
Sale (purchase) of interests in consolidated companies		(2)	-
Dividend distribution		-	-
Sale (buy-back) of treasury shares		(65)	-
Net change in convertible bond		(13)	72
Net cash flows from financing activities		**(544)**	**(282)**
of which with related parties [2]	(No. 44)	-	-
Effect of changes in consolidation scope		-	-
Effect of exchange differences and other changes on cash and cash equivalents		47	(45)
Net variation in cash and cash equivalents		**22**	**84**
Cash and cash equivalents - opening balance	(No. 7)	**2,136**	**2,052**
Cash and cash equivalents - closing balance	(No. 7)	**2,158**	**2,136**

(1) The notes are an integral part of the consolidated financial statements.
(2) For an analysis of figures shown as "of which with related parties", see Note 44 "Related party transactions".

For the disclosures required by IAS 7, please refer to Note 25 "Financial liabilities".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of presentation

The consolidated financial statements consist of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, the notes, and the related comparative information. They are also accompanied by the Directors' Report on the results of operations and financial position of the Saipem Group.
In accordance with Article 5 of Legislative Decree No. 38/2005, the consolidated financial statements are prepared using the Euro as the accounting currency. The amounts in the Financial Statements and the Notes, as well as those stated in the Directors' Report, are expressed in millions of Euro, unless otherwise specified.
The information required by international accounting standards, the law, the National Commission for Companies and the Stock Exchange – Consob, and the European Securities and Markets Authority – ESMA, as well as other non-mandatory information deemed equally necessary for a true and fair representation of the Group's situation, is provided in the Directors' Report and the Notes.
The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS)[46], in force at the end of the year, issued by the International Accounting Standards Board (IASB) and adopted by the European Commission pursuant to Article 6 of EC Regulation No. 1606/2002 of the European Parliament and Council of July 19, 2002, and in accordance with Article 9 of Legislative Decree No. 38/2005. The consolidated financial statements are prepared on a going concern basis, using the historical cost method, taking into account value adjustments where appropriate, except for items that under IFRS must be measured at fair value, as described in the below in the accounting policies, and for the non-current assets and disposal groups classified as held for sale, which are measured at the lower of the carrying amount and the fair value less costs to sell.
No exemptions have been made to the application of the IAS/IFRS accounting standards.
The consolidated financial statements as of December 31, 2024, approved and authorised for publication by the Board of Directors of Saipem SpA in the meeting of March 11, 2025, are audited by KPMG SpA, the main auditor, fully responsible for auditing the Group's consolidated financial statements.

2 Principles of consolidation and equity investments

Consolidated companies, non-consolidated subsidiaries and jointly controlled entities (equity investments in joint ventures and joint operations) and associates are listed in the "Consolidation scope" section, which also details the changes compared to the previous year.
The financial statements of the consolidated companies are audited by auditing firms that also examine and certify the information required for the preparation of the consolidated financial statements.
The classification of a company as a subsidiary, jointly controlled, or associate depends, regardless of the percentage of ownership, on the actual ability of the shareholder to make decisions regarding the relevant activities of the company. These decisions can be made independently or with the unanimous consent of all the parties sharing control. In other cases, the shareholder may exercise significant influence over the company but not control or even joint control. The ability to make decisions arises from the terms of contractual and shareholder agreements.

Subsidiaries

The consolidated financial statements the Saipem Group include the financial statements of Saipem SpA and its Italian and foreign direct and indirect subsidiaries.

(46) The IFRS also include the International Accounting Standards (IAS), which are still in force, as well as the interpretations issued by the IFRS Interpretations Committee (formerly known as the International Financial Reporting Interpretations Committee, or IFRIC, and before that, the Standing Interpretations Committee, or SIC).

An investor controls an investee when it is exposed to or has the right to participate in the variability of the company's economic returns and has the ability to influence those returns through its decision-making power over the investee. Decision-making power exists when the parent company has the right to direct the significant activities of the investee, i.e., the activities most likely to affect the economic returns of the investee.
The income statement and financial position figures of the subsidiaries are included in the consolidated financial statements based on uniform accounting standards, from the date control is assumed until the date that control ceases to exist.
Subsidiaries are consolidated on a line-by-line basis. Consequently, all assets and liabilities, expenses and income are fully recognised in the consolidated financial statements and the carrying amount of the investments is eliminated against the corresponding portion of the equity of the investees.
If the additional ownership interests in subsidiaries are purchased after the transfer of control (purchase of non-controlling interests), any difference between the acquisition price and the corresponding portion of acquired equity is recognised in the equity attributable to the Group. Similarly, the effects arising from the disposal of non-controlling interests without loss of control are also recognised in equity.
In contrast, the transfer of shares that results in the loss of control leads to recognition in the income statement of: (i) any capital gain/loss calculated as the difference between the consideration received and the corresponding portion of consolidated equity disposed of; (ii) the effect of aligning the fair value of any remaining interest retained; and (iii) any amounts recognised in the other comprehensive income related to the former subsidiary that are required to be recycled through profit or loss[47]. The value of any retained interest, aligned to its fair value at the date of loss of control, represents the new carrying amount of the interest and therefore the reference value for the subsequent measurement of the interest in accordance with the applicable accounting policies.
Equity and profit attributable to non-controlling interests are shown separately in specific equity and income statement items. When losses attributable to non-controlling interests in a consolidated subsidiary exceed the non-controlling interests of the subsidiary's equity, the excess, and any additional losses attributable to non-controlling shareholders, are allocated to the shareholders of the parent company except for the portion for which the non-controlling shareholders have a binding obligation to cover the loss with additional investments and are able to do so. If the subsidiary then makes a profit, those profits are allocated to the shareholders of the parent company up to the amount of the losses attributable to the non-controlling shareholders, which were previously absorbed by the shareholders of the parent company.
Some subsidiaries that have, individually or on an aggregate basis, limited operating activity, are excluded from line-by-line consolidation, as their exclusion does not have a material impact[48] on the correct representation of the Group's equity, economic, and financial position. These equity investments are measured in accordance with the criteria indicated in the paragraph "Equity method" or using the adjusted cost method for impairment losses.

Joint arrangements

Joint control is the sharing, on a contractual basis, of the control of an arrangement, which exists solely when unanimous consent is required for decisions relating to the relevant activities by the parties sharing control.
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint venture are measured using the equity method as detailed in the paragraph "Equity Method".
A joint operation is a joint arrangement whereby the parties that have joint control over the rights to the assets, and obligations for the liabilities (i.e., enforceable rights and obligations) related to the arrangement. The assessment of the existence of enforceable rights and obligations requires a complex judgement by Management, and it is conducted considering the characteristics of the corporate structure, the agreements between the parties, as well as any other fact and circumstance that is relevant for the assessment. Saipem's share of the assets/liabilities and revenues/costs of the joint operation are recognised in the consolidated financial statements based on the effective rights and obligations resulting from the contractual arrangements. After initial recognition, the assets, liabilities, revenue and expenses relating to a joint operation are accounted for in accordance with the applicable accounting standards. Joint operations, represented by non-significant separate legal entities, are measured using the equity method, or, when they do not have a significant impact on the statement of financial position, operating results, and cash flows, at the cost adjusted for impairment losses.

Investments in associates

An associate is a company in which Saipem has significant influence, understood as the power to participate in the financial and operating policy decisions of the investee but without having control or joint control over those policies. Equity

(47) Conversely, any amounts recognised in other comprehensive income in relation to the former subsidiary or associate that may not be reclassified to profit or loss are transferred to retained earnings (losses).
(48) According to the provisions of the Conceptual Framework of the international accounting standards: "Information is material if omitting, misstating or obscuring it could influence the economic decisions of users taken on the basis of the financial statements".

investments in associates are measured using the equity method as detailed in the paragraph "Equity method" paragraph, or, when there are no significant effects on the financial position, operating results, and cash flows, at cost adjusted for impairment losses.

Equity method

Equity investments in subsidiaries not included in the line-by-line consolidation and in joint ventures and associates are measured using the equity method[49].
Under the equity method, investments are initially recognised at purchase cost inclusive of transaction costs, with the allocation, in the same way as for business combinations, of any difference between the cost incurred and the share of interest in the fair value of the investee's identifiable net assets. The allocation, provisionally made at the date of initial recognition, can be adjusted retroactively within the following twelve months to account for new information concerning facts and circumstances existing at the date of initial recognition. The carrying amount is subsequently adjusted to take into account: (i) the investor's share of the investee's operating results achieved after the acquisition date; and (ii) the investor's share of the investee's other comprehensive income. The changes in the equity of an investee, other than those related to the operating results and other comprehensive income, are recognised in the income statement when they essentially represent the effects of a sale of an interest in the investee. The dividends distributed by the investee are recognised as a reduction in the carrying amount of the investment. For the purposes of applying the equity method, the adjustments made during the consolidation process are considered. When there is objective evidence of impairment (such as significant contractual breaches, substantial financial difficulties, counterparty insolvency risk, etc.), the recoverability is verified by comparing the carrying amount with the recoverable amount determined using the criteria set out in the paragraph "Impairment of non-financial assets". Losses resulting from the application of the equity method that exceed the carrying amount of the investment, recognised in the income statement item "Gains (losses) on equity investments", are allocated to any financial receivables granted to the investee for which repayment is not planned or not probable in the foreseeable future (long-term interest) and which essentially represent an additional investment in the investee.
When they do not have a significant effect on the financial position, operating results, and cash flows, subsidiaries not included in the scope of consolidation, joint ventures, and associates are measured at cost adjusted for impairment. When the reasons for the impairments no longer apply, the investments are written back up to the amount of the previous impairments recognised, with the effect recognised in the income statement under the item "Other gains (losses) on equity investments".
A disposal of interests that results in a loss of joint control of or significant influence on the investee causes recognition in the income statement of: (i) any capital gain/loss calculated as the difference between the consideration received and the corresponding portion of the carrying amount disposed of; (ii) the effect of aligning the fair value of any remaining interest retained[50]; (iii) of any amounts recognised in the other comprehensive income related to the investee that are required to be recycled through income statement[51]. The value of any retained interest, aligned with its fair value at the date of loss of joint control or significant influence, represents the new carrying amount for subsequent measurement.
The share of the investee's losses attributable to the investor, exceeding the carrying amount of the investment and any long-term interests, is recognised in a specific provision to the extent that the investor is committed to fulfilling legal or implicit obligations towards the investee company or in any case to covering its losses.
The equity method ceases to be applied when the investment is classified as held for sale in accordance with IFRS 5. If the investment subsequently no longer meets the requirements to be classified as held for sale, it must be accounted for using the equity method retroactively from the date when it was classified as held for sale.

Business combinations

An acquisition of a business occurs if the contract involves the acquisition of one or more inputs and a substantive process that together contribute significantly to the ability to create an output. Conversely, if the set of conditions described above is not met, it is an acquisition of a group of assets, which leads to the capitalisation of their acquisition cost and their depreciation in accordance with the provisions of IAS 16.
Business combinations are recognised using the acquisition method. The consideration transferred in a business combination is determined at the date of acquisition of control and is equal to the fair value of the assets transferred, the liabilities incurred or assumed, as well as any equity instruments issued by the acquirer. The costs directly attributable to the transaction are recognised in the income statement when they are incurred, except for the costs of issuing debt or equity instruments.

(49) If an interest in a joint arrangement is acquired in subsequent phases, the interest is recognised at the amount derived from applying the equity method as if it had been applied from the beginning. The effect of the "remeasurement" of the carrying amount of the interest held prior to acquiring the joint arrangement is recognised in equity.
(50) If the remaining interest continues to be measured using the equity method, the retained interest is not adjusted to the corresponding fair value.
(51) Conversely, any amounts recognised in other comprehensive income in relation to the former joint venture or associate that may not be reclassified to profit or loss are transferred to retained earnings (losses).

At the date of acquisition of control, the equity of the investees is determined by assigning the fair value to the individual elements of the assets and liabilities in the statement of financial position[52], except where the IFRS provisions establish a different measurement basis. Any remaining positive difference compared to the purchase cost is classified under the asset item "Goodwill"; if it is negative, it is recognised in the income statement.
When acquisition of control is not total, the equity attributable to non-controlling interests is calculated in relation to the proportionate share of the current values assigned to the assets and liabilities on the date of acquisition of control, excluding any goodwill assignable to them (partial goodwill method). Alternatively, the entire amount of goodwill generated from the acquisition is recognised, therefore also considering the share attributable to non-controlling interests (full goodwill method). In this case, the non-controlling interests are stated at their overall fair value and therefore also including the goodwill attributable to them[53]. The choice of methods for determining goodwill (partial goodwill method or full goodwill method) is made on a selective basis for each business combination.
If control is acquired in successive phases, the acquisition cost is determined by summing the fair value of the previously held investment in the acquiree and the amount paid for the additional equity interest. The difference between the fair value of the previously held investment and its carrying amount is recognised in the income statement. Additionally, upon acquisition of control, any amounts previously recognised in other comprehensive income are recognised in the income statement, or to another equity item, when recycling to income statement is not envisaged.
When the determination of the values of the acquiree's assets and liabilities is made provisionally in the reporting period in which the business combination is completed, the recognised amounts are retrospectively adjusted within twelve months following the acquisition date to account for new information concerning facts and circumstances existing at the acquisition date.
The acquisition of interests in a joint operation that constitutes a business is recognised, where applicable, in the same way as for business combinations.

Intragroup transactions

The profits resulting from transactions conducted between consolidated companies that have not yet been realised with third parties are eliminated, along with the receivables, payables, income and expenses, as well as guarantees, including independent guarantee contracts, commitments, and risks between consolidated companies. Unrealised profits with companies measured using the equity method are eliminated for the amount attributable to the Group. In both cases, intercompany losses are not eliminated as they represent an actual decrease in value of the asset transferred.

Exchange of financial statements in currencies other than Euro

The financial statements of investees with a functional currency other than euro, which represents the functional currency of the parent company, as well as the currency of the Group's consolidated financial statements, are converted into euro applying: (i) closing exchange rates for assets and liabilities; (ii) historical exchange rates for equity accounts; and (iii) the average rates for the year for the income statement and the statement of cash flows (source: Banca d'Italia).
Exchange differences resulting from the translation of the financial statements of investees having a functional currency other than euro, deriving from the application of different exchange rates for assets and liabilities, equity, and the income statement, are recognised in equity under the item "Translation reserve" (included in "Other reserves") for the portion pertaining to the Group[54].
Cumulative exchange differences are charged to the income statement when an investment is fully disposed of, i.e., when control, joint control or considerable influence on the investee is lost. In such circumstances, the differences are taken to the income statement under the item "Other gains (losses) on equity investments". In the event of a partial disposal that does not result in the loss of control, the portion of exchange differences relating to the interest sold is recognised under non-controlling interests in equity. In the event of a partial disposal that does not result in the loss of joint control or significant influence, the portion of exchange differences relating to the interest disposed of is taken to the income statement. The repayment of the capital, carried out by a subsidiary having a functional currency other than euro, which does not result in a change in the investment held, entails charging the corresponding portion of the exchange rate differences to the income statement.
The financial statements translated into euros are those denominated in the functional currency, i.e., the local currency or the currency in which most financial transactions and assets and liabilities are denominated.

(52) The criteria for determining the fair value are described in the section "Fair value measurement" below.
(53) The adoption of the partial or full goodwill method is also relevant in the case of business combinations that result in the recognition of negative goodwill through profit or loss (gain on bargain purchase).
(54) The share of non-controlling interests in the cumulate exchange rate differences resulting from the translation of subsidiaries' financial statements having a functional currency other than the euro is recognised under "Non-controlling interest" in equity.

The exchange rates that have been applied for the translation of financial statements in foreign currencies are as follows:

Currency	Exchange Rate as of Dec. 31, 2024	Average exchange rate 2024	Exchange Rate as of Dec. 31, 2023
US Dollar	1.0389	1.0824	1.105
Algerian Dinar	140.892	145.0997	148.2657
Angolan Kwanza	954.824	949.637	920.402
Saudi Arabian Riyal	3.8959	4.0589	4.1438
Australian Dollar	1.6772	1.6397	1.6263
Brazilian Real	6.4253	5.8283	5.3618
Canadian Dollar	1.4948	1.4821	1.4642
Cina Renminbi (Yuan)	7.5833	7.7875	7.8509
Indian Rupee	88.9335	90.5563	91.9045
Indonesian Rupee	16,820.88	17,157.68	17,079.71
Nigerian Naira	1,598.2334	1,597.577	974.0907
Norwegian Kroner	11.795	11.629	11.2405
Romanian New Leu	4.9743	4.9746	4.9756
Russian Rouble	117.5225	100.372	98.5958
Singapore Dollar	1.4164	1.4458	1.4591
Turchia lira (nuova)	36.7372	35.5734	32.6531

3 Accounting policies

The main accounting policies used for the preparation of the consolidated financial statements are detailed below.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and financial assets with original maturities of 90 days or less that are readily convertible into cash amounts and are subject to an insignificant risk of changes in value.

Inventories

The inventories, excluding consumables intended for project implementation – which do not go through inventory but are recognised in the income statement under direct contract costs – are measured considering the lower of the production cost and net realisable value, which is the amount Saipem expects to obtain from their sale in the ordinary course of business. The cost of inventories is determined by applying the weighted average cost method, while market value – given that the inventories are mainly spare parts – is taken as the lower of replacement cost or net realisable value.
Spare parts may be depreciated (partially or entirely) in line with the rationalisation of the asset they relate to, as a result of lack of or diminished possibility of use. Saipem periodically checks the obsolescence of inventory items with a last purchase date (ageing date) or more than five years in order to justify their retention as inventory, or to write them down in the income statement. In any event, for non-obsolete materials with a last purchase date of more than five years, a provision for slow-moving inventory is established, with amounts which increase in percentage with ageing.

Contract assets and liabilities

Contract assets and contract liabilities from work in progress assessment are recognised on the basis of contractual amounts, defined with reasonable certainty with customers, in relation to the progress of work. Given the nature of the contracts (fixed price) and the type of work, progress is determined through the use of an input method based on the percentage of costs incurred with respect to the total contractually estimated costs (cost-to-cost method). To correctly apply the economic effects of using this method on core business revenue, differences between amounts earned based on the stage of completion of projects and recognised revenue are included under contract assets from work in progress assessment if positive, or under contract liabilities from work in progress assessment if negative.
With regard to the particular type of reimbursable service contracts, given their nature, revenue is recognised by adopting an output-based method by applying to costs incurred the contractually agreed margin. The valuation of contract assets and liabilities arising from work in progress assessment takes into account all costs directly attributable to the contract, as well as contractual risks, revision clauses when they have a high probability of being recognised, any expected incentives (when the achievement of pre-established performance levels is highly probable and they can be reliably determined) and any fees arising from legal disputes. Requests for additional considerations deriving from a change in contractually agreed work

(change orders) are included in the total amount of revenue when there is a high probability that the customer will approve the scope and/or the price of the change. At the same time, other claims deriving, for example, from additional costs incurred for reasons attributable to the customer are included in the total amount of revenue only when the counterparty has essentially approved their scope and/or price. Contractual advances in foreign currency received by customers are recognised at the exchange rate on the date of payment and maintained at that rate until fully recovered. Contractual advances received are part of Saipem normal operating practice; if advances recognised contemplate a greater percentage than that used in practice in the sector, any time value of money that leads to the presumption of a significant financial benefit granted by the customer is determined.

Property, plant and equipment (tangible assets)

Property, plant and equipment are recognised using the cost method and stated at their purchase or production cost including any ancillary costs directly attributable to bringing the asset into operation. In addition, when a substantial amount of time is required to make the asset ready for use, the purchase price or production cost includes borrowing costs that theoretically would have been avoided for that amount of time had the investment not been made. Saipem does not carry out revaluation of property, plant and equipment, excepted for property, plant and equipment which were impaired in previous years, as better explained in the following paragraph "Impairment of non-financial assets". Expenditures on renewals, improvements and transformations that extend the useful lives of the related asset are capitalised when it is likely that they will increase the future economic benefits expected from the asset. Also, items purchased for safety or environmental reasons are capitalised, even if they do not directly increase the future economic benefits of the existing assets, as they are necessary for carrying out company business. The costs of cyclical maintenance incurred for the purpose of obtaining periodical class certification of vessels are capitalised, as they have a useful life of several years (generally five years). The useful life of parts subject to cyclical maintenance (and possible replacement), and the relative depreciation schedule are coherent with the planned frequency of periodical inspections. Depreciation of property, plant and equipment begins when the asset is ready for use, in other words when it is in the place and in the conditions necessary for it to be able to operate according to the planned modalities. Property, plant and equipment are depreciated systematically using a straight-line method over their useful life, which is an estimate of the period over which the assets will be used by the entity. When the tangible asset comprises more than one significant part with different useful lives, each component is depreciated separately. The depreciable amount of an asset is its carrying amount less the estimated net disposal value at the end of its useful life, if this value is significant and can be reasonably determined. Land is not depreciated, even were purchased with a building. Property, plant and equipment held for sale are not depreciated either (see paragraph "Assets held for sale and discontinued operations"). Changes to depreciation methods related to a review of the expected useful life of an asset, the net residual value or the expected pattern of consumption of the future economic benefits flowing from an asset are recognised in the income statement. All parts of the vessels are depreciated over the same useful life as determined on the basis of independent reporting by technical experts. The decision to consider the same useful life for all parts of the vessels is based on the fact that the main parts are subject to periodical activities of cyclical maintenance. Cyclical maintenance carried out near the end of the useful life of a vessel extends its life (and thus require reprogramming of depreciation on the residual value) for as long as the useful life of the last cyclical maintenance. Replacement costs of identifiable components in complex assets are capitalised and depreciated over their useful life. The residual carrying amount of the component that has been replaced is charged to the income statement.
Improvements made on assets under a lease are depreciated over the shorter of the useful life of the improvements and the lease term, taking into account any renewal period if its occurrence is reasonably certain. Ordinary maintenance and repair expenses, not including the replacement of identifiable components and that restore but do not increase the performance of the assets, are charged to the income statement for the year in which the expenses are incurred. Property, plant and equipment are eliminated from the accounts when they are disposed of through alienation or write-off or when no future economic benefit is expected from their use or disposal; the relative profit or loss is reported in the income statement. Property, plant and equipment destined for specific operating projects, for which no further future use is envisaged due to the characteristics of the asset itself or the high usage sustained during the execution of the project, are depreciated over the duration of the project. Impairment losses of tangible assets are recognised if events or changes in circumstances indicate that their carrying amount may not be recoverable.

Leases

A contract is, or contains, a lease agreement if, in exchange for consideration, it grants the lessee the right to control the use of an identified asset for a period of time. It is defined a single model of recognition of lease contracts based on the recognition by the lessee of a "Right-of-Use" asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments provided by the contract ("Lease Liability").
The right-of-use asset is initially recognised at cost, determined as the sum of the following components:

- the initial amount of the lease liability;
- initial direct costs incurred by the lessee;
- any payments made at the commencement date of the lease or before that date, net of any incentives received from the lessor; and
- the best estimate of the costs that the lessee expects to incur for the dismantling and removal of the underlying asset or for its restoration to the conditions established by the contract. The liabilities related to these costs are recognised and measured in accordance with IAS 37.

After initial recognition, the "Right-of-Use" asset is reduced by accumulated depreciation, any impairment losses and the effects associated with any remeasurement of the "Lease Liability".
Depreciation rates are constant and are applied over the lease term, taking into account renewal/termination which are highly probable for the year. Only if the lease provides for the exercise of a reasonably certain purchase option is the "Right-of-Use" asset depreciated systematically over the useful life of the underlying asset.
The "Lease Liability" is initially measured at the present value of the lease payments not yet made at the commencement date. The present value of the aforementioned lease payments is calculated by adopting a discount rate equal to the interest rate implicit in the lease or, if this is not readily determined, using the incremental borrowing rate of the lessee. The incremental borrowing rate of the lessee is defined by taking into account the intervals and duration of the payments provided for in the lease contract, the currency in which they are denominated and the characteristics of the lessee's economic environment.
After initial recognition, the 'Lease Liability' is measured at amortised cost (i.e. increasing its carrying amount to take into account the interest on the liability and decreasing it to take into account the payments made) using the effective interest rate and is restated, against the registration value of the related "Right-of-Use" asset, to take into account any changes to the lease following contractual renegotiations, changes in indices or rates, changes relating to the exercise of contractually envisaged options for renewal, early withdrawal or purchase of the leased asset.
For short-term leases and leases where the underlying asset is of low value, Saipem applies the exception to recognition provided for in the standard.
For the lessor the distinction between operating and financial leases is maintained.
If there are subleases, the lessee as intermediate lessor shall classify the sublease as a finance lease or an operating lease as follows: (a) if the principal lease is a short-term lease, the sublease shall be classified as an operating lease by recognising the income from the sublease in the income statement; (b) otherwise, the sublease shall be classified by reference to the asset consisting of the Right-of-Use under the principal lease, rather than by reference to the underlying asset, i.e. by reference to the term of the sublease; if the latter covers the term of the principal lease, the sublease shall be treated as a finance lease, with a financial receivable being recognised in place of the Right-of-Use under the principal lease.
The accounting of lease contracts requires the lessee to recognise:

- in the statements of financial position: (i) the Right-of-Use assets, recognised by Saipem in the specific item "Right-of-Use of leased assets" distinct from property, plant and equipment, and intangible assets, and divided by class of asset in the Notes to the financial statements, and from financial receivables relating to finance subleases recorded by Saipem in the specific item "Lease assets"; (ii) the financial liabilities relating to the obligation to make the payments envisaged by the contract ("Lease liabilities"), recorded by Saipem in the specific item "Lease liabilities", dividing the amount between the non-current and current portions;
- in the income statement: (i) the depreciation and amortisation of the Right-of-Use assets (within the operating expenses) subdivided by class of assets in the Notes to the financial statements and of the interest expense accrued on the Lease Liability. The income statement also includes the lease contract payments that meet short-term and low-value requirements and variable payments linked to the use of assets, not included in determining the Right-of-Use assets/Lease Liability;
- the following effects arise in the statement of cash flows: (a) a modification of the net cash flows from operating activities that includes interest expenses on the "Lease Liability"; (b) a modification of the net cash flows from financing activities that includes disbursement connected with repayment of the principal amount of the "Lease Liability".

The main types of contracts covered by the definition of lease, which affect most of the Group's operations, relate to the following asset categories:

- vessels for the performance of projects by offshore business;

- real estate for offices;
- industrial areas and construction yards to support projects;
- equipment in support of the projects;
- vehicles and office equipment.

Regarding contracts for services signed by Group companies, an analysis is made to identify any possible “embedded leases.

Intangible assets

Intangible assets are identifiable assets without physical substance, controlled by the Group and capable of producing future economic benefits, and goodwill. Identifiability is defined by reference to the possibility of distinguishing the acquired intangible asset from goodwill; this requirement is normally satisfied when: (i) the intangible asset arises from legal or contractual rights, or (ii) the asset is separable, i.e. it can be sold, transferred, leased or exchanged independently or as an integral part of other assets. An entity controls an intangible asset if it has the power to obtain the future economic benefits deriving from the asset and to restrict the access of others to those benefits. Intangible assets are stated at purchase or production cost as determined with the criteria used for property, plant and equipment.
Saipem does not makes revaluation of intangible assets.
Intangible assets with a finite useful life are amortised systematically over their useful life, which is an estimate of the period over which the assets will be used by the entity.
Goodwill and other intangible assets with an indefinite useful life are not amortised. The recoverability of their carrying amount is tested at least annually and whenever events occur indicating a reduction in their value, as described in section “Impairment of non-financial assets”.
With reference to the configuration and customisation costs of software deriving from contracts with service providers through which the company obtains the right of access to certain applications, those are recognised as intangible asset only when the agreement allows Saipem to obtain future economic benefits and limit the access to others.
Intangible assets are eliminated at the moment of their disposal through disposal or when no future economic benefit is expected from their use or disposal; the relative profit or loss is reported in the income statement.

Impairment of non-financial assets

The recoverability of non-financial assets – that is, tangible assets, intangible assets and Right-of-Use of leased assets – is assessed when events or changes in circumstances suggest that the carrying amount in the financial statements is not recoverable. The recoverability is assessed by comparing their carrying amount with the relative recoverable amount represented by the higher of the fair value less disposal costs and the value in use. Irrespective of any indication of impairment, the assessment of the recoverability of goodwill is carried out at least annually.
The recoverability assessment is carried out for each cash-generating unit (CGU) corresponding to a single asset or to the smallest identifiable group of assets that generates independent cash inflows from their continuous use.
Value in use is determined by discounting to present value the expected cash flows from the use of the CGU and, if significant and reasonably determinable, from disposal at the end of its useful life, net of costs to sell. Expected cash flows are determined, taking also into account actual results, on the basis of reasonable and documented assumptions that represent the best estimate of the future economic conditions during the remaining useful life of the CGU, giving more importance to independent assumptions while taking into account the specificities of Saipem’s business. Discounting is carried out at a rate that reflects current market assessments of the time value of money and the risks specific to the asset that are not reflected in the estimate of future cash flows. Please note that where appropriate, the specific incremental component of so-called “country risk” is included in the estimate of expected cash flows. Specifically, the discount rate used is the Weighted Average Cost of Capital (WACC) defined on the basis of the Capital Asset Pricing Model (CAPM) methodology.
Value in use is determined using post-tax cash flows, discounted at a post-tax discount rate as this method produces outcomes which are equivalent to those resulting from discounting pre-tax cash flows at a pre-tax discount rate deriving, through an iteration process, from a post-tax valuation.
In order to verify the recoverability of the Right-of-Use related to leased assets, consideration is given to: (i) the allocation of the Right-of-Use assets of the leased assets to the CGUs to which they belong; (ii) the duration of the underlying leasing contract with respect to the time horizon considered in determining the cash flows of the CGU; (iii) the value in use of a CGU containing a Right-of-Use.
With regard to goodwill, if the carrying amount of the CGU, including goodwill allocated thereto determined by taking into account any impairment of current and non-current assets that are part of the CGU, exceeds the CGU’s recoverable amount, the excess is recognised as impairment. The impairment loss is first allocated to reduce the carrying amount of goodwill. Any remaining excess is allocated on a pro-rata basis to the carrying amount of the other assets with a finite useful life that form the CGU.

When the reasons for impairment losses made in the past cease to exist, the value of assets is reversed and the adjustment is immediately recognised as income in the income statement. The reversal is carried out at the lower of the recoverable amount and the original carrying amount before previous impairment losses, less the depreciation rates that would have been charged had no impairment loss been recognised. Impairment losses against goodwill may not be reversed[55].

Technological development costs

Costs of technological development activities are capitalised when the entity can demonstrate:
(a) that it has the technical capacity to complete the intangible asset and use it or sell it;
(b) that it has the intention to complete the intangible asset and make it available for use or sale;
(c) that it has the capacity to use or sell the intangible asset;
(d) how the intangible asset will generate probable future economic benefits;
(e) that the technical, financial and other resources are available to complete development of the intangible asset and use it or sell it;
(f) that the technical, financial and other resources are available to complete development of the intangible asset and use it or sell it.

Grants

Capital grants are recognised when there is a reasonable certainty that the conditions for their award will be met and are recognised systematically in the income statement as a reduction in the purchase price or production cost of the assets to which they relate, over their useful lives.
Grants related to income are recognised in the income statement over the periods necessary to match them with the related costs which they are intended to compensate, in the item "Other revenue and income".

Financial assets

Based on the business model adopted by the Group for managing financial assets and the characteristics related to contractual cash flows, financial assets are classified into the following categories:
(i) financial assets measured at amortised cost;
(ii) financial assets measured at fair value with the effects recognised in other comprehensive income (hereinafter also OCI);
(iii) financial assets measured at fair value through profit or loss.
Subsequent to initial recognition, their classification is maintained, unless the Group changes its business model for their management.
Initial recognition is made at fair value, net of the costs directly attributable to the acquisition or issue of the financial asset. For trade receivables lacking a significant financial component, the initial valuation is represented by the transaction price.
Subsequent to the initial recognition, financial assets whose business model involves holding them to collect their contractual cash flows ("held to collect" business model), and which generate cash flows on set dates that represent solely payments of principal and interest, are measured at amortised cost.
The application of the amortised cost method requires the recognition in the income statement of the interest income, determined on the basis of the effective interest rate, of the exchange rate differences and of any possible impairment losses[56] (see section "Impairment losses on financial assets").
On the other hand, financial assets representing debt instruments are measured at fair value through OCI (below also FVTOCI) when the business model envisages both the collection of contractual cash flows and the realisation of value through sale ("held to collect and sell" business model) that generate contractual cash flows on set dates that are solely payments of principal and interest. In this case, the following are recognised: (i) interest income, calculated using the effective interest rate, exchange rate differences and impairments (see point "Impairment losses on financial assets") are recognised in the income statement; (ii) changes in the fair value of the instrument are recognised in equity, under the item OCI. The total amount of variations in fair value, recognised in the equity reserve that comprises the other components of the statement of comprehensive income, is reversed to the income statement upon derecognition of the instrument.
A financial asset representative of a debt instrument which has not been evaluated at the amortised cost or at FVTOCI is evaluated at fair value with attribution of the effects to profit or loss (hereafter FVTPL); financial assets held for trading pertain to this category ("held for trading" business model). Accrued interest income on financial assets held for trading is included in the total fair value measurement of the instrument and is recognised as "Financial income (expense)".

(55) Impairment losses reported for an interim period are not reversed even if no loss, or a smaller loss, would have been recognised had the impairment been assessed based on the conditions of a subsequent interim period.
(56) Receivables and other financial assets valued at the amortised cost are reported net of the write-down allowance

Impairment of financial assets

The assessment of the recoverability of financial assets representative of debt instruments not measured at fair value with effects to the income statement is made on the basis of the so-called "expected credit loss model".
In particular, expected losses are generally determined on the basis of the product of: (i) the exposure to the counterparty net of related mitigations (so-called Exposure at Default or EAD); (ii) the probability that the counterparty will default on its payment obligation (so-called Probability of default or PD); (iii) the estimate, in percentage terms, of the amount of credit that will not be recovered in the event of default (so-called loss given default or LGD).
The management model adopted by the Group envisages the simplified approach for trade receivables as they do not contain a significant financial component. This approach requires the valuation of the provision to cover losses for an amount equal to the expected losses over the entire life of the receivable. This approach uses the customers's probability of default for the quantification of expected credit losses, based on observable market data and on assessments collected by info-providers. Alongside the allocations made to the loss allowance after reviewing each receivable on the basis of their recoverability, an assessment is made of the creditworthiness of the customer. This assessment is performed on the portfolio of performing exposure and on exposures that are past due to quantify and recognise the effects in interim reporting.
Specifically, the Saipem model operates as follows:

- the Exposure at Default (EAD) of Saipem is applied to trade receivables (including allocations) and contract assets from work in progress and considers the effects of mitigation capable of reducing the exposure (debit items that can be used to compensate, advance payments, etc.), excluding in particular disputed receivables from the calculation as subject to specific technical-legal valuations. Receivables of a financial nature, as well as cash on hand, are also included in the assessment;
- with regard to identification of the time of default, the methodology determines it conventionally as the shorter between the date in which the customer's insolvency is declared and the term of 365 days from the receivable due date. This term is coherent with the dynamics of the active business cycle of contract works in which Saipem operates;
- the Probability of Default (PD) is calculated on the observable market data (credit spread on bond issues, Credit Default Swaps, etc.) gathered by qualified info-providers. It is considered equal to 100% at the time of default and on receivables that are more than 12 months past due;
- to quantify the Loss Given Default (LGD), the approach applied is based on the market standards which consider the Recovery Ratio (RR) 40% of the exposure; it follows that the LGD (equal to the complement of the RR) is 60%.

Trade receivables and other receivables are presented in the statement of financial position net of accumulated impairments. Impairment losses of these receivables are recognised in the income statement, net of any reversal of value, under "Net reversals of impairment losses (impairment losses) on trade receivables and other assets".

Non-controlling interests

Financial assets representing non-controlling interests, as they are not held for purposes of trading, are measured at fair value with assignment of the effects to the equity reserve relating to components of other comprehensive income, without providing for their reassignment to the income statement in case of sale; on the other hand, any dividends deriving from those investments are recognised to the income statement under "Gains (losses) on equity investments". Measurement at cost of a non-controlling interests is permitted in the limited cases in which the cost is an adequate estimate of the fair value.

Derivative financial instruments and hedge accounting

A derivative is a financial instrument which has the following characteristics: (i) its value changes in response to the changes in a specified interest rate, price of a security or asset, exchange rate, a price or rate index, a credit rating or other variable; (ii) it requires no or little initial net investment; (iii) it is settled at a future date.
Saipem applies the accounting requirements for hedging transactions established by IFRS 9 "Financial Instruments".
Derivative financial instruments, including embedded derivatives that are separated from the host contract, are assets and liabilities recognised at their fair value.
Consistently with the economic reason underlying the hedging, Saipem classifies derivatives as hedging instruments whenever possible. The fair value of derivative financial instruments incorporates the adjustments that reflect the non-performance risk of the counterparties of the transaction (see paragraph "Fair value measurement"). The designation of fair value as hedging instruments in derivatives excludes such adjustments and is only limited to the spot component of the contracts.
In particular, the companies of the Group enter into the intercompany derivatives with Saipem Finance International BV (SAFI) with the objective of hedging the currency risk arising from future and highly probable revenue and costs in foreign currency. SAFI, in turn, in an operational optimisation perspective, performs a role of consolidation and netting of the required derivatives and proceeds with their negotiation on the market.

The intragroup derivatives negotiated by the companies with SAFI are considered cash flow hedges for highly probable forecast transactions whenever the conditions are met for the application of hedge accounting. The hedged item is identified in the revenue and costs in the contract's currency.
As part of the strategy and goals defined for risk management, the qualification of transactions as hedges requires: (i) the existence of an economic relationship between the hedged item and the hedging instrument; (ii) that credit risk effect does not dominate value changes resulting from the economic relationship; (iii) the definition of a hedge ratio coherent with the objectives of risk management, in the frame of the defined risk management strategy, providing where necessary for the appropriate rebalancing actions.
The amendment of risk management objectives or the elimination of the conditions outlined above for hedge accounting qualification, will result in the termination, either total or partial, of the hedge.
When the derivatives are aimed at hedging the risk of changes in cash flows of the hedged item (cash flow hedge; for example hedging the variability in cash flows of assets/liabilities due to exchange rate fluctuations), the changes in the fair value of the derivatives considered effective, limited to the spot component of the contracts, are initially recognised in the equity reserve pertaining to the other items of comprehensive income and are subsequently recognised in the income statement consistent with the economic effects of the hedged item.
Derivative financial instruments are also adopted by the Saipem Group to hedge the risk arising from the expected purchase of commodities as part of project activities and the interest rate risk arising from loans at variable rate or to stabilise the impact of the cost of currency hedges put in place by the Group.
Even in these cases, when possible, Saipem designates these derivative financial instruments (cash flow hedges) the fair value of which is initially recorded in the equity reserve relating to other comprehensive income and subsequently reclassified to the income statement as the economic effects of the hedged item occur.
Changes in the fair value of derivatives which do not satisfy the conditions for being qualified as hedges, including any ineffective components of hedging derivatives, are directly recognised in the income statement. Specifically, changes in the fair value of non-hedging interest rate and foreign currency derivatives are recognised in the income statement under "Financial income (expense)"; conversely, changes in the fair value of non-hedging commodity derivatives are recognised in the income statement under "Other operating income (expense)".

Convertible bonds

Convertible bonds are compound financial instruments consisting of two components: a financial liability (a contractual agreement to deliver cash or other financial asset) and an equity instrument, that is, a call option that gives the holder the right to convert it into a fix quantity of ordinary shares for a certain period of time. At initial recognition, the financial liability is the present value of future cash flows, discounted at the rate payable for a liability similar in duration without the equity component (fair value of the liability), and the value of the option, recorded in equity, is defined as the difference between the consideration received at the time of issue of the compound instrument and the fair value of the financial liability. In the years after initial recognition, the value of the conversion option in shares does not change, and the fair value of the financial liability is measured at amortised cost.

Financial liabilities

Financial liabilities, other than derivative instruments, are initially recognised at the fair value of the amount received, net of direct transaction costs, and are subsequently measured using the amortised cost method (see paragraph "Financial assets").

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset in the statement of financial position when they can be legally offset in the current year and it is intended to offset on a net basis (i.e., to realise the asset and remove the liability simultaneously).

Derecognition of financial assets and liabilities

Financial assets that have been transferred are derecognised from the statement of financial position when the contractual rights to the cash flows from the asset are extinguished or expire or are transferred outright to third parties. Financial liabilities are derecognised when they have been settled, or when the contractual condition has been fulfilled or cancelled or when it has expired.

Assets held for sale and discontinued operations

Non-current assets and current and non-current assets and liabilities included within disposal groups, whose carrying amount will be recovered principally through a sale transaction rather than through their continuing use, are classified as held for sale. This condition is considered met when the sale is highly probable, and the asset or disposal group is available for immediate

sale in its current condition. When the sale of a subsidiary is planned and this will lead to loss of control, all of its assets and liabilities are classified as held for sale. This applies whether or not an interest is retained in the former subsidiary after the sale. Non-current assets held for sale, current and non-current assets included within disposal groups and liabilities directly associated with them are recognised in the statement of financial position separately from the entity's other assets and liabilities.
Immediately prior to classification as being held for sale, the non-current assets and/or assets and liabilities included within a disposal group are measured according to the accounting standards applicable to them. Subsequently, non-current assets held for sale are not depreciated and are measured at the lower of the fair value less costs to sell and their carrying amount.
Any difference between the carrying amount of non-current assets and the fair value less costs to sell is taken to the income statement as an impairment loss; any subsequent reversal is recognised up to the previous impairment losses, including those recognised prior to qualification of the asset as held for sale.
Non-current assets classified as held for sale and disposal groups constitute a discontinued operation if, either: (i) they represent a significant stand-alone line of business or a significant geographic area of operations; (ii) they are part of a plan to dispose of a significant stand-alone line of business or a significant geographic area of operations; or (iii) they are a subsidiary acquired exclusively for the purpose of selling it. Profit or loss of discontinued operations, as well as any gains or losses on their disposal are reported separately in the income statement, net of any tax effects. The results of discontinued operations are also restated in the comparative figures for prior years.
When events occur that make it impossible to classify non-current assets or disposal groups as held for sale, they are reclassified to the respective items of the statement of financial position and recognised at the lower between: (i) the carrying amount at the date of classification as held for sale, adjusted for depreciation, impairment losses and reversals of impairment loss that would have been recognised had the assets or disposal group not been classified as held for sale; and (ii) the recoverable amount at the date of reclassification. Likewise, in case of interruption of the plan of sale, recalculation of the values from the time of classification as held for sale/discontinued operations also involves the equity investments, or their shares, previously classified as held for sale/discontinued operations.

Provisions for risks and charges, contingent assets and liabilities

Provisions for risks and charges relate to risks and charges of a definite nature and whose existence is certain or probable but for which at year-end the timing or amount of future expenditure is uncertain. Provisions are recognised when: (i) there is a present obligation, either legal or constructive, as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; (iii) a reliable estimate can be made of the amount of the obligation. The amount recognised for provisions represent the best estimate of the expenditure reasonably required to settle the obligation or to transfer it to third parties at the year-end date. The amount recognised for onerous contracts is the lower of the cost necessary to fulfil the contract obligations, net of the economic benefits expected to be received under it, and the costs incurred for contract termination. The revised estimates of the provisions are assigned to the same item of the income statement previously used for the provision.
When the time value of money is significant and the payment dates for the obligations can be reliably estimated, the accrual is represented by the present value of the expenses expected to be necessary to settle the obligation using a pre-tax discount rate that reflects current market valuations of the time value of money and the specific risks associated with the liability. The increase in the provision over time is allocated to the income statement under "Financial expense".
The losses expected to complete a contract are recognised in their entirety in the year in which they are considered probable and are provided for in the provisions for risks and charges.
The costs that the entity expects to bear to carry out restructuring plans are recognised in the year in which the entity formally defines the plan and the interested parties have developed a valid expectation that the restructuring will occur.
Contingent assets and liabilities, not recognised in the financial statements, are described as required in the Notes to the consolidated financial statements.
Contingent assets, that is, possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, are periodically reassessed in order to evaluate the probability or virtual certainty by the entity of obtaining economic benefits.
The contingent liabilities represented by: (i) possible, but not probable obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; (ii) present obligations arising from past events whose amount cannot be reliably measured or whose settlement will probably be not onerous, are periodically reassessed to determine whether the use of resources to produce economic benefits has become probable.

Employee benefits

Employee benefits are the remuneration paid by the entity for the service provided by the employee or by virtue of the termination of employment.
Post-employment benefits are classified on the basis of plans, whether formal or not, as either "defined contribution plans" or "defined benefit plans", depending on their characteristics. In the first case, the entity's obligation, which only consists of making payments to the State or to a trust or fund, is determined on the basis of the contributions due.
The liabilities arising from defined benefit plans, net of any plan assets, are determined on the basis of actuarial assumptions and recognised on an accruals basis during the employment period required to obtain the benefits.
The net interest includes the expected return on plan assets and the interest cost which are recognised in profit or loss. Net interest is determined by applying the discount rate defined for liabilities, net of any plan assets, to the liabilities. The net interest on defined benefit plans is posted to "Financial income (expense)".
Remeasurements of the net defined benefit liability, which comprise actuarial gains (losses) arising from changes in the actuarial assumptions used or from past experience and the return on plan assets excluding amounts included in net interest, are recognised in the statement of comprehensive income. Remeasurements of net liabilities for defined benefits, recognised in the equity reserve pertaining to the other components of the statement of comprehensive income, are not subsequently reclassified to the income statement.
Long-term benefits obligations are determined by adopting actuarial assumptions. The effects of remeasurement are taken to profit or loss in their entirety.

Share-based payments

Coherently with the substantial nature of retribution that it has, personnel expenses include the costs with share-based incentive plans. The cost of the incentive is calculated with reference to the fair value of the instruments attributed and to the forecast of the number of shares that will effectively be assigned; the portion applicable to the year is determined pro-rata temporis over the period to which the incentive refers (i.e., vesting period and possible co-investment period[57]), that is the period between the grant date and the vesting date. The plans provide as conditions for the distribution of the shares the attainment of the business and/or market goals; when the assignment of the benefit is also connected to conditions other than those of the market, the estimate relative to these conditions is reflected by adjusting, along the vesting period, the number of shares expected to be effectively granted.
The fair value of the shares underlying the incentive plan is determined according to the provisions of the IFRS, particularly by IFRS 2, using models provided by info-providers and is not subject to adjustment in subsequent years. At the end of the vesting period, in the event that the plan does not allocate shares to participants for failure to meet performance conditions, the share of the cost relating to market conditions is not reversed to income statement.

Treasury shares

Treasury shares include those held to service share-based incentive plans and are recognised at cost and recognised as a reduction in equity. Gains or losses from any subsequent sale of treasury shares are recognised as an increase (or decrease) in equity.

Profit (loss) per share

Basic profit (loss) per share shall be calculated by dividing the Group's profit or loss attributable to ordinary equity holders of the parent entity by the weighted average of ordinary shares outstanding during the period, excluding treasury shares.
For the purpose of calculating diluted profit (loss) per share, the Group's profit or loss attributable to ordinary equity holders of the parent entity, as well as the weighted average of ordinary shares outstanding during the period, are adjusted to take into account the effects of all potential ordinary shares with dilutive effect. The number of ordinary shares is given by the weighted average of ordinary shares calculated in accordance with basic profit (loss) per share plus the weighted average of ordinary shares that may be issued at the time of conversion into ordinary shares of all potential ordinary shares with dilutive effect.
The potential ordinary shares are considered to have a dilutive effect when their conversion into ordinary shares reduces profit per share or increases loss per share deriving from operating activities. Conversely, the potential ordinary shares are

(57) The vesting period is the period between the date of option grant and the date on which the shares are assigned. The co-investment period is the two-year period, beginning the first day after the end of the vesting period, applicable only to the beneficiaries who have been identified as strategic resources for having met performance conditions

considered to have an antidilutive effect when their conversion into ordinary shares increases profit per share or reduces loss per share deriving from operating activities.

Revenue from contracts with customers

The recognition of revenue from contracts with customers is based on the following five step model: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to the customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the "stand alone" selling price of each distinct good or service; (v) recognition of the revenue when the relative performance obligation has been satisfied, at the time of transfer to the customer of the promised goods or services; the obligation is considered to have been satisfied when the customer obtains control of the goods or services, which may be satisfied over time as in the case of contract assets from work in progress, or at a point in time.
Given the nature of the contracts and the type of work, work progress is determined through the use of an input method based on the percentage of costs incurred with respect to the total contractually estimated costs (cost-to-cost method); the resulting income is recognised as overtime. This method is applied in particular to Engineering & Construction contracts.
With regard to the particular type of reimbursable service contracts, given their nature, revenue is recognised by invoicing the customer for costs incurred plus a contractually agreed margin.
Contract revenue comprises the initial amount of revenue agreed in the contract, requests for additional payments arising from changes to contractually agreed work (change orders) and requested price revisions arising from requests for additional payments due to higher costs incurred for reasons attributable to the customer (claims). Change orders and claims (pending revenue) are included in the amount of revenue when the changes to the agreed works and/or price has a high probability of recognition, even if their definition has not yet been agreed. Any pending revenue reported for a period longer than one year, with no progress in the negotiations with the customer, is written down. Amounts equal to or higher than €30 million (Saipem share in the case of joint venture projects) are reported only if supported by outside technical-legal expert opinions.
With regard to drilling services, the different rates provided for in the contract are competed in relation to: (i) the different operating phases covered by the performance obligation (so-called mobilisation/operation/demobilisation phases) if contemplated contractually, regardless of the number of days of effective use of the equipment; (ii) any contract extensions, where an amendment of the price does not require stipulation of a new contract but continuation of the original one.
In the presence of contracts for the concession of licences and patents, the revenue must be recognised depending on whether it concerns the transfer of a "Right-of-Use" or of a "right of access".
In the former case, there is a performance obligation toward the customer which is satisfied upon issue, which requires recognition of the revenue ("at a point in time"), while in the latter case the right to access by the customer during the period of operation of the licence creates a performance obligation that is satisfied over a period of time, and the revenue is thus likewise recognised ("over time").
When hedged by derivative contracts qualifying for "hedge accounting", contract revenue denominated in foreign currencies are translated at the contracted rates. Otherwise, they are translated at the exchange rate prevailing at year-end. The same method is used for any costs in a foreign currency. The allocation of revenues relative to services partially rendered are recognised for the portion matured, if it is possible to reliably determine stage of completion and there is no significant uncertainty about the amount and existence of the income; otherwise, they are recognised within the limits of the recoverable costs incurred.
Payments received or to be received on behalf of third parties are not considered revenue.

Expenses

Costs are recognised when relative to goods received and services rendered.
Personnel expenses comprise remuneration paid, provisions made to pension funds, accrued holidays, national insurance and social security contributions in compliance with national contracts of employment and current legislation.
The costs for the acquisition of new knowledge or discoveries, the study of products or alternative processes, new techniques or models, the planning and construction of prototypes or any other costs incurred for other scientific research or technological development activities, are generally considered current costs and expensed as incurred. These costs are capitalised (see also paragraph "Intangible assets") only when they meet the requirements listed under "Costs of technological development activities" above.
Costs directly linked to the purchase of specific equipment and to the use of an asset on a specific project are capitalised and amortised over the duration of the project and are included in contract assets' progress.
The costs of preparation of drilling assets are recognised in the year in which the relative revenue is obtained and deferred over the duration of the project for which they are used.
Bidding costs are fully expensed in the year in which they are incurred.

Exchange differences
Revenue and costs associated with transactions in currencies other than the functional currency are translated into the functional currency by applying the exchange rate at the date of the transaction.
Monetary assets and liabilities in currencies other than the functional currency of Group companies are converted by applying the year-end exchange rate. The effect is recognised in the income statement under "Financial income (expense)". Non-monetary assets and liabilities denominated in currencies other than the functional currency valued at cost are translated at the exchange rate as at the date of initial recognition. Non-monetary assets that are measured at fair value (i.e. at their recoverable amount or realisable value) are translated at the exchange rate applicable on the date of measurement.

Dividends
Dividends are recognised at the date of the Shareholders' Meeting in which they are approved, except when the sale of shares before the ex-dividend date is certain.

Income taxes
Current income taxes are determined on the basis of estimated taxable profit. The estimated liability is recognised in "Current tax liabilities". Income tax assets and liabilities are measured at the amount expected to be paid to/recovered from the tax authorities, using tax laws that have been enacted or substantively enacted at year end and the relative tax rates.
Deferred tax assets or liabilities are recognised for temporary differences between the carrying amounts and tax bases of assets and liabilities, based on tax rates and tax laws applicable for the years in which the temporary difference is cancelled, that have been approved or substantively approved at the closing date of the year to which the financial statements refer. Deferred tax assets are recognised when their recovery is considered probable. The recoverability of deferred taxes is considered probable when it is expected that sufficient taxable profit will be available in the year in which the temporary differences reverse against which deductible temporary differences can be utilised. Similarly, unused tax assets and deferred tax assets on tax losses are recognised to the extent that they can be recovered. The recoverability of deferred tax assets is assessed periodically, i.e. at least once a year.
Tax assets related to uncertain tax positions are recognised when it is considered probable that they will be recovered.
For temporary differences associated with investments in subsidiaries, associates and joint arrangements, deferred tax liabilities are not recognised if the investor is able to control the timing of the reversal of the temporary difference and it is probable that the reversal will not occur in the foreseeable future.
Deferred tax assets and liabilities are recorded under non-current assets and liabilities and are offset at single entity level if related to offsettable taxes. The balance of the offset, if positive, is recognised under "Deferred tax assets" and, if negative, under "Deferred tax liabilities".
The effects of uncertain tax treatment with a risk probability are recognised as income tax assets or liabilities.
When the results of transactions are recognised directly in equity, relative current taxes, deferred tax assets and liabilities are also charged to equity.
IAS 12 "Income taxes" also applies to income taxes deriving from tax legislation to implement the rules of the Pillar Two model, published by the Organisation for Economic Co-operation and Development (OECD), including the tax legislation implementing minimum qualifying supplementary domestic taxes. With the document issued by IASB on May 23, 2023 (Amendment to IAS 12 "International Tax Reform - Pillar Two Model Rules"), a mandatory temporary exception to the requirements of the standard that no specific information shall be collected or disclosed on deferred tax assets and deferred tax liabilities relating to Pillar Two income taxes.
The Saipem Group applied the mandatory temporary exemption from the recognition of deferred tax impacts of the top-up tax as of December 31, 2024.

Fair value measurement
Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction that is not a forced sale, liquidation sale or a distressed sale between independent, knowledgeable and willing market participants at the measurement date.
Fair value is determined based on market conditions at the measurement date and the assumptions that market participants would use (i.e. it is a "market-based" measurement).
Fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market or, in the absence of a principal market, in the most advantageous market to which the entity has access, regardless of the entity's intent to sell the asset or transfer the liability.
When the market price is not directly observable and a price for an identical asset or liability is not observable, the fair value is calculated by applying another valuation technique that maximises the use of relevant observable inputs and minimises the

use of unobservable inputs. Since fair value is a market-based measurement, it is determined by adopting the assumptions that market participants would use to determine the price of the asset or liability, including assumptions about risks. As a result, the intention to hold an asset or settle a liability (or to fulfil otherwise) is not relevant for the purposes of fair value measurement. Fair value measurements of non-financial assets take into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use is determined from the perspective of market participants, even if the entity intends a different use. An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.
In the absence of quoted market prices, the fair value of a financial or non-financial liability or an entity's own equity instruments is taken as the fair value of the corresponding asset held by another market participant at the measurement date.
The fair value of financial instruments is determined considering the credit risk of the counterparty of a financial asset (so-called "Credit Valuation Adjustment" or CVA) and the risk of default of a financial liability by the entity (so-called "Debit Valuation Adjustment" or DVA). In the absence of available quoted market prices, valuation techniques appropriate in the circumstances are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Financial statements schemes[58]

Items of the statement of financial position are classified as current and non-current. Items of the income statement are presented by nature [59].
The comprehensive income statement shows the net result together with income and expenses that are recognised directly in equity in accordance with specific provisions of IFRS.
The statement of changes in equity includes comprehensive profit (loss) for the year, transactions with shareholders and other changes in equity.
The statement of cash flow is prepared using the "indirect method", whereby the profit for the year is adjusted for the effects of other non-monetary items.

Changes to accounting standards

The changes to the accounting standards effective as of January 1, 2024, have not had a significant impact on Saipem Group's financial statements. A summary of the main changes of potential interest to the Group is provided below.

With Regulation No. 2023/2579, issued by the European Commission on November 20, 2023, the amendments to IFRS 16 "Lease Liability in a Sale and Leaseback" were endorsed, which specifies that the seller-lessee must assess the asset with right-of-use arising from a sale and leaseback transaction on the basis of the percentage of the previous accounting value of the asset held by the seller-lessee. Consequently, in a sale and leaseback transaction, the seller-lessee enters only the amount of any profits or losses relating to the rights transferred to the buyer-lessor. Therefore, the initial value of the lease liabilities arising from a sale and leaseback transaction is a consequence of the way in which the seller-lessee measures the asset with right-of-use and the profit or loss recorded on the date of the transaction.

With Regulation No. 2023/2822, issued by the European Commission on December 19, 2023, the amendments to IAS 1 "Classification of Liabilities as Current or Non-current" and "Non-Current Liabilities with Covenants" were endorsed. The amendments provide clarification regarding the classification of liabilities as current or non-current, specifying when there is a right to defer settlement of the liability for at least 12 months after the reporting date and clarifying the concept of extinguishment. They also specify how an entity should classify a liability arising from a loan agreement with covenants as current or non-current, and define the information to be provided when an entity has loan agreements with covenants that may require the loan agreement to become due within 12 months of the reporting period. Lastly, they provide details regarding the disclosure to be provided regarding subsequent non-adjusting events.

With Regulation No. 2024/1317, issued by the European Commission on May 15, 2024, the amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements" were endorsed, aimed at introducing disclosure requirements on supplier finance arrangements (SFAs, also referred to as "supply chain finance", "payables finance", or "reverse factoring") that provide the entity with extended payment terms with its suppliers, or the entity's suppliers, with early payment with respect to the invoice

(58) financial statements schemes are the same as those adopted in the 2023 Annual report.
(59) Information regarding financial instruments, applying the classification required by IFRS, is provided under Note 34 "Guarantees, commitments and risks - Additional information on financial instruments".

due date, and allow investors to assess the effect of those arrangements on the company's liabilities, cash flows and exposure to liquidity risk.

Financial risk management

The main financial risks identified, monitored and, to the extent specified below, actively managed by Saipem are as follows:

(i) the market risk arising from exposure to fluctuations in interest rates and exchange rates and exposure to commodity price volatility;

(ii) the credit risk deriving from the possible default of a counterparty;

(iii) the liquidity risk arising from the lack of adequate financial resources to meet short-term commitments;

(iv) the downgrading risk arising from the possibility of a deterioration in the credit rating assigned by the main rating agencies.

The information shown below is based on the report prepared internally for the top Management.

The management, control, and reporting of the financial risks are based on a Financial Risk Policy, issued, and periodically updated at corporate level with the aim of standardising and coordinating the Saipem Group's financial risk policies. Specifically, financial risks are controlled through the periodic calculation of several Key Risk Indicators (KRI) which are subject to specific attention thresholds periodically updated according to the evolution of the Saipem Group's business. The control activities established by the Financial Risk Policy also include escalation procedures to be followed in case the risk thresholds set by the KRIs are exceeded.

For details on industrial risks, see the "Risk management" section in the Directors' Report.

(i) Market risk

Market risk is the possibility that changes in exchange rates, interest rates or commodity prices will adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. Saipem actively manages market risk in accordance with the above-mentioned Financial Risk Policy and using procedures that provide a centralised model for performing financial activities.

Market risk - Exchange rates

The exposure to exchange rate variations derives from the fact that the Saipem Group's operations are conducted in currencies other than the euro and that revenue and/or costs from a significant portion of projects executed are potentially denominated and settled in non-euro currencies. This has impacts on:

- the profit or loss of the Group companies due to the different counter value of costs and revenues, denominated in a foreign currency, at the time of their recognition compared to the time when the price conditions were defined and as a result of the conversion and subsequent revaluation of trade or financial receivables/payables denominated in foreign currencies;
- the consolidated financial statements (economic result and equity) due to the conversion of the profit or loss and assets and liabilities of the investee companies that prepare their financial statements in currencies other than the euro.

The risk management objective of the Saipem Group is the minimisation of the impact deriving from fluctuations in exchange rates on the Group companies' profit or loss for the year.

The impacts of exchange rate fluctuations on the Group's profit and loss resulting from the consolidation of the operating results of companies that prepare their financial statements in a currency different from the Group's functional currency are monitored. The exchange rate risk arising from the conversion of assets and liabilities of investee companies that prepare their financial statements in a currency different from the Group's functional currency is managed, at consolidated level, only with the designation of long-term operating monetary items in net investment hedges.

The Group adopts a strategy to minimise the exposure to foreign exchange risk through the use of derivative contracts. Hedging transactions may also be entered into in relation to future underlying contractual commitments, provided these are highly probable (so-called highly probable forecast transactions). To this end, different types of derivatives (outright and swaps in particular) are used. Such derivatives are measured at their fair value on the basis of standard market evaluation algorithms and market prices/contributions provided by primary info-providers. Planning, coordination and management of this activity at Group level is the responsibility of the Saipem Finance Department, which closely monitors the correlation between derivatives and their underlying flows, as well as ensuring their correct accounting representation in compliance with IFRS accounting standards.

The measurement and control activities of the exchange rate risk are performed by calculating a series of periodically monitored KRIs. Specifically, KRIs on exchange rate risk are defined as the minimum thresholds to hedge future contractual cash flows in foreign currency and the maximum thresholds of related potential losses measured with Value at Risk (VaR) models.

For 2024, an exchange rate sensitivity analysis was performed for currencies other than euro that may potentially impact exchange risk exposure in order to calculate the effect on the income statement and equity resulting from hypothetical positive and negative variations of 10% in the exchange rates of the above-mentioned foreign currencies against the euro.
The sensitivity analysis was conducted in relation to the following financial assets and liabilities denominated in currencies other than the euro:

- exchange rate derivatives;
- trade and other receivables;
- financial receivables;
- trade and other payables;
- cash and cash equivalents;
- current and non current financial liabilities;
- lease liabilities.

For derivative instruments on exchange rates, the sensitivity analysis on the relative fair value is carried out by comparing the term counter-value fixed in the contracts with the counter-value determined at spot exchange rates, allowing for a 10% positive or negative variation, and adjusted using interest rate curves consistent with the expiration dates of contracts on the basis of market prices at the end of the period.
In light of the above, although Saipem adopts a strategy targeted at minimising exchange risk exposure through the use of several types of derivatives (outright and swaps), it cannot be excluded that exchange rate fluctuations may significantly influence the Group's results and the comparability of results of individual years.
A depreciation of the euro compared to other currencies would have produced an overall effect on pre-tax result of -€25 million (€53 million as of December 31, 2023) and an overall effect on equity, before related tax effect, of -€281 million (-€194 million as of December 31, 2023).
An appreciation of the euro compared to other currencies would have produced an overall effect on pre-tax result of €27 million (-€53 million as of December 31, 2023) and an overall effect on equity, before related tax effect, of €282 million (€195 million as of December 31, 2023).
The increase (decrease) with respect to the previous year is essentially due to variations in the exposed financial assets and liabilities.
The table below shows the effects of the above sensitivity analysis on the items of the statement of financial position and the income statement.

	2024				2023			
	Δ+10%		Δ-10%		Δ+10%		Δ-10%	
(€ million)	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Derivative financial instruments	(84)	(340)	86	341	(26)	(273)	26	274
Trade and other receivables	184	184	(184)	(184)	123	123	(123)	(123)
Financial receivables	29	29	(29)	(29)	31	31	(31)	(31)
Trade and other payables	(175)	(175)	175	175	(121)	(121)	121	121
Cash and cash equivalents	69	69	(69)	(69)	73	73	(73)	(73)
Current financial liabilities	(6)	(6)	6	6	(6)	(6)	6	6
Non-current financial liabilities	-	-	-	-	-	-	-	-
Lease liabilities	(42)	(42)	42	42	(21)	(21)	21	21
Total	**(25)**	**(281)**	**27**	**282**	**53**	**(194)**	**(53)**	**195**

The sensitivity analysis on receivables and payables for the main currencies was as follows.

		Dec. 31, 2024			Dec. 31, 2023		
(€ million)	Currency	Total	Δ-10%	Δ+10%	Total	Δ-10%	Δ+10%
Receivables							
	USD	1,626	(163)	163	1,088	(109)	109
	AOA	67	(7)	7	2	-	-
	THB	53	(5)	5	22	(2)	2
	KWD	38	(4)	4	51	(5)	5
	QAR	19	(2)	2	13	(1)	1
	AED	14	(1)	1	11	(1)	1
	GBP	10	(1)	1	14	(1)	1
	Other Currencies	16	(1)	1	41	(4)	4
Total		**1,843**	**(184)**	**184**	**1,242**	**(123)**	**123**
Payables							
	USD	1,033	103	(103)	717	72	(72)
	GBP	218	22	(22)	195	20	(20)
	THB	218	22	(22)	113	11	(11)
	DZD	57	6	(6)	5	1	(1)
	AED	52	5	(5)	29	3	(3)
	MZN	41	4	(4)	22	2	(2)
	AOA	36	4	(4)	3	-	-
	XOF	21	2	(2)	9	1	(1)
	Other Currencies	75	7	(7)	105	11	(11)
Total		**1,751**	**175**	**(175)**	**1,198**	**121**	**(121)**

Market risk - Interest rate

Interest rate fluctuations influence the market value of the Group's financial assets and liabilities and the level of net financial expenses. The objective of risk management is to minimise the interest rate risk when pursuing financial structure objectives defined in the Financial Risk Policy.

When stipulating variable rate financing, the Group's Finance Department assesses if the set objectives are met and, where appropriate, enters into Interest Rate Swap (IRS) transactions in order to manage fluctuations in interest rates. In addition, the Group's Finance Department, if applicable and based on adequate internal assessments, negotiates derivative contracts to fix the interest rate differential and stabilise the impact of the cost of the currency hedging put in place by the Group.

Planning, coordination and management of this activity at Group level is the responsibility of the Saipem Finance Department, which closely monitors the correlation between derivatives and their underlying flows, as well as ensuring their correct accounting representation in compliance with IFRS accounting standards. Although Saipem adopts a strategy targeted at minimising its exposure to interest rate risk through the pursuit of defined financial structure objectives, it is not to be excluded that interest rate fluctuations could significantly influence the Group's results and the comparability of the results of individual years.

Any interest rate derivatives put in place in connection with the above transactions are measured by the Finance Department at fair value on the basis of market standard evaluation algorithms and market prices/contributions provided by primary public info providers.

The Group measures and controls the interest rate risk by calculating and monitoring a KRI that measures the impact of a fixed-rate debt, including any related derivative financial instrument, on total debt.

To measure the impact of interest rate risk a sensitivity analysis was performed. The analysis calculated the effect on the income statement and equity which would result from a positive and negative 100 basis point movement on interest rate levels. The analysis was performed relating to all relevant financial assets and liabilities exposed to interest rate fluctuations and regarded in particular the following items:

- interest rate derivatives;
- cash and cash equivalents;
- current and non current financial liabilities.

For derivative financial instruments on interest rates, the sensitivity analysis on fair value was conducted by discounting the contractually expected cash flows with the interest rate curves recorded on the basis of period-end market rates, with variations in excess of and less than 100 basis points. With reference to cash and cash equivalents and to variable rate financial liabilities, reference was made respectively to the stock at period-end and to changes in exposure expected in the following

12 months. On this basis, a movement of interest rates has been applied in excess of and less than 100 basis points on interest rates.
A positive change in interest rates would produce an overall effect on pre-tax result of €14 million (€1 million as of December 31, 2023) and an overall effect on equity, before tax effect, of €14 million (€1 million as of December 31, 2023). A negative change in interest rates would produce an overall effect on pre-tax result of -€14 million (-€1 million as of December 31, 2023) and an overall effect on equity, before tax effect, of -€14 million (-€1 million as of December 31, 2023).
The increase (decrease) with respect to the previous year is essentially due to variations in the financial assets and liabilities exposed to interest rate fluctuations.
The table below shows the effects of the above sensitivity analysis on the items of the statement of financial position and the income statement.

	2024				2023			
	+100 basis points		-100 basis points		+100 basis points		-100 basis points	
(€ million)	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Cash and cash equivalents	14	14	(14)	(14)	4	4	(4)	(4)
Derivative financial instruments	-	-	-	-	-	-	-	-
Current financial liabilities	-	-	-	-	-	-	-	-
Non-current financial liabilities	-	-	-	-	(3)	(3)	3	3
Total	**14**	**14**	**(14)**	**(14)**	**1**	**1**	**(1)**	**(1)**

Market risk - Commodity
The Group's results are affected by changes in the prices of oil products (fuel oil, lubricants, bunker oil, etc.) and raw materials (copper, steel, etc.), since they represent associated costs in the running of vessels, bases and yards and the implementation of projects and capital expenditures.
In order to reduce its commodity risk, in addition to adopting solutions at a commercial level, the Group also trades derivatives (swaps and bullet swaps) in particular on the organised ICE, NYMEX and LME markets where the relevant physical commodity market is closely correlated to the financial market and the price is efficient.
Regarding commodity price risk management, derivative instruments on commodities were negotiated by the Group to hedge underlying contractual commitments. Hedging transactions may also be entered into in relation to future underlying contractual commitments, provided these are highly probable (so-called highly probable forecast transactions). Despite the hedging instruments adopted to control and manage commodity risks, the Group cannot guarantee that they will be either efficient or adequate or that in future it will still be able to use such instruments.
Commodity derivatives are measured at their fair value by the Finance Department of Saipem on the basis of market standard evaluation algorithms and market prices/contributions provided by primary info providers.
The Group measures and controls the interest rate risk by calculating and monitoring a KRI that quantifies the maximum potential loss measured using VaR models.
Regarding commodity risk hedging instruments, a 10% positive variation in the underlying rates would produce no effect on pre-tax result, while it would produce an effect on equity, before related tax effects, of €1 million. A 10% negative variation in the underlying rates would produce no effect on pre-tax result, while it would produce an effect on equity, before tax effects, of -€1 million.

(ii) Credit risk

Credit risk represents the Group's exposure to potential losses deriving from a counterparty's failure to meet its obligations. Regarding the counterparty risk in commercial contracts, the management of credit risk is entrusted to the responsibility of the business lines and to the dedicated specialised corporate functions, on the basis of standard business partner evaluation and credit worthiness procedures. For counterparty financial risk deriving from the investment of surplus liquidity, from positions in derivative contracts and from commodities contracts with financial counterparties, Group companies adopt the provisions defined in the Financial Risk Policy. In spite of the measures implemented by the Group aimed at avoiding concentrations of risk and/or assets, the possibility cannot be ruled out that a part of the Group's customers may be late in making, or fail to make, payments within the terms and conditions established. Any delay or default in payment by the main customers may imply difficulties in the execution and/or completion of projects, or the need to recover costs and expenses through legal actions.
The recoverability of financial assets with counterparties of a trade and financial nature was assessed on the basis of the so-called "expected credit loss model" illustrated in the paragraph entitled "Impairment of financial assets".

The Group measures and controls the credit risk of commercial counterparties by periodically calculating the KRIs aimed at measuring the Probability of Default ("PD") of trade receivables exposures, backlogs and guarantees granted. The effect of those operations is described in the following Notes 11 "Trade and other receivables" and 13 "Contract assets". Credit risk towards financial counterparties is instead monitored and controlled through the periodic calculation of KRIs aimed at measuring exposure, maximum lending duration and the breakdown of financial assets by rating class.

(iii) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Group may not be available (funding liquidity risk), or that the Group is unable to sell its assets on the marketplace (asset liquidity risk), making it unable to meet its short-term finance requirements and settle obligations. Such a situation would negatively impact the Group's results as it would cause it to incur higher borrowing expenses in order to meet its obligations or, under the worst of conditions, its inability to continue as a going concern. The objective of the Group's risk management is to implement a financial structure which, consistent with the business objectives and the limits defined in the Financial Risk Policy, guarantees an adequate level of liquidity and of committed credit lines for the entire Group. The aim of this objective is to guarantee sufficient financial resources to cover short-term commitments and maturing obligations, including through refinancing transactions or early funding, as well as to ensure the availability of an adequate level of financial flexibility for the Group's development programmes, pursuing the maintenance of a balance in terms of duration and composition of debt.
Liquidity risk is measured and controlled by continuously monitoring estimated cash flows, the maturity profile of financial liabilities and the parameters characterising the main bank financing contracts (financial covenants), and by periodically calculating specific KRIs. These indicators measure the level of available cash expected in the short term, the level of maturity concentration of financial liabilities and derivatives, and the ratios between financial sources and uses expected in the short and medium term.
With regard to loan agreements that require compliance with financial covenants and other clauses involving limits on the use of financial resources, all these clauses had been complied with as of December 31, 2024.
For the control and efficient use of its liquidity, the Group employs, among other things, a central cash pooling system and automatic reporting tools.
In line with the objective of ensuring an adequate financial structure and the provisions of the Financial Risk Policy, the Group adopts strategies for the proactive management of maturing debt through refinancing operations or advance fundraising. As part of these strategies, in May 2024, the subsidiary Saipem Finance International BV issued a new bond for an amount of €500 million, maturing in May 2030. The proceeds from the issuance were used for general corporate purposes, including the financing of the repurchase offers initiated on May 21, 2024, for two bonds issued by Saipem Finance International BV, maturing in 2025 and 2026, totalling €363 million (€104 million for the bond maturing in 2025 and €259 million for the bond maturing in 2026). The issuance was carried out under the Euro Medium Term Note Programme for non-convertible bonds, established in May 2024, for a maximum amount of €3,000 million. This programme is renewed annually based on the planned transactions.
Additionally, on March 28, 2024 Saipem repaid the remaining €237 million of the Term Loan Senior Unsecured, 70% guaranteed by SACE under the "Garanzia SupportItalia" instrument. This loan was initially signed in February 2023 and partially repaid in December 2023 for €150 million, in advance of the contractually agreed maturities.
In addition, on February 10, 2025, a new revolving credit facility was entered into for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million revolving credit facility signed in February 2023, increasing its amount. As of December 31, 2024, the Group structured its financing sources mainly on medium-long term maturities with an average tenor of 3.3 years; the medium-long term debt maturing in 2025 amounts to €341 million, of which €311 million during the first half of the year and the remaining amount during the second half of the year.
The maturities for the three ordinary bonds issued by Saipem Group Company Finance International BV are due in 2025 (for a residual amount of €275 million already fully redeemed as of January 2025), 2026 (for a residual amount of €241 million) and 2028 (for an amount of €500 million).
Based on the above financial transactions, on the maturity plan of medium-to long-term debt and on the amount of available cash as of December 31, amounting to €1,688 million, Saipem believes that it has access to more than adequate sources of funding to meet its foreseeable financial needs.

(iv) Downgrading risk

The Parent Company Saipem and the bonds issued by its subsidiary Saipem Finance International BV are rated by the Moody's and Standard & Poor's rating agencies. On April 15, 2024, Saipem received an upgrade from Moody's on its long-term corporate family rating and senior unsecured debt rating from "Ba3," previously assigned on July 19, 2022, to "Ba2" with "positive" outlook. On August 5, 2024, Standard & Poor's Global Ratings confirmed its long-term issuer credit rating of "BB+" with "stable" outlook, together with an unsecured senior rating of "BB+" for the bonds, previously assigned on December 2, 2022. The ratings of the bonds issued by Saipem Finance International BV, despite having improved from the previous ratings assigned, fall within the "non-investment grade" speculative category, characterised by a higher risk profile, which also includes debt securities particularly exposed to adverse economic, financial and industry conditions. Any deterioration of Saipem's rating and/or of the bonds issued by Saipem Finance International BV, which could be caused by a deterioration of the reference markets, of the profitability of the contracts or of Saipem's liquidity, could result in a higher future funding cost as well as more difficult access to the capital market, with consequent negative effects on the activities, prospects and economic and financial condition of Saipem and the Group.

Future payments for financial liabilities, trade payables and other liabilities

The following table shows the amounts of payments contractually due to financial and lease liabilities, with separate disclosure of principal and interest, and liabilities for derivative financial instruments.

		Non current portion					
(€ million)	2025 Current portion	2026	2027	2028	2029	After	Total
Non-current financial liabilities	383	302	15	500	500	500	2,200
Current financial liabilities	61	-	-	-	-	-	61
Lease liabilities	404	198	120	81	47	173	1,023
Fair value of derivative instruments	131	23	11	4	-	-	169
Total	**979**	**523**	**146**	**585**	**547**	**673**	**3,453**
Interest on financial liabilities	74	64	55	54	39	24	310
Interest on lease liabilities	50	31	23	17	13	57	191

The following table shows the due dates of trade payables and other liabilities.

	Maturity			
(€ million)	2025	2026-2029	After	Total
Trade payables	3,569	-	-	3,569
Other payables	390	124	-	514

Future payments for outstanding contractual obligations

Investment commitments for projects for which procurement contracts have already been placed, expiring in 2025 amount to €111 million.

4 Accounting estimates and significant judgements

The preparation of financial statements and interim reports in accordance with generally accepted accounting standards requires Management to make accounting estimates based on complex and/or subjective judgements, past experience and assumptions deemed reasonable and realistic based on the information available at the time of the estimate. The use of these accounting estimates affects the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting period. Considering the sector in which the Group operates, the estimates made for determining long-term contract revenue and costs, and the relative work in progress, are especially important. Due to their nature, it is not possible to rule out that the assumptions, however reasonable, may not be confirmed in the future scenarios in which the Saipem Group will find itself operating. Future results may therefore differ from the estimates made in preparing the consolidated financial statements and adjustments may consequently be necessary that are not currently foreseeable or estimable in relation to the carrying amount of assets and liabilities recognised in the financial statements. In this regard, it should be noted that the adjustments to the estimates may be necessary following changes in the circumstances on which they were based, due to new information or greater experience acquired.

The accounting estimates and significant judgements made by Management for the preparation of the consolidated financial statements as of December 31, 2024 are influenced not only by the current macro-economic situation, but also by the effects

of the initiatives underway to mitigate the consequences of climate change and the potential impacts arising from the energy transition, which in the medium and long term can significantly affect business models, cash flows, financial position, and the financial and economic performance of the Group.
Critical accounting estimates in the process of preparing financial statements and interim accounting reports involve a high degree of reliance on subjective judgements, assumptions and estimates regarding matters that are inherently uncertain and complex are shown below. Changes in the conditions underlying the judgments and assumptions made may have a significant effect on future results.
References to the notes to the financial statements containing the accounting information at the end of the reporting period are provided below in relation to the financial statement items subject to estimation and judgement.

MICROECONOMIC SCENARIO

The current context is characterised by a prolonged positive cycle in Saipem's reference markets, and in particular in the Oil & Gas sector, in line with macroeconomic growth expectations, which will drive future energy demand, and with policies to strengthen and diversify the infrastructure for accessing energy sources. However, some elements of uncertainty remain at a geopolitical level (in particular, the Russia-Ukraine conflict and instability in the Middle East) and at an economic level, linked to an intensification of protectionist policies and the consequent risks on global supply chains. This required further attention by Management in the formulation of accounting estimates and significant judgements. As a result, some areas of the financial statements, also related to the increased uncertainty in estimates, could be affected by recent macroeconomic events and circumstances.
As far as the trend of oil and natural gas prices is concerned, it is believed that short-term volatility in these prices may have a limited impact on the Group's results, given the nature of its activities, which are mainly characterised by contracts with multi-year completion times. In the longer term, a positive market environment is confirmed, supported by the multi-year growth cycle that the Oil & Gas market is going through and the consolidation of opportunities in the energy transition and clean technologies.
As regards the areas of geopolitical uncertainty, it should be noted that the 2025-2028 Strategic Plan, in line with previous plans, does not envisage the acquisition of new contracts in Russia, where there are no residual operating activities to date. The relevant past contractual relations with customers have come to an end and, consistently, the documental formalisation process is being finalised, in full compliance with the relevant EU regulations. It should also be noted that there are no Saipem-operated activities or personnel in the Ukrainian territories affected by the conflict.
In relation to activities in the Israeli territory, Saipem evacuated its personnel working on the Haifa project following the attacks of 7 October 2023 and subsequently re-established activities during 2024 with the presence of mainly local personnel, putting in place security measures appropriate to the context. Negotiations with the customer to redefine the Group's scope of work and responsibilities in order to limit its exposure in a high-risk area were also successfully concluded. It should be noted that the Group has minimal offshore activities in the Red Sea, far from the area affected by attacks and acts of piracy against commercial vessels in transit to/from the Suez Canal.

CLIMATE CHANGE EFFECTS

Climate change and the transition to a low-carbon economy are having an increasing impact on the global economy and the energy sector, even if with some slowdown in the last year.
The Saipem Group is a global leader in the engineering and construction of major projects for the energy and infrastructure sectors, both offshore and onshore, and intends to be a key player in the energy transition:
- by supporting customers in their decarbonisation process, by offering solutions to reduce their carbon footprint such as low-impact technologies. In particular, the Group already has a proven track record in the construction of fixed offshore plants in the Offshore Wind segment with a number of projects already completed, in addition to having a number of ready to market technologies for floating wind, carbon capture, bio-fuels, and green fertiliser production;
- by reducing its carbon footprint by progressively improving the efficiency of its assets and operations, while also adopting the use of alternative fuels, pursuing electrification, and increasing the use of renewable energy, as envisaged by the Net Zero plan.

The Group is aware that these changes may have a direct and indirect impact on the activities of its business and consequently on its consolidated financial statements, in terms of the results and value of its assets and liabilities.
Risks related to climate change, to which the Saipem Group's activities are intrinsically exposed, can be classified into the following categories:
- physical risks, i.e., risks arising from physically observable climatic phenomena, e.g., flooding of plants, production sites and fabrication yards, damage incurred due to extreme meteorological conditions (such as fuel spills), as well as worsening weather and sea conditions in the offshore operating areas;

- transition risks, i.e. risks associated with the evolution and transition to a low-emission industry and, consequently, the ability to mitigate the effects of climate change. These risks are classified into: (i) technological risks, meaning insufficient effectiveness in the implementation of the most efficient technologies; this has an impact on operating expenses in the execution of projects and the potential acquisition of projects related to the use of new technologies; (ii) regulatory risks, related to new laws and regulations with which Saipem must readily comply and which may lead to higher operating expenses; and (iii) market risks, in terms of reduced availability of bank guarantees necessary for the submission of bids and the execution of projects.

For more details, see the section "ESRS E1- Climate Change" and SBM-3 "Material impacts, risks and opportunities and their interaction with strategy and business model" of the 2024 Consolidated Sustainability Statement.

Significant accounting estimates and judgements made by Management in preparing the consolidated financial statements could be affected by mitigation actions taken to limit the effects of climate change. Climate risks may affect the recoverable amount of property, plant and equipment and the Group's goodwill. As a consequence, the energy transition may reduce the expected useful life of assets used in the Oil&Gas industry, thus accelerating the depreciation costs of assets used in this sector.

Saipem has considered the potential consequences of the energy transition on the recoverable amount of the CGUs in the medium to long term, which will primarily have an impact on the increase in demand for energy from renewable sources. In this regard, note that project acquisitions in 2024 in the low/zero carbon segments amounted to around 12% (around 10% in 2023). In addition, the 2025-2028 Strategic Plan envisages continuing the process of reconfiguration of the portfolio mix with an increase in projects related to the energy transition amounting to around 31%, in line with the previous 2024-2027 Strategic Plan, as well as developing in new enabling technologies in the areas of Blue Solutions, Renewable Refining, CO_2 Management, and Offshore Wind. Added to this are further acquisitions in the natural gas business, considered to be one of the elements that will support the progressive shift towards sustainable energy sources. Lastly, in the long term, the energy transition includes the elimination of coal as an energy source, a sector in which the Group does not operate. However, it should still be considered that the speed of adoption of technologies related to the energy transition, especially in certain areas of the world, may be slower than currently expected and this would be mitigated by the Group's proven ability to continue operating in its traditional business.

The Group's exposure to the non-oil sectors is increasing, where possible leveraging its traditional assets, suitably adapted and enhanced as needed. At the same time, it is expected that part of the assets will be fully depreciated in the medium-long term, during which period demand for services in the oil sector is expected to remain significant.

Management will continue to review demand assumptions as the energy transition process progresses, which could lead to specific impairment losses on non-financial assets in the future.

Furthermore, new laws and regulations introduced as a result of the growing attention to climate change may lead to new obligations that were not previously contemplated. Consequently, Management monitors the evolution of the relevant regulations in order to assess whether such obligations, even implicit ones, require the recognition of specific provisions or the reporting of related contingent liabilities.

REVENUE, CONTRACT ASSETS AND CONTRACT LIABILITIES (Note 13 "Contract assets", Note 23 "Contract liabilities", Note 35 "Revenue")

The processes and methods for recognising revenue and measuring contract assets and liabilities from long-term work in progress are based on the estimate of total lifetime revenue and costs of long-term projects, the appreciation of which is influenced by significant valuations that by their nature imply recourse to the judgement of the Directors, specifically with reference to the forecast of costs to complete each project, including the estimate of the risks and contractual penalties, where applicable, to the evaluation of contractual changes envisaged or being negotiated and any changes in estimates compared to the previous year. In particular, in evaluating contract assets from work in progress, account is taken of the requests of additional costs with respect to those contractually agreed, if substantially approved by the customer in their scope and/or price.

IMPAIRMENT OF FINANCIAL ASSETS (Note 10 "Other financial assets")

Checking, classification and measurement of the counterparty credit risk for the purpose of calculating the impairment of financial assets is a detailed, complex process that requires the Management to provide a professional opinion.

In a manner similar to impairment processes involving other items of the financial statements, the estimates made, although based on the best information available and on the adoption of adequate methods and evaluation techniques, are intrinsically characterised by elements of uncertainty and by the exercise of a professional opinion and could generate forecasts of recoverable amounts different from those that will be effectively realised.

IMPAIRMENT OF NON-FINANCIAL ASSETS (Note 16 “Property, plant and equipment”, Note 17 “Intangible assets”)

Impairment losses of non-financial assets are recognised if events or changes in circumstances indicate that their carrying amount may not be recoverable.

Impairment can be recognised in the event of significant prolonged changes in the outlook for the market segment in which the non-financial asset is used. The decision as to whether to proceed with an impairment loss and its quantification depend on assessments made by Management based on complex and highly uncertain factors, such as the future performance of the reference market, the impact of inflation and of technological advances on operating expenses, the conditions of supply and demand on a global or regional scale, the evolution of the operations and business activities, the business insight deriving from discussions and the interactions of a strategic or commercial nature by the business line with customers, partners, suppliers and competitors.

The amount of an impairment loss of a non-financial asset is determined by comparing the carrying amount of the asset with its recoverable amount; the higher of fair value less disposal costs and value in use calculated as the present value of the future cash flows expected to be derived from the use of the asset net of disposal costs. This assessment is carried out at the level of the smallest group of assets (cash generating unit or CGU) that generates cash inflows that are largely independent of the cash flows generated by other assets or groups of assets and on the basis of which Management assesses the profitability of the business.

The impairment test procedure of the Group's CGUs provides for the determination of WACCs differentiated by business segment, in order to reflect the specific risks of the individual business segments to which the CGUs under test belong.

The cash flows expected for each CGU are quantified on the basis of the last Strategic Plan, also with reference to the actual results, prepared by the Management and approved by the Bord of Directors The Strategic Plan contains the forecasts, developed by the Management in light of the information available at the time of the estimate, with regard to the volumes of business, operating expenses, margins, investments coherent with strategic guidelines, as well as the industrial, commercial and strategic positioning of the specific business line and also taking account of the market situation (including the performance of the main monetary variables such as exchange rates and inflation). Thus the Strategic Plan forecasts (as well as the long-term forecasts after the plan period), while based on complex assumptions that by their nature imply recourse to the opinion of the directors, are grounded in reasonably objective foundations (which, in other words, take account of the market context and specific characteristics of Saipem) and are not conditioned on the occurrence of a specific event (such as the success of new technology) in order to express, at the same time, the best estimate of the Management and expected average flows.

Finally, in accordance with IAS 36, the cash flows used for impairment test do not take into account any cash inflows and/or outflows arising from: (i) a future restructuring that has not yet been approved or to which the entity is not yet committed; or (ii) the improvement or optimisation of business performance based on initiatives still to be undertaken or approved, or for which there is still no commitment towards third parties for the increase of production capacity with respect to current capacity.

The cash flows thus determined are discounted using the rates approved by the Board of Directors.

For assets other than independent CGUs (i.e. Offshore vessels and construction yards) and that show impairment indicators, the sustainability of the residual technical-economic life of the asset is verified to determine whether there is any need to report a write-down pursuant to IAS 16, before performing the impairment test at the level of the CGU to which it pertains.

Goodwill and other intangible assets with an indefinite useful life are not amortised. The recoverability of their carrying amount is tested at least annually and whenever events occur indicating a reduction in their value. Goodwill is also tested for impairment at the level of the CGU to which goodwill relates. If the carrying amount of the CGU, including goodwill allocated thereto, exceeds its recoverable amount, the excess is recognised as impairment. The impairment loss is first allocated to reduce the carrying amount of goodwill. Any remaining excess is allocated on a pro-rata basis to the carrying amount of the other assets with a finite useful life that form the CGU.

At each reporting date, an assessment is made to determine whether the indicators of an impairment loss on a single asset or a CGU – excluding goodwill –recognised in previous years, may no longer be present or may have diminished. If there is any indication of this, the recoverable amount of that asset must be estimated and an impairment reversal should be immediately recognised as an income in the income statement. The reversal is made to the lower of the recoverable amount and the carrying amount before the previously recognised impairment losses, minus the depreciation that would have been recognised if the impairment had not been recognised. Impairment losses on goodwill are not reversed.

LEASES (NOTE 18 “Right-of-use assets, lease assets and lease liabilities”)

The complexity of the contractual situations and their multi-year duration requires a series of complex judgement by the Company Management in order to define the assumptions to be made for the identification and assessment of particular aspects impacting on accounting recognition and on-balance sheet exposure, such as:

- determining with reasonable certainty whether or not to exercise an extension option and/or termination option provided for in a lease contract, which affects the assessment of the periods covered by extension options (or early termination) for determining the duration of the contract. In this connection, the reasonable certainty of being able to exercise these options is ascertained as of the commencement date, in consideration of all the facts and circumstances that generate an economic incentive to exercise them, as well as when significant events or changes in the circumstances under the control of the lessee occur, that affect the assessment previously made;
- the identification of variable payments and their characteristics for the purposes of estimating their inclusion, or not, in the determination of the Lease Liability and the Right-of-Use asset (variable payments linked to the use of the asset or turnover are charged to the income statement and therefore they do not participate in their determination);
- the discount rate used to determine the Lease Liability, represented by the lessee's incremental borrowing rate. This rate is defined taking into account the duration of the leases, the currency in which they are denominated and the characteristics of the economic environment in which the lessee operates. The present value of payments owed on a lease is determined by using a discount rate that reflects the incremental borrowing rate of Saipem and is defined on the basis of the euro benchmark zero coupon yield curve adjusted for Saipem risk. The rate is determined also taking account of the risk related to the currency of denomination and duration of the underlying contract.

As regards the impairment test for the lessee, the Right-of-Use assets are to be included in the impairment test to assess any reductions in value pursuant to IAS 36, similarly to the other company-owned assets. In order to verify the recoverability of the Right-of-Use, consideration is given to: (i) the allocation of the Right-of-Use assets of the leased assets to the CGUs to which they belong; (ii) the duration of the underlying leasing contract with respect to the time horizon considered in determining the cash flows of the CGU; (iii) the value in use of a CGU containing a Right-of-Use.
In carrying out the impairment test, Saipem: (i) uses discount rates that reflect the financial leverage of the lease contracts; (ii) considers the Right-of-Use in the net invested capital tested; (iii) determines the Value in Use excluding the related lease payments.

BUSINESS COMBINATION (Note 2 “Basis of consolidation and equity investments - Business combination”)

Accounting for business combinations requires the difference between the purchase price and the net carrying amount of an acquired business to be allocated to the various assets and liabilities of the acquired business. For most assets and liabilities, the difference is allocated by measuring said assets and liabilities at fair value. Any positive residual difference is recognised as goodwill. Negative residual differences are taken to the income statement. The allocation on a provisional basis of the price paid is subject to revision/update within 12 months following the acquisition, taking into consideration new information on facts and circumstances existing at the date of acquisition. Management uses available information to make these allocations and, for major business combinations, typically engages an independent appraisal firm. The allocation process, which requires, based on the information available, exercising a complex judgement by the Management, is also relevant for the purposes of applying the equity method.

PROVISIONS FOR RISKS AND CHARGES (Note 27 “Provisions for risks and charges”)

Saipem and some Group companies are part of judicial and administrative proceedings for which they assess the possibility to accrue for risks primarily related to litigation and tax issues. The process and methods for assessing the risks associated with these proceedings are based on complex elements that by their nature imply recourse to the judgement of the directors, specifically with reference to the assessment of uncertainties related to forecasting the results of the proceedings, their classification to the provisions or liabilities, taking into account the assessment information acquired by the internal legal department and by external legal advisers.
Estimating the value to be allocated is a result of a complex process that includes subjective judgements by the Management.

EMPLOYEE BENEFITS (Note 28 “Employee benefits”)

Defined benefit plans are measured with reference to uncertain events and based upon actuarial assumptions including, among others, discount rates, expected rates of salary increases, mortality rates, retirement ages and future trends in covered medical costs.
The main assumptions used to quantify these benefits are determined as follows: (i) the discount and inflation rates, which represent the rates at which the obligation to employees could actually be fulfilled, are based on the rates that accrue on high-quality corporate bonds (or, in the absence of a "deep market" in such bonds, on the yields on government bonds) and on the inflationary expectations of the countries concerned or of the reference currency area; (ii) the future salary levels of individual employees are determined based on inflation rate assumptions, productivity, seniority and promotion; (iii) the future cost of health benefits is determined on the basis of current and past trends in the costs of health benefits, including assumptions about the inflationary growth of those costs, and changes in the health status of beneficiaries; (iv) demographic assumptions

reflect the best estimate of trends in variables such as mortality, turnover and disability relative to the population of beneficiaries. Changes in the net employee benefit liability (asset) related to remeasurements routinely occur and comprise, among other things, changes in actuarial assumptions, the effects of differences between the previous actuarial assumptions and what has actually occurred and differences in the return on plan assets with respect to the amounts included in net interest.

RECEIVABLES (Note 11 - "Trade receivables and other assets")
The recoverability of the carrying amount of receivables and the need to recognise an impairment loss on them is determined on the basis of the so-called "expected credit loss model" illustrated in section "Impairment of financial assets". This process also involves complex and/or subjective judgements by Management. The factors considered in the context of these judgements concern, among other things, the creditworthiness of the counterparty where available, the amount and timing of expected future payments, any credit risk mitigation instruments implemented, as well as any actions set up or planned for debt recovery.

FAIR VALUE (Note 8 "Financial assets measured at fair value through profit or loss", Note 9 "Financial assets measured at fair value through OCI", Note 30 "Derivative financial instruments")
The determination of the fair value of financial and non-financial instruments is a detailed process characterised by the use of complex methods and techniques of assessment and that requires the collection of updated information from the reference markets and/or the use of internal input data.
Like for the other estimates, determination of the fair value, although based on the best information available and on the adoption of adequate measurement methods and techniques, is intrinsically characterised by elements of uncertainty and by the exercise of professional judgement and could generate forecasts of values different from those that will be effectively realised.

5 Recently issued accounting standards effective from 2025 and following years

Accounting Standards and Interpretations issued by the IASB/IFRIC endorsed by the European Commission

With Regulation No. 2024/2862, issued by the European Commission on November 12, 2024, the document "Amendment to IAS 21 - The Effects of Changes in Foreign Exchange Rates": Lack of Exchangeability" have been endorsed. It specifies when a currency is exchangeable into another currency and, consequently, when it is not, how an entity determines the exchange rate to be applied when a currency is not exchangeable, and the information to be provided. The amendment is effective from January 1, 2025.

The above-mentioned amendments to the accounting standard did not have any significant effect on the Saipem Group's financial statements.

Accounting standards and interpretations issued by the IASB/IFRIC not yet endorsed by the European Commission

On April 9, 2024, the IASB published IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 "Presentation of Financial Statements" with the aim of improving the way information is disclosed in financial statements. Specifically, under IFRS 18, entities will be required to: (i) present defined totals and subtotals and classify revenue and expenses into different categories; (ii) provide information on management-defined performance measures (MPMs); and (iii) strengthen the requirements for the aggregation and disaggregation of information, with the introduction of aggregation and disaggregation principles and disclosure requirements for specific expenses by nature. The new document will be effective on or after January 1, 2027.

On May 9, 2024, the IASB published IFRS 19 "Subsidiaries without Public Accountability: Disclosures", which enables simplified reporting systems and processes for companies, reducing the cost of preparing financial statements for eligible subsidiaries while maintaining the usefulness of those financial statements for their users. Subsidiaries that apply IFRS for SMEs or national accounting standards in preparing their financial statements can apply IFRS 19, which allows them to keep only one set of accounting records to meet the needs of both the parent company and users of the financial statements and to provide reduced disclosures better suited to the needs of users of the subsidiaries' financial statements. The new document shall be effective on or after January 1, 2027.

On May 30, 2024, the IASB published “Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments" in response to feedback received in the post-implementation review of the classification and measurement requirements of IFRS 9 “Financial Instruments and Related Requirements" of IFRS 7 “Financial Instruments: Disclosures”. The document amended the requirements for the settlement of financial liabilities through an electronic payment system and the assessment of contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG) characteristics.
The disclosure requirements for investments in equity instruments measured at fair value through OCI were also amended. The amendments shall be effective on or after January 1, 2026.

On July 18, 2024, the IASB published the document “Annual Improvements-Volume 11” as part of the annual improvement process, which includes minor amendments made to certain accounting standards. The annual improvements are limited to amendments that clarify wording or correct some relatively minor inaccuracies, omissions, or conflicts between the requirements of the accounting standards. The amendments shall be effective on or after January 1, 2026.

At the present the Saipem Group is analysing the above accounting standards and assessing whether their adoption will have a significant impact on the financial statements.

6 Consolidation scope as of December 31, 2024

Parent Company

Company	Registered office	Currency	Share Capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or accounting policy(*)
Saipem SpA	Milan	EUR	501,669,790.83	Eni SpA	21.19		
				CDP Equity SpA	12.82		
				Saipem SpA	1.92		
				Norges Bank	3.66		
				Other shareholders	60.41		

Subsidiaries

Italy

Company	Registered office	Currency	Share Capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or accounting policy(*)
Saipem Offshore Construction SpA	Milan	EUR	20,000,000	Saipem SpA	100.00	100.00	F.C.
Servizi Energia Italia SpA	Milan	EUR	20,000,000	Saipem SpA	100.00	100.00	F.C.
Smacemex Scarl (**)	Milan	EUR	10,000	Saipem SpA	60.00	60.00	Co.
				Other shareholders	40.00		
SnamprogettiChiyoda sas di Saipem SpA	Milan	EUR	10,000	Saipem SpA	99.90	99.90	F.C.
				Other shareholders	0.10		

Outside Italy

Company	Registered office	Currency	Share capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or Accounting policy(*)
Andromeda Consultoria Técnica e Representações Ltda	Rio de Janeiro (Brazil)	BRL	20,494,210	Saipem SpA	99.00	100.00	F.C.
				Snamprogetti Netherlands BV	1.00		
Boscongo SA	Pointe-Noire (Congo)	XAF	6,190,600,500	Saipem International BV	100.00	100.00	F.C.
Global Projects Services AG	Zurich (Switzerland)	CHF	5,000,000	Saipem International BV	100.00	100.00	F.C.
Moss Maritime AS	Lysaker (Norway)	NOK	40,000,000	Saipem International BV	100.00	100.00	F.C.
North Caspian Service Co	Almaty (Kazakhstan)	KZT	1,000,000	Saipem International BV	100.00	100.00	F.C.
Petrex SA	Lima (Peru)	PEN	469,359,045	Saipem International BV	99.99	100.00	F.C.
				Snamprogetti Netherlands BV	(..)		
PT Saipem Indonesia	Jakarta (Indonesia)	USD	372,778,100	Saipem International BV	99.99	99.99	F.C.
				Other shareholders	0.01		
Saimexicana SA de Cv	Delegacion Cuauhtemoc (Mexico)	MXN	6,424,970,342	Saipem SA	99.99	100.00	F.C.
				Saipem America Inc	(..)		
				Saipem Projects France SA	(..)		
				Snamprogetti Netherlands BV	(..)		
Saipem (Beijing) Technical Services Co Ltd	Beijing (China)	USD	6,700,000	Saipem International BV	100.00	100.00	F.C.
Saipem (Malaysia) Sdn Bhd (**)(***)	Petaling Jaya (Malaysia)	MYR	88,233,500	Saipem International BV	100.00	100.00	F.C.
Saipem (Nigeria) Ltd	Lagos (Nigeria)	NGN	259,200,000	Saipem International BV	97.00	97.00	F.C.
				Other shareholders	3.00		
Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda	Caniçal (Portugal)	EUR	299,300,000	Saipem International BV	100.00	100.00	F.C.
Saipem America Inc	Wilmington (USA)	USD	1,000	Saipem International BV	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, E.M. = equity method, Co. = cost method
(**) In liquidation
(***) Dormant during the year

Company	Registered office	Currency	Share capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or Accounting policy (*)
Saipem Argentina de Perforaciones, Montajes y Proyectos Sociedad Anónima, Minera, Industrial, Comercial y Financiera (**) (***)	Buenos Aires (Argentina)	ARS	1,805,300	Saipem International BV Servizi Energia Italia SpA	99.90 0.10	100.00	Co.
Saipem Asia Sdn Bhd	Petaling Jaya (Malaysia)	MYR	238,116,500	Saipem International BV	100.00	100.00	F.C.
Saipem Australia Pty Ltd	West Perth (Australia)	AUD	686,800,001	Saipem International BV	100.00	100.00	F.C.
Saipem Canada Inc	Montreal (Canada)	CAD	100,100	Saipem International BV	100.00	100.00	F.C.
Saipem Contracting Algérie SpA (**)	Algiers (Algeria)	DZD	1,101,000	Saipem Projects France SA Saipem SA Other shareholders	99.46 0.09 0.45	100.00	F.C.
Saipem Contracting Netherlands BV	Amsterdam (Netherlands)	EUR	20,000	Saipem International BV	100.00	100.00	F.C.
Saipem Contracting Nigeria Ltd	Lagos (Nigeria)	NGN	827,000,000	Saipem International BV Snamprogetti Netherlands BV	99.99 (..)	100.00	F.C.
Saipem do Brasil Serviçõs de Petroleo Ltda	Rio de Janeiro (Brazil)	BRL	469,661,512	Saipem International BV	100.00	100.00	F.C.
Saipem Drilling Norway AS	Stavanger (Norway)	NOK	120,000	Saipem International BV	100.00	100.00	F.C.
Saipem Finance International BV	Amsterdam (Netherlands)	EUR	1,000,000	Saipem International BV Saipem SpA	75.00 25.00	100.00	F.C.
Saipem Guyana Inc	Georgetown (Guyana)	GYD	200,000	Saipem Ltd	100.00	100.00	F.C.
Saipem India Projects Private Ltd	Chennai (India)	INR	526,902,060	Saipem SA Saipem Projects France SA	99.99 (..)	100.00	F.C.
Saipem Ingenieria Y Construcciones SLU	Madrid (Spain)	EUR	80,000	Saipem International BV	100.00	100.00	F.C.
Saipem International BV	Amsterdam (Netherlands)	EUR	172,444,000	Saipem SpA	100.00	100.00	F.C.
Saipem Ltd	Kingston upon Thames Surrey (United Kingdom)	EUR	7,500,000	Saipem International BV	100.00	100.00	F.C.
Saipem Luxembourg SA	Luxembourg (Luxembourg)	EUR	31,002	Saipem SpA	100.00	100.00	F.C.
Saipem Misr for Petroleum Services (S.A.E.)	Port Said (Egypt)	EUR	2,000,000	Saipem International BV Saipem Contracting Netherlands BV Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda	99.92 0.04 0.04	100.00	F.C.
Saipem Moçambique Lda	Maputo (Mozambique)	MZN	535,075,000	Saipem SA Saipem International BV	99.98 0.02	100.00	F.C.
Saipem Norge AS	Stavanger (Norway)	NOK	100,000	Saipem International BV	100.00	100.00	F.C.
Saipem Projects France SA	Montigny le Bretonneux (France)	EUR	37,000	Saipem SA Saipem International BV	99.99 (..)	100.00	F.C.
Saipem Romania Srl	Aricestii Rahtivani (Romania)	RON	29,004,600	Snamprogetti Netherlands BV Saipem International BV	99.00 1.00	100.00	F.C.
Saipem SA	Montigny le Bretonneux (France)	EUR	19,870,122	Saipem SpA Saipem International BV	99.99 (..)	100.00	F.C.
Saipem Singapore Pte Ltd	Singapore (Singapore)	SGD	537,090,000	Saipem International BV	100.00	100.00	F.C.
Saiwest Ltd	Accra (Ghana)	GHS	937,500	Saipem SA Other shareholders	49.00 51.00	49.00	F.C.
Sajer Iraq Co for Petroleum Services, Trading, General Contracting & Transport Llc	Baghdad (Iraq)	IQD	300,000,000	Saipem International BV Other shareholders	60.00 40.00	60.00	F.C.
Saudi Arabian Saipem Ltd	Dhahran (Saudi Arabia)	SAR	155,000,000	Saipem International BV	100.00	100.00	F.C.
Sigurd Rück AG	Zurich (Svizzera)	CHF	25,000,000	Saipem International BV	100.00	100.00	F.C.
Snamprogetti Engineering & Contracting Co Ltd	Dhahran (Saudi Arabia)	SAR	10,000,000	Snamprogetti Netherlands BV	100.00	100.00	F.C.
Snamprogetti Netherlands BV	Amsterdam (Netherlands)	EUR	203,000	Saipem SpA	100.00	100.00	F.C.
Snamprogetti Saudi Arabia Co Ltd Llc	Dhahran (Arabia Saudita)	SAR	10,000,000	Saipem International BV Snamprogetti Netherlands BV	95.00 5.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, E.M. = equity method, Co. = cost method
(**) In liquidation
(***) Dormant during the year

Associates and jointly controlled companies

Italy

Company	Registered office	Currency	Share capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or Accounting policy(*)
ASG Scarl	Milan	EUR	50,864	Saipem SpA Other shareholders	55.41 44.59	55.41	E.M.
CCS JV Scarl Δ	San Donato Milanese	EUR	150,000	Servizi Energia Italia SpA Other shareholders	75.00 25.00	75.00	E.M.
CEPAV (Consorzio Eni per l'Alta Velocità) Due	Milan	EUR	51,646	Saipem SpA Other shareholders	59.09 40.91	59.09	E.M.
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	Milan	EUR	51,646	Saipem SpA Other shareholders	50.36 49.64	50.36	E.M.
ChemPET Srl Δ	Cerano	EUR	93,370	Saipem SpA Other shareholders	22.94 77.06	22.94	E.M.
Consorzio Florentia Δ	Parma	EUR	10,000	Saipem SpA Other shareholders	49.00 51.00	49.00	E.M.
Consorzio F.S.B. Δ	Venice - Marghera	EUR	15,000	Saipem SpA Other shareholders	29.05 70.95	29.05	Co.
Consorzio Sapro Δ	San Giovanni Teatino	EUR	10,329	Saipem SpA Other shareholders	51.00 49.00	51.00	Co.
La Bozzoliana Scarl Δ	Parma	EUR	10,000	Saipem SpA Other shareholders	30.00 70.00	30.00	E.M.
La Catulliana Scarl Δ	Parma	EUR	10,000	Saipem SpA Other shareholders	49.00 51.00	49.00	E.M.
Puglia Green Hydrogen Valley - PGHyV Srl	Bari	EUR	2,750,471	Saipem SpA Other shareholders	10.00 90.00	10.00	E.M.
Rosetti Marino SpA	Ravenna	EUR	4,000,000	Saipem SpA Other shareholders	20.00 80.00	20.00	E.M.
SCD JV Scarl Δ	Milan	EUR	100,000	Servizi Energia Italia SpA Other shareholders	60.00 40.00	60.00	E.M.

Outside Italy

Company	Registered office	Currency	Share capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or Accounting policy(*)
Gygaz Snc	Nanterre (France)	EUR	10,000	Saipem Projects France SA Other shareholders	7.50 92.50	7.50	E.M.
Hazira Cryogenic Engineering & Construction Management Private Ltd Δ	Mumbai (India)	INR	500,000	Saipem SA Other shareholders	55.00 45.00	55.00	E.M.
KCA Deutag International Ltd	St. Helier (Jersey)	USD	116,536	Saipem International BV Other shareholders	9.96 90.04	10.00	E.M.
KSJV Δ	Omaha (USA)	USD	-	Saipem America Inc Other shareholders	50.00 50.00	50.00	E.M.
KWANDA Suporte Logistico Lda	Luanda (Angola)	AOA	25,510,204	Saipem SA Other shareholders	49.00 51.00	49.00	E.M.
Petromar Lda Δ	Luanda (Angola)	USD	357,143	Saipem SA Other shareholders	70.00 30.00	70.00	E.M.
PSS Netherlands BV Δ	Leiden (Netherlands)	EUR	30,000	Saipem SpA Other shareholders	36.00 64.00	36.00	E.M.
Sabella SA(**)	Quimper (France)	EUR	12,946,722	Saipem SA Other shareholders	8.96 91.04	8.96	E.M.
Saipem Dangote E&C Ltd(***) Δ	Victoria Island - Lagos (Nigeria)	NGN	100,000,000	Saipem International BV Other shareholders	49.00 51.00	49.00	E.M.
Saipem Nasser Saeed Al-Hajri Contracting Co Llc Δ	Dhahran (Saudi Arabia)	SAR	7,500,000	Saipem International BV Other shareholders	50.00 50.00	50.00	E.M.
Saipem Taqa Al Rushaid Fabricators Co Ltd	Dammam (Saudi Arabia)	SAR	40,000,000	Saipem International BV Other shareholders	40.00 60.00	40.00	E.M.
Saipon Snc Δ †	Montigny le Bretonneux (France)	EUR	20,000	Saipem SA Other shareholders	60.00 40.00	60.00	E.M.
SAME Netherlands BV Δ	Amsterdam (Netherlands)	EUR	50,000	Servizi Energia Italia SpA Other shareholders	58.00 42.00	58.00	E.M.

(*) F.C. = full consolidation, J.O. = joint operation, E.M. = equity method, Co. = cost method
(**) In liquidation
(***) Dormant during the year
Δ Jointly controlled companies
† Not relevant joint operation .

Company	Registered office	Currency	Share capital	Shareholders	% owned	% consolidated by Saipem	Consolidation method or Accounting policy (*)
Saren BV Δ	Amsterdam (Netherlands)	EUR	20,000	Servizi Energia Italia SpA	50.00	50.00	E.M.
				Other shareholders	50.00		
Société pour la Réalisation du Port de Tanger Méditerranée (***) Δ	Anjra (Marocco)	EUR	33,000	Saipem SA	33.33	33.33	E.M.
				Other shareholders	66.67		
Sud-Soyo Urban Development Lda (***) Δ	Soyo (Angola)	AOA	20,000,000	Saipem SA	49.00	49.00	E.M.
				Other shareholders	51.00		
TMBYS SAS (***) Δ	Guyancourt (France)	EUR	30,000	Saipem SA	33.33	33.33	E.M.
				Other shareholders	66.67		
TSGI Mühendislik İnşaat Ltd Şirketi Δ	Istanbul (Turkey)	TRY	10,000	Saipem Ingenieria Y Construcciones, SLU	33.00	33.33	E.M.
				Other shareholders	67.00		
TSKJ II - Construções Internacionais, Sociedade Unipessoal, Lda	Funchal (Portugal)	EUR	5,000	TSKJ - Serviços de Engenharia Lda	100.00	25.00	E.M.
TSKJ - Serviços de Engenharia Lda	Funchal (Portugal)	EUR	5,000	Snamprogetti Netherlands BV	25.00	25.00	E.M.
				Other shareholders	75.00		

As of December 31, 2024, the companies of Saipem SpA can be broken down as follows:

	Subsidiaries			Associates and jointly controlled companies		
	Italy	Outside Italy	Total	Italy	Outside Italy	Total
Subsidiaries/Joint operations and their participating interests	**3**	**42**	**45**	**-**	**-**	**-**
Full consolidation	3	42	45	-	-	-
Consolidated as joint operations	-	-	-	-	-	-
Participating interests held by consolidated companies (1)	**1**	**1**	**2**	**13**	**20**	**33**
Accounted for using the equity method	-	-	-	11	20	31
Accounted for using the cost method	1	1	2	2	-	2
Total companies	**4**	**43**	**47**	**13**	**20**	**33**

(1) The investments held by subsidiaries accounted for using the equity method or the cost/joint operation method concern immaterial entities and entities whose consolidation would not have a material impact.

(*) F.C. = full consolidation, J.O. = joint operation, E.M. = equity method, Co. = cost method
(**) in liquidation.
(***) Dormant during the year.
Δ Jointly controlled companies.

Changes in the consolidation scope

In 2024 the Group's scope of consolidation changed as follows with respect to the 2023 Annual Report.

Liquidations, eliminations and disposals:
- the company **Sabella SA**, accounted for using the equity method, was placed in liquidation;
- the company **Saipem Contracting Algérie SpA**, following the transactions carried out on the share capital, is held as follows: 99.46% owned by Saipem Projects France SA, 0.09% owned by Saipem SA, and 0.45% owned by third parties. The company has been placed in liquidation;
- the company **Gydan Yard Management Services (Shanghai) Co Ltd**, previously accounted for using the equity method, was placed in liquidation and subsequently removed from the Register of Companies;
- the company **Southern Gas Constructors Ltd**, previously accounted for using the equity method, was placed in liquidation and subsequently removed from the Register of Companies;
- the company **Denuke Scarl**, previously consolidated using the full consolidation method, was removed from the Register of Companies;
- the company **International Energy Services SpA**, previously consolidated using the full consolidation method, was removed from the Register of Companies;
- the company **Saipem East Africa Ltd**, previously consolidated using the full consolidation method, was removed from the Register of Companies;
- the company **Ship Recycling Scarl**, previously consolidated using the working interest method, was removed from the Register of Companies;
- the company **Saipem - Hyperion Eastmed Engineering Ltd**, previously accounted for using the equity method, was sold to third parties.

New incorporations, changes in amount held and mergers:
- the company **KSJV** was incorporated in Omaha, Nebraska (USA) and is accounted for using the equity method;
- the company **Saipem (Nigeria) Ltd**, following the purchase by Saipem International BV of an additional shareholding from third parties, is held as follows: 97% owned by Saipem International BV and 3% owned by third parties;
- the company **Saipem Contracting Nigeria Ltd**, following the purchase by Saipem International BV of all the shares held by third parties and the subsequent transfer of a shareholding of 0.0001% by Saipem International BV to Snamprogetti Netherlands BV, is held as follows: Saipem International BV 99.9999% and Snamprogetti Netherlands BV 0.0001%;
- the company **Saipem Argentina de Perforaciones, Montajes y Proyectos Sociedad Anónima, Minera, Industrial, Comercial y Financiera**, following the acquisition of all the third-party shares by Servizi Energia Italia SpA, is held as follows: 99.90% owned by Saipem International BV and 0.10% owned by Servizi Energia Italia SpA;
- the company **Saipem do Brasil Serviçõs de Petroleo Ltda**, following the acquisition of all the third-party shares by Saipem International BV, is 100% owned by Saipem International BV;
- the company **Saipem India Projects Private Ltd**, following the acquisition of all the third-party shares by Saipem Projects France SA, is held as follows: Saipem SA 99.9999% and Saipem Projects France SA 0.0001%;
- the 22.94% of the share capital of the company **ChemPET Srl**, based in Italy, was acquired and accounted for using the equity method;
- the company **ERS Equipment Rental & Services BV**, previously consolidated using the full consolidation method , was merged into Saipem Contracting Netherlands BV.

Changes in company name or changes in the investee with no impact on the consolidation:
- the company Sofresid SA, consolidated using the full consolidation method, changed its name to **Saipem Projects France SA**;
- the company **Saipem Misr for Petroleum Services (SAE)**, following the merger of ERS Equipment Rental & Services BV into Saipem Contracting Netherlands BV, is held as follows: Saipem International BV 99.92%, Saipem Contracting Netherlands BV 0.04% and Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda 0.04%;
- the company Saipem SA transferred its entire holding in **Rosetti Marino SpA** to Saipem SpA, which is held as follows: 20% owned by Saipem SpA and 80% owned by third parties;
- the company Saipem SA transferred 100% of the shares **in Saipem Singapore Pte Ltd** to Saipem International BV;
- the company Saipem SA transferred 100% of the shares in **Boscongo SA** to Saipem International BV.

7 Cash and cash equivalents

Cash and cash equivalents of €2,158 million increased by €22 million compared to December 31, 2023 (€2,136 million). They included cash and demand deposits, as well as financial instruments assimilated to cash and cash equivalents with maturities of less than 3 months at the date of purchase, and were broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Cash and demand deposits	1,970	2,136
Commercial paper	148	-
Debt securities issued by Governments or supranational Entities	40	-
Total	**2,158**	**2,136**

Cash and cash equivalents at the end of the year, denominated in euros for 57%, US dollars for 30%, Saudi riyals for 5%, and other currencies for 8%, earned interest at an average rate of 2.9%. Cash and cash equivalents included cash and cash on hand of €2 million (€1 million as of December 31, 2023).
The total balance of the cash and cash equivalents amounting to €2,158 million included €745 million composed of: *(i)* €619 million held in current accounts for projects in partnerships or joint ventures; *(ii)* €123 million held in current accounts denominated in currencies with restrictions on movement and/or convertibility; and *(iii)* €3 million held in current accounts that were blocked or subject to restrictions.
The breakdown of cash and cash equivalents of Saipem and other Group companies as of December 31, 2024 by geographical segment (based on the country of domicile of the relevant company) was as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Italy	901	870
Rest of Europe	317	241
CSI	2	2
Middle East	536	523
Far East and Oceania	157	195
North Africa	4	6
Sub-Saharan Africa	115	88
Americas	126	211
Total	**2,158**	**2,136**

8 Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss, amounting to €47 million, consisted of investments in financial instruments that do not pass the SPPI test envisaged by IFRS 9. The management of these financial instruments is aimed at optimising returns within specific authorised risk limits, with the requirement of capital protection and availability of funds.
Below is the breakdown by currency

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Financial assets held for non-operating purposes		
Euro	37	-
US dollar	10	-
Total	**47**	**-**

(€ million)	Notional amount	Fair value
Financial assets held for non-operating purposes	46	47

Financial assets measured at fair value through profit or loss consisted of passive investments in Exchange Traded Funds (ETF) that replicate money market and short-term bond indices and have a level 1 fair value hierarchy.

9 Financial assets measured at fair value through OCI

Financial assets measured at fair value through OCI, amounting to €338 million (€86 million as of December 31, 2023), include debt instruments whose business model envisages the possibility of collecting contractual cash flows and realising their value through disposal. These assets include liquidity investments in financial instruments that pass the SPPI test required by IFRS 9 and are aimed at optimising returns within specific authorised risk limits, with the requirement of capital protection and availability of funds.

These assets were broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Securities for non-operating purposes		
Listed bonds issued by sovereign states/supranational institutions	237	5
Listed bonds issued by industrial companies	101	81
Total	**338**	**86**

Listed bonds issued by sovereign states/supranational institutions, amounting to €237 million as of December 31, 2024, were as follows:

(€ million)	Notional amount	Fair value	Nominal rate of return (%)	Maturity	Standard & Poor's Rating
Fixed rate bonds					
Austria	4	4	0.90	2032	AA+
France	15	14	2.35	2025	AA-
Germany	15	15	2.43	2025	AAA
Italy	148	149	2.43-3.43	2025-2027	BBB
Spain	35	35	2.39-2.97	2025-2027	A-
Eurobond	5	5	0.00	2026	AAA
Total	**222**	**222**			

(€ million)	Notional amount	Maturity	Nominal rate of return (%)	Maturity	Standard & Poor's Rating
Variable rate bonds					
Italy	15	15	3.12	2026	BBB
Total	**15**	**15**			

Listed bonds issued by industrial companies, amounting to €101 million as of December 31, 2024, were as follows:

(€ million)	Notional amount	Fair value	Nominal rate of return (%)	Maturity	Standard & Poor's Rating
Fixed rate bonds					
Listed bonds issued by industrial companies	102	101	0.13-4.13	2025-2030	AAA/BBB
Total	**102**	**101**			

The fair value of bonds is determined on the basis of market prices. The fair value hierarchy is level 1, that is, based on quotations in active markets.
The bonds measured at fair value through OCI are held both to collect contractual cash flows and for the cash flows deriving from the possible sale of the instrument before contractual maturity.
Listed bonds issued by sovereign states/supranational entities and industrial companies fall within the scope of analysis for the determination of expected losses which – considering the high (investment grade) credit rating of the issuers – were immaterial as of December 31, 2024.

10 Other financial assets

Other current financial assets

Other current financial assets of €324 million (€387 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Financial receivables for operating purposes	-	1
Financial receivables for non-operating purposes	324	386
Total	324	387

Financial receivables for non-operating purposes amounting to €324 million (compared with €386 million as at December 31, 2023) related almost entirely to the cash and cash equivalents attributable to Servizi Energia Italia SpA (subsidiary at 100%) as recorded in the balance sheets of its investee companies: CCS JV Scarl (€263 million), which is executing a project in Mozambique and SCD JV Scarl (€58 million), which is executing a project in Nigeria.
Other current financial assets from related parties are detailed in Note 44, "Related party transactions".

11 Trade and other receivables

Trade and other receivables of €3,419 million (€2,441 million as of December 31, 2023) can be broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Trade receivables	2,861	1,906
Advances for services	348	340
Other receivables	210	195
Total	3,419	2,441

Trade receivables of €2,861 million increased by €955 million with respect to December 31, 2023. The increase was attributable to the growth in volumes achieved, which reflected the progress of the projects within the order book, both for projects already underway and for new projects acquired.
Receivables are stated net of a loss allowance of €692 million, whose movements are shown below:

(€ million)	Dec. 31, 2023	Accruals	Utilisations	Exchange differences	Other changes	Dec. 31, 2024
Trade receivables	682	58	(54)	30	(30)	686
Other receivables	6	-	-	-	-	6
Total	688	58	(54)	30	(30)	692

The credit exposure to the top five clients, who are the leading oil companies in the industry, is in line with the Group's operations and represents around 39% of total trade receivables.
The Group continues to closely monitor the collections. The recoverability of trade receivables is checked using the "expected credit loss model" in accordance with IFRS 9.
Below is the credit schedule gross of the creditworthiness assessment.
Trade receivables neither past due nor impaired amount to €2,420 million (€1,624 million as of December 31, 2023), whereas receivables that are past due and are not impaired amount to €465 million (€383 million at the end of December 31, 2023), of which €329 million are from 1 to 90 days past due (€190 million as of December 31, 2023), €30 million are from 3 to 6 months past due (€37 million as of December 31, 2023), €40 million are from 6 to 12 months past due (€7 million as of December 31, 2023), and €66 million are past due for more than 12 months (€149 million as of December 31, 2023). These receivables mainly concern counterparties with high creditworthiness.
As of December 31, 2024, the effect of expected losses on trade receivables, determined on the basis of clients' creditworthiness, amounted to €24 million (€101 million as of December 31, 2023), which are included in the total loss allowance of €686 million (€682 million as of December 31, 2023).

As of December 31, 2024 Saipem had factored €40 million in unexpired trade receivables on a non-recourse, non-notification basis (€29 million as of December 31, 2023). Saipem SpA, as Parent Company, is responsible for managing the collection of the receivables assigned without notice and for transferring the sums collected to the factors.
Trade receivables included retentions guaranteeing contract assets of €164 million (€141 million as of December 31, 2023), of which €51 million due within twelve months and €113 million beyond twelve months.
As of December 31, 2024, there were no non-written down trade receivables relating to projects involved in litigation as at December 31, 2023.
Advances for services not yet rendered amounted to €348 million as of December 31, 2024, relating almost entirely to advances to suppliers on ongoing operational projects, increased by €8 million compared to December 31, 2024.
Other receivables of €210 million were broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Receivables from:		
- employees	45	44
- guarantee deposits	19	15
- insurance companies	7	-
- social security institutions	2	4
Other receivables	137	132
Total	**210**	**195**

Other receivables of €210 million are shown net of the impairment allowance of €6 million.
Trade receivables from related parties are detailed in Note 44, “Related party transactions”.
The fair value of trade and other receivables did not differ significantly from their carrying amount due to the short period of time elapsed between their date of origination and their due date.
Trade receivables in currencies other than the euro amounted to €2,086 million (€1,466 million as of December 31, 2023), broken down, on a percentage basis, as follows:

- US Dollar, 77% (75% as of December 31, 2023);
- Saudi Arabian Riyal, 9% (10% as of December 31, 2023);
- Indonesian Rupiah, 3% (5% as of December 31, 2023);
- other currencies, 11% (10% as of December 31, 2023).

12 Inventories

Inventories amounted to €310 million (€256 million as of December 31, 2023) and increased by €54 million compared to 2023.

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Raw and ancillary materials and consumables	310	256
Total	**310**	**256**

“Raw and ancillary materials and consumables”, which include spare parts for drilling and construction activities, as well as consumables for internal use and not for sale, are stated net of an impairment provision of €76 million, the movements in which are detailed below.

(€ million)	Dec. 31, 2023	Accruals	Utilisations	Other changes	Dec. 31, 2024
Impairment provision for raw and ancillary materials and consumables	96	18	(39)	1	76
Total	**96**	**18**	**(39)**	**1**	**76**

13 Contract assets

Contract assets of €2,176 million (€1,925 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Contract assets (from work in progress)	2,188	1,936
Impairment provision for contract assets (from work in progress)	(12)	(11)
Total	**2,176**	**1,925**

Contract assets (from work in progress) amounted to €2,188 million, increasing by €252 million due to the recognition of revenue based on the progress of work to be invoiced in 2025 for €796 million, plus the positive foreign exchange impact of €4 million; this amount was largely offset by €525 million from the recognition of milestones by customers, plus €23 million in write-downs deriving from the continuous legal and commercial monitoring of claim and change order amounts considered over the whole life of the contract. The effects relative to IFRS 9 applied to contract assets amounted to €12 million.

14 Tax assets and liabilities

Current income tax assets and liabilities

Current income tax assets and liabilities consisted of the following:

	Dec. 31, 2024		Dec. 31, 2023	
(€ million)	Assets	Liabilities	Assets	Liabilities
Italian tax authorities	44	18	74	-
Foreign tax authorities	338	71	311	74
Current income taxes	**382**	**89**	**385**	**74**

Current income tax assets amounting to €382 million mainly consisted of the right to a refund of income taxes from the Tax Authorities.

Other current tax assets and liabilities

Other current tax assets and liabilities consisted of the following:

	Dec. 31, 2024		Dec. 31, 2023	
(€ million)	Assets	Liabilities	Assets	Liabilities
Italian Tax Authorities	10	21	10	16
Foreign Tax Authorities	169	108	136	176
Total other current taxes	**179**	**129**	**146**	**192**

Other current tax assets with Italian tax authorities amounting to €10 million (€10 million as of December 31, 2023) consisted of VAT assets of €1 million (€2 million as of December 31, 2023) and other tax assets of €9 million (€8 million as of December 31, 2023).
Other current tax assets with foreign Tax Authorities, amounting to €169 million (€136 million as of December 31, 2023), consisted of VAT assets of €147 million (€117 million as of December 31, 2023) and other tax assets of €22 million (€19 million as of December 31, 2023).
Other current tax liabilities with Italian Tax Authorities amounting to €21 million (€16 million as of December 31, 2023) consisted of VAT assets of €6 million (€3 million as of December 31, 2023) and other tax assets of €15 million (€13 million as of December 31, 2023).
Other current tax liabilities with foreign Tax Authorities amounting to €108 million (€176 million as of December 31, 2022) consisted of VAT liabilities of €75 million (€140 million as of December 31, 2023) and other tax liabilities of €33 million (€36 million as of December 31, 2023).

Non current income tax assets and liabilities

Non current income tax assets and liabilities consisted of the following:

(€ million)	Dec. 31, 2024		Dec. 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Italian tax authorities	-	-	-	-
Foreign tax authorities	5	30	5	20
Total non-current income taxes	**5**	**30**	**5**	**20**

Non current income tax assets consisted of income tax assets due beyond 12 months.
Non current income tax liabilities related to assessments of tax treatments for which there are uncertainties in the application of existing regulations in the foreign countries where the Group operates. The Group operates in numerous countries with complex tax laws, to which it adheres also thanks to the support of local tax consultants, adopting approaches based on maximum compliance with the existing tax legislation and established practice in the various foreign countries. As of the reporting date, it is reasonable to assume that no significant additional liabilities will arise beyond those already accounted for.

15 Other current assets

Other current assets of €259 million (€244 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Fair value of derivative financial instruments	24	64
Other assets	235	180
Total	**259**	**244**

The decrease in the positive fair value of the derivatives of €40 million was attributable mainly to the EUR/USD exchange rate, as well as the other principal currencies linked to the US dollar.
For information on the fair value of derivative financial instruments see Note 30, "Derivative financial instruments".
Other assets amounted to €235 million, an increase of €55 million compared to December 31, 2023, and mainly consisted of costs pertaining to future years relating to the preparation of vessels to be used on contracts, as well as insurance costs and lease contracts.
Other current assets from related parties are detailed in Note 44, "Related party transactions".

16 Property, plant and equipment

Property, plant and equipment amounted to €2,844 million (€2,960 million as of December 31, 2023) and were made up as follows:

(€ million)	Land	Buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total
Dec. 31, 2024							
Opening net balance	**44**	**38**	**2,672**	**15**	**18**	**173**	**2,960**
Capital expenditure	-	6	192	6	2	120	326
Amortisation	-	(7)	(376)	(7)	(5)	-	(395)
Net reversals of impairment losses	-	(8)	(29)	(3)	-	-	(40)
Disposals	-	-	(1)	(1)	-	-	(2)
Discontinued operations	-	-	-	-	-	-	-
Assets held for sale	-	(5)	(3)	(1)	-	-	(9)
Change in the consolidation scope	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-
Exchange differences	(7)	-	12	1	-	-	6
Other changes	-	(1)	220	5	-	(226)	(2)
Closing net balance	**37**	**23**	**2,687**	**15**	**15**	**67**	**2,844**
Closing gross balance	37	593	8,982	293	92	67	10,064
Amortisation and impairment losses	-	570	6,295	278	77	-	7,220
Dec. 31, 2023							
Opening net balance	**56**	**59**	**2,602**	**24**	**14**	**124**	**2,879**
Capital expenditure	-	3	316	6	7	140	472
Amortisation	-	(28)	(281)	(14)	(4)	-	(327)
Net reversals of impairment losses	-	(11)	(16)	-	-	-	(27)
Disposals	-	-	(7)	-	-	-	(7)
Discontinued operations	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-
Change in the consolidation scope	(14)	-	(5)	-	-	-	(19)
Sale of business	-	-	-	-	-	-	-
Exchange differences	2	(1)	(8)	(1)	-	-	(8)
Other changes	-	16	71	-	1	(91)	(3)
Closing net balance	**44**	**38**	**2,672**	**15**	**18**	**173**	**2,960**
Closing gross balance	44	692	8,696	313	94	173	10,012
Amortisation and impairment losses	-	654	6,024	298	76	-	7,052

The capital expenditure in 2024 amounted to €326 million (€472 million in 2023) and consisted of the following:
- for the Asset Based Services sector, €234 million related to extraordinary maintenance and reinforcement of the vessels Saipem Constellation, Saipem 7000 and Saipem Endeavour, in addition to extraordinary maintenance and upgrading of existing vessels and the chartered vessel JSD 6000;
- for the Energy Carriers sector, €17 million related to the purchase and extraordinary maintenance of equipment;
- for the Offshore Drilling sector, €75 million for maintenance and upgrading of vessels, in particular on the drilling vessel Saipem 12000 and the semi-submersible platform Scarabeo 9.

Impairment losses of €40 million mainly relate to plant and equipment.
No financial expenses were capitalised during the year.
The total commitment on current items of capital expenditure as of December 31, 2024 is indicated in Note 3 “Accounting policies” in the “Future payments for outstanding contractual obligations” section.

The main depreciation rates were as follows:

(%)	
Buildings	2.50-15.00
Plant and equipment	7.00-25.00
Industrial and commercial equipment	3.33-50.00
Other assets	12.00-20.00

During the year, €9 million were reclassified to assets held for sale.
Net exchange gains due to the translation of financial statements prepared in currencies other than euro, amounted to €6 million.
As of December 31, 2024, all property, plant and equipment were unencumbered by collateral.
As of December 31, 2024, no impairments of assets were made following the impairment test.

Impairment

In monitoring impairment indicators, the Group considers, among other factors, the ratio between its market capitalisation and its equity value. As of December 31, 2024, the Group's market capitalisation exceeded the third forecast's equity value by €2,229 million.
In accordance with the accounting standards and the impairment methodology as of December 31, 2024, approved by the Board of Directors on January 28, 2025, the impairment test involved the assessment of the recoverable amount of the Cash Generating Units (CGU) to which goodwill is allocated (Asset Based Services, Energy Carriers, and Robotics & Industrialized Solutions). For the other CGUs, impairment indicators defined by the methodology were analysed, highlighting the need to verify the recoverable amount of two individual CGUs within the Drilling Offshore business line.
The recoverability of the carrying amounts of the CGUs was tested by comparing the carrying amount of each CGU with its recoverable amount, determined on the basis of value in use obtained by discounting the future cash flows generated by each CGU at the weighted average cost of capital ("WACC") specific to each business in which the individual CGU operates.
Prospective cash flows for estimating the recoverable amount of the individual CGUs are determined based on the best medium-term estimate made by Management and are not conditioned by the occurrence of a specific event. These forecasts consider Management's future expectations in relation to the respective target market, as well as the actual results.
The estimates, in accordance with IAS 36 provisions, do not consider any cash inflows or outflows deriving from: (i) a future restructuring not yet approved or to which the Group is not committed yet, or (ii) the improvement or optimisation of business performance on the basis of initiatives still to be undertaken or approved, or for which there is still no commitment towards third parties for the increase of production capacity.
The valuation scenario for the impairment test was established taking into account: (i) for the forecasted cash flows, the estimates contained in the Strategic Plan 2025-2028 (Plan), approved by the Board of Directors on February 25, 2025; (ii) the WACC estimates calculated internally for each CGU using an analytical method (weighted average Group WACC equal to 9.0%); and (iii) a growth rate beyond the last forecast year, in line with the median analyst consensus.
The table below shows the discount rates calculated by the Company for each Business Line, as well as the rates used as of December 31, 2023, for completeness.

(%)	WACC Dec. 31, 2024	WACC Dec. 31, 2023
Asset Based Services	9.2	10.0
Energy Carriers	9.7	10.8
Sustainable Infrastructures	9.7	10.8
Robotics & Industrialized Solutions	9.7	10.8
Offshore Drilling	8.2	8.8

These discount rates (WACCs) reflect market assessments of the time value of money and the systematic risks specific to the activities of the individual CGUs that are not reflected in the estimate of prospective cash flows and have been estimated for each business segment, taking into account: (i) a cost of debt estimated from the ten-year market base rates plus credit spread relating to a panel of operators assembled to take into consideration the specific business segment; (ii) the median leverage of the same panel of operators estimated on a multi-year historical horizon; and (iii) the median beta of the securities of companies belonging to the same panel estimated on a multi-year historical horizon. Post-tax cash flows and discount rates were used as they produce outcomes which are equivalent to those resulting from a valuation using pre-tax cash flows and

discount rates. The assumptions consider a level of interest rates which reflects current market conditions, the risks of individual assets already included in the cash flows, as well as the long-term growth expectations in the businesses.
For the years following the last year of the Plan, the cash flows were calculated on the basis of a terminal value, determined:

- for the Asset Based Services, Energy Carriers, and Robotics & Industrialized Solutions CGUs, using the perpetuity method, with a long-term growth rate of 1.5% for the Asset Based Services CGU, 1% for the Robotics & Industrialized Solutions CGU, and 0.5% for the Energy Carriers CGU, applied to the "normalized" terminal cash flow (to take account of the dynamics of the business and/or sector cyclicality);
- for the Offshore Drilling rigs, for the period beyond the Plan horizon (based on the residual economic and technical life of the individual assets, or, if earlier, the expected expiry date of the last cyclical maintenance), the following assumptions were considered: (i) long-term lease rates defined within the planning process, by the related business line, through an estimate procedure based on managerial evaluation of the collected information (both internal and external), inflated by 0.5% over the projection period; in particular, the long-term lease rates of the Offshore Drilling CGUs have been defined using the latest available reports processed by external sources, normally used by the business line as reference benchmark; (ii) "normalized" idle days; (iii) operating costs based on figures of the last year of the Plan, inflated by 0.5%; (iv) investments and related plant down times for cyclical maintenance and replacements estimated by the business line on the basis of the planned schedule for cyclical and intermediate maintenance.

The impairment test carried out on December 31, 2024 did not identify the need to make any write-downs. The table below summarizes the overall result of the test on the individual CGUs (for Offshore Drilling the result only related to the CGUs on which the impairment test was performed):

(€ million)	Asset Based Services	Energy Carriers	Offshore Drilling	Robotics & Industrialized Solutions
Headroom (impairment loss)	3,292	853	53	21

The sensitivity analyses for the CGUs relating to the Offshore Drilling assets are detailed below, while those related to the Asset Based Services CGU, the Robotics & Industrialized Solutions CGU, and the Energy Carriers CGU are detailed in Note 17 "Intangible assets".

Sensitivity analysis of the CGUs referring to Offshore Drilling rigs

The key assumptions adopted for estimating the recoverable amounts of the CGUs representing the drilling vessels, are mainly related to the operating result of the CGUs (based on a combination of various factors, including lease rates and exchange rates) and the discount rate applied to the cash flows. The effects of the sensitivity analysis on the parameters used for the estimation of the recoverable amount of the CGUs are analyzed below.
Specifically, for the CGUs on which the impairment test was carried out:

- an increase in the discount rate of 1% would not generate any impairment losse;
- a decrease in long-term day rates by 10% compared to the rates assumed in the plan projections, would generate an impairment loss equal to €9 million;
- a decrease in long-term day rates by 20% compared to the rates assumed in the plan projections, would generate an impairment loss equal to €25 million;
- an increase in long-term euro/dollar exchange rate of 0.1 compared to the scenario assumed in plan projections equal to 1.3, would generate an impairment loss equal to €3 million.

17 Intangible assets

Intangible assets of €668 million (€666 million as of December 31, 2023) consist of the following:

(€ million)	Development costs	Industrial patents and intellectual property rights	Concessions, licences and trademarks	Assets under construction and advances	Other intangible assets	Total intangible assets with indefinite useful life	Goodwill	Total intangible Assets
Dec. 31, 2024								
Opening net balance	**-**	**14**	**1**	**9**	**1**	**25**	**641**	**666**
Capital expenditure	-	1	-	10	-	11	-	11
Amortisation	-	(9)	-	-	-	(9)	-	(9)
Net reversals of impairment losses	-	-	-	-	-	-	-	-
Exchange differences and other changes	-	5	-	(5)	-	-	-	-
Closing net balance	**-**	**11**	**1**	**14**	**1**	**27**	**641**	**668**
Closing gross balance	8	257	18	14	10	307	-	-
Amortisation and impairment losses	8	246	17	-	9	280	-	-
Dec. 31, 2023								
Opening net balance	**-**	**20**	**1**	**5**	**2**	**28**	**663**	**691**
Capital expenditure	-	1	-	9	-	10	-	10
Amortisation	-	(11)	-	-	-	(11)	-	(11)
Net reversals of impairment losses	-	(2)	-	-	-	(2)	-	(2)
Exchange differences and other changes	-	6	-	(5)	(1)	-	(22)	(22)
Closing net balance	**-**	**14**	**1**	**9**	**1**	**25**	**641**	**666**
Closing gross balance	8	254	19	9	10	300	-	-
Amortisation and impairment losses	8	240	18	-	9	275	-	-

Industrial patents and intellectual property rights amounting to €11 million mainly included the costs incurred for the implementation in the Parent Company of various application systems.
Below are the main amortisation rates used for each category, which have not changed from 2023:

(%)	
Development costs	20.00-20.00
Industrial patents and intellectual property rights	6.66-33.30
Concessions, licences, trademarks and similar rights	20.00-20.00
Other intangible assets	20.00-33.00

The goodwill amounting to €641 million refers to the difference between the purchase price, including transaction costs, and the equity at the respective dates of acquisition of control of Saipem SA (€631 million) and Moss Maritime Group (€10 million).
In order to determine the recoverable amount, the goodwill has been allocated, in line with the organisational structure adopted by the Company, to the following CGUs:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Asset Based Services	403	403
Energy Carriers	228	228
Robotics & Industrialized Solutions	10	10
Total	**641**	**641**

The recoverable amount of the CGUs, to which goodwill is allocated, was determined based on the value in use, calculated by discounting the future cash flows expected to be generated by each CGU.
The basis of the cash flow estimate, the discount rate used and the terminal growth rate for the estimate of the recoverable amount of the CGUs to which goodwill is allocated are described in the "Impairment" section of Note 16 "Property, plant and equipment".

The table below shows, as of December 31, 2024, the amounts by which the recoverable amounts of the Asset Based Services, Robotics & Industrialized Solutions, and Energy Carries CGUs exceed their carrying amounts, including allocated goodwill.

(€ million)	Asset Based Services	Energy Carries	Robotics & Industrialized Solutions	Total
Goodwill	403	228	10	**641**
Amount by which recoverable amount exceeds carrying amount	3,292	853	21	**4,166**

The key assumptions adopted for estimating the recoverable amounts of each CGU mainly concern the respective operating results of the CGU (based on the combination of various factors, e.g., sales volumes, service prices, project profit margins, cost structure), the discount rate, the growth rate adopted to determine the terminal value and working capital projections. The effects of changes in these parameters in relation to the amount by which recoverable amount exceeds the carrying amounts (including goodwill) for each of the three CGUs to which goodwill was allocated are analyzed below.

Sensitivity analysis on the Asset Based Services CGU

The excess of the recoverable amount of the Asset Based Services CGU over the related carrying amount, including the allocated goodwill, is reduced to zero under the following assumptions, alternatively:

- a decrease of 62.5% in the operating result, over the entire plan period and in perpetuity;
- the use of a discount rate of 37.9%;
- no change in the terminal growth rate.

In addition, the excess of the recoverable amount over the value of net capital employed referred to the Asset Based Services CGU would increase if the cash flows from working capital were reduced to zero.
In view of the long-term uncertainty, particularly concerning the effects of the energy transition and potential long-term scenarios, the sensitivity analyses for the CGU have been expanded. Specifically, using a zero growth rate would reduce the excess of the recoverable amount over the carrying amount by around 16%, and the excess of recoverable amount obtained in the impairment test is only nullified when considering a negative operating result in perpetuity.

Sensitivity analysis on the Energy Carriers CGU

In view of the long-term uncertainty, particularly concerning the effects of the energy transition and potential long-term scenarios, the sensitivity analyses for the CGU have been expanded. The excess of the recoverable amount of the Energy Carriers CGU over the related carrying amount, including the allocated goodwill, is never reduced to zero for any variation of the discount rate and terminal growth rate or for a reduction of the operating result along the entire period of the plan and in perpetuity.
In addition, the excess of the recoverable amount over the value of net capital employed referred to the Energy Carriers CGU would increase if cash flows from working capital were reduced to zero.

Sensitivity analysis on the Robotics & Industrialized Solutions CGU

The excess of the recoverable amount of the Robotics & Industrialized Solutions CGU over the related carrying amount, including the allocated goodwill, is reduced to zero under the following assumptions equal to, alternatively:

- a decrease of 22.7% in the operating result, over the entire plan period and in perpetuity;
- the use of a discount rate of 10.9%;
- the use of a negative terminal growth rate of 0.5%.

In addition, the excess of the recoverable amount over the value of net capital employed referred to the Robotics & Industrialized Solutions CGU would increase if cash flows from working capital were reduced to zero.

18 Right-of-Use assets, lease assets and lease liabilities

Movements in 'Right-of-Use' assets, financial assets and liabilities for leasing as of 31 December 2024 are shown below:

		Lease assets		Lease liabilities	
(€ million)	Right-of-Use assets	Current	Non current	Current	Non current
Dec. 31, 2024					
Opening balance	**428**	**98**	**155**	**299**	**431**
Increases	480	-	3	-	434
Other changes	-	68	(68)	384	(384)
Decreases and cancellations	(3)	(101)	(5)	(393)	(26)
Amortisation	(271)	-	-	-	-
Net reversals of impairment losses	(8)	-	-	-	-
Exchange differences	4	2	4	6	23
Interest	-	16	-	58	-
Closing balance	**630**	**83**	**89**	**354**	**478**
Dec. 31, 2023					
Opening balance	**258**	**26**	**57**	**139**	**264**
Increases	312	-	195	-	499
Other changes	-	94	(94)	304	(304)
Decreases and cancellations	(18)	(35)	-	(182)	(18)
Amortisation	(122)	-	-	-	-
Net reversals of impairment losses	-	-	-	-	-
Exchange differences	(2)	(1)	(3)	(4)	(10)
Interest	-	14	-	42	-
Closing balance	**428**	**98**	**155**	**299**	**431**

During the year, right-of-use assets increased by €202 million with respect to December 31, 2023, mainly due to new leases and the amendment of existing leases, plus the related depreciation.
Specifically, the increases of €480 million related to new leases for vessels.
The net decrease of €313 million (-€419 million in lease liabilities and -€106 million in lease assets) related to lease payments for the year and the termination of several leases.
As of December 31, 2024, no right-of-use asset was a stand-alone CGU. For the purposes of determining the recoverable amount, the right-of-use assets have been allocated to their related CGUs and tested as described under "Impairment" in Note 16, "Property, plant and equipment".
On the basis of business assessments, renewal options mainly relating to land and property totalling €27 million (€19 million as of December 31, 2023) are not considered in the determination of the total lease term and lease liability as of December 31, 2024.
The breakdown of renewal options by year is as follows:

(€ million)	2025	2026	2027	2028	2029	2030	After	Total
Renewal options	-	-	1	2	1	1	22	**27**

The lease assets related to subleases of vessels in the offshore drilling business, recorded as a replacement for the right-of-use asset related to the main lease.
Other changes in lease liabilities mainly reflect the reclassification of liabilities from non-current to current.

Right-of-use assets as of December 31 are broken down by type in the table below:

(€ million)	Land	Buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Total
Dec. 31, 2024						
Opening net balance	**31**	**193**	**177**	**19**	**8**	**428**
Increases	7	48	400	24	1	480
Decreases and cancellations	(2)	(2)	2	(1)	-	(3)
Amortisation	(9)	(46)	(195)	(17)	(4)	(271)
Net reversals of impairment losses	3	(9)	(2)	-	-	(8)
Exchange differences	1	1	2	-	-	4
Other changes	2	(2)	3	(3)	-	-
Closing net balance	**33**	**183**	**387**	**22**	**5**	**630**
Closing gross balance	61	360	721	38	12	1,192
Depreciation and impairment losses	28	177	334	16	7	562
Dec. 31, 2023						
Opening net balance	**25**	**173**	**40**	**13**	**7**	**258**
Increases	13	77	195	22	5	312
Decreases and cancellations	-	(16)	-	(1)	(1)	(18)
Amortisation	(6)	(40)	(58)	(15)	(3)	(122)
Net reversals of impairment losses	-	-	-	-	-	-
Exchange differences	(1)	(1)	-	-	-	(2)
Other changes	-	-	-	-	-	-
Closing net balance	**31**	**193**	**177**	**19**	**8**	**428**
Closing gross balance	58	323	317	41	14	753
Depreciation and impairment losses	27	130	140	22	6	325

The breakdown by maturity of net lease liabilities as of December 31, 2024 is as follows:

(€ million)	Short term portion 2025	Non current portion 2026	2027	2028	2029	After	Total
Lease liabilities	354	167	97	65	34	115	832
Lease assets	83	55	23	10	1	-	172
Net lease liabilities	**271**	**112**	**74**	**55**	**33**	**115**	**660**

The average marginal loan rate used for discounting the right-of-use assets and lease liabilities was 7.4% as of December 31, 2024 (8.2% as of December 31, 2023).
The lease transactions with related parties are detailed in Note 44, “Related party transactions”.

19 Equity investments

Equity investments accounted for using the equity method

The value of the equity investments accounted for using the equity method amounted to€134 million as of December 31, 2024 (€211 million as of December 31, 2023) and was broken down as follows:

(€ million)	Opening carrying amount	Acquisitions and subscriptions	Sales and reimbursements	Share of profit of equity-accounted investees	Share of loss of equity-accounted investees	Deduction for dividends	Change in the consolidation scope	Exchange differences	Movements in reserves	Other changes	Closing carrying amount	Loss allowance
Dec. 31, 2024												
Investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Investments in joint ventures	64	6	-	11	(1)	(3)	-	3	(1)	(3)	76	-
Equity investments in associates	147	-	-	47	(5)	(52)	-	2	(1)	(80)	58	-
Total	**211**	**6**	**-**	**58**	**(6)**	**(55)**	**-**	**5**	**(2)**	**(83)**	**134**	**-**
Dec. 31, 2023												
Investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Investments in joint ventures	65	1	(1)	4	(1)	-	-	(3)	(1)	-	64	-
Equity investments in associates	164	-	-	56	(3)	(69)	-	(3)	-	2	147	-
Total	**229**	**1**	**(1)**	**60**	**(4)**	**(69)**	**-**	**(6)**	**(1)**	**2**	**211**	**-**

Equity investments accounted for using the equity method are detailed in Note 6 “Consolidation scope as of December 31, 2024”.
The share of profit of equity-accounted investees of €58 million includes profits for the period of €11 million recorded by joint ventures and €47 million by associates.
The share of losses of equity-accounted investees of €6 million includes profits for the period of €1 million recorded by joint ventures and €5 million by associates.
The deduction for dividends of €55 million consist of €3 million from dividends collected from investments in joint ventures and €52 million from dividends collected from associates.
The other changes amounting to €83 million primarily relate to the reclassification of the equity investment in the associate KCA Deutag International Ltd to assets held for sale.
The carrying amount of equity investments accounted for using the equity method related to the following companies:

(€ million)	Group share (%)	Carrying amount as of Dec. 31, 2024	Carrying amount as of Dec. 31, 2023
Petromar Lda	70.00	70	61
Rosetti Marino SpA	20.00	23	20
Saipem Taqa Al Rushaid Fabricators Co Ltd	40.00	21	21
Gygaz Snc	7.50	5	19
Other		15	90
Total equity investments accounted for using the equity method		**134**	**211**

The total carrying amount of equity investments accounted for using the equity method does not include the amount of the loss allowance mentioned in Note 27 “Provisions for risks and charges”.

Other equity investments

The other equity investments are not individually significant as of December 31, 2024.

Other information on equity investments

The table below summarises key IFRS financial statement data for the equity investments in (i) unconsolidated subsidiaries, (ii) joint ventures, and (iii) associates, accounted for using the equity method or recorded at cost, in proportion to the percentage owned, excluding the equity investments classified as assets held for sale.

	Dec. 31, 2024			Dec. 31, 2023		
(€ million)	Subsidiaries	Joint ventures	Associates	Subsidiaries	Joint ventures	Associates
Total assets	4	478	658	4	277	873
Cash and cash equivalents	-	121	110	-	122	95
Total liabilities	4	550	600	4	262	776
Net revenue	-	128	514	-	263	766
Operating profit (loss)	-	(76)	40	-	71	94
Profit (loss) for the year	-	(86)	48	-	45	62

The table below shows the financial and income data (full amounts at 100%) for the joint ventures.

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Current assets	794	457
Cash and cash equivalents	*213*	*219*
- of which current lease assets	*-*	*-*
Non-current assets	74	38
- of which non-current lease assets	*1*	*-*
Total assets	**868**	**495**
Current liabilities	1,142	526
- of which current financial liabilities	*30*	*10*
- of which current portion of non-current lease liabilities	*-*	*-*
Non-current liabilities	21	10
- of which non-current financial liabilities	*-*	*-*
- of which non-current lease liabilities	*-*	*-*
Total liabilities	**1,163**	**536**
Equity	**(295)**	**(41)**
Carrying amount of equity investment	**(72)**	**15**
Revenue and other operating income	165	535
Operating expenses	(391)	(385)
Depreciation, amortisation, and impairment losses	(11)	(14)
Operating result	**(237)**	**136**
Financial income (expense)	(4)	(17)
Gains (losses) on equity investments	-	-
Pre-tax profit (loss)	**(241)**	**119**
Income taxes	(12)	(26)
Profit (loss) for the year	**(253)**	**93**
Other items of comprehensive income	(16)	(3)
Comprehensive income (loss) for the year	**(269)**	**90**
Income (loss) attributable to the owners of the parent	**(86)**	**45**
Dividends to the Group approved by joint ventures	**3**	**-**

The table below shows the financial and income data (full amounts at 100%) for the associates.

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Current assets	1,607	2,699
Cash and cash equivalents	*386*	*715*
- of which current lease assets	-	-
Non-current assets	208	1,595
- of which non-current lease assets	*4*	*95*
Total assets	**1,815**	**4,294**
Current liabilities	1,346	1,963
- of which current financial liabilities	*20*	*38*
- of which current portion of non-current lease liabilities	-	*50*
Non-current liabilities	192	1,547
- of which non-current financial liabilities	*45*	*826*
- of which non-current lease liabilities	*4*	*53*
Total liabilities	**1,538**	**3,510**
Equity	**277**	**784**
Carrying amount of equity investment	**58**	**147**
Revenue and other operating income	1,393	4,168
Operating expenses	(991)	(3,161)
Depreciation, amortisation, and impairment losses	(27)	(158)
Operating result	**375**	**849**
Financial income (expense)	41	(134)
Gains (losses) on equity investments	-	-
Pre-tax profit (loss)	**416**	**715**
Income taxes	(10)	(36)
Profit (loss) for the year	**406**	**679**
Other items of comprehensive income	1	(29)
Comprehensive income (loss) for the year	**407**	**650**
Income (loss) attributable to the owners of the parent	**48**	**62**
Dividends to the Group approved by associates	**52**	**69**

20 Deferred tax assets and liabilities

Deferred tax assets of €320 million (€257 million as of December 31, 2023) are shown net of €155 million in offsettable deferred tax liabilities.
Deferred tax liabilities of €9 million (€6 million as of December 31, 2023) are shown net of €155 million in offsettable deferred tax assets.
Movements of deferred tax assets and liabilities consisted of the following:

(€ million)	Dec. 31, 2023	Accruals	Utilisations	Exchange differences	Other changes	Dec. 31, 2024
Deferred tax assets	257	230	(167)	5	(5)	320
Deferred tax liabilities	(6)	(53)	23	(2)	29	(9)
Total deferred tax assets (liabilities)	**251**	**177**	**(144)**	**3**	**24**	**311**

The item "Other changes" in deferred tax assets, down €5 million, included: (i) offsetting of deferred tax assets against deferred tax liabilities at individual entity level (negative €20 million); (ii) the tax effects (positive €16 million) of fair value changes of derivatives designated as cash flow hedges reported in equity; and (iii) other changes (negative €1 million).
The item "Other changes" in deferred tax liabilities, down €29 million, included: (i) offsetting of deferred tax assets against deferred tax liabilities at individual entity level (negative €20 million); and (ii) the tax effects (negative €9 million) of fair value changes of derivatives designated as cash flow hedges reported in equity.

Net deferred tax assets (liabilities) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Gross deferred tax assets	475	392
Offsettable deferred tax liabilities	(155)	(135)
Deferred tax assets	**320**	**257**
Gross deferred tax liabilities	(164)	(141)
Offsettable deferred tax assets	155	135
Deferred tax liabilities	**(9)**	**(6)**
Net deferred tax assets (liabilities)	**311**	**251**

The most significant temporary differences giving rise to net deferred tax assets (liabilities) are as follows:

(€ million)	Dec. 31, 2023	Accruals	Utilisations	Exchange differences	Other changes	Dec. 31, 2024
Deferred tax assets:						
- accruals to loss allowance and non-deductible risks and charges	120	42	(82)	1	-	**81**
- non-deductible depreciation	28	2	(3)	1	-	**28**
- hedging derivatives	13	17	-	-	16	**46**
- employee benefits	25	3	(2)	-	(1)	**25**
- tax losses carried forward	53	70	(8)	1	1	**117**
- project progress rate	32	10	-	-	-	**42**
- leasing IFRS 16	58	17	(18)	1	-	**58**
- other	63	69	(54)	1	(1)	**78**
	392	**230**	**(167)**	**5**	**15**	**475**
less:						
Offsettable deferred tax liabilities	(135)	-	-	-	(20)	(155)
Deferred tax assets	**257**	**230**	**(167)**	**5**	**(5)**	**320**
Deferred tax liabilities:						
- excess accelerated depreciation	(24)	(3)	3	-	6	**(18)**
- hedging derivatives	(13)	(12)	4	-	6	**(15)**
- employee benefits	(3)	(3)	2	-	-	**(4)**
- non-distributed reserves held by investees	(18)	(11)	-	-	-	**(29)**
- project progress rate	(8)	(6)	-	-	-	**(14)**
- leasing IFRS 16	(56)	(18)	14	(1)	-	**(61)**
- other	(19)	-	-	(1)	(3)	**(23)**
	(141)	**(53)**	**23**	**(2)**	**9**	**(164)**
less:						
Offsettable deferred tax assets	135	-	-	-	20	**155**
Deferred tax liabilities	**(6)**	**(53)**	**23**	**(2)**	**29**	**(9)**
Net deferred tax assets (liabilities)	**251**	**177**	**(144)**	**3**	**24**	**311**

Unrecognised deferred tax assets of €1,544 million (€1,597 million as of December 31, 2023) mainly concern tax losses that it will probably not be possible to utilise against future taxable income in the next four years.

Tax losses

Tax losses amounted to €6,913 million (€6,799 million as of December 31, 2023), of which €5,025 million can be carried forward indefinitely. Tax recovery corresponds to a tax rate of 24% for Italian entities and to an average tax rate of 22.1% for foreign entities.

Tax losses related mainly to foreign entities and can be used in the following periods:

(€ million)	Italy	Outside Italy
2025	-	25
2026	-	57
2027	-	7
2028	-	160
2029	-	49
Beyond 2029	-	1,590
Indefinitely	1,796	3,229
Total	1,796	5,117

Tax losses for which deferred tax assets have not been recognised, in accordance with IAS 12, amounted to €6,418 million. Deferred tax assets recognised in the financial statements as of December 31, 2024 relating to tax losses amounted to €117 million and are considered recoverable in the next four years.
Taxes are shown in Note 39 "Income taxes".

21 Other non-current assets

Other non current assets of €65 million (€52 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Fair value of derivative financial instruments	1	3
Other receivables	20	25
Other assets	44	24
Total	65	52

For information on the fair value of derivative financial instruments see Note 30, "Derivative financial instruments".
Other receivables as of December 31, 2024 amounted to €20 million, a decrease of €5 million compared to 31 December 2023, and mainly related to guarantee deposits of various types.
Other non current assets as of December 31, 2024 amounted to €44 million, an increase of €20 million compared to December 31, 2023 and mainly included costs not attributable to the year, mainly related to insurance premiums and lease contracts.
Other non-current financial assets from related parties are detailed in Note 44 "Related party transactions".

22 Trade and other payables

Trade and other payables amounted to €3,959 million (€2,944 million as of December 31, 2023) and were broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Trade payables	3,569	2,668
Other payables	390	276
Total	3,959	2,944

Trade payables of €3,569 million rose by €901 million compared to December 31, 2023 as a result of the increase in the Group's operations.
The rise was essentially due to the progress of projects, related to the increase in procurement activities of recently awarded projects and the construction phases of ongoing projects. The increase was consistent with the significant growth in volumes of operations recorded.
Trade and other payables with related parties are detailed in Note 44, "Related party transactions".

Other payables of €390 million were broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Payables to:		
- employees	204	155
- social security institutions	74	62
- consultants and professionals	3	2
- insurance companies	2	3
- directors and statutory auditors	-	1
Other	107	53
Total	**390**	**276**

Other payables amounting to €107 million included €13 million related to the outcome of the settlement of dispute connected to the GNL3 Arzew litigation. For more details, see the section "Legal proceedings" in Note 34 "Guarantees, commitments and risks".

The fair value of trade and other payables did not differ significantly from their carrying amount due to the short period of time between their date of recognition and their due date.

23 Contract liabilities

Contract liabilities amounted to €3,434 million (€3,088 million as of December 31, 2023) and were made up as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Contract liabilities (from work in progress)	2,647	2,301
Advances from customers	787	787
Total	**3,434**	**3,088**

Contract liabilities (from work in progress) of €2,647 million (€2,301 million as of December 31, 2023) relate to adjustments in revenue invoiced on long-term contracts in order to comply with the accruals principle, in accordance with the accounting policies based on the contractual amounts accrued.
In particular, contractual liabilities (from work in progress) increased by €346 million as a result of adjustments to revenue invoiced during the year following the valuation based on the operating progress of projects for €1,127 million, plus the impact of the exchange rate effect for €10 million, partially offset by the recognition of revenue in the current year for €791 million adjusted at the end of the previous year.
Advances from customers of €787 million (€787 million as of December 31, 2023) mainly related to amounts received upon signing contracts, in previous years and during the year, and used in relation to the invoicing upon achievement of contractual milestones.
Contract liabilities from related parties are detailed in Note 44, "Related party transactions".

24 Other current liabilities

Other current liabilities of €157 million (€33 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Fair value of derivative financial instruments	131	17
Other liabilities	26	16
Total	**157**	**33**

The increase in the negative fair value of the derivatives of €114 million was attributable mainly to the EUR/USD exchange rate, as well as the other principal currencies linked to the US dollar.
For information on the fair value of derivative financial instruments see Note 30, "Derivative financial instruments".
Other liabilities amounted to €26 million, up €10 million from December 31, 2023, and mainly included the "Insurance premium reserve" and amounts due for lease contracts.

Other liabilities with related parties are detailed in Note 44 "Related party transactions".

25 Financial liabilities

Financial liabilities were as follows:

(€ million)	Dec. 31, 2024 Current financial liabilities	Current portion of non-current financial liabilities	Non-current financial liabilities	Total	Dec. 31, 2023 Current financial liabilities	Current portion of non-current financial liabilities	Non-current financial liabilities	Total
Banks	57	65	75	197	63	96	374	533
Bonds	-	316	1,667	1,983	-	32	1,794	1,826
Other financial institutions	4	-	-	4	34	-	-	34
Total	61	381	1,742	2,184	97	128	2,168	2,393

As of December 31, 2024, there were bank loan agreements containing financial covenants that require the ratio of net financial debt to EBITDA (as defined in the respective loan agreements) not to exceed 3.5 times. As of December 31, 2024, the Company satisfied all conditions on the use of borrowings, including these financial covenants, change of control clauses, and negative pledge and cross-default clauses.
"Bonds" includes four unsubordinated bonds with a total nominal value of €1,517 million (carrying amount of €1,549 million as of December 31, 2024), and one convertible bond, also unsubordinated, with a nominal value of €500 million (carrying amount of €434 million as of December 31, 2024).
The breakdown by maturity of non-current financial liabilities as of December 31, 2024, is as follows:

(€ million)

Type	Maturity range	2026	2027	2028	2029	After	Total non-current financial liabilities
Banks	2026-2027	60	15	-	-	-	75
Bonds	2026-2030	217	-	473	477	500	1,667
Total		277	15	473	477	500	1,742

With reference to future contractual payments due, the maturities of non-current financial liabilities were analysed as follows:

(€ million)	Carrying amount as of Dec. 31, 2024	Current portion Dec. 31, 2025	Long-term maturity 2026	2027	2028	2029	After	Total future payments as of Dec. 31, 2024
Banks	140	66	60	15	-	-	-	141
Bonds	1,983	317	242	-	500	500	500	2,059
Other financial institutions	-	-	-	-	-	-	-	-
Total	2,123	383	302	15	500	500	500	2,200

The difference of €77 million between the carrying amount of the non-current financial liabilities recognised in the financial statements as of December 31, 2024 and the total of future payments is because of the measurement using the amortised cost method.

The analysis of financial liabilities by currency with an indication of the interest rate is as follows:

(€ million)	Dec. 31, 2024						Dec. 31, 2023					
		Interest rate %			Interest rate %			Interest rate %			Interest rate %	
Currency	Current financial liabilities	from	to	Non-current financial liabilities (including current portion) a lungo termine	from	to	Current financial liabilities	from	to	Non-current financial liabilities (including current portion a lungo termine	from	to
Euro	4	0.00	0.00	2,123	1.34	4.71	34	0.00	0.00	2,296	1.34	7.58
US dollar	-	-	-	-			-	-	-	-		
Other	57	variable		-			63	variable		-		
Total	**61**			**2,123**			**97**			**2,296**		

Non-current financial liabilities, including the current portion, mature between 2025 and 2030.
As of December 31, 2024, Saipem had unused uncommitted short-term credit lines totalling €30 million (€114 million as of December 31, 2023) and unused committed long-term credit lines totalling €473 million (€473 million as of December 31, 2023).
Commission fees on unused lines of credit were not significant.
There were no financial liabilities secured by mortgages or liens on real estate of consolidated companies and by pledges on securities.
The fair value of non-current financial liabilities, including the current portion, amounted to €2,448 million (€2,383 million as of December 31, 2023) and was calculated by discounting the present value of future cash flows in the main currencies of the loan at the following, approximate rates:

(%)	2024	2023
Euro	3.07-3.38	3.91-4.84

The market value of listed financial instruments was calculated using the closing stock price at the last available date of the year.
The following table lists the comparison between the notional value, the carrying amount and the fair value of non-current financial liabilities:

	Dec. 31, 2024			Dec. 31, 2023		
(€ million)	Notional amount	Carrying amount	Fair value	Notional amount	Carrying amount	Fair value
Banks	141	140	139	474	470	480
Bonds	2,017	1,983	2,309	1,880	1,826	1,903
Other financial institutions	-	-	-	-	-	-
Total	**2,158**	**2,123**	**2,448**	**2,354**	**2,296**	**2,383**

In accordance with the "Disclosure Initiative" (IAS 7), the following is a reconciliation between changes in financial liabilities and cash flows from financing activities:

			Non-cash changes				
(€ million)	Dec. 31, 2023	Change in cash flows	Acquisitions	Exchange differences	Change in fair value	Other non-cash changes	Dec. 31, 2024
Current financial liabilities	97	(39)	-	3	-	-	61
Non-current financial liabilities, including current portion	2,296	(173)	-	-	-	-	2,123
Net lease liabilities (assets)	477	(232)	-	3	-	412	660
Total net liabilities from financing activities	**2,870**	**(444)**	**-**	**6**	**-**	**412**	**2,844**

Financial liabilities from related parties are detailed in Note 44, "Related party transactions".

26 Analyses of net financial debt

Below is the financial debt statement, prepared in accordance with the provisions of the Consob Notice 5/21 of April 29, 2021, concerning "Compliance with the ESMA Guidelines on Disclosure Requirements under the Prospectus Regulation", which implements the ESMA guidelines.

(€ million)	Dec. 31, 2024 Current	Non current	Total	Dec. 31, 2023 Current	Non current	Total
A. Cash	**1,970**	**-**	**1,970**	**2,136**	**-**	**2,136**
B. Cash equivalents	**188**	**-**	**188**	**-**	**-**	**-**
C. Other current financial assets:	**709**	**-**	**709**	**472**	**-**	**472**
- Financial assets measured at fair value through profit or loss	47	-	47	-	-	-
- Financial assets measured at fair value through OCI	338	-	338	86	-	86
- Financial receivables	324	.	324	386	-	386
D. Liquidity (A+B+C)	**2,867**	**-**	**2,867**	**2,608**	**-**	**2,608**
E. Current debt:	**415**	**-**	**415**	**396**	**-**	**396**
- Current financial liabilities with banks	57	-	57	63	-	63
- Current financial liabilities with related parties	1	-	1	1	-	1
- Other current financial liabilities	3	-	3	33	-	33
- Lease liabilities	354	-	354	299	-	299
F. Current portion of the non-current debt:	**381**	**-**	**381**	**128**	**-**	**128**
- Non-current financial liabilities with banks	65	-	65	96	-	96
- Ordinary bonds	316	-	316	32	-	32
G. Current debt (E+F)	**796**	**-**	**796**	**524**	**-**	**524**
H. Net current debt (G-D)	**(2,071)**	**-**	**(2,071)**	**(2,084)**	**-**	**(2,084)**
I. Non-current debt:	**-**	**553**	**553**	**-**	**805**	**805**
- Non-current financial liabilities with banks	-	75	75	-	374	374
- Non-current financial liabilities with related parties	-	-	-	-	-	-
- Lease liabilities	-	478	478	-	431	431
J. Debt instruments:	**-**	**1,667**	**1,667**	**-**	**1,794**	**1,794**
- Ordinary bonds	-	1,667	1,667	-	1,794	1,794
K. Trade and other non-current payables	**-**	**121**	**121**	**-**	**-**	**-**
L. Non-current debt (I+J+K)	**-**	**2,341**	**2,341**	**-**	**2,599**	**2,599**
M. Total financial debt as per Consob Notice No. 5/21, April 29, 2021 (H+L)	**(2,071)**	**2,341**	**270**	**(2,084)**	**2,599**	**515**

The net financial debt does not include the fair value of the derivatives stated in Notes 15 "Other current assets", 21 "Other non-current assets", 24 "Other current liabilities", and 29 "Other non-current payables and liabilities".

Reconciliation of net debt

(€ million)	Dec. 31, 2024 Current	Dec. 31, 2024 Non current	Dec. 31, 2024 Total	Dec. 31, 2023 Current	Dec. 31, 2023 Non current	Dec. 31, 2023 Total
M. Total financial debt as per Consob Notice No. 5/21, April 29, 2021 (H+L)	(2,071)	2,341	270	(2,084)	2,599	515
N. Non-current financial receivables	-	-	-	-	1	1
O. Lease assets	83	89	172	98	155	253
P. Trade and other non-current payables	-	(121)	(121)	-	-	-
Q. Net financial debt (M-N-O+P)	(2,154)	2,131	(23)	(2,182)	2,443	261

Pre-IFRS 16 net financial position as of December 31, 2024, amounted to a net cash of €683 million. Net financial position, including IFRS 16 lease liability of €660 million, was positive at €23 million. Pre-IFRS 16 gross debt as of December 31, 2024, amounted to €2,184 million, liquidity to €2,867 million of which €1,688 million available.
Financial receivables are explained in Note 10 “Other financial assets”.

27 Provisions for risks and charges

Provisions for risks and charges amounted to €800 million (€767 million as of December 31, 2023) and consisted of the following:

(€ million)	Opening balance	Accruals	Utilisations	Other changes	Closing balance
Dec. 31, 2024					
Provision for litigation	182	13	(155)	1	41
Provision for losses on investments	49	96	(1)	4	148
Provision for contractual expenses and losses on long-term contracts	463	173	(186)	-	450
Other provisions	73	101	(16)	3	161
Total	**767**	**383**	**(358)**	**8**	**800**
Dec. 31, 2023					
Provision for litigation	234	7	(72)	13	182
Provision for losses on investments	101	-	(51)	(1)	49
Provision for contractual expenses and losses on long-term contracts	745	111	(391)	(2)	463
Other provisions [1]	68	31	(24)	(2)	73
Total	1,148	149	(538)	8	767

(1) Other provisions include the provision for taxes amounting to €9 million and the provision for redundancy incentives amounting to €1 million.

The **provision for litigation** amounted to €41 million and consisted of accruals made by Saipem SpA and a number of foreign subsidiaries in relation to ongoing litigation, of which €6 million were for litigation with employees. The provision mainly includes an estimate of liabilities considered probable and arising from settlements and legal proceedings. The decrease of €141 million in the provision was mainly due to the outcome of the definition of disputes associated with the GNL3 Arzew litigation, on the basis of which the amounts were reclassified in the balance sheet items “Trade and other payables” and “Other payables and liabilities”. For more details, see the section “Litigation” in Note 34 “Guarantees, commitments and risks”.
The **provisions for losses on investments** amounting to €148 million report the allocations made during the valuation of the equity investments for losses exceeding the equity of the investees.
The **provision for contractual expenses and losses on long-term contracts** amounted to €450 million and included the estimate of the losses of €419 million and final project costs of €31 million related to projects of the Engineering & Construction business.
Other provisions amounted to €161 million and mainly included:
- The **provision for dismantling and restoration** amounting to €69 million, which includes the accrual for the costs of restoring leased assets;

- The **provision for taxes** amounting to €5 million, related principally to ongoing litigation concerning indirect taxes with foreign tax authorities and also included the effects of recent assessments.
- The Group operates in numerous countries with complex tax laws to which it adheres thanks also to the support of local tax consultants. In some of these jurisdictions, the Group handles, through appeals, some requests made by the tax authorities, from which the Directors believe that no further significant charges will arise with respect to what has already been set aside.

28 Employee benefits

Employee benefits amount to €208 million (€193 million as of December 31, 2023) and are broken down as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
TFR	25	25
Foreign defined benefit plans	79	72
FISDE and other health plans	22	21
Other long-term employee benefits	82	75
Total	208	193

Post-employment benefits

Post-employment benefits ("TFR"), governed by Article 2120 of the Italian Civil Code, relate to the statutory benefits, estimated using actuarial assumptions, to be paid to employees by Italian companies upon termination of the employment relationship.

Foreign defined benefit plans

Foreign defined benefit plans relate to:
- defined pension benefit plans of foreign companies located primarily in Saudi Arabia, the United Arab Emirates, France, India, Indonesia, the United Kingdom, and Switzerland;
- pension provisions and similar obligations for personnel employed abroad, to whom local legislation applies.

Based on the length of service and the salary paid in the last year of service, or the average annual salary paid in a determined period preceding termination, an amount is accrued that represents the company's obligation towards employees.

FISDE and other health plans

The Supplementary Medical Reserve for Eni managers (FISDE) reports the amount of the liability and the healthcare cost calculated based on the contributions paid by the company for retired managers.

Other long-term employee benefits

Other provisions for long-term employee benefits relate mainly to long-term incentive plans, jubilee awards, the voluntary redundancy incentive plan (Article 4, Italian Law No. 92/2012) and other long-term plans.
The long-term incentive plans cover the estimate, determined based on actuarial assumptions, of the amount to be paid to key personnel provided they remain employed for the period established by each plan following the allocation of the related incentive; the cost is allocated pro-rata over the vesting period. Jubilee awards are benefits due following the attainment of a minimum period of service; at the Italian companies they consist of remuneration in the form of welfare credit.
The voluntary redundancy incentive plan, allocated following agreements which implemented the provisions of Article 4 of Italian Law No. 92/2012 and were signed by Saipem SpA and the representatives of the main trade union organisations in order to implement, in the least traumatic way possible, a correct restructuring of personnel, includes the actuarial estimate of expenses related to offers for early, consensual termination of the employment relationship.

Employee benefits calculated using actuarial techniques are analysed as follows:

(€ million)	Dec. 31, 2024 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits	Total	Dec. 31, 2023 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits	Total
Present value of benefit obligation at the start of the year	**25**	**138**	**21**	**75**	**259**	**25**	**126**	**22**	**69**	**242**
Current cost	-	12	1	20	33	-	10	-	4	14
Interest expense	1	4	1	2	8	1	5	1	2	9
Remeasurements:	-	(5)	-	10	5	1	10	(1)	6	16
- actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	-	*(1)*	*(1)*	-	*(2)*
- actuarial gains and losses arising from changes in financial assumptions	-	(6)	-	*4*	*(2)*	-	*8*	-	*4*	*12*
- experience adjustments	-	1	-	*6*	*7*	*1*	*3*	-	*2*	*6*
Past service cost and gains/losses from termination	-	-	-	-	-	-	-	-	16	16
Contributions to plan:	-	-	-	-	-	-	-	-	-	-
- employee contributions	-	-	-	-	-	-	-	-	-	-
- employer contributions	-	-	-	-	-	-	-	-	-	-
Benefits paid	(1)	(8)	(1)	(25)	(35)	(2)	(10)	(1)	(20)	(33)
Discontinued operations	-	-	-	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-	-	-	-
Change in the consolidation scope	-	-	-	-	-	-	(3)	-	(2)	(5)
Exchange differences and other changes	-	3	-	-	3	-	-	-	-	-
Present value of benefit obligation at end of the year (a)	**25**	**144**	**22**	**82**	**273**	**25**	**138**	**21**	**75**	**259**
Plan assets at start of the year	**-**	**68**	**-**	**-**	**68**	**-**	**61**	**-**	**-**	**61**
Interest income	-	2	-	-	2	-	2	-	-	2
Return on plan assets	-	(4)	-	-	(4)	-	-	-	-	-
Past service cost and gains/losses from termination	-	-	-	-	-	-	-	-	-	-
Contributions to plan:	-	4	-	-	4	-	8	-	-	8
- employee contributions	-	-	-	-	-	-	-	-	-	-
- employer contributions	-	*4*	-	-	*4*	-	*8*	-	-	*8*
Benefits paid	-	(4)	-	-	(4)	-	(4)	-	-	(4)
Exchange differences and other changes	-	1	-	-	1	-	1	-	-	1
Plan assets at end of the year (b)	**-**	**67**	**-**	**-**	**67**	**-**	**68**	**-**	**-**	**68**
Net liability (c=a-b)	**25**	**77**	**22**	**82**	**206**	**25**	**70**	**21**	**75**	**191**
Additional liability to be recognised per IFRIC 14 at start of the year	**-**	**-**	**-**	**-**	**-**	**-**	**2**	**-**	**-**	**2**
Increase/decrease	-	-	-	-	-	-	(2)	-	-	(2)
Additional liability to be recognised according to IFRIC 14 at end of the year (d)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Plan asset ceiling at the beginning of year	**-**	**2**	**-**	**-**	**2**	**-**	**-**	**-**	**-**	**-**
Changes to the plan asset ceiling	-	-	-	-	-	-	2	-	-	2
Plan asset ceiling at end of year (e)	**-**	**2**	**-**	**-**	**2**	**-**	**2**	**-**	**-**	**2**
Net liability recognised (f=c+d+e)	**25**	**79**	**22**	**82**	**208**	**25**	**72**	**21**	**75**	**193**

Other provisions for long-term employee benefits of €82 million (€75 million as of December 31, 2023) relate to the voluntary redundancy incentive plan for €15 million (€26 million as of December 31, 2023), the long-term incentive plan for €32 million (€19 million as of December 31, 2023), other foreign long-term plans for €33 million (€28 million as of December 31, 2023) and jubilee awards for €2 million (€2 million as of December 31, 2023).

Costs for employee benefits determined using actuarial assumptions and charged to the income statement are detailed below:

(€ million)	Dec. 31, 2024 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits	Total	Dec. 31, 2023 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits	Total
Current cost	-	12	1	20	33	-	10	-	4	14
Past service cost and gains/losses from termination	-	-	-	-	-	-	-	-	16	16
Net interest expense (income):										
- interest expense on bond	1	4	1	2	8	1	5	1	2	9
- interest income on plan assets	-	2	-	-	2	-	2	-	-	2
Total net interest expense (income)	1	2	1	2	6	1	3	1	2	7
of which recognised in personnel cost	*-*	*-*	*-*	*2*	*2*	*-*	*-*	*-*	*2*	*2*
of which recognised in financial income (expense)	*1*	*2*	*1*	*-*	*4*	*1*	*3*	*1*	*-*	*5*
Remeasurements of long-term plans	-	-	-	10	10	-	-	-	6	6
Total	**1**	**14**	**2**	**32**	**49**	**1**	**13**	**1**	**28**	**43**
of which recognised in personnel cost	*-*	*12*	*1*	*32*	*45*	*-*	*10*	*-*	*28*	*38*
of which recognised in financial income (expense)	*1*	*2*	*1*	*-*	*4*	*1*	*3*	*1*	*-*	*5*

Costs for defined benefit plans recognised in other comprehensive income are broken down below:

(€ million)	2024 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Total	2023 TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Total
Remeasurements:								
- actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	(1)	(1)	(2)
- actuarial gains and losses arising from changes in financial assumptions	-	(6)	-	(6)	-	8	-	8
- experience adjustments	-	1	-	1	1	3	-	4
- return on plan assets	-	4	-	4	-	-	-	-
Additional liability to be recognised per IFRIC 14	-	-	-	-	-	(2)	-	(2)
Changes to the plan asset ceiling	-	-	-	-	-	2	-	2
Total	**-**	**(1)**	**-**	**(1)**	**1**	**10**	**(1)**	**10**

The plan assets for foreign defined benefit plans are broken down as follows:

(€ million)	Cash and cash equivalents	Equity instruments	Debt instruments	Property	Derivative financial instruments	Mutual funds	Assets held by insurance companies	Structured debt securities	Other assets	Total
Plan assets:										
- prices quoted in active markets	-	-	-	-	-	-	12	-	20	32
- prices not quoted in active markets	-	-	6	-	23	5	1	-	-	35
Total	**-**	**-**	**6**	**-**	**23**	**5**	**13**	**-**	**20**	**67**

The main actuarial assumptions used to measure benefit obligations at year end and to estimate costs for the following year are as follows:

		TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits
Year 2024					
Main actuarial assumptions:					
- discount rate	(%)	3.30	1.10-22.00	3.30-6.60	2.70-22.00
- growth rate of salary increase	(%)	2.50	0.84-16.50	-	2.50-10.00
- expected rates of return on plan assets	(%)	-	1.10-22.00	3.30-6.60	-
- inflation rate	(%)	2.00	1.10-16.50	2.00	2.00-16.50
- life expectancy at age 65	(years)	-	14-25	12-26	-
Year 2023					
Main actuarial assumptions:					
- discount rate	(%)	3.30	1.35-16.60	3.30-7.09	3.10-15.30
- growth rate of salary increase	(%)	2.50	0.84-12.00	-	2.50-6.00
- expected rates of return on plan assets	(%)	-	1.35-15.30	7.09	-
- inflation rate	(%)	2.00	1.25-15.30	2.00-4.00	15.30
- life expectancy at age 65	(years)	-	12-24	12-26	-

Below are the main actuarial assumptions by geographical area:

		Eurozone	Rest of Europe	Africa	Other
Year 2024					
Discount rate	(%)	2.70-3.30	1.10-5.50	3.30-22.00	2.30-10.55
Growth rate of salary increase	(%)	2.50-3.50	1.35-3.50	5.50-15.00	0.84-10.00
Inflation rate	(%)	2.00	1.10-3.50	3.00-16.50	2.00-4.00
Life expectancy at age 65	(years)	22-26	15-24	-	12-14
Year 2023					
Discount rate	(%)	3.10-3.30	1.35-4.50	3.20-16.60	2.50-9.20
Growth rate of salary increase	(%)	2.50	1.50-3.50	5.60-12.00	0.84-10.00
Inflation rate	(%)	2.00-2.20	1.25-3.00	3.10-15.30	2.00-4.00
Life expectancy at age 65	(years)	22-26	15-24	-	12-14

The discount rate used was determined based on market yields on primary corporate bonds (AA rating) in countries with a sufficiently deep market, or based on government bond yields if this is not the case.
The inflation rates used were based on long-term forecasts prepared by domestic and international banking institutions.
The demographic tables employed are those used by local actuaries to perform IAS 19 measurements.
The effects of reasonably possible changes in the main actuarial assumptions at year end are as follows:

(€ million)	Discount rate		Inflation rate	Growth rate of salary increase	Growth rate of pensions	Growth rate of healthcare costs
	Increase of 0.5%	Decrease of 0.5%	Increase of 0.5%	Increase of 0.5%	Increase of 0.5%	Increase of 1%
Effect on Defined Benefit Obligation	**(11)**	**13**	**2**	**6**	**1**	**1**
TFR	(1)	1	-	-	-	-
Foreign defined benefit plans	(7)	8	2	4	1	-
FISDE and other foreign health plans	(1)	2	-	-	-	1
Other long-term employee benefits	(2)	2	-	2	-	-

The sensitivity analysis in the table was performed by applying the modified parameters to the results of the analyses conducted for each plan.
The expected amount of contributions to be paid to foreign defined benefit plans in the subsequent year is €12 million.
The maturity profile of employee benefit plan obligations is as follows:

(€ million)	TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits
2025	2	14	1	45
2026	2	14	1	11
2027	2	15	1	10
2028	3	15	1	4
2029	3	14	1	2
After	10	91	6	12

The weighted average duration of obligations is as follows:

(years)	TFR	Foreign defined benefit plans	FISDE and other foreign health plans	Other long-term employee benefits
2024	7	10	13	5
2023	7	10	13	5

29 Other non-current payables and liabilities

Other non current payables and liabilities of €164 million (€3 million as of December 31, 2023) consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Fair value of derivative financial instruments	38	-
Other payables	124	2
Other liabilities	2	1
Total	**164**	**3**

The increase in the negative fair value of the derivatives of €38 million was attributable mainly to the EUR/USD exchange rate, as well as the other principal currencies linked to the US dollar.
For information on the fair value of derivative financial instruments see Note 30, "Derivative financial instruments".
Other payables amounted to €124 million and included €121 million primarily relating to the outcome of the settlement of the disputes related to the GNL3 Arzew litigation, which led to the reclassification of the amounts from the balance sheet item "Provisions for risks and charges" to "Trade and other payables" and "Other non current payables and liabilities". For more details, see the section "Litigation" in Note 34 "Guarantees, commitments and risks".

30 Derivative financial instruments

(€ million)	Dec. 31, 2024 Active fair value	Dec. 31, 2024 Passive fair value	Dec. 31, 2023 Active fair value	Dec. 31, 2023 Passive fair value
Derivatives qualified for hedge accounting				
Currency forwards (Spot component)				
- purchases	13	5	5	2
- sales	1	106	65	1
Currency forwards (Forward component)				
- purchases	-	-	-	2
- sales	-	8	(16)	2
Commodity forwards (Forward component)				
- purchases	-	1	-	2
- sales	-	-	-	-
Total derivatives qualified for hedge accounting	**14**	**120**	**54**	**9**
Derivatives not qualified for hedge accounting				
Currency forwards (Spot component)				
- purchases	10	7	4	6
- sales	2	37	12	1
Currency forwards (Forward component)				
- purchases	-	-	1	-
- sales	(1)	5	(4)	1
Commodity forwards (Forward component)				
- purchases	-	-	-	-
- sales	-	-	-	-
Total derivatives not qualified for hedge accounting	**11**	**49**	**13**	**8**
Total derivatives accounting	**25**	**169**	**67**	**17**
Of which:				
- current	24	131	64	17
- non current	1	38	3	-

The fair value hierarchy in which derivative contracts are classified is level 2.
Purchase and sale commitments on derivatives are detailed as follows:

(€ million)	Dec. 31, 2024 Active	Dec. 31, 2024 Passive	Dec. 31, 2023 Active	Dec. 31, 2023 Passive
Purchase commitments				
Derivatives qualified for hedge accounting:				
- interest rate derivatives	-	-	-	-
- exchange rate derivatives	406	614	441	405
- commodity contracts	-	15	-	28
Derivatives not qualified for hedge accounting:				
- exchange rate derivatives	875	387	840	737
	1,281	**1,016**	**1,281**	**1,170**
Sale commitments				
Derivatives qualified for hedge accounting:				
- exchange rate derivatives	17	2,783	2,415	333
Derivatives not qualified for hedge accounting:				
- exchange rate derivatives	236	1,169	624	279
	253	**3,952**	**3,039**	**612**

The fair value of derivative financial instruments was determined by taking into account valuation models widely used in the financial sector and market parameters (exchange rates and interest rates) at the balance sheet date.
The fair value of forward transactions (outright, forward and currency swaps) was determined by comparing the net present value at the negotiated terms of the transactions outstanding as of December 31, 2024 with the present value recalculated at

the conditions quoted by the market on the closing date. The model used is the Net Present Value model, which is based on the forward contract exchange rate, the year-end exchange rate, and the respective forward interest rate curves.
Cash flow hedging transactions related to forward purchase and sale transactions (forwards, outright and currency swaps).
The recognition of the effects on the income statement and the realisation of the economic flows of the highly probable future transactions hedged as of December 31, 2024, are expected over a period of time up to 2028.
During 2024, there were no significant cases in which transactions previously qualified as hedges were no longer considered highly probable.
The fair value asset on qualified hedging derivative contracts as of December 31, 2024 amounted to €14 million (€54 million as of December 31, 2023). In respect of these derivatives, in relation to the currency contracts, the spot component, amounting to €14 million (€70 million as of December 31, 2023), was suspended in the hedging reserve in the amount of €12 million (€61 million as of December 31, 2023) and recognised in financial income and expenses in the amount of €2 million (€9 million as of December 31, 2023), while the forward component, not designated as a hedging instrument, was recognised in financial income and expenses in the amount of €0.3 million (-€16 million as of December 31, 2023).
The fair value liability on qualified hedging derivative contracts as of December 31, 2024 amounted to €120 million (€9 million as of December 31, 2023). In respect of these derivatives, in relation to the currency contracts, the spot component, amounting to €111 million (€3 million as of December 31, 2023), was suspended in the hedging reserve in the amount of €103 million (€5 million as of December 31, 2023) and recognised in financial income and expenses in the amount of €8 million (-€2 million as of December 31, 2023), while the forward component, not designated as a hedging instrument, was recognised in financial income and expenses in the amount of €8 million (€4 million as of December 31, 2023).
With regard to commodity contracts, the fair value liability of €1 million was suspended in the hedging reserve (€2 million as of December 31, 2023).
The hedging reserve, relating to currency contracts, amounted to a negative amount of €146 million with a weighted average exchange rate of the hedging instruments of 1.0943 to the US dollar (USD) and 0.2517 to the Saudi riyal (SAR). The hedging reserve, relating to commodity contracts, was a negative €3 million, with a weighted average price of hedging instruments of USD 719/MT for fuel hedges. The change in the hedging reserve compared to 2023 amounted to €162 million and was primarily attributable to the change in the EUR/USD exchange rate.
The table below shows the change in the hedging reserve, attributable to the change in the fair value of hedging transactions outstanding for the entire year, or of new hedging relationships designated during the year, and to the release of hedging effects from shareholders' equity to the income statement due to the economic manifestation of the hedged commercial

transactions, or as a result of the discontinuation of hedging relationships due to exposures that are no longer certain or highly probable.

(€ million)	Dec. 31, 2023	Gains for the period	Loss for the period	Profit EBITDA adjustment	EBITDA adjustment losses	Gains underlying cancellation	Loss underlying cancellation	Dec. 31, 2024
Reserve for foreign exchange contracts								
Saipem SpA	36	130	(163)	(109)	77	(5)	5	(29)
Saipem SA	(11)	44	(105)	(36)	65	(1)	1	(43)
Saipem Projects France SA	1	-	(2)	(1)	1	-	-	(1)
Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda	12	23	(59)	(26)	25	(1)	-	(26)
Saipem Ltd	-	27	(13)	(20)	8	-	-	2
Saipem Misr for Petroleum Services (S.A.E.)	7	2	(6)	(3)	2	(3)	1	-
Servizi Energia Italia SpA	(41)	91	(89)	(42)	45	(3)	1	(38)
Snamprogetti Saudi Arabia Co Ltd Llc	-	1	(6)	(21)	24	(1)	1	(2)
Saipem Contracting Nigeria	1	2	(1)	(3)	1	-	-	-
Saipem do Brasil Serviçōs de Petroleo Ltda	(1)	1	(6)	-	6	-	-	-
Saipem Drilling Norway AS	4	-	(8)	(1)	-	-	-	(5)
Saipem Guyana Inc	-	2	(2)	(1)	-	-	-	(1)
Saipem Luxembourg SA	7	4	(10)	(9)	6	-	-	(2)
Saipem Singapore Pte Ltd	-	1	-	(1)	-	-	-	-
Saipem Australia Pty Ltd	1	26	(29)	(17)	18	-	-	(1)
Snamprogetti Engineering & Contracting Co Ltd	(1)	-	(1)	(1)	3	-	-	-
Total reserve for foreign exchange contracts	**15**	**354**	**(500)**	**(291)**	**281**	**(14)**	**9**	**(146)**
Reserve for commodity contracts								
Saipem SA	(2)	1	(2)	-	-	-	-	(3)
Snamprogetti Saudi Arabia Co Ltd Llc	3	1	-	(4)	-	-	-	-
Saipem Guyana Inc	-	2	(2)	-	-	-	-	-
Total reserve for commodity contracts	**1**	**4**	**(4)**	**(4)**	**-**	**-**	**-**	**(3)**
Interest rate derivatives								
Saipem SpA	-	-	-	-	-	-	-	-
Total reserve for interest rate contracts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total hedging reserve	**16**	**358**	**(504)**	**(295)**	**281**	**(14)**	**9**	**(149)**

During 2024, the project margins were adjusted by a net positive amount of €10 million for hedging.
Information on the risks being hedged and the carrying amounts of the financial instruments and their economic and equity effects is provided in Note 34 "Guarantees, commitments and risks"; information on hedging policies is provided in Note 3 "Accouting Policies" under "Financial risk management".

31 Discontinued operations, assets held for sale and directly associated liabilities

Discontinued operations

All the remaining assets in Argentina, Kazakhstan and Romania relating to the Onshore Drilling segment ("DRON segment") reported as "Discontinued operations" in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" were transferred with effect from June 30, 2024.
The economic results of the DRON segment, including those of the comparative period, are stated separately from Continuing operations in a single line of the income statement and are limited to third-party transactions, as the elisions of intercompany transactions continue to be operated.
As of December 31, 2024, there were no assets held for sale and directly associated liabilities relating to this sector reported in the statement of financial position.

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Current assets	-	4
Non-current assets	-	22
Total assets	**-**	**26**
Current liabilities	-	26
Non-current liabilities	-	-
Total liabilities	**-**	**26**

Below is the main financial information of Discontinued operations.

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Total revenue from core business revenue and other revenue	13	99
Operating expenses	(14)	(105)
Operating result	(1)	(6)
Financial income (expense)	-	-
Gains (losses) on equity investments	1	-
Pre-tax profit (loss)	-	(6)
Income taxes	-	-
Capital gain	-	-
Net result:	-	(6)
- of which Saipem shareholders	-	(6)
- of which non-controlling interests	-	-
Net income per share	-	-
Net cash flows from operating activities	-	-
Net cash flows from investing activities	-	-
Capital expenditure	-	-

Assets held for sale

In accordance with IFRS 5, the assets held for sale, shown separately from the other non-current assets in the statement of financial position, amounted to €89 million and were broken down as follows:

- €80 million related to the sale of the investment held by Saipem in KCA Deutag, previously accounted for using the equity method and subsequently measured, from the date of its classification as held for sale (September 30, 2024), at the lower of its carrying amount and fair value, net of costs to sell. Following this valuation, an impairment loss of €1 million was recognised on the asset. The sale of the equity investment was part of the acquisition of KCA Deutag by Helmerich & Payne and follows the exercise of the drag-along right towards the minority shareholders, including Saipem. The sale was completed on January 16, 2025.
- €9 million related to the proposed sale of 2 bases – in West Africa and the Middle East – owned by two subsidiaries of the Saipem Group, due to be completed by the first half of 2025. The valuation of these assets held for sale in accordance with IFRS 5 resulted in the recognition of an overall impairment loss of €14 million.

32 Equity

Non-controlling interests

As of December 31, 2024, there were no non-controlling interests (€2 million as of December 31, 2023).

Saipem's equity

Saipem's equity amounted to €2,524 million as of December 31, 2024 (€2,394 million as of December 31, 2023) and consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Share capital	502	502
Share premium reserve	1,622	1,622
Legal reserve	5	-
Fair value reserve for cash flow hedges net of tax	(121)	19
Reserve for financial assets measured at fair value through other comprehensive income	(1)	(2)
Exchange difference reserve	(30)	(45)
Valuation reserve for employee defined benefit plans, net of taxation	(21)	(22)
Portion of OCI valuation reserves for equity-accounted investees	(4)	(2)
Other	80	80
Retained profits	325	137
Profit (loss) for the year	306	179
Negative reserve for treasury shares in portfolio	(139)	(74)
Total	2,524	2,394

Share capital

As of December 31, 2024, Saipem SpA's fully paid-up share capital amounted to €501,669,790.83, corresponding to 1,995,558,791 shares, all without par value (1,995,558,791 as of December 31, 2023), of which 1,995,557,732 (1,995,557,732 as of December 31, 2023) were ordinary shares and 1,059 savings shares (1,059 as of December 31, 2023).

Share premium reserve

The share premium reserve amounted to €1,622 million as of December 31, 2024 (€1,622 million as of December 31, 2023).

Other reserves

Other reserves as of December 31, 2024 were negative by €92 million (positive by €28 million as of December 31, 2023) and consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Legal reserve	5	-
Fair value reserve for cash flow hedges net of tax	(121)	19
Reserve for financial assets measured at fair value through other comprehensive income	(1)	(2)
Exchange difference reserve	(30)	(45)
Valuation reserve for employee defined benefit plans, net of taxation	(21)	(22)
Portion of OCI valuation reserves for equity-accounted investees	(4)	(2)
Other	80	80
Total	(92)	28

Legal reserve

This item amounted to €5 million as of December 31, 2024 deriving from the allocation of 5% of the profit for the year 2023 as approved by the Shareholders' Meeting on May 14, 2024.

Fair value reserve for cash flow hedges net of tax

The reserve is negative by €121 million (positive by €19 million as of December 31, 2023), net of tax of €28 million (€3 million as of December 31, 2023), and relates to the fair value measurement of interest rate hedging contracts, commodity risk hedging contracts and the spot component of exchange rate risk hedging contracts outstanding as of December 31, 2024.

Reserve for financial assets measured at fair value through other comprehensive income

The negative reserve of €1 million (negative €2 million as of December 31, 2023) relates to the fair value change of financial instruments held to obtain cash flows both from the collection of contractual payments and from sales, which are measured at fair value through other comprehensive income.

Exchange difference reserve

The reserve is negative by €30 million (negative for €45 million as of December 31, 2023) and relates to exchange rate differences from the translation into euros of financial statements expressed in currencies other than the euro (mainly the US dollar).

Valuation reserve for employee defined benefit plans, net of taxation

The reserve shows a negative balance of €21 million (negative €22 million as of December 31, 2023), net of the tax effect of €7 million.
This reserve, in accordance with the provisions of IAS 19, recognises the actuarial gains and losses related to the employee defined benefit plans.

Portion of OCI valuation reserves for equity-accounted investees

This reserve includes a negative amount of €4 million related to the employee defined benefit plans.

Other

"Other" includes the "convertible bond conversion reserve", which was positive at €80 million, and represents the equity component of the convertible bond, namely the option giving holders of compound financial instruments the right of conversion into a fixed number of ordinary shares of the Company. This value is equal to the difference between the fair value of the compound financial instrument as a whole and the fair value of the financial liability, net of emission costs of €1 million.

Negative reserve for treasury shares in portfolio

The negative reserve amounts to €139 million (€74 million as of December 31, 2023) and includes the value of treasury shares for the allocation of the incentive plans for Group executives.
During the year, 12,185 shares were assigned to implement the 2021-2023 Short-Term Incentive Plan.
Taking into account the transactions described above, the breakdown of treasury shares is as follows:

	Number of shares	Average cost (€)	Total cost (€ million)	Share capital (%)
Treasury shares in portfolio as of December 31, 2023	**398,649**	**186.183**	**74**	**0.02**
Procurement year 2024	37,984,000	1.72	65	1.90
Assignments 2024	(12,185)	4.682	-	n.s.
Treasury shares in portfolio as of December 31, 2024	**38,370,464**	**3.633**	**139**	**1.92**

As of December 31, 2024, the number of shares in circulation was 1,957,188,327 (1,995,160,142 as of December 31, 2023).

Reconciliation of Saipem SpA's shareholders' equity and profit for the year with the consolidated figures

	Dec. 31, 2024		Dec. 31, 2023	
(€ million)	Profit (loss) for the year	Equity	Profit (loss) for the year	Equity
As reported in Saipem SpA's separate financial statements	**279**	**2,573**	**107**	**2,395**
Surplus shareholder equity in the overall results for the period, compared to the book value of the consolidated company shares	(359)	(536)	36	(518)
Consolidation adjustments, net of tax effects for:				
- difference between purchase cost and underlying carrying amount of equity	(3)	691	(23)	694
- elimination of intra-group profits	21	(145)	25	(163)
- other adjustments	368	(59)	34	(12)
Total equity	306	2,524	179	2,396
Non-controlling interests	-	-	-	(2)
As reported in the consolidated financial statements	**306**	**2,524**	**179**	**2,394**

The item "Other adjustments" mainly includes the impact of consolidation entries aimed at aligning the margins of job orders involving several Group companies whose individual progressions may not have a homogeneous economic-temporal development to the project margin at consolidated level.

33 Additional information

Additional information on the statement of cash flows

(€ million)	Dec. 31, 2024
Analysis of disposals in companies which have left the consolidation scope and business units	
Current assets	16
Non-current assets	22
Net liquid funds (net financial debt)	-
Current and non-current liabilities	(26)
Net effect of disposals	**12**
Current value of investments retained after transfer of control	-
Capital gain (loss) from disposals	1
Non-controlling interests	-
Reclassification of other items	-
Total sale price	**13**
less:	
Cash and cash equivalents	-
Cash flow from disposals	**13**

Disposals of 2024 concerned, as part of the sale of Onshore Drilling started in 2022, the transfer of the residual assets in Argentina, Kazakhstan and Romania.

34 Guarantees, commitments and risks

Guarantees

Guarantees amounted to €8,294 million (€7,898 million as of December 31, 2023), and were as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ million)	Unsecured	Other personal guarantees	Total	Unsecured	Other personal guarantees	Total
Joint ventures and associates	19	275	294	19	374	393
Subsidiaries	19	4,726	4,745	46	4,777	4,823
Own	-	3,255	3,255	-	2,682	2,682
Total	**38**	**8,256**	**8,294**	**65**	**7,833**	**7,898**

Other personal guarantees issued for subsidiaries amounted to €4,726 million (€4,777 million as of December 31, 2023), which are related to independent guarantees given to third parties mainly to bid bonds and to ensure compliance with contractual agreements, together with sureties and other personal guarantees issued to banks. Other personal guarantees provided in our own interest – amounting to €3,255 million as of December 31, 2024 – primarily relate to performance bonds, advance payment bonds, retention bonds, and guarantees issued by banks or insurance institutions in relation to Saipem SpA's contractual agreements.

Guarantees issued to/through related parties are detailed in Note 44 "Related party transactions".

Commitments

The Parent Company Saipem SpA has commitments with clients and/or other beneficiaries (financial and insurance institutions, export credit agencies) relating to the fulfilment of contractual obligations entered into by itself and/or by its

subsidiaries, associates and Joint ventures in the event of non-performance and payment of any damages arising from non-performance.
The total value of corporate commitments, which entail accepting a performance obligation, amounted to €105,670 million (€74,350 million as of December 31, 2023). This total included €21,562 million in commitments related to third-party interests (partner companies involved in the execution of projects carried out by the parent company and/or subsidiaries) and indemnified by those companies.
The repayment obligations of bank loans granted to the Group companies are generally supported by guarantees issued by the parent company Saipem SpA and other Group companies. The repayment obligations of the Group's bond issues are covered by guarantees issued by the Parent Company Saipem SpA, and other Group companies.

Risks

For information on risk management, both financial and industrial, please refer to the analytical description in Note 3 "Accounting policies" in the "Financial risk management" section and to the "Risk management" section in the Directors' Report.

Additional information on financial instruments

FINANCIAL INSTRUMENTS - CARRYING AMOUNTS AND EFFECT ON INCOME STATEMENT AND EQUITY

The carrying amounts and effect on income statement and equity of financial instruments were as follows:

(€ million)	Carrying amounts	Income (expense) recorded in the income statement	Income (expense) recorded to other items of comprehensive income
Financial instruments held for trading			
Non-hedging derivatives [a]	(38)	(70)	
Financial assets measured at fair value through profit or loss	47		
Financial instruments measured at fair value			
Bonds	338		1
Financial fixed assets			
Investments carried at fair value	-		
Receivables and payables and other assets (liabilities) measured at amortised cost			
Trade and other receivables [b]	3,419	244	
Financial receivables [c] [g]	496	85	
Trade and other payables [d]	3,959	(199)	
Contract liabilities	3,434		
Financial payables [e] [h]	3,016	(201)	
Net hedging derivative assets (liabilities) [f]	(106)	10	(165)

(a) The income statement effects relate only to the income (expense) indicated in Note 37 "Financial income (expense)".
(b) The effects on the income statement were reported in the "Net reversals of impairment losses (impairment losses) on trade and other receivables" for €4 million of expense and in the "Financial income (expense)" for €248 million of income (relating to currency translations gains (losses) arising from adjustments to the year-end exchange rate).
(c) The effects on the income statement were reported in the "Financial income (expense)" for €85 million of income of which €87 million of income in the financial income (expense) relating to net debt and €2 million of expense in the currency translations gains (losses) arising from adjustments to the year-end exchange rate.
(d) The effects on the income statement were reported in the "Financial income (expense)" for €199 million of expense (relating to currency translations gains (losses) arising from adjustments to the year-end exchange rate)..
(e) The effects on the income statement were reported in the "Financial income (expense)" for €201 million of expense of which €181 million of expense in the financial income (expense) relating to net debt and €20 million of expense in the currency translations gains (losses) arising from adjustments to the year-end exchange rate.
(f) Project margins were adjusted in the income statement by €10 million in income.
(g) The item includes current and non-current lease assets amounting to €172 million.
(h) The item includes current and non-current lease liabilities amounting to €832 million.

NOTIONAL AMOUNTS OF DERIVATIVES

The notional amount of a derivative is an amount used as a reference to calculate the contractual payments to be exchanged. This amount may be expressed in terms of a monetary or physical quantity (e.g., barrels, tonnes, etc.). Monetary quantities in foreign currencies are converted into euros at the exchange rate prevailing at year end.
Notional amounts of derivatives, as summarised below, do not represent the amounts actually exchanged between the parties and do not therefore constitute a measure of Saipem's credit risk exposure. This is instead represented by the fair value of derivatives at year end.

INTEREST RATE RISK MANAGEMENT

No Interest Rate Swaps (IRS) contracts were in existence as of December 31, 2024, as there were as of December 31, 2023.

EXCHANGE RATE RISK MANAGEMENT

The Group enters into various types of exchange rate derivatives to manage its exchange rate risk. For contracts involving the exchange of two foreign currencies, both the amount received, and the amount sold are indicated.

(€ million)	Notional amount as of Dec. 31, 2024	Notional amount as of Dec. 31, 2023
Forward foreign exchange contracts	1,924	1,228

The table below shows forward foreign exchange contracts and other instruments used to manage the exchange rate risk for the main currencies.

	Notional amount as of Dec. 31, 2024		Notional amount as of Dec. 31, 2023	
(€ million)	Purchases	Sales	Purchases	Sales
AED	83	19	17	31
AUD	72	23	97	12
BRL	49	35	20	35
CHF	3	4	1	3
EUR	576	17	427	14
GBP	199	185	250	122
IDR	-	12	-	-
ILS	11	19	25	37
JPY	3	-	8	-
KWD	31	100	-	125
MXN	25	27	2	6
NOK	23	4	28	8
RON	11	74	5	93
SAR	147	40	567	36
SGD	78	13	7	-
THB	-	2	1	14
USD	970	3.631	968	3,115
Total	**2.281**	**4.205**	**2,423**	**3,651**

The table below shows the hedged cash flows as of December 31, 2024, by time period of occurrence and expressed in euro.

(€ million)	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	2026 and beyond	Total
Revenue	2,061	1,746	1,354	1,042	1,241	**7,444**
Expenses	1,520	1,129	1,027	726	1,030	**5,432**

COMMODITY PRICE RISK

The Group only enters into commodity contracts with the purpose of managing its commodity price risk exposure.
The following table shows hedged cash flows as of December 31, 2024 by time period of occurrence.

(€ million)	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	2026 and beyond	Total
Expenses	15	-	-	-	-	**15**

INFORMATION ON FAIR VALUE

The classification of financial assets and liabilities is given below; these are measured at fair value in the statement of financial position, according to the fair value hierarchy defined according to the significance of the inputs used in the assessment process. In particular, depending on the characteristics of the inputs used for assessment, the fair value hierarchy has the following levels:
a) level 1: prices (not subject to variations) listed on active markets for the same financial assets or liabilities;
b) level 2: assessments made on the basis of inputs, other than the listed prices referred to in the preceding point, which, for the measured asset/liability, can be observed directly (prices) or indirectly (derived from prices); and
c) level 3: inputs not based on observable market data.
In relation to the above, the financial instruments measured at fair value as of December 31, 2024 were as follows:

	Dec. 31, 2024			
(€ million)	Level 1	Level 2	Level 3	Total
Financial assets (liabilities) held for trading:				
- non-hedging derivatives	-	(38)	-	(38)
- financial assets measured at fair value through profit or loss	47	-	-	47
Financial assets available for disposal:				
- financial assets measured at fair value through OCI	338	-	-	338
Net hedging derivative assets (liabilities)	-	(106)	-	(106)
Total	**385**	**(144)**	**-**	**241**

Throughout the financial year 2024, there were no transfers between the different levels of the fair value hierarchy.

Legal proceedings

The Group is a party in certain judicial proceedings. Provisions for legal risks are made on the basis of information available at the date of the present Report, including information acquired by external consultants providing the Group with legal support. Information available regarding criminal proceedings at the preliminary investigation phase is by its nature incomplete due to the principle of pre-trial secrecy.
With respect to pending legal proceedings, provisions are not made when a negative outcome is evaluated as not probable or when it is not possible to estimate its outcome.
Except as noted below, for all the criminal proceedings evaluated, also with the support of external lawyers, and considered to be proceedings whose outcome cannot be predicted, no provisions were made.
The Company has made provisions for the following proceedings:
a) actions for damages brought by institutional investors following Consob Resolution No. 18949 of June 18, 2014, for which the Company prudently deemed it necessary to establish a provision;
b) other minor proceedings for which the Company has prudently set up provisions.
For more details, please see the coming paragraphs.
A summary of the most significant judicial proceedings is set out below.

ALGERIA

Ongoing Investigation - Algeria - Sonatrach 2: in March 2013, the legal representative of Saipem Contracting Algérie SPA was summoned to appear at the Court of Algiers, where he received verbal notification from the local investigating judge of the commencement of an investigation ("Sonatrach 2") underway "into Saipem Contracting Algérie for charges pursuant to Articles 25a, 32 and 53 of the Algerian Anti-Corruption Law No. 01/2006". The investigating judge also requested documentation (Articles of Association) and other information concerning Saipem Contracting Algérie SPA, Saipem SpA and Saipem SA. After this summon, no further activities or requests have followed.
GNL3 Arzew - Algeria: on October 16, 2019 and October 21, 2019, Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch were summoned by the investigating judge at the Supreme Court as part of investigations relating to events in 2008 (award of the GNL3 Arzew contract). Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA were

further summoned on November 18, 2019 by the General Public Prosecutor at the Supreme Court of Algiers to provide information and documents relating to the same GNL3 Arzew contract awarded by Sonatrach in 2008.
A further hearing of the representatives of Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA took place on November 18, 2019, at which the General Public Prosecutor of Algiers was provided with the information and documentation he had requested; the General Public Prosecutor of Algiers instructed Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch to provide further documentation by December 4, 2019. Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA promptly filed the documentation requested by the deadline of December 4, 2019. The Algiers General Public Prosecutor also summoned a representative of Saipem Contracting Algérie SPA. On November 20, 2019, the Algiers General Public Prosecutor informed Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch that Algeria's Trésor Public had joined the proceedings as a plaintiff.
On December 9, 2020, the local representative of Saipem Contracting Algérie SPA was heard.
Saipem SpA Algiers branch, Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers Branch were again called on December 16, 2020.
In September 2021, it became known that the Court of Algiers – Sidi Mhamed pole economic et financier – having taken note of the closure of the investigations, had issued an order to seize certain bank accounts of Saipem Group companies in Algeria, already subject to a similar previous provision set out in the context of the GK3 proceeding, as indicated above.
The commencement of the trial relating to the 2008 award of the GNL3 Arzew contract was initially set for a hearing before the Court of Algiers pole economic et financier on December 6, 2021, which was first postponed to December 20, 2021, then to January 3, 2022. At the hearing of January 17, 2022, the trial was postponed to January 24, 2022 and then to January 31, 2022.
In these criminal proceedings, which involved 38 individuals (including the former Algerian Ministry of Energy, certain former executives of Sonatrach and Algerian customs officials) and legal persons, the Public Prosecutor alleged that, with regard to the award in 2008 and the execution of the contract for the GNL3 Arzew project (the original value of which was approximately €2.89 billion), the following offences were committed, inter alia, by Saipem SpA Algerian branch, Snamprogetti SpA Algerian branch, Saipem Contracting Algérie SPA, two former employees of the Saipem Group and an employee of the Saipem Group:
(i) the *"inflating of prices in connection with the award of contracts concluded with a public company of an industrial and commercial nature benefiting from the authority or influence of representatives of that body"*;
(ii) infringement of certain Algerian customs regulations.
Sonatrach, the Algerian Trésor Public and the Customs Agency requested to appear as civil plaintiffs. The trial was declared open at the hearing of January 31, 2022. At the hearing of February 1, 2022, the judge closed the hearing stage. The Saipem Group defended itself on the merits, stating the lack of grounds for the charges, noting, among other things, the verdict of final acquittal pronounced by the Italian judicial authority regarding matters that included the award of the GNL3 Arzew contract and in any case the effects of the settlement signed with Sonatrach on February 14, 2018, which also concerned the previous pending arbitration regarding the same project.
Saipem SpA informed the market by press release dated February 15, 2022.
The first-degree sentence had imposed the payment of approximately €208 million, of which €145 million was awarded in favour of the civil parties and €63 million in damages.
On February 16, 2022, Saipem SpA, Saipem Contracting Algérie SPA and Snamprogetti SpA Algeria Branch appealed the sentence of February 14, 2022, whose grounds were made available on April 4, 2022.
The first hearing in the appeal judgment, initially scheduled for April 12, 2022, was postponed to May 10, 2022 and then to May 24, 2022 then June 14, 2022.
At the hearing on June 14, 2022, the Judge indicated a decision would be issued on June 28, 2022.
Saipem SpA informed the market by press release dated June 28, 2022.
On July 31, 2022, Saipem SpA Algeria branch, Saipem Contracting Algérie SPA and Snamprogetti SpA Algeria Branch challenged the decision of the Algiers Court of Appeal issued on June 28, 2022 before the Algerian Supreme Court.
Saipem SpA informed the market by press release dated November 18, 2022.

Regarding the bank accounts already frozen, Saipem Contracting Algérie SPA had informally learned of a request of confiscation of sums held therein and had informed the banks involved, inter alia, of the existence of a previous similar provision which insisted on the same sums set out in the GK3 proceedings which would have determined the illegitimacy of any subsequent payment by them of the aforementioned sums. Saipem Contracting Algérie SPA had informed the local competent Authority for the execution which, noting the foregoing, ordered the temporary suspension of the execution, pending the conclusion of the GK3 proceedings. Despite the information made available by Saipem, pending the issuance of the aforementioned ministerial provision, one of the local banks had proceeded to implement the confiscation request for a sum equal to 1,693,222,124.55 Algerian Dinars (equivalent to €11.4 million at the exchange rate of December 31, 2023).

After excluding the possibility of presenting an extraordinary appeal, the management of the Company carried out, also through external legal consultants, an in-depth analysis on the recognition and enforceability of the rulings of the Algerian Supreme Court outside the local jurisdiction. During 2024, discussions were initiated with the Algerian Authorities aimed at resolving the interpretation and execution of the criminal action and connected indemnification related to the ruling .in this connection, the management of Saipem Contracting Algérie SPA, with the help of its legal advisors, made a formal request for an authentic interpretation of the ruling to the Attorney General's Office, the only body delegated to enforce judgments under Algerian law, regarding the permissibility of confiscation of bank accounts that had no connection to the aforementioned project. The Algiers Attorney General's Office has initiated preliminary actions to obtain payment of the fines specified in the judgment.
In June 2024, the Algerian Authorities, responding to the interpretative requests made by Saipem Contracting Algérie SPA, pronounced a ruling confirming the provisions of the judgment.
Following this ruling, the Algerian Authorities confiscated the remaining amounts already seized totaling 8,055,221,624.6 Algerian dinars (€57,114,985.06 equivalent at the exchange rate of December 31, 2024) and released all accounts.
In December 2024, taking into account business opportunity assessments related to the development of the business in the Algerian market, the terms of payment of the claimed amounts were defined.

BRAZIL

On August 12, 2015, the Public Prosecutor's office of Milan served Saipem SpA. with a notice of investigation and a request for documentation in the framework of new criminal proceedings for the alleged crime of international corruption occurring between 2004-2014 concerning three contracts: "Mexilhao 1", "Uruguà - Mexilhao Pipeline Project" and "Operation of the Floating, Production, Storage and Offloading FPSO - Cidade de Vitória" awarded by the Brazilian company Petrobras to Saipem SA (France) and Saipem do Brasil (Brazil). On January 30, 2023, the Milan Public Prosecutor served the Company's lawyers with the decree of dismissal of the Saipem SpA's proceeding pursuant to Article 58 of Legislative Decree No. 231/2001 dated January 24, 2022.
On January 31, 2023, the Company's lawyers acquired a copy of the dismissal order, sending it to the company on the same date.
It states that the dismissal regards Saipem SpA pursuant to Article 746-*quater*, paragraph 6 of the Code of Criminal Procedure. Following the aforementioned dismissal, the file was taken over by the Paris Public Prosecutor's Office (Parquet National Financier). To assist the subsidiary Saipem SA, involved in a request for the acquisition of documents by the French Public Prosecutor, a law firm in Paris has been engaged and is currently dealing with it.
With reference to the aforementioned contracts, the Company learned only through the press, that the award of this contract was being looked into by the Brazilian judicial authorities in relation to a number of Brazilian citizens, including a former associate of Saipem do Brasil.
In particular, on June 19, 2015, Saipem do Brasil learned through the media of the arrest (in regard to allegations of money laundering, corruption and fraud) of a former associate, as a result of a measure taken by the Brazilian Public Prosecutor's office of Curitiba, in the framework of a judicial investigation in progress in Brazil since March 2014 ("Lava Jato" investigation). On July 29, 2015, Saipem do Brasil then learned through the press that, in the framework of the conduct alleged against the former associate of Saipem do Brasil, the Brazilian Public Prosecutor's office also alleges that Petrobras was unduly influenced in 2011 to award Saipem do Brasil a contract called "Cernambi" (for a value of approximately €56 million). This has been purportedly deduced from the circumstance that in 2011, in the vicinity of the Petrobras headquarters, said former associate of Saipem do Brasil claims to have been the target of a robbery in which approximately 100,000 reals (approximately €18,650 amount updated at the exchange rate as of December 31, 2023) just withdrawn from a credit institution were stolen from him. According to the Brazilian Prosecutor, the robbery allegedly took place in a time period prior to the award of the aforesaid "Cernambi" contract.
Saipem SpA has cooperated fully with the investigations and has started an audit with the assistance of a third-party consultant. The audit examined the names of numerous companies and persons reported by the media as being under investigation by the Brazilian judicial authorities. The audit report, issued on July 14, 2016, recognised the absence of communications or documents relating to transactions and/or financial movements between companies of the Saipem Group and the personnel of Petrobras under investigation.
The witnesses heard in the criminal proceedings underway in Brazil against this former associate, as well as in the framework of the works of the parliamentary investigative committee set up in Brazil on the "Lava Jato" case, have stated that they were unaware of any irregularities regarding Saipem's activities.
Petrobras appeared as a plaintiff *(Assistente do Ministerio Publico)* in the proceedings against the three individuals charged. The Brazilian Attorney General considered that the conditions for keeping confidential an agreement signed in October 2015 by the former associate of Saipem do Brasil – who, with such agreement committed himself to substantiating with evidence

some of the statements made – had ceased. The proceeding resumed on June 9, 2017. At the hearing on June 9, 2017, the depositions of the three defendants were obtained, among them the former associate of Saipem do Brasil and a former Petrobras official.
Saipem do Brasil's former associate, with regard to the robbery he suffered where 100,000 Brazilian reals were stolen in October 2011, said that money was needed to pay the costs of real estate for a company he was managing on behalf of a third party vis-à-vis Saipem (that is, the former Petrobras official charged in the same proceeding who confirmed that statement).
The former Saipem do Brasil associate had also stated that the Saipem Group did not pay any bribes because Saipem's compliance system prevented this from happening. That statement was confirmed by the former Petrobras official charged in the same proceeding. The former associate of Saipem do Brasil and the former Petrobras official charged in the same proceeding, while offering a reconstruction of the facts which was partially different, had reported that the possibility of some inappropriate payments was discussed with reference to certain contracts of Saipem do Brasil but in any case, no payment had been made by the Saipem Group. The former Saipem do Brasil associate and the former Petrobras official charged in the same proceeding stated that the contracts awarded by the client to the Saipem Group had been won through regular bidding procedures. During the proceedings against the former associate of Saipem do Brasil, no evidence of irregularities emerged in the management of tenders assigned by Petrobras to Saipem Group and/or evidence of illegal payments by Saipem Group in relation to tenders assigned by Petrobras to Saipem Group and/or evidence of damages suffered by Petrobras in relation to tenders assigned to Saipem Group. Saipem Group has not been involved in this proceeding.
The audit that was concluded in 2016 was relaunched with the support of the same third-party consultant used earlier and with the same methodology in order to analyse some of the information mentioned during the depositions of June 9, 2017.
The audit report, issued on July 18, 2018, confirmed the absence of communications or documents relating to transactions and/or financial movements between companies of the Saipem Group and the personnel of Petrobras under investigation.
Saipem SpA informed the market by the press release dated May 30, 2019.
As part of the aforementioned administrative proceedings, on June 21, 2019, Saipem do Brasil and Saipem SA presented their initial defence statements before the competent administrative authority *(Controladoria-Geral da União* through *Corregedoria Geral da União*).
With a communication dated August 21, 2019, the competent administrative authority (*Controladoria-Geral da União* through *Corregedoria-Geral da União*) informed Saipem do Brasil and Saipem SA that, following the preliminary investigation carried out up to that moment, the administrative procedure has not been closed and invited Saipem do Brasil and Saipem SA to present further defence statements by September 20, 2019.
Saipem do Brasil and Saipem SA submitted their defence statements by the set deadline. On April 24, 2020, the competent Brazilian Administrative Authority (*Controladoria-Geral da União* through the *Corregedoria-Geral da União*) ordered a 180-day postponement for the conclusion of the administrative procedure.
On November 30, 2020, Saipem SA and Saipem do Brasil submitted further defence statements before the Brazilian Administrative Authority (*Controladoria-Geral da União* through the *Corregedoria-Geral da União*).
On December 29, 2022, it was published in the *Diario Oficial da Uniao* the decision of the Minister at the *Controladoria-Geral da União* which applied against Saipem SA and to Saipem do Brasil the sanction of the interdiction from participating in tenders or concluding agreements with the Brazilian Public Administration with suspended effect.
On January 9, 2023, the aforementioned Saipem companies presented a request to review the decision of December 29, 2022, within the *Controladoria-Geral da União*.
On January 12, 2024, the ruling by the *Controladoria-Geral da União* was published in the *Diario Oficial da Uniao*, applying against Saipem SA and Saipem do Brasil the sanction of suspension from participating in tenders or entering into agreements with the Brazilian Public Administration for a period of 2 years.
On the same date, Saipem SpA informed the market by press release
On January 18, 2024, Saipem SA and Saipem do Brasil filed their appeal before the Federal District Court in Brasilia. CGU also filed its appeal.
On October 16, 2024, a favorable ruling of the Federal District Court of Brasilia, annulling the CGU's order that prohibited Saipem SA and Saipem do Brasil from entering into agreements with the Brazilian public administration for a period of two years, was published. In addition, on December 20, 2024 the Federal District Court of Brasilia, ruling on the companies' request, ordered the immediate effectiveness of its decision to annul the CGU's sanction and ordered the removal of Saipem SA and Saipem do Brasil from the list of companies debarred from entering into agreements with the Public Administration.
Since this is a ruling that annuls an administrative measure, under Brazilian law an appeal phase is mandatory and was initiated on December 9, 2024 with the filing of the appeal by the CGU. Saipem SA and Saipem do Brasil appeared in the proceedings on February 7, 2025.
On June 8, 2020, the Brazilian Federal Prosecutor's office issued a press release informing of a new charge against a former President of Saipem do Brasil, who left the Saipem Group on December 30, 2009. The charge concerns alleged episodes of

corruption and money laundering that allegedly occurred between 2006 and 2011 in relation to two contracts awarded by Petrobras Group companies to Saipem Group companies (the Mexilhao contract signed in 2006 and the Uruguà-Mexilhao contract signed in 2008).
The new charge was made only against individuals (not Saipem Group companies) and involved, in addition to the former President of Saipem do Brasil, some former Petrobras officials.
The Brazilian Federal Court of Curitiba on July 6, 2020, accepted the complaint filed by the Brazilian Federal Prosecutor's Office against the former Chairman of Saipem do Brasil (who left the company on December 30, 2009) and a former Petrobras official against whom a criminal trial was opened in Brazil. Petrobras was admitted as plaintiff (*Assistente do Ministerio Publico*) in the same proceeding against the two accused persons. No company of the Saipem Group is party to this proceeding.

PUBLIC PROSECUTOR'S OFFICE AT THE COURT OF AGRIGENTO (SICILY)

On June 28, 2024, Guardia di Finanza (the Italian Financial Police) of Milan, on the instructions of the Agrigento Public Prosecutor's Office, served Saipem SpA with a notice stating the conclusion of preliminary investigations as part of proceedings registered with the Agrigento Public Prosecutor's Office for an alleged administrative offence under Article 25-*sexiesdecies* of Legislative Decree No. 231/2001, in connection with alleged irregularities in the payment of taxes as part of the ordinary refuelling of a ship owned by a third-party company, which Saipem SpA had chartered.
The act was allegedly committed in Italian territorial waters near the municipality of Licata (Agrigento, Sicily) on November 19, 2023.
The notice stating the conclusion of preliminary investigations shows that the Agrigento Public Prosecutor's Office ordered the registration, on May 24, 2024, of Saipem SpA as an entity under investigation under Legislative Decree No. 231/2001.
On November 22, 2024, Saipem SpA was served with a decree of direct summons before the Court of Agrigento, with a pre-trial hearing set for May 21, 2025 before the same Court.
No employees or representatives of Saipem SpA appears to be involved in the proceedings.

CRIMINAL PROCEEDINGS RELATED TO TAX OFFENSES IN THE FEDERAL HIGH COURT OF NIGERIA - LAGOS JUDICIAL DIVISION

In February 2025, Saipem Contracting Nigeria Ltd. ("SCNL"), became aware from press releses of the pendency at the Federal High Court of Nigeria - Lagos Judicial Division of two criminal proceedings related to tax offenses, allegedly committed in Nigeria between the years 2010 and 2014. To date, the charges are directed at: (i) SCNL; (ii) its Managing Director; and (iii) its AFC Manager.
Based on the information available to date, it should be noted that the facts underlying the disputes appear to be related to the subject matter of the tax dispute dating back to 2016 contained in the "Tax Disputes" section of this Consolidated Annual Financial Report, in the section entitled "Saipem SpA - Saipem SA - Snamprogetti Engineering BV - Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda - Saipon Snc" to which reference should be made, in the context of which in the first instance the Federal High Court on July 17, 2020 ruled in favor of the Saipem group companies accepting all their grounds of grievance.

ACTIONS FOR DAMAGES FOLLOWING CONSOB RESOLUTION NO. 18949 OF JUNE 18, 2014

First proceeding with institutional investors

First instance proceedings: On April 28, 2015, a number of foreign institutional investors initiated legal action against Saipem SpA before the Court of Milan, seeking judgement against the Company for the compensation of alleged loss and damage (quantified in approximately €174 million), in relation to investments in Saipem SpA shares which the claimants alleged that they had made on the secondary market. In particular, the claimants sought judgement against Saipem SpA requiring the latter to pay compensation for alleged loss and damage which purportedly derived from the following: (i) with regard to the main claim, from the communication of information alleged to be "imprecise" over the period from February 13, 2012 to June 14, 2013; or (ii) alternatively, from the allegedly "delayed" notice, only made on January 29, 2013, with the first "profit warning" (the so-called "First Notice") of privileged information which would have been in the Company's possession from July 31, 2012 (or such other date to be established during the proceedings, identified by the claimants, as a further alternative, on October 24, 2012, December 5, 2012, December 19, 2012 or January 14, 2013), together with information which was allegedly "incomplete and imprecise" disclosed to the public over the period from January 30, 2013 to June 14, 2013, the date of the second "profit warning" (the so-called "Second Notice"). Saipem SpA appeared in court, case number R.G. 28789/2015, fully disputing the adverse parties' requests, challenging their admissibility and, in any case, their lack of grounds.
On November 9, 2018, the Court of Milan issued the first instance ruling No. 11357 rejecting the merit of the request by the parties. The Court has indeed ruled that there is lack of evidence of ownership of Saipem SpA shares by said plaintiffs in the

period indicated above and has condemned them to pay €100,000 in favour of Saipem SpA, by way of reimbursement of legal expenses.
Appeal proceedings: on December 31, 2018, the institutional investors challenged the aforementioned sentence before the Court of Appeal of Milan, requesting that Saipem SpA be ordered to pay approximately €169 million. On February 23, 2021, the Judge ordered an integrative evidence phase.
On April 14, 2022, the court technical expert ("CTU") filed his technical report integrated on February 20, 2023. On March 6, 2023, at the request of the Court of Appeal, the court technical expert filed a clarification. At the hearing of May 3, 2023, the decision was retained.
In a ruling dated November 7, 2023, the Milan Court of Appeals partially reformed the first instance ruling and – against a claim of more than €170 million (plus interest and revaluation) – partially upheld that claim granting approximately €10.2 million (plus interest and revaluation). The Milan Court of Appeals substantially rejected the investors' claims, having found Saipem SpA liable only for an informational delay for a very limited period of time.
By order dated February 12, 2025, the Court of Appeal, ruling on the request filed by Saipem SpA after notification of a formal notice to pay, suspended ex parte (without hearing the other party) the enforceability of the ruling, setting the hearing for March 5, 2025, subsequently postponed to March 26, 2025 to confirm or revoke the order. In the meantime, the enforcement of the ruling cannot be initiated. Investors joined the proceedings, requesting that the suspension be lifted.

Supreme Court: on December 21, 2023, Saipem SpA filed an appeal to the Supreme Court against the ruling of the Milan Court of Appeals.
On January 30, 2024, the investors filed their counter-appeal and cross-appeal.
Saipem SpA filed its own counter-appeal in response to the cross-appeal within the legal deadlines.

Second proceeding with 27 institutional investors
First instance proceedings: with a writ of summons dated December 4, 2017, twenty-seven institutional investors initiated legal action before the Court of Milan section specialised in the field of corporate law, against Saipem SpA and two former Chief Executive Officers of said company, requesting that they are jointly condemned to pay compensation (with respect to the two former members of the company, limited to their periods of stay in office) for damages, material and non-material, allegedly suffered due to an alleged manipulation of information released to the market during the period between January 2007 and June 2013.
Saipem SpA liability was assumed pursuant to Article 1218 of the Civil Code (contractual liability) or pursuant to Article 2043 of Civil Code (non-contractual liability) or pursuant to Article 2049 of the Civil Code (owner and client liabilities) for the illegal conduct committed by the two former company representatives.
The Company appeared in Court to contest the claims in full, pleading inadmissibility and in any case the groundlessness in fact and in law.
In the pleading pursuant to Article 183, paragraph 6, No. 1, Civil Procedure Code, the plaintiffs provided for the quantification of damages allegedly suffered in the amount of approximately €139 million. With the pleading under Article 183, paragraph 6, No. 3, Civil Procedure Code, one of the plaintiffs declared to waive the action pursuant to Article 306, Civil Procedure Code.
On November 9, 2018, the Company filed sentence No. 11357 issued by the Court of Milan on November 9, 2018 at the outcome of case R.G. No. 28789/2015, as this provision decided the same preliminary issues of merit raised by Saipem SpA and the other defendants in the case under consideration, in particular with reference to the failed proof of purchase of Saipem SpA shares.
On November 9, 2019, Saipem SpA produced in the proceedings the order of the Criminal Court of Milan dated October 17, 2019, with reference to the pending criminal judgment R.G.N.R. 5951/2019, in which the constitution of approximately 700 civil parties was declared inadmissible in that case, with reasons similar to those of judgment No. 11357 issued by the Court of Milan on November 9, 2018 at the outcome of case R.G. No. 28789/2015.
On February 9, 2021, the Judge held the case in decision – having deemed it necessary to remit the decision on all claims and exceptions made by the parties to the Court – setting the legal terms for the filing of the final statements and the replies which were respectively filed on April 12 and May 3, 2021.
With a ruling dated November 20, 2021, the Court of Milan ruled in favour of Saipem SpA, rejecting the plaintiffs' claims for approximately €101 million out of €139.6 million, considering the ownership of Saipem SpA shares in the relevant period to be unproven.
Investors have paid Saipem SpA approximately €150,000 in legal fees.
The Court of Milan, with the above ruling and with an order dated November 20, 2021, referred the case to the preliminary investigation for claims made by other plaintiffs for damages amounting to a total of approximately €38 million.

With a correction order dated March 10, 2022, the Court of Milan – at the request of all the parties in the proceedings – made some changes to the first instance sentence, adding some plaintiffs and funds/assets separated to the group of those whose claims had been fully rejected, and adding other plaintiffs and funds/assets to the group of investors for which the prosecution in first instance was ordered.
By order dated October 4, 2022, communicated on October 6, 2022, reserving any assessment on the relevance of the criminal acquittal decision dated December 21, 2021 issued in the R.G.N.R. 5951/2019 proceedings and the court technical expert report ("CTU") rendered in the R.G. 28789/2015 proceedings (both produced by Saipem SpA in the proceedings), the Court decided to initiate the expert technical activity ordered on November 20, 2021, with a question crystallized in the cross-examination of the parties at the hearing of December 14, 2022, appointing the same technical expert of the R.G. 28789/2015 proceedings.
By ruling dated 4 February 2025, the Court set at December 1, 2025 the deadline for the filing of the final expert report and at December 16, 2025 the deadline for the hearing to assess such report.

Appeal proceedings: on January 22, 2022, Saipem SpA appealed the ruling issued by the Court of Milan on November 20, 2021, insofar as it remanded the claims of these plaintiffs for investigation. The parties appeared in the proceedings within the terms, also formulating a cross-appeal against the same sentence.
On January 24, 2022, the investors whose claims were rejected, because they had failed to prove they owned Saipem SpA shares in the relevant period, had also appealed the ruling of November 20, 2021.
Saipem SpA appeared in this judgment with a brief filed on May 25, 2022, also containing a cross-appeal. The other defendants appeared by filing a brief with cross- appeal on May 19 and May 20, 2022.
In light of the changes made by the correction order (*ordinanza di correzione*) of the Court of Milan on March 10, 2022 to the judgement of the Court of Milan of November 20, 2021, Saipem SpA, on March 18, 2022, challenged the judgement also in the parts corrected by the correction order, with reference to the plaintiffs and funds initially omitted from the proceeding and subsequently "added" to the group of those for which the continuation of the trial in the first instance had been ordered. The other parties appeared in the proceedings filing their briefs on July 25, 2022.
Three appeals were pending against the same ruling and, at the request of the parties, on September 28, 2022, the Court of Appeal united the three appeals. At the final hearing closing arguments were submitted by the parties in the three combined proceedings, held on July 5, 2023, the case was held in decision, setting terms for the exchange of final briefs and replies to be filed by the Company within the legal deadlines. On July 24, 2024, the judge returned the case to the evidence phase, ordering a Court-appointed expert technical report on the evidence of ownership of Saipem SpA's shares during the period concerned by the proceedings.
The deadline for filing the Court-appointed expert's final report will ultimately expire on June 20. 2025, and the hearing for its assessment is scheduled for July 2, 2025.

Third proceedings with 27 institutional investors

On December 1, 2022, 27 institutional investors served Saipem SpA and two previous managing directors of the Company with a writ of summons before the Civil Court of Milan – section specialised in corporate matters – requesting jointly (with respect to the two former company representatives, limited to their respective terms of office) the compensation for pecuniary and non-pecuniary damages allegedly suffered in the period between January 2007 and June 2013.
The liability of Saipem SpA is claimed pursuant to Article 1218, Civil Code (contractual liability), or pursuant to art. 2043, Civil Code (non-contractual liability), or pursuant to Article 2049, Civil Code (liability of owners and clients) for the offences allegedly committed by the two former company representatives sued, as well as liability for a crime pursuant to Article 185 Italian Criminal Code.
The amount of damage is not quantified by the plaintiffs, who reserved the right to proceed with the related quantification during the proceedings.
In its defence, Saipem SpA appeared before the Court on September 27, 2023, contesting each charge and requesting the dismissal of all investors' claims.
On November 22, 2023, the first hearing was held in which some preliminary issues of Saipem SpA were discussed, and the Judge reserved the right to proceed. On February 21, 2024, the Judge decided to deal in advance with the issue of the plaintiffs' standing/representation with respect to the merits of the case. The hearing was ultimately adjourned to October 30, 2024 to deal with this issue. The Judge set deadlines to the parties to file the relevant briefs on the issue and the authorised replies, the last of which were filed on December 20, 2024. Subsequently, the judge set deadlines for filing pleadings under Article 183 Code of Civil Procedure

OTHER ACTIONS FOR DAMAGES BROUGHT BY INVESTORS

Proceedings with 14 investors

On December 21, 2023, 14 investors served Saipem SpA with a writ of summons before the Court of Milan, claiming the Company's alleged liability, pursuant to Article 94 et seq., of Legislative Decree No. 58 of February 24, 1998, and Articles 1337 and/or 2043 of the Italian Civil Code for having allegedly communicated erroneous and misleading information to the market in the period between the date of publication of the financial results for the first nine months of 2015, i.e., October 27, 2015, and the date of publication of the results for the first nine months of 2016, i.e., October 25, 2016, with regard to, inter alia, the 2016-2019 Strategic Plan, the 2015 consolidated financial statements, and the documentation relating to the 2016 capital increase.
The claim for damages is formulated with regard to the difference between the investment in Saipem shares made by the plaintiffs during the relevant period and the value of the shares on the date of sale or, if still held by the investor, on the date of the summons' notification, for an overall amount (combining the claims of the individual plaintiffs) of approximately €1.7 million. On February 26, 2024, Saipem SpA appeared in the proceedings. The Court of Milan confirmed the first hearing on May 6, 2024, and set deadlines for the parties to file supplementary briefs. At the hearing on May 6, 2024, the Court of Milan did not admit the expert appraisal requested by the plaintiff and set the final hearing for September 11, 2024. At this hearing, the case was held for decision. With its judgement dated September 13, 2024, the Court of Milan, accepting the defense arguments of Saipem SpA, rejected the claim proposed by the investors, setting off the costs of the proceedings. The term for the appeal is pending.
Demands for out-of-court settlement and mediation proceedings: in relation to alleged delays in providing information to the market, Saipem SpA received a number of out-of-court claims and requests for mediation during the period 2015-2023 and in the first months of 2024.
With regard to out-of-court requests, the following were made: (i) in April 2015 by 48 institutional investors on their own behalf and/or on behalf of the funds respectively managed for a total amount of approximately €291.9 million, without specifying the value of the claims of each investor/fund (subsequently, 21 of these institutional investors together with 8 others proposed a request for mediation, for a total amount of approximately €159 million; 5 of these institutional investors together with 5 others proposed a request for mediation, for a total amount of approximately €21.9 million); (ii) in September 2015 by 9 institutional investors on their own behalf and/or on behalf of the funds respectively managed, for a total amount of approximately €21.5 million, without specifying the value of the claims of each investor/fund (subsequently 5 of these institutional investors together with 5 others proposed a request for mediation, for a total amount of approximately €21.9 million); (iii) during 2015 by two private investors respectively for approximately €37,000 and for approximately €87,500; (iv) during July 2017 by some institutional investors for approximately €30 million; (v) on December 4, 2017 by 141 institutional investors for an unspecified amount (136 of these investors on June 12, 2018 renewed their out-of-court request, again for an unspecified amount); (vi) on April 12, 2018 for approximately €150-200 thousand by a private investor; (vii) on July 3, 2018 by a private investor for approximately €330 thousand; (viii) on October 25, 2018 for approximately €8,800 from three private investors, one of which reiterated the request in February 2025; (ix) on November 2, 2018 for approximately €48,000 from a private investor; (x) on May 22, 2019 for approximately €53,000 from a private investor; (xi) on June 3, 2019 for an unspecified amount from a private investor; (xii) on June 5, 2019 for an unspecified amount from two private investors; (xiii) in February 2020 by a private investor who claims to have suffered damages worth €1,538,580; (xiv) in March 2020 by two private investors who did not indicate the value of their claims; (xv) in April 2020 by two private investors who did not indicate the value of their claims and by a private investor claiming alleged damages of approximately €40,000; (xvi) in May 2020 by a private investor who did not indicate the value of his claim; (xvii) in June 2020 by one private investor who did not indicate the value of its claim for damages; (xviii) in June 2020 by twenty-three private investors who did not indicate the value of their claim for damages; (xix) in July 2020 by eighteen investors claiming damages of approximately €22.4 million; (xx) in July 2020 by thirty-four private investors who did not indicate the value of their claim for damages; (xxi) in August 2020: (a) by four private investors who did not indicate the value of their claim; (b) by three institutional investors in their own right and/or on behalf of the funds respectively managed for an amount of approximately €7.5 million; (xxii) in September 2020 by ten private investors who did not indicate the value of their claim; (xxiii) in October 2020 by: (a) twelve private investors who did not indicate the value of their claim, (b) by one private investor claiming to have suffered damages in the amount of €113,810, (c) by six hundred and forty-four associated private investors who did not indicate the value of their claim and (d) by three institutional investors in their own right and/or on behalf of the funds respectively managed for a total amount of €115,000; (xxiv) in November 2020: (a) by eleven private investors who did not indicate the value of their claim, (b) by two institutional investors in their own right and/or on behalf of the funds respectively managed for an amount of approximately €166,000; (xxv) in December 2020 by ten private investors who did not indicate the value of their claim and by one private investor who claims to have suffered damages in the amount of €234,724; (xxvi) in January 2021 by four private investors who did not indicate the value of their claim; (xxvii) in March 2021 by three private investors who did not indicate the value of their claim and by five associated private investors who did not indicate the

value of their claim; (xxviii) in April 2021 (a) by one private investor who did not indicate the value of his claim; (b) by fourteen institutional investors in their own right and/or on behalf of the funds respectively managed for a total amount of approximately €3 million; (xxix) in May 2021 (a) by two private investors who did not indicate the value of their claim, (b) by one private investor who indicated the value of his claim in a total amount of approximately €100,000 and (c) by a private investor who indicated the value of his claim in a total amount of approximately €84,000; (xxx) in July 2021 by a private investor who indicated the value of his claim in a total amount of approximately €92,000; (xxxi) in December 2021 by two private investors who indicated the value of their claim in a total amount of approximately €143,000; (xxxii) in January 2022 by 161 private investors who indicated the value of their claim in a total amount of approximately €23 million; (xxxiii) in May 2022 by 6 institutional investors who indicated the value of their claim in a total amount of €3.9 million and by 103 private investors claiming approximately €7.9 million; (xxxiv) in June 2022 by 14 private investors claiming a total of approximately €1.9 million; (xxxv) in July 2022 by two private investors claiming a total of approximately €387,000; (xxxvi) in September 2022 by 7 private investors claiming approximately €385 million; (xxxvii) in December 2022 by 1 private investors claiming approximately €106 million for a total amount of more than 1,000 claims for a total value of more than €300,000,000. Those applications where mediation has been attempted, but with no positive outcome, involve further demands: (a) in April 2015 by 7 institutional investors acting on their own behalf and/or of the funds managed by them, in relation to about €34 million; (b) in September 2015 by 29 institutional investors on their own behalf and/or for the funds managed by them respectively, for a total amount of approximately €159 million (21 of these investors, together with another 27, submitted out-of-court demands in April 2015, complaining that they had suffered loss and damage for a total amount of approximately €291 million without specifying the value of the claims for compensation for each investor/fund); (c) in December 2015 by a private investor in the amount of approximately €200,000; (d) in March 2016 by 10 institutional investors on their own and/or on behalf of the funds managed by each respectively, for a total amount of approximately €21.9 million (5 of these investors together with another 4 had presented out-of-court applications in September 2015 complaining they had suffered loss and damage for a total amount of approximately €21.5 million without specifying the value of the compensation sought by each investor/fund. Another 5 of these investors, together with a further 43, had submitted out-of-court applications in April 2015 alleging they had suffered loss and damage for an amount of approximately €159 million without specifying the value of the compensation sought by each investor/fund); (e) from a private investor in April 2017 for approximately €40,000; (f) in 2018-2019 by a private investor for approximately €48,000; (g) in December 2020, a private investor initiated an attempt at mediation aimed at the request of compensation for an undetermined value; (h) in October 2022 by a private investor initiated an attempt at mediation aimed at the request of compensation for an undetermined value; (i) in November 2022 by a private investor initiated an attempt at mediation aimed at the request of compensation for approximately €20,000; (l) in March 2023 by 44 private investors who did not state the value of their claim, which was reiterated in the course of 2024; (m) in May 2023 by a private investor for about €7,000; (n) in June 2023, by a private investor who did not state the value of the claim; (o) in July 2023, by a private investor for approximately €60,000; (p) in January 2024, by a private investor for approximately €40,000; (q) in February 2024 by two private investors who did not quantify the amount of their claims and by two private investors who indicated the total value of their claim at €54,000; (r) in July 2024, by a private investor who did not quantify the amount of the claims.

Saipem SpA verified the aforementioned requests for out-of-court claims and mediation and found them to be groundless. As of today, the aforementioned requests carried out out-of-court and/or through mediation have not been the subject of legal action, except as specified above in relation to the four lawsuits pending before the Court of Milan, the Court of Appeal of Milan and the Supreme Court, respectively, and to another lawsuit, with a claim value of approximately €3 million, in which Saipem SpA had been summoned during 2018 by the defendant in the action and for which (after the claim against Saipem SpA was rejected by the Court of First Instance in the first instance and the Court of Appeal in the second instance, accepting Saipem SpA 's defence, rejected the counterparty's appeal, ordering the latter to pay Saipem SpA the costs of the litigation) is pending before the Supreme Court, another case with a claim value of approximately €40 thousand – which ended with a ruling in favour of Saipem SpA, and another case served on Saipem SpA with a claim value of approximately €200,000 which also ended in favour of Saipem and another case with a claim value of approximately €20,000

ACTIONS FOR DAMAGES OVERSEAS

Litigation initiated by Isiodu Community in Emohua Local Government Area of Rivers State + Others

HRH Eze Jacob O Ugwugwueli, Chief Tobin Iregbundah, Chief Robinson Chukwu, Chief Sunday P. Azundah, Elder Clifford Ikpo, Chief Samuel C. Azundah (on its own and on behalf of the Council of Chiefs and people of Isiodu Community in Emohua Local Government Area of Rivers State (together the "Plaintiffs") sued Saipem Contracting Nigeria Ltd ("SCNL"), Shell Petroleum Development Company Nigeria Ltd ("SPCD"), Patyco Global Concept Ltd, the Nigerian Federal Ministry of Environment and the Nigerian Department of Petroleum Resources before the Federal High Court of Port Harcourt (Nigeria) alleging that toxic substances deriving from the realisation of the Southern Swamp Associated Gas Solutions project in Nigeria were illegally spilled into the territory of their community by the Nigerian company Patyco Global Concept Ltd, a subcontractor appointed

by SCNL/SPDC to dispose of the waste deriving from the realisation of this project. The Plaintiffs requested that all the defendants be sentenced to pay, jointly and severally, compensation of: (i) USD 60 million (approximately €49.5 million) for the alleged damage to the environment and the health/life of the Plaintiffs; (ii) USD 3 billion (approximately €2.47 billion) for the alleged special damages for all of the related consequences and recovery activities that would allegedly derive from them; (iii) legal fees and interest at 20%. The defendants contest any responsibility vis-à-vis the claims put forth by the Plaintiffs. After several postponements, the first hearing was held on March 30, 2022.
Since that date, there have been several hearings in which preliminary issues have been addressed. And, more specifically, the replacement of the Department of Petroleum Resources (not a legal entity) with the Nigerian Upstream Petroleum Regulatory Commission.] At the last hearing, held on February, 27, 2025, the substitution of some plaintiffs who have since passed away was noted, and the case was adjourned to a hearing on March 20, 2025, for verification of the proper amendment of the reply briefs.

Case brought by United Gulf Construction Co wll in the context of the Al Zour Refinery Project (Kuwait)

United Gulf Construction Co WLL ("UGCC") brought a case before the Commercial Court of Farwaniya (Kuwait) against its client Essar Project Ltd ("EPL"), for the payment of (i) overdue invoices relating to works certified by EPL and (ii) sums withheld by EPL as "retention money" until contractual acceptance of the works. UGCC involved in the proceedings also Saipem SpA, EPL's partner in the execution of the project, and Kuwait Integrated Petroleum Industries Co ("KIPIC"), the project's ultimate client, to have them jointly and severally ordered to pay the total sum of KWD 4,905,066.78 (approximately €15,3 million equivalent as of December 31, 2024), plus interest at the rate of 7% per annum, from November 30, 2020 until payment.
Saipem and the other defendants will file their response by April 17, 2025

ARBITRATIONS

Fos Cavaou

With regard to the Fos Cavaou ("FOS") project for the construction of a regasification terminal, the client Société du Terminal Méthanier de Fos Cavaou (now Fosmax LNG) in January 2012 commenced arbitration proceedings before the International Chamber of Commerce in Paris ("Paris ICC") against the contractor STS, a French "société en participation" "STS") made up of Saipem SA (50%), Tecnimont SpA (49%) and Sofregaz SA (1%).
The brief filed by Fosmax LNG included a demand for payment of approximately €264 million for damages allegedly suffered, penalties for delays and costs for the completion of works (*mise en régie*). On January 28, 2013 STS filed its defence brief, with a counterclaim for €338 million. On the basis of the award issued by the Arbitration Panel on February 13, 2015, Fosmax LNG paid STS the sum of €84,349,554.92, including interest on April 30, 2015, of which 50% is due to Saipem SA. On June 26, 2015, Fosmax LNG challenged the award before the French Conseil d'Etat, requesting its annulment on the alleged basis that the Arbitration Panel had erroneously applied private law to the matter instead of public law. On November 9, 2016 the Conseil d'Etat issued its own ruling, with which it partially nullified the award of February 13, 2015, for only the *mise en régie* costs (quantified by Fosmax LNG I n €36,359,758), stating that Fosmax LNG should have relinquished such costs back to an arbitration tribunal, unless otherwise agreed by the parties.
Parallel with the aforementioned appeal before the *Conseil d'Etat*, on August 18, 2015, Fosmax LNG also filed an appeal with the Court of Appeal of Paris to obtain the annulment of the award and/or the declaration of nullity of the relevant *exequatur*, the enforceability of which had been recognised and of which Fosmax LNG had been notified on July 24, 2015. On July 4, 2017, the Court annulled the exequatur issued by the President of the *Tribunal de grande instance* and sentenced STS to pay the costs (€10,000) of the proceeding in favour of Fosmax LNG.
On June 21, 2017, Fosmax LNG notified Sofregaz, Tecnimont SpA and Saipem SA, of a request for arbitration, requesting that the aforementioned companies (as members of the *société en partecipation* STS) be jointly and severally condemned to pay the *mise en régie* costs as quantified above beyond delays and legal fees. On April 13, 2018, Fosmax LNG filed its *Mémoire en demande* in which it detailed its demands at €35,926,872 in addition to interest for late payments of approximately €4.2 million. STS filed its brief and response on July 13, 2018, with which it has made the counter claim that Fosmax LNG be ordered to pay €2,155,239 in addition to interest for loss of profit and €5,000,000 for non-material damage.
With the award communicated to the lawyers of the parties on July 3, 2020, the Arbitration Tribunal fully rejected the counterclaims made by the STS members and sentenced them, jointly and severally, to pay Fosmax LNG: (i) €31,966,704 for *en règie* works made by Fosmax LNG; (ii) default interest on the aforementioned amount at the annual rate EURIBOR 1 month plus two basis points, starting from the 45th day from the issue of the accepted invoices and up to complete payment; (iii) USD 204,400 as a partial refund of the advance paid by Fosmax LNG for the costs of the arbitration procedure; and (iv) €1,343,657 as compensation for legal defence costs. With an *addendum* to the award, the Arbitral Tribunal provided some clarification on the application of the default interest.

On July 30, 2020, Saipem SA paid Fosmax LNG its share of the principal capital of the award, equal to €16,744,610 while Tecnimont communicated it had challenged the award . In 2021, the appeal process against the award proposed by Tecnimont SpA was concluded with the rejection of the appeal.
By letter dated November 16, 2020, Fosmax LNG's defence jointly notified Tecnimont SpA and Saipem SA to pay the outstanding part of the award within 15 days, quantifying the interest and VAT at €11,374,761. However, there was no consensus on how to calculate interest, and the issue is still under discussion between the parties. Tecnimont SpA paid its capital share and expenses. On December 30, 2021, Saipem SA paid its VAT share (€3,196,670). Tecnimont SpA and Saipem SA agreed to pay FOSMAX LNG only the amount of undisputed interests, notifying such decision to Fosmax LNG through their lawyers. On February 1, 2022, Saipem has therefore made a payment of €3,073,902.
On April 25, 2022, Fosmax LNG notified of a seizure order for four Saipem SA current accounts up to the amount of €5,712,140 plus expenses, for alleged additional interest on arrears over and above the interest already paid. On May 20, 2022, Saipem SA opposed the execution of the seizure. The amount seized is equal to €92,154. Saipem SA, disputing the legitimacy of the action by Fosmax LNG, notified Fosmax LNG that it opposed the execution and requested the annulment of the seizure, deemed illegitimate, and that Fosmax LNG be sentenced to a fine of €3,000 for reckless litigation plus the payment of €20,000 for damages. On February 8, 2023, the discussion hearing was held and the Judge retained the case for decision. Following the judge's rejection of Saipem SA's opposition, the latter filed an appeal. On November 29, 2023, the Court of Appeals issued a ruling upholding Saipem SA's appeal, lifting the freezing of current accounts. On January 29, 2024, Fosmax LNG appealed the decision of the Court of Appeals to the Supreme Court. Saipem SA has filed its own counterappeal.
The appeal is still pending before the French Supreme Court which has set the hearing of April 8, 2025 for discussion of the case.

Arbitration b etween Galfar Engineering and Contracting ("Galfar") and Saipem SpA ("Saipem") (Project Duqm Refinery, Oman)

In March 2023, Saipem was served with a request for arbitration, administered by the International Chamber of Commerce, from the Omani company, Galfar (subcontractor in the Duqm Refinery project, Oman).
Galfar requests that Saipem be ordered to pay USD 43,478,843.56 for prolongation costs (extension of time) and variation orders not recognised by Saipem. Galfar also contests the back charges of USD 14,617,966.13 made by Saipem.
Saipem filed the response to the arbitration request on May 12, 2023, appointing its arbitrator, contesting Galfar's claims and proposing a counterclaim of approximately USD 20 million consisting of liquidated damages and back charges.
On March 1, 2024, Galfar filed its statement of case, in which it reduced its claim to USD 41,068,953.17.
Saipem filed its Statement of Defense on October 4, 2024, reiquesting: (i) the dismissal of Galfar's claims, except for the sum of USD 6,702,593.10, corresponding to Galfar's work certified by Saipem and not paid for; (ii) Galfar's condemnation to pay USD 13,234,598.93 by way of backcharges; (iii) Galfar's condemnation to pay USD 5.895,657.10 by way of liquidated damages plus interest; (iv) the offsetting of the amounts referred to in (i), (ii) and (iii), with an award to Saipem of USD 12,427,662.93.According to the latest arbitration calendar agreed upon by the parties, the final hearing has been scheduled from November 10 to November 19, 2025.

Arbitration between National Contracting Co ("NCC") and Snamprogetti Saudi Arabia ("SSA") (Khurais Project, Saudi Arabia)

On July 17, 2023, SSA was served with a request for arbitration, administered by the International Chamber of Commerce, ICC, from the Saudi company NCC (a subcontractor in the Khurais Expansion Project) seeking an order for SSA to pay SAR 562,305,560 (approximately €135.7 million equivalent at the exchange rate of December 31, 2023) for prolongation costs (extension of time), variation orders and other damages.
SSA filed its defence brief on August 10, 2023 contesting NCC's claims and submitting a total counterclaim of approximately SAR 225,315,403 (approximately €54.4 million equivalent at the exchange rate of December 31, 2023).
Having established the Arbitration Panel, the parties agreed on the proceedings' calendar.
On May 13, 2024, NCC filed its statement of case, in which it further argued its claims and increased its compensation claim from SAR 562,305,560 to SAR 787,683,134.251 (approximately €196 million equivalent at the exchange rate of June 30, 2024) plus interest amounting to either SAR 121,589,569.50 (approximately €30.2 million equivalent at the exchange rate of June 30, 2024) or SAR 87,336,419.45 (approximately €21.7 million equivalent at the exchange rate of June 30, 2024) for various items of damages.
On July 22, 2024, SSA filed its statement of defense, in which it requested the full rejection of the counterparty's requests and presented a counterclaim for SAR 189,215,605.00 (approximately €48.7 million at the exchange rate of December 31, 2024) plus interest consisting of (i) back charge of the costs incurred to remedy NCC's delays and defaults, and (ii) liquidated damages for delays.
On December 6, 2024, NCC filed its Claimant's Reply and Defense to Counterclaim, reducing the value of its claim to SAR 676,383,600.28 (approximately €177 million equivalent as of December 31, 2024) and interest to SAR 103,497,698.70

(approximately €26.6 million equivalent as of December 31, 2024) or, alternatively, to SAR 96,642,453.82 (approximately €24.9 million equivalent as of December 31, 2024). On February 19, 2025, SSA filed its brief (Rejoinder and Reply to Counterclaim) in which it specified the amount of its counterclaim in SAR 137,601,035 (approximately EUR 35.2 million equivalent at the exchange rate of December 31, 2024)
The final hearing will be held from July 7, 2025, and the award is expected by January 31, 2026.

Arbitration Between Saipem SpA ("Saipem") and Monjasa Ltd ("Monjasa") ("Cassiopea" Project)

On April 16, 2024, Saipem SpA initiated arbitration against the Cypriot company Monjasa Ltd to obtain compensation for damages incurred due to a breach of contract resulting in the temporary grounding of a vessel chartered by Saipem SpA in the context of the Cassiopea Project. These damages were preliminarily quantified by Saipem SpA at USD 27,404,000 and €1,000,000, plus interest and legal fees.
On May 15, 2024, Monjasa filed its response to the demands requesting the rejection of Saipem's claims and the counterclaim payment of €1,000,000.
On July 1, 2024, the ICC confirmed the co-arbitrators' appointment of the President of the Arbitral Tribunal. On August 15, 2024, the Case Management Conference was held to define the calendar and rules of the procedure. On October 10, 2024, Saipem SpA filed its Statement of Claim, along with expert reports and witness statements, in which it quantified its claims at USD 24,071,580.14 and €1,158,923.49, plus interest, legal expenses and arbitration costs.
On December 23, 2024, Monjasa filed its Statement of Defense requesting the dismissal of Saipem SpA's claim and a counterclaim for the payment of (i) USD 712,040.25 relating to a refueling invoice unpaid by Saipem SpA and (ii) interest on the aforementioned amount, in addition to legal expenses.
The final hearing has been scheduled to start on September 29, 2025.

Arbitration Between Normand Maximus As ("Normand Maximus") and Saipem SpA ("Saipem") ("Cassiopea" Project, Italy)

On December 16, 2024, Normand Maximus – owners of the vessel Normand Maximus, chartered by Saipem as part of the Cassiopea project - initiated an arbitration against Saipem SpA in order to demand payment of the charter instalment for the period between December 14, 2023 and May 14, 2024, which was not paid by Saipem SpA because the vessel had been subject to seizure and therefore not available.
Normand Maximus' request is equal to USD 29,652,764.42.
Saipem SpA filed its reply brief on January 14, 2025, requesting the dismissal of the claim and bringing a counterclaim preliminarily quantified at USD 1.9 million and €800,000 for damages suffered as a result of the ship's seizure (additional costs for refueling, mooring, towing, ship release, customs and agency).
The timetable for the arbitration procedure has not been agreed upon yet.

Arbitration between Saipem do Brasil Servicos de Petroleo Ltda ("Saipem do Brasil") and Petroleo Brasileiro SA ("Petrobras") (Project "Buzios 5", Brasile)

On September 16, 2024, Saipem do Brasil filed a request for arbitration against Petrobras with the ICC in Sao Paulo, in order to request (i) confirmation of the inapplicability of the liquidated damages applied by Petrobras and (ii) payment of extra costs incurred in relation to the Buzios 5 project, to be quantified.
Saipem do Brasil has appointed its arbitrator.
Petrobras filed its response to the request for arbitration on November 25, 2024, requesting the rejection of Saipem do Brasil's request, the confirmation of the liquidated damages applied and reserving the right to quantify its counterclaim for damages.
The procedural hearing (Case Management Conference) was held on February 25, 2025. which set the arbitration schedule, under which the final hearing will be held in June 2026.

Arbitration between Sino-Thai Engineering & Construction Public Co Ltd and the Joint Venture Composed of Petrofac South East Asia Pte Ltd, Saipem Singapore Pte Ltd and Samsung E&A (Thailand) (Project Clean Fuel Thai Oil)

On January 20, 2025, Sino-Thai Engineering & Construction Public Co Ltd ("Sino Thai") filed a request for arbitration with the Singapore International Arbitration Centre (SIAC, Singapore) against the Joint Venture composed of Petrofac South East Asia Pte Ltd, Saipem Singapore Pte Ltd and Samsung E&A (Thailand) (collectively, the "JV") to obtain payment of invoices and extra costs deriving from variation orders and extension of works, for the amount of THB 919,740,185.55 (approximately 25,9 million Euros equivalent as of December 31, 2024).
The JV will file its response by March 6, 2025.
Pending the conduct of the ordinary arbitration proceedings, on February 18, 2025, Sino Thai filed an application with the SIAC for an interlocutory injunction against the JV as a matter of urgency. The appeal is essentially based on the alleged risk of insolvency of at least one of the members of the JV and is aimed at securing Sino Thai's guarantee of payment of any amount that may be awarded to it at the outcome of the ordinary arbitration.

The JV filed its defense against the emergency order on February 25, 2025. The JV's defense is mainly based on Sino Thai's failure to demonstrate -the urgency and the risk of suffering irreparable harm that would justify the requested interim emergency injunction; to this end, the JV produced documentary evidence and witness statements. The SIAC appointed a sole arbitrator (emergency arbitrator) who, on March 5, 2025, issued its decision rejecting Sino Thai's appeal and ordering the latter to reimburse legal costs in favor of the JV.

Arbitration brought by Saipem Singapore Thailand Pte Ltd and Samsung (E&A) Thailand Co. Ltd against Thai Oil Public Co Ltd (Project "Thai Oil") (Thailand)

On February 18, 2025, Saipem and Samsung filed a claim for arbitration against Thai Oil before the Singapore International Arbitration Centre (SIAC, Singapore) seeking payment of damages suffered due to Thai Oil's enforcement of certain warranties, breach of contract and misrepresentation (breach of promise). Saipem and Samsung's claim stems from an EPC (Engineering Procurement and Construction) contract for the construction of a refinery in Sriracha, Thailand (Thai Oil Clean Fuel Project), signed on October 19, 2018, between Saipem,Samsung (and Petrofac Southeast Asia Pte Ltd, however, which is not participating in the arbitration) and Thai Oil. Problems arose during the execution of the project that have caused significant delays in the completion of the work and extra costs, which eventually led ThaiOil to enforce the bank guarantees issued by Saipem, Samsung (and Petrofac).
Saipem and Samsung reserved the right to quantify the damages incurred during the arbitration.
According to SIAC rules, Thai Oil must file its response to the arbitration demand within 14 days beginning February 18, 2025, unless an extension is requested.

CONSOB RESOLUTION OF MARCH 2, 2018

With reference to Consob Resolution No. 20324 of March 2, 2018 (the "Resolution"), the relevant content is illustrated in the section "Information regarding censure by Consob pursuant to Article 154-*ter*, paragraph 7, Legislative Decree No. 58/1998 and the notice from the Consob Offices dated April 6, 2018". Saipem SpA Board of Directors resolved on March 5, 2018, to appeal the Resolution in the competent courts.
The appeal to the Regional Administrative Court (TAR)-Lazio was filed on April 27, 2018. Following access to the administrative proceedings, on May 24, 2018 Saipem SpA filed with the TAR-Lazio additional grounds for appeal against the aforementioned Resolution.
On June 15, 2021, a hearing was held before the TAR-Lazio to discuss Saipem SpA's appeal against the Resolution.
On July 6, 2021, the TAR-Lazio rejected the appeal filed by Saipem SpA on April 27, 2018, circumstance of which Saipem SpA informed the market by press release on July 6, 2021.
On November 6, 2021, Saipem SpA filed its own appeal before the Council of State against decision of the TAR-Lazio.
On March 7, 2024, a hearing was held before the Council of State to discuss the merits of the appeal brought by Saipem SpA against the ruling of the TAR-Lazio. In a ruling dated March 19, 2024, the Council of State dismissed the appeal, dividing costs between the parties in view of the novelty of the matter and the complexity of the issues raised.

CONSOB RESOLUTION OF FEBRUARY 21, 2019

With reference to Consob Resolution No. 20828 of February 21, 2019, communicated to Saipem SpA on March 12, 2019 (the "Resolution") the contents of which are described in paragraph "Information regarding censure by Consob pursuant to Article 154-*ter*, paragraph 7, Legislative Decree No. 58/1998 and the notice from the Consob Offices dated April 6, 2018". The Board of Directors of Saipem SpA resolved on April 2, 2019, to appeal the Resolution before the Court of Appeal of Milan. On April 12, 2019, Saipem SpA appealed against the Resolution before the Court of Appeal of Milan, under Article 195 TUF, requesting the Resolution cancellation. A similar appeal was filed by the two individuals sanctioned under the Resolution, i.e. the Chief Executive Officer of Saipem SpA and the Chief Financial Officer and Officer responsible for financial reporting in office at the time of the events. The first hearing before the Milan Court of Appeal was held on November 13, 2019.
On that day, the Milan Court of Appeal postponed the discussion to November 4, 2020.
On October 23, 2020, Saipem SpA and the two individuals sanctioned submitted an application to the Court of Appeal, to be allowed to file documents required to debate the appeal by November 4, 2020.
On November 2, 2020, the Court of Appeal authorised the filing of the documents requested on October 23, 2020 by the parties, also granting Consob a deadline to submit any counter-arguments on those documents by December 15, 2020 and postponed the hearing to discuss the appeal to January 27, 2021.
On January 20, 2021, Saipem SpA and the two individuals sanctioned presented a new application to the Court of Appeal, to be allowed to file additional documents required to debate the appeal by January 27, 2021, and to be authorised to propose new grounds for the appeal. which came to light when new documents were found.

On January 21, 2021, the Court of Appeal accepted the applications by Saipem SpA and the individuals and authorised the filing of the documents requested on January 20, 2021. The Court also upheld the proposal of additional grounds, to be submitted through written filings by February 26, 2021, and also granted Consob the right to submit its counter filings by March 25, 2021. The Court set the hearing for April 21, 2021.
At the hearing of April 21, 2021, the appeals were discussed.
The Milan Court of Appeal has partially upheld the appeals, whilst it rejected the remaining:
- reducing from €200,000 to €150,000 the administrative financial fine imposed by Consob in 2019 against the former Chief Executive Officer of the Company in office from April 30, 2015, to April 30, 2021;
- reducing from €150,000 to €115,000 the administrative financial fine imposed by Consob in 2019 against the former CFO and Officer responsible for the Company's financial reporting in office at the time of the capital increase of 2016 and until June 7, 2016; and
- consequentially reducing from a total of €350,000 to a total of €265,000 the condemnation of Saipem SpA to the payment of the afore mentioned administrative financial fines, as the party jointly and severally liable pursuant to Article 195, paragraph 9, of the Italian Consolidated Law on Finance.

On January 20, 2022, Saipem SpA has filed an appeal to the Supreme Court against the sentence of the Court of Appeal of Milan.
On March 1, 2022, Consob has notified Saipem SpA of its cross-appeal with counterclaim.
Saipem SpA's cross-appeal against Consob's counterclaim was notified on April 8, 2022.
The proceeding is pending. The hearing before the Supreme Court has not been set yet.

Tax disputes

The Group is a party in tax proceedings. The risk assessment for the purpose of recognising tax liabilities and tax provisions in the financial statements is made on the basis of updated available information, including information acquired by external consultants providing the Group with tax consultant support.
A summary of the most important tax disputes is provided below.

Petrex SA Colombian subsidiary

On October 7, 2019, the Colombian tax authority, following an audit on the 2014 tax year, notified the local branch of Petrex SA of a notice of assessment which contested, pursuant to a local anti-avoidance rule, the USD 120 million loan agreement signed in that same year with Eni Finance International SA, a financial company of the Eni Group, as a sham operation. In accordance with the above-mentioned rule, the entire amount of the loan was considered taxable income by the tax authority, with a consequent assessment of higher taxes and the imposition of penalties for a total amount equivalent to €100 million, as of the reporting date. The tax authority claims that the relevant Group company has not provided sufficient evidence to demonstrate the use of the financing to support its economic activities. Moreover, the same notice of assessment does not recognize the interest accrued on the same loan and the losses on foreign exchange arising from the accounting of the financial debt in US dollars as deductible, which leads to higher taxes and penalties for additional €2 million. On December 3, 2019, the company filed an application for the annulment of the assessment with the Colombian tax authority, supported by precise and irrefutable evidence that demonstrates the pertinence of the loan agreement with respect to its business activity. In summary, the borrowed funds were used to purchase some drilling rigs that were needed to execute commercial contracts signed with local clients. On October 14, 2020, the local tax authority rejected the application. On February 15, 2021, the company appealed the notice of assessment with the Administrative Court, which is the court of first instance for the tax disputes, where the judgement is still pending.

Saipem SpA - Saipem SA - Snamprogetti Engineering BV - Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda - Saipon Snc

Following a tax audit carried out through questionnaires in 2016, on November 10, 2016, the Nigerian tax administration ("FIRS") notified Saipem SpA, Saipem SA, Snamprogetti Engineering BV, Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda and Saipon Snc with a notice of assessment in which the local administration claims the existence of their permanent establishments in Nigeria during the period 2009-2013 in relation to the carrying out of engineering and procurement activities for the execution of turnkey contracts for various Nigerian clients and consequently assesses the failure to pay income tax. In the notices, the tax authority, in fact, ascribes to the alleged permanent establishments all the income obtained from the performance of the aforementioned activities, non-recognising that, as regards the taxability of the income, the same activities were exclusively carried out by the overseas head offices of the recipient companies of the assessment. The tax claim, including the imposed fines, amounts to approximately €250 million equivalent, as of the reporting date. The companies concerned challenged the notices of assessment before the Federal High Court on April 11, 2017, requesting to combine all the cases into one procedure, which was granted by the Court. On July 17, 2020, the Court decided in favour of the applicant companies and accepted all the reasons for the grievances. The Nigerian administration lodged an appeal at the Court of Appeal on October 15, 2020. The first hearing has not yet been scheduled by the Court.

Saipem SpA

As a result of criminal proceedings against Saipem SpA and a number of individuals who held senior positions within the company involving the criminal offences of "international corruption" and "fraudulent misrepresentation", the company was served with notices of assessment for the tax years 2008 and 2009 – served in 2015 – and for the tax year 2010 – served in 2016 – claiming the "non-deductibility of costs arising from criminal offences" related to the aforementioned allegations of international corruption. The Company challenged the 2008 and 2009 notices and, pending the criminal and tax proceedings, both of which were lost in the first instance, on September 8, 2017, it settled the tax disputes, exercising the option under Article 11, Legislative Decree No. 50/2017, which allows for facilitated settlement without the application of penalties and part of the interest. The assessment notice for the 2010 tax year, on the other hand, was settled by agreement on May 26, 2017. Following the adverse criminal judgement delivered by the Court of Milan (on September 19, 2018), on January 15, 2020, the Milan Court of Appeal's second-instance ruling fully exonerated the senior executives of Saipem SpA from the international corruption charge, also dismissing Saipem SpA's responsibility for the alleged administrative offence. On December 14, 2020, the Court of Cassation's ruling was filed that definitively closed the criminal proceedings for international corruption, confirming the acquittal of the Company and the individuals involved. In light of the above-mentioned outcome of the criminal proceedings, on June 1, 2021, the Company filed for a refund of the amount paid in taxation.
Following the tacit rejection of the refund request, the Company lodged an appeal asking the Milan Tax Court of First Instance to order the Italian Revenue Agency to refund the excess tax paid in relation to the assessment notices concerning the non-deductibility of costs associated with the alleged international corruption offence, amounting to a total of €64 million. On July 5, 2022, the Milan Tax Court of First Instance partially upheld Saipem SpA's appeal. Specifically, the ruling established that this right should be limited to the tax paid in execution of the settlement agreement (year 2010), excluding the amounts paid for the settlement of the disputes related to the 2008 and 2009 tax years. On October 6, 2022, the Company appealed against the parts of the ruling that had excluded the right to a refund of the amount paid as a result of the settlement of the pending litigation in relation to the 2008 and 2009 tax years. At the same time, the Internal Revenue Agency filed an appearance to defend the parts of the ruling favorable to it, also challenging the ruling regarding the entitlement to the refund for the 2010 year settlement in agreement. On June 12, 2023, the ruling of the Lombardy Tax Court of Second Instance upheld the Company's appeal and rejected the Italian Revenue Agency's appeal. As a result of the ruling, the Company became entitled to a refund of all the sums paid in 2017, plus legal interest. As of the reporting date, the Agency had already repaid the sums determined in full (€72 million). On November 15, 2023, the Italian Revenue Agency filed an appeal with the Court of Cassation. On January 22, 2024, the Company filed a counter-appeal. At present, the Parties are waiting for the hearing to be scheduled by the Court of Cassation.

Snamprogetti Saudi Arabia Ltd

On October 21, 2020, the Saudi tax authority, following a tax audit on the tax periods from 2015 to 2018, notified Snamprogetti Saudi Arabia Ltd of an assessment of higher taxes on income and omitted withholding taxes for a total amount of €144 million, updated with regard to both the penalty component and the exchange rate adjustment as of the reporting date. The main findings disputed that led to the demand for higher income taxes concern:

- restatement of higher taxable amounts corresponding to the difference between the values of the imported goods resulting from the declarations submitted to the Saudi customs and the value of the goods purchased from foreign suppliers booked in the accounts. The explanation for this difference lies instead in the purely administrative activity of importing project materials carried out, based on precise contractual provisions, by the Saudi subsidiary on behalf of its local clients, actual buyers of those same materials;
- assessment of higher taxable amounts corresponding to 25% of the revenues of a contractual joint venture (therefore an unincorporated entity, that is a temporary association of companies that does not give rise to a new autonomous legal entity separate from the shareholders) constituted by Snamprogetti Saudi Arabia Ltd together with a local partner for the execution of a contract on behalf of Saudi Aramco. The defence of the company is essentially based on the fact that, since the joint venture is totally transparent, its revenues are periodically attributed pro-rata to the two partners, on the basis of the provisions of the collaboration agreement, and are therefore regularly taxed via the partners;
- denial of the deductibility of accruals of costs pertaining to previous years and carried forward to the years that have been audited. The Saudi tax authority raised the assessment by completely ignoring the reversals of those accruals made by the company in the tax periods audited, in accordance with national and international accounting standards. These

reversals had in fact totally sterilised the economic, and therefore also fiscal, effects of those provisions on the income declared by the company for the periods being assessed.

On December 19, 2020, Snamprogetti Saudi Arabia Ltd filed an application for cancellation of the assessment to the Saudi tax authority which was rejected on March 16, 2021. Consequently, on April 13, 2021 an appeal was filed against the assessment document with the Tax Commission of first instance ("Tax Violations and Disputes Resolution Committee"), which only partially accepted the appellant's complaints on October 31, 2021. On December 20, 2021, the Company therefore appealed the unfavourable ruling with the Tax Commission of second degree ("Tax Violations and Disputes Appellate Committee") where the judgement is still pending.

As regards the finding in respect of the omitted withholding taxes, on the other hand, the Saudi tax authority claimed the existence of a permanent establishment of some foreign companies of the Group providing services in favour of Snamprogetti Saudi Arabia Ltd and consequently claimed the failure to apply withholding taxes to the related payments in accordance with the domestic law. In making this claim, the Saudi tax authority did not consider the provisions of the Double Tax Treaty signed by Saudi Arabia with the countries of residence of the service provider companies (Italy and the Netherlands), which prevail over the domestic law. In particular, Article 5, paragraph 21 of the OECD model convention, applicable in this case, establishes that the provision of services by a company resident in a contracting state may give rise to the existence of a permanent establishment in the other contracting state only in case the activities are actually carried out in that same state. In this respect, all the activities were carried out by the non-Saudi companies of the Group entirely at their own head offices. On April 26, 2022, Saipem SpA submitted an application to the Italian Revenue Agency for the initiation of a Mutual Agreement Procedure (MAP) based on Article 25 of the Double Tax Treaty stipulated between the Republic of Italy and the Kingdom of Saudi Arabia as the notices of assessment would not comply with the provisions of Articles 5 and 7 of the Treaty itself. The initiation of the mutual agreement procedure resulted in the suspension of the administrative proceedings in Saudi Arabia, solely with respect to the matter covered by the MAP. On September 1, 2022, Saipem Contracting Netherlands BV submitted the same application to the Dutch tax authorities. During 2024 the MAP was concluded in favor of the company. This resulted in a lowering of the potential liability by €56 million.

35 Revenue

The following is a summary of the main components of revenue. For more information about changes in revenues and reporting by business segment, see the "Financial and economic results" section of the "Directors' Report".

Core business revenue

(€ million)	2024	2023
Asset Based Services - Revenue from sales and services	8,058	6,069
Energy Carriers - Revenue from sales and services	5,573	5,062
Offshore Drilling - Revenue from sales and services	918	743
Total	14,549	11,874

The core business revenue by geographic area is shown below:

(€ million)	2024	2023
Italy	992	681
Rest of Europe	1,351	956
CSI	108	303
Middle East	5,200	3,893
Far East and Oceania	1,053	739
North Africa	329	288
Sub-Saharan Africa	3,943	3,165
Americas	1,573	1,849
Total	14,549	11,874

As described in "Accounting policies" in the paragraph "Contract assets and contract liabilities", to which we refer, in consideration of the nature of the contracts and the type of works performed by the Saipem Group, the individual obligations contractually identified are mainly satisfied over time. The revenue that measures the progress of the work is determined, in

line with the provisions of IFRS 15, by using an input method based on the percentage of costs incurred with respect to the total contractually estimated costs ("cost-to-cost" method).
Lifetime contract revenue includes the amount agreed in the initial contract, plus revenue from change orders and claims.
The change orders consist of additional fees deriving from changes to the contractually agreed works requested by the client; price revisions (claims) consist of requests for additional fees deriving from higher charges incurred for reasons attributable to the client. Change orders and claims (pending revenues) are included in the amount of revenue when the changes to the agreed works and/or price have been approved, even if their definition has not yet been agreed on. Any pending revenue reported for a period longer than one year, with no progress in the negotiations with the client, is written down. Amounts equal to or higher than €30 million are reported only if supported by outside technical-legal expert opinions.
The cumulative amount of additional payments for pending revenue for Engineering & Construction contracts, including amounts pertaining to previous years, based on projects progress as of December 31, 2024, totalled €387 million (€265 million as of December 31, 2023). There are no additional amounts relating to ongoing legal proceedings.
The contractual obligations to be fulfilled by the Saipem Group (backlog), which as of December 31, 2024 amounted to €34,065 million, are expected to generate revenue of €12,092 million in 2025 while the remainder will be generated in subsequent years.
The share of revenues for leasing in the item "Core business revenues" does not have a significant impact on the overall amount of core business revenues, as it amounts to less than 2% of the total and it refers to the Offshore Drilling and Leased FPSO sectors.
Revenue from related parties is shown in Note 44 "Related party transactions".

Other revenue and income

(€ million)	2024	2023
Gains on disposal of assets	3	15
Indemnities	-	2
Other income	-	7
Total	3	24

36 Operating expenses

The following is a summary of the main components of operating expenses. The most significant variations are analysed in the "Financial and economic results" section of the "Directors' Report".

Purchases, services, and other costs

(€ million)	2024	2023
Raw, ancillary and consumable materials and goods	4,113	3,451
Services	6,062	4,945
Use of third party assets	1,046	1,167
Net accruals to (utilisation of) the provisions for risks and charges	(134)	(335)
Other expenses	140	72
less:		
- internal work capitalised	(15)	(16)
- changes in inventories of raw, ancillary and consumable materials and goods	(51)	(52)
Total	11,161	9,232

During 2024 no brokerage fees were incurred.
Research and development costs that do not meet the requirements for capitalisation amounted to €33 million (€32 million in 2023).
Use of third-party assets amounted to €1,046 million, refer of €1,039 million for lease contracts, of which €974 million related to "Short-term Leases" with a term of less than or equal to 12 months, €62 million related to "Variable payments" and €3 million related to "Low Value lease".
Net accruals to/utilisations of the provisions for risks and charges for a total of €134 million refer mainly to the provisions for risks related to litigation, provisions for contractual expenses and losses on long-term contracts and other provisions commented in Note 27 "Provisions for risks and charges".

Purchases, services, and other costs from related parties are detailed in Note 44, "Related party transactions".

Net reversals of impairment loss (impairment loss) on trade and other receivables

Net reversals of impairment losses (impairment losses) on trade and other receivables include the effects relative to IFRS 9 applied to contract assets and consisted of the following:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Trade receivables	(4)	-
Other receivables	-	-
Contract assets	(1)	1
Total	**(5)**	**1**

Personnel expenses

(€ million)	2024	2023
Wages and salaries	1,722	1,453
Social security contributions	240	218
Contributions to benefit plans	45	38
Accrual to provision for TFR recognised as a counter-item to pension or Inps funds	26	24
Voluntary redundancy incentives	(1)	(3)
Other costs	32	15
less:		
- internal work capitalised	(6)	(9)
Total	**2,058**	**1,736**

Net accruals to provisions for employee benefits are detailed in Note 28 "Employee benefits".
Voluntary redundancy incentives refer to the net balance between accruals and utilisations of the provisions for redundancy incentives as commented on in Note 27 "Provisions for risks and charges".

Incentive Plans

In order to create a system of incentives and loyalty among Group's Senior Managers, Saipem SpA has defined, among other things, variable incentive plans through the free assignment of Saipem SpA ordinary shares to be allocated in three-year cycles (vesting period).
As of December 31, 2024, the Long-Term Variable Incentive Plan 2023-2025 was active (2023 allocation and 2024 allocation).
The plan provides for the free allocation of Saipem ordinary shares to the executives of Saipem SpA and its subsidiaries, holders of organisational positions with significant impact on the achievement of business results, also in relation to performance and professional skills. For additional information about the characteristics of the plan, see the disclosure made available to the public on the Company's website (www.saipem.com), under the current law (Article 114-*bis* of Legislative Decree No. 58/1998 and Consob implementing regulations).
The cost is determined with reference to the fair value of the option assigned to the senior manager, while the portion for the year is determined pro-rata temporis throughout the period to which the incentive refers (so-called vesting period and co-investment period/retention premium).
The fair value for the year, relative to all the current allocations, is €11 million.
The assessment was made using the Stochastic and Black & Scholes models, according to the provisions set out in the IFRS, particularly IFRS 2.
In particular, the Stochastic model was used to assess the allocation of market-based subordinated equity instruments (TSR) and the Black & Scholes model was used to assess the economic and financial goals.
On the attribution date, the classification and number of beneficiaries, the respective number of shares attributed and the relative fair value calculation, are as follows:

LTI Allocation for 2023

	No. of managers	No. of shares [1]	Share portion (%)	Unit fair value TSR (weight 40%)	Unit fair value ESG (weight 20%)	Unit fair value ROAIC (weight 15%)	Unit fair value ROAIC (weight 20%)	Unit fair value EBITDA (weight 20%)	Total fair value	Fair value 2024	Fair value 2023
Senior managers (vesting period)			75	1.38	1.177	1.177	1.177	1.177			
Senior managers (Retention Premium period)	395	13,004,900	25	2.910	1.177	1.177	1.177	1.177	22,378,130	6,256,827	2,964,754
CEO (vesting period)			75	1.38	1.177	1.177	1.177	1.177			
	1	744,300							1,323,023	369,910	169,672
CEO (co-investment period)			25	2.910	1.177	1.177	1.177	1.177			
Total	**396**	**13,749,200**							**23,701,153**	**6,626,737**	**3,134,426**

(1) The number of shares shown in the table corresponds to the number attributed at the right allocation date. The number of shares used for total fair value and fair value calculation as of December 31, 2024, on the other hand, corresponds to 17,483,813 shares, and reflects the forfeited rights due to unilateral/consensual termination of the employment relationship, as well as the percentage of achievement of the estimated non-market conditions at the end of the vesting period.

LTI Allocation for 2024

	No. of managers	No. of shares [1]	Share portion (%)	Unit fair value TSR (weight 40%)	Unit fair value ESG (weight 20%)	Unit fair value ROAIC (weight 15%)	Unit fair value ROAIC (weight 20%)	Unit fair value EBITDA (weight 20%)	Total fair value	Fair value 2024	Fair value 2023
Senior managers (vesting period)			75	2.850	2.290	2.290	2.290	2.290			
Senior managers (Retention Premium period)	411	8,748,525	25	5.560	2.290	2.290	2.290	2.290	27,967,282	4,056,100	-
CEO (vesting period)			75	2.850	2.290	2.290	2.290	2.290			
	1	452,600							1,451,328	210,482	-
CEO (co-investment period)			25	5.560	2.290	2.290	2.290	2.290			
Total	**412**	**9,201,125**							**29,418,610**	**4,266,582**	**-**

(1) The number of shares shown in the table corresponds to the number attributed at the right allocation date. The number of shares used for total fair value and fair value for the period calculation as of December 31, 2024, on the other hand, corresponds to 10,863,499 shares, and reflects the forfeited rights due to unilateral/consensual termination of the employment relationship, as well as the percentage of achievement of the estimated non-market conditions at the end of the vesting period.

The evolution of the share plans is as follows:

	2024			2023		
	No. of shares	Average strike price [(a)] (€ thousands)	Market price [(b)] (€ thousands)	No. of shares	Average strike price [(a)] (€ thousands)	Market price [(b)] (€ thousands)
Options outstanding as of January 1	**13,804,761**	**-**	**20,293**	**313,362**	**-**	**353**
New options granted	9,201,125	-	18,945	13,749,200	-	16,183
(Options exercised during the period) [(c)]	(12,185)	-	(25)	(17,308)	-	(24)
(Options expired during the period)	(528,376)	-	1,088	(240,493)	-	(336)
Options outstanding as of December 31	**22,465,325**	**-**	**56,366**	**13,804,761**	**-**	**20,293**
Of which:						
- exercisable at December 31	-	-	-	-	-	-
- exercisable at the end of the vesting period	16,848,994	-	-	10,374,418	-	-
- exercisable at the end of the co-investment period/Retention Premium	5,616,331	-	-	3,430,343	-	-

(a) Since these are free shares, the strike price is zero.
(b) The market value of the shares underlying options granted or expired in the period corresponds to the average market value of the shares. The market value of shares underlying options outstanding at the beginning and end of the period is equal to the last available data as of January 1 and December 31.
(c) The rights exercised in 2024 are the shares allocated to the beneficiaries of the 2021 allocation of the 2021-2023 Short-Term Variable Incentive Plan, as per the plan rules.

Option outstanding as of December 31, 2024 and the number of beneficiaries are as follows:

Attributions	No. of managers	Financial year price[a]	No. of shares
LTI 2019	368		88,038
LTI 2020	382		182,259
LTI 2021	387		172,083
STI 2021	132		19,338
LTI 2023	396		13,749,200
LTI 2024	412		9,201,125
As of December 31, 2024			
Shares assigned			
LTI 2019			
LTI 2020			
LTI 2021			
STI 2021			(12,185)
LTI 2023			
LTI 2024			
Expired options			
LTI 2019			(88,038)
LTI 2020			(182,259)
LTI 2021			(172,083)
STI 2021			(7,153)
LTI 2023			(458,200)
LTI 2024			(26,800)
Stock options			
LTI 2019	-		
LTI 2020	-		
LTI 2021	-		
STI 2021	-		
LTI 2023	380		**13,291,000**
LTI 2024	410		**9,174,325**
			22,465,325

(a) Since these are free shares, the strike price is zero.

The incentive plans for employees of Saipem SpA are shown in the item "Personnel expenses" and as a counter-item to "Other reserves" of equity.

The parameters used to calculate the fair value relating to the 2023 and 2024 attributions of the ILT 2023-2025 plan are as follows:

		Attribution	LTI 2024	Attribution	LTI 2023
Share price [a]	(€)	June 26, 2024	**2.290**	June 27, 2023	**1.177**
Financial year price [b]	(€)				-
Parameter adopted in the Black & Scholes model	(€)	June 26, 2024	**2.290**	June 27, 2023	**1.177**
Expected life					
Vesting period	(years)		3		3
Co-investment/Retention Premium	(years)		2		2
Risk-free interest rate					
TSR					
- Vesting period	(%)	June 26, 2024	2.850	June 27, 2023	3.71
- Co-investment/Retention Premium	(%)	June 26, 2024	5.560	June 27, 2023	3.63
Black & Scholes	(%)				
Expected dividends	(%)		**0.00**		**0.00**
Expected volatility					
TSR					
- Vesting period	(%)	June 26, 2024	107.56	June 27, 2023	105.53
- Co-investment/Retention Premium	(%)	June 26, 2024	104.61	June 27, 2023	116.72
Black & Scholes	(%)		n.a.		n.a.

(a) Corresponding to the closing price of Saipem SpA shares on the date of attribution, recorded on the Electronic Stock Market managed by Borsa Italiana.
(b) Since these are grants, the financial year price is zero.

Compensation of senior managers with strategic responsibilities

To ensure greater consistency between disclosures provided in the Report on Remuneration Policy and Compensation Paid and this annual report, the definition of senior managers with strategic responsibilities is consistent with Article 65, section 1-*quater* of the Issuer Regulations. This definition refers to individuals with direct or indirect planning, coordination and control powers and responsibilities.

The table shows the remuneration payable to Saipem's key management personnel, defined as executives, other than Directors and Statutory Auditors, who are required to participate in the Management Committee and in any case the first reports to the Chief Executive Officer-CEO/Chairman of the Board of Directors of Saipem SpA.

(€ million)	2024	2023
Wages and salaries [a]	10	7
Other long-term benefits	-	-
Fair value of share-based incentive plans	2	1
Total	**12**	**8**

(a) The amount includes the best cost accrual as of 31 December 2024 related to STI Allocation for 2024, whose final amount can be only determined after the approval date of the present Financial Statement, as well as the portion of STI for 2022 deferred for a two-year period.
It has to be outlined that Senior Managers with strategic responsibilities remuneration might differ from the amount shown in the document "Report on Remuneration Policy and Compensation 2025" issued by Saipem S.p.A. due to, on the one hand, the circumstances that some data become definitively available after the approval of the present financial statement and, on the other hand, data could be presented in different ways.

Compensation of Statutory Auditors

The compensation of the Statutory Auditors amounted to € 170 thousand in 2024.

Compensation included emoluments and all other retributive and social security compensations due for the function of Statutory Auditor of Saipem SpA.

Average number of employees

The average number of employees, by category, for all consolidated companies was as follows:

(number)	2024	2023
Senior Managers	392	383
Middle Managers	4,909	4,576
White collars	15,064	14,478
Blue collars	9,083	9,434
Seamen	246	237
Total	29,694	29,108

The average number of employees was calculated as the arithmetic mean of the number of employees at the beginning and end of the year. The average number of senior managers included managers employed and operating in foreign countries whose position was comparable to senior manager status.

Depreciation, amortisation, and impairment losses

Depreciation, amortisation and impairment losses consisted of the following:

(€ million)	2024	2023
Depreciation and amortisation:		
- property, plant and equipment	395	327
- intangible assets	9	11
- Right-of-Use lease assets	271	122
Total depreciation and amortisation	**675**	**460**
Impairment losses:		
- property, plant and equipment	40	29
- intangible assets	-	-
- Right-of-Use lease assets	8	-
Total impairment losses	**48**	**29**
Total	723	489

The impairment of assets amounted to €48 million (€29 million in 2023).

Other operating income (expense)

During the year, €1 million in operating income was recorded (€5 million in operating expense in 2023).

37 Financial income (expense)

(€ million)	2024	2023
Financial income (expense)		
Financial income	556	672
Financial expense	(572)	(765)
Financial income (expense) on financial assets measured at fair value through profit or loss	1	-
Total	(15)	(93)
Derivative financial instruments	(70)	(74)
Total	(85)	(167)

Net financial income (expense) was as follows:

(€ million)	2024	2023
Net exchange gains (losses)	**56**	**5**
Exchange gains	403	575
Exchange losses	(347)	(570)
Financial income (expense) related to net financial debt	**(93)**	**(107)**
Interest income from banks and other financial institutions	71	40
Interest income on leases	16	14
Interest and other expense due to banks and other financial institutions	(123)	(119)
Interest expense on leases	(58)	(42)
Financial income (expense) on financial assets measured at fair value through profit or loss	1	-
Other financial income (expense)	**22**	**9**
Other financial income from third parties	66	43
Other financial expense to third parties	(40)	(29)
Financial income (expense) on defined benefit plans	(4)	(5)
Net financial income (expense)	**15**	**(93)**

Net income (expense) on derivatives consisted of the following:

(€ million)	2024	2023
Exchange rate derivatives	(70)	(75)
Interest rate derivatives	-	1
Total	**(70)**	**(74)**

The net balance of income (expense)on derivative contracts is negative for €70 million (losses of €74 million in 2023) included the recognition in the income statement of the effects related to the fair value measurement of derivative contracts that do not qualify for hedge accounting under the provisions IFRS 9 and the measurement of the forward component of derivative contracts qualifying for hedge accounting in accordance with those provisions.
Gains (losses) on equity investments from related parties are detailed in Note 44, “Related party transactions””.

38 Gains (losses) on equity investments

Effect of accounting using the equity method

(€ million)	2024	2023
Share of profit of equity-accounted investees	58	60
Share of loss of equity-accounted investees	(6)	(4)
Net utilisations of (accruals to) the provisions for losses related to equity-accounted investees	(95)	51
Total	**(43)**	**107**

The share of profits (losses) of equity-accounted investees is commented in Note 19 “Equity investments and in Note 27 “Provisions for risks and charges”.

Other gains (losses) from equity investments

Net gains of €18 million were recorded during the year (net losses of €47 million from equity investments in 2023), primarily as a result of the earn-out recognised following the sale of portions of an equity investment.

39 Income taxes

(€ million)	2024	2023
Current taxes:		
- Italian subsidiaries	31	(55)
- foreign subsidiaries	192	136
Total current taxes	**223**	**81**
of which current taxes related to Pillar Two	*8*	-
Net deferred tax assets and net liabilities:		
- Italian subsidiaries	(23)	44
- foreign subsidiaries	(10)	20
Total net deferred tax assets and liabilities	**(33)**	**64**
Total	190	145

In October 2021, the members of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting agreed on a regulatory solution with two pillars (Pillar Two) to reform the international tax framework in response to the challenges posed by the digitalisation of the economy (the Global Anti-Base Erosion Model Rules or GloBE Model Rules).
The GloBE rules were approved and published by the OECD Inclusive Framework on December 20, 2021 and consist of a coordinated set of rules designed to be implemented within the domestic law of each jurisdiction. Their function is to ensure that large multinational groups (with annual consolidated revenue exceeding €750 million) are subject to an effective minimum tax rate of 15% on profits generated in every jurisdiction where they operate.
On December 15, 2022, the Council of the European Union converted the OECD recommendations into Union law with the adoption of Directive EU 2022/2523, aimed at ensuring a global minimum level of taxation for multinational enterprises and large national groups located in the EU.
The Pillar 2 rules, transposed into the European Union law, require multinationals to identify jurisdictions with an Effective Tax Rate (ETR) below 15%. The ETR is calculated, at the individual jurisdiction level, as the ratio of income taxes (covered taxes) paid in total by the entities resident in that specific jurisdiction to their aggregate qualified income (GloBE Income).
If the ETR of a specific jurisdiction is below the minimum level of 15%, then, under the Pillar 2 rules, the multinational group must pay the minimum top-up tax to bring the level of taxation up to the minimum of 15%.
Within this regulatory framework, Legislative Decree No. 209 of December 27, 2023, transposing Directive 2022/2523/EU, introduced the global minimum tax in Italy for multinational groups starting from the 2024 tax period.
The Saipem Group meets the conditions established under the rules and is therefore subject to the global minimum top-up tax, which is an income tax falling within the scope of IAS 12.
The Italian parent company Saipem S.p.A., as the Ultimate Parent Entity (UPE), is responsible for fulfilling the tax obligation by applying the Income Inclusion Rule to income generated by Group entities in jurisdictions where the effective tax rate is below 15% and no Qualified Domestic Minimum Top-Up Tax (QDMTT) has been introduced.
For the verification of the compliance with the minimum tax level, Saipem has used the transitional simplified regimes (Transitional Safe Harbours – TSH), allowed by the regulations for the first three years of effectiveness: 2024, 2025 and 2026. The performed analysis identified that for 2024 the majority of jurisdictions passed at least one of the three TSH tests[60].
With regard to the jurisdictions that did not pass any of the three tests, in most cases this was solely due to differences between the calculation rules under the Pillar 2 simplified regimes and the domestic tax rules, and accordingly no top-up tax has been estimated.
Saipem has, however, recognised current income taxes amounting to €8 million related to the top-up tax, borne by Saipem SpA, for certain jurisdictions where it is expected that, even under full compliance, it will not be possible to demonstrate that income generated there is subject to a minimum taxation of 15%.

(60) The three simplified tests under the regulations are the De Minimis Test, the Simplified ETR Test, and the Routine Profit Test.

The reconciliation between the theoretical tax burden, calculated by applying a 24% tax rate (IRES) to pre-tax profit as per the Italian laws, and the effective tax burden for the years ended December 31, 2024 and 2023 is as follows:

(€ million)	2024	2023
Pre-tax profit (loss)	**496**	**330**
Theoretical income tax	**119**	**79**
Items increasing (decreasing) tax rate:		
- different foreign subsidiaries tax rate	(7)	(34)
- permanent differences and other factors	32	67
- effect of Italian regional production tax (Irap) on Italian companies	19	3
- impact of uncertain tax treatments	(23)	(67)
- non-recognised deferred income tax assets	42	91
- impairment (recognition) of deferred tax assets and income taxes	8	6
Total changes	**71**	**66**
Effective taxes	**190**	**145**

(€ million)	2024	2023
Income taxes recognised in the income statement	190	145
Income tax related to items of other comprehensive income that will be reclassified to profit or loss	25	(30)
Of which:		
- tax effect due to the change in the fair value of cash flow hedges	25	(29)
- tax effect due to the change in the fair value of financial assets, other than equity investments, measured at fair value through OCI	-	(1)
Income tax related to items of other comprehensive income that will not be reclassified to profit or loss	-	3
Of which:		
- tax effect due to the remeasurement of defined benefit plans for employees	-	3
Tax on comprehensive income (loss)	**215**	**118**

40 Non-controlling interests

There was no profit (loss) attributable to non-controlling interests in 2024, as for 2023.

41 Profit (loss) per share

Basic profit (loss) per ordinary share is calculated by dividing profit or loss for the year attributable to the Group's shareholders by the weighted average of Saipem SpA ordinary shares outstanding during the year, excluding treasury shares.
Diluted profit (loss) per share is calculated by dividing profit (or loss) for the year by the weighted average number of Saipem SpA ordinary shares outstanding during the year, excluding treasury shares, increased by the potential number of shares that could be issued. Losses for the year are excluded to the extent that their inclusion would have an anti-dilutive effect.
The weighted average number of outstanding shares used for the calculation of the basic profit (loss) per share was 1,967,618,495 in 2024 and 1,995,147,895 in 2023.
The weighted average number of outstanding shares used for the calculation of the diluted profit (loss) per share was 2,234,142,086 in 2024 and 2,008,953,715 in 2023.

Reconciliation of the weighted average number of outstanding shares used for the calculation of basic and diluted profit and loss per share is as follows:

		Dec. 31, 2024	Dec. 31, 2023
Weighted average number of outstanding shares used for the calculation of the basic profit (loss) per share		**1,967,618,495**	**1,995,147,895**
Number of potential shares following convertible bonds		244,057,207	74,220,137
Number of potential shares following incentive plans		22,465,325	13,804,761
Number of savings shares convertible into ordinary shares		1,059	1,059
Weighted average number of outstanding shares used for the calculation of the diluted profit (loss) per share [(a)]		**2,234,142,086**	**2,008,953,715**
Profit (loss) attributable to the owners of the parent - Continuing operations	(€ million)	**306**	**185**
Dilution effect of convertible bond	(€ million)	27	-
Profit (loss) attributable to Saipem - diluted	(€ million)	**333**	**185**
Basic profit (loss) per share	(€ per share)	0.16	0.09
Diluted profit (loss) per share	(€ per share)	0.15	0.09
Profit (loss) attributable to Saipem - Discontinued operations	(€ million)	**-**	**(6)**
Basic profit (loss) per share	(€ per share)	-	-
Diluted profit (loss) per share	(€ per share)	-	-
Profit (loss) attributable to Saipem	(€ million)	**333**	**179**
Basic profit (loss) per share	(€ per share)	0.16	0.09
Diluted profit (loss) per share	(€ per share)	0.15	0.09

(a) In 2023, contingent shares against convertible bonds were excluded as they had an anti-dilutive effect, while in 2024, contingent shares against convertible bonds were included as they had a dilutive effect.

42 Reporting by business segment

The information to the market, in accordance with the provisions of IFRS 8, is prepared following the reporting segments below:

- Asset Based Services, which includes the Offshore Engineering & Construction and Offshore Wind activities;
- Offshore Drilling; and
- Energy Carriers, which includes the Onshore Engineering & Construction, Sustainable Infrastructures, and Robotics & Industrialized Solutions activities.

The sectors clustered in the reporting segments above have similar economic characteristics; moreover, the Offshore Wind, Sustainable Infrastructures and Robotics & Industrialized Solutions sectors are not, at present, so significant that they deserve separate reporting, in accordance with IFRS 8.

Reporting by business segment*

(€ million)	Asset Based Services	Energy Carriers	Offshore Drilling	Unallocated	Total
December 31, 2024					
Core business revenue	11,019	6,037	1,401	-	18,457
less: intra-group revenue	2,961	464	483	-	3,908
Net revenue	**8,058**	**5,573**	**918**	**-**	**14,549**
Operating result	458	(32)	180	-	606
Depreciation, amortisation, and impairment losses	496	72	155	-	723
Gains (losses) on equity investments	31	(52)	(4)	-	(25)
Capital expenditure in property, plant and equipment and intangible assets	239	23	75	-	337
Property, plant and equipment and intangible assets	2,279	381	852	-	3,512
Right-of-use of leased assets	448	141	41	-	630
Equity investments [a]	123	(137)	-	-	(14)
Current assets	2,748	2,921	578	3,428	9,675
Current liabilities	4,109	3,494	291	670	8,564
Provisions for risks and charges [a]	394	144	92	22	652
December 31, 2023					
Core business revenue	9,461	5,632	1,266	-	16,359
less: intra-group revenue	3,392	570	523	-	4,485
Net revenue	**6,069**	**5,062**	**743**	**-**	**11,874**
Operating result	301	(42)	178	-	437
Depreciation, amortisation, and impairment losses	313	53	123	-	489
Gains (losses) on equity investments	14	66	-	(20)	60
Capital expenditure in property, plant and equipment and intangible assets	258	22	202	-	482
Property, plant and equipment and intangible assets	2,320	400	906	-	3,626
Right-of-use of leased assets	315	101	12	-	428
Equity investments [a]	102	(25)	-	85	162
Current assets	1,904	2,447	613	3,140	8,104
Current liabilities	2,938	3,090	335	492	6,855
Provisions for risks and charges [a]	349	306	33	30	718

(*) The results of the Onshore Drilling segment, divested as of June 30, 2024, have been recognised as discontinued operations in accordance with the criteria set out in IFRS 5.
(a) See the section "Reconciliation of reclassified balance sheets used in the management report with the mandatory financial statements" on page 113.

For more details on the reporting by business segment, see the "Financial and economic results" section of the "Directors' Report".

43 Reporting by geographical segment

Reporting by geographical segment

Since the Saipem Group's business involves the deployment of a fleet on a number of different projects over a single year, it is difficult to allocate assets to a specific geographic segment and some activities are deemed not to be directly allocable.
The unallocated part of property, plant and equipment and intangible assets and capital expenditure relates to vessels and their related equipment and goodwill.
The unallocated part of current assets pertained to inventories related to vessels.

A breakdown of revenue by geographical segment is provided in Note 35 "Revenue".

(€ million)	Italy	Rest of Europe	CSI	Rest of Asia	North Africa	Sub-Saharan Africa	Americas	Unallocated	Total
2024									
Capital expenditure in property, plant and equipment and intangible assets	20	49	-	11	-	3	-	254	337
Property, plant and equipment and intangible assets	77	51	-	225	-	17	73	3,069	3,512
Right-of-use of leased assets	109	274	1	142	2	7	36	59	630
Identifiable assets (current)	2,014	853	18	3,077	114	1,833	879	887	9,675
Assets held for sale	-	-	-	1	-	8	-	80	89
2023									
Capital expenditure in property, plant and equipment and intangible assets	22	104	-	7	-	5	2	342	482
Property, plant and equipment and intangible assets	63	36	-	249	1	41	61	3,175	3,626
Right-of-use of leased assets	110	98	-	60	17	4	13	126	428
Identifiable assets (current)	1,602	641	39	2,711	138	1,205	1,016	752	8,104
Assets held for sale	-	-	3	-	-	-	23	-	26

Current assets were allocated by geographical segment using the following criteria: (i) cash and cash equivalents and loan assets were allocated on the basis of the country of residence of the financial institutions where the individual company bank accounts were held; (ii) inventories were allocated on the basis of the country where the onshore storage facilities were situated (i.e. excluding inventories in storage facilities situated on vessels); (iii) trade receivables and other assets were allocated to the geographical segment to which the related project belonged.
Non-current assets were allocated on the basis of the country in which the asset operates, except for offshore drilling and construction vessels, which were included under "Unallocated".

44 Related party transactions

From January 22, 2016, following the entry into force of the transfer of 12.5% of share capital of Saipem SpA ("Saipem") from Eni SpA to CDP Equity SpA (formerly Fondo Strategico Italiano SpA), Eni SpA no longer has sole control over Saipem, which has been replaced by the joint control exercised by Eni SpA and CDP Equity SpA (taken over on December 13, 2019 by CDP Industria SpA), on the basis of the shareholders' agreement, signed on January 20, 2022 (with effect from January 22, 2022) and last updated on July 20, 2022 (the "Agreement"), with a resulting variation in the scope of related parties.
As of December 31, 2022 the merger became effective through the absorption of CDP Industria SpA into CDP Equity SpA, both of which are wholly and directly owned subsidiaries of Cassa Depositi e Prestiti SpA ("CDP SpA"). Therefore, also effective as of December 31, 2022, CDP Equity SpA took over the Agreement in lieu of CDP Industria SpA and all the rights and obligations previously held by the latter under the Agreement by signing a letter of assumption.
The Agreement will immediately cease to be effective in the event that the parties are no longer subject, directly or indirectly, to the common control of the Ministry of Economy and Finance ("MEF"). The Agreement, which had a duration of three years, was automatically renewed on January 22, 2025, for an additional three-year period (i.e. until January 22, 2028).
Eni SpA and CDP Industria SpA do not exercise sole control over Saipem pursuant to Article 93 of TUF.
Eni SpA is subject to the de facto control of the Ministry of Economy and Finance, on account of the participation held by the latter both directly and through CDP SpA. CDP Equity SpA is a fully-owned subsidiary of CDP SpA, whose majority shareholder is the MEF.
Transactions carried out by Saipem and the companies included in the scope of consolidation with related parties mainly consist of the supply of services and the exchange of goods with joint ventures, associates and subsidiaries that are not fully consolidated, with subsidiaries, joint ventures and associates of Eni SpA and CDP SpA, with companies controlled by the Ministry of Economy and Finance (MEF). The transactions carried out are part of ordinary operations and are settled at market conditions, i.e., at the conditions that would have applied between two unrelated parties, and are undertaken in the interest of Saipem Group companies.

In addition, relations with members of the Board of Directors, Statutory Auditors, key management personnel, their close family members and the entities controlled, even jointly, by them, of Saipem, Eni SpA, CDP SpA and CDP Equity SpA have been considered.
Directors, statutory auditors, general managers, and key management personnel must declare, every 6 months, any transactions they enter into with Saipem or its subsidiaries, directly or through a third party. Directors, Statutory Auditors and managers with strategic responsibilities release every six months and/or in the event of a change, a statement in which each potential interest is represented in relation to the parent and the Group and in any case report to the Chief Executive Officer (or the Chairman where the Chief Executive Officer is involved), who informs the other directors and the Board of Statutory Auditors of the individual transactions that the parent intends to perform, in which they have direct interests.
Saipem is not under the management or coordination of any other company. Saipem manages and coordinates its subsidiaries pursuant to Article 2497 of the Italian Civil Code.
In accordance with the disclosure requirements of Consob Regulation No. 17221 of March 12, 2010, in 2024 the following transactions were carried out and reported to Consob that exceeded the relevance threshold set in the Saipem Management System Guideline "Transactions with Related Parties and Parties of Interest" (published on Saipem's website in the "Governance" section), in accordance with the aforementioned Consob Regulation.

Azule Energy Angola SpA - Ndungu Field

On May 16, 2024, a contract for the development of the Ndungu Field project (the "Contract") was signed between Saipem SA, Saipem Luxembourg SA Sucursal de Angola and Petromar Lda (on one hand) and Azule Energy Angola SpA (on the other hand). The Contract is for the engineering, manufacture, transport and installation of around 60 km of rigid pipes and deepwater subsea structures off the coast of Angola. The Contract has a duration of 36 months and a value of around $850 million (equivalent to around €782 million).
The Contract qualifies as a related party transaction because it is entered into with a subsidiary of a joint venture of the Eni Group.
Even though it qualifies as a "major significance transaction", because it exceeds the applicable significance threshold, the Contract is considered to be an ordinary transaction carried out at equivalent market or standard conditions.
For more details, see the information in the press release regarding the transaction.

Rete Ferroviaria Italiana SpA - Milan - Verona HS/HC line

On September 9, 2024, an amendment deed (the "Amendment Deed") was signed between Rete Ferroviaria Italiana SpA ("RFI"), Cepav due - Consorzio Eni Per L'Alta Velocità (the "Consortium"), Eni SpA, Saipem, Impresa Pizzarotti & C. SpA and ICM SpA relating to the contract for the detailed design and construction of the Brescia - Verona railway section (HS/HC Milan - Verona line) signed on June 6, 2018 (the "Contract"). The Amendment Deed involved: (a) the amendment of the completion times for the works on Brescia Est – Verona HS/HC railway section as envisaged in the Contract, establishing: (i) an accelerated completion deadline of June 30, 2026 to meet the commitments set by the Italian Government in the National Recovery and Resilience Plan ("NRRP") (the "Accelerated Deadline"); and (ii) a contractual completion deadline extended to June 28, 2027 in the event of failure to meet the previous milestone deadline; and (b) the determination of the amount to be paid by RFI to the Consortium for meeting the Accelerated Deadline (the "Acceleration Cost"), as additional remuneration to the consideration established in the Contract. The Acceleration Cost, amounting to €126,316,220.12, was determined following the Resolution No. 4/2024 of August 1, 2024 of the Technical Advisory Committee, a third-party adjudicating body appointed for the out-of-court settlement of disputes, which RFI and the Consortium had jointly engaged to determine the criteria for quantifying the Acceleration Cost.
The Amendment Deed qualifies as a related party transaction as it was entered into with Eni SpA (Saipem's parent company) and RFI, a company also controlled by the MEF.
Even though it qualifies as a "major significance transaction", because it exceeds the applicable significance threshold, the Amendment Deed is considered to be an ordinary transaction carried out at equivalent market or standard conditions.

Eni SpA- Livorno Biorefinery Conversion

On November 22, 2024, an EPC contract was signed between Saipem SpA and Eni SpA for the conversion of Eni's Livorno refinery into a biorefinery (the "Contract"). The Contract involves the engineering, procurement, and construction activities for converting the existing refinery into a biorefinery to produce HVO diesel biofuel derived from renewable raw materials, in line with the decarbonisation goals pursued by Eni SpA and Saipem under the biorefining development project already initiated in 2023. The completion of the activities under the Contract is scheduled for the third quarter of 2026, with an approximate value of €300 million.
The Contract qualifies as a related party transaction because it is entered into with Eni SpA, Saipem's parent company.

Even though it qualifies as a "major significance transaction", because it exceeds the applicable significance threshold, the Contract is considered to be an ordinary transaction carried out at equivalent market or standard conditions.

The tables below show the value of transactions of a trade, financial or other nature entered into with related parties. The company analysis is made on the basis of the principle of materiality related to the overall size of the individual relationships; relationships not shown analytically, because they are not material, are indicated according to the following aggregation:

- subsidiaries not consolidated with the full consolidation method;
- joint ventures and associates;
- companies controlled by Eni and CDP Equity SpA;
- Eni and CDP Equity SpA associates and jointly controlled companies;
- State-controlled companies and other related parties.

Trade and other transactions

Trade and other transactions for financial year 2024 consisted of the following:

(€ million)

	Dec. 31, 2024			Year 2024			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other payables and contract liabilities	Guarantees	Goods	Services (1)	Goods and services	Other
Continuing operations							
Subsidiaries not consolidated with the full consolidation method							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total subsidiaries not consolidated with the full consolidation method	**5**	**4**	**-**	**-**	**-**	**-**	**-**
Joint ventures and associates							
ASG Scarl (2)	1	1	-	-	-	-	-
CCS JV Scarl (2)	274	609	-	-	356	485	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due (2)	166	144	254	-	317	350	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno (2)	-	-	14	-	-	-	-
Consorzio Florentia (2)	10	53	-	-	69	48	-
KCA Deutag International Ltd	9	5	-	-	-	4	-
KSJV	1	1	-	-	-	9	-
KWANDA Suporte Logistico Lda	2	7	-	-	6	6	-
La Bozzoliana Scarl (2)	1	3	-	-	8	1	-
La Catulliana Scarl (2)	-	1	-	-	2	1	-
Petromar Lda	19	2	4	-	(1)	19	-
PSS Netherlands BV	3	5	-	-	-	-	-
Saipem Nasser Saeed Al-Hajri Contracting Co Llc	3	-	-	-	-	3	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	2	-	22	-	4	-	-
Saipon Snc	1	-	-	-	-	-	-
SAME Netherlands BV	170	-	-	-	-	365	-
Saren BV	-	-	-	-	-	-	1
SCD JV Scarl (2)	13	31	-	-	45	76	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	**675**	**862**	**294**	**-**	**806**	**1,367**	**1**
Eni Group							
Azule Energy Angola BV	40	-	-	-	-	314	-
Azule Energy Angola SpA	82	5	-	-	-	407	-
Coral FLNG SA	2	-	1	-	-	22	-
Eni Congo SAU	63	33	-	-	-	421	-
Eni Côte d'Ivoire Ltd	123	10	-	-	-	815	-
Eni Mediterranea Idrocaburi SpA	4	-	29	-	-	134	-
Eni México, S de RL de Cv	9	1	-	-	-	40	-
EniProgetti SpA	9	-	-	-	-	30	-
Eni SpA (3)	83	50	9	-	2	80	-
Mellitah Oil & Gas BV	35	59	96	-	-	143	-
Petrobel Belayim Petroleum Co	45	29	35	-	-	107	-
Other Eni Group companies (for transactions not exceeding €21 million)	13	8	8	3	2	18	-
Total Eni Group	**508**	**195**	**178**	**3**	**4**	**2,531**	**-**
CDP Group							
Snam Rete Gas	36	31	31	-	-	196	-
Other CDP Group companies (for transactions not exceeding €21 million)	8	9	6	-	12	17	-
Total CDP Group	**44**	**40**	**37**	**-**	**12**	**213**	**-**

(1) The item "Services" includes costs for services, costs for the use of third-party assets and other expenses.
(2) Revenue from limited liability consortium companies refer to the retrocession of fees that these companies' invoice to the client and that based on the consortium nature of the investee company are attributed to the consortium partner.
(3) The item "Eni SpA" includes also the transactions with Eni SpA Divisione Exploration & Production, Eni SpA Divisione Gas & Power, and Eni SpA Divisione Refining & Marketing.

Trade and other transactions for 2024 consisted of the following:

(€ million)

Name	Dec. 31, 2024 Trade and other receivables	Trade payables, other payables and contract liabilities	Guarantees	Year 2024 Costs Goods	Services (1)	Revenue Goods and services	Other
Companies controlled or owned by the State	**2**	**5**	**-**	**-**	**15**	**-**	**-**
Total related party transactions - Continuing operations	**1,234**	**1,106**	**509**	**3**	**837**	**4,111**	**1**
Incidence (%)	**36.09**	**14.96**	**6.14**	**0.07**	**11.55**	**28.26**	**33.33**
Overall total - Continuing operations	**3,419**	**7,393**	**8,294**	**4,113**	**7,248**	**14,549**	**3**
Discontinued operations							
Joint ventures and associates							
KCA Deutag International Ltd	-	-	-	-	1	1	-
Total joint ventures and associates	**-**	**-**	**-**	**-**	**1**	**1**	**-**
Total related party transactions - Discontinued operations	**-**	**-**	**-**	**-**	**1**	**1**	**-**
Overall total - Discontinued operations	**-**	**-**	**25**	**1**	**8**	**13**	**-**
Total related party transactions	**1,234**	**1,106**	**509**	**3**	**838**	**4,112**	**1**
Overall total	**3,419**	**7,393**	**8,319**	**4,114**	**7,256**	**14,562**	**3**
Incidence (%)	**36.09**	**14.96**	**6.12**	**0.07**	**11.55**	**28.24**	**33.33**

(1) The item "Services" includes costs for services, costs for the use of third-party assets and other expenses.

Trade and other transactions for financial year 2023 consisted of the following:

(€ million)

Name	Dec. 31, 2023 Trade and other receivables	Trade payables, other payables and contract liabilities	Guarantees	Year 2023 Costs Goods	Services (1)	Revenue Goods and services	Other
Continuing operations							
Subsidiaries not consolidated with the full consolidation method							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total subsidiaries not consolidated with the full consolidation method	**5**	**4**	**-**	**-**	**-**	**-**	**-**
Joint ventures and associates							
ASG Scarl (2)	1	1	-	-	-	-	-
CCS JV Scarl (2)	78	439	-	-	120	179	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due (2)	110	213	332	-	277	294	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno (2)	-	-	34	-	-	-	-
Consorzio Florentia (2)	7	30	-	-	28	7	-
Gygaz Snc	5	-	-	-	-	5	-
KCA Deutag International Ltd	9	8	-	-	(1)	15	-
KWANDA Suporte Logistico Lda	1	4	-	-	3	(4)	-
Petromar Lda	12	2	1	-	(1)	14	2
PSS Netherlands BV	2	3	-	-	-	1	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	7	1	26	-	1	-	-
Saipon Snc	1	-	-	-	-	-	-

(1) The item "Services" includes costs for services, costs for the use of third-party assets and other expenses.
(2) Revenue from limited liability consortium companies refer to the retrocession of fees that these companies' invoice to the client and that based on the consortium nature of the investee company are attributed to the consortium partner.

Trade and other transactions for 2023 consisted of the following:

(€ million)

	Dec. 31, 2023			Year 2023			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other payables and contract liabilities	Guarantees	Goods	Services (1)	Goods and services	Other
SAME Netherlands BV	74	-	-	-	-	281	-
Saren BV	-	-	-	-	-	7	-
SCD JV Scarl (2)	13	88	-	-	111	145	-
TSGI Mühendislik Insaat Ltd Sirketi	-	-	-	-	-	1	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	**320**	**789**	**393**	**-**	**538**	**945**	**2**
Eni Group							
Azule Energy Angola BV	39	5	12	-	-	191	-
Azule Energy Angola SpA	55	1	-	-	3	377	-
Eni Congo SAU	41	33	1	-	-	174	-
Eni Côte d'Ivoire Ltd	199	34	-	-	-	1,041	-
Eni Mediterranea Idrocaburi SpA	29	-	29	-	-	175	-
Eni México, S de RL de Cv	6	1	-	-	-	45	-
Eni SpA (3)	16	1	10	-	1	46	-
Eni US Operating Co Inc	-	1	-	6	-	79	-
Mellitah Oil & Gas BV	60	107	105	-	-	47	-
Petrobel Belayim Petroleum Co	164	36	61	-	-	250	-
Other Eni Group companies (for transactions not exceeding €21 million)	9	4	9	3	3	22	-
Total Eni Group	**618**	**223**	**227**	**9**	**7**	**2,447**	**-**
CDP Group							
Snam Rete Gas	33	42	29	-	-	51	-
Trans Adriatic Pipeline AG	-	-	26	-	-	-	-
Other CDP Group companies (for transactions not exceeding €21 million)	7	7	3	-	5	11	-
Total CDP Group	**40**	**49**	**58**	**-**	**5**	**62**	**-**
Companies controlled or owned by the State	**2**	**5**	**-**	**-**	**15**	**-**	**-**
Total related party transactions - Continuing operations	**985**	**1,070**	**678**	**9**	**565**	**3,454**	**2**
Incidence (%)	**40.35**	**17.74**	**8.62**	**0.26**	**9.14**	**29.09**	**8.33**
Overall total - Continuing operations	**2,441**	**6,032**	**7,862**	**3,451**	**6,184**	**11,874**	**24**
Discontinued operations							
Joint ventures and associates							
KCA Deutag International Ltd	-	-	-	-	20	1	-
Total joint ventures and associates	**-**	**-**	**-**	**-**	**20**	**1**	**-**
Total related party transactions - Discontinued operations	**-**	**-**	**-**	**-**	**20**	**1**	**-**
Overall total - Discontinued operations	**-**	**26**	**36**	**4**	**73**	**99**	**-**
Total related party transactions	**985**	**1,070**	**678**	**9**	**585**	**3,455**	**2**
Overall total	**2,441**	**6,058**	**7,898**	**3,455**	**6,257**	**11,973**	**24**
Incidence (%)	**40.35**	**17.66**	**8.58**	**0.26**	**9.35**	**28.86**	**8.33**

(1) The item "Services" includes costs for services, costs for the use of third-party assets and other expenses.
(2) Revenue from limited liability consortium companies refer to the retrocession of fees that these companies' invoice to the client and that based on the consortium nature of the investee company are attributed to the consortium partner.
(3) The item "Eni SpA" includes also the transactions with Eni SpA Divisione Exploration & Production, Eni SpA Divisione Gas & Power, and Eni SpA Divisione Refining & Marketing.

The values shown in the table refer to Notes 11 "Trade and other receivables", 22 "Trade and other payables", 23 "Contract liabilities", 34 "Guarantees, commitments and risks", 35 "Revenues (core business revenues and other income)" and 36 "Operating costs (purchases, services and other costs)".
The Saipem Group provides services to Eni Group companies in all sectors in which it operates, both in Italy and abroad.

Other transactions consisted of the following:

(€ million)	Dec. 31, 2024 Other assets	Dec. 31, 2024 Other liabilities	Dec. 31, 2023 Other assets	Dec. 31, 2023 Other liabilities
CCS JV Scarl	35	-	22	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	1	-	1	-
Other Eni Group companies (for transactions not exceeding €21 million)	-	-	-	-
Total related party transactions - Continuing operations	**36**	**-**	**23**	**-**
Total related party transactions - Discontinued operations	**-**	**-**	**-**	**-**
Overall total - Continuing operations	**324**	**321**	**296**	**36**
Overall total - Discontinued operations	**-**	**-**	**-**	**-**
Incidence - Continuing operations (%)	**11.11**	**-**	**7.77**	**-**

Financial transactions

Financial transactions, excluding net lease liabilities, for 2024 consisted of the following:

(€ million)

Name	Dec. 31, 2024 Receivables (1)	Dec. 31, 2024 Payables	Dec. 31, 2024 Commitments	Year 2024 Expenses	Year 2024 Income
CCS JV Scarl	263	-	-	4	20
La Catulliana Scarl	2	-	-	-	-
Petromar Lda	-	-	-	-	1
Saipon Snc	-	1	-	-	-
SCD JV Scarl	58	-	-	-	3
Société pour la Réalisation du Port de Tanger Méditerranée	1	-	-	-	-
Other Eni Group companies (for transactions not exceeding €21 million)	-	-	-	-	38
Total related party transactions	**324**	**1**	**-**	**4**	**62**

(1) Shown in the statement of financial position under "Other current financial assets".

Financial transactions, excluding net lease liabilities, for 2023 consisted of the following:

(€ million)

Name	Dec. 31, 2023 Receivables (1)	Dec. 31, 2023 Payables	Dec. 31, 2023 Commitments	Year 2023 Expenses	Year 2023 Income
CCS JV Scarl	277	-	-	2	17
Petromar Lda	-	-	-	-	1
PSS Netherlands BV	3	-	-	-	-
Saipon Snc	-	1	-	-	-
SCD JV Scarl	102	-	-	-	-
Société pour la Réalisation du Port de Tanger Méditerranée	1	-	-	-	-
Other Eni Group companies (for transactions not exceeding €21 million)	1	-	-	-	11
Total related party transactions	**384**	**1**	**-**	**2**	**29**

(1) Shown in the statement of financial position under "Other current financial assets".

The incidence of financial transactions and positions with related parties was as follows:

(€ million)	Dec. 31, 2024 Total	Dec. 31, 2024 Related parties	Dec. 31, 2024 Incidence %	Dec. 31, 2023 Total	Dec. 31, 2023 Related parties	Dec. 31, 2023 Incidence %
Current financial liabilities	61	1	1.64	97	1	1.03
Non-current financial liabilities (including current portion)	2,123	-	-	2,296	-	-
Total	**2,184**	**1**		**2,393**	**1**	

(€ million)	Year 2024 Total	Related parties	Incidence %	Year 2023 Total	Related parties	Incidence %
Financial income (expense)	(16)	58	n.s.	(93)	27	n.s.
Derivative financial instruments	(70)	-	-	(74)	-	-
Other operating income (expense)	1	-	-	(5)	-	-
Total – Continuing operations	**(85)**	**58**		**(172)**	**27**	
Total – Discontinued operations	**-**	**-**		**-**	**-**	

Financial lease transactions

Financial lease transactions as of December 31, 2024, consisted of the following:

(€ million)

Name	Dec. 31, 2024 Receivables	Payables	Year 2024 Commitments	Expenses	Income
Consorzio FSB	-	-	-	-	-
Total related party transactions	**-**	**-**	**-**	**-**	**-**

The incidence of operations or positions with related parties regarding financial lease transactions is as follows:

(€ million)	Dec. 31, 2024 Total	Related parties	Incidence %
Non-current lease liabilities (including current portion)	832	-	-
Total – Continuing operations	**832**	**-**	
Total – Discontinued operations	**-**	**-**	

Financial lease transactions as of December 31, 2023, consisted of the following:

(€ million)

Name	Dec. 31, 2023 Receivables	Payables	Year 2023 Commitments	Expenses	Income
Consorzio FSB	-	1	-	-	-
Total related party transactions	**-**	**1**	**-**	**-**	**-**

The incidence of operations or positions with related parties regarding financial lease transactions is as follows:

(€ million)	Dec. 31, 2023 Total	Related parties	Incidence %
Non-current lease liabilities (including current portion)	730	1	0.14
Total – Continuing operations	**730**	**1**	
Total – Discontinued operations	**-**	**-**	

The main cash flows with related parties were as follows:

(€ million)	Dec. 31, 2024	Dec. 31, 2023
Income and revenue	4,112	3,456
Costs and other expenses	(840)	(574)
Financial income (expenses) and derivatives	58	27
Change in trade receivables and payables	(213)	(198)
Net cash flows from operating activities - Continuing operations	**3,117**	**2,711**
Net cash flows from operating activities - Discontinued operations	**-**	**(17)**
Change in financial receivables	60	105
Net cash flows from investing activities - Continuing operations	**60**	**105**
Net cash flows from investing activities - Discontinued operations	**-**	**-**
Change in financial payables	-	-
Net cash flows from financing activities - Continuing operations	**-**	**-**
Net cash flows from financing activities - Discontinued operations	**-**	**-**
Total cash flows with related parties - Continuing operations	**3,177**	**2,816**
Total cash flows with related parties - Discontinued operations	**-**	**(17)**

The incidence of cash flows with related parties was as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ million)	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Cash flows from operating activities	1,061	3,117	n.s.	586	2,711	n.s.
Cash flows from investing activities	(542)	60	n.s.	(175)	105	n.s.
Cash flows from financing activities (*)	(464)	-	n.s.	(354)	-	n.s.

(*) The cash flows from financing activities do not include dividends distributed, the net purchase of treasury shares, equity contributions from third parties, the purchase of shares in consolidated companies, and the net change in the convertible bond.

Information on jointly controlled entities

Jointly controlled companies classified as joint operations do not have a significant value.

45 Significant non-recurring events and operations

During the year 2024 there were no significant non-recurring events and operations, as defined in the Consob Communication No. DEM/6064293 of July 28, 2006.

46 Positions or transactions arising from atypical and/or unusual operations

During the year 2024, there were no atypical and/or unusual positions or transactions, as defined in the Consob Communication No. DEM/6064293 of July 28, 2006.

47 Events after the reporting period

Sale of equity interest in KCA Deutag (KCAD)

On January 16, 2025, the 10% equity interest in KCAD was sold to Helmerich & Payne (H&P) for a consideration of around $89.5 million, of which around $8 million was retained in an escrow account until the satisfaction of certain conditions under the agreement in place between the majority shareholders of KCAD and H&P. The sale by Saipem is part of the acquisition of KCAD by H&P and follows the exercise of the drag-along right towards the minority shareholders, including Saipem.

Saipem's equity investment in KCAD was acquired in 2022 as part of the sale of its Onshore Drilling activities. The carrying amount of this equity investment as of December 31, 2024 was €80 million.

Shareholders' Agreement relating to ordinary shares of Saipem SpA

On January 22, 2025, the shareholders Eni SpA and CDP Equity SpA notified Saipem that they had tacitly renewed, for an additional three-year period, the Shareholders' Agreement entered into on January 20, 2022, covering a total of 25.006% of Saipem's ordinary share capital. The Agreement envisaged a three-year term from the effective date (i.e., January 22, 2022) to be automatically renewed on its expiry date (i.e., January 22, 2025) for an additional period of three years only, unless terminated by either party with at least six months' notice. The aforementioned term having expired without having been terminated; the Shareholders' Agreement was automatically renewed for an additional three-year period (ie until January 22, 2028).

Saipem - Simest Memorandum of Understanding

On February 6, 2025, Saipem and SIMEST, the CDP Group company specialised in the international expansion of Italian companies, signed a memorandum of understanding aimed at promoting new investments, greater competitiveness (also internationally) and growth in the market for companies in Saipem's supply chain.

New revolving credit facility

On February 11, 2025, Saipem entered into a new "Revolving Credit Facility" with a pool of fourteen leading national and international financial institutions for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million "Revolving Credit Facility" signed in February 2023, increasing its amount.

Proposed combination of Saipem and Subsea7

On February 23, 2025, Saipem and Subsea7 announced that they had reached an agreement on the key terms of a possible cross-border merger of the two companies through the signing of a memorandum of understanding. The merger will be structured through the incorporation of Subsea7 into Saipem, in accordance with EU regulations, with the latter to be renamed Saipem7 (Combined Company), which will have shares listed on both the Milan and Oslo stock exchanges.
Siem Industries (main shareholder of Subsea7) would own approximately 11.9% of the Combined Company's share capital, while Eni and CDP Equity (main shareholders of Saipem) would own approximately 10.6% and approximately 6.4%, respectively. The Combined Company will be structured in four businesses: Offshore Engineering & Construction, Onshore Engineering & Construction, Sustainable Infrastructures and Offshore Drilling. The Offshore Engineering & Construction business will be incorporated into a company with its own operational autonomy, named Subsea7, with its own headquarters in London, which will encompass all the Subsea7's business and the Asset Based Services business of Saipem.
The entering into and signing of binding definitive documents in respect of the Proposed Combination is conditional, inter alia, on the successful completion of confirmatory due diligence by the parties, the execution of a mutually satisfactory merger agreement (the "Merger Agreement") and the approval of the final terms of the Proposed Combination by the Board of Directors of Saipem and Subsea7. The parties will also engage with the relevant works council consultations required by the applicable laws. The parties currently envisage to submit the final terms of the Proposed Combination to their respective Board of Directors for approval and to enter into the Merger Agreement around mid-2025. Completion is currently anticipated to occur in the second half of 2026.

Collaboration agreement

On March 5, 2025, Saipem and Divento, a partnership between Copenhagen Infrastructure Partners (CIP, through the "flagship" fund Copenhagen Infrastructure V), GreenIT, a joint venture between Plenitude (a Company controlled by Eni) and CDP Equity (CDP Group), 7 Seas Wind Power and NiceTechnology, have signed a collaboration agreement involving the application of STAR1, Saipem's proprietary technology for floating wind, in favour of the 7 Seas Med projects in Sicily and Ichnusa Wind Power in Sardinia.

48 Obligations regarding transparency and disclosure Italian Law August 4, 2017, No. 124 (Article 1, sections 125-129)

In 2024, Saipem SpA received public grants under the scope of Law No. 124/2017 (Article 1, paragraphs 125-129), as amended, amounting to €5,624,742.49, received from the INPS (national social security institute) on May 27, 2024. These grants related to the reimbursement of part of the labour costs of employees involved in a training programme funded by ANPAL (agency for

active labour market policies) under the New Skills Fund included in the National Recovery and Resilience Plan (NRRP). The other Italian companies within scope did not receive any public grants under this legislation.
In particular, the scope of application of the aforementioned legislation does not include: (i) the forms of incentive/subsidy received under a general aid scheme to all those eligible; (ii) sums relating to provision of works/services, including sponsorships; (iii) reimbursements and allowances paid to individuals in training and guidance; (iv) contributions received for continuing education by inter-professional funds set up as associations; (v) membership fees for membership of professional and territorial associations, as well as in favour of foundations or equivalent organisations which are functional to activities linked to corporate business. Disbursements are identified according to the cash criterion.
The notice falling within the scope of the aforementioned legislation includes disbursements over €10 thousand paid by the same paying entity during 2024, also through multiple payments.

INFORMATION REGARDING CENSURE BY CONSOB PURSUANT TO ARTICLE 154-*TER*, SUBSECTION 7, OF LEGISLATIVE DECREE NO. 58/1998 AND THE NOTICE FROM THE CONSOB OFFICES DATED APRIL 6, 2018

On January 30, 2018, Consob, having concluded its inspection commenced on November 7, 2016 (which ended on October 23, 2017) and about which Saipem gave information in the Annual Report dated December 31, 2016, informed Saipem that it had detected non compliances in "the Annual Report and Consolidated Financial Report as at December 31, 2016, as well as in the Interim Consolidated Report as at June 30, 2017" with the applicable international accounting standards (IAS 1 "Presentation of Financial Statements"; IAS 34 "Interim Financial Reporting"; IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", paragraph 5, 41 and 42; IAS 36 "Impairment of Assets", paragraph 31, 55-57) and, consequently, has informed Saipem about the commencement "of proceedings for the adoption of measures pursuant to Article 154-*ter*, subsection 7, of Legislative Decree No. 58/1998".
With notes of February 13 and 15, 2018, the Company transmitted to Consob its own considerations in relation to the remarks formulated by the offices of Consob, highlighting the reasons for which it does not share such remarks.
On March 2, 2018, the Commission of Consob, partially accepting the remarks of the offices of Consob, informed Saipem of its own Resolution No. 20324 (the "Resolution"), with which it ascertained the "non-compliance of Saipem's Annual Report 2016 with the regulations governing their preparation", without censuring the correctness of the Interim Consolidated Report as of June 30, 2017.
According to the Resolution, the non-compliance of Saipem's Annual Report 2016 with the regulations which govern its preparation, concerns in particular: (i) the incorrect application of the accrual basis of accounting affirmed by IAS 1; (ii) the non-application of IAS 8 in relation to the correction of errors with reference to the financial statements of 2015; and (iii) the estimation process of the discount rate pursuant to IAS 36.
Consob has therefore asked the Company, pursuant to Article 154-*ter*, subsection 7 of Legislative Decree No. 58/1998, to disclose the following elements of information to the markets:
(A) the weaknesses and non-compliance identified by Consob in relation to the accounting correctness of the financial statements mentioned above;
(B) the applicable international accounting standards and the violations encountered in relation thereto;
(C) the illustration, in an appropriate pro forma consolidated income statement and balance sheet – with comparative data – of the effects that accounting in compliance with the regulations would have produced on the 2016 balance sheet, income statement and shareholders' equity, for which incorrect information was supplied.

A. Weaknesses and non-compliance identified by Consob regarding the correctness of accounting in the consolidated and statutory financial statements of 2016.
   The weaknesses and non-compliance identified by Consob with regard to the 2016 consolidated and statutory financial statements can be substantially attributed to the following two items:
   (a) non-compliance of the "2016 consolidated and statutory Saipem SpA financial statements with reference to the comparative data for 2015";
   (b) non-compliance of the estimation process of the discount rate underlying the impairment test for the 2016 financial statements with the requirements of IAS 36, which requires the Company to "apply the appropriate discount rate to future cash-flows".
   With regard to point (a), the contestation concerns the non-compliance of the 2016 consolidated and statutory financial statements with:
   (i) IAS 1, paragraph 27, according to which "an entity shall prepare its statements (except for cash flow information) using the accrual basis of accounting"; and paragraph 28, according to which "when the accrual basis of accounting is used, an entity recognises items as assets, liabilities, equity, revenue and costs (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework"; and
   (ii) IAS 8, paragraph 41, according to which "[...], material errors are sometimes not discovered until a subsequent period, and these prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period"; and paragraph 42 according to which "the entity shall correct the material prior period errors retrospectively in the first financial statements authorised for issue after their discovery by: (a) restating the comparative amounts for the year/years prior to the one in which the error occurred [...]".

In substance, in Consob's opinion, the circumstances at the basis of some of the impairment losses recognised in the 2016 financial statements already existed, wholly or in part, when preparing 2015 financial statements. Indeed, Consob alleges that the Company approved 2016 consolidated and statutory financial statements without having corrected the "material errors" contained in the consolidated and statutory financial statements of the previous administrative period, in relation to the following items:
- "property, plant, and equipment";
- "inventories"
- "tax assets".

With regard to point sub (b), Consob does not approve that the Company, for the purposes of the impairment test: (i) used a single rate to discount business unit cash flows, characterised by a different risk profile; (ii) did not consider the country risk in relation to some assets operating in specific geographical areas over a long period of time; (iii) did not take into account the changes in the Company risk profile subsequent to the transaction that determined the deconsolidation of Saipem from the Eni Group.

B. The applicable international accounting standards and the violations encountered in relation thereto.
Consob holds that the 2016 consolidated and statutory financial statements of Saipem as of December 31, 2016, were not compliant with the following standards: IAS 1, IAS 8, and IAS 36.
Specifically, Consob observed that the Company approved 2016 consolidated and statutory financial statements without having corrected the "material errors" contained in the consolidated and statutory financial statements of the previous administrative period, in relation to the following items:
- "property, plant, and equipment"
- "inventories";
- "tax assets".

With reference to the item "Property, plant and equipment" as of December 31, 2015, Consob alleges the incorrect application of IAS 16 "Property, plant and equipment" and of IAS 36.
Specifically, Consob alleges that some impairment losses carried out by the Company on "property, plant and equipment" in the 2016 consolidated financial statements should have been accounted for, at least in part, in the previous year.
In particular Consob alleges:
(i) the incorrect application of IAS 36 with reference to the impairment test of some assets recognised as "property, plant and equipment" of the Offshore Drilling business unit and with respect to the assets recognised in the Offshore and Onshore Engineering & Construction business units. Consob's remarks refer to the methods used to estimate the cash flows expected from the use of said assets for the purposes of the application of the impairment test with respect to 2015 and specifically to the incorrect application of IAS 36: (a) paragraph 33(a), according to which "in measuring value in use an entity shall: (a) base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight shall be given to external evidence;" (b) paragraph 34 in the sections that requires management to assess the reasonableness of the assumptions on which its current cash flow projections are based by examining the causes of differences between past cash flow projections and actual cash flows and ensuring that the assumptions on which its current cash flow projections are based are consistent with past actual outcomes; (c) paragraph 35 in the section that mentions the approach to be followed when using cash flow projections over a period longer than five years, stressing that such an approach is allowed "if [the entity] is confident that these projections are reliable and it can demonstrate its ability, based on past experience, to forecast cash flows accurately over that longer period";
(ii) the incorrect application of IAS 16, paragraphs 51, 56 and 57 with reference to the residual useful life of some assets registered as "property, plant and equipment" of the Onshore Drilling business unit, of the Offshore Engineering & Construction business unit and of the Onshore Engineering & Construction business unit. Consob's remarks concern the circumstances that the review of the estimation of the residual useful life of assets cited (reported in the 2016 financial statements) should have already been done in the financial year 2015. Specifically, Consob alleges that IAS 16: (a) paragraph 51 was not correctly applied in the part that requests that "the residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; (b) paragraph 56 in the part that requires that "the future economic benefits embodied in an asset are consumed by an entity principally through its use. However, other factors, such as technical or commercial obsolescence and wear and tear while an asset remains idle, often result in the diminution of the economic benefits that might have been obtained from the asset" [...]; paragraph 57 in the part that requires that "the useful life of an asset is defined in terms of the asset's expected utility to the entity. The asset management policy of

the entity may involve the disposal of assets after a specified time or after consumption of a specified proportion of the future economic benefits embodied in the asset. Therefore, the useful life of an asset may be shorter than its economic life. The estimation of the useful life of the asset is a matter of judgement based on the experience of the entity with similar assets."

As a consequence of the above-mentioned remarks, Consob likewise does not agree with the recognition of the impairment losses included in the 2016 consolidated and statutory financial statements with reference to some inventories and to a deferred tax asset related to the items criticised by Consob for which the items of the impairment loss according to Consob should have been accounted for in 2015.

Consob notes in this regard:

(i) IAS 2, paragraph 9, that "inventories shall be measured at the lower of cost and net realisable value" and at paragraph 30 that "estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise";

(ii) IAS 12 in the part that requires, at paragraph 34, that "a deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised" and that "to the extent that it is not probable that taxable profit will be available against which unused tax losses or unused tax credits can be utilised, the deferred tax asset is not recognised".

Furthermore, Consob criticises the process of estimating the discount rate at the base of the impairment test for 2016 in so far as it is characterised by an approach that is not compliant with IAS 36 which requires that the Company "shall apply the appropriate discount rate to the future cash flows". More precisely, with respect to 2016 Consob does not agree with the approach taken by the Company, i.e., with reference to the execution of the impairment test it: (i) has used a single rate to discount cash flows of different business units which are characterised by different risk profiles; (ii) has not considered the country risk in relation to some assets operating in specific geographical areas over a long period of time.

In relation to the above, Consob also alleges the violation of the principle of correct representation of the company's situation which would not guarantee the observance of fundamental assumptions and qualitative characteristics of information.

Consob believes, in fact, that the importance of the errors and the significance of the shortcomings can likewise determine the non-compliance of the aforementioned financial statements with the requirements of reliability, prudence and completeness, pursuant to IAS 1.

C. Illustration, in an appropriate pro forma consolidated income statement and balance sheet – with comparative data – of the effects that accounting in compliance with the regulations would have produced on the 2016 balance sheet, income statement and shareholders' equity, for which incorrect information was supplied.

While not sharing the judgement of non-compliance of the 2016 consolidated and statutory financial statements put forward by Consob in its Resolution, Saipem points out that the 2016 consolidated and statutory financial statements of the Company were approved by the Board of Directors on March 16, 2017 and by the Shareholders' Meeting on April 28, 2017 and were subject to audit pursuant to Legislative Decree No. 39 of January 27, 2010, Articles 14 and 16, and the report was issued on April 3, 2017.

In addition, with the press release of March 5, 2018, Saipem reported that "the Board of Directors of Saipem, in disagreement with the Resolution of Consob, resolved on March 5, 2018, to appeal the Resolution in the competent courts".

In the press release dated March 21, 2018, Saipem reported that for the purposes of ensuring a correct interpretation, and in order to implement the findings of the Resolution, today the Company has filed a petition with Consob in order to obtain interpretative clarifications suitable for overcoming the technical and evaluation complexities related to the findings of the Authority and to be able, in this way, to inform the market correctly, reaffirming that it does not share – and has no intention of accepting – the judgement of non-compliance of the consolidated and statutory financial statements as of December 31, 2016.

On April 16, 2018, Saipem issued a press release regarding the pro-forma consolidated income statements and statement of financial position as of December 31, 2016, for the sole purpose of complying with the Resolution.

On April 27, 2018, Saipem lodged an appeal with the Regional Administrative Court ("TAR") of Lazio requesting the annulment of the Resolution and of any other presumed or related act and/or provision.

On May 24, 2018, Saipem filed with the TAR-Lazio additional grounds for appeal against the aforementioned Resolution.

On June 15, 2021, a hearing was held before the TAR-Lazio to discuss Saipem's appeal against the Consob Resolution of March 2, 2018.

On July 6, 2021, the TAR-Lazio rejected the appeal filed by Saipem SpA on April 27, 2018.

On November 6, 2021, Saipem filed its appeal before the Council of State against the decision of the TAR of Lazio.
On March 7, 2024, a hearing was held before the Council of State for the discussion of the merits of the appeal brought by Saipem against the TAR-Lazio ruling.
On April 6, 2018, after the closure of the market, the Offices of the Italian securities market regulator Consob (Divisione Informazione Emittenti - Issuer Information Division) announced with their communication No. 0100385/18 (the "Communication"), that they started an administrative sanctioning procedure, claiming some violations pursuant to Articles 191 and 195 of Italian Legislative Decree No. 58/1998 (the "Financial Law"), relating to the offer documentation (Prospectus and Supplement to the Prospectus) made available to the public by Saipem SpA ("Saipem") on the occasion of its capital increase operation, which took place in January and February 2016. The alleged violations were exclusively addressed to the members of the Board of Directors and the Chief Financial Officer/Officer responsible for financial reporting in office at that time.
The Offices of Consob, in communicating their allegations to the interested parties also pointed out that, if the alleged violations were ascertained by the Commission of Consob at the outcome of the procedure, said violations *"would be punishable by an administrative fine between €5,000 and €500,000"*.
Saipem received notice of the communication solely as guarantor ex lege for the payment *"of any economic fines that may eventually be charged to the company executives at the outcome of the administrative procedure"*.
The allegations follow Consob Resolution No. 20324 of March 2, 2018 (the "Resolution"), the content of which was communicated to the market by the Company with its press release of March 5, 2018. The Resolution – with which, as also communicated to the market, the Company disagreed and that it will appeal before the TAR-Lazio – alleged, among other things, *"the inconsistency of the assumptions and elements underlying the Strategic Plan for 2016-2019 with respect to the evidence at the disposal of the administrative bodies"*, as the indicators of possible impairment of value of the assets, later impaired by Saipem in its nine-month interim report as of September 30, 2016 would already have existed, in the opinion of Consob, at the time of approval of the consolidated financial statements of 2015.
With its Communication, the Offices of Consob have charged the company executives who, at the time of the capital increase, performed management functions, with the violations that are the subject of the Resolution and have already been communicated to the market, as stated above. The Offices of Consob also contested certain *"elements relative to the incorrect drafting of the declaration on the net working capital"* required by the standards in force applicable to the prospectus.
The foregoing would imply, according to the Offices of Consob, *"the inability of the offer documentation to ensure that the investors would be able to formulate a well-grounded opinion about the equity and financial position of the issuer, its operating results and prospects, pursuant to Article 94, sections 2 and 7, of the Financial Law, with regard to the information concerning: a) estimates of the Group's results for 2015 (Guidance 2015 and underlying assumptions)"; "b) forecast of the Group results drawn from the Strategic Plan for 2016-2019 and underlying assumptions"; "c) the declaration on the Net Working Capital"*.
Also according to the Offices of Consob, Saipem would have additionally omitted, in violation of Article 97, section 1 and Article 115, section 1, letter a), of the Financial Law, to report to Consob *"information pertaining to: (i) the assumptions underlying the declaration on its Net Working Capital; (ii) the availability of an updated 'Eni Scenario' on the price of oil; and (iii) the existence of significant amendments to the assumptions underlying the Strategic Plan for 2016-2019"*.
On July 4, 2018, Saipem, as guarantor ex lege for the payment *"of any fines that may eventually be charged to the company executives at the outcome of the administrative procedure"*, submitted its defence to Consob.
Saipem and all the company executives who have received the Communication have proceeded to file their defences with the Consob Offices.
By Resolution No. 20828 of February 21, 2019, communicated to Saipem on March 12, 2019 and adopted at the outcome of the procedure for application of a fine initiated on April 6, 2018, Consob applied the following fines: a) €200,000 on the company CEO in office at the time of the alleged acts; and b) €150,000 on the Officer responsible for financial reporting in office at the time of the capital increase in 2016.
Consob also sentenced Saipem to a payment of €350,000, as the party jointly liable for payment of the aforementioned administrative fines with the two persons fined pursuant to Article 195, section 9, of the Consolidated Law on Finance (in force at the time of the alleged violations), with obligation to recourse against the authors of the alleged breaches.
Consob ordered the filing of the procedure launched on April 6, 2018, against the non-executive Directors in office at the time of the facts alleged.
The Board of Directors of Saipem resolved on April 2, 2019 to appeal the Resolution No. 20828 before the Court of Appeal.
A similar appeal was filed by the two individuals sanctioned under the Resolution, i.e., the Chief Executive Officer of Saipem in office at the time of the alleged acts and the Chief Financial Officer and Officer responsible for financial reporting in office at the time of the events. The first hearing before the Milan Court of Appeal was held on November 13, 2019.
After several motions for permission to submit documents, briefs, additional grounds, and arguments, the appeals were discussed in the hearing held on April 21, 2021.

The Milan Court of Appeal, partially upholding the appeals, (whilst it rejected the remaining)

- reduced from €200,000 to €150,000 the administrative financial fine imposed by Consob in 2019 against the former Chief Executive Officer of the Company in office from April 30, 2015 until April 30, 2021;
- reduced from €150,000 to €115,000 the administrative financial fine imposed by Consob in 2019 against the former CFO and Officer responsible for the Company's financial reporting in office at the time of the 2016 capital increase until June 7, 2016; and
- consequentially reduced from €350,000 to €265,000 the payment of the afore-mentioned administrative financial fines by Saipem as the party jointly and severally liable pursuant to Article 195, paragraph 9, of the Italian Consolidated Law on Finance.

On January 20, 2022, Saipem filed an appeal to the Supreme Court against the sentence of the Court of Appeal of Milan. On March 1, 2022, Consob served Saipem with its appeal ("controricorso con ricorso incidentale").
Saipem filed its appeal against Consob's appeal ("controricorso con ricorso incidentale") on April 8, 2022.
The case is pending.

CERTIFICATION PURSUANT TO ARTICLE 154-*BIS*, PARAGRAPH 5 OF THE LEGISLATIVE DECREE NO. 58/1998 (TESTO UNICO DELLA FINANZA)

1. The undersigned Alessandro Puliti and Luca Caviglia in their quality as Chief Executive Officer and Manager responsible for the preparation of financial reports of Saipem SpA, also pursuant to article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of February 24, 1998, certify that internal controls over financial reporting in place for the preparation of the consolidated financial statements as of December 31, 2024 and during the period covered by the report, were:

- adequate to the Company structure, and
- effectively applied during the process of preparation of the report.

2. Internal controls over financial reporting in place for the preparation of the 2024 consolidated financial statements have been defined and the evaluation of their effectiveness has been assessed based on principles and methodologies adopted by Saipem in accordance with the Internal Control - Integrated Framework Model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents an internationally-accepted framework for the internal control system.

3. The undersigned officers also certify that:

3.1 The consolidated financial statements as of December 31, 2024:

a) have been prepared in accordance with applicable international accounting standards adopted by the European Commission pursuant to Regulation (CE) n. 1606/2002 of the European Parliament and European Council of July 19, 2002;

b) correspond to the accounting books and entries;

c) fairly and truly represent the financial position, the performance and the cash flows of the issuer and the companies included in the consolidation as of, and for, the period presented in this report.

3.2 The Directors' Report provides a reliable analysis of business trends and results, including a trend analysis of the issuer and the companies included in the consolidation, as well as a description of the main risks and uncertain situations to which they are exposed.

March 11, 2025

/signed/ Alessandro Puliti	/signed/ Luca Caviglia
Alessandro Puliti	Luca Caviglia
Chief Executive Officer	Manager responsible for the preparation of the financial reports

CONSOLIDATED SUSTAINABILITY STATEMENT CERTIFICATION

The undersigned Alessandro Puliti and Luca Caviglia in their quality as Chief Executive Officer and Manager responsible for the preparation of financial reports of Saipem SpA, also pursuant to Art.154-bis, paragraph 5-ter, of the Italian Legislative Decree No.58 of 24 February 1998, certify[61] that the Consolidated Sustainability Statement included in the "Director's Report" were drawn up:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and of Legislative Decree 6 September 2024, No.125;
- with the specifications adopted pursuant to Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

March 11, 2025

/signed/ Alessandro Puliti
Alessandro Puliti
Chief Executive Officer

/signed/ Luca Caviglia
Luca Caviglia
Manager responsible for the preparation
of the financial reports

(61) Certification issued according to the form defined in the Consob document for the consultation of December 13, 2024.

INDEPENDENT AUDITORS' REPORT

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(The accompanying translated consolidated financial statements of the Saipem Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of Saipem S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Saipem Group (the "group"), which comprise the statement of financial position as at 31 December 2024, the income statement, the statement of comprehensive income, the statement of the changes in equity and cash flows for the year then ended and notes thereto, which include material information the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Saipem Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Saipem S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition and measurement of contract assets and liabilities

Notes to the consolidated financial statements: notes 3 "Accounting policies - Contract assets and liabilities, Provisions for risks and charges, contingent assets and liabilities and Revenue from contracts with customers", 4 "Accounting estimates and significant judgements - Revenue, contract assets and contract liabilities and Provisions for risks and charges", 13 "Contract assets", 23 "Contract liabilities", 27 "Provisions for risks and charges and 35 "Revenue"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2024 include contract assets of €2,176 million, contract liabilities of €3,434 million, provisions for contract costs and losses on long-term contracts of €450 million and core business revenue of €14,549 million, which is also related to significant long-term contracts with customers for the performance of large projects that are complex from an engineering, technological and construction point of view. Revenue from those projects is recognised over time, based on their stage of completion and using the cost-to-cost method. Measuring contract assets and contract liabilities is based on significant estimates about the total contract revenue and costs and the related stage of completion which entail a high level of judgement by the directors. These estimates are affected by many factors, including: • claims for additional consideration compared to that contractually agreed; • the projects' long timeframe, size and engineering and operating complexity; • the risk profile of certain countries in which the work is carried out. These estimates, therefore, require a high level of directors' judgement that may significantly affect the recognition of revenue and the measurement of contract assets and liabilities. Accordingly, we believe that the revenue recognition and measurement of contract assets and liabilities are a key audit matter.	Our audit procedures included: • understanding the process for the allocation of revenue from contract with customers and additional consideration, assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • selecting a sample of contracts on which we performed, inter alia, the following procedures: - analysing contracts with customers in order to check that the main contractual terms have been appropriately considered by group management; - analysing the reasonableness of the assumptions underlying the project budgets and forecasts through (i) discussions with group management and the individual contract managers to support the information obtained from historical analyses (ii) analysis of supporting documentation, including any correspondence with customers and suppliers and legal-technical opinions possibly expressed by external experts engaged by group management (iii) analysis of the most significant discrepancies between past years' estimates and actual figures; • checking the recognition of costs and their allocation to the contracts in progress; • assessing the accuracy of the stage of completion calculation and the consequent recognition of revenue and contract assets and liabilities; • analysing the events after the reporting date that provide information useful for an assessment of group management estimates; • assessing the appropriateness of the disclosures provided in the notes about revenue and contract assets and liabilities.

Provisions for risks and charges and contingent liabilities

Notes to the consolidated financial statements: notes 3 "Accounting policies - Provisions for risks and charges, contingent assets and liabilities", 4 "Accounting estimates and significant judgements - Provisions for risks and charges", 27 "Provisions for risks and charges" and 34 "Guarantees, commitments and risks - Legal proceedings"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2024 comprise provisions for risks and charges of €800 million, including provisions for contract costs and losses on long-term contracts of €450 million. The parent and certain group companies are involved in a number of legal proceedings and, when a liability is considered to be probable and its amount can be estimated reliably, group management makes the related provisions for risks and charges. The process and methods for assessing the risk arising from the legal proceedings are complex and, by their very nature, entail a high level of judgement by group management, especially the evaluation of the uncertainty surrounding the outcome of the proceedings, the classification as provisions or liabilities and the appropriateness of the disclosures provided in the notes, including about possible liabilities. For the above reasons, we believe that this issue is a key audit matter.	Our audit procedures included: • understanding the process for the assessment of legal proceedings and assessing the design and implementation of controls and procedures on the operating effectiveness of material controls; • analysing the accounting policies used by the directors to estimate the outcome of significant legal proceedings; • assessing group management's evaluations of the proceedings and their reasonableness by checking the main internal documentation, related reports and any technical appraisals prepared by experts engaged by management, as well as through the information obtained from external and internal legal advisors and group management; • exchanging information with the parent's *Collegio Sindacale*, audit and risk committee, supervisory board and internal auditors; • analysing the events after the reporting date that provide information useful for an assessment of the significant legal proceedings; • assessing the appropriateness of the disclosures provided in the annual report about significant legal proceedings.

Measurement of property, plant and equipment and intangible assets

Notes to the consolidated financial statements: notes 3 "Accounting policies - Property, plant and equipment (tangible assets), Leases, Intangible assets and Impairment of non-financial assets", 4 "Accounting estimates and significant judgements - Impairment of non-financial assets and Leases", 16 "Property, plant and equipment", 17 "Intangible assets" and 18 "Right-of-use-assets, lease assets and lease liabilities"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2024 include property, plant and equipment of €2,844 million, intangible assets of €668 million, including goodwill of €641 million, and right-of-use assets of €630 million. The parent's directors have identified thirteen cash-generating units ("CGUs"): Asset Based services, Energy Carriers, Robotics and Industrialized Solutions, Sustainable Infrastructures and nine vessels included in the Offshore drilling business segment.	Our audit procedures, which also involved our own specialists, included: • understanding the process adopted to prepare the impairment tests approved by the parent's directors; • understanding the process adopted to prepare the forecasts from which the expected cash flows used for impairment testing have been derived; • analysing the criteria used to identify the CGUs and the assets and liabilities allocated thereto;

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Key audit matter	Audit procedures addressing the key audit matter

The parent's directors allocated goodwill to the Asset Based Services CGU (€403 million), the Energy Carriers CGU (€228 million) and the Robotics and Industrialized Solutions CGU (€10 million).
 	
Group management tests the carrying amounts of all CGUs for impairment whenever there are indicators of impairment, and of the CGUs that include goodwill at least annually, by comparing the individual CGU's estimated recoverable amount, calculated by discounting the expected cash flows using the discounted cash flow model, to the net capital employed allocated thereto.
 	
The recoverable amounts of those assets is based on assumptions, sometimes complex, that entail a high level of judgement. They are based on the expected cash flows forecast in the 2025-2028 strategic plan approved by the parent's directors, as well as projections for future years.
 	
The key assumptions underlying the expected cash flows forecast by the parent's directors relate to the future acquisition of orders, their profitability and the payments that the group will obtain by leasing its fleet of vessels, principally included in the Offshore drilling business segment.
 	
For the above reasons, we believe that this issue is a key audit matter.
	• analysing the reasonableness of the main assumptions underlying the 2025-2028 strategic plan approved by the parent's directors, mainly through inquiries with the managers of the business segments that include the CGUs identified, analysis of the supporting documentation and comparison of expected orders to the order backlog;
	• checking the consistency of the forecasts included in the 2025-2028 strategic plan approved by the parent's directors with the data underlying the expected cash flows used for impairment testing;
	• checking any discrepancies between the previous year forecast and actual figures, in order to check the accuracy of the group management's estimation process;
	• analysing the reasonableness of the valuation methods and key assumptions used by the parent's directors, and especially:
	  - the application of the discounted cash flow model;
	  - the criteria and parameters used to calculate the discount rate applied to the projected cash flows and the long-term growth rate;
	• checking the sensitivity analysis presented in the notes in relation to the key assumptions used for impairment testing;
	• analysing the events after the reporting date that provide information useful for an assessment of management estimates;
	• assessing the appropriateness of the disclosures provided in the notes about the measurement of property, plant and equipment, intangible assets and right-of-use assets.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

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Saipem Group
Independent auditors' report
31 December 2024

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships

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and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 3 May 2018, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;

- express an opinion on the consistency of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the section of the directors' report which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 3 April 2025

KPMG S.p.A.

(signed on the original)

Cristina Quarleri
Director of Audit

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Saipem S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the Saipem Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the directors' report (the "consolidated sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" section of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under SSAE (Italia) are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Other matters

The 2024 consolidated sustainability statement presents the 2023 comparative information, which has not been subjected to an assurance engagement.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Saipem S.p.A. (the "parent") for the consolidated sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the "materiality assessment process") and for the description of these procedures in the "IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities" section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the "Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" section with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Inherent limitations in preparing the consolidated sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 emissions information from value chain.

Auditors' responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to check disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process. Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined, checking their consistency with the results of the enterprise risk management (ERM) process;

- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;
- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - for information gathered at site level, we visited the Saipem 3000 (Almeria port), Saipem 12000 (Port Elizabeth port), Jafurah Upstream Pipelines and Wells Tie-In Project (Saudi Arabia) and Sakarya_GFD PH2_Shore Approach Activities (Turkey) sites, which we selected on the basis of their business and contribution to the metrics of the consolidated sustainability statement. During these visits, we held discussions with group's personnel and acquired documentary evidence on the determination of metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible economic activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Milan, 3 April 2025

KPMG S.p.A.

(signed on the original)

Cristina Quarleri
Director of Audit

04.

STATUTORY FINANCIAL STATEMENTS

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STATEMENTS

Statement of financial position

(euro)	Note	Dec. 31, 2024 Total	Dec. 31, 2024 of which with related parties	Dec. 31, 2023 Total	Dec. 31, 2023 of which with related parties
ASSETS					
Current assets					
Cash and cash equivalents	(No. 5)	1,718,945,590	91,245,692	1,291,538,759	1,892,140
Financial assets measured at fair value through profit and loss	(No. 6)	46,493,596	-	-	
Financial assets measured at fair value through OCI	(No. 7)	228,797,800	-	-	
Other current financial assets	(No. 8)	536,436,235	536,415,575	870,778,202	870,757,542
Trade and other receivables	(No. 9)	1,852,912,074	1,267,366,802	1,672,273,669	1,185,394,381
Inventories	(No. 10)	1,001,507	-	13,314,304	-
Contract assets	(No. 10)	982,251,387	-	882,522,526	-
Current income tax assets	(No. 11)	57,190,717	-	81,986,247	-
Other current tax assets	(No. 12)	18,574,396	-	13,090,133	-
Other current assets	(No. 13, 32)	183,796,965	113,966,148	106,846,251	68,106,283
Total current assets		**5,626,400,267**		**4,932,350,091**	
Non-current assets					
Property, plant and equipment	(No. 14)	114,503,625	-	117,936,323	-
Intangible assets	(No. 15)	23,485,351	-	21,259,848	-
Right-of-use of lease assets	(No. 16)	187,020,633	-	139,808,708	-
Equity investments	(No. 17)	2,127,666,605	2,127,666,605	2,213,473,318	2,213,473,318
Deferred tax assets	(No. 18)	213,118,764	-	179,812,328	-
Other non current assets	(No. 19, 32)	36,183,760	-	14,568,582	6,361,796
Total non-current assets		**2,701,978,738**		**2,686,859,107**	
Discontinued operations and assets held for sale	(No. 33)	**855,229**		**1,926,149**	**-**
TOTAL ASSETS		**8,329,234,234**		**7,621,135,347**	
LIABILITIES					
Current liabilities					
Current financial liabilities	(No. 20)	1,246,411,902	1,243,467,643	952,822,987	949,046,972
Current portion of non-current financial liabilities	(No. 25)	4,371,575	-	4,452,949	-
Current portion of lease liabilities	(No. 16)	61,495,704	305,943	25,929,159	565,380
Trade and other payables	(No. 21)	1,706,644,303	871,450,578	1,691,036,329	1,505,890,020
Contract liabilities	(No. 21)	1,545,945,312	499,624,754	1,299,877,397	466,231,133
Current income tax liabilities	(No. 22)	24,719,756	-	8,803,003	-
Other current tax liabilities	(No. 23)	37,091,748	-	31,406,595	-
Other current liabilities	(No. 24, 32)	135,335,683	127,784,501	35,646,417	28,226,995
Total current liabilities		**4,762,015,983**		**4,049,974,836**	
Non-current liabilities					
Non-current financial liabilities	(No. 25)	429,453,083	-	651,444,446	-
Non-current lease liabilities	(No. 16)	147,329,720	-	129,563,309	220,675
Provisions for risks and charges	(No. 27)	241,138,590	-	296,502,212	-
Provisions for employee benefits	(No. 28)	92,814,484	-	92,031,427	-
Deferred tax liabilities	(No. 29)	-	-	-	-
Non current income tax liabilities	(No. 30)	509,406	-	24,314	-
Other non-current payables and liabilities	(No. 31)	82,725,155	-	6,333,473	4,933,473
Total non-current liabilities		**993,970,438**		**1,175,899,181**	
Discontinued operations and liabilities directly related to assets held for sale	(No. 33)	**-**	**-**	**-**	
TOTAL LIABILITIES		**5,755,986,421**		**5,225,874,017**	

Cont'd Statement of financial position

(euro)	Note	Dec. 31, 2024 Totale	Dec. 31, 2024 of which with related parties	Dec. 31, 2023 Total	Dec. 31, 2023 of which with related parties
EQUITY	(No. 34)				
Equity:					
- Share capital		501,669,791		501.669.791	
- share premium		1,621,695,255		1.621.695.255	
- Other reserves		71,562,844		101.501.440	
- retained earnings (losses carried forward)		239,236,534		137.337.114	
- Profit (loss) for the year		278,498,190		107.279.268	
Negative reserve for treasury shares in portfolio		(139,414,801)		(74.221.538)	
TOTAL EQUITY		**2,573,247,813**		**2.395.261.330**	
TOTAL LIABILITIES AND EQUITY		**8,329,234,234**		**7.621.135.347**	

Income statement

(euro)	Note	2024 Totale	2024 of which with related parties	2023 Total	2023 of which with related parties
REVENUE	(No. 36)				
Core business revenue		5,871,918,220	1,909,695,643	4.130.291.825	1.974.545.851
Other revenue and income		93,460,879	88,377,566	149.955.081	87.370.286
Total revenue		**5,965,379,099**		**4.280.246.906**	
Operating expenses	(No. 37)				
Purchases, services, and other costs		(4,898,422,489)	(1,798,475,834)	(3.902.912.880)	(1.834.338.671)
Net reversals of impairment loss (impairment loss) on trade receivables and other assets		(7,229,817)	-	(6.799.397)	
Personnel expenses		(725,339,401)	13,479,294	(571.184.425)	16.704.737
Depreciation, amortisation, and impairment losses		(75,548,965)	-	(63.062.063)	
Other operating income (expense)		-	-	(1.242.386)	(1.242.386)
Total operating expenses		**(5,706,540,672)**		**(4.545.201.151)**	
Operating result		**258,838,427**		**(264.954.245)**	
Financial income (expense)	(No. 38)				
Financial income		260,433,169	77,602,821	197.162.472	53.229.431
Financial expense		(218,415,918)	(26,371,377)	(183.318.095)	(21.679.536)
Financial income (expense) on financial assets measured at fair value through profit or loss		749,831		-	
Derivative financial instruments		(6,507,493)	(13,742,156)	(22.171.800)	(11.349.650)
Net financial income (expense)		**36,259,589**		**(8.327.423)**	
Gains (losses) on equity investments	(No. 39)	**(98,380,402)**	**(98,380,402)**	**301.601.493**	**301.601.493**
Pre-tax profit (loss)		**196,717,614**		**28.319.825**	
Income taxes	(No. 40)	75,833,517		63.906.909	
Profit (loss) for the year - Continuing operations		**272,551,131**		**92.226.734**	
Profit (loss) for the year - Discontinued operations	(No. 33)	**5,947,059**	**(22,769)**	**15.052.534**	**(570.038)**
Profit (loss) for the year	(No. 41)	**278,498,190**		**107.279.268**	

Statement of comprehensive income [1]

(euro)	2024	2023
Profit (loss) for the year	**278,498,190**	**107,279,268**
Other items of comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
- measurement of defined benefit plans for employees	(240,830)	(1,938,674)
- investments carried at fair value	(154,981)	46,427
- income tax relating to items that will not be reclassified	57,799	465,282
Total	**(338,012)**	**(1,426,965)**
Items that may be reclassified subsequently to profit or loss:		
- change in the fair value of cash flow hedges (2)	(63,822,714)	70,639,149
- change in the fair value of financial assets, other than equity investments, with effects on OCI	185,885	-
- income tax relating to items that may be reclassified	15,272,035	(16,953,395)
Total	**(48,364,794)**	**53,685,754**
Total other comprehensive income, net of taxation	**(48,702,806)**	**52,258,789**
Comprehensive income (loss) for the year	**229,795,384**	**159,538,057**

(1) The comprehensive income statement shows the net result together with income and expenses that are recognised directly in equity in accordance with specific provisions of IFRS..
(2) The change in the fair value of cash flow hedge derivatives mostly relates to transactions with the Group's company Saipem Finance International BV..

Statement of changes in equity

(€ thousand)	Share capital	Share premium reserve	Convertible bond conversion reserve	Other reserves: Legal reserve	Other reserves: Fair value reserve on available-for-sale financial instruments	Other reserves: Fair value reserve (equity investments)	Other reserves: Hedging reserve	Other reserves: Reserve for defined benefit plans for employees	Other reserves: Other reserves and retained earnings (losses carried forward)		Profit (loss) for the year	Negative reserve for treasury shares in portfolio	Total equity
Balance as of December 31, 2023	501,670	1,621,695	80,334	-	-	(12)	27,124	(10,636)	142,029	-	107,279	(74,222)	2,395,261
Profit (loss) for the year 2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**278,498**	**-**	**278,498**
Other items of comprehensive income													
Items that will not be reclassified subsequently to the income statement													
Revaluations of defined benefit plans for employees net of tax effect	-	-	-	-	-	-	-	(183)	-		-	-	**(183)**
Adjustment for measurement of investments carried at fair value	-	-	-	-	-	(155)	-	-	-		-	-	**(155)**
Items that may be reclassified subsequently to the income statement													
Change in fair value of cash flow hedges, net of taxation	-	-	-	-	-	-	(48,505)	-	-		-	-	**(48,505)**
Change in the fair value of financial assets, other than equity investments, measured at fair value through OCI, net of tax effect	-	-	-	-	141	-	-	-	-		-	-	**141**
Total comprehensive income (loss) for 2024	**-**	**-**	**-**	**-**	**141**	**(155)**	**(48,505)**	**(183)**	**-**		**278,498**	**-**	**229,796**
Owner transactions													
Allocation of 2023 net profit	-	-	-	5,364	-	-	-	-	101,899		(107,263)	-	-
Distribution of dividends	-	-	-	-	-	-	-	-	-		(16)	-	(16)
Other changes in equity													
Recognition of fair value stock grants	-	-	-	-	-	-	-	-	13,400		-	57	13,457
Treasury Shares Repurchased	-	-	-	-	-	-	-	-	-		-	(65,250)	(65,250)
Balance as of December 31, 2024	**501,670**	**1,621,695**	**80,334**	**5,364**	**141**	**(167)**	**(21,381)**	**(10,819)**	**257,328**		**278,498**	**(139,415)**	**2,573,248**

Cont'd **Statement of changes in equity**

(€ thousand)	Share capital	Share premium reserve	Convertible bond conversion reserve	Other reserves: Legal reserve	Other reserves: Fair value reserve on available-for-sale financial instruments	Other reserves: Fair value reserve (equity investments)	Other reserves: Hedging reserve	Other reserves: Reserve for defined benefit plans for employees	Other reserves: Other reserves and retained earnings (losses carried forward)	Profit (loss) for the year	Negative reserve for treasury shares in portfolio	Total equity
Balance as of December 31, 2022	**501,670**	**1,876,983**	**-**	**-**	**-**	**(58)**	**(26,562)**	**(9,162)**	**138,513**	**(255,988)**	**(77,444)**	**2,147,952**
Profit (loss) for the year 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**107,279**	**-**	**107,279**
Other items of comprehensive income												
Items that will not be reclassified subsequently to the income statement												
Revaluations of defined benefit plans for employees net of tax effect	-	-	-	-	-	-	-	(1,474)	-	-	-	**(1,474)**
Adjustment for measurement of investments carried at fair value	-	-	-	-	-	46	-	-	-	-	-	46
Items that may be reclassified subsequently to the income statement												
Change in fair value of cash flow hedges, net of taxation	-	-	-	-	-	-	53,686	-	-	-	-	**53,686**
Total comprehensive income (loss) for 2023	**-**	**-**	**-**	**-**	**-**	**46**	**53,686**	**(1,474)**	**-**	**107,279**	**-**	**159,537**
Owner transactions												
Coverage of loss for the year 2022	-	(255,988)	-	-	-	-	-	-	-	255,988	-	-
Change in convertible bond conversion reserve	-	-	80,334	-	-	-	-	-	-	-	-	80,334
Capitalisation of share capital increase	-	700	-	-	-	-	-	-	-	-	-	700
Other changes in equity												
Recognition of fair value stock grants	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of employee benefits reserve	-	-	-	-	-	-	-	-	3,516	-	3,222	6,738
Balance as of December 31, 2023	**501,670**	**1,621,695**	**80,334**	**-**	**-**	**(12)**	**27,124**	**(10,636)**	**142,029**	**107,279**	**(74,222)**	**2,395,261**

Statement of cash flows

(euro)	Dec. 31, 2024	Dec. 31, 2023
Profit (loss) for the year – Continuing operations	272,551,131	92,226,734
Profit (loss) for the year – Discontinued operations	5,947,059	15,052,534
Adjustments to reconcile the year's profit (loss) with cash flows from operating activities		
Depreciation and amortisation - Continuing operations	75,548,965	5,979,679
Depreciation and amortisation - Discontinued operations	-	-
Net impairment losses (reversals of impairment losses) on property, plant and equipment and intangible assets - Continuing operations	-	3,265,265
Net impairment losses (reversals of impairment losses) on property, plant and equipment and intangible assets - Discontinued operations	-	-
Equity investment measurement effect	126,975,939	(267,749,040)
(Capital gains) losses on disposals of assets - Continuing operations	(660,083)	(26,335,520)
(Capital gains) losses on disposals of assets - Discontinued operations	(5,648,371)	(12,969,095)
(Dividends) - Continuing operations	(121,001,542)	(503,640)
(Dividends) - Discontinued operations	-	-
(Interest income)	(112,349,812)	(55,756,886)
Interest expense	100,204,552	71,284,848
Income taxes - Continuing operations	(75,833,517)	(63,906,910)
Income taxes - Discontinued operations	-	-
Other changes	(36,466,940)	40,405,163
Changes in working capital:		
- inventories	12,216,125	8,961,424
- trade receivables	(152,949,030)	(313,531,533)
- trade payables	5,794,596	362,278,605
- provisions for risks and charges	(55,793,622)	(19,331,359)
- contract assets and liabilities	146,339,053	634,110,253
- other assets and liabilities	(4,181,235)	36,521,128
Cash flow from working capital - Continuing operations	*(48,574,113)*	*709,008,518*
Cash flow from working capital - Discontinued operations	*(101,294)*	*(2,099,216)*
Cash flow from working capital	*(48,675,407)*	*706,909,302*
Change in the provision for employee benefits - Continuing operations	970,359	(8,989,081)
Change in the provision for employee benefits - Discontinued operations	(171,833)	(1,258,419)
Dividends received	121,001,542	503,640
Interest received	108,907,195	54,163,994
Interest paid	(87,636,988)	(63,292,507)
Income taxes paid net of refunds of tax credits - Continuing operations	75,937,047	56,045,617
Income taxes paid net of refunds of tax credits - Discontinued operations	-	-
Net cash flows from operating activities - Continuing operations	**399,573,735**	**600,166,992**
Net cash flows from operating activities - Discontinued operations	**25,561**	**(1,274,196)**
Net cash flows from operating activities	**399,599,296**	**598,892,796**
of which with related parties - Continuing operations	*(260,477,953)*	*680,293,832*
of which with related parties - Discontinued operations	*(37,018)*	*17,008,818*
Investments:		
- intangible assets	(10,368,413)	(9,440,669)
- property, plant and equipment - continuing operations	(17,706,139)	(16,884,793)
- property, plant and equipment - discontinued operations		-
- equity investments	(41,472,219)	(76,169,941)
- loan assets	-	-
- change in payables related to investing activities	-	(50,000,000)
Cash flow from investments - continuing operations	*(69,546,771)*	*(152,495,403)*
Cash flow from investments - discontinued operations	-	-
Cash flow from investing activities	*(69,546,771)*	*(152,495,403)*

cont'd Statement of cash flows

(euro)	Dec. 31, 2024	Dec. 31, 2023
Disposals:		
- intangible assets	-	1,018
- property, plant and equipment - continuing operations	5,049,480	78,836,608
- property, plant and equipment - discontinued operations	7,038,718	38,671,057
- equity investments	148,010	-
- business lines - Continuing operations	-	-
- business lines - Discontinued operations	-	-
- change in receivables related to investing activities	21,745,968	(28,060,444)
- loan assets for operating purposes	186,667	384,271
Cash flow from disposals - continuing operations	*26,982,115*	*51,161,453*
Cash flow from disposals - discontinued operations	*7,038,718*	*38,671,057*
Cash flow from disposals	*34,168,843*	*89,832,510*
Net variation of securities and loan assets not related to operations	*58,863,905*	*(517,201,015)*
Net cash flows from investing activities	**23,485,977**	**(579,863,908)**
of which with related parties	*296,032,870*	*(592,536,641)*
Increase in non-current loans and borrowings	15,436,775	805,897,395
Decrease in non-current loans and borrowings	(237,509,512)	(261,998,830)
Repayments of lease liabilities	(38,378,959)	(37,683,046)
Increase (decrease) in current loans and borrowings	293,588,915	(3,106,399,613)
Cash flow from increases (decreases) in loans and borrowings	*33,137,219*	*(195,575,906)*
Net capital contributions	-	-
Sale (Buy-back) of treasury shares	(65,250,313)	-
Net variation of convertible bond	(12,565,143)	72,344,001
Dividend distribution	(15,885)	-
Net cash flows from financing activities	**(44,694,122)**	**267,919,907**
of which with related parties	*323,424,330*	*(267,491,485)*
Exchange differences	49,015,680	(27,293,708)
Net change in cash and cash equivalents	**427,406,831**	**259,655,087**
Cash and cash equivalents - opening balance	**1,291,538,759**	**1,031,883,672**
Cash and cash equivalents - closing balance	**1,718,945,590**	**1,291,538,759**

For reporting required by IAS 7, please refer to Note 23 “Non-current financial liabilities”.
The notes are an integral part of the financial statements.

Additional information

Joint Arrangements

Joint control (Joint Arrangement) is the sharing, on a contractual basis, of the control of an arrangement, which exists solely when unanimous consent is required for decisions relating to the relevant activities by the parties sharing control. Under the provisions of IFRS 11, a jointly controlled arrangement can be classified as either a Joint Venture (JV) or a Joint Operation (JO).
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint venture interests are recognised in the statutory financial statements of Saipem SpA according to the cost method.
A joint operation is a joint arrangement whereby the parties that have joint control over the rights to the assets, and obligations for the liabilities (i.e., enforceable rights and obligations) related to the arrangement. The assessment of the existence of enforceable rights and obligations requires a complex judgement by Management, and it is conducted considering the characteristics of the corporate structure, the agreements between the parties, as well as any other fact and circumstance that is relevant for the assessment.
Saipem's share of the assets, liabilities, revenues and expenses of joint operations is recognised in the separate financial statements on the basis of the actual rights and obligations arising from the contractual arrangements. After initial recognition, the assets, liabilities, revenues and expenses relating to a joint operation are accounted for in accordance with the applicable accounting standards.
At Saipem SpA, in light of the above, the company Ship Recycling Scarl has been classified as a Joint Operation. Consequently, the Company has recognised assets, liabilities, costs, and revenues based on its own "interest" in the agreement, which amounts to 51%.
Ship Recycling Scarl was established on July 30, 2014 by Saipem SpA together with Officine Meccaniche Navali and Fonderie San Giorgio SpA in order to demolish and dispose of the passenger ship “Costa Concordia”.
The company was placed into liquidation on October 4, 2017, following the achievement of its corporate purpose, and was removed from the business register on December 27, 2024. In this regard, as the distribution plan was made before December 31, 2024, these financial statements report only the profit and loss items of Ship Recycling Scarl that occurred during the year.

Ship Recycling Scarl in liquidation - balance sheet

(euro)	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	-	3,127,234
Trade and other receivables	-	40,979
Current tax assets	-	14,753
Other current tax assets	-	687,546
Other current assets	-	-
Total current assets	**-**	**3,870,512**
Non-current assets		
Property, plant and equipment	-	-
Other non current assets	-	-
Total non-current assets	**-**	**-**
TOTAL ASSETS	**-**	**3,870,512**
LIABILITIES AND EQUITY		
Current liabilities		
Current financial liabilities	-	3,732,330
Trade and other payables	-	122,133
Current tax liabilities	-	5,749
Other current tax liabilities	-	300
Other current liabilities	-	-
Total current liabilities	**-**	**3,860,512**
Non-current liabilities		
Provisions for risks and charges	-	-
Other non current liabilities	-	-
Total non-current liabilities	**-**	**-**
TOTAL LIABILITIES	**-**	**3,860,512**
EQUITY		
Share capital	-	10,000
Profit (loss) for the year	-	-
TOTAL EQUITY	**-**	**10,000**
TOTAL LIABILITIES AND EQUITY	**-**	**3,870,512**

Ship Recycling Scarl in liquidation – income statement

(euro)	2024	2023
REVENUE		
Core business revenue	-	40,979
Other revenue and income	81,907	117,222
TOTAL REVENUE	**81,907**	**158,201**
Operating expenses		
Purchases, services, and other costs	(214,936)	(190,005)
Depreciation, amortisation, and impairment losses		-
Total operating expenses	(214,936)	**(190,005)**
Operating profit (loss)	**(133,029)**	**(31,804)**
Financial income (expense)		
Financial income	140,475	38,588
Financial expense	-	-
Net financial income (expense)	**140,475**	**38,588**
Gains (losses) on equity investments	**-**	**-**
Profit (loss) before taxes	**7,446**	**6,784**
Income taxes	(7,446)	(6,784)
Profit (loss) for the year	**-**	**-**

NOTES TO THE STATUTORY FINANCIAL STATEMENTS

1 Basis of presentation

The statutory financial statements consist of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, the notes, and the related comparative information. They are also accompanied by the Directors' Report on the results of operations and financial position of the Company (Directors' report).
In accordance with Article 5 of Legislative Decree No. 38/2005, the statutory financial statements are prepared using the Euro as the accounting currency. The amounts in the Financial Statements and the Notes, as well as those stated in the Directors' Report, are expressed in thousands of Euro, unless otherwise specified.
The statutory financial statements of Saipem SpA (hereafter "Saipem") have been prepared according to the International Financial Reporting Standards (hereinafter, IFRS)[62] issued by the International Accounting Standards Board (IASB) and adopted by the European Commission pursuant the procedure laid down in Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, and pursuant to Article 9 of Legislative Decree No. 38/2005. The financial statements of Saipem SpA have been prepared on a going concern basis, by applying the historical cost method, taking into account value adjustments where appropriate, except for those items that under IFRS must be measured at fair value, as described in the accounting policies.
No exemptions have been made to the application of the IAS/IFRS accounting standards.
The financial statements of Saipem SpA as of December 31, 2024, approved by the Board of Directors of Saipem SpA on March 11, 2025, have been audited by KPMG SpA, the auditor responsible for auditing Saipem SpA's statutory financial statements.

2 Accounting policies

The main accounting policies used for the preparation of the separate financial statements are shown below.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and financial assets with original maturities of 90 days or less that are readily convertible into cash amounts and are subject to an insignificant risk of changes in value.

Inventories

The inventories, excluding consumables intended for project implementation – which do not go through inventory but are recorded in the income statement under direct contract costs – are measured considering the lower between purchase cost and net realisable value, which is the amount Saipem expects to obtain from their sale in the ordinary course of business. The cost of inventories is determined by applying the weighted average cost method, while market value – given that the inventories are mainly spare parts – is taken as the lower of replacement cost or net realisable value.
Spare parts might be impaired (partially or entirely) in line with the rationalisation of the asset they refer to due to the total of reduced possibility of using them. Saipem makes periodic audits on obsolescence items in storage that were last purchased (ageing date) more than five years ago for the purpose of justifying maintenance in inventory or impairing them to the income statement. In any case, for materials not considered obsolete, last purchased more than five years ago, a provision for slow moving material is established, with amounts which increase in percentage with ageing.

Contract assets and contract liabilities

Contract assets and contract liabilities from the valuation of long-term contracts are recognised based on the contractual amounts, determined with reasonable certainty with the customers, based on the progress of work.

(62) IFRS also include International Accounting Standards (IAS), which are still in force, as well as the interpretative documents issued by the IFRS Interpretations Committee, formerly the International Financial Reporting Interpretations Committee (IFRIC) and before then the Standing Interpretations Committee (SIC).

Given the nature of the contracts (fixed price) and the type of work, progress is determined through the use of an input method based on the percentage of costs incurred with respect to the total contractually estimated costs (cost-to-cost method).
To correctly apply the economic effects of using this method on core business revenue, differences between amounts earned based on the stage of completion of projects and recognised revenue are included under contract assets from work in progress assessment if positive, or under contract liabilities from work in progress assessment if negative.
With regard to the particular type of reimbursable service contracts, given their nature, revenue is recognised by adopting an output-based method by applying to costs incurred a contractually agreed margin.
The valuation of contract assets and liabilities arising from work in progress assessment takes into account all costs directly attributable to the contract, as well as contractual risks, revision clauses when they have a high probability of being recognised, any expected incentives (when the achievement of pre-established performance levels is highly probable and they can be reliably determined) and any fees arising from legal disputes.
Requests for additional considerations deriving from a change in contractually agreed work (so-called change orders) are included in the total amount of revenue when there is a high probability that the client will approve the scope and/or the price of the change. At the same time, other requests (so-called claims) deriving, for example, from additional costs incurred for reasons attributable to the client are included in the total amount of revenue only when the counterparty has essentially approved their scope and/or price.
Contractual advances in foreign currency received by clients or paid to suppliers are recognised at the exchange rate on the date of payment and maintained at that rate until fully recovered.
Contractual advances received are part of Saipem normal operating practice; if advances recognised contemplate a greater percentage than that used in practice in the sector, any time value of money that leads to the presumption of a significant financial benefit granted by the client is determined.

Property, plant and equipment (tangible assets)

Property, plant and equipment are recognised at cost and stated at purchase price or production cost, inclusive of any directly attributable ancillary costs required to make the assets available for use. In addition, when a substantial amount of time is required to make the asset ready for use, the purchase price or production cost includes borrowing costs that theoretically would have been avoided for that amount of time had the investment not been made.
Saipem does not carry out revaluation of property, plant and equipment, excepted for property, plant and equipment which were impaired in previous years, as better explained in the following section "Impairment of non-financial assets".
Expenditures on renewals, improvements and transformations that extend the useful lives of the related asset are capitalised when it is likely that they will increase the future economic benefits expected from the asset. Also items purchased for safety or environmental reasons are capitalised, even if they do not directly increase the future economic benefits of the existing assets, as they are necessary for carrying out company business.
The costs of cyclical maintenance incurred for the purpose of obtaining periodical class certification of naval vessels are capitalised, as they have a useful life of several years (generally five years). The useful life of parts subject to cyclical maintenance (and possible replacement), and the relative depreciation schedule are coherent with the planned frequency of periodical inspections.
Depreciation of property, plant and equipment begins when the asset is ready for use, in other words when it is in the place and in the conditions necessary for it to be able to operate according to the planned modalities.
Property, plant and equipment are depreciated systematically using a straight-line method over their useful life, which is an estimate of the period over which the assets will be used by the entity. When the tangible asset comprises more than one significant part with different useful lives, each component is depreciated separately. The depreciable amount of an asset is its carrying amount less the estimated net disposal value at the end of its useful life, if this value is significant and can be reasonably determined. Land is not depreciated, even where purchased with a building. Property, plant and equipment held for sale are not depreciated either (see paragraph "Assets held for sale and Discontinued operations"). Changes to depreciation methods related to a review of the expected useful life of an asset, the net residual value or the expected pattern of consumption of the future economic benefits flowing from an asset are recognised in the income statement.
All parts of the vessels are depreciated over the same useful life as determined on the basis of independent reporting by technical experts. The decision to consider the same useful life for all parts of the vessels is based on the fact that the main parts are subject to periodical activities of cyclical maintenance.
Cyclical maintenance carried out near the end of the useful life of a vessel extends its life (and thus require reprogramming of depreciation on the residual value) for as long as the useful life of the last cyclical maintenance.
Replacement costs of identifiable components in complex assets are capitalised and depreciated over their useful life. The residual carrying amount of the component that has been replaced is charged to the income statement.

Improvements made on assets under a lease are depreciated over the shorter of the useful life of the improvements and the lease term, taking into account any renewal period if its occurrence is reasonably certain. Ordinary maintenance and repair expenses, not including the replacement of identifiable components and that restore but do not increase the performance of the assets, are charged to the income statement for the year in which the expenses are incurred.
Property, plant and equipment are eliminated from the accounts when they are disposed of through alienation or write-off or when no future economic benefit is expected from their use or disposal; the relative profit or loss is reported in the income statement.
Property, plant and equipment destined for specific operating projects, for which no further future use is envisaged due to the characteristics of the asset itself or the high usage sustained during the execution of the project, are depreciated over the duration of the project.
Impairment losses of property, plant and equipment are recognised if events or changes in circumstances indicate that their carrying amount may not be recoverable.

Leases

A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
It is defined a single model of recognition of lease contracts based on the recognition by the lessee of a "Right-of-Use" asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments provided by the contract ("Lease Liability").
The Right-of-Use asset is initially recognised at cost, determined as the sum of the following components: the initial amount of the Lease Liability; the initial direct costs incurred by the lessee; any payments made at or before the commencement date of the lease, net of any incentives received from the lessor; and the best estimate of the costs that the lessee expects to incur for dismantling and removing the underlying asset or restoring it to the conditions established in the agreement. The liabilities related to these costs are recognised and measured in accordance with IAS 37.
After initial recognition, the "Right-of-Use" asset is reduced by accumulated depreciation, any impairment losses and the effects associated with any remeasurement of the "Lease Liability".
Depreciation rates are constant and are applied over the lease term, taking into account renewal/termination which are highly probable for the year. Only if the lease provides for the exercise of a reasonably certain purchase option is the "Right-of-Use" asset depreciated systematically over the useful life of the underlying asset.
The lease liability is initially measured at the present value of the lease payments not yet made at the commencement date.
The present value of the aforementioned lease payments is calculated by adopting a discount rate equal to the interest rate implicit in the lease or, if this is not readily determined, using the incremental borrowing rate of the lessee. The incremental borrowing rate of the lessee is defined by taking into account the intervals and duration of the payments provided for in the lease contract, the currency in which they are denominated and the characteristics of the lessee's economic environment.
After initial recognition, the 'Lease Liability' is measured at amortised cost (i.e. increasing its carrying amount to take into account the interest on the liability and decreasing it to take into account the payments made) using the effective interest rate and is restated, against the registration value of the related "Right-of-Use" asset, to take into account any changes to the lease following contractual renegotiations, changes in indices or rates, changes relating to the exercise of contractually envisaged options for renewal, early withdrawal or purchase of the leased asset.
For short-term leases and leases where the underlying asset is of low value, Saipem applies the recognition exception allowed by the standard.
For the lessor the distinction between operating and financial leases is maintained.
For subleases, the lessee acting as an intermediate lessor classifies the sublease as either a finance lease or an operating lease based on the following criteria: (a) if the head lease is short-term, the sublease must be classified as an operating lease, recognising the income arising from the sublease in the income statement (b) otherwise, the sublease must be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset, or by reference to the term of the sublease; if this covers the term of the head lease, the sublease is considered a finance lease, recognising a financial asset rather than the right-of-use asset from the head lease.
The accounting of lease contracts requires the lessee to recognise the following.

- in the statement of financial position: (i) the right-of-use assets, recognised by Saipem in the specific item "Right-of-use of leased assets" separately from property, plant and equipment, and intangible assets, and divided by class of asset in the notes to the financial statements, and loan assets relating to finance subleases recognised by Saipem in the specific item lease assets; (ii) the financial liabilities relating to the obligation to make the payments envisaged by the agreement (lease liabilities), recognised by Saipem in the specific item "Lease liabilities", dividing the amount between the long and short term portions;

- in the income statement: (i) the amortisation and depreciation of right-of-use assets (within operating expenses) broken down by asset class in the notes to the financial statements, and the interest expense accrued on the lease liability. The income statement also includes the lease contract payments that meet short-term and low-value requirements and variable payments linked to the use of assets, not included in determining the Right-of-Use assets/Lease Liability.
- the following effects are presented in the statement of cash flows: (a) a modification of the net cash flows from operating activities that includes interest expenses on the lease liability; and (b) a modification of the net cash flows from financing activities that includes interest expenses on the principal amount of the lease liability.

The main types of contracts covered by the definition of lease, which affect most of the Group's operations, relate to the following asset categories:

- vessels for the performance of projects by offshore business,
- real estate assets for offices,
- industrial areas and construction yards to support projects,
- equipment in support of the projects,
- vehicles and office equipment.

Regarding contracts for services signed by Group companies, an analysis is made to identify any possible “embedded leases”.

Intangible assets

Intangible assets are identifiable assets without physical substance, controlled by the Group and capable of producing future economic benefits, and goodwill. An intangible asset is identifiable when it can be distinguished from goodwill, and this condition is normally met when: (i) the intangible asset arises from legal or contractual rights, or (ii) the asset is separable, i.e. can be sold, transferred, licensed, rented or exchanged, either individually or as an integral part of other assets. An entity controls an intangible asset if it has the power to obtain the future economic benefits deriving from the asset and to restrict the access of others to those benefits. Intangible assets are stated at purchase or production cost as determined with the criteria used for property, plant and equipment.
Saipem does not makes revaluation of intangible assets.
Intangible assets with a finite useful life are amortised systematically over their useful life, which is an estimate of the period over which the assets will be used by the entity. The amount to be amortised is determined in accordance with the criteria described in the section “Property, plant and equipment”.
Goodwill and other intangible assets with an indefinite useful life are not amortised. The recoverability of their carrying amount is tested at least annually and whenever events occur indicating a reduction in their value, as described in section “Impairment of non-financial assets”.
With reference to the configuration and customisation costs of software deriving from contracts with service providers through which the company obtains the right of access to certain applications, those are recognised as intangible asset only when the agreement allows the client to obtain future economic benefits and limit the access to others.
Intangible assets are recognised at the time of their disposal or when no future economic benefit is expected from their use or disposal and related gain or loss is recognised through profit or loss.

Impairment of non-financial assets

The recoverability test for non-financial assets, such as property, plant and equipment, intangible assets, and the Right-of-Use of assets held under lease, is performed when events or changes in circumstances suggest that the carrying amount is not recoverable. The recoverability is assessed by comparing their carrying amount with the relative recoverable amount represented by the higher of the fair value less disposal costs and the value in use. Irrespective of any indication of impairment, the assessment of the recoverability of goodwill is carried out at least annually.
The recoverability assessment is carried out for each cash-generating unit (CGU) corresponding to a single asset or to the smallest identifiable group of assets that generates independent cash inflows from their continuous use.
Value in use is determined by discounting to present value the expected cash flows from the use of the CGU and, if significant and reasonably determinable, from disposal at the end of its useful life, net of costs to sell. Expected cash flows are determined, taking also into account actual results, on the basis of reasonable and documented assumptions that represent the best estimate of the future economic conditions during the remaining useful life of the CGU, giving more importance to independent assumptions while taking into account the specificities of Saipem’s business. Discounting is carried out at a rate that reflects current market assessments of the time value of money and the risks specific to the asset that are not reflected in the estimate of future cash flows. Please note that where appropriate, the specific incremental component of so-called “country risk” is included in the estimate of expected cash flows. Specifically, the discount rate used is the Weighted Average Cost of Capital (WACC) defined on the basis of the Capital Asset Pricing Model (CAPM) methodology.

Value in use is determined using post-tax cash flows, discounted at a post-tax discount rate as this method produces outcomes which are equivalent to those resulting from discounting pre-tax cash flows at a pre-tax discount rate deriving, through an iteration process, from a post-tax valuation.
The recoverability test of the right-of-use related to leased assets considers the following: (i) the allocation of the right-of-use assets of the leased assets to the CGUs to which they belong; (ii) the duration of the underlying leasing contract with respect to the time horizon considered in determining the cash flows of the CGU; (iii) the value in use of a CGU containing a right-of-use.
With regard to goodwill, if the carrying amount of the CGU, including goodwill allocated thereto determined by taking into account any impairment of current and non-current assets that are part of the CGU, exceeds the CGU's recoverable amount, the excess is recognised as impairment. The impairment loss is first allocated to reduce the carrying amount of goodwill. Any remaining excess is allocated on a pro-rata basis to the carrying amount of the other assets with a finite useful life that form the CGU.
When the reasons for impairment losses made in the past cease to exist, the value of assets is restored and the adjustment is immediately recognized as income in the income statement. The reversal is carried out at the lower of the recoverable amount and the original carrying amount before previous impairment losses, less the depreciation rates that would have been charged had no impairment loss been recognised. Impairment losses on goodwill are not reversed.

Costs of technological development activities

Development costs are recognised as an asset when the company is able to demonstrate:
(a) the technical feasibility of completing the intangible asset and using or selling it;
(a) the intention to complete the intangible asset and use it or sell it;
(c) the ability to use or sell the intangible asset;
(d) how the intangible asset will generate probable future economic benefits;
(e) the availability of adequate technical, financial or other resources to complete the development and to use or sell the intangible asset;
(f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Grants

Grants related to assets are systematically recorded in the income statement as a reduction of the purchase price or production cost of the related assets when there is reasonable assurance that the required conditions attached to them will be met, based on their useful life.
Grants related to income are recognised in the income statement over the periods necessary to match them with the related costs which they are intended to compensate, in the item "Other revenue and income".

Financial assets

Based on the business model adopted by the Group for managing financial assets and the characteristics related to contractual cash flows, financial assets are classified into the following categories:
(i) financial assets measured at amortised cost;
(ii) financial assets measured at fair value through other comprehensive income (OCI);
(iii) financial assets measured at fair value through profit or loss.
Subsequent to initial recognition, their classification is maintained, unless the Group changes its business model for their management.
Initial recognition is made at fair value, net of the costs directly attributable to the acquisition or issue of the financial asset. For trade receivables lacking a significant financial component, the initial valuation is represented by the transaction price.
Subsequent to the initial recognition, financial assets whose business model involves holding them to collect their contractual cash flows ("held to collect" business model), and which generate cash flows on set dates that represent solely payments of principal and interest, are measured at amortised cost.
The application of the amortised cost method requires the recognition in the income statement of the interest income, determined on the basis of the effective interest rate, of the exchange rate differences and of any possible impairment losses (see section "Impairment losses on financial assets").
On the other hand, financial assets representing debt instruments whose business model envisages the possibility of both collecting the contractual cash flows and realising the value from sale ("hold to collect and sell" business model) and that generate contractual cash flows on specific dates that exclusively represent payments of capital and interest are measured at fair value with the effects recognised in OCI (hereinafter also FVTOCI). In this case, recognition is made as follows: (i) in the income statement: the interest income calculated using the effective interest rate, exchange rate differences, and impairments

(see the paragraph "Impairment of financial assets"); and (ii) in equity, under OCI: the fair value changes of the instrument. The total amount of variations in fair value, recognised in the equity reserve that comprises the other components of the statement of comprehensive income, is reversed to the income statement upon derecognition of the instrument.
A financial asset representative of a debt instrument which has not been evaluated at the amortised cost or at FVTOCI is evaluated at fair value with attribution of the effects to profit or loss (hereafter FVTPL); financial assets in the "held for trading" business model pertain to this category. Accrued interest income on financial assets held for trading is included in the total fair value measurement of the instrument and is recognised under "Financial income (expense)".

Impairment of financial assets

The recoverability test for financial assets representing debt instruments not measured at fair value through profit or loss is performed using the expected credit loss model.
In particular, the expected losses are generally determined on the basis of the product between: (i) the exposure claimed toward the counterparty net of the relative mitigations ("Exposure at Default" or "EAD"); (ii) the probability that the counterparty will default on its payment obligation (Probability of Default or PD); (iii) the estimate, in percentage terms, of the amount of the receivable that will not be recovered in the event of default (so-called Loss Given Default or LGD).
The management model adopted by Saipem uses the simplified approach for trade receivables as they do not contain a significant financial component. This approach requires the valuation of the provision to cover losses for an amount equal to the expected losses over the entire life of the receivable. This approach uses the client's probability of default for the quantification of expected credit losses, based on observable market data and on assessments collected by info-providers.
Alongside the accruals made to the loss allowance after reviewing each receivable on the basis of their recoverability, an assessment is made of the creditworthiness of the client. This assessment is performed on the portfolio of performing exposures and on past-due exposures to quantify and recognise the effects in the interim reporting.
Specifically, the Saipem model operates as follows.

- The Exposure at Default (EAD) of Saipem is applied to trade receivables (including allocations) and contract assets from work in progress and considers the effects of mitigation capable of reducing the exposure (debit items that can be used to compensate, advance payments, etc.), excluding in particular disputed receivables from the calculation as subject to specific technical-legal valuations. Receivables of a financial nature, as well as cash on hand held by the Group, are also included in the assessment;
- With regard to identification of the time of default, the methodology determines it conventionally as the shorter between the date in which the client's insolvency is declared and the term of 365 days from the receivable due date. This term is coherent with the dynamics of the active business cycle of contract works in which Saipem operates.
- The Probability of Default (PD) is calculated on the observable market data (credit spread on bond issues, Credit Default Swaps, etc.) gathered by qualified info-providers. It is considered equal to 100% at the time of default and on receivables that are more than 12 months past due.
- To quantify the Loss Given Default (LGD), the approach applied is based on the market standards which consider the Recovery Ratio (RR) 40% of the exposure; it follows that the LGD (as an integration of the RR) amounts to 60%.

Trade receivables and other receivables are presented in the statement of financial position net of accumulated impairment. Impairment losses of these receivables are recognised in the income statement, net of any reversal of value, under "Net reversals of impairment losses (impairment losses) on trade receivables and other assets".

Equity investments

Investments in subsidiaries, associated companies and companies classified as Joint Ventures, other than those held for sale, are valued and entered at purchase cost inclusive of directly attributable ancillary costs.
On the other hand, in relation to investments in companies classified as Joint Operations, assets, liabilities, revenue and cost and are recorded on the basis of their interest in the agreement.
The recoverability of the carrying amount of the investment is tested by comparing the carrying amount with the related recoverable amount represented by the higher of the fair value less costs to sell and the value in use. In the absence of a binding sale agreement, the fair value is estimated on the basis of the values expressed by an active market, recent transactions, or on the basis of the best information available to reflect the amount that the company could obtain from the sale of the asset. The value in use is determined by discounting back the cash flows expected from the equity investment and, if significant and reasonably determinable, from its disposal, net of disposal costs, or by considering all the results of the impairment tests conducted by the investee companies. Value in use is generally determined by referring to the investee's equity in the sub-consolidated financial statements (consolidated figures).

The risk deriving from any losses exceeding the shareholders' equity is recorded in a specific provision to the extent that the investor is committed to fulfilling legal or implicit obligations towards the investee company or in any case to covering its losses.
When the reasons for write-downs cease to apply, equity investments valued at cost are revalued within the limits of the write-downs made, with the effect charged to the Income Statement under "Other income (expense) from equity investments".
A disposal of interests that results in a loss of joint control of or significant influence on the investee causes recognition in the income statement of: (i) any gains or losses calculated as the difference between the consideration received and the corresponding portion of the carrying amount disposed of; (ii) the effect of the revaluation of any remaining investment retained to align it with its fair value; (iii) any amounts recognised in other comprehensive income relating to the investee that are expected to be reversed to profit or loss. The value of any retained interest, aligned to its fair value at the date of loss of joint control or significant influence, represents the new carrying amount and therefore the reference value for the subsequent measurement in accordance with the applicable accounting policies.
With regard to the investments in companies classified as joint operations, Saipem's share of the assets, liabilities, revenue and expenses of joint operations is recognised in the separate financial statements on the basis of the actual rights and obligations arising from the contractual arrangements. After initial recognition, the assets, liabilities, revenue and expenses relating to a joint operation are accounted for in accordance with the applicable accounting standards.
Other equity investments posted to non-current assets are measured at fair value through "Other comprehensive income". The changes in fair value are recognised in the shareholders' equity reserve without recycling to profit or loss in the event of realisation. The value of the reserve in the event of the disposal of the equity investment is reclassified to the profits or losses related to previous financial periods. When equity investments are not listed on a regulated market and their fair value cannot be reliably determined, they are valued at cost adjusted for impairment losses.
Equity investments held for sale are valued at the lower of their book value and their fair value, less costs to sell.

Derivative financial instruments and hedge accounting

A derivative is a financial instrument which has the following characteristics: (i) its value changes in response to the changes in a specified interest rate, price of a share or asset, exchange rate, a price or rate index, a credit rating or other variable;(ii) it requires no or little initial net investment; and (iii) it is settled at a future date.
Saipem applies the accounting requirements for cash flow hedges established by IFRS 9 "Financial Instruments".
Derivative financial instruments, including embedded derivatives that are separated from the host contract, are assets and liabilities recognised at their fair value.
Consistently with the economic reason underlying the hedging, Saipem classifies derivatives as hedging instruments whenever possible. The fair value of derivative financial instruments incorporates the adjustments that reflect the non-performance risk of the counterparties of the transaction (see paragraph "Fair value measurement"). The designation of fair value as hedging instruments in derivatives excludes such adjustments and is only limited to the spot component of the contracts.
In particular, the companies of the Group enter into the intercompany derivatives with Saipem Finance International BV (SAFI) with the objective of hedging the currency risk arising from future and highly probable revenue and costs in foreign currency. SAFI, in turn, in an operational optimisation perspective, performs a role of consolidation and netting of the required derivatives and proceeds with their negotiation on the market.
The intragroup derivatives negotiated by the companies with SAFI are considered cash flow hedges for highly probable forecast transactions whenever the conditions are met for the application of hedge accounting. The hedged item is identified in the revenue and costs in the contract's currency.
As part of the strategy and goals defined for risk management, the qualification of transaction as hedges requires: (i) verification of the existence of an economic relationship between the hedged item and the hedging instrument; (ii) verification that the credit risk effect does not outweigh the changes in value resulting from the economic relationship; and (iii) establishment of a hedge ratio consistent with the risk management objectives, within the defined risk management strategy, and taking appropriate rebalancing measures where necessary.
The amendment of risk management objectives or the elimination of the conditions outlined above for hedge accounting qualification, will result in the termination, either total or partial, of the hedge.
When the derivatives are aimed at hedging the risk of changes in cash flows of the hedged item (cash flow hedge; for example hedging the variability in cash flows of assets/liabilities due to exchange rate fluctuations), the changes in the fair value of the derivatives considered effective, limited to the spot component of the contracts, are initially recognised in the equity reserve pertaining to the other items of comprehensive income and are subsequently recognised in the income statement consistent with the economic effects of the hedged item.

Derivative financial instruments are also adopted by Saipem Group to hedge against the risk arising from expected purchases of commodities within project activities, and the interest rate risk arising from loans at variable rate or to stabilise the impact of the cost of currency hedges put in place by the Group.
Even in these cases, when possible, Saipem designates these derivative financial instruments (cash flow hedges) the fair value of which is initially recorded in the equity reserve relating to other comprehensive income and subsequently reclassified to the income statement as the economic effects of the hedged item occur.
Changes in the fair value of derivatives which do not satisfy the conditions for being qualified as hedges, including any ineffective components of hedging derivatives, are directly recognised in the income statement. Specifically, changes in the fair value of non-hedging interest rate and foreign currency derivatives are recognised in the income statement under "Financial income (expense)"; conversely, changes in the fair value of non-hedging commodity derivatives are recognised in the income statement under "Other operating income (expense)".

Convertible bonds

Convertible bonds are compound financial instruments consisting of two components: a financial liability (a contractual agreement to deliver cash or other financial asset) and an equity instrument, that is, a call option that gives the holder the right to convert it into a fix quantity of ordinary shares for a certain period of time. At initial recognition, the financial liability is the present value of future cash flows, discounted at the rate payable for a liability similar in duration without the equity component (fair value of the liability), and the value of the option, recorded in equity, is defined as the difference between the consideration received at the time of issue of the compound instrument and the fair value of the financial liability. In the years after initial recognition, the value of the conversion option in shares does not change, and the fair value of the financial liability is measured at amortised cost.

Financial liabilities

Financial liabilities, other than derivative instruments, are initially recognised at the fair value of the amount received, net of direct transaction costs, and are subsequently measured using the amortised cost method (see the paragraph "Financial assets").

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset in the statement of financial position when there is a legally enforceable right to offset, currently exercisable, and there is an intention to settle the relationship on a net basis (i.e., to realise the asset and simultaneously extinguish the liability).

Derecognition of financial assets and liabilities

Financial assets that have been transferred are derecognised from the statement of financial position when the contractual rights to the cash flows from the asset are extinguished, expire, or are transferred outright to third parties. Financial liabilities are derecognised when they have been settled, or when the contractual condition has been fulfilled or cancelled or when it has expired.

Assets held for sale and Discontinued operations

Non-current assets and current and non-current assets included within disposal groups, whose carrying amount will be recovered principally through a sale transaction rather than through their continuing use, are classified as held for sale. This condition is considered met when the sale is highly probable and the asset or disposal group is available for immediate sale in its current condition. When the sale of a subsidiary is planned and this will lead to loss of control, all of its assets and liabilities are classified as held for sale. This applies whether or not an interest is retained in the former subsidiary after the sale.
Non-current assets held for sale, current and non-current assets included within disposal groups and liabilities directly associated with them are recognised in the statement of financial position separately from the entity's other assets and liabilities.
Immediately prior to classification as being held for sale, the non-current assets and/or assets and liabilities included within a disposal group are measured according to the accounting standards applicable to them. Subsequently, non-current assets held for sale are not depreciated and are measured at the lower of the fair value less costs to sell and their carrying amount.
Any difference between the carrying amount of non-current assets and the fair value less costs to sell is taken to the income statement as an impairment loss; any subsequent reversal is recognised up to the previous impairment losses, including those recognised prior to qualification of the asset as held for sale.
Non-current assets classified as held for sale and disposal groups constitute a discontinued operation if, either: (i) they represent a significant stand-alone line of business or a significant geographic area of operations; (ii) they are part of a plan to

dispose of a significant stand-alone line of business or a significant geographic area of operations; or (iii) they are a subsidiary acquired exclusively for the purpose of selling it. Profit or loss of discontinued operations, as well as any gains or losses on their disposal are reported separately in the income statement, net of any tax effects. The results of discontinued operations are also restated in the comparative figures for prior years.
When events occur that make it impossible to classify the non-current assets or groups being disposed of as held for sale, they are reclassified in the respective items of the statement of financial position and recognised at the lesser between: (i) the carrying amount at the date of classification as held for sale, adjusted for depreciation, impairment losses and reversals of impairment loss that would have been recognised had the assets or disposal group not been classified as held for sale; and (ii) the recoverable amount at the date of reclassification. Likewise, in case of interruption of the plan of sale, recalculation of the values from the time of classification as held for sale/discontinued operations also involves the equity investments, or their shares, previously classified as held for sale/discontinued operations.

Provisions for risks and charges, and contingent assets and liabilities

Provisions for risks and charges relate to risks and charges of a definite nature and whose existence is certain or probable but for which at year-end the timing or amount of future expenditure is uncertain. Provisions are recognised when: (i) there is a present obligation, either legal or constructive, as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; (iii) a reliable estimate can be made of the amount of the obligation. The amount recognised for provisions represent the best estimate of the expenditure reasonably required to settle the obligation or to transfer it to third parties at the year-end date. The amount recognised for onerous contracts is the lower of the cost necessary to fulfil the contract obligations, net of the economic benefits expected to be received under it, and the costs incurred for contract termination. The revised estimates of the provisions are assigned to the same item of the income statement previously used for the provision.
When the time value of money is significant and the payment dates for the obligations can be reliably estimated, the accrual is represented by the present value of the expenses expected to be necessary to settle the obligation using a pre-tax discount rate that reflects current market valuations of the time value of money and the specific risks associated with the liability. The potential increase in the provision over time is allocated to the income statement under “Financial expense”.
The losses expected to complete a contract are recognised in their entirety in the year in which they are considered probable and are provided for in the provisions for risks and charges.
The costs that the entity expects to bear to carry out restructuring plans are recognised in the year in which the entity formally defines the plan and the interested parties have developed a valid expectation that the restructuring will occur.
Contingent assets and liabilities, not recognised in the financial statements, are described, where required, in the notes to the financial statements.
Contingent assets, that is possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, are periodically reassessed in order to evaluate the probability or virtual certainty by the entity of obtaining economic benefits.
Contingent liabilities, represented by: (i) possible, but not probable obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; (ii) present obligations arising from past events whose amount cannot be reliably measured or whose settlement will probably be not onerous, are periodically reassessed to determine whether the use of resources to produce economic benefits has become probable.

Employee benefits

Employee benefits are the remuneration paid by the entity for the service provided by the employee or by virtue of the termination of employment.
Post-employment benefits are classified on the basis of plans, whether formal or not, as either “defined contribution plans” or “defined benefit plans”, depending on their characteristics. In defined-contribution plans, the entity’s obligation, which only consists of making payments to the State or to a trust or legally separate fund, is determined on the basis of the contributions due.
The liabilities arising from defined benefit plans, net of any plan assets, are determined on the basis of actuarial assumptions and recognised on an accruals basis during the employment period required to obtain the benefits.
The net interest includes the expected return on plan assets and the interest cost which are recognised in profit or loss. Net interest is determined by applying the discount rate for liabilities to liabilities net of any plan assets. The net interest on defined benefit plans is posted to “Financial income (expense)”.
Remeasurements of the net defined benefit liability, which comprise actuarial gains (losses) arising from changes in the actuarial assumptions used or from past experience and the return on plan assets excluding amounts included in net interest,

are recognised in the statement of comprehensive income. Remeasurements of net liabilities for defined benefits, recognised in the equity reserve pertaining to the other components of the statement of comprehensive income, are not subsequently reclassified to the income statement.
Long-term benefits obligations are determined by adopting actuarial assumptions. The effects of remeasurement are taken to profit or loss in their entirety.

Share-based payments

Coherently with the substantial nature of retribution that it has, personnel expenses include the costs with share-based incentive plans. The cost of the incentive is calculated with reference to the fair value of the instruments attributed and to the forecast of the number of shares that will effectively be assigned; the portion applicable to the year is determined pro-rata temporis over the period to which the incentive refers (i.e., vesting period and possible co-investment period[63]), that is the period between the grant date and the vesting date.
The plans provide as conditions for the distribution of the shares the attainment of the business and/or market goals; when the assignment of the benefit is also connected to conditions other than those of the market, the estimate relative to these conditions is reflected by adjusting, along the vesting period, the number of shares expected to be effectively granted.
The fair value of the shares underlying the incentive plan is determined according to the provisions of the IFRS, particularly by IFRS 2, using models provided by info-providers and is not subject to adjustment in subsequent years. At the end of the vesting period, in the event that the plan does not allocate shares to participants for failure to meet performance conditions, the share of the cost relating to market conditions is not reversed to income statement.

Treasury shares

Treasury shares include those held to service share-based incentive plans and are recognised at cost and recognised as a reduction in equity. Gains or losses from any subsequent sale of treasury shares are recognised as an increase (or decrease) in equity.

Revenue from contracts with clients

The recognition of revenue from contracts with customers is based on the following five step model: (i) identification of the contract with the client; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to the client; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the “stand alone” selling price of each distinct good or service; (v) recognition of the revenue when the relative performance obligation has been satisfied, at the time of transfer to the client of the promised goods or services; the obligation is considered to have been satisfied when the client obtains control of the goods or services, which may be satisfied over time as in the case of contract assets from work in progress, or at a point in time.
Given the nature of the contracts and the type of work, work progress is determined through the use of an input method based on the percentage of costs incurred with respect to the total contractually estimated costs (cost-to-cost method); the resulting income is recognised as overtime. This method is applied in particular to Engineering & Construction contracts.
With regard to the particular type of reimbursable service contracts, given their nature, revenue is recognised by invoicing the client for costs incurred plus a contractually agreed margin.
Contract revenue comprises the initial amount of revenue agreed in the contract, requests for additional payments arising from changes to contractually agreed work (so-called change orders) and requested price revisions arising from requests for additional payments due to higher costs incurred for reasons attributable to the client (so-called claims). Change orders and claims (pending revenue) are included in the amount of revenue when the changes to the agreed works and/or price has a high probability of recognition, even if their definition has not yet been agreed. Any pending revenue reported for a period longer than one year, with no changes in the negotiations with the client, is impaired. Amounts higher than €30 million (Saipem’s share in the case of joint-venture projects) are reported only if supported by outside technical-legal expert opinions.
Relative to drilling services, the different rates contemplated contractually are accounted for based on: (i) the different operating phases covered by the performance obligation (so-called mobilisation/operation/demobilisation phases) if contemplated contractually, regardless of the number of days of effective use of the equipment; (ii) any contract extensions, where an amendment of the price does not require stipulation of a new contract but continuation of the original one.
In the presence of contracts for the concession of licences and patents, the revenue must be recognised depending on whether it concerns the transfer of a “Right-of-Use” or of a “right of access”.

(63) The vesting period is the period between the date of option grant and the date on which the shares are assigned. The co-investment period is the two-year period, beginning the first day after the end of the vesting period, applicable only to the beneficiaries who have been identified as strategic resources for having met performance conditions.

In the former case, there is a performance obligation toward the customer which is satisfied upon issue, which requires recognition of the revenue ("at a point in time"), while in the latter case the right to access by the customer during the period of operation of the licence creates a performance obligation that is satisfied over a period of time, and the revenue is thus likewise recognised ("over time").
When hedged by derivative contracts qualifying for "hedge accounting", contract revenue denominated in foreign currencies are translated at the contracted rates. Otherwise, they are translated at the exchange rate prevailing at year-end. The same method is used for any costs in a foreign currency. The allocation of revenue relative to services partially rendered are recognised for the portion matured, if it is possible to reliably determine stage of completion and there is no significant uncertainty about the amount and existence of the income; otherwise, they are recognised within the limits of the recoverable costs incurred.
Payments received or to be received on behalf of third parties are not considered revenue.

Costs
Costs are recognised when relative to goods received and services rendered.
Personnel expenses comprise remuneration paid, provisions made to pension funds, accrued holidays, national insurance and social security contributions in compliance with national contracts of employment and current legislation.
The costs for the acquisition of new knowledge or discoveries, the study of products or alternative processes, new techniques or models, the planning and construction of prototypes or any other costs incurred for other scientific research or technological development activities, are generally considered current costs and expensed as incurred. These costs are capitalised (see also paragraph "Intangible assets") only when they meet the requirements listed under "Costs of technological development activities" above.
Costs directly linked to the purchase of specific equipment and to the use of an asset on a specific project are capitalised and amortised over the duration of the project and are included in contract assets' progress.
The costs of preparation of drilling assets are recognised in the year in which the relative revenue is obtained and deferred over the duration of the project for which they are used.
Bidding costs are fully expensed in the year in which they are incurred.

Exchange differences
Revenue and costs associated with transactions in currencies other than the functional currency of the Group Companies at the exchange rate at the date of the transaction.
Monetary assets and liabilities in currencies other than the functional currency of Group companies are converted by applying the year-end exchange rate. The effect is recognised in the income statement under "Financial income (expense)". Non-monetary assets and liabilities denominated in currencies other than the functional currency valued at cost are translated at the exchange rate as at the date of initial recognition. Non-monetary assets that are measured at fair value (i.e. at their recoverable amount or realisable value) are translated at the exchange rate applicable on the date of measurement.

Dividends
Dividends are recognised at the date of the Shareholders' Meeting in which they are approved, except when the sale of shares before the ex-dividend date is certain.

Income taxes
Current income taxes are determined on the basis of estimated taxable profit. The estimated liability is recognised in "Current tax liabilities". Income tax assets and liabilities are measured at the amount expected to be paid to/recovered from the tax authorities, using tax laws that have been enacted or substantively enacted at year end and the relative tax rates.
Deferred tax assets or liabilities are recognised for temporary differences between the carrying amounts and tax bases of assets and liabilities, based on tax rates and tax laws applicable for the years in which the temporary difference is cancelled, that have been approved or substantively approved at the closing date of the year to which the financial statements refer. Deferred tax assets are recognised when their recovery is considered probable. The recoverability of deferred taxes is considered probable when it is expected that sufficient taxable profit will be available in the year in which the temporary differences reverse against which deductible temporary differences can be utilised. Similarly, unused tax assets and deferred tax assets on tax losses are recognised to the extent that they can be recovered. The recoverability of deferred tax assets is assessed periodically, i.e. at least once a year.
Tax assets related to uncertain tax positions are recognised when it is considered probable that they will be recovered.

For temporary differences associated with investments in subsidiaries, associates and joint arrangements, deferred tax liabilities are not recognised if the investor is able to control the timing of the reversal of the temporary difference and it is probable that the reversal will not occur in the foreseeable future.
Deferred tax assets and liabilities are recorded under non-current assets and liabilities and are offset at single entity level if related to offsettable taxes. The balance of the offset, if positive, is recognised under "Deferred tax assets" and, if negative, under "Deferred tax liabilities".
The effects of uncertain tax treatment with a risk probability are recognised as income tax assets or liabilities.
When the results of transactions are recognised directly in equity, relative current taxes, deferred tax assets and liabilities are also charged to equity.
IAS 12 "Income taxes" also applies to income taxes deriving from tax legislation to implement the rules of the Pillar Two model, published by the Organisation for Economic Co-operation and Development (OECD), including the tax legislation implementing minimum qualifying supplementary domestic taxes. With the document issued by IASB on May 23, 2023 (Amendment to IAS 12 "International Tax Reform - Pillar Two Model Rules"), a mandatory temporary exception to the requirements of the principle that no specific information shall be collected or disclosed on deferred tax assets and deferred tax liabilities relating to Pillar Two income taxes. The Saipem Group applied the mandatory temporary exemption from recognising deferred tax impacts of the top-up tax as of December 31, 2024.

Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction that is not a forced sale, liquidation sale or a distressed sale between independent, knowledgeable and willing market participants at the measurement date.
Fair value is determined based on market conditions at the measurement date and the assumptions that market participants would use (i.e. it is a "market-based" measurement).
Fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market or, in the absence of a principal market, in the most advantageous market to which the entity has access, regardless of the entity's intent to sell the asset or transfer the liability.
When the market price is not directly observable and a price for an identical asset or liability is not observable, the fair value is calculated by applying another valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Since fair value is a market-based measurement, it is determined by adopting the assumptions that market participants would use to determine the price of the asset or liability, including assumptions about risks. As a result the intention to hold an asset or settle a liability (or to fulfil otherwise) is not relevant for the purposes of fair value measurement.
Fair value measurements of non-financial assets take into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use is determined from the perspective of market participants, even if the entity intends a different use. An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.
In the absence of quoted market prices, the fair value of a financial or non-financial liability or an entity's own equity instruments is taken as the fair value of the corresponding asset held by another market participant at the measurement date.
The fair value of financial instruments is determined considering the credit risk of the counterparty of a financial asset (so-called "Credit Valuation Adjustment or CVA) and the risk of default of a financial liability by the entity (so called "Debit Valuation Adjustment" or DVA).
In the absence of available quoted market prices, valuation techniques appropriate in the circumstances are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Statements[64]

The statement of financial position items are classified as current and non-current, while the income statement items are classified according to their nature[65].
The comprehensive income statement shows the net result together with income and expenses that are recognised directly in equity in accordance with specific provisions of IFRS.
The statement of changes in equity includes comprehensive profit (loss) for the year, transactions with shareholders and other changes in equity.

(64) The financial statements are the same as those adopted in the 2023 annual financial report.
(65) Information regarding financial instruments, applying the classification required by IFRS, is provided under Note 34 "Guarantees, commitments and risks - Additional information on financial instruments".

The statement of cash flow is prepared using the "indirect method", whereby the profit for the year is adjusted for the effects of other non-monetary items.

Changes to accounting standards

The changes to the accounting standards effective as of January 1, 2024, have not had a significant impact on Saipem's financial statements. A summary of the main changes of potential interest to the Group is provided below.

Regulation No. 2023/2579, issued by the European Commission on November 20, 2023 endorsed the amendments to IFRS 16 "Lease Liability in a Sale and Leaseback", which specifies that the seller-lessee must assess the asset with right of use arising from a sale and leaseback transaction on the basis of the percentage of the previous accounting value of the asset held by the seller-lessee. Consequently, in a sale and leaseback transaction, the seller-lessee enters only the amount of any profits or losses relating to the rights transferred to the buyer-lessor. Therefore, the initial value of the lease liabilities arising from a sale and leaseback transaction is a consequence of the way in which the seller-lessee measures the asset with right of use and the profit or loss recorded on the date of the transaction.

Regulation No. 2023/2822, issued by the European Commission on December 19, 2023 endorsed the amendments to IAS 1 "Classification of Liabilities as Current or Non-current" and "Non-Current Liabilities with Covenants". The amendments provide clarification regarding the classification of liabilities as current or non-current, specifying when there is a right to defer settlement of the liability for at least 12 months after the reporting date and clarifying the concept of extinguishment. They also specify how an entity should classify a liability arising from a loan agreement with covenants as current or non-current, and define the information to be provided when an entity has loan agreements with covenants that may require the loan agreement to become due within 12 months of the reporting period. Lastly, they provide details regarding the disclosure to be provided regarding subsequent non-adjusting events.

Regulation No. 2024/1317, issued by the European Commission on May 15, 2024, endorsed the amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements", aimed at introducing disclosure requirements on supplier finance arrangements (SFAs, also referred to as "supply chain finance", "payables finance", or "reverse factoring") that provide the entity with extended payment terms with its suppliers, or the entity's suppliers with early payment with respect to the invoice due date, and allow investors to assess the effect of those arrangements on the company's liabilities, cash flows and exposure to liquidity risk.

Financial risk management

The main financial risks identified, monitored and, to the extent specified below, actively managed by Saipem are as follows:

(i) the market risk arising from exposure to fluctuations in interest rates and exchange rates and exposure to commodity price volatility;
(ii) the credit risk deriving from the possible default of a counterparty;
(iii) the liquidity risk arising from the lack of adequate financial resources to meet short-term commitments;
(iv) the downgrading risk arising from the possibility of a deterioration in the credit rating assigned by the main rating agencies.

The information shown below is based on the report prepared internally for the Executive Board.
The management, control, and reporting of the financial risks are based on a Financial Risk Policy, issued and periodically updated at corporate level with the aim of standardising and coordinating the Saipem Group's financial risk policies. Specifically, financial risks are controlled through the periodic calculation of several Key Risk Indicators (KRI) which are subject to specific attention thresholds periodically updated according to the evolution of the Saipem Group's business. The control activities established by the Financial Risk Policy also include escalation procedure to be followed if the risk thresholds set by the KRIs are exceeded.
For further details on industrial risks, see the "Risk management" section in the Directors' Report.

(I) MARKET RISK

Market risk is the possibility that changes in exchange rates, interest rates or commodity prices will adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. Saipem actively manages market risk in accordance with the above-mentioned Financial Risk Policy and using procedures that provide a centralised model for performing financial activities.

Market risk - Exchange rates

The exposure to exchange rates arises from Saipem SpA's operations in areas other than the euro area, i.e. from the fact that revenue and/or costs of a significant portion of projects are denominated and settled in currencies other than the euro,

potentially impacting the results of operations due to the different counter value of costs and revenue denominated in foreign currency at the time of their recognition compared to the time when the price conditions were set and as a result of the conversion and subsequent revaluation of trade receivables/payables or financial assets/liabilities denominated in foreign currencies.
The risk management objective of the Saipem Group is the minimisation of the impact deriving from fluctuations in exchange rates on the profit or loss for the year.
Saipem adopts a strategy to minimise the exposure to foreign exchange risk through the use of derivative contracts. Hedging transactions may also be entered into in relation to future underlying contractual commitments, provided they are highly probable (so-called highly probable forecast transactions). To this end, different types of derivatives (outright and swaps in particular) are used. Such derivatives are measured at their fair value on the basis of standard market evaluation algorithms and market prices/contributions provided by primary info-providers. Planning, coordination and management of this activity at Group level is the responsibility of the Saipem Finance Department, which closely monitors the correlation between derivatives and their underlying flows, as well as ensuring their correct accounting representation in compliance with IFRS accounting standards.
The measurement and control activities of the exchange rate risk are performed by calculating a series of periodically monitored KRIs. Specifically, KRIs on exchange rate risk are defined as the minimum thresholds to hedge future contractual currency flows and the maximum thresholds of related potential losses measured with Value at Risk (VaR) models. For 2023, an exchange rate sensitivity analysis was performed for those currencies other than euro which may potentially impact exchange risk exposure in order to calculate the effect on the income statement and equity by a hypothetical positive and negative variations of 10% in the exchange rates of the abovementioned foreign currencies against the euro.
The sensitivity analysis was conducted in relation to the following financial assets and liabilities denominated in currencies other than the euro:

- exchange rate derivatives;
- trade receivables and other assets;
- loan assets;
- trade and other payables;
- cash and cash equivalents;
- current and non current financial liabilities;
- lease liabilities.

For derivative instruments on exchange rates, the sensitivity analysis on the relative fair value is carried out by comparing the term counter-value fixed in the contracts with the counter-value determined at spot exchange rates, allowing for a 10% positive or negative variation, and adjusted using interest rate curves consistent with the expiration dates of contracts on the basis of market prices at the end of the period.
The analysis did not examine the effect of exchange rate fluctuations on the measurement of contract assets from long-term orders assessment because they do not constitute a financial asset under IAS 32.
In light of the above, although Saipem adopts a strategy targeted at minimising exchange risk exposure through the use of several types of derivatives (outright and swaps), it cannot be excluded that exchange rate fluctuations may significantly influence Saipem's results and the comparability of results of individual years.
A depreciation of the euro compared to other currencies would have produced an overall effect on pre-tax profit of -€27,051 thousand (-€128 thousand as of December 31, 2023) and an overall effect on equity, before related tax effect, of -€89,882 thousand (-€127,056 thousand as of December 31, 2023).
An appreciation of the euro compared to other currencies would have produced an overall effect on pre-tax profit of €27,167 thousand (€369 thousand as of December 31, 2023) and an effect on equity, before related tax effects, of €89,881thousand (€127,296 thousand as of December 31, 2023).
The increase (decrease) with respect to the previous year derives essentially from the effect of exchange rate trends on the two reference dates, as well as changes in financial assets and liabilities subject to exposure.

The table below shows the effects of the above sensitivity analysis on the items of the statement of financial position and income statement.

	2024				2023			
	+10%		-10%		+10%		-10%	
(€ thousand)	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Derivative financial instruments	33,378	(29,453)	(33,261)	29,453	21,899	(105,029)	(21,658)	105,269
Trade receivables and other assets	30,355	30,355	(30,353)	(30,353)	31,683	31,683	(31,683)	(31,683)
Financial receivables	3,570	3,570	(3,570)	(3,570)	7,369	7,369	(7,369)	(7,369)
Trade payables and other liabilities	(49,048)	(49,048)	49,045	49,045	(20,222)	(20,222)	20,222	20,222
Cash and cash equivalents	55,232	55,232	(55,232)	(55,232)	53,745	53,745	(53,745)	(53,745)
Current financial liabilities	(92,166)	(92,166)	92,166	92,166	(92,003)	(92,003)	92,003	92,003
Lease liabilities	(8,372)	(8,372)	8,372	8,372	(2,599)	(2,599)	2,599	2,599
Non-current financial liabilities	-	-	-	-	-	-	-	-
Total	**(27,051)**	**(89,882)**	**27,167**	**89,881**	**(128)**	**(127,056)**	**369**	**127,296**

The sensitivity analysis on trade receivables and payables for the principal currencies was as follows.

		2024			2023		
(€ thousand)	Currency	Total	Δ -10%	Δ +10%	Total	Δ -10%	Δ +10%
Loan assets							
	USD	264,819	(26,481)	26,483	264,297	(26,428)	26,430
	DZD	4,492	(449)	449	4,269	(427)	427
	AED	-	-	-	238	(24)	24
	KZT	576	(58)	58	2,672	(267)	267
	MXN	676	(68)	68	-	-	-
	KWD	32,971	(3,297)	3,297	45,366	(4,536)	4,536
Total		**303,534**	**(30,353)**	**30,355**	**316,842**	**31,682**	**31,684**
Loans and borrowings							
	USD	426,126	42,611	(42,614)	159,882	15,988	(15,987)
	GBP	17,704	1,770	(1,770)	3,761	376	(376)
	QAR	-	-	-	13,587	1,359	(1,359)
	AED	44,783	4,478	(4,478)	24,632	2,463	(2,463)
	DZD	462	46	(46)	366	37	(37)
	NOK	1,401	140	(140)	-	-	-
Total		**490,476**	**49,045**	**(49,048)**	**202,228**	**20,223**	**(20,222)**

Market risk - Interest rate

Interest rate fluctuations influence the market value of the group's financial assets and liabilities and the level of net financial expenses. The objective of risk management is to minimise the interest rate risk when pursuing financial structure objectives defined in the Financial Risk Policy.

When stipulating variable rate financing, the Finance Department of Saipem Group assesses if the set objectives are met and, where appropriate, enters into Interest Rate Swap (IRS) transactions in order to manage fluctuations in interest rates. In addition, the Finance Department of the Saipem Group, if applicable and based on adequate internal assessments, negotiates derivative contracts to fix the interest rate differential and stabilise the impact of the cost of the currency hedging put in place by the Group.

Planning, coordination and management of this activity at Group level is the responsibility of the Saipem Finance Department, which closely monitors the correlation between derivatives and their underlying flows, as well as ensuring their correct accounting representation in compliance with IFRS accounting standards. Although Saipem adopts a strategy targeted at minimising its exposure to interest rate risk through the pursuit of defined financial structure objectives, it is not to be excluded that interest rate fluctuations could significantly influence the Group's results and the comparability of the results of individual years.

Interest rate derivatives are measured by the Finance Department of Saipem at fair value on the basis of market standard evaluation algorithms and market prices/contributions provided by primary public info providers.

The Saipem Group measures and controls the interest rate risk by calculating and monitoring a KRI that measures the impact of a fixed-rate debt, including any related derivative financial instrument, on total debt.
To measure the impact of interest rate risk a sensitivity analysis was performed. The analysis calculated the effect on the income statement and equity which would result from a positive and negative 100 basis point movement on interest rate levels.
The analysis was performed relating to all relevant financial assets and liabilities exposed to interest rate fluctuations and regarded in particular the following items:

- interest rate derivatives;
- cash and cash equivalents;
- current and non current financial liabilities.

For derivative financial instruments on interest rates, the sensitivity analysis on fair value was conducted by discounting the contractually expected cash flows with the interest rate curves recorded on the basis of period-end market rates, with variations in excess of and less than 100 basis points. With reference to cash and cash equivalents and to variable rate financial liabilities, reference was made respectively to the stock at period-end and to changes in exposure expected in the following 12 months. On this basis, a movement of interest rates has been applied in excess of and less than 100 basis points on interest rates.
A positive variation in interest rates would have produced an overall effect on pre-tax profit of €9,256 thousand (€11,047 thousand as of December 31, 2023) and an overall effect on equity, before related tax effects, of €9,256 thousand (€11,047 thousand as of December 31, 2023).
A negative variation in interest rates would have produced an overall effect on pre-tax profit of -€9,255 thousand (-€11,047 thousand as of December 31, 2023) and an overall effect on equity, before related tax effects, of -€9,255 thousand (-€11,047 thousand as of December 31, 2023).
The increases/decreases with respect to the previous year are essentially due to the performance of interest rates at maturity dates and to variations in the assets and liabilities exposed to interest rate fluctuations.
The table below shows the effects of the above sensitivity analysis on the items of the statement of financial position and income statement.

	2024				2023			
	+100 basis points		-100 basis points		+100 basis points		-100 basis points	
(€ thousand)	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Derivative financial instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	13,575	13,575	(13,575)	(13,575)	4,195	4,195	(4,195)	(4,195)
Financial receivables	5,332	5,332	(5,331)	(5,331)	8,666	8,666	(8,666)	(8,666)
Current financial liabilities	(9,651)	(9,651)	9,651	9,651	-	-	-	-
Non-current financial liabilities	-	-	-	-	(1,814)	(1,814)	1,814	1,814
Total	**9,256**	**9,256**	**(9,255)**	**(9,255)**	**11,047**	**11,047**	**(11,047)**	**(11,047)**

Market risk - Commodity
Saipem's results are affected by changes in the prices of oil products (fuel oil, lubricants, bunker oil, etc.) and raw materials (copper, steel, etc.), since they represent associated costs in the running of vessels, bases and yards and the implementation of projects and capital expenditures.
In order to reduce its commodity risk, in addition to adopting solutions at a commercial level, Saipem also trades derivatives (swaps and bullet swaps) in particular on the organised ICE, NYMEX and LME markets where the relevant physical commodity market is closely correlated to the financial market and the price is efficient.
Regarding commodity price risk management, derivative instruments on commodities were negotiated by Saipem to hedge underlying contractual commitments. Hedging transactions may also be entered into in relation to future underlying contractual commitments, provided these are highly probable (so-called highly probable forecast transactions). Despite the hedging instruments adopted to control and manage commodity risks, Saipem cannot guarantee that they will be either efficient or adequate or that in future it will still be able to use such instruments.
Commodity derivatives are measured at their fair value by the Finance Department of Saipem on the basis of market standard evaluation algorithms and market prices/contributions provided by primary info providers.
The Saipem Group measures and controls the interest rate risk by calculating and monitoring a KRI that quantifies the maximum potential loss measured with VaR models.

(II) CREDIT RISK

Credit risk represents Saipem's exposure to potential losses deriving from the default of the business counterparty. Regarding the counterparty risk in commercial contracts, credit management is under the responsibility of the business line and dedicated specialised corporate functions, on the basis of formalised procedures for assessing and entrusting commercial partners. For counterparty financial risk deriving from the investment of surplus liquidity, from positions in derivative contracts and from commodities contracts, Saipem SpA adopts the provisions defined in the Financial Risk Policy. Despite the measures implemented by the Company in order to avoid concentrations of risk and/or assets and for identifying the parameters and conditions within which to permit operations, it is not possible to exclude the possibility that one of the Group's clients may delay payments, or fail to make payments, within the defined terms and conditions. Any delay or default in payment by the main clients may imply difficulties in the execution and/or completion of projects, or the need to recover costs and expenses through legal action.
The recoverability of financial assets with counterparties of a trade and financial nature was assessed on the basis of the so-called "expected credit loss model" illustrated in the paragraph entitled "Impairment of financial assets".
The Saipem Group measures and controls the credit risk of commercial counterparties by periodically calculating KRIs to measure the Probability of Default ("PD") of trade receivables exposures, backlog and guarantees granted. The effect of those operations is described in the following Notes 9 "Trade receivables and other assets" and 8 "Inventories and contract assets".
Credit risk towards financial counterparties is instead monitored and controlled through the periodic calculation of KRIs aimed at measuring exposure, maximum lending duration and the breakdown of financial assets by rating class.

(III) LIQUIDITY RISK

Liquidity risk is the risk that suitable sources of funding for Saipem may not be available (funding liquidity risk), or that Saipem is unable to sell its assets on the market place (asset liquidity risk), making it unable to meet its short-term finance requirements and settle obligations. Such a situation would negatively impact its results as it would cause it to incur higher borrowing expenses in order to meet its obligations or, under the worst of conditions, the inability of Saipem to continue as a going concern. The objective of Saipem's risk management is to implement a financial structure which, consistent with the business objectives and the limits defined in the Financial Risk Policy, ensures an adequate level of liquidity and of committed credit lines for Saipem. This objective is to guarantee sufficient financial resources to cover short-term commitments and maturing obligations, including through refinancing transactions or early funding, as well as to ensure the availability of an adequate level of financial flexibility for Saipem's development programmes, pursuing the maintenance of a balance in terms of duration and composition of debt.
Saipem measures and controls the liquidity risk by continuously monitoring estimated cash flows, the maturity profile of financial liabilities and the parameters characterising the main bank financing contracts (so-called Financial Covenants), and by periodically calculating specific KRIs. These indicators measure the level of available cash expected in the short term, the level of maturity concentration of financial liabilities and derivatives, and the ratios between financial sources and uses expected in the short and medium term.
With regards to the financing agreements that require the compliance with Financial Covenants and other clauses which include limitations to the utilisation of financial resources, it should be noted that as of December 31, 2024, the aforementioned clauses have all been respected.
For the control and efficient use of its liquidity, the Saipem avails itself, among other things, of a central cash pooling system and automatic reporting tools.
In line with the objective of ensuring an adequate financial structure and the provisions of the Financial Risk Policy, Saipem adopts strategies for the proactive management of maturing debt through refinancing operations or advance fundraising.
Additionally, on March 28, 2024 Saipem repaid the remaining €237 million of the Term Loan Senior Unsecured, 70% guaranteed by SACE under the "Garanzia SupportItalia" instrument. This loan was initially signed in February 2023 and partially repaid in December 2023 for €150 million, in advance of the contractually agreed maturities.
In addition, on February 10, 2025, a new revolving credit facility was entered into for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million revolving credit facility signed in February 2023, increasing its amount.
Based on the above-mentioned financial operations, on the maturity plan of medium-to long-term debt and on the amount of available cash, Saipem believes that it has access to more than adequate sources of funding to meet its foreseeable financial needs.

(IV) DOWNGRADING RISK

Saipem and the bonds issued by its subsidiary Saipem Finance International BV are rated by the Moody's and Standard & Poor's rating agencies. On April 15, 2024, Saipem received an upgrade from Moody's on its long-term corporate family rating and senior unsecured debt rating from "Ba3," previously assigned on July 19, 2022, to "Ba2" with "positive" outlook. On August 5, 2024, Standard & Poor's Global Ratings confirmed its long-term issuer credit rating of "BB+" with "stable" outlook, together with an unsecured senior rating of "BB+" for the bonds, previously assigned on December 2, 2022. The ratings of the bonds issued by Saipem Finance International BV – albeit better than the previous ratings – fall within the "non-investment grade" category, characterised by a higher risk profile and which also includes debt securities particularly exposed to adverse economic, financial and industry conditions. Any deterioration of Saipem's rating and/or of the bonds issued by its subsidiary Saipem Finance International BV, which could be caused by a deterioration of the reference markets, of the profitability of the contracts or of Saipem's liquidity, could result in a higher funding cost as well as more difficult access to the capital market, with consequent negative effects on the activities, prospects and economic and financial condition of Saipem.

Future payments for financial liabilities, trade payables and other liabilities

The following table represents the amounts of contractually due payments related to borrowings, including interest payments.

		Non current portion					
(€ thousand)	Current portion 2025	2026	2027	2028	2029	After	Total
Non-current financial liabilities, including current portion	4,372	-	-	-	500,000	-	504,372
Current financial liabilities	1,246,412	-	-	-	-	-	1,246,412
Lease liabilities	61,496	27,927	12,323	7,382	7,699	91,998	208,825
Fair value of derivative instruments	130,208	-	-	-	-	-	130,208
Total	**1,442,488**	**27,927**	**12,323**	**7,382**	**507,699**	**91,998**	**2,089,817**
Interest on financial liabilities	14,375	14,375	14,375	14,375	14,375	-	71,875

Future payments against trade and other payables, amounting to €1,707 million as of December 31, 2024, are all due within one year.

Future payments for outstanding contractual obligations

Investment commitments for projects for which procurement contracts have already been placed, expiring in 2025, amount to €5,208 thousand.

3 Accounting estimates and significant judgements

The preparation of financial statements and interim reports in accordance with generally accepted accounting standards requires Management to make accounting estimates based on complex and/or subjective judgements, past experience and assumptions deemed reasonable and realistic based on the information available at the time of the estimate. The use of these estimates and assumptions affects the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting period. In view of Saipem's sector of operations, the accounting estimates made to determine the long-term contract revenue and costs and the related work progress play a particularly important role. Due to their nature, it is not possible to rule out that the assumptions, however reasonable, may not be confirmed in the future scenarios in which Saipem finds itself operating. Future results may therefore differ from the estimates made in preparing the financial statements and adjustments may consequently be necessary that are not currently foreseeable or estimable in relation to the carrying amount of assets and liabilities recognised in the financial statements. The adjustments to the estimates may be necessary following changes in the circumstances on which they were based, due to new information or greater experience acquired.
The accounting estimates and significant judgements formulated by the Corporate Management for the preparation of the statutory financial statements as of December 31, 2024, are influenced not only by the current macroeconomic environment, but also by the effects of ongoing initiatives to mitigate the consequences of climate change and the potential impacts resulting from the energy transition, which in the medium and long term can significantly affect business models, cash flows, financial position, and the financial and economic performance of Saipem.
Critical accounting estimates in the process of preparing financial statements and interim accounting reports involve a high degree of reliance on subjective judgements, assumptions and estimates regarding matters that are inherently uncertain and complex are shown below. Changes in the conditions underlying the judgments and assumptions made may have a significant effect on future results.
References to the notes to the financial statements containing the accounting information at the end of the reporting period are provided below in relation to the financial statement items subject to estimation and judgement.

MICROECONOMIC SCENARIO

The current scenario is marked by the sustained positive cycle in Saipem's target markets, particularly Oil & Gas, in line with growth expectations both at macroeconomic level and in terms of access to secure and sustainable energy sources. However, a number of uncertainties remain on the geopolitical front (in particular, the Russia-Ukraine conflict and instability in the Middle East) and at economic level, linked to an intensification of protectionist policies and the consequent risks to global supply chains. This has required additional attention from Management in making accounting estimates and significant judgements. As a consequence, some areas of the financial statements may be influenced by recent events and macroeconomic circumstances, also in view of more uncertain estimates.
As regards the trend in oil and natural gas prices, the short-term volatility in these prices is expected to have a limited impact on the Saipem's results given the nature of its activities, which are characterised by contracts with execution times of several years, depending on the complexity of the project. In the longer term, an improvement in the external environment is still anticipated, driven by the multi-year growth phase in the Oil&Gas market and the consolidation of opportunities in energy transition and clean technologies.
In relation to Saipem's projects that involved operations in Russia and/or with Russian clients, there are no remaining operating activities and the related previous contractual relations with clients have reached their conclusion. Accordingly, the process of formalisation is being completed, in full compliance with the EU regulations.
It should be noted that there are no activities handled by Saipem, nor personnel in any Ukrainian territory affected by the conflict.
The 2025-2028 Strategic Plan, in line with previous plans, does not envisage the acquisition of new contracts in Russia.

CLIMATE CHANGE EFFECTS

Climate change and the transition to a low-carbon economy are having an increasing impact on the global economy and the energy sector.
Saipem, world leader in the engineering and construction of large projects in the energy and infrastructure sectors, both offshore and onshore, aims at being a protagonist of the energy transition.

- supporting customers in their decarbonisation process, by offering solutions to reduce their carbon footprint such as low-impact technologies. In particular, Saipem has proven experience in the construction of fixed offshore installations in the Offshore Wind sector, with a series of completed projects, as well as a series of ready-to-market technologies regarding floating wind, carbon capture, biofuels and the production of green fertilisers.
- reducing their carbon footprint by progressively improving the efficiency of their assets and operations, while also adopting the use of alternative fuels, pursuing electrification, and increasing the use of renewable energy, as envisaged by the Net Zero Plan.

Saipem is aware that these changes may have a direct and indirect impact on the activities of its business and consequently on its consolidated financial statements, in terms of the results and value of its assets and liabilities.
Risks related to climate change, to which Saipem's activities are intrinsically exposed, can be classified into the following categories:

- physical risks, i.e., risks arising from physically observable climatic phenomena, e.g., flooding of plants, production sites and fabrication yards, damage incurred due to extreme meteorological conditions (such as fuel spills), as well as worsening weather and sea conditions in the offshore operating areas;
- transition risks, i.e. risks associated with the evolution and transition to a low-emission industry and, consequently, the ability to mitigate the effects of climate change. These risks are classified into: (i) technological risks, in terms of insufficient effectiveness in implementing the most efficient applicable technologies, with impacts on operating expenses in the execution of projects and the potential acquisition of projects related to the use of new technologies; (ii) regulatory risks, related to the enactment of laws and regulations that need to be promptly complied with and may lead to an increase in operating expenses; (iii) market risks, in terms of lower availability of the necessary bank guarantees for submitting bids and executing projects.

For more details, see the section "ESRS E1- Climate Change" and SBM-3 "Material impacts, risks and opportunities and their interaction with strategy and business model" of the 2024 Consolidated Sustainability Report.
Significant accounting estimates and judgements made by Top Management in preparing the separate financial statements could be affected by actions taken to limit the effects of climate change. Climate risks may in fact affect the recoverable amount of property, plant and equipment and the Group's goodwill; therefore, the energy transition may reduce the expected useful life of assets used in the oil and gas industry, thereby accelerating the depreciation expense of assets employed in this sector.

Saipem has considered the potential consequences of the energy transition on the recoverable amount of the CGUs in the medium to long term, which will primarily have an impact on the increase in demand for energy from renewable sources. In addition, the 2025-2028 Strategic Plan envisages continuing the process of reconfiguration of the portfolio mix with an increase in projects related to the energy transition amounting to around 31%, in line with the previous 2024-2027 Strategic Plan, as well as investing in new enabling technologies in the areas of Blue Solutions, Renewable Refining, CO_2 Management, and Offshore Wind. Added to this are further acquisitions in the natural gas business, considered to be one of the elements that will support the progressive shift towards sustainable energy sources. Lastly, in the long term, the energy transition includes the elimination of coal as an energy source, and the Group does not operate in this segment. However, it should still be considered that the speed of adoption of technologies related to the energy transition, especially in certain areas of the world, may be slower than currently expected and this would be mitigated by Saipem's proven ability to continue operating in its traditional business.
Saipem's exposure to non-oil sectors is growing, enhancing the use of its traditional assets where possible, duly adapted and improved for the required purpose; at the same time, it is expected that part of the assets will be fully depreciated in the medium-long term, during which period demand for services in the oil sector is expected to remain significant.
Management will continue to review demand assumptions as the energy transition process progresses, which could lead to specific impairment losses on non-financial assets in the future.
Furthermore, new laws and regulations introduced due to the rising focus on climate change may lead to new obligations that had previously not been considered. Consequently, management monitors the evolution of the relevant regulations in order to assess whether such obligations, even implicit ones, require the recognition of specific provisions or the reporting of related contingent liabilities.

REVENUE, CONTRACT ASSETS AND CONTRACT LIABILITIES (NOTE 10 "INVENTORIES AND CONTRACT ASSETS", NOTE 21 "TRADE PAYABLES, OTHER LIABILITIES, AND CONTRACT LIABILITIES", NOTE 36 "REVENUE")

The processes and methods for recognising revenue and measuring contract assets and liabilities from long-term work in progress are based on the estimate of total lifetime revenue and costs of long-term projects, the appreciation of which is influenced by significant valuations that by their nature imply recourse to the judgement of the Directors, specifically with reference to the forecast of costs to complete each project, including the estimate of the risks and contractual penalties, where applicable, to the evaluation of contractual changes envisaged or being negotiated and any changes in estimates compared to the previous year. In particular, in evaluating contract assets from work in progress, account is taken of the requests of additional costs with respect to those contractually agreed, if substantially approved by the customer in their scope and/or price.

IMPAIRMENT OF FINANCIAL ASSETS (NOTE 8 "OTHER CURRENT FINANCIAL ASSETS")

Checking, classification and measurement of the counterparty credit risk for the purpose of calculating the impairment of financial assets is a detailed, complex process that requires the Top Management to provide a professional opinion.
In a manner similar to impairment processes involving other items of the financial statements, the estimates made, although based on the best information available and on the adoption of adequate methods and evaluation techniques, are intrinsically characterised by elements of uncertainty and by the exercise of a professional opinion and could generate forecasts of recoverable amounts different from those that will be effectively realised.

IMPAIRMENT OF NON-FINANCIAL ASSETS (NOTE 14 "PROPERTY, PLANT AND EQUIPMENT", NOTE 15 "INTANGIBLE ASSETS")

Impairment losses of non-financial assets are recognised if events or changes in circumstances indicate that their carrying amount may not be recoverable.
Impairment can be recognised in the event of significant prolonged changes in the outlook for the market segment in which the non-financial asset is used. The decision as to whether to proceed with an impairment loss and its quantification depend on assessments made by Management based on complex and highly uncertain factors, such as the future performance of the reference market, the impact of inflation and of technological advances on operating expenses, the conditions of supply and demand on a global or regional scale, the evolution of the operations and business activities, the business insight deriving from discussions and the interactions of a strategic or commercial nature by the business line with customers, partners, suppliers and competitors.
The amount of an impairment loss of a non-financial asset is determined by comparing the carrying amount of the asset with its recoverable amount; the higher of fair value less disposal costs and value in use calculated as the present value of the future cash flows expected to be derived from the use of the asset net of disposal costs. This assessment is carried out at the level of the smallest group of assets (cash generating unit or CGU) that generates cash inflows that are largely independent of the

cash flows generated by other assets or groups of assets and on the basis of which Management assesses the profitability of the business.
The impairment test procedure of the Group's CGUs provides for the determination of WACCs differentiated by business segment, in order to reflect the specific risks of the individual business segments to which the CGUs under test belong.
The cash flows expected for each CGU are quantified on the basis of the last Strategic Plan, also with reference to the actual results, prepared by the management and approved by the Board of Directors. The Strategic Plan contains the forecasts, developed by the management in light of the information available at the time of the estimate, with regard to the volumes of business, operating expenses, margins, investments coherent with strategic guidelines, as well as the industrial, commercial and strategic positioning of the specific business line and also taking account of the market situation (including the performance of the main monetary variables such as exchange rates and inflation). Thus the Strategic Plan forecasts (as well as the long-term forecasts after the plan period), while based on complex assumptions that by their nature imply recourse to the opinion of the directors, are grounded in reasonably objective foundations (which, in other words, take account of the market context and specific characteristics of Saipem) and are not conditioned on the occurrence of a specific event (such as the success of new technology) in order to express, at the same time, the best estimate of the management and expected average flows.
Lastly, in accordance with IAS 36, the cash flows used for the purposes of the impairment tests do not consider any inflows and/or outflows arising from: (i) a future restructuring still to be approved or to which the Group is not committed yet, or (ii) the improvement or optimisation of business performance on the basis of initiatives still to be undertaken or approved, or for which there is still no commitment towards third parties for the increase of production capacity with respect to current capacity.
The cash flows thus determined are discounted using the rates approved by the Board of Directors.
For assets other than independent CGUs (i.e. Offshore vessels and construction yards) and that show impairment indicators, the sustainability of the residual technical-economic life of the asset is verified to determine whether there is any need to report a write-down pursuant to IAS 16, before performing the impairment test at the level of the CGU to which it pertains.
Goodwill and other intangible assets with an indefinite useful life are not amortised. The recoverability of their carrying amount is tested at least annually and whenever events occur indicating a reduction in their value. Goodwill is also tested for impairment at the level of the CGU to which goodwill relates. If the carrying amount of the CGU, including goodwill allocated thereto, exceeds its recoverable amount, the excess is recognised as impairment. The impairment loss is first allocated to reduce the carrying amount of goodwill. Any remaining excess is allocated on a pro-rata basis to the carrying amount of the other assets with a finite useful life that form the CGU.

LEASES (NOTE 16 “RIGHT-OF-USE ASSETS, LEASE ASSETS AND LEASE LIABILITIES”)

The complexity of the contractual situations and their multi-year duration requires a series of complex judgement by the Company Management in order to define the assumptions to be made for the identification and assessment of particular aspects impacting on accounting recognition and on-balance sheet exposure, such as the following.

- Determining with reasonable certainty whether or not to exercise an extension option and/or termination option provided for in a lease contract, which affects the assessment of the periods covered by extension options (or early termination) for determining the duration of the contract. In this connection, the reasonable certainty of being able to exercise these options is ascertained as of the commencement date, in consideration of all the facts and circumstances that generate an economic incentive to exercise them, as well as when significant events or changes in the circumstances under the control of the lessee occur, that affect the assessment previously made.
- The identification of variable payments and their characteristics for the purposes of estimating their inclusion, or not, in the determination of the Lease Liability and the Right-of-Use asset (variable payments linked to the use of the asset or turnover are charged to the income statement and therefore they do not participate in their determination).
- The discount rate used to determine the Lease Liability, represented by the lessee’s incremental borrowing rate. This rate is defined taking into account the duration of the leases, the currency in which they are denominated and the characteristics of the economic environment in which the lessee operates. The present value of payments owed on a lease is determined by using a discount rate that reflects the incremental borrowing rate of Saipem and is defined on the basis of the euro benchmark zero coupon yield curve adjusted for Saipem risk. The rate is determined also taking account of the risk related to the currency of denomination and duration of the underlying contract.

As regards the impairment test for the lessee, the Right-of-Use assets are to be included in the impairment test to assess any reductions in value pursuant to IAS 36, similarly to the other company-owned assets. In order to verify the recoverability of the right-of-use, consideration is given to: (i) the allocation of the right-of-use assets of the leased assets to the CGUs to which they belong; (ii) the duration of the underlying leasing contract with respect to the time horizon considered in determining the cash flows of the CGU; (iii) the value in use of a CGU containing a right-of-use.

In carrying out the impairment test, Saipem: (i) uses discount rates that reflect the financial leverage of the lease contracts; (ii) considers the right-of-use in the net invested capital tested; (iii) determines the value in use excluding the related lease payments.

PROVISIONS FOR RISKS AND CHARGES (NOTE 27 "PROVISIONS FOR RISKS AND CHARGES")

Saipem is part of judicial and administrative proceedings for which they assess the possibility to accrue for risks primarily related to litigation and tax issues. The process and methods for assessing the risks associated with these proceedings are based on complex elements that by their nature imply recourse to the judgement of the directors, specifically with reference to the assessment of uncertainties related to forecasting the results of the proceedings, their classification to the provisions or liabilities, taking into account the assessment information acquired by the internal legal department and by external legal advisers.
Estimating the value to be allocated is a result of a complex process that includes subjective judgements by the Top Management.

EMPLOYEE BENEFITS (NOTE 28 "EMPLOYEE BENEFITS")

Defined benefit plans are measured with reference to uncertain events and based upon actuarial assumptions including, among others, discount rates, expected rates of salary increases, mortality rates, retirement ages and future trends in covered medical costs.
The main assumptions used to quantify these benefits are determined as follows: (i) the discount and inflation rates, which represent the rates at which the obligation to employees could actually be fulfilled, are based on the rates that accrue on high-quality corporate bonds (or, in the absence of a "deep market" in such bonds, on the yields on government bonds) and on the inflationary expectations of the countries concerned or of the reference currency area; (ii) the future salary levels of individual employees are determined based on inflation rate assumptions, productivity, seniority and promotion; (iii) the future cost of health benefits is determined on the basis of current and past trends in the costs of health benefits, including assumptions about the inflationary growth of those costs, and changes in the health status of beneficiaries; (iv) demographic assumptions reflect the best estimate of trends in variables such as mortality, turnover and disability relative to the population of beneficiaries.
Changes in the net employee benefit liability (asset) related to remeasurements routinely occur and comprise, among other things, changes in actuarial assumptions, the effects of differences between the previous actuarial assumptions and what has actually occurred and differences in the return on plan assets with respect to the amounts included in net interest.

RECEIVABLES (NOTE 9 - "TRADE RECEIVABLES AND OTHER ASSETS")

The recoverability of the carrying amount of receivables and the need to recognise an impairment loss on them is determined on the basis of the so-called "expected credit loss model" illustrated in section "Impairment of financial assets". This process also involves complex and/or subjective judgements by Management. The factors considered in the context of these judgements concern, among other things, the creditworthiness of the counterparty where available, the amount and timing of expected future payments, any credit risk mitigation instruments implemented, as well as any actions set up or planned for debt recovery.

FAIR VALUE (NOTE 32 "POSITIVE FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS")

The determination of the fair value of financial and non-financial instruments is a detailed process characterised by the use of complex methods and techniques of assessment and that requires the collection of updated information from the reference markets and/or the use of internal input data.
Like for the other estimates, determination of the fair value, although based on the best information available and on the adoption of adequate measurement methods and techniques, is intrinsically characterised by elements of uncertainty and by the exercise of professional judgement and could generate forecasts of values different from those that will be effectively realised.

4 Recently issued accounting standards effective from 2025 and subsequent years

Accounting Standards and Interpretations issued by the IASB/IFRIC and endorsed by the European Union

On November 12, 2024, the European Commission issued Regulation No. 2024/2862, which endorsed the document "Amendment to IAS 21 - The Effects of Changes in Foreign Exchange Rates": Lack of Exchangeability" through which it specifies when a currency is exchangeable into another currency and, consequently, when it is not, how an entity determines the exchange rate to be applied when a currency is not exchangeable, and the information to be provided. The amendment will be effective from January 1, 2025.

The above amendments to the accounting standard did not have any significant effect on the Saipem's statutory financial statements.

Accounting Standards and interpretations issued by the IASB/IFRIC and not yet endorsed by the European Commission

On April 9, 2024, the IASB published IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 "Presentation of Financial Statements" with the aim of improving the way information is disclosed in financial statements. Specifically, under IFRS 18, entities will be required to: (i) present defined totals and subtotals and classify revenue and expenses into different categories; (ii) provide information on management-defined performance measures (MPMs); and (iii) comply with enhanced requirements for the aggregation and disaggregation of information, with the introduction of aggregation and disaggregation principles and disclosure requirements for specific expenses by nature. The new document will be effective from January 1, 2027 or later date.

On May 9, 2024, the IASB published IFRS 19 "Subsidiaries without Public Accountability: Disclosures", which enables simplified reporting systems and processes for companies, reducing the cost of preparing financial statements for eligible subsidiaries while maintaining the usefulness of those financial statements for their users. Subsidiaries that apply IFRS for SMEs or national accounting standards in preparing their financial statements can apply IFRS 19, which allows them to keep only one set of accounting records to meet the needs of both the parent company and users of the financial statements and to provide reduced disclosures better suited to the needs of users of the subsidiaries' financial statements. The new document will be effective from January 1, 2027 or later date.

On May 30, 2024, the IASB published "Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments" in response to feedback received in the post-implementation review of the classification and measurement requirements of IFRS 9 "Financial Instruments and Related Requirements" of IFRS 7 "Financial Instruments: Disclosures". The document amended the requirements for the settlement of financial liabilities through an electronic payment system and the assessment of contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG) characteristics.
The disclosure requirements for investments in equity instruments measured at fair value through OCI were also amended. The amendments will be effective from January 1, 2026 or later date.

On July 18, 2024, the IASB published the document "Annual Improvements-Volume 11" as part of the annual improvement process, which includes minor amendments made to certain accounting standards. The annual improvements are limited to amendments that clarify wording or correct some relatively minor inaccuracies, omissions, or conflicts between the requirements of the accounting standards. The amendments will be effective from January 1, 2026 or later date.

Saipem is currently analysing the above accounting standards and assessing whether their adoption will have a significant impact on the financial statements.

CURRENT ASSETS

5 Cash and cash equivalents

These consist of liquidity generated by treasury management and regard ordinary current accounts with banks in Italy totalling €1,359,652 thousand, with banks abroad totalling €359,220 thousand, and cash on hand of €74 thousand, of which €5 thousand at the head office and operating bases in Italy and €69 thousand at foreign branches, as well as financial instruments similar to cash equivalents with maturities of less than 3 months at their purchase date, broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Cash and demand deposits	1,530,755	1,291,539
Commercial paper	148,297	-
Debt securities issued by Governments or supranational entities	39,894	-
Total	**1,718,946**	**1,291,539**

Cash and cash equivalents at the end of the year in currencies other than the euro mainly relate to the following currencies: USD (United States dollar) for €672,183 thousand, NGN (Nigerian naira) for €101,315 thousand, LYD (Libyan dinar) for €50,946 thousand, AED (UAE dirham) for €5,690 thousand, KWD (Kuwaiti dinar) for €8,515 thousand and QAR (Qatari ryal) for €2,172 thousand.
There are no restrictions on cash and cash equivalents and, as regards cash and bank accounts operating abroad, there are no currency or other restrictions on their transferability to Italy, with the exception of liquidity held in six current accounts belonging to three foreign subsidiaries (totalling €52 thousand) mainly due to a temporary block imposed by the competent local authorities.
Cash and cash equivalents increased by €427,407 thousand compared to the previous year.
The breakdown of liquid assets by geographical area is as follows (based on the country of domicile of the relevant company):

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Italy	1,287,049	868,650
Rest of Europe	293	84,901
CSI	932	1,627
Rest of Asia	429,490	215,392
North Africa	1,062	683
Sub-Saharan Africa and Rest of Africa	99	23
Americas	21	120,263
Total	**1,718,946**	**1,291,539**

6 Financial assets measured at fair value through profit and loss

Financial assets measured at fair value through profit and loss, amounting to €46,493 thousand, consisted of liquidity investments in financial instruments that do not pass the SPPI test envisaged by IFRS 9. The management of these financial instruments is aimed at optimising returns, in compliance with authorised specific risk limits.

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Financial assets for non-operating purposes		
Euro	36,850	-
US dollar	9,643	-
Total	**46,493**	**-**

(€ thousand)	Notional amount	Fair value
Financial assets for non-operating purposes	46,118	46,493

Financial assets measured at fair value through profit and loss consist of investments in passively managed Exchange Traded Funds (ETFs) replicating short-term monetary and bond indices, with a level 1 fair value hierarchy.

7 Financial assets measured at fair value through OCI

Financial assets at fair value through other comprehensive income, equal to €228,798 thousand, include debt instruments whose business model envisages the possibility of both collecting the contractual cash flows and realising the value from sale. These assets include liquidity investments in financial instruments that pass the SPPI test required by IFRS 9 and are aimed at optimising returns within specific authorised risk limits, with the requirement of capital protection and availability of funds.
These assets were broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Securities for non-operating purposes		
Listed bonds issued by sovereign states/supranational institutions	228,798	-
Total	**228,798**	**-**

Listed bonds issued by sovereign states/supranational institutions, amounting to €229 thousand as of December 31, 2024, were as follows:

(€ thousand)	Notional amount	Fair value	Nominal rate of return (%)	Maturity	Standard & Poor's rating
Fixed rate bonds					
France	14,677	14,681	2.35	2025	AA-
Germany	14,831	14,835	2.43	2025	AAA
Italy	148,840	148,926	2.43-3.43	2025-2027	BBB
Spain	35,094	35,143	2.39-2.97	2025-2027	A-
Total	**213,442**	**213,585**			

(€ thousand)	Notional amount	Fair value	Nominal rate of return (%)	Maturity	Standard & Poor's rating
Variable rate					
Italy	15,185	15,213	3.12	2026	BBB
Total	**15,185**	**15,213**			

The fair value of bonds is determined on the basis of market prices. The fair value hierarchy is level 1, that is, based on quotations in active markets.
The bonds measured at fair value through OCI represent liquidity investments and are held both to collect contractual cash flows and for the cash flows deriving from the possible sale of the instrument before contractual maturity.
Listed bonds issued by sovereign states/supranational entities fall within the scope of analysis for the determination of expected losses which – considering the high (investment grade) credit rating of the issuers – were immaterial as of December 31, 2024.

8 Other current financial assets

Other current financial assets of €536,436 thousand (€870,778 thousand as of December 31, 2023) were broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Loan assets for operating purposes	479	666
Loan assets for non-operating purposes	535,957	870,112
Total	**536,436**	**870,778**

Financial receivables for operating purposes mainly related to receivables due from Eni SpA.
Loan assets for non-operating purposes amounted to €535,957 thousand, of which €533,669 thousand with the Group company "Saipem Finance International BV", which carries out centralised financial management for the Saipem Group, €225

thousand with Puglia Green Hydrogen Valley - PGHyV Srl, and €2,063 thousand with the consortium company La Catulliana Scarl.

9 Trade and other receivables

Trade and other receivables amount to €1,852,912 thousand, representing an increase of €180,638 thousand compared with the previous year, and were broken down as follows:

(€ thousand)	Carrying amount as of Dec. 31, 2024	of which due after one year	of which due after 5 years	Carrying amount as of Dec. 31, 2023	of which due after one year	of which due after 5 years
Receivables from:						
- joint ventures	81,125	-	-	78,590	-	-
- clients	638,707	103,389	-	491,628	77,955	-
- subsidiaries	775,594	-	-	823,496	-	-
- associates	190,021	-	-	138,062	-	-
- other	167,465	1,239	-	140,498	1,303	-
Total	1,852,912	104,628	-	1,672,274	79,258	-

The receivables are entered net of the loss allowance for trade receivables of €188,222 thousand, with a €14,019 thousand decrease compared to the previous year, as shown in the following table:

(€ thousand)	Loss allowance for trade receivables	Loss allowance for other receivables	Total
Value as of Dec. 31, 2023	**202,151**	**90**	**202,241**
Provisions for the year	30,126	-	30,126
Uses during the year	(44,145)	-	(44,145)
Value as of Dec. 31, 2024	**188,132**	**90**	**188,222**

Withholdings as security amount to €135,799 thousand, of which €103,389 thousand is long-term.
Receivables due from related parties are shown in Note 43.
Other receivables amounting to €167,465 thousand are shown net of the loss allowance of €90 thousand, in line with the previous year.
A breakdown of other receivables is provided in the following table:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Amounts due within the following year:		
- advances to third party suppliers	86,293	27,281
- receivables from personnel	36,448	37,335
- guarantee deposits	3,344	2,981
- insurance services	8	14
- receivables from social security institutions	446	647
- other receivables	39,777	71,027
less:		
- loss allowance for other receivables	(90)	(90)
Total within one year	**166,226**	**139,195**
Amounts due beyond the following year:		
- guarantee deposits	1,239	1,303
Total after one year	**1,239**	**1,303**
Overall total	167,465	140,498

Trade receivables included in "Trade and other receivables" amount to €1,494,112 thousand, representing an increase of €164,050 thousand.

The credit exposure to the top five clients is in line with the Company's operations and represents around 23% of total trade receivables.
Saipem continues to pay special attention to monitoring receipts.
The recoverability of trade receivables is verified on the basis of the so-called "expected credit loss model" adopted in compliance with IFRS 9, as indicated in the "Measurement criteria" in the section "Impairment of financial assets".
As of December 31, 2024, the effect of expected losses on trade receivables, determined on the basis of clients' creditworthiness, amounted to €28,822 thousand out of the total loss allowance for trade receivables of €188,132 thousand.
Below is the credit schedule gross of the creditworthiness assessment.
Trade receivables neither past due nor impaired amount to €1,327,906 thousand (€1,104,445 thousand as of December 31, 2023), whereas receivables that are past due and are not impaired amount to €195,027 thousand (€225,617 thousand as of December 31, 2023), of which €89,542 thousand are from 1 to 90 days past due (€99,171 thousand as of December 31, 2023), €36,581 thousand are from 3 to 6 months past due (€25,653 thousand the previous as of December 31, 2023), €22,007 thousand are from 6 to 12 months past due (€8,118 thousand as of December 31, 2023), €46,897 thousand are past due for more than 12 months (€92,675 thousand as of December 31, 2023).
The fair value of trade and other receivables did not differ significantly from their carrying amount due to the short period of time elapsed between their date of origination and their due date.
There are no receivables due beyond five years.
Trade receivables in currencies other than euro mainly relate to the following currencies: USD (United States dollar) for €264,819 thousand, KWD (Kuwaiti dinar) for €32,971 thousand and DZD (Algerian dinar) for €4,492 thousand.

Breakdown of receivables by geographical area

Trade and other receivables are broken down by geographical area as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Italy	**574,340**	**519,666**
Outside Italy		
Rest of Europe	548,589	383,516
CSI	795	10,054
Rest of Asia	455,864	350,707
North Africa	65,705	124,899
Sub-Saharan Africa and Rest of Africa	127,641	167,338
Americas	61,419	97,082
Other areas	18,559	19,012
Total	**1,278,572**	**1,152,608**
Overall total	**1,852,912**	**1,672,274**

10 Inventories and contract assets

Inventories

The value of inventories as of December 31, 2024 totals €1,002 thousand, down €12,312 thousand compared to December 31, 2023.

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Raw and ancillary materials and consumables	1,002	13,314
Total	**1,002**	**13,314**

"Raw and ancillary materials and consumables" include spare parts for drilling and construction activities, as well as consumables for internal use and not for sale. Inventories are shown net of the loss allowance totalling €2,296 thousand, broken down as follows:

(€ thousand)	Loss allowance inventories
Value as of Dec. 31, 2023	**30,403**
Provisions for the year	2,259
Uses during the year	(30,366)
Value as of Dec. 31, 2024	**2,296**

Warehouse inventories are not subject to any legal encumbrance (pledge, agreement to retention of title, etc.).

Contract assets

Inventories amounted to €982,251 thousand (€882,523 thousand as of December 31, 2023) and consisted of the following:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Contract assets (from work in progress)	984,087	884,195
Impairment provision for contract assets (from work in progress)	(1,836)	(1,672)
Total	**982,251**	**882,523**

Contract assets from work in progress equal to €984,087 thousand, increased by €99,892 thousand due to the recognition of revenue based on operational progress of projects to be invoiced in 2025 for €355,128 thousand, partly offset by €251,106 thousand for the recognition of milestones by clients, plus the effect of write-downs arising from the continuous legal and commercial monitoring of the claim and change order amounts considered in the full life for the purpose of contract valuation for €4,129 thousand.

11 Current income tax assets

Current income tax assets amount to €57,191 thousand, with a decrease of €24,795 thousand compared to the previous year, broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Italian tax authorities	43,976	73,930
Foreign tax authorities	13,215	8,056
Total	**57,191**	**81,986**

The decrease in VAT receivables from the Italian tax authorities of €29,954 thousand essentially relates to tax receivables collected as a recovery of taxes paid in prior years.
Tax receivables due from the Italian tax authorities include receivables for which reimbursement has been requested, amounting to €34,687 thousand.
Foreign tax receivables are up by €5,159 thousand and mainly include amounts due to several foreign subsidiaries from local tax authorities for prepaid taxes.
Income taxes are commented on in Note 40.

12 Other current income tax assets

Other income current tax assets total €18,574 thousand and are broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Italian tax authorities:		
- VAT receivables	104	465
- other	9,040	8,472
Foreign tax authorities:		
- VAT receivables	9,385	4,095
- other	45	58
Total	**18,574**	**13,090**

During the year, the net use of the loss allowance for tax receivables pertaining to foreign subsidiaries amounts to €13,814 thousand.

13 Other current assets

Other current assets amount to €183,797 thousand, increasing by €76,951 thousand in comparison to the previous year, and are broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Fair value of currency derivatives	119,556	70,924
Other assets	64,241	35,922
Total	**183,797**	**106,846**

Other assets as of December 31, 2024 consist of €62,113 thousand for costs accrued for future years and €2,128 thousand for fees on sureties for future years.
For information on the fair value of derivative instruments see Note 32, “Derivative financial instruments”.
Details about other current assets from related parties are provided below:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Saipem Finance International BV	113,086	67,570
CEPAV (Consorzio Eni per l’Alta Velocità) Uno	674	407
Servizi Energia Italia SpA.	96	-
Consorzio F.S.B.	111	110
Eni SpA	-	19
Total	**113,967**	**68,106**

Other assets from Saipem Finance International BV, equal to €113,086 thousand, relate to transactions on derivative financial instruments.

NON-CURRENT ASSETS

14 Property, plant and equipment

Property, plant and equipment amounted to €114,504 thousand (€117,937 thousand as of December 31, 2023) consisted of the following:

	Carrying amount as of Dec. 31, 2024					
(€ thousand)	Land and buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total property, plant and equipment
Original cost						
Balance as of December 31, 2023	**104,960**	**175,659**	**101,510**	**29,444**	**39,869**	**451,442**
Changes in the financial year:						
- purchases from third parties	307	2,704	1,421	290	9,053	13,775
- internal production	-	307	11	30	2,108	2,456
- purchases from other Group companies	10	59	1,405	-	-	1,474
- transfers	-	-	-	-	-	-
- transfers from tangible fixed assets under construction	108	35,173	(197)	(106)	(34,978)	-
- disposals	(1,376)	(13,699)	(8,457)	(9)	-	(23,541)
- decommissioning	(46,610)	(8,603)	(1,397)	(445)	-	(57,055)
- assets held for sale	(414)	(6,205)	(9,653)	-	-	(16,272)
- reclassification from Discontinued Operations	3	520	206	-	-	729
Balance as of December 31, 2024	**56,988**	**185,915**	**84,849**	**29,204**	**16,052**	**373,008**
Depreciation and impairment losses						
Balance as of December 31, 2023	**87,864**	**127,792**	**99,655**	**17,897**	**297**	**333,505**
Changes in the financial year:						
- depreciation	1,363	11,065	1,151	2,441	-	16,020
- other changes	-	-	-	-	-	-
- transfers	(3)	252	(219)	(30)	-	-
- impairment losses	-	-	-	-	-	-
- disposals	(1,156)	(9,871)	(8,280)	(9)	-	(19,316)
- decommissioning	(46,610)	(8,603)	(1,397)	(389)	-	(56,999)
- assets held for sale	(350)	(5,645)	(9,439)	-	-	(15,434)
- reclassification from Discontinued Operations	3	520	205	-	-	728
Balance as of December 31, 2024	**41,111**	**115,510**	**81,676**	**19,910**	**297**	**258,504**
Balance sheet net value	**15,877**	**70,405**	**3,173**	**9,294**	**15,755**	**114,504**

(€ thousand)	Carrying amount as of Dec. 31, 2023 Land and buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total property, plant and equipment
Original cost						
Balance as of December 31, 2022	**136,342**	**674,271**	**138,045**	**28,915**	**53,310**	**1,030,883**
Changes in the financial year:						
- purchases from third parties	630	5,605	372	2,765	5,528	14,900
- internal production	-	388	4	62	1,422	1,876
- purchases from other Group companies	-	49	62	-	-	111
- transfers	5,990	12,724	197	1,480	(20,391)	-
- transfers from tangible fixed assets under construction	-	-	-	-	-	-
- disposals	(36,907)	(503,507)	(33,989)	(388)	-	(574,791)
- decommissioning	(1,095)	(13,871)	(3,181)	(3,390)	-	(21,537)
Balance as of December 31, 2023	**104,960**	**175,659**	**101,510**	**29,444**	**39,869**	**451,442**
Depreciation and impairment losses						
Balance as of December 31, 2022	**123,989**	**632,210**	**135,409**	**19,470**	**297**	**911,375**
Changes in the financial year:						
- depreciation	795	7,860	1,203	2,166	-	12,024
- other changes	-	-	-	-	-	-
- transfers	75	(75)	-	-	-	-
- impairment losses	966	516	-	-	-	1,482
- disposals	(36,866)	(499,529)	(33,776)	(387)	-	(570,558)
- decommissioning	(1,095)	(13,190)	(3,181)	(3,352)	-	(20,818)
Balance as of December 31, 2023	**87,864**	**127,792**	**99,655**	**17,897**	**297**	**333,505**
Balance sheet net value	**17,096**	**47,867**	**1,855**	**11,547**	**39,572**	**117,937**

The following increases took place in 2024:

(€ thousand)	
Land and buildings:	
- land	-
- buildings	232
- lightweight constructions	85
Total	**317**
Plant and equipment:	
- alterations and improvements to specific construction equipment	792
- new investments and improvements in miscellaneous equipment for construction and drilling activities	2,262
- alterations and improvements to specific drilling equipment	16
Total	**3,070**
Industrial and commercial equipment:	
- purchase of equipment and various instruments for x-ray inspections and construction activities	239
- purchase of special mobile vehicles, motor vehicles and off-road vehicles, excavators and other vehicles	2,598
Total	**2,837**
Other assets:	
- personal computers, system units and printers	268
- furniture, furnishings	52
Total	**320**

The following decreases took place in 2024:

(€ thousand)	Disposals	Decommissioning
Land and buildings:		
- land	-	-
- buildings	-	37,141
- lightweight constructions	1,376	9,469
Total	**1,376**	**46,610**
Plant and equipment:		
- generic plants	6,954	2,920
- drilling rigs	659	1,785
- specific construction plants	6,086	3,898
Total	**13,699**	**8,603**
Industrial and commercial equipment:		
- special vehicles, motor vehicles, excavators, mechanical shovels and other vehicles	-	-
- miscellaneous construction equipment	400	1,128
- miscellaneous drilling equipment	13	60
- cars, motorcycles and similar	8,044	209
Total	**8,457**	**1,397**
Other assets:		
- furniture and ordinary office and electronic machines	9	445
Total	**9**	**445**

During the year, purchases were made from other Group companies (mainly by Saipem Contracting Nigeria Ltd and Saipem (Portugal) Comércio Marítimo, and Sociedade Unipessoal Lda) of industrial and commercial equipment, for a total of €1,474 thousand.
Sales have also been concluded to other Group companies, mainly consisting of industrial and commercial equipment, and of plants and machinery, to the following companies: Saimexicana, Saipem Romania Srl and Snamprogetti Saudi Arabia. Overall, the sales and disposals generated:
capital gains of €1,160 thousand;
capital losses of €409 thousand.
The economic effects of disposals and the elimination of tangible assets are detailed in the sections "Revenue and other income" (Note 36) and "Other expenses" (Note 37).
The fully depreciated property, plant and equipment that is still in use, mainly relates to project-specific equipment which has been fully depreciated over the life of the project.
The total ongoing capital expenditure as of December 31, 2024 amounts to €5,208 thousand (€11,861 thousand as of December 31, 2023).

Assets under construction and advances

These amount to €15,755 thousand and mainly relate to the development of Hy Drone subsea drones.

Depreciation status

The depreciation status of individual balance sheet items at the end of the year is as follows:

(%)	Dec. 31, 2024	Dec. 31, 2023
Land and buildings	72	77
Plant and equipment	62	37
Industrial and commercial equipment	96	98
Other assets	68	61
Overall tangible assets	69	62

The depreciation allowances recognised in the income statement are defined based on the economic and technical life of the assets, which determine the depreciation rates used, within the following ranges:

(%)	min	max
Industrial buildings	3	12,5
Plant and equipment	10	15
Industrial and commercial equipment	20	40
Other assets	12	20

15 Intangible assets

Intangible assets amounted to €23,485 thousand (€21,259 thousand as of December 31, 2023) and consisted of the following:

	Carrying amount as of Dec. 31, 2024					
(€ thousand)	Development costs	Industrial patents and intellectual property rights	Goodwill	Other	Assets under construction and advances	Total intangible assets
Original cost						
Balance as of December 31, 2023	**7,688**	**248,780**	**-**	**95**	**8,469**	**265,032**
Acquisitions	-	231	-	-	10,116	10,347
Internal production	-	-	-	-	22	22
Transfers	-	5,154	-	-	(5,154)	-
Disposals	-	(2,406)	-	-	(35)	(2,441)
Balance as of December 31, 2024	**7,688**	**251,759**	**-**	**95**	**13,418**	**272,960**
Accumulated amortisation						
Balance as of December 31, 2023	**7,688**	**235,990**	**-**	**95**	**-**	**243,773**
Amortisation	-	8,108	-	-	-	8,108
Transfers	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-
Disposals	-	(2,406)	-	-	-	(2,406)
Balance as of December 31, 2024	**7,688**	**241,692**	**-**	**95**	**-**	**249,745**
Net value	**-**	**10,067**	**-**	**-**	**13,418**	**23,485**

	Carrying amount as of Dec. 31, 2023					
(€ thousand)	Development costs	Industrial patents and intellectual property rights	Goodwill	Other	Assets under construction and advances	Total intangible assets
Original cost						
Balance as of December 31, 2022	**7,688**	**242,430**	**-**	**95**	**5,392**	**255,605**
Acquisitions	-	547	-	-	8,883	9,430
Internal production	-	5	-	-	3	8
Transfers	-	5,809	-	-	(5,809)	-
Disposals	-	(11)	-	-	-	(11)
Balance as of December 31, 2023	**7,688**	**248,780**	**-**	**95**	**8,469**	**265,032**
Accumulated amortisation						
Balance as of December 31, 2022	**7,688**	**223,549**	**-**	**95**	**-**	**231,332**
Amortisation	-	10,668	-	-	-	10,668
Transfers	-	-	-	-	-	-
Impairment losses	-	1,784	-	-	-	1,784
Disposals	-	(11)	-	-	-	(11)
Balance as of December 31, 2023	**7,688**	**235,990**	**-**	**95**	**-**	**243,773**
Net value	**-**	**12,790**	**-**	**-**	**8,469**	**21,259**

The following increases took place in 2024:

(€ thousand)	
Industrial patents and intellectual property rights:	
- licenses and software	228
- patents	3
Total	**231**

The following decreases took place in 2024:

(€ thousand)	
Industrial patents and intellectual property rights:	
- patents	2,406
Total	**2,406**

Assets under construction and advances

(€ thousand)	
Increases	
Optimisations of management applications and new solutions	2,450
Connected Industrial Worker	1,708
Software	1,585
Human Capital Management	1,735
High-Priority Business Clusters	518
IT transformation	1,140
Other projects	1,002
Total	**10,138**
Decreases	
Software	393
Optimisations of management applications and new solutions	2,200
Digital Smart Initiatives	1,490
Other projects	1,071
Total	**5,154**

Intangible assets mainly include “Industrial patents and intellectual property rights” relating to the upgrading of software programs, as well as processes developed internally to improve and modernise operating and technological systems, with amortisation rates between 6.66% and 33.3%.

16 Right-of-Use assets, lease assets and lease liabilities

The movements during the period of the “Right-of-Use” assets, lease assets and lease liabilities as of December 31, 2024 are shown below:

(€ thousand)	Right-of-Use assets	Lease liabilities	
		Current	Non current
Closing balance as of December 31, 2023	**139,809**	**25,929**	**129,563**
Increases	100,249	72,106	93,373
Decreases and cancellations	(2,066)	(54,560)	(77,731)
Depreciation, amortisation, and impairment losses	(51,420)		
Exchange differences		2,216	2,105
Interest		15,805	
Other changes	449		19
Closing balance as of December 31, 2024	**187,021**	**61,496**	**147,329**

The breakdown by type of the “Right-of-Use” assets, lease assets and lease liabilities as of December 31, 2024 is shown below:

(€ thousand)	Land	Buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Total
Opening net balance	**11,557**	**115,851**	**-**	**8,814**	**3,587**	**139,809**
Increases	8,173	12,018	73,587	5,885	586	100,249
Amortisation	(1,633)	(20,942)	(22,221)	(4,650)	(1,974)	(51,420)
Decreases and cancellations	(537)	(1,367)	(39)	(123)	-	(2,066)
Exchange differences						
Other changes		449				449
Closing net balance	**17,560**	**106,009**	**51,327**	**9,926**	**2,199**	**187,021**
Closing gross balance						
Depreciation and impairment losses	(1,633)	(20,942)	(22,221)	(4,650)	(1,974)	(51,420)

The increase of €100,249 thousand in right-of-use assets mainly relates to the leasing of plant and equipment in the United Arab Emirates for the Hail & Ghasha project and in Qatar for the North Field Production Sustainability (NFPS) EPCOL project, as well as the rental of buildings used as offices for foreign subsidiaries.

The breakdown by maturity of net lease liabilities as of December 31, 2024 is shown below:

(€ thousand)	Current portion 2025	Non current portion 2026	2027	2028	2029	After	Total
Lease liabilities	61,496	27,927	12,323	7,382	7,699	91,998	**208,825**

17 Equity investments

This item comprises equity investments totalling €2,127,667 thousand, with a decrease of €85,806 thousand compared to the previous year.
The details are as follows:

(€ thousand)	Type of transaction	Value
Opening balance as of January 1, 2024		**2,213,473**
Transactions in equity investments 2024		
International Energy Services SpA	Elimination	(143)
Denuke Scarl	Elimination	(6)
Nagarjuna Fertilizers and Chemicals	Fair value measurement	(155)
Puglia Green Hydrogen Valley - PGHyV Srl	Capital contribution	100
Puglia Green Hydrogen Valley - PGHyV Srl	Impairment loss	(29)
Rosetti Marino SpA	Purchase of equity investment from Saipem SA	35,700
Andromeda Consultoria Técnica e Representações Ltda	Reversal of impairment losses	1,048
Saipem International BV	Impairment loss	(86,183)
Saipem Luxembourg SA	Impairment loss	(2,163)
Saipem SA	Impairment loss	(47,915)
Snamprogetti Netherlands BV	Reversal of impairment losses	11,595
ChemPET Srl	Capital contribution	2,355
ChemPET Srl	Impairment loss	(10)
Total equity investments as of December 31, 2024		**2,127,667**

For information on the consolidation of Joint Operation Ship Recycling Scarl, see the section “Additional information”.

Investments in subsidiaries

Investments in subsidiaries amounted to €2,088,766 thousand, down by €123,767 thousand compared to the previous year.

(€ thousand)	Cost	Value adjustments	Total
Subsidiaries			
Closing balance as of December 31, 2023	**4,267,323**	**(2,054,790)**	**2,212,533**
Changes in the financial year:			
- elimination of Denuke Scarl	(6)	-	(6)
- elimination of International Energy Services SpA	(1,362)	1,219	(143)
- reversal of impairment losses on equity investment in Andromeda Consultoria Técnica e Representações Ltda	-	1,048	1,048
- recovery in value Snamprogetti Netherlands BV	-	11,595	11,595
- impairment of investment in Saipem International BV	-	(86,183)	(86,183)
- impairment of investment in Saipem SA	-	(47,915)	(47,915)
- impairment of investment in Saipem Luxembourg SA	-	(2,163)	(2,163)
Closing balance as of December 31, 2024	**4,265,955**	**(2,177,189)**	**2,088,766**
Subsidiaries			
Opening balance as of January 1, 2023	**4,191,161**	**(2,322,573)**	**1,868,588**
Changes in the financial year:			
- capital contribution by International Energy Services SpA	162	-	162
- reduction of holding in Saipem Maritime Asset Management due to transfer to Saipem Luxembourg SA	(16,473)	-	(16,473)
- increase in holding in Saipem Luxembourg SA transferred from Saipem Maritime Asset Management	16,473	-	16,473
- Saipem SA capital contribution	76,000	-	76,000
- impairment loss of the investment in Andromeda Consultoria Técnica e Representações Ltda	-	(63)	(63)
- impairment loss of the investment in International Energy Services SpA in liquidation	-	(105)	(105)
- recovery in value Saipem International BV	-	203,474	203,474
- recovery in value Saipem SA	-	54,944	54,944
- reversal of impairment loss on investment in Servizi Energia Italia SpA	-	9,533	9,533
Closing balance as of December 31, 2023	**4,267,323**	**(2,054,790)**	**2,212,533**

Transactions in subsidiaries were as follows:

- on January 29, 2024, the company Denuke Scarl was eliminated from the Register of Companies;
- on March 20, 2024, the company International Energy Services SpA was eliminated from the Register of Companies;
- the valuation of the investment in Andromeda Consultoria Tecnica e Representações Ltda resulted in a reversal of impairment losses on the investment amounting to €1,048 thousand, due to the operating results posted by the subsidiary during the year;
- the valuation of the investment in Snamprogetti Netherlands BV resulted in a reversal of impairment losses on the investment amounting to €11,595 thousand, due to the sub-consolidated results of the subsidiary (sub-consolidated in line with the values used for the preparation of the Group's consolidated financial statements);
- the valuation of the investment in Saipem International BV resulted in an impairment of the investment amounting to €86,183 thousand, due to the sub-consolidated results of the subsidiary (sub-consolidated in line with the values used for the preparation of the Group's consolidated financial statements);
- the valuation of the investment in Saipem SA resulted in an impairment of the investment amounting to €47,915 thousand, due to the sub-consolidated results of the subsidiary (sub-consolidated in line with the values used for the preparation of the Group's consolidated financial statements);
- the valuation of the investment in Saipem Luxembourg SA resulted in an impairment of the investment amounting to €2,163 thousand, due to the operating results posted by the subsidiary during the year.

Reversals of impairment losses are recognised up to the amount of the previously recognised impairments.

Investments in associates and jointly controlled companies

These amount to €38,436 thousand, up by €38,116 thousand compared to the previous year.

(€ thousand)	Cost	Value adjustments	Total
Associates and jointly controlled companies			
Closing balance as of December 31, 2023	**390**	**(70)**	**320**
Changes in the financial year:			
- capital contribution ChemPET Srl	2,355	-	2,355
- impairment of ChemPET Srl	-	(10)	(10)
- Puglia Green Hydrogen Valley - PGHyV Srl capital contribution	100	-	100
- impairment of Puglia Green Hydrogen Valley - PGHyV Srl	-	(29)	(29)
- purchase of investment in Rosetti Marino from Saipem SA	35,700	-	35,700
Closing balance as of December 31, 2024	**38,545**	**(109)**	**38,436**
Associates and jointly controlled companies			
Closing balance as of December 31, 2022	**382**	**(35)**	**347**
Changes in the financial year:			
- establishment of La Bozzoliana Scarl	3	-	3
- establishment of La Catulliana Scarl	5	-	5
- impairment of Puglia Green Hydrogen Valley - PGHyV Srl	-	(35)	(35)
Closing balance as of December 31, 2023	**390**	**(70)**	**320**

Transactions in associates and joint ventures are analysed as follows:

- In December 2024, Saipem SpA acquired 22.94% of the share capital of the company ChemPET Srl, for a sum of €2,355 thousand, through the subscription of two reserved share capital increases. The purpose of the company includes the manufacture of basic organic chemicals, recovery and preparation for recycling of plastic materials, design and construction of technological facilities, and provision of related services. The company, based in Cerano (NO), has been classified as a joint operation based on the shareholder agreements signed;
- the valuation as of December 31, 2024 of the investment in ChemPET Srl resulted in an impairment of the investment of €10 thousand;
- on December 16, 2024, the value of the investment in Puglia Green Hydrogen Valley - PGHyV Srl was increased by €100 thousand, following the waiver of the financial receivable previously due from that jointly controlled company;
- the valuation of the investment in Puglia Green Hydrogen Valley - PGHyV Srl resulted in an impairment of the investment of €29 thousand;
- on December 12, 2024, Saipem SpA acquired the entire 20% investment held by Saipem SA in Rosetti Marino SpA for €35,700 thousand, as a result of which the company is now held 20% by Saipem SpA and 80% by third parties.

Equity Investments in Other Companies

These amounted to €464 thousand and were up by €155 thousand on the previous year.

(€ thousand)	Cost	Value adjustments	Total
Other companies			
Closing balance as of December 31, 2023	**647**	**(28)**	**619**
Changes in the financial year:			
- fair value measurement of Nagarjuna Fertilizers and Chemicals Ltd	(155)	-	(155)
Closing balance as of December 31, 2024	**492**	**(28)**	**464**
Other companies			
Opening balance as of January 1, 2023	**601**	**(28)**	**573**
Changes in the financial year:			
- fair value measurement of Nagarjuna Fertilizers and Chemicals Ltd	46	-	46
Closing balance as of December 31, 2023	**647**	**(28)**	**619**

The fair value measurement of the equity investment in Nagarjuna Fertilizers and Chemicals Ltd resulted in a decrease in the carrying amount of €155 thousand, generating a reduction in the corresponding equity reserve.

Investments held directly (art. 2427 no. 5 of the Italian Civil Code)

(€ thousand)

				Financial statements for 2024 [1]						
Description	Head office	Currency	Share capital	Equity (excluding operating result)	Income (loss)	Shares owned (%)	Balance sheet value (a)	Value with the equity method (b)	Difference compared to measurement at equity (c=b-a)	Provision for hedging investment losses on a cumulative basis
Investments held as fixed assets in:										
Subsidiaries										
Saipem SA [2]	Montigny le Bretonneux	EUR	19,870	44,056	36,223	100,00	760,390	760,390	-	-
Saipem International BV [2]	Amsterdam	EUR	172,444	941,207	(182,791)	100,00	1,246,989	1,246,989	-	-
Saipem Luxembourg SA	Strassen	EUR	31	17,260	(2,950)	100,00	14,310	14,310	-	-
Andromeda Consultoria Tecnica e Rapresentações Ltda [3]	Rio de Janeiro	BRL	20,494	15,865	9,944	99,00	3,978	3,978	-	-
Snamprogetti Netherlands BV [2]	Amsterdam	EUR	203	(11,771)	10,452	100,00	11,595	12,977	1,382	-
SnamprogettiChiyoda sas di Saipem SpA	Milan	EUR	10	(25,921)	2,736	99,90	-	-	-	(23,161)
Servizi Energia Italia SpA [2]	Milan	EUR	20,000	3,857	162,092	100,00	21,000	130,402	109,402	-
Saipem Finance International BV	Amsterdam	EUR	1,000	42,582	1,819	25,00	10,000	11,100	1,100	-
Saipem Offshore Construction SpA	San Donato Milanese	EUR	20,000	35,491	243	100,00	20,500	35,734	15,234	-
Smacemex Scarl in liquidation	Milan	EUR	10	10	Breakeven	60,00	6	6	-	-
Total							2,088,768	2,215,886	127,118	(23,161)
Associates and jointly controlled companies										
PSS Netherlands BV (3)	Leiden	USD	33	(148,890)	(304,003)	36,00	-	-	-	(156,937)
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	Milan	EUR	52	52	Breakeven	50,36	26	26	-	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due	Milan	EUR	52	52	Breakeven	59,09	27	31	4	-
Consorzio F.S.B.	Marghera	EUR	15	15	Breakeven	29,10	5	5	-	-
ASG Scarl	Milan	EUR	51	51	Breakeven	51,00	28	28	-	-
Consorzio Sapro	San Giovanni Teatino	EUR	10	10	Breakeven	51,00	5	5	-	-
Consorzio Florentia	Parma	EUR	10	10	Breakeven	49,00	5	5	-	-
Puglia Green Hydrogen Valley - PGHyV Srl	Bari	EUR	2,750	3,174	(300)	10,00	287	287	-	-
La Bozzoliana Scarl	Parma	EUR	10	10	Breakeven	30,00	3	3	-	-
La Catulliana Scarl	Parma	EUR	10	10	Breakeven	49,00	5	5	-	-
ChemPET Srl	Cerano	EUR	93	10,446	(226)	22,94	2,345	2,345	-	-
Rosetti Marino	Ravenna	EUR	4,000	91,405	25,886	20,00	35,700	39,200	3,500	-
Total							38,436	41,940	3,504	(156,937)

(1) Approved by the shareholders' meetings or prepared by the Board of Directors for approval by the respective meetings.
(2) The value determined using the equity method refers to the sub-consolidation in line with the values used for the purpose of preparing the Group's consolidated financial statements.
(3) The shareholders' equity of the subsidiary is expressed in the accounting currency; the financial statement values are expressed in the functional currency EUR.

Equity investments held directly by the Company as of December 31, 2024 in subsidiaries and jointly controlled companies are detailed in the tables above; the Company does not hold equity investments through trust companies or through a third person.

There are no restrictions on the availability of investments, nor option rights and pre-emptions on them. With regards to December 31, 2023, there has been no change in equity investments.

18 Deferred tax assets and liabilities

The prepaid tax credit amounts to €213,119 thousand. The credit is shown net of the provision for deferred tax liabilities because it is fully offsettable, and is broken down as follows:

(€ thousand)	Dec. 31, 2023	Increases	Decreases	Impairment losses	Other changes	Other changes in equity	Dec. 31, 2024
Deferred tax assets on:							
- hedging derivatives	-	-	-	-	-	6,752	6,752
- loss allowance for receivables	44,934	5,461	(12,311)	-	-	-	38,084
- reserve for slow-moving inventory	7,318	542	(7,309)	-	-	-	551
- provisions for risks and charges	47,555	3,661	(41,624)	-	129	-	9,721
- loss allowance on property, plant and equipment	9,909	-	(7,198)	-	-	-	2,711
- loss allowance on contract assets	467	79	(34)	-	-	-	512
- provision for employee benefits	12,485	1,794	(2,457)	-	(129)	58	11,751
- non-deductible depreciation	1,118	738	(1,024)	-	-	-	832
- multi-year order provision	10,522	770	(4,215)	-	-	-	7,077
- tax loss Saipem SpA	32,446	54,788	-	-	-	-	87,234
- A.C.E. surplus	19,843	55,222	(25,288)	-	-	-	49,777
- other	3,509	4,935	(8,104)	-	-	-	340
Total deferred tax assets	**190,106**	**127,990**	**(109,564)**	**-**	**-**	**6,810**	**215,342**
- discontinued operations	-	-	-	-	-	-	-
Total deferred tax assets	**190,106**	**127,990**	**(109,564)**	**-**	**-**	**6,810**	**215,342**
Deferred tax liabilities on:							
- hedging derivatives	(8,565)	-	-	-	-	8,565	-
- available-for-sale financial assets	-	-	-	-	-	(44)	(44)
- provision for employee benefits	(975)	(2,530)	2,130	-	-	-	(1,375)
- other	(754)	(50)	-	-	-	-	(804)
Total deferred tax liabilities	**(10,294)**	**(2,580)**	**2,130**	**-**	**-**	**8,521**	**(2,223)**
Total as per financial statements	**179,812**	**125,410**	**(107,434)**	**-**	**-**	**15,331**	**213,119**

The tax loss of €87,234 thousand relates to the tax losses of Saipem SpA and its foreign subsidiaries and is available for use without limitation.
Unrecognised deferred tax assets of €426 million (€502 million as of December 31, 2023) mainly concern tax losses that can be carried over without limitation that, at the reporting date, it will probably not be possible to utilise against future taxable income in the next four years.

19 Other non current assets

These amount to €36,184 thousand, with an increase of €21,615 thousand compared to the previous year, and consist entirely of accrued future costs.

CURRENT LIABILITIES

20 Current financial liabilities

Current financial liabilities of €1,246,412 thousand (€952,823 thousand as of December 31, 2023) related to:

Liabilities to banks

These amount to €14 thousand as of December 31, 2024.

Liabilities to other financing institutions

These amounted to €1,246,398 thousand as of December 31, 2024, representing an increase of €293,575 thousand in comparison to the previous year. The details are as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Saipem Finance International BV	1,243,468	920,027
Other financial institutions	2,930	32,796
Overall total	1,246,398	952,823

Trade payables toward the subsidiary Saipem Finance International BV, financial holding company of the Saipem Group, are generated by the group's centralised cash pooling system.
Current financial liabilities at the end of the year in currencies other than the euro mainly refer to SAR (Saudi riyal) for €197,362 thousand and USD (US dollar) for €585,405 thousand.
The weighted average interest rate in 2024 was 2.52% for financial liabilities in respect of Saipem Finance International BV.

21 Trade payables, other liabilities and contract liabilities

Trade and other payables

Trade and other payables amount to €1,706,644 thousand, representing an increase of €15,608 thousand compared with the previous year, and are broken down as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ thousand)	Total	of which due after one year	of which due after 5 years	Total	of which due after one year	of which due after 5 years
Liabilities to:						
- joint ventures	16,197	-	-	50,989	-	-
- vendors	1,004,902	-	-	496,976	-	-
- subsidiaries	492,280	-	-	998,796	-	-
- associates	88,075	-	-	52,349	-	-
Payables to social security institutions	32,801	-	-	27,943	-	-
Payables to others	72,389	-	-	63,983	-	-
Overall total	1,706,644	-	-	1,691,036	-	-

Trade payables amounted to €1,542,236 thousand, an increase of €13,270 thousand compared to the previous year.
Trade payables in currencies other than the euro refer primarily to the following currencies: USD for €426,125 thousand, AED for €44,784 thousand and GBP for €17,704 thousand.
Debt to social security institutions relate to debt to Inps for €27,403 thousand, to Inail for €609 thousand and for € 4,789 thousand to other institutions.
Other liabilities amount to €72,389 thousand, an increase of €8,406 thousand compared to the previous year.

Amounts are all due within one year and are broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Sundry creditors	3,425	7,519
Payables to employees	66,502	54,186
Consultants and professionals	1,964	1,672
Insurance companies	114	138
Directors and Board of Statutory Auditors	384	468
Total	72,389	63,983

Contract liabilities

Contract liabilities of €1,545,945 thousand (€1,299,877 thousand as of December 31, 2023) were broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Advances from clients	426,833	505,927
Contract liabilities (from work in progress)	1,119,112	793,950
Total	1,545,945	1,299,877

Contractual liabilities from work in progress, amounting to €1,119,112 thousand as of Dec. 31, 2024,marks an increase of € 325,162 thousand compared to 2023; such variation is due to the combinated effect of adjustments to revenue invoiced during the year according to the valuation based on the operating progress of projects for €454,611 thousand partially offset by the recognition of revenue in the year for €129,449 thousandadjusted at the end of the previous year.

22 Current income tax liabilities

Current tax liabilities amount to €24,720 thousand as of December 31, 2024, an increase of €15,917 thousand compared to the previous year. Current income tax liabilities consisted of the following:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Amounts due for income tax - Italy	11,597	-
Amounts due for income tax - Abroad	13,123	8,803
Overall total	24,720	8,803

Tax periods have been defined until 2018 for direct and indirect taxes.
Income taxes are commented on in Note 40.

23 Other current tax liabilities

Other current tax liabilities amount to €37,092 thousand, an increase of €5,685 thousand compared to the previous year. These are broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
VAT payables Italy/overseas	21,173	15,896
Payables for withheld taxes	1,092	2,749
Payables for other taxes	14,827	12,762
Total	37,092	31,407

Other taxes and duties relate primarily to amounts due to the Italian tax authorities.

24 Other current liabilities

Other current liabilities of €135,336 consist of the following:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Fair value of currency derivatives	130,208	33,093
Other liabilities	5,128	2,553
Total	**135,336**	**35,646**

The other liabilities amounting to €5,128 thousand essentially relate to deferred research and development contributions of €2,508 thousand, accrued commissions on sureties of €1,520 thousand, in addition to other deferred liabilities of €1,100 thousand.
For information on the fair value of derivative instruments see Note 32, "Derivative financial instruments".

NON-CURRENT LIABILITIES

25 Non-current financial liabilities, including current portion

Non-current financial liabilities, including the current portion and the interest rates matured at the end of the year, of €433,825 thousand (€655,897 thousand as of December 31, 2023), were as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ thousand)	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
With banks	-	-	-	234,544	93	234,637
With other lenders	-	-	-	-	-	-
Bonds	429,453	4,372	433,825	416,900	4,360	421,260
Total	**429,453**	**4,372**	**433,825**	**651,444**	**4,453**	**655,897**

The non-current financial liabilities, all denominated in euro, amounted to €429,453 thousand for the non-current portion, and €4,372 thousand for the current portion, resulting in a total negative difference compared to the previous year of €222,072 thousand.
This change was mainly due to the early repayment of the senior unsecured Term Loan guaranteed by SACE under the "Garanzia Supportitalia" instrument, with a total remaining amount of €237,416 thousand.
The entire amount of €433,825 thousand relates to a convertible unsubordinated bond with a nominal value of €500,000 thousand.
As of December 31, 2024, the Company satisfied all conditions on the use of borrowings, including change of control clauses, and negative pledge and cross-default clauses.
Regarding the "change of control" clauses, refer to the "Corporate Governance and Shareholding Structure Report 2024".
The maturities of the future contractual payments due for the non-current financial liabilities were broken down as follows:

	Current portion	Long-term maturity					Total future payments as of Dec. 31, 2024
(€ thousand)	2025	2026	2027	2028	2029 and beyond	Total	
With banks	-	-	-	-	-	-	-
With other lenders	-	-	-	-	-	-	-
Bonds	4,372	-	-	-	500,000	500,000	504,372
Total	**4,372**	**-**	**-**	**-**	**500,000**	**500,000**	**504,372**

The difference of €70,547 thousand between the carrying amount of the non-current financial liabilities recognised in the financial statements as of December 31, 2024 amounting to €433,825 thousand and the total of future payments of €504,372 thousand is due to the measurement of the financial liabilities at amortised.

In accordance with the new "Disclosure Initiative" (IAS 7), the following is a reconciliation between changes in financial liabilities and cash flows from financing activities:

(€ thousand)	Dec. 31, 2024	Changes in cash flows	Non-cash changes	Dec. 31, 2023
Current financial liabilities	1,246,412	293,589	-	952,823
Non-current financial liabilities (including current portion)	433,825	(222,072)	-	655,897
Total net liabilities from financing activities	**1,680,237**	**71,517**	**-**	**1,608,720**

26 Analyses of net financial debt (net cash)

The analysis of net financial debt (net cash) is as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ thousand)	Current	Non current	Total	Current	Non current	Total
A. Cash	**(1,530,755)**	**-**	**(1,530,755)**	**(1,291,538)**	**-**	**(1,291,538)**
B. Cash equivalents	**(188,191)**	**-**	**(188,191)**	**-**	**-**	**-**
C. Other current financial assets:						
- Financial assets measured at fair value through OCI	(228,798)	-	(228,798)	-	-	-
- financial assets measured at fair value through profit and loss	(46,493)	-	(46,493)	-	-	-
- Loan assets	(535,957)	-	(535,957)	(870,112)	-	(870,112)
D. Liquidity (A+B+C)	**(2,530,194)**	**-**	**(2,530,194)**	**(2,161,650)**	**-**	**(2,161,650)**
E. Current debt:						
- Current financial liabilities with banks	14	-	14	-	-	-
- Current financial liabilities with related parties	1,243,468	-	1,243,468	920,826	-	920,826
- Other current financial liabilities	2,930	-	2,930	31,997	-	31,997
- Lease liabilities	61,496	-	61,496	25,929	-	25,929
F. Current portion of the non-current debt:						
- Non-current financial liabilities	-	-	-	93	-	93
- Ordinary bonds	4,372	-	4,372	4,360	-	4,360
G. Current debt (E+F)	**1,312,280**	**-**	**1,312,280**	**983,205**	**-**	**983,205**
H. Net current financial debt	**(1,217,914)**	**-**	**(1,217,914)**	**(1,178,445)**	**-**	**(1,178,445)**
I. Non-current debt:						
- Non-current financial liabilities with banks	-	-	-	-	234,544	234,544
- Non-current financial liabilities with related parties	-	-	-	-	-	-
- Lease liabilities	-	147,329	147,329	-	129,563	129,563
J. Debt instruments:						
- Ordinary bonds	-	429,453	429,453	-	416,900	416,900
K. Trade and other non-current payables	**-**	**81,425**	**81,425**	**-**	**-**	**-**
L. Non-current debt (I+J+K)	**-**	**658,207**	**658,207**	**-**	**781,007**	**781,007**
M. Total financial debt as per Consob Notice No. 5/21, April 29, 2021 (H+L)	**(1,217,914)**	**658,207**	**(559,707)**	**(1,178,445)**	**781,007**	**(397,438)**

Reconciliation of net financial debt

(€ thousand)	Dec. 31, 2024 Current	Non current	Total	Dec. 31, 2023 Current	Non current	Total
M. Total financial debt as per Consob Notice No. 5/21, April 29, 2021 (H+L)	**(1,217,914)**	**658,207**	**(559,707)**	**(1,178,445)**	**781,007**	**(397,438)**
N. Non-current loan assets	-	-	-	-	-	-
O. Lease assets	-	-	-	-	-	-
K. Trade and other non-current payables	-	**81,425**	**81,425**	-	-	-
Q. Net financial debt (M-N-O-P)	**(1,217,914)**	**576,782**	**(641,132)**	**(1,178,445)**	**781,007**	**(397,438)**

Pre-IFRS 16 net financial position as of December 31, 2024 amounted to a net cash of €849,957 million. Net debt, including IFRS 16 lease liability of €208,825 thousand, amounted to a positive €641,132 thousand. Gross debt pre-IFRS 16 lease liability effects as of December 31, 2024, amounted to €1,680,237 thousand, liquidity to €2,530,194 thousand of which available cash of €2,530,143 thousand.
The improvement in the net financial position of €243,694 thousand is due to the following changes, including both continuing and discontinued operations:

(€ thousand)	
Net financial debt (liquid funds) as of 31.12.2023	**(397,438)**
Cash flow of current result	(474,715)
Cash flow from working capital for the year	77,060
Cash flows from investments	69,547
Cash flows from disposals	(34,169)
Cash flow from lease liabilities	53,333
Cash flow from buy-back of treasury shares	65,250
Cash flow from capital and reserves	-
Net financial debt (liquid funds) as of 31.12.2024	**(641,132)**

In carrying out its activities, the Company uses different types of financial instruments. Information regarding the market value of the Company's financial instruments, including derivatives, is provided below:

- *trade and other receivables:* the market value of trade and other receivables collectable after one year is estimated based on the present value of future cash flows;
- *other non-current financial assets:* the market value of other non-current financial assets is related to the fair value of the interest rate derivatives;
- *other non-current assets:* the market value of the other non-current assets is estimated based on the present value of future cash flows;
- *long-term debt and current portion of long-term debt:* the market value of the debt payable after one year, including the short-term share, is estimated based on the present value of the future cash flows;
- *other non-current payables and liabilities:* the market value of the other non-current liabilities is estimated based on the present value of future cash flows.

The discounting of future cash flows was carried out applying the interest rates that Saipem SpA could obtain on similar positions. The market value of receivables and payables is estimated using the relative accounting value.

(€ thousand)	Dec. 31, 2024 Carrying amount	Market value	Dec. 31, 2023 Carrying amount	Market value
Trade and other receivables collectable beyond the next period	104,628	104,628	79,258	79,258
Other non current assets	36,184	36,184	14,569	14,569
Non-current financial liabilities (including current portion) [1]	433,825	725,662	655,897	788,979
Other non-current payables and liabilities	82,725	82,725	6,333	6,333

(1) The element does not include the fair value of hedging derivatives on interest rates.

27 Provisions for risks and charges

The provisions for risk and charges decreased by €55,363 thousand compared to the previous year and were broken down as follows:

(€ thousand)	Opening balance	Accruals	Utilisations	Surplus utilisations	Closing balance
Dec. 31, 2024					
Provision for social security contributions	654	2,236	-	-	2,890
Provision for redundancy incentives	681	-	(681)	-	-
Provision for contractual expenses and losses on long-term contracts	47,526	3,177	(17,358)	-	33,345
Provision for litigation	159,949	10,760	(121,193)	(25,141)	24,375
Provision for losses of investees	87,692	105,172	(12,765)	-	180,099
Provision for dismantling and restoration	-	430	-	-	430
Total	**296,502**	**121,775**	**(151,997)**	**(25,141)**	**241,139**
Dec. 31, 2023					
Provision for social security contributions	19	635	-	-	654
Provision for redundancy incentives	818	25	(162)	-	681
Provision for contractual expenses and losses on long-term contracts	47,816	25,303	(25,593)	-	47,526
Provision for litigation	146,141	17,363	(1,419)	(2,136)	159,949
Provision for losses of investees	121,040	-	(33,348)	-	87,692
Total	**315,834**	**43,326**	**(60,522)**	**(2,136)**	**296,502**

Provisions for long-term social security contributions changed due to the provisioning of €2,236 thousand during the year.
The provision for redundancy incentives, relating to the staff of a foreign branch, changed due to the use of €681 thousand, which reduced the provision to zero by the end of the period.
The provision for contractual expenses and losses on long-term contracts refers to losses estimated for the completion of works and also includes the provision for final project costs for the amount of €7,980 thousand.
The provision for litigation includes the estimate of probable liabilities arising from settlements and legal proceedings. The decrease in the provision for litigation, amounting to €135,574 thousand, mainly relates to the outcome of the settlement of the disputes related to the GNL3 Arzew litigation, which led to the reclassification of the amounts from the balance sheet item “Provisions for risks and charges” to “Trade payables and other liabilities” and “Other liabilities and non-current liabilities”. For more details, see the section “Legal proceedings” in Note 35 “Guarantees, commitments and risks”.
The provision for dismantling and restoration amounting to €430 thousand, which includes the accrual for the costs of restoring leased assets.
The provision for losses on investments reflects the partial use of the previously accrued provision for Saipem SpA's investees Snamprogetti Netherlands BV (€10,031 thousand), SnamprogettiChiyoda SAS (€2,734 thousand), and the provision related to the investee PSS Netherlands BV (€105,172 thousand). For further details on the transactions involving equity investments, reference should be made to Note 17 of the "Notes to the statutory financial statements".

28 Provisions for employee benefits

Employee benefits amount to €92,814 thousand and are broken down as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Post-employment benefits (TFR)	24,696	24,982
Provision for retirement benefits and similar	-	-
Supplementary healthcare fund for executives of the Eni Group companies	21,261	21,126
Seniority bonus schemes	1,535	1,417
Manager monetary incentive plans	-	-
Long-term incentive plans	8,750	1,953
Voluntary redundancy incentive (art. 4, Law no. 92/2012)	15,687	25,745
Foreign defined benefit pension plans	20,885	16,808
Other provisions for employee benefits	-	-
Total	**92,814**	**92,031**

The provision for employee benefits shows an increase of €783 thousand on the previous year and is broken down as follows:

(€ thousand)	TFR	Provision for pension funds	Supplementary healthcare fund	Seniority bonus schemes	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits	Total
Value as of Dec. 31, 2023	**24,982**	**-**	**21,126**	**1,417**	**-**	**1,953**	**25,745**	**16,808**	**-**	**92,031**
Changes during the year	(286)	-	135	118	-	6,797	(10,058)	4,077	-	783
Value as of Dec. 31, 2024	**24,696**	**-**	**21,261**	**1,535**	**-**	**8,750**	**15,687**	**20,885**	**-**	**92,814**

Post-employment benefits, governed by Article 2120 of the Italian Civil Code, relate to the statutory benefits, estimated using actuarial techniques, to be paid to employees by Italian companies upon termination of the employment relationship.
The supplementary healthcare fund for executives of the Eni Group companies include the estimate using actuarial techniques, to be paid to the healthcare fund for the benefit of executives in office and retired.
The long-term incentive plans, as well as the jubilee awards, constitute long-term benefit plans. The long-term incentive plans cover the estimate, determined based on actuarial assumptions, of the amount to be paid to beneficiaries provided that they remain employed for the period established by each plan following the allocation of the relevant incentive; the cost is allocated pro-rata temporis over the vesting period. Jubilee awards are benefits due following the attainment of a minimum period of service; at the Italian companies they consist of remuneration in welfare credit.
The foreign defined benefit plans refer to personnel employed at branches of Saipem SpA, mainly Norway, Congo, Kuwait and Qatar. These plans are specifically related to the provision of a benefit upon retirement or termination of the employment contract. The benefit consists of a one-off payment based on length of service and salary paid in the last year of service, or the average annual salary paid in a set period prior to the termination.
The voluntary redundancy incentive plan, allocated following agreements which implemented the provisions of Article 4 of Italian Law No. 92/2012, between Saipem SpA and the representatives of the main Trade Union Organisations in order to implement the correct restructuring of personnel in the least traumatic way possible. The provision includes the estimate of charges, determined on an actuarial basis, connected to offers for early, consensual termination of the employment relationship. The implementation agreements signed with the trade unions defined the number of resources that are entitled to use the provisions of Article 4, and in which regard, INPS is required to carry out an investigation to ascertain who effectively qualifies, the voluntary redundancy incentive plan and the benefits the employee will be entitled to.

Employee benefits calculated using actuarial techniques are analysed as follows:

	Dec. 31, 2024								Dec. 31, 2023							
(€ thousand)	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits
Present value of benefit obligation at the start of the year	**24,982**	**1,417**	**21,126**	**-**	**1,953**	**25,745**	**16,808**	**-**	**24,560**	**1,418**	**21,516**	**-**	**56**	**39,749**	**13,974**	**-**
Current cost	207	101	598	-	3,436	-	3,527	-	174	101	596	-	924	-	2,901	-
Interest expense	787	45	680	-	59	648	766	-	868	51	776	-	2	1,053	656	-
Remeasurements:																
- actuarial gains (losses) arising from changes in demographic assumptions	(5)	21	-	-	3	-	-	-	21	(43)	(84)	-	(8)	-	-	-
- actuarial gains (losses) arising from changes in financial assumptions	-	-	-	-	3,503	95	(904)	-	236	(1)	22	-	602	39	217	-
- experience adjustments	(99)	(18)	(134)	-	13	214	1,382	-	541	(42)	(650)	-	(9)	1,131	1,636	-
Past service cost and gains (losses) from termination	-	-	83	-	-	-	-	-	-	-	-	-	386	-	108	-
Contributions to plan:																
- employee contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- employer contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits paid	(1,176)	(31)	(1,092)	-	(217)	(11,015)	(1,883)	-	(1,418)	(67)	(1,050)	-	-	(16,227)	(3,114)	-
Administrative costs paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of business combinations, resignations and transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(242)	-
Other events	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences and other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(586)	-
Other adjustments for previously allocated plans	-	-	-	-	-	-	1,189	-	-	-	-	-	-	-	-	-
Present value of benefit obligation at end of the year (a)	**24,696**	**1,535**	**21,261**	**-**	**8,750**	**15,687**	**20,885**	**-**	**24,982**	**1,417**	**21,126**	**-**	**1,953**	**25,745**	**15,550**	**-**
Plan assets at start of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Return on plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to plan:																
- employee contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- employer contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative costs paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Past service cost and gains (losses) from termination	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of business combinations, resignations and transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences and other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustments for previously allocated plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plan assets at end of the year (b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net liability recognised (a-b)	**24,696**	**1,535**	**21,261**	**-**	**8,750**	**15,687**	**20,885**	**-**	**24,982**	**1,417**	**21,126**	**-**	**1,953**	**25,745**	**15,550**	**-**
Reclassification to discontinued operations and assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,258**	**-**
Net liability recognised	**24,696**	**1,535**	**21,261**	**-**	**8,750**	**15,687**	**20,885**	**-**	**24,982**	**1,417**	**21,126**	**-**	**1,953**	**25,745**	**16,808**	**-**

The gross liability for foreign defined pension plans characterised by the absence of activity under the plan amounts to €20,885 thousand (€16,808 thousand as of December 31, 2023).
Medical plans for executives amount to €21,261 thousand (€21,126 thousand as of December 31, 2023).
Long-term employee benefits include long-term benefits of €8,750 thousand (€1,953 thousand as of December 31, 2023) and seniority bonuses of €1,535 thousand (€1,417 thousand as of December 31, 2023).
The voluntary redundancy incentive plan shows a liability of €15,687 thousand. The use of the provision for employees that left the Company in 2019 amounts to €1,255 thousand, that for employees that left the Company in 2020 amounts to €1,053 thousand, that for employees that left the Company in 2021 amounts to €2,108 thousand, whereas that for employees that left

the Company in 2022 amounts to €5,642 thousand. The actuarial component of the provision increased the provision by €309 thousand.

Costs for employee benefits determined using actuarial assumptions and charged to the income statement are detailed below:

	Dec. 31, 2024								Dec. 31, 2023							
(€ thousand)	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits
Current cost	207	101	598	-	3,436	-	3,527	-	174	101	596	-	924	-	2,901	-
Past service costs and gains/losses from termination	-	-	83	-	-	-	-	-	-	-	-	-	386	-	108	-
Net interest expense (income):																
- interest expense on bond	787	45	680	-	59	648	766	-	868	51	776	-	2	1,053	656	-
- interest income on plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total net interest expense (income):	787	45	680	-	59	648	766	-	868	51	776	-	2	1,053	656	-
- of which recognised in personnel cost	-	45	-	-	59	648	-	-	-	51	-	-	2	1,053	-	-
- of which recognised in financial income (expense)	787	-	680	-	-	-	766	-	868	-	776	-	-	-	656	-
Remeasurement of long-term plans	-	3	-	-	3,519	309	-	-	-	(86)	-	-	585	1,170	-	-
Other costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	994	149	1,361	-	7,014	957	4,293	-	1,042	66	1,372	-	1,897	2,223	3,665	-
Of which recognised in personnel cost	207	149	681	-	7,014	957	3,527	-	174	66	596	-	1,897	2,223	3,009	-
Of which recognised in financial income (expense)	787	-	680	-	-	-	766	-	868	-	776	-	-	-	656	-

Costs for defined benefit plans recognised in other comprehensive income are broken down below:

	Dec. 31, 2024				Dec. 31, 2023			
(€ thousand)	TFR	Medical plans	Foreign pension plans	Total	TFR	Medical plans	Foreign pension plans	Total
Remeasurements:								
- actuarial gains and losses arising from changes in demographic assumptions	(5)	-	-	(5)	21	(84)	-	(63)
- actuarial gains and losses arising from changes in financial assumptions	-	-	(904)	(904)	236	22	217	475
- experience adjustments	(99)	(134)	1,382	1,149	541	(650)	1,636	1,527
- return on plan assets	-	-	-	-	-	-	-	-
Total	**(104)**	**(134)**	**478**	**240**	**798**	**(712)**	**1,853**	**1,939**

No assets servicing the plan were recorded.

The main actuarial assumptions used to measure benefit obligations at year end and to estimate costs for the following year are as follows:

		Dec. 31, 2024								Dec. 31, 2023							
		TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign pension plans	Other benefits
Discount rate	(%)	3.30	3.30	3.30	-	2.70	2.70	5.06-5.44	-	3.30	3.30	3.30	-	3.20	3.20	4.71-5.00	-
Growth rate of salary increase	(%)	2.50	2.50	-	-	2.50	-	1.50-2.96	-	2.50	2.50	-	-	2.50	-	1.50-2.96	-
Expected rates of return on plan assets	(%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inflation rate	(%)	2.00	2.00	2.00	-	-	-	2.00	-	2.00	2.00	2.00	-	-	-	2.00	-
Life expectancy at age 65	(years)	-	-	22-26	-	-	-	18-20	-	-	-	22-26	-	-	-	18-20	-

Below are the main actuarial assumptions by geographical area:

		Dec. 31, 2024				Dec. 31, 2023			
		Eurozone	Rest of Europe	Africa	Other	Eurozone	Rest of Europe	Africa	Other
Discount rate	(%)	2.70-3.30	-	-	5.06-5.44	3.20-3.30	-	-	4.71-5.00
Growth rate of salary increase	(%)	2.50	-	-	1.50-2.96	2.50	-	-	1.50-2.96
Inflation rate	(%)	2.00	-	-	2.00	2.00	-	-	2.00
Life expectancy at age 65	(years)	22-26	-	-	18-20	22-26	-	-	18-20

The discount rate used was determined based on market yields on primary corporate bonds (AA rating) in countries with a sufficiently deep market, or based on government bond yields if this is not the case.
The inflation rates used were based on long-term forecasts prepared by domestic and international banking institutions.
The demographic tables employed are those used by local actuaries to perform IAS 19 measurements, taking into account any updates.
The effects of reasonably possible changes in the main actuarial assumptions at year end are as follows:

	Discount rate		Growth rate	Growth rate of salary increase	Growth of pensions	Growth rate of healthcare costs
(€ thousand)	Increase of 0.50%	Decrease of 0.50%	Increase of 0.50%	Increase of 0.50%	Increase of 0.50%	Increase of 1.00%
Effect on DBO						
TFR	(802)	851	542	38	-	-
Seniority bonus schemes	(54)	57	57	-	-	-
Medical plans	(1,319)	1,473	-	-	-	-
Manager monetary incentive plans	-	-	-	-	-	-
Long-term incentive plans	(44)	45	-	1	-	-
Voluntary redundancy incentive (Art. 4, Italian Leg. Decree no. 92/2012)	(101)	103	-	-	-	-
Foreign pension plans	(728)	776	675	794	-	-
Other benefits	-	-	-	-	-	-

This sensitivity analysis was performed by applying the modified parameters to the results of the analyses conducted for each plan at local level, as shown in the table above.
No contributions to defined benefit plans are envisaged for the next year.
The maturity profile of employee benefit plan obligations is as follows:

(€ thousand)	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign defined benefit plans	Other plans
2025	2,386	68	1,117	-	10,600	7,663	2,523	2,386
2026	1,975	93	1,093	-	1,430	4,678	2,678	1,975
2027	2,039	161	1,109	-	347	2,638	3,063	2,039
2028	2,505	115	1,122	-	-	1,045	3,182	2,505
2029	2,531	111	1,148	-	-	238	3,572	2,531
After	9,805	1,304	5,590	-	-	-	18,758	9,805

The weighted average duration of obligations is as follows:

(years)	TFR	Seniority bonus schemes	Medical plans	Manager monetary incentive plans	Long-term incentive plans	Voluntary redundancy incentive (art. 4, Law no. 92/2012)	Foreign defined benefit plans	Other plans
2023	7.2	8.0	13.0	-	2.2	1.5	7.3	-
2024	6.9	7.4	13.5	-	1.1	0.8	7.5	-

29 Deferred tax liabilities

The “provision for deferred taxation” was reduced to nil by the item “Deferred tax assets” (Note 18) as they relate entirely to taxes that can be offset.

30 Non-current income tax liabilities

Non-current income tax liabilities, amounting to €509 thousand as of December 31, 2024 (€24 thousand as of December 31, 2023), relate to ongoing litigation with foreign tax authorities.

31 Other non-current payables and liabilities

Other non-current payables and liabilities amounted to €82,725 thousand (€6.333 thousand as of December 31, 2023) consisted of the following:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Fair value of currency derivatives	-	4,933
Other payables	81,425	-
Other liabilities	1,300	1,400
Total	**82,725**	**6,333**

For information on the fair value of derivative financial instruments see Note 32, “Derivative financial instruments”.
Other liabilities, amounting to €81,425 thousand as of December 31, 2024, relate to the outcome of the settlement of the disputes related to the GNL3 Arzew litigation, which led to the reclassification of the amounts from the balance sheet item “Provisions for risks and charges” to “Trade and other payables” and “Other payables and liabilities”. For more details, see the section “Legal proceedings” in Note 35 “Guarantees, commitments and risks”.
The amount of €1,300 thousand (€1,400 thousand as of December 31, 2023) relates to a non-current liability.

32 Derivative financial instruments

(€ thousand)	Dec. 31, 2024 Active fair value	Dec. 31, 2024 Passive fair value	Dec. 31, 2023 Active fair value	Dec. 31, 2023 Passive fair value
Derivatives qualified for hedge accounting				
Currency forwards (Spot component)				
- purchases	82,720	-	143	35,212
- sales	-	92,483	75,179	564
Currency forwards (Forward component)				
- purchases	10,290	-	2,001	(7,657)
- sales	-	13,473	(13,551)	1,884
Total derivatives qualified for hedge accounting	**93,010**	**105,956**	**63,772**	**30,003**
Derivatives not qualified for hedge accounting				
Currency forwards (Spot component)				
- purchases	23,494	1,208	782	6,697
- sales	874	21,648	15,158	741
Currency forwards (Forward component)				
- purchases	2,331	(73)	1,677	(654)
- sales	(153)	1,469	(4,488)	1,240
Total derivatives not qualified for hedge accounting	**26,546**	**24,252**	**13,129**	**8,024**
Total derivatives accounting	**119,556**	**130,208**	**76,901**	**38,027**
Of which:				
- current (includes IRS, note 25 "Non-current financial liabilities, including current portion")	119,556	130,208	70,924	33,093
- non-current (includes IRS, note 25 "Non-current financial liabilities, including current portion")	-	-	5,977	4,934

The derivative contracts' fair value hierarchy is level 2.
Purchase and sale commitments on derivatives are detailed as follows:

(€ thousand)	Dec. 31, 2024 Active	Dec. 31, 2024 Passive	Dec. 31, 2023 Active	Dec. 31, 2023 Passive
Purchase commitments				
Derivatives qualified for hedge accounting:				
- exchange rate derivatives	2,163,804	-	263,878	1,511,781
Derivatives not qualified for hedge accounting:				
- exchange rate derivatives	1,222,198	352,825	1,161,289	937,217
	3,386,002	**352,825**	**1,425,167**	**2,448,998**
Sale commitments				
Derivatives qualified for hedge accounting:				
- exchange rate derivatives	-	2,906,564	3,029,015	296,192
Derivatives not qualified for hedge accounting:				
- exchange rate derivatives	209,938	729,388	634,841	352,400
	209,938	**3,635,952**	**3,663,856**	**648,592**

The fair value of derivative financial instruments was determined by taking into account valuation models widely used in the financial sector and market parameters (exchange rates and interest rates) at the balance sheet date.
The fair value of forward transactions (outright, forward and currency swaps) was determined by comparing the net present value at the negotiated terms of the transactions outstanding as of December 31, 2024 with the present value recalculated at the conditions quoted by the market on the closing date. The model used is the Net Present Value model, which is based on the forward contract exchange rate, the year-end exchange rate, and the respective forward interest rate curves.
Cash flow hedging transactions related to forward purchase and sale transactions (forwards, outright and currency swaps).
The recognition of the effects on the income statement and the realisation of the economic flows of the highly probable future transactions hedged as of December 31, 2024, are expected over a period of time beyond 2026.
In 2024, there were no significant cases in which transactions previously qualified as hedges were no longer considered highly probable.

The fair value asset on qualified hedging derivative contracts as of December 31, 2024 amounted to €93,010 thousand (€63,772 thousand as of December 31, 2023). In respect of these derivatives, the spot component, amounting to €82,720 thousand (€75,322 thousand as of December 31, 2023), was suspended in the hedging reserve in the amount of €71,996 thousand (€69,475 thousand as of December 31, 2023) and recognised in financial income and expenses in the amount of €10,724 thousand (€5,847 thousand as of December 31, 2023), while the forward component, not designated as a hedging instrument, was recognised in financial income and expenses in the amount of €10,290 thousand (€11,550 thousand as of December 31, 2023).
The fair value liability on qualified hedging derivative contracts as of December 31, 2024 amounted to €105,956 thousand (€30,003 thousand as of December 31, 2023). In respect of these derivatives, the spot component, amounting to €92,483 thousand (€35,776 thousand as of December 31, 2023), was suspended in the hedging reserve in the amount of €76,608 thousand (€35,765 thousand as of December 31, 2023) and recognised in financial income and expenses in the amount of €15,875 thousand (€11 thousand as of December 31, 2023), while the forward component, not designated as a hedging instrument, was recognised in financial income and expenses in the amount of €13,473 thousand (€5,773 thousand as of December 31, 2023).
The table below shows the change in the hedging reserve from December 31, 2023 to December 31, 2024, attributable to the change in the fair value of hedging transactions outstanding for the entire year, or of new hedging relationships designated during the year, and to the release of hedging effects from shareholders' equity to the income statement due to the economic manifestation of the hedged commercial transactions, or as a result of the discontinuation of hedging relationships due to exposures that are no longer certain or highly probable.

(€ thousand)	Dec. 31, 2023	Gains for the period	Loss for the period	Profit EBITDA adjustment	EBITDA adjustment losses	Gains underlying cancellation	Loss underlying cancellation	Dec. 31, 2024
Reserve for foreign exchange contracts	35,689	129,736	(162,151)	(108,564)	77,178	(5,417)	5,396	(28,133)
Total hedging reserve	**35,689**	**129,736**	**(162,151)**	**(108,564)**	**77,178**	**(5,417)**	**5,396**	**(28,133)**

During the year, the costs and revenues from ordinary operations were adjusted (gains and losses due to EBITDA adjustments) by a net positive amount of €31,386 thousand for hedging.
Information on the risks hedged and the carrying amounts of the financial instruments and their economic and equity effects is provided in Note 35 "Guarantees, commitments and risks"; information on hedging policies is provided in Note 2 "Accounting policies" under "Financial risk management".

33 Discontinued operations, assets held for sale and directly associated liabilities

Discontinued operations

In accordance with the provisions of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Onshore Drilling (DRON) business is recognised under Discontinued Operations. In the first half of 2024, residual activities in Kazakhstan and Romania were transferred.

The operating results of the DRON sector are shown separately from the continuing operations in a single line of the income statement.
Below are the main values of the statement of financial position of Discontinued operations.

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Current assets	-	501
Other non-current assets	-	1,408
Total assets	**-**	**1,909**
Current liabilities	-	-
Non-current liabilities	-	-
Total liabilities	**-**	**-**

Below is the main financial information of Discontinued operations.

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Total revenue	1,257	29,204
Operating expenses	4,690	(14,152)
Operating result	5,947	15,052
Financial income (expense)	-	-
Gains (losses) on equity investments	-	-
Pre-tax profit (loss)	5,947	15,052
Income taxes	-	-
Net result	5,947	15,052
Net cash flows from operating activities	26	(1,274)
Net cash flows from investing activities	7,039	38,671
Capital expenditure	-	-

Assets held for sale

As of December 31, 2024, the assets held for sale, shown separately from other assets in the statement of financial position in accordance with IFRS 5, amounted to €855 thousand, and consisted of the following.

EQUITY INVESTMENT IN ACQUA CAMPANIA SPA

On December 19, 2011, Saipem SpA, together with the companies Eni SpA and Italgas SpA, sold its stake in Acqua Campania SpA to other shareholders of the same company. The sale of the shares was partial and a minimum amount of shares were temporarily kept by the selling shareholders in order to comply with the pre-emptive rights of the other shareholders who did not participate in the purchase. The amount withheld equals €17 thousand.

BASE IN THE MIDDLE EAST

The amount of €838 thousand refers to the proposed sale of a base in the Middle East, which is expected to be completed by the first half of 2025.

34 Equity

(€ thousand)	Value as of Dec. 31, 2024	Value as of Dec. 31, 2023
Share capital	501,670	501,670
Share premium reserve	1,621,695	1,621,695
Legal reserve	5,364	-
Convertible bond conversion reserve	80,334	80,334
Fair value reserve for cash flow hedges net of tax	(21,381)	27,124
Reserve for investments carried at fair value	(167)	(12)
Reserve for financial assets measured at fair value through other comprehensive income	141	-
Employee benefit reserve	(10,819)	(10,636)
Other reserves and retained earnings (losses carried forward):	257,328	142,029
- reserves from fair value of compensation plans	18,092	4,692
- retained profit	239,236	137,337
Negative reserve for treasury shares in portfolio	(139,415)	(74,222)
Profit (loss) for the year	278,498	107,279
Total	**2,573,248**	**2,395,261**

Share capital

As of December 31, 2024, the fully subscribed and paid-up share capital amounted to €501,670 thousand, corresponding to 1,995,557,732 ordinary shares and 1,059 savings shares.

The Company's shareholders and the relevant shareholdings are as follows:

Shareholder	Percentage of investment (%)	No. of shares
Eni SpA	21.19	422,858,908
CDP Equity SpA	12.82	255,830,637
Other shareholders	64.07	1,278,498,782
Saipem SpA	1.92	38,370,464
Total	**100.00**	**1,995,558,791**

Share premium reserve

Share premium reserve amounts to €1,621,695 thousand and did not show changes compared to the previous year. In accordance with Article 2431 of the Italian Civil Code, this reserve is considered available for any excess above the amount necessary to complete the Legal Reserve.

Legal reserve

The reserve has a balance of €5,364 thousand, deriving from the allocation of 5% of the profit for the year 2023 as approved by the Shareholders' Meeting on May 14, 2024.

Convertible bond conversion reserve

The positive balance of €80,334 thousand relates to the convertible bond maturing in September 2029 and issued on September 11, 2023.
It represents the equity component of the convertible bond, namely the option giving holders of compound financial instruments the right of conversion into a fixed number of ordinary shares of the Company. This value is equal to the difference between the fair value of the compound financial instrument as a whole and the fair value of the financial liability, net of emission costs of €1,041 thousand.

Fair value reserve for cash flow hedges net of tax

The reserve shows a net negative balance of €21,381 thousand and is broken down as follows:

	Gross hedging reserve			Deferred tax assets (liabilities)			Net reserve
(€ thousand)	Exchange rates	Commodities	Interest	Exchange rates	Commodities	Interest	
Reserve at January 1, 2024	**35,689**	**-**	**-**	**(8,565)**	**-**	**-**	**27,124**
Movements during the year	(63,822)	-	-	15,317	-	-	(48,505)
Reserve as of December 31, 2024	**(28,133)**	**-**	**-**	**6,752**	**-**	**-**	**(21,381)**

Changes in the gross reserve compared to the previous year refer to the recognition in the income statement of the effects of the hedging derivatives in the same period in which the hedged asset participates in the Company's results.

Equity investments fair value measurement reserve

The reserve shows a negative balance of €167 thousand, with a decrease of €155 thousand compared to the previous year relating to the decrease in fair value of the equity investments in Nagarjuna Fertilizers and Chemicals Ltd for the same amount.

Reserve for financial assets measured at fair value through other comprehensive income

The positive reserve of €141 thousand relates to the fair value change of financial instruments held to obtain cash flows both from the collection of contractual payments and from sales, which are measured at fair value through other comprehensive income.

Valuation reserve for employee defined benefit plans, net of taxation

The reserve shows a negative balance of €10,819 thousand, net of the tax effect of €3,654 thousand.
This reserve, in accordance with the provisions of IAS 19 Revised, includes the actuarial gains and losses related to the employee defined benefit plans. These remeasurements are not allocated to the income statement.
The effect on the 2024 comprehensive income (loss) amounts to €183 thousand, net of the tax effect of €58 thousand (€1,474 thousand in 2023, net of the tax effect of €465 thousand).

Other reserves

"Other reserves" amount to €257,328 thousand and are as follows.

Reserves from fair value of compensation plans

The reserve, amounting to €18,092 thousand, shows an increase of €13,400 thousand compared to the previous year, and includes the fair value of ordinary shares assigned for free to managers, in compliance with the incentive plans, and the effects of allotment and assignment of treasury shares.

Retained earnings (losses carried forward)

This item records the retained earnings from previous years, totalling €239,236 thousand (€137,337 thousand in 2023), with an increase of €101,899 thousand over the previous year due to the carry forward of the retained earnings for the year 2023 as approved by the Shareholders' Meeting on May 14, 2024.

Negative reserve for treasury shares in portfolio

The negative reserve for treasury shares in portfolio, established pursuant to Article 2357-ter of the Civil Code amended to include Legislative Decree No. 139/2015, amounted to €139,415 thousand for 38,370,464 ordinary shares. It includes the value of treasury shares for the implementation of share-based incentive plans for the Group's Senior Managers.
During the year, a total of 28,984 thousand and 9,000 thousand shares were purchased respectively for the 2023 and 2024 grants of the 2023-2025 Long-Term Incentive Plan, on approval by the Shareholders' Meeting on May 3, 2023, and May 14, 2024.
During the year, 12,185 shares were assigned to implement the 2021-2023 Short-Term Incentive Plan.
Taking into account the transactions described above, the breakdown of treasury shares is as follows:

	Number of shares	Average cost (Euro)	Total cost (€ thousand)	Share capital (%)
Treasury shares in portfolio as of December 31, 2023	**398,649**	**186.183**	**74,222**	**0.02**
Procurement year 2024	37,984,000	1.72	65,250	1.90
Assignments 2024	(12,185)	4.682	(57)	n.s.
Treasury shares in portfolio as of December 31, 2024	**38,370,464**	**3.633**	**139,415**	**1.92**

At the same date, 1,957,188,327 shares were outstanding.

Analysis of the shareholders' equity by origin, utilisation options and distributability

(€ thousand)	Amount	Possible use	Portion available	Distributable portion
A) Share capital	**501,670**			
B) Capital reserves	**1,702,029**			
Share premium reserve (*)	1,621,695	A, B, C	1,482,280	1,387,310
Convertible bond conversion reserve	80,334			
C) Profit reserves				
Legal reserve	5,364	B	5,364	-
Hedging reserve	(21,381)		-	-
Reserves from fair value of compensation plans	18,092	B	18,092	-
Fair value reserve for available-for-sale financial instruments	141	B	141	-
Employee benefit reserve	(10,819)		-	-
Reserve for adjustment of equity investments	(167)		-	-
Retained earnings	239,236	A, B, C	239,236	239,236
Profit (loss) for the year	278,498	A, B, C	-	-
D) Negative reserve for treasury shares in portfolio	**(139,415)**		**-**	-
Total	**2,573,248**		**1,745,113**	**1,626,546**

Key: A: available for capital increase; B: available for loss allowance; C: available for distribution.
(*) The available portion takes into account the amount of the "Negative reserve for treasury shares in portfolio"; the distributable portion considers both the amount required to make the "Legal Reserve" equal to one-fifth of the Share Capital, pursuant to Article 2430 of the Italian Civil Code, and the amount of the "Negative reserve for treasury shares in portfolio".

35 Guarantees, commitments and risks

Guarantees

Guarantees amount to a total of €8,294,414 thousand (€7,898,288 thousand as of December 31, 2023) and are as follows:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Sureties provided in favour of:		
- subsidiaries	18,856	46,457
- associates	19,246	19,252
Total guarantees	**38,102**	**65,709**
Other personal guarantees provided in favour of:	5,001,156	5,150,589
- subsidiaries	4,726,527	4,884,968
- associates	274,629	265,621
Other personal guarantees provided by third parties in their own interest:	3,255,156	2,681,990
- good performance of work	2,015,039	1,714,557
- invitations to tender	12,981	19,050
- advances received	698,296	510,266
- withholding guarantees	223,673	155,171
- tax charges	152,934	127,811
- other reasons	152,233	155,135
Total other personal guarantees	**8,256,312**	**7,832,579**
Overall total	**8,294,414**	**7,898,288**

Sureties and other guarantees given on behalf of subsidiaries and associates have been issued to guarantee bank credit lines, loans and advances received.
Other personal guarantees granted by third parties in self-interest mainly refer to autonomous guarantee agreements granted to the beneficiary (buyer or lender), namely, toward banks and other subjects that have then granted guarantees in the interest of the company.

Derivatives

NOTIONAL AMOUNTS OF DERIVATIVES

The notional amount of a derivative is an amount used as a reference to calculate the contractual payments to be exchanged. This amount may be expressed in terms of a monetary or physical quantity (e.g., barrels, tonnes, etc.). Monetary quantities in foreign currencies are converted into euros at the exchange rate prevailing at year end.
Notional amounts of derivatives, as summarised below, do not represent the amounts actually exchanged between the parties and do not therefore constitute a measure of Saipem's credit risk exposure. This is instead represented by the positive fair value of derivatives at year end.

EXCHANGE RATE RISK MANAGEMENT

Derivatives are put in place to reduce market risks linked to currency exchange fluctuations, in which commercial and financial operations are expressed.

	Notional amount as of	
(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Forward foreign exchange contracts:		
- currency purchase commitments	3,738,827	3,874,165
- currency sale commitments	3,845,890	4,312,448
Total	**7,584,717**	**8,186,613**

The amount for each currency is as follows:

	Notional amount as of Dec. 31, 2024		Notional amount as of Dec. 31, 2023	
(€ thousand)	Purchases	Sales	Purchases	Sales
US dollar	2,868,005	3,323,739	2,893,689	3,751,105
Norwegian Kroner	9,606	4,261	34,032	27,804
Arab Emirates Dirham	83,495	18,895	22,602	31,200
Japanese Yen	3,182	3,092	3,610	3,836
Saudi Arabian Riyal	240,241	39,941	593,676	36,189
Kuwaiti Dinar	30,768	100,604	6,053	130,847
Mexican peso	27,174	26,617	6,166	6,370
Swiss Franc	2,672	3,756	1,064	2,605
Singapore Dollar	79,375	12,701	6,901	66,888
Pounds Sterling	206,391	205,046	152,230	144,658
Australian Dollar	123,900	22,710	91,448	-
Romanian Leu	52,918	72,633	44,280	92,543
Canadian dollar	-	333	-	-
Thai baht	-	139	-	263
Israeli shekel	11,100	11,423	18,414	18,140
Total	**3,738,827**	**3,845,890**	**3,874,165**	**4,312,448**

The market value of these contracts reflects the estimated amount to be paid or received to end the contract at the end of the financial year, including the earnings or losses not realised on contracts ongoing. To estimate the market value of contracts, stock exchange quotations have been used together with appropriate pricing models to determine the following plus (minus) theoretical overall value:

(€ thousand)	Dec. 31, 2024	Dec. 31, 2023
Currency derivatives:		
- capital gain	119,556	76,901
- capital losses	(130,208)	(38,027)
Total	**(10,652)**	**38,874**

The following table shows hedged cash flows as of December 31, 2024 by time period of occurrence:

(€ thousand)	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	Beyond 2026	Total
Revenue	1,155,921	784,412	410,679	135,319	30,403	2,516,734
Costs	710,655	428,380	360,879	110,755	305,510	1,916,179

Interest rate risk management

As of December 31, 2024, there were no contracts in place for the management of interest rate risk.

Commodity price risk

As of December 31, 2024 there were no commodity contracts in place for the management of price risk.

Additional information on financial instruments

FINANCIAL INSTRUMENTS - CARRYING AMOUNTS AND EFFECT ON INCOME STATEMENT AND EQUITY

The carrying amounts and effect on income statement and equity of financial instruments were as follows:

(migliaia di euro)	Carrying amounts	Income (expense) recorded in the income statement	Other items of comprehensive income
Financial instruments held for trading			
Non-hedging derivatives [(a)]	2,294	(37,893)	-
Financial assets measured at fair value through profit and loss	46,494	610	-
Instruments carried at fair value			
Bonds	228,798	1,965	186
Non-current financial assets			
Investments carried at fair value	464	-	(155)
Receivables and payables and other assets (liabilities) measured at amortised cost:			
- trade and other receivables [(b)]	1,852,912	3,434	-
- financial receivables [(a)]	536,436	43,857	-
- trade and other payables [(c)]	1,706,644	(7,367)	-
- contract liabilities	1,545,945	-	-
- loans and borrowings [(a)]	1,889,062	(116,866)	-
Net hedging derivative assets (liabilities) [(d)]	(12,946)	31,386	(63,822)

(a) The income statement effects refer to income (charges) entered in note 38 "Finance income (expense)" and in note 37 "Operating expenses - Other operating income (expense)".
(b) The income statement effects were recognised in "Purchases, services and other" (impairments and losses on receivables) and in "Finance income (expense)".
(c) The income statement effects were recognised in note 38 "Finance income (expense)".
(d) The income statement effects were recognised in the "Core business revenues" and in "Purchases, services and other costs".

Market value of financial instruments

The classification of financial assets and liabilities is given below; these are measured at fair value in the statement of financial position, according to the fair value hierarchy defined according to the significance of the inputs used in the assessment process. In particular, depending on the characteristics of the inputs used for assessment, the fair value hierarchy has the following levels:

(a) level 1: prices (not subject to variations) listed on active markets for the same financial assets or liabilities;
(b) level 2: assessments made on the basis of inputs, other than the listed prices referred to in the preceding point, which, for the measured asset/liability, can be observed directly (prices) or indirectly (derived from prices);
(c) level 3: inputs not based on observable market data.

In relation to the above, the financial instruments measured at fair value as of December 31, 2024 were as follows:

	Dec. 31, 2024			
(€ thousand)	Level 1	Level 2	Level 3	Total
Financial assets held for sale:				
- financial assets measured at fair value through profit and loss	46,494	-	-	46,494
Financial assets measured at fair value:				
- equity investments	464	-	-	464
- financial assets measured at fair value through OCI	228,798	-	-	228,798
Fair value of derivatives:				
- total assets		119,556	-	119,556
- total liabilities	-	130,208	-	130,208

Legal proceedings

Saipem SpA is a party in certain judicial proceedings. Provisions for legal risks are made on the basis of information available at the date of the present Report, including information acquired by external consultants providing the Group with legal support. Information available regarding criminal proceedings at the preliminary investigation phase is by its nature incomplete due to the principle of pre-trial secrecy.
With respect to pending legal proceedings, provisions are not made when a negative outcome is evaluated as not probable or when it is not possible to estimate its outcome.
Except as noted below, for all the criminal proceedings evaluated, also with the support of external lawyers, and considered to be proceedings whose outcome cannot be predicted, no provisions were made.
The Company has made provisions for the following proceedings:

a) actions for damages brought by institutional investors following Consob Resolution No. 18949 of June 18, 2014, for which the Company prudently deemed it necessary to establish a provision;
b) other minor proceedings for which the Company has prudently set up provisions.

For more details, please see the coming paragraphs.
A summary of the most significant judicial proceedings is set out below.

ALGERIA

Ongoing Investigation - Algeria - Sonatrach 2: in March 2013, the legal representative of Saipem Contracting Algérie SPA was summoned to appear at the Court of Algiers, where he received verbal notification from the local investigating judge of the commencement of an investigation ("Sonatrach 2") underway "into Saipem Contracting Algérie for charges pursuant to Articles 25a, 32 and 53 of the Algerian Anti-Corruption Law No. 01/2006". The investigating judge also requested documentation (Articles of Association) and other information concerning Saipem Contracting Algérie SPA, Saipem SpA and Saipem SA. After this summon, no further activities or requests have followed.
GNL3 Arzew - Algeria: on October 16, 2019 and October 21, 2019, Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch were summoned by the investigating judge at the Supreme Court as part of investigations relating to events in 2008 (award of the GNL3 Arzew contract). Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA were further summoned on November 18, 2019 by the General Public Prosecutor at the Supreme Court of Algiers to provide information and documents relating to the same GNL3 Arzew contract awarded by Sonatrach in 2008.
A further hearing of the representatives of Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA took place on November 18, 2019, at which the General Public Prosecutor of Algiers was provided with the information and documentation he had requested; the General Public Prosecutor of Algiers instructed Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch to provide further documentation by December 4, 2019. Saipem Contracting Algérie SPA and the Algiers Branch of Snamprogetti SpA promptly filed the documentation requested by the deadline of December 4, 2019.
The Algiers General Public Prosecutor also summoned a representative of Saipem Contracting Algérie SPA. On November 20, 2019, the Algiers General Public Prosecutor informed Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers branch that Algeria's Trésor Public had joined the proceedings as a plaintiff.
On December 9, 2020, the local representative of Saipem Contracting Algérie SPA was heard.
Saipem SpA Algiers branch, Saipem Contracting Algérie SPA and Snamprogetti SpA Algiers Branch were again called on December 16, 2020.
In September 2021, it became known that the Court of Algiers – Sidi Mhamed pole economic et financier – having taken note of the closure of the investigations, had issued an order to seize certain bank accounts of Saipem Group companies in Algeria, already subject to a similar previous provision set out in the context of the GK3 proceeding, as indicated above.

The commencement of the trial relating to the 2008 award of the GNL3 Arzew contract was initially set for a hearing before the Court of Algiers pole economic et financier on December 6, 2021, which was first postponed to December 20, 2021, then to January 3, 2022. At the hearing of January 17, 2022, the trial was postponed to January 24, 2022 and then to January 31, 2022. In these criminal proceedings, which involved 38 individuals (including the former Algerian Ministry of Energy, certain former executives of Sonatrach and Algerian customs officials) and legal persons, the Public Prosecutor alleged that, with regard to the award in 2008 and the execution of the contract for the GNL3 Arzew project (the original value of which was approximately €2.89 billion), the following offences were committed, inter alia, by Saipem SpA Algerian branch, Snamprogetti SpA Algerian branch, Saipem Contracting Algérie SPA, two former employees of the Saipem Group and an employee of the Saipem Group:
(i) the *"inflating of prices in connection with the award of contracts concluded with a public company of an industrial and commercial nature benefiting from the authority or influence of representatives of that body"*;
(ii) infringement of certain Algerian customs regulations.
Sonatrach, the Algerian Trésor Public and the Customs Agency requested to appear as civil plaintiffs. The trial was declared open at the hearing of January 31, 2022. At the hearing of February 1, 2022, the judge closed the hearing stage. The Saipem Group defended itself on the merits, stating the lack of grounds for the charges, noting, among other things, the verdict of final acquittal pronounced by the Italian judicial authority regarding matters that included the award of the GNL3 Arzew contract and in any case the effects of the settlement signed with Sonatrach on February 14, 2018, which also concerned the previous pending arbitration regarding the same project.
Saipem SpA informed the market by press release dated February 15, 2022.
The first-degree sentence had imposed the payment of approximately €208 million, of which €145 million was awarded in favour of the civil parties and €63 million in damages.
On February 16, 2022, Saipem SpA, Saipem Contracting Algérie SPA and Snamprogetti SpA Algeria Branch appealed the sentence of February 14, 2022, whose grounds were made available on April 4, 2022.
The first hearing in the appeal judgment, initially scheduled for April 12, 2022, was postponed to May 10, 2022 and then to May 24, 2022 then June 14, 2022.
At the hearing on June 14, 2022, the Judge indicated a decision would be issued on June 28, 2022.
Saipem SpA informed the market by press release dated June 28, 2022.
On July 31, 2022, Saipem SpA Algeria branch, Saipem Contracting Algérie SPA and Snamprogetti SpA Algeria Branch challenged the decision of the Algiers Court of Appeal issued on June 28, 2022 before the Algerian Supreme Court.
Saipem SpA informed the market by press release dated November 18, 2022.

Regarding the bank accounts already frozen, Saipem Contracting Algérie SpA had informally learned of a request of confiscation of sums held therein and had informed the banks involved, inter alia, of the existence of a previous similar provision which insisted on the same sums set out in the GK3 proceedings which would have determined the illegitimacy of any subsequent payment by them of the aforementioned sums. Saipem Contracting Algérie SPA had informed the local competent Authority for the execution which, noting the foregoing, ordered the temporary suspension of the execution, pending the conclusion of the GK3 proceedings. Despite the information made available by Saipem, pending the issuance of the aforementioned ministerial provision, one of the local banks had proceeded to implement the confiscation request for a sum equal to 1,693,222,124.55 Algerian Dinars (equivalent to €11.4 million at the exchange rate of December 31, 2023).
After excluding the possibility of presenting an extraordinary appeal, the management of the Company carried out, also through external legal consultants, an in-depth analysis on the recognition and enforceability of the rulings of the Algerian Supreme Court outside the local jurisdiction. During 2024, discussions were initiated with the Algerian Authorities aimed at resolving the interpretation and execution of the criminal action and connected indemnification related to the ruling .in this connection, the management of Saipem Contracting Algérie SPA, with the help of its legal advisors, made a formal request for an authentic interpretation of the ruling to the Attorney General's Office, the only body delegated to enforce judgments under Algerian law, regarding the permissibility of confiscation of bank accounts that had no connection to the aforementioned project. The Algiers Attorney General's Office has initiated preliminary actions to obtain payment of the fines specified in the judgment.
In June 2024, the Algerian Authorities, responding to the interpretative requests made by Saipem Contracting Algérie SpA, pronounced a ruling confirming the provisions of the judgment.
Following this ruling, the Algerian Authorities confiscated the remaining amounts already seized totaling 8,055,221,624.6 Algerian dinars (€57,114,985.06 equivalent at the exchange rate of December 31, 2024) and released all accounts.
In December 2024, taking into account business opportunity assessments related to the development of the business in the Algerian market, the terms of payment of the claimed amounts were defined.

BRAZIL

On August 12, 2015, the Public Prosecutor's office of Milan served Saipem SpA. with a notice of investigation and a request for documentation in the framework of new criminal proceedings for the alleged crime of international corruption occurring between 2004-2014 concerning three contracts: "Mexilhao 1", "Uruguà - Mexilhao Pipeline Project" and "Operation of the Floating, Production, Storage and Offloading FPSO - Cidade de Vitória" awarded by the Brazilian company Petrobras to Saipem SA (France) and Saipem do Brasil (Brazil). On January 30, 2023, the Milan Public Prosecutor served the Company's lawyers with the decree of dismissal of the Saipem SpA's proceeding pursuant to Article 58 of Legislative Decree No. 231/2001 dated January 24, 2022.
On January 31, 2023, the Company's lawyers acquired a copy of the dismissal order, sending it to the company on the same date.
It states that the dismissal regards Saipem SpA pursuant to Article 746-*quater*, paragraph 6 of the Code of Criminal Procedure. Following the aforementioned dismissal, the file was taken over by the Paris Public Prosecutor's Office (Parquet National Financier). To assist the subsidiary Saipem SA, involved in a request for the acquisition of documents by the French Public Prosecutor, a law firm in Paris has been engaged and is currently dealing with it.
With reference to the aforementioned contracts, the Company learned only through the press, that the award of this contract was being looked into by the Brazilian judicial authorities in relation to a number of Brazilian citizens, including a former associate of Saipem do Brasil.
In particular, on June 19, 2015, Saipem do Brasil learned through the media of the arrest (in regard to allegations of money laundering, corruption and fraud) of a former associate, as a result of a measure taken by the Brazilian Public Prosecutor's office of Curitiba, in the framework of a judicial investigation in progress in Brazil since March 2014 ("Lava Jato" investigation). On July 29, 2015, Saipem do Brasil then learned through the press that, in the framework of the conduct alleged against the former associate of Saipem do Brasil, the Brazilian Public Prosecutor's office also alleges that Petrobras was unduly influenced in 2011 to award Saipem do Brasil a contract called "Cernambi" (for a value of approximately €56 million). This has been purportedly deduced from the circumstance that in 2011, in the vicinity of the Petrobras headquarters, said former associate of Saipem do Brasil claims to have been the target of a robbery in which approximately 100,000 reals (approximately €18,650 amount updated at the exchange rate as of December 31, 2023) just withdrawn from a credit institution were stolen from him. According to the Brazilian Prosecutor, the robbery allegedly took place in a time period prior to the award of the aforesaid "Cernambi" contract.
Saipem SpA has cooperated fully with the investigations and has started an audit with the assistance of a third-party consultant. The audit examined the names of numerous companies and persons reported by the media as being under investigation by the Brazilian judicial authorities. The audit report, issued on July 14, 2016, recognised the absence of communications or documents relating to transactions and/or financial movements between companies of the Saipem Group and the personnel of Petrobras under investigation.
The witnesses heard in the criminal proceedings underway in Brazil against this former associate, as well as in the framework of the works of the parliamentary investigative committee set up in Brazil on the "Lava Jato" case, have stated that they were unaware of any irregularities regarding Saipem's activities.
Petrobras appeared as a plaintiff *(Assistente do Ministerio Publico)* in the proceedings against the three individuals charged. The Brazilian Attorney General considered that the conditions for keeping confidential an agreement signed in October 2015 by the former associate of Saipem do Brasil – who, with such agreement committed himself to substantiating with evidence some of the statements made – had ceased. The proceeding resumed on June 9, 2017. At the hearing on June 9, 2017, the depositions of the three defendants were obtained, among them the former associate of Saipem do Brasil and a former Petrobras official.
Saipem do Brasil's former associate, with regard to the robbery he suffered where 100,000 Brazilian reals were stolen in October 2011, said that money was needed to pay the costs of real estate for a company he was managing on behalf of a third party vis-à-vis Saipem (that is, the former Petrobras official charged in the same proceeding who confirmed that statement).
The former Saipem do Brasil associate had also stated that the Saipem Group did not pay any bribes because Saipem's compliance system prevented this from happening. That statement was confirmed by the former Petrobras official charged in the same proceeding. The former associate of Saipem do Brasil and the former Petrobras official charged in the same proceeding, while offering a reconstruction of the facts which was partially different, had reported that the possibility of some inappropriate payments was discussed with reference to certain contracts of Saipem do Brasil but in any case, no payment had been made by the Saipem Group. The former Saipem do Brasil associate and the former Petrobras official charged in the same proceeding stated that the contracts awarded by the client to the Saipem Group had been won through regular bidding procedures. During the proceedings against the former associate of Saipem do Brasil, no evidence of irregularities emerged in the management of tenders assigned by Petrobras to Saipem Group and/or evidence of illegal payments by Saipem Group

in relation to tenders assigned by Petrobras to Saipem Group and/or evidence of damages suffered by Petrobras in relation to tenders assigned to Saipem Group. Saipem Group has not been involved in this proceeding.
The audit that was concluded in 2016 was relaunched with the support of the same third-party consultant used earlier and with the same methodology in order to analyse some of the information mentioned during the depositions of June 9, 2017.
The audit report, issued on July 18, 2018, confirmed the absence of communications or documents relating to transactions and/or financial movements between companies of the Saipem Group and the personnel of Petrobras under investigation. Saipem SpA informed the market by the press release dated May 30, 2019.
As part of the aforementioned administrative proceedings, on June 21, 2019, Saipem do Brasil and Saipem SA presented their initial defence statements before the competent administrative authority *(Controladoria-Geral da União* through *Corregedoria Geral da União*).
With a communication dated August 21, 2019, the competent administrative authority (*Controladoria-Geral da União* through *Corregedoria-Geral da União*) informed Saipem do Brasil and Saipem SA that, following the preliminary investigation carried out up to that moment, the administrative procedure has not been closed and invited Saipem do Brasil and Saipem SA to present further defence statements by September 20, 2019.
Saipem do Brasil and Saipem SA submitted their defence statements by the set deadline. On April 24, 2020, the competent Brazilian Administrative Authority (*Controladoria-Geral da União* through the *Corregedoria-Geral da União*) ordered a 180-day postponement for the conclusion of the administrative procedure.
On November 30, 2020, Saipem SA and Saipem do Brasil submitted further defence statements before the Brazilian Administrative Authority (*Controladoria-Geral da União* through the *Corregedoria-Geral da União*).
On December 29, 2022, it was published in the *Diario Oficial da Uniao* the decision of the Minister at the *Controladoria-Geral da União* which applied against Saipem SA and to Saipem do Brasil the sanction of the interdiction from participating in tenders or concluding agreements with the Brazilian Public Administration with suspended effect.
On January 9, 2023, the aforementioned Saipem companies presented a request to review the decision of December 29, 2022, within the *Controladoria-Geral da União*.
On January 12, 2024, the ruling by the *Controladoria-Geral da União* was published in the *Diario Oficial da Uniao*, applying against Saipem SA and Saipem do Brasil the sanction of suspension from participating in tenders or entering into agreements with the Brazilian Public Administration for a period of 2 years.
On the same date, Saipem SpA informed the market by press release
On January 18, 2024, Saipem SA and Saipem do Brasil filed their appeal before the Federal District Court in Brasilia. CGU also filed its appeal.
On October 16, 2024, a favorable ruling of the Federal District Court of Brasilia, annulling the CGU's order that prohibited Saipem SA and Saipem do Brasil from entering into agreements with the Brazilian public administration for a period of two years, was published. In addition, on December 20, 2024 the Federal District Court of Brasilia, ruling on the companies' request, ordered the immediate effectiveness of its decision to annul the CGU's sanction and ordered the removal of Saipem SA and Saipem do Brasil from the list of companies debarred from entering into agreements with the Public Administration.
Since this is a ruling that annuls an administrative measure, under Brazilian law an appeal phase is mandatory and was initiated on December 9, 2024 with the filing of the appeal by the CGU. Saipem SA and Saipem do Brasil appeared in the proceedings on February 7, 2025.
On June 8, 2020, the Brazilian Federal Prosecutor's office issued a press release informing of a new charge against a former President of Saipem do Brasil, who left the Saipem Group on December 30, 2009. The charge concerns alleged episodes of corruption and money laundering that allegedly occurred between 2006 and 2011 in relation to two contracts awarded by Petrobras Group companies to Saipem Group companies (the Mexilhao contract signed in 2006 and the Uruguà-Mexilhao contract signed in 2008).
The new charge was made only against individuals (not Saipem Group companies) and involved, in addition to the former President of Saipem do Brasil, some former Petrobras officials.
The Brazilian Federal Court of Curitiba on July 6, 2020, accepted the complaint filed by the Brazilian Federal Prosecutor's Office against the former Chairman of Saipem do Brasil (who left the company on December 30, 2009) and a former Petrobras official against whom a criminal trial was opened in Brazil. Petrobras was admitted as plaintiff (*Assistente do Ministerio Publico*) in the same proceeding against the two accused persons. No company of the Saipem Group is party to this proceeding.

PUBLIC PROSECUTOR'S OFFICE AT THE COURT OF AGRIGENTO (SICILY)

On June 28, 2024, Guardia di Finanza (the Italian Financial Police) of Milan, on the instructions of the Agrigento Public Prosecutor's Office, served Saipem SpA with a notice stating the conclusion of preliminary investigations as part of proceedings registered with the Agrigento Public Prosecutor's Office for an alleged administrative offence under Article

25-*sexiesdecies* of Legislative Decree No. 231/2001, in connection with alleged irregularities in the payment of taxes as part of the ordinary refuelling of a ship owned by a third-party company, which Saipem SpA had chartered.
The act was allegedly committed in Italian territorial waters near the municipality of Licata (Agrigento, Sicily) on November 19, 2023.
The notice stating the conclusion of preliminary investigations shows that the Agrigento Public Prosecutor's Office ordered the registration, on May 24, 2024, of Saipem SpA as an entity under investigation under Legislative Decree No. 231/2001.
On November 22, 2024, Saipem SpA was served with a decree of direct summons before the Court of Agrigento, with a pre-trial hearing set for May 21, 2025 before the same Court.
No employees or representatives of Saipem SpA appears to be involved in the proceedings.

ACTIONS FOR DAMAGES FOLLOWING CONSOB RESOLUTION NO. 18949 OF JUNE 18, 2014

First proceeding with institutional investors

First instance proceedings: On April 28, 2015, a number of foreign institutional investors initiated legal action against Saipem SpA before the Court of Milan, seeking judgement against the Company for the compensation of alleged loss and damage (quantified in approximately €174 million), in relation to investments in Saipem SpA shares which the claimants alleged that they had made on the secondary market. In particular, the claimants sought judgement against Saipem SpA requiring the latter to pay compensation for alleged loss and damage which purportedly derived from the following: (i) with regard to the main claim, from the communication of information alleged to be “imprecise” over the period from February 13, 2012 to June 14, 2013; or (ii) alternatively, from the allegedly “delayed” notice, only made on January 29, 2013, with the first “profit warning” (the so-called “First Notice”) of privileged information which would have been in the Company’s possession from July 31, 2012 (or such other date to be established during the proceedings, identified by the claimants, as a further alternative, on October 24, 2012, December 5, 2012, December 19, 2012 or January 14, 2013), together with information which was allegedly “incomplete and imprecise” disclosed to the public over the period from January 30, 2013 to June 14, 2013, the date of the second “profit warning” (the so-called “Second Notice”). Saipem SpA appeared in court, case number R.G. 28789/2015, fully disputing the adverse parties’ requests, challenging their admissibility and, in any case, their lack of grounds.
On November 9, 2018, the Court of Milan issued the first instance ruling No. 11357 rejecting the merit of the request by the parties. The Court has indeed ruled that there is lack of evidence of ownership of Saipem SpA shares by said plaintiffs in the period indicated above and has condemned them to pay €100,000 in favour of Saipem SpA, by way of reimbursement of legal expenses.
Appeal proceedings: on December 31, 2018, the institutional investors challenged the aforementioned sentence before the Court of Appeal of Milan, requesting that Saipem SpA be ordered to pay approximately €169 million. On February 23, 2021, the Judge ordered an integrative evidence phase.
On April 14, 2022, the court technical expert (“CTU”) filed his technical report integrated on February 20, 2023. On March 6, 2023, at the request of the Court of Appeal, the court technical expert filed a clarification. At the hearing of May 3, 2023, the decision was retained.
In a ruling dated November 7, 2023, the Milan Court of Appeals partially reformed the first instance ruling and – against a claim of more than €170 million (plus interest and revaluation) – partially upheld that claim granting approximately €10.2 million (plus interest and revaluation). The Milan Court of Appeals substantially rejected the investors' claims, having found Saipem SpA liable only for an informational delay for a very limited period of time.
By order dated February 12, 2025, the Court of Appeal, ruling on the request filed by Saipem SpA after notification of a formal notice to pay, suspended ex parte (without hearing the other party) the enforceability of the ruling, setting the hearing for March 5, 2025, subsequently postponed to March 26, 2025 to confirm or revoke the order. In the meantime, the enforcement of the ruling cannot be initiated. Investors joined the proceedings, requesting that the suspension be lifted.

Supreme Court: on December 21, 2023, Saipem SpA filed an appeal to the Supreme Court against the ruling of the Milan Court of Appeals.
On January 30, 2024, the investors filed their counter-appeal and cross-appeal.
Saipem SpA filed its own counter-appeal in response to the cross-appeal within the legal deadlines.

Second proceeding with 27 institutional investors

First instance proceedings: with a writ of summons dated December 4, 2017, twenty-seven institutional investors initiated legal action before the Court of Milan section specialised in the field of corporate law, against Saipem SpA and two former Chief Executive Officers of said company, requesting that they are jointly condemned to pay compensation (with respect to the two former members of the company, limited to their periods of stay in office) for damages, material and non-material,

allegedly suffered due to an alleged manipulation of information released to the market during the period between January 2007 and June 2013.
Saipem SpA liability was assumed pursuant to Article 1218 of the Civil Code (contractual liability) or pursuant to Article 2043 of Civil Code (non-contractual liability) or pursuant to Article 2049 of the Civil Code (owner and client liabilities) for the illegal conduct committed by the two former company representatives.
The Company appeared in Court to contest the claims in full, pleading inadmissibility and in any case the groundlessness in fact and in law.
In the pleading pursuant to Article 183, paragraph 6, No. 1, Civil Procedure Code, the plaintiffs provided for the quantification of damages allegedly suffered in the amount of approximately €139 million. With the pleading under Article 183, paragraph 6, No. 3, Civil Procedure Code, one of the plaintiffs declared to waive the action pursuant to Article 306, Civil Procedure Code.
On November 9, 2018, the Company filed sentence No. 11357 issued by the Court of Milan on November 9, 2018 at the outcome of case R.G. No. 28789/2015, as this provision decided the same preliminary issues of merit raised by Saipem SpA and the other defendants in the case under consideration, in particular with reference to the failed proof of purchase of Saipem SpA shares.
On November 9, 2019, Saipem SpA produced in the proceedings the order of the Criminal Court of Milan dated October 17, 2019, with reference to the pending criminal judgment R.G.N.R. 5951/2019, in which the constitution of approximately 700 civil parties was declared inadmissible in that case, with reasons similar to those of judgment No. 11357 issued by the Court of Milan on November 9, 2018 at the outcome of case R.G. No. 28789/2015.
On February 9, 2021, the Judge held the case in decision – having deemed it necessary to remit the decision on all claims and exceptions made by the parties to the Court – setting the legal terms for the filing of the final statements and the replies which were respectively filed on April 12 and May 3, 2021.
With a ruling dated November 20, 2021, the Court of Milan ruled in favour of Saipem SpA, rejecting the plaintiffs' claims for approximately €101 million out of €139.6 million, considering the ownership of Saipem SpA shares in the relevant period to be unproven.
Investors have paid Saipem SpA approximately €150,000 in legal fees.
The Court of Milan, with the above ruling and with an order dated November 20, 2021, referred the case to the preliminary investigation for claims made by other plaintiffs for damages amounting to a total of approximately €38 million.
With a correction order dated March 10, 2022, the Court of Milan – at the request of all the parties in the proceedings – made some changes to the first instance sentence, adding some plaintiffs and funds/assets separated to the group of those whose claims had been fully rejected, and adding other plaintiffs and funds/assets to the group of investors for which the prosecution in first instance was ordered.
By order dated October 4, 2022, communicated on October 6, 2022, reserving any assessment on the relevance of the criminal acquittal decision dated December 21, 2021 issued in the R.G.N.R. 5951/2019 proceedings and the court technical expert report ("CTU") rendered in the R.G. 28789/2015 proceedings (both produced by Saipem SpA in the proceedings), the Court decided to initiate the expert technical activity ordered on November 20, 2021, with a question crystallized in the cross-examination of the parties at the hearing of December 14, 2022, appointing the same technical expert of the R.G. 28789/2015 proceedings.
By ruling dated 4 February 2025, the Court set at December 1, 2025 the deadline for the filing of the final expert report and at December 16, 2025 the deadline for the hearing to assess such report.

Appeal proceedings: on January 22, 2022, Saipem SpA appealed the ruling issued by the Court of Milan on November 20, 2021, insofar as it remanded the claims of these plaintiffs for investigation. The parties appeared in the proceedings within the terms, also formulating a cross-appeal against the same sentence.
On January 24, 2022, the investors whose claims were rejected, because they had failed to prove they owned Saipem SpA shares in the relevant period, had also appealed the ruling of November 20, 2021.
Saipem SpA appeared in this judgment with a brief filed on May 25, 2022, also containing a cross-appeal. The other defendants appeared by filing a brief with cross- appeal on May 19 and May 20, 2022.
In light of the changes made by the correction order (*ordinanza di correzione*) of the Court of Milan on March 10, 2022 to the judgement of the Court of Milan of November 20, 2021, Saipem SpA, on March 18, 2022, challenged the judgement also in the parts corrected by the correction order, with reference to the plaintiffs and funds initially omitted from the proceeding and subsequently "added" to the group of those for which the continuation of the trial in the first instance had been ordered. The other parties appeared in the proceedings filing their briefs on July 25, 2022.
Three appeals were pending against the same ruling and, at the request of the parties, on September 28, 2022, the Court of Appeal united the three appeals. At the final hearing closing arguments were submitted by the parties in the three combined proceedings, held on July 5, 2023, the case was held in decision, setting terms for the exchange of final briefs and replies to

be filed by the Company within the legal deadlines. On July 24, 2024, the judge returned the case to the evidence phase, ordering a Court-appointed expert technical report on the evidence of ownership of Saipem SpA's shares during the period concerned by the proceedings.
The deadline for filing the Court-appointed expert's final report will ultimately expire on June 20. 2025, and the hearing for its assessment is scheduled for July 2, 2025.

Third proceedings with 27 institutional investors
On December 1, 2022, 27 institutional investors served Saipem SpA and two previous managing directors of the Company with a writ of summons before the Civil Court of Milan – section specialised in corporate matters – requesting jointly (with respect to the two former company representatives, limited to their respective terms of office) the compensation for pecuniary and non-pecuniary damages allegedly suffered in the period between January 2007 and June 2013.
The liability of Saipem SpA is claimed pursuant to Article 1218, Civil Code (contractual liability), or pursuant to art. 2043, Civil Code (non-contractual liability), or pursuant to Article 2049, Civil Code (liability of owners and clients) for the offences allegedly committed by the two former company representatives sued, as well as liability for a crime pursuant to Article 185 Italian Criminal Code.
The amount of damage is not quantified by the plaintiffs, who reserved the right to proceed with the related quantification during the proceedings.
In its defence, Saipem SpA appeared before the Court on September 27, 2023, contesting each charge and requesting the dismissal of all investors' claims.
On November 22, 2023, the first hearing was held in which some preliminary issues of Saipem SpA were discussed, and the Judge reserved the right to proceed. On February 21, 2024, the Judge decided to deal in advance with the issue of the plaintiffs' standing/representation with respect to the merits of the case. The hearing was ultimately adjourned to October 30, 2024 to deal with this issue. The Judge set deadlines to the parties to file the relevant briefs on the issue and the authorised replies, the last of which were filed on December 20, 2024. Subsequently, the judge set deadlines for filing pleadings under Article 183 Code of Civil Procedure

OTHER ACTIONS FOR DAMAGES BROUGHT BY INVESTORS

Proceedings with 14 investors

On December 21, 2023, 14 investors served Saipem SpA with a writ of summons before the Court of Milan, claiming the Company's alleged liability, pursuant to Article 94 et seq., of Legislative Decree No. 58 of February 24, 1998, and Articles 1337 and/or 2043 of the Italian Civil Code for having allegedly communicated erroneous and misleading information to the market in the period between the date of publication of the financial results for the first nine months of 2015, i.e., October 27, 2015, and the date of publication of the results for the first nine months of 2016, i.e., October 25, 2016, with regard to, inter alia, the 2016-2019 Strategic Plan, the 2015 consolidated financial statements, and the documentation relating to the 2016 capital increase.
The claim for damages is formulated with regard to the difference between the investment in Saipem shares made by the plaintiffs during the relevant period and the value of the shares on the date of sale or, if still held by the investor, on the date of the summons' notification, for an overall amount (combining the claims of the individual plaintiffs) of approximately €1.7 million.
On February 26, 2024, Saipem SpA appeared in the proceedings. The Court of Milan confirmed the first hearing on May 6, 2024, and set deadlines for the parties to file supplementary briefs. At the hearing on May 6, 2024, the Court of Milan did not admit the expert appraisal requested by the plaintiff and set the final hearing for September 11, 2024. At this hearing, the case was held for decision. With its judgement dated September 13, 2024, the Court of Milan, accepting the defense arguments of Saipem SpA, rejected the claim proposed by the investors, setting off the costs of the proceedings. The term for the appeal is pending.
Demands for out-of-court settlement and mediation proceedings: in relation to alleged delays in providing information to the market, Saipem SpA received a number of out-of-court claims and requests for mediation during the period 2015-2023 and in the first months of 2024.
With regard to out-of-court requests, the following were made: (i) in April 2015 by 48 institutional investors on their own behalf and/or on behalf of the funds respectively managed for a total amount of approximately €291.9 million, without specifying the value of the claims of each investor/fund (subsequently, 21 of these institutional investors together with 8 others proposed a request for mediation, for a total amount of approximately €159 million; 5 of these institutional investors together with 5 others proposed a request for mediation, for a total amount of approximately €21.9 million); (ii) in September 2015 by 9 institutional investors on their own behalf and/or on behalf of the funds respectively managed, for a total amount of approximately €21.5 million, without specifying the value of the claims of each investor/fund (subsequently 5 of these institutional investors together with 5 others proposed a request for mediation, for a total amount of approximately €21.9 million); (iii) during 2015 by two

private investors respectively for approximately €37,000 and for approximately €87,500; (iv) during July 2017 by some institutional investors for approximately €30 million; (v) on December 4, 2017 by 141 institutional investors for an unspecified amount (136 of these investors on June 12, 2018 renewed their out-of-court request, again for an unspecified amount); (vi) on April 12, 2018 for approximately €150-200 thousand by a private investor; (vii) on July 3, 2018 by a private investor for approximately €330 thousand; (viii) on October 25, 2018 for approximately €8,800 from three private investors, one of which reiterated the request in February 2025; (ix) on November 2, 2018 for approximately €48,000 from a private investor; (x) on May 22, 2019 for approximately €53,000 from a private investor; (xi) on June 3, 2019 for an unspecified amount from a private investor; (xii) on June 5, 2019 for an unspecified amount from two private investors; (xiii) in February 2020 by a private investor who claims to have suffered damages worth €1,538,580; (xiv) in March 2020 by two private investors who did not indicate the value of their claims; (xv) in April 2020 by two private investors who did not indicate the value of their claims and by a private investor claiming alleged damages of approximately €40,000; (xvi) in May 2020 by a private investor who did not indicate the value of his claim; (xvii) in June 2020 by one private investor who did not indicate the value of its claim for damages; (xviii) in June 2020 by twenty-three private investors who did not indicate the value of their claim for damages; (xix) in July 2020 by eighteen investors claiming damages of approximately €22.4 million; (xx) in July 2020 by thirty-four private investors who did not indicate the value of their claim for damages; (xxi) in August 2020: (a) by four private investors who did not indicate the value of their claim; (b) by three institutional investors in their own right and/or on behalf of the funds respectively managed for an amount of approximately €7.5 million; (xxii) in September 2020 by ten private investors who did not indicate the value of their claim; (xxiii) in October 2020 by: (a) twelve private investors who did not indicate the value of their claim, (b) by one private investor claiming to have suffered damages in the amount of €113,810, (c) by six hundred and forty-four associated private investors who did not indicate the value of their claim and (d) by three institutional investors in their own right and/or on behalf of the funds respectively managed for a total amount of €115,000; (xxiv) in November 2020: (a) by eleven private investors who did not indicate the value of their claim, (b) by two institutional investors in their own right and/or on behalf of the funds respectively managed for an amount of approximately €166,000; (xxv) in December 2020 by ten private investors who did not indicate the value of their claim and by one private investor who claims to have suffered damages in the amount of €234,724; (xxvi) in January 2021 by four private investors who did not indicate the value of their claim; (xxvii) in March 2021 by three private investors who did not indicate the value of their claim and by five associated private investors who did not indicate the value of their claim; (xxviii) in April 2021 (a) by one private investor who did not indicate the value of his claim; (b) by fourteen institutional investors in their own right and/or on behalf of the funds respectively managed for a total amount of approximately €3 million; (xxix) in May 2021 (a) by two private investors who did not indicate the value of their claim, (b) by one private investor who indicated the value of his claim in a total amount of approximately €100,000 and (c) by a private investor who indicated the value of his claim in a total amount of approximately €84,000; (xxx) in July 2021 by a private investor who indicated the value of his claim in a total amount of approximately €92,000; (xxxi) in December 2021 by two private investors who indicated the value of their claim in a total amount of approximately €143,000; (xxxii) in January 2022 by 161 private investors who indicated the value of their claim in a total amount of approximately €23 million; (xxxiii) in May 2022 by 6 institutional investors who indicated the value of their claim in a total amount of €3.9 million and by 103 private investors claiming approximately €7.9 million; (xxxiv) in June 2022 by 14 private investors claiming a total of approximately €1.9 million; (xxxv) in July 2022 by two private investors claiming a total of approximately €387,000; (xxxvi) in September 2022 by 7 private investors claiming approximately €385 million; (xxxvii) in December 2022 by 1 private investors claiming approximately €106 million for a total amount of more than 1,000 claims for a total value of more than €300,000,000. Those applications where mediation has been attempted, but with no positive outcome, involve further demands: (a) in April 2015 by 7 institutional investors acting on their own behalf and/or of the funds managed by them, in relation to about €34 million; (b) in September 2015 by 29 institutional investors on their own behalf and/or for the funds managed by them respectively, for a total amount of approximately €159 million (21 of these investors, together with another 27, submitted out-of-court demands in April 2015, complaining that they had suffered loss and damage for a total amount of approximately €291 million without specifying the value of the claims for compensation for each investor/fund); (c) in December 2015 by a private investor in the amount of approximately €200,000; (d) in March 2016 by 10 institutional investors on their own and/or on behalf of the funds managed by each respectively, for a total amount of approximately €21.9 million (5 of these investors together with another 4 had presented out-of-court applications in September 2015 complaining they had suffered loss and damage for a total amount of approximately €21.5 million without specifying the value of the compensation sought by each investor/fund. Another 5 of these investors, together with a further 43, had submitted out-of-court applications in April 2015 alleging they had suffered loss and damage for an amount of approximately €159 million without specifying the value of the compensation sought by each investor/fund); (e) from a private investor in April 2017 for approximately €40,000; (f) in 2018-2019 by a private investor for approximately €48,000; (g) in December 2020, a private investor initiated an attempt at mediation aimed at the request of compensation for an undetermined value; (h) in October 2022 by a private investor initiated an attempt at mediation aimed at the request of compensation for an undetermined value; (i) in November 2022 by a private investor initiated an attempt at mediation aimed at

the request of compensation for approximately €20,000; (l) in March 2023 by 44 private investors who did not state the value of their claim, which was reiterated in the course of 2024; (m) in May 2023 by a private investor for about €7,000; (n) in June 2023, by a private investor who did not state the value of the claim; (o) in July 2023, by a private investor for approximately €60,000; (p) in January 2024, by a private investor for approximately €40,000; (q) in February 2024 by two private investors who did not quantify the amount of their claims and by two private investors who indicated the total value of their claim at €54,000; (r) in July 2024, by a private investor who did not quantify the amount of the claims.
Saipem SpA verified the aforementioned requests for out-of-court claims and mediation and found them to be groundless. As of today, the aforementioned requests carried out out-of-court and/or through mediation have not been the subject of legal action, except as specified above in relation to the four lawsuits pending before the Court of Milan, the Court of Appeal of Milan and the Supreme Court, respectively, and to another lawsuit, with a claim value of approximately €3 million, in which Saipem SpA had been summoned during 2018 by the defendant in the action and for which (after the claim against Saipem SpA was rejected by the Court of First Instance in the first instance and the Court of Appeal in the second instance, accepting Saipem SpA 's defence, rejected the counterparty's appeal, ordering the latter to pay Saipem SpA the costs of the litigation) is pending before the Supreme Court, another case with a claim value of approximately €40 thousand – which ended with a ruling in favour of Saipem SpA, and another case served on Saipem SpA with a claim value of approximately €200,000 which also ended in favour of Saipem and another case with a claim value of approximately €20,000

ACTIONS FOR DAMAGES OVERSEAS

Case brought by United Gulf Construction Co wll in the context of the Al Zour Refinery Project (Kuwait)

United Gulf Construction Co WLL ("UGCC") brought a case before the Commercial Court of Farwaniya (Kuwait) against its client Essar Project Ltd ("EPL"), for the payment of (i) overdue invoices relating to works certified by EPL and (ii) sums withheld by EPL as "retention money" until contractual acceptance of the works. UGCC involved in the proceedings also Saipem SpA, EPL's partner in the execution of the project, and Kuwait Integrated Petroleum Industries Co ("KIPIC"), the project's ultimate client, to have them jointly and severally ordered to pay the total sum of KWD 4,905,066.78 (approximately €15,3 million equivalent as of December 31, 2024), plus interest at the rate of 7% per annum, from November 30, 2020 until payment.
Saipem and the other defendants will file their response by April 17, 2025

ARBITRATIONS

Arbitration between Galfar Engineering and Contracting ("Galfar") and Saipem SpA ("Saipem") (Project Duqm Refinery, Oman)

In March 2023, Saipem was served with a request for arbitration, administered by the International Chamber of Commerce, from the Omani company, Galfar (subcontractor in the Duqm Refinery project, Oman).
Galfar requests that Saipem be ordered to pay USD 43,478,843.56 for prolongation costs (extension of time) and variation orders not recognised by Saipem. Galfar also contests the back charges of USD 14,617,966.13 made by Saipem.
Saipem filed the response to the arbitration request on May 12, 2023, appointing its arbitrator, contesting Galfar's claims and proposing a counterclaim of approximately USD 20 million consisting of liquidated damages and back charges.
On March 1, 2024, Galfar filed its statement of case, in which it reduced its claim to USD 41,068,953.17.
Saipem filed its Statement of Defense on October 4, 2024, reiquesting: (i) the dismissal of Galfar's claims, except for the sum of USD 6,702,593.10, corresponding to Galfar's work certified by Saipem and not paid for; (ii) Galfar's condemnation to pay USD 13,234,598.93 by way of backcharges; (iii) Galfar's condemnation to pay USD 5.895,657.10 by way of liquidated damages plus interest; (iv) the offsetting of the amounts referred to in (i), (ii) and (iii), with an award to Saipem of USD 12,427,662.93.According to the latest arbitration calendar agreed upon by the parties, the final hearing has been scheduled from November 10 to November 19, 2025.

Arbitration Between Saipem SpA ("Saipem") and Monjasa Ltd ("Monjasa") ("Cassiopea" Project)

On April 16, 2024, Saipem SpA initiated arbitration against the Cypriot company Monjasa Ltd to obtain compensation for damages incurred due to a breach of contract resulting in the temporary grounding of a vessel chartered by Saipem SpA in the context of the Cassiopea Project. These damages were preliminarily quantified by Saipem SpA at USD 27,404,000 and €1,000,000, plus interest and legal fees.
On May 15, 2024, Monjasa filed its response to the demands requesting the rejection of Saipem's claims and the counterclaim payment of €1,000,000.
On July 1, 2024, the ICC confirmed the co-arbitrators' appointment of the President of the Arbitral Tribunal. On August 15, 2024, the Case Management Conference was held to define the calendar and rules of the procedure. On October 10, 2024, Saipem SpA filed its Statement of Claim, along with expert reports and witness statements, in which it quantified its claims at USD 24,071,580.14 and €1,158,923.49, plus interest, legal expenses and arbitration costs.

On December 23, 2024, Monjasa filed its Statement of Defense requesting the dismissal of Saipem SpA's claim and a counterclaim for the payment of (i) USD 712,040.25 relating to a refueling invoice unpaid by Saipem SpA and (ii) interest on the aforementioned amount, in addition to legal expenses.
The final hearing has been scheduled to start on September 29, 2025.

Arbitration Between Normand Maximus As ("Normand Maximus") and Saipem SpA ("Saipem") ("Cassiopea" Project, Italy)

On December 16, 2024, Normand Maximus – owners of the vessel Normand Maximus, chartered by Saipem as part of the Cassiopea project - initiated an arbitration against Saipem SpA in order to demand payment of the charter instalment for the period between December 14, 2023 and May 14, 2024, which was not paid by Saipem SpA because the vessel had been subject to seizure and therefore not available.
Normand Maximus' request is equal to USD 29,652,764.42.
Saipem SpA filed its reply brief on January 14, 2025, requesting the dismissal of the claim and bringing a counterclaim preliminarily quantified at USD 1.9 million and €800,000 for damages suffered as a result of the ship's seizure (additional costs for refueling, mooring, towing, ship release, customs and agency).
The timetable for the arbitration procedure has not been agreed upon yet.

CONSOB RESOLUTION OF MARCH 2, 2018

With reference to Consob Resolution No. 20324 of March 2, 2018 (the "Resolution"), the relevant content is illustrated in the section "Information regarding censure by Consob pursuant to Article 154-*ter*, paragraph 7, Legislative Decree No. 58/1998 and the notice from the Consob Offices dated April 6, 2018". Saipem SpA Board of Directors resolved on March 5, 2018, to appeal the Resolution in the competent courts.
The appeal to the Regional Administrative Court (TAR)-Lazio was filed on April 27, 2018. Following access to the administrative proceedings, on May 24, 2018 Saipem SpA filed with the TAR-Lazio additional grounds for appeal against the aforementioned Resolution.
On June 15, 2021, a hearing was held before the TAR-Lazio to discuss Saipem SpA's appeal against the Resolution.
On July 6, 2021, the TAR-Lazio rejected the appeal filed by Saipem SpA on April 27, 2018, circumstance of which Saipem SpA informed the market by press release on July 6, 2021.
On November 6, 2021, Saipem SpA filed its own appeal before the Council of State against decision of the TAR-Lazio.
On March 7, 2024, a hearing was held before the Council of State to discuss the merits of the appeal brought by Saipem SpA against the ruling of the TAR-Lazio. In a ruling dated March 19, 2024, the Council of State dismissed the appeal, dividing costs between the parties in view of the novelty of the matter and the complexity of the issues raised.

CONSOB RESOLUTION OF FEBRUARY 21, 2019

With reference to Consob Resolution No. 20828 of February 21, 2019, communicated to Saipem SpA on March 12, 2019 (the "Resolution") the contents of which are described in paragraph "Information regarding censure by Consob pursuant to Article 154-*ter*, paragraph 7, Legislative Decree No. 58/1998 and the notice from the Consob Offices dated April 6, 2018". The Board of Directors of Saipem SpA resolved on April 2, 2019, to appeal the Resolution before the Court of Appeal of Milan. On April 12, 2019, Saipem SpA appealed against the Resolution before the Court of Appeal of Milan, under Article 195 TUF, requesting the Resolution cancellation. A similar appeal was filed by the two individuals sanctioned under the Resolution, i.e. the Chief Executive Officer of Saipem SpA and the Chief Financial Officer and Officer responsible for financial reporting in office at the time of the events. The first hearing before the Milan Court of Appeal was held on November 13, 2019.
On that day, the Milan Court of Appeal postponed the discussion to November 4, 2020.
On October 23, 2020, Saipem SpA and the two individuals sanctioned submitted an application to the Court of Appeal, to be allowed to file documents required to debate the appeal by November 4, 2020.
On November 2, 2020, the Court of Appeal authorised the filing of the documents requested on October 23, 2020 by the parties, also granting Consob a deadline to submit any counter-arguments on those documents by December 15, 2020 and postponed the hearing to discuss the appeal to January 27, 2021.
On January 20, 2021, Saipem SpA and the two individuals sanctioned presented a new application to the Court of Appeal, to be allowed to file additional documents required to debate the appeal by January 27, 2021, and to be authorised to propose new grounds for the appeal. which came to light when new documents were found.
On January 21, 2021, the Court of Appeal accepted the applications by Saipem SpA and the individuals and authorised the filing of the documents requested on January 20, 2021. The Court also upheld the proposal of additional grounds, to be submitted through written filings by February 26, 2021, and also granted Consob the right to submit its counter filings by March 25, 2021. The Court set the hearing for April 21, 2021.
At the hearing of April 21, 2021, the appeals were discussed.

The Milan Court of Appeal has partially upheld the appeals, whilst it rejected the remaining:
- reducing from €200,000 to €150,000 the administrative financial fine imposed by Consob in 2019 against the former Chief Executive Officer of the Company in office from April 30, 2015, to April 30, 2021;
- reducing from €150,000 to €115,000 the administrative financial fine imposed by Consob in 2019 against the former CFO and Officer responsible for the Company's financial reporting in office at the time of the capital increase of 2016 and until June 7, 2016; and
- consequentially reducing from a total of €350,000 to a total of €265,000 the condemnation of Saipem SpA to the payment of the afore mentioned administrative financial fines, as the party jointly and severally liable pursuant to Article 195, paragraph 9, of the Italian Consolidated Law on Finance.

On January 20, 2022, Saipem SpA has filed an appeal to the Supreme Court against the sentence of the Court of Appeal of Milan.
On March 1, 2022, Consob has notified Saipem SpA of its cross-appeal with counterclaim.
Saipem SpA's cross-appeal against Consob's counterclaim was notified on April 8, 2022.
The proceeding is pending. The hearing before the Supreme Court has not been set yet.

Tax disputes

The Group is a party in tax proceedings. The risk assessment for the purpose of recognising tax liabilities and tax provisions in the financial statements is made on the basis of updated available information, including information acquired by external consultants providing the Group with tax consultant support.
A summary of the most important tax disputes is provided below.

Saipem SpA - Saipem SA - Snamprogetti Engineering BV - Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda - Saipon Snc
Following a tax audit carried out through questionnaires in 2016, on November 10, 2016, the Nigerian tax administration ("FIRS") notified Saipem SpA, Saipem SA, Snamprogetti Engineering BV, Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda and Saipon Snc with a notice of assessment in which the local administration claims the existence of their permanent establishments in Nigeria during the period 2009-2013 in relation to the carrying out of engineering and procurement activities for the execution of turnkey contracts for various Nigerian clients and consequently assesses the failure to pay income tax. In the notices, the tax authority, in fact, ascribes to the alleged permanent establishments all the income obtained from the performance of the aforementioned activities, non-recognising that, as regards the taxability of the income, the same activities were exclusively carried out by the overseas head offices of the recipient companies of the assessment. The tax claim, including the imposed fines, amounts to approximately €250 million equivalent, as of the reporting date. The companies concerned challenged the notices of assessment before the Federal High Court on April 11, 2017, requesting to combine all the cases into one procedure, which was granted by the Court. On July 17, 2020, the Court decided in favour of the applicant companies and accepted all the reasons for the grievances. The Nigerian administration lodged an appeal at the Court of Appeal on October 15, 2020. The first hearing has not yet been scheduled by the Court.

Saipem SpA
As a result of criminal proceedings against Saipem SpA and a number of individuals who held senior positions within the company involving the criminal offences of "international corruption" and "fraudulent misrepresentation", the company was served with notices of assessment for the tax years 2008 and 2009 – served in 2015 – and for the tax year 2010 – served in 2016 – claiming the "non-deductibility of costs arising from criminal offences" related to the aforementioned allegations of international corruption. The Company challenged the 2008 and 2009 notices and, pending the criminal and tax proceedings, both of which were lost in the first instance, on September 8, 2017, it settled the tax disputes, exercising the option under Article 11, Legislative Decree No. 50/2017, which allows for facilitated settlement without the application of penalties and part of the interest. The assessment notice for the 2010 tax year, on the other hand, was settled by agreement on May 26, 2017. Following the adverse criminal judgement delivered by the Court of Milan (on September 19, 2018), on January 15, 2020, the Milan Court of Appeal's second-instance ruling fully exonerated the senior executives of Saipem SpA from the international corruption charge, also dismissing Saipem SpA's responsibility for the alleged administrative offence. On December 14, 2020, the Court of Cassation's ruling was filed that definitively closed the criminal proceedings for international corruption, confirming the acquittal of the Company and the individuals involved. In light of the above-mentioned outcome of the criminal proceedings, on June 1, 2021, the Company filed for a refund of the amount paid in taxation.
Following the tacit rejection of the refund request, the Company lodged an appeal asking the Milan Tax Court of First Instance to order the Italian Revenue Agency to refund the excess tax paid in relation to the assessment notices concerning the non-deductibility of costs associated with the alleged international corruption offence, amounting to a total of €64 million. On July

5, 2022, the Milan Tax Court of First Instance partially upheld Saipem SpA's appeal. Specifically, the ruling established that this right should be limited to the tax paid in execution of the settlement agreement (year 2010), excluding the amounts paid for the settlement of the disputes related to the 2008 and 2009 tax years. On October 6, 2022, the Company appealed against the parts of the ruling that had excluded the right to a refund of the amount paid as a result of the settlement of the pending litigation in relation to the 2008 and 2009 tax years. At the same time, the Internal Revenue Agency filed an appearance to defend the parts of the ruling favorable to it, also challenging the ruling regarding the entitlement to the refund for the 2010 year settlement in agreement. On June 12, 2023, the ruling of the Lombardy Tax Court of Second Instance upheld the Company's appeal and rejected the Italian Revenue Agency's appeal. As a result of the ruling, the Company became entitled to a refund of all the sums paid in 2017, plus legal interest. As of the reporting date, the Agency had already repaid the sums determined in full (€72 million). On November 15, 2023, the Italian Revenue Agency filed an appeal with the Court of Cassation. On January 22, 2024, the Company filed a counter-appeal. At present, the Parties are waiting for the hearing to be scheduled by the Court of Cassation.

Commitments and risks

Saipem has commitments with clients relating to the fulfilment of contractual obligations entered into by its subsidiaries or associates in the event of non-performance and payment of any damages arising from non-performance.
These commitments, which entail the assumption of an obligation to do, secure contracts with a total value of €99,407 million (€71,450 million as of December 31, 2023).
On the occasion of the refinancing operation of the Saipem Group and in support of the loans requested from a pool of banks necessary to refinance the Company's commitments and enable the Saipem Group to operate independently on the financial market, Saipem SpA together with other Group companies signed a collateral agreement to support and guarantee the obligations to repay loan instalments on maturity.

INCOME STATEMENT

36 Revenue

The main items included in "Revenue", which total €5,965,379 thousand, are analysed below, representing an increase of €1,685,132 thousand compared with the previous year.

Core business revenue

Core business revenues amount to €5,871,918 thousand, representing an increase of €1,741,626 thousand compared with the previous year, and were broken down as follows:

(€ thousand)	2024	2023
Asset Based Services	4,198,339	2,706,923
Energy Carriers	1,606,824	1,362,832
Drilling Offshore	66,755	60,537
Total	**5,871,918**	**4,130,292**

As described in "Accounting policies" in the paragraph "Contract assets and contract liabilities", to which we refer, in consideration of the nature of the contracts and the type of works performed by Saipem, the individual obligations contractually identified are mainly satisfied over time. The revenue that measures the progress of the work is determined, in line with the provisions of IFRS 15, by using an input method based on the percentage of costs incurred with respect to the total contractually estimated costs ("cost-to-cost" method).
"Revenue from sales and services" includes sales of sundry materials totalling €116,885 thousand.
Contract revenue includes the amount agreed in the initial contract, plus revenue from change orders and claims.
The change orders consist of additional fees deriving from changes to the contractually agreed works requested by the customer; price revisions (claims) consist of requests for additional fees deriving from higher charges incurred for reasons attributable to the customer. Change orders and claims (pending revenue) are included in the revenue amount when the changes to the agreed works and/or price have a high probability of recognition, even if their definition has not yet been agreed on and in any case for a total amount not exceeding €30 million; any pending revenue reported for a period longer than one

year, with no changes in the negotiations with the client are devalued, despite the confidence in recovery of the business. Amounts higher than €30 million are reported only if supported by outside technical-legal expert opinions.
The cumulative amount of additional payments for change orders and claims, including amounts pertaining to previous years, based on projects progress as of December 31, 2024, totalled €165,806 thousand (€129,764 thousand in the previous year).
There are no additional amounts relating to ongoing legal disputes.
The contractual obligations to be fulfilled by the Saipem SpA (backlog), which as of December 31, 2024 amounted to €14,397,450 thousand, are expected to generate revenue of €5,614,576 thousand in 2025 while the remainder will be generated in subsequent years.
The residual order book as of December 31, 2024 including non-consolidated companies, amounted to €14,397,450 thousand.
The share of revenues for leasing in the item "Core business revenues" does not have a significant impact on the overall amount of core business revenues, as it amounts to less than 2% of the total and it refers to the Offshore Drilling and Leased FPSO sectors.

Other revenue and income

Revenue and other income amount to €93,461 thousand, representing a decrease of €56,494 thousand compared with the previous year, and were broken down as follows:

(€ thousand)	2024	2023
Gains on disposals of assets	1,160	28,094
Gains from closing lease contracts	1	10
Other revenues from ordinary operations	79,308	90,565
Other income	12,992	31,286
Total	**93,461**	**149,955**

"Other revenue from ordinary activities", amounting to €79,308 thousand, essentially comprise recharges to other Saipem Group companies for services rendered to them by the parent company, Saipem SpA.
The item "Other income" amounting to €12,992 thousand includes €1,101 thousand for insurance reimbursements, €1,163 thousand (€2,393 thousand in the previous year) relating to contributions for research and development activities pursuant to Italian Law 9/2014.
The contribution from the Joint Operation Ship Recycling Scarl in 2024 amounted to €42 thousand of "Other income".

37 Operating expenses

The main items making up "Operating expenses", amounting to €5,706,541 thousand, are analysed below, with an increase of €995,509 thousand compared with the previous year. These costs include €92,693 thousand relating to general expenses.

Purchases, services, and other costs

Purchases, services and other costs amount to €4,898,422 thousand, with an increase of €995,509 thousand compared to the previous year, and were broken down as follows:

(€ thousand)	2024	2023
Raw, ancillary and consumable materials and goods	2,910,309	1,735,298
Services	1,579,987	1,733,424
Use of third party assets	426,497	379,092
Change in inventories of raw, ancillary and consumable materials and goods	12,216	3,294
Other net provisions (uses)	(11,203)	40,530
Other expenses	(19,384)	11,275
Total	**4,898,422**	**3,902,913**

The consolidation of Joint Operation Ship Recycling Scarl in 2024 resulted in the recognition of €110 thousand in "Purchases, services and sundry costs", of which €75 thousand were eliminated.

The costs for raw, ancillary and consumable materials and goods amounted to €2,910,309 thousand, up €1,175,011 thousand from the previous year. This item includes the cost of purchasing raw and miscellaneous materials used in the execution of job orders and the cost of purchasing spare parts and consumables.
"Cost for services" amount to €1,579,987 thousand, a decrease of €153,437 thousand compared to the previous year. This item includes the following costs:

(€ thousand)	2024	2023
Subcontracts and works services	314,253	395,842
Design, work management and other services	111,517	43,389
Costs for services for employees	61,719	102,702
Other operative services	274,158	545,745
Other general services	235,931	152,086
Transport	45,447	49,040
Consultancy and professional technical services	20,017	26,424
Consultancy and administrative technical services	6,185	3,431
Insurance services	53,997	49,314
Maintenance	54,171	43,135
Legal, judicial and notary costs	6,816	4,635
Postal, fixed and mobile telephone and fax services	5,523	7,181
Advertising and representation	2,410	2,137
Share of consortium expenses	395,674	306,611
Internal work capitalised	(511)	(518)
Contract penalties applied to suppliers	(7,320)	2,270
Total	**1,579,987**	**1,733,424**

Research and development costs charged to the Income Statement totalled €22,616 thousand (€20,653 thousand in the previous year).
"Costs for use of third party assets" amounted to €426,497 thousand (€379,092 thousand in the previous year), and can be broken down as follows:

(€ thousand)	2024	2023
Leasing of vessels	288,005	225,705
Leasing of work and construction equipment	49,214	73,925
Leasing of buildings	7,263	8,066
Leasing and rental of hardware	3,117	1,768
Misc. leasing and rentals	64,227	59,311
Fees for patents, licenses, concessions	19,028	6,128
Land lease	(6,154)	919
Leasing of office machinery	1,797	3,270
Total	**426,497**	**379,092**

Lease costs derive from contracts valued according to IFRS 16 as "short term lease" or "low value lease" and, therefore, are not subject to the application of the same.
"Change in inventories of raw, ancillary and consumable materials and goods for resale" amounted to €12,216 thousand, up €8,922 thousand from the previous year.
"Other net provisions (uses)" recorded a net use of €11,203 thousand, down €51,733 thousand compared to the previous year, and were broken as follows:

(€ thousand)	2024	2023
Additions to the provision for presumed charges	10,759	17,363
Release of provision for presumed charges	(25,140)	(2,136)
Accrual to provision for contractual expenses and losses on long-term contracts	3,178	25,303
Total	**(11,203)**	**40,530**

"Other expenses" are positive for to €19,384 thousand, with a decrease of €30,659 thousand compared to the previous year, and were broken down as follows:

(€ thousand)	2024	2023
Losses on disposals/write-offs of tangible and intangible assets	444	1,452
Losses from closing lease contract	57	316
Losses and charges for settlements and disputes	(19,804)	73
Provision for write-downs of other tax receivables	84	93
Use of loss allowance for other tax receivables	(14,691)	-
Indirect taxes and fees	5,720	5,983
Other sundry charges	8,806	3,358
Total	**(19,384)**	**11,275**

The item "losses and charges (income) from transactions and disputes" shows a positive balance of €19,804 thousand due to the effect of the discounting of another non-current liability. For more information about the liability, see note 31 "Other liabilities and non-current liabilities".

Net reversal of impairment losses (impairment losses) on trade receivables and contract assets

During the year, net reversals of impairment loss (impairments) of trade receivables, other receivables and contract assets showed a net value of €7,230 thousand (€6,799 thousand in the previous year).

(€ thousand)	2024	2023
Loss allowance for trade receivables and other assets	30,825	21,064
Accrual to impairment provision for contract assets (from work in progress)	285	587
Use of loss allowance for trade receivables and other assets	(44,145)	(61,893)
Use of impairment provision for contract assets (from work in progress)	(120)	(997)
Losses on receivables	20,385	48,038
Total	**7,230**	**6,799**

Personnel expenses

This amounts to €725,339 thousand, an increase of €154,155 thousand compared with the previous year. This item includes the remuneration paid, provisions made to post-employment benefits, accrued holidays, and national insurance and social security contributions in compliance with national contracts of employment and current legislation.
The following table shows the situation of the work force:

	Personnel at		Average workforce for the year (*)	
(number)	Dec. 31, 2024	Dec. 31, 2023	2024	2023
Senior Managers	256	258	256	249
Middle Managers	2,743	2,462	2,601	2,374
White collars	4,047	3,627	3,829	3,589
Blue collars	239	209	215	225
Seamen	249	12	246	10
Total	**7,534**	**6,568**	**7,147**	**6,447**

(*) Calculated as a simple average of the monthly averages.

"Labour costs" comprise the following items:

(€ thousand)	2024	2023
Wages and salaries	576,537	452,508
Social security contributions	106,886	93,218
Post-retirement indemnities	24,675	22,281
Retirement benefits and similar	7,121	5,109
Expenses from current employees	2,527	1,230
Income from seconded employees	(5,003)	(6,448)
Other income from personnel seconded to Group companies	(12,807)	(11,850)
Other costs	27,370	16,502
Capitalisation as an increase in tangible fixed assets	(1,967)	(1,366)
Total	725,339	571,184

The post-employment benefits as of December 31, 2024 included €25,531 thousand relating to costs for post-reform indemnities on the termination of employment, which qualifies as a defined benefit plan, and a negative amount of €857 thousand related to the effect of the actuarial measurement of residual liabilities.
Other costs include an amount of €6,045 thousand relating to facilitated redundancies.
Labour costs include the fair value pertaining to the year referring to the rights assigned in application of the incentive plans of the Group's managers; the cost pertaining to the year, net of the recharges made to the subsidiaries and the forfeited and assigned rights, amounted to €8,342 thousand and can be broken down as follows:

(€ thousand)	Fair value personnel expenses
2019-2021 LTI Plan: 2021 Allocation	(44)
2021-2023 STI Plan: 2021 Allocation	(14)
2023-2025 LTI Plan: 2023 Allocation	5,188
2026-2028 LTI Plan: 2024 Allocation	3,212
	8,342

Incentive Plans

In order to create a system of incentives and loyalty among Group's Senior Managers, Saipem SpA has defined, among other things, variable incentive plans through the free assignment of Saipem SpA ordinary shares to be allocated in three-year cycles (vesting period).
As of December 31, 2024, the Long-Term Variable Incentive Plan 2023-2025 was active (2023 allocation and 2024 allocation). The plan provides for the free assignment of Saipem ordinary shares to the Senior Managers of Saipem SpA and its subsidiaries, holders of organisational positions with significant impact on the achievement of business results, also in relation to performance expressed and professional skills. For additional information about the characteristics of the plan, please see the disclosure made available to the public on the Company's website (www.saipem.com), under the current law (Article 114-*bis* of Legislative Decree No. 58/1998 and Consob implementing regulations).
The cost is determined with reference to the fair value of the option assigned to the senior manager, while the portion for the year is determined pro-rata temporis throughout the period to which the incentive refers (so-called vesting period and co-investment period/retention premium).
The fair value for the year, relative to all the attributions in place, is approximately €8,342 thousand.
The assessment was made using the Stochastic and Black & Scholes models, according to the provisions set out in the IFRS, particularly IFRS 2.
In particular, the Stochastic model was used to assess the allocation of market-based subordinated equity instruments (TSR) and the Black & Scholes model was used to assess the economic and financial goals.

On the attribution date, the classification and number of beneficiaries, the respective number of shares attributed and the subsequent fair value calculation, are as follows:

LTI Allocation for 2023

	No. of managers	No. of shares (1)	Share portion (%)	Unit fair value TSR (weight 40%)	Unit fair value ESG (weight 20%)	Unit fair value ROAIC (weight 15%)	Unit fair value ROAIC (weight 20%)	Unit fair value EBITDA (weight 20%)	Total fair value	Fair value 2024	Fair value 2023
Senior managers (vesting period)	395	13,004,900	75	1.38	1.177	1.177	1.177	1.177	22,378,130	6,256,827	2,964,754
Senior managers (Retention Premium period)			25	2.910	1.177	1.177	1.177	1.177			
CEO (vesting period)	1	744,300	75	1.38	1.177	1.177	1.177	1.177	1,323,023	369,910	169,672
CEO (co-investment period)			25	2.910	1.177	1.177	1.177	1.177			
Total	**396**	**13,749,200**							**23,701,153**	**6,626,737**	**3,134,426**

(1) The number of shares shown in the table corresponds to the number attributed at the right allocation date. The number of shares used for total fair value and fair value for the period calculation as of December 31, 2024, on the other hand, corresponds to 17,483,813 shares, and reflects the forfeited rights due to unilateral/consensual termination of the employment relationship, as well as the percentage of achievement of the estimated non-market conditions at the end of the vesting period.

LTI Allocation for 2024

	No. of managers	No. of shares (1)	Share portion (%)	Unit fair value TSR (weight 40%)	Unit fair value ESG (weight 20%)	Unit fair value ROAIC (weight 15%)	Unit fair value ROAIC (weight 20%)	Unit fair value EBITDA (weight 20%)	Total fair value	Fair value 2024	Fair value 2023
Senior managers (vesting period)	411	8,748,525	75	2.850	2.290	2.290	2.290	2.290	27,967,282	4,056,100	-
Senior managers (Retention Premium period)			25	5.560	2.290	2.290	2.290	2.290			
CEO (vesting period)	1	452,600	75	2.850	2.290	2.290	2.290	2.290	1,451,328	210,482	-
CEO (co-investment period)			25	5.560	2.290	2.290	2.290	2.290			
Total	**412**	**9,201,125**							**29,418,610**	**4,266,582**	**-**

(1) The number of shares shown in the table corresponds to the number attributed at the right allocation date. The number of shares used for total fair value and fair value for the period calculation as of December 31, 2024, on the other hand, corresponds to 10,863,499 shares, and reflects the forfeited rights due to unilateral/consensual termination of the employment relationship, as well as the percentage of achievement of the estimated non-market conditions at the end of the vesting period.

The evolution of the share plans is as follows:

	2024			2023		
	No. of shares	Average strike price (a) (€ thousands)	Market price (b) (€ thousand)	No. of shares	Average strike price (a) (€ thousands)	Market price (b) (€ thousands)
Options outstanding as of January 1	**13,804,761**	**-**	**20,293**	**313,362**	**-**	**353**
New options granted	9,201,125	-	18,945	13,749,200	-	16,183
(Options exercised during the period) (c)	(12,185)	-	(25)	(17,308)	-	(24)
(Options expired during the period)	(528,376)	-	1,088	(240,493)	-	(336)
Options outstanding as of December 31	**22,465,325**	**-**	**56,366**	**13,804,761**	**-**	**20,293**
Of which:						
- exercisable at December 31				-	-	-
- exercisable at the end of the vesting period	16,848,994			10,374,418	-	-
- exercisable at the end of the co-investment period/Retention Premium	5,616,331			3,430,343	-	-

(a) Since these are free shares, the strike price is zero.
(b) The market value of the shares underlying options granted or expired in the period corresponds to the average market value of the shares. The market value of shares underlying options outstanding at the beginning and end of the period is equal to the last available data as of January 1 and December 31.
(c) The rights exercised in 2024 are the shares allocated to the beneficiaries of the 2021 allocation of the 2021-2023 Short-Term Variable Incentive Plan, as per the plan rules.

The options outstanding as of December 31, 2024 and the number of beneficiaries are as follows:

Attributions	No. of managers	Financial year price [a]	No. of shares
LTI 2019	368	-	88,038
LTI 2020	382	-	182,259
LTI 2021	387	-	172,083
STI 2021	132	-	19,338
LTI 2023	396	-	13,749,200
LTI 2024	412	-	9,201,125
As of December 31, 2024			
Shares assigned			
LTI 2019			-
LTI 2020			-
LTI 2021			-
STI 2021			(12,185)
LTI 2023			-
LTI 2024			-
Expired options			
LTI 2019			(88,038)
LTI 2020			(182,259)
LTI 2021			(172,083)
STI 2021			(7,153)
LTI 2023			(458,200)
LTI 2024			(26,800)
Stock options			
LTI 2019	-	-	
LTI 2020	-	-	
LTI 2021	-	-	
STI 2021	-	-	
LTI 2023	380	-	13,291,000
LTI 2024	410	-	9,174,325
			22,465,325

(a) Since these are free shares, the strike price is zero.

The incentive plans for employees of Saipem SpA are shown in the item “Personnel expenses” and as a counter-item to “Other reserves” of equity.
The fair value of allocated options for employees of subsidiaries is shown at the date of option grant in the item “Personnel expenses” and as a counter-item to “Other reserves” of equity. In the same year, the corresponding amount is charged to affiliated companies, as a counter-item to the item “Personnel expenses”.
In the case of Saipem SpA personnel who provide service to other group companies, the cost is charged pro-rata temporis to the company where the beneficiaries are in service.

The parameters used to calculate the fair value relating to the 2023 and 2024 attributions of the ILT 2023-2025 plan are as follows:

		Attribution	ILT 2024	Attribution	ILT 2023
Share price [(a)]	(Euro)	26 June 2024	2.290	27 June 2023	1.177
Strike price [(b)]	(Euro)				-
Parameter adopted in the Black & Scholes model	(Euro)	26 June 2024	2.290	27 June 2023	1.177
Expected life					
Vesting period	(years)		3		3
Co-investment/Retention Premium	(years)		2		2
Risk-free interest rate					
TSR					
- Vesting period	(%)	26 June 2024	2.850	27 June 2023	3.71
- Co-investment/Retention Premium	(%)	26 June 2024	5.560	27 June 2023	3.63
Black & Scholes	(%)				
Expected dividends	(%)		0.00		0.00
Expected volatility					
TSR					
- Vesting period	(%)	26 June 2024	107.56	27 June 2023	105.53
- Co-investment/Retention Premium	(%)	26 June 2024	104.61	27 June 2023	116.72
Black & Scholes	(%)		n.a.		n.a.

(a) Corresponding to the closing price of Saipem SpA shares on the date of attribution, recorded on the Electronic Stock Market managed by Borsa Italiana.
(b) Since these are grants, the strike price is zero.

Depreciation, amortisation, and impairment losses

Depreciation, amortisation and impairment losses amounted to €75,548 thousand, an increase of €12,487 thousand on the previous year and consist of the portions for the year of depreciation and amortisation of tangible and intangible fixed assets, rights of use on lease assets and the impairments made during the year.
Amortisation of intangible fixed assets, totalling €8,108 thousand, is shown under "Intangible assets".
Depreciation of tangible fixed assets, totalling €16,020 thousand, is shown under "Property, plant and equipment".
Depreciation, amortisation and impairment of rights of use of leased assets amounted to €51,420 thousand and are commented on under "Rights of use of leased assets, lease assets and lease liabilities".
The item "Depreciation, amortisation and impairment losses" shown in the Income Statement is determined as follows:

(€ thousand)	2024	2023
Amortisation of other intangible assets	8,108	10,668
Depreciation of property, plant and equipment	16,020	12,024
Impairment of property, plant and equipment	-	1,482
Impairment of other intangible assets	-	1,784
Depreciation of right-of-use lease assets	51,420	37,103
Total	75,548	63,061

Other operating income (expense)

No other operating income (expense) was recognised in 2024 (€1,242 thousand in 2023).

38 Gains (losses) on equity investments

Net financial income amount to €36,260 thousand, compared to net financial expense of €8.347 thousand of the previous year, and were broken down as follows:

(€ thousand)	2024	2023
Financial income		
Interest income and income earned on securities	5,723	861
Interest income on receivables from third parties	24,495	10,657
Interest income on financing receivables due from subsidiary and associated companies	41,045	21,615
Bank account and post office interest	41,216	22,605
Other income from subsidiaries and associates	37,400	31,614
	149,879	**87,352**
Financial expense		
Provision (Use) for IFRS 9 cash and cash equivalents loss allowance	74	(9)
Interest on amounts due to banks	7,004	21,241
Interest on payables to others and other expenses	51,800	23,974
Interest on financial payables to subsidiaries	26,160	14,537
Interest on financial debts for leased assets	15,805	13,948
Other financial charges to associates and jointly controlled companies	-	1,995
Finance expense on defined benefit plans - IAS 19 revised	2,232	2,302
Losses on disposal/extinguishment of securities	56	-
	103,131	**77,988**
Exchange differences		
Exchange gains	110,555	109,791
Exchange losses	(115,285)	(105,330)
	(4,730)	**4,461**

The contribution from the Joint Operation Ship Recycling Scarl in 2024 equalled €72 thousand, relating to interest income. The net financial income on financial assets measured at fair value was €749 thousand, broken down as follows:

(€ thousand)	2024	2023
Financial income (expense) on HfT securities	237	-
Financial income (expense) from valuation of HfT securities	376	-
Income earned on HfT securities	136	-
Total	**749**	**-**

Net expenses from derivative instruments amounted to €6,507 thousand, compared with net expenses of €22,172 thousand in the previous year, broken down as follows:

(€ thousand)	2024	2023
Income (expense) on exchange rate risk transactions	(6,507)	(22,772)
Income (expense) on interest rate risk transactions	-	600
Total	**(6,507)**	**(22,172)**

39 Gains (losses) on equity investments

Gains (losses) on equity investments consisted of the following:

(€ thousand)	2024 Dividends	2024 Income	2024 Expenses	2024 Total	2023 Dividends	2023 Income	2023 Expenses	2023 Total
Investments in subsidiaries								
Andromeda Consultoria Tecnica e Rapresentações Ltda	-	1,047	-	1,047	-	-	(63)	(63)
International Energy Services SpA	-	-	-	-	-	-	(105)	(105)
Saipem SA	-	-	(47,916)	(47,916)	-	54,944	-	54,944
Servizi Energia Italia SpA	121,000	-	-	121,000	-	9,533	-	9,533
Saipem Finance International BV	-	-	-	-	500	-	-	500
SnamprogettiChiyoda sas di Saipem SpA	-	2,734	-	2,734	-	18	-	18
Snamprogetti Netherlands BV	-	21,627	-	21,627	-	25,360	-	25,360
Saipem Maritime Asset Management Luxembourg Sàrl	-	-	-	-	-	-	-	-
Saipem Luxembourg SA	-	-	(2,163)	(2,163)	-	-	-	-
Saipem International BV	-	-	(86,183)	(86,183)	-	203,474	-	203,474
Investments in associates and jointly controlled companies								
Puglia Green Hydrogen Valley - PGHyV Srl	-	-	(29)	(29)	-	-	(35)	(35)
PSS Netherlands BV	-	-	(108,489)	(108,489)	-	7,971	-	7,971
ChemPET Srl	-	-	(10)	(10)				
Equity Investments in Other Companies								
Acqua Campania SpA	2	-	-	2	4	-	-	4
Total	**121,002**	**25,408**	**(244,790)**	**(98,380)**	**504**	**301,300**	**(203)**	**301,601**

Reference is made to Note 17 "Equity investments" for additional details.

40 Income taxes

Income taxes consisted of the following:

(€ thousand)	2024	2023
Current taxes		
Ires	(48,043)	(86,005)
Irap	3,790	(5)
Global Minimum Tax	7,807	
Foreign taxes	(114)	(6,548)
Accrual to (utilisation of) tax provision	(21,298)	3,551
Total	**(57,858)**	**(89,007)**
Active deferred taxes	(127,991)	(18,033)
Passive deferred taxes	2,580	855
Use of active deferred taxes	109,565	42,898
Use of passive deferred taxes	(2,130)	(620)
Total	**(17,976)**	**25,100**
Total income taxes	**(75,834)**	**(63,907)**

Current taxes amounted to positive €75,834 thousand, mainly attributable to the effects of the tax consolidation scheme. This marks an increase of €11,927 thousand compared to 2023; the change is mainly due to the lower incidence of net deferred taxes (€43,076 thousand), higher uses for the tax provision (€24,849 thousand), relating to foreign tax assets previously written-down and recognised at the reporting date, partially offset by lower IRES adjustments (€37,962 thousand), lower adjustments of foreign taxes (€6,434 thousand), higher taxes for IRAP (€3,795 thousand) and the impact of the Global Minimum Tax (€7,807 thousand).

Therefore, the tax charge for the year included net adjustments of Italian taxes relating to Saipem SpA and the companies included in the national tax consolidation, and tax credits (€36,446 thousand), net positive taxes paid abroad (€114 thousand), net uses of tax provisions amounting to €21,298 thousand, and net deferred tax (€17,976 thousand).

(€ thousand)	2024	2023
Profit before income taxes (a)	**196,718**	**28,320**
Difference between value and costs of production	258,838	(264,954)
Total personnel expenses	725,339	571,184
Adjusted difference between value and costs of production (b)	**984,177**	**306,230**
Theoretical Ires taxes (a* 24%)	47,212	6,797
Theoretical Irap taxes (b* 3.9%)	38,383	11,943
Total theoretical taxes (c)	**85,595**	**18,740**
Theoretical tax rate (c/a* 100)%	**43.51**	**66.17**
Income taxes (d)	(75,834)	(63,907)
Effective tax rate (d/a* 100)%	**(38.55)**	**(225.66)**
Theoretical taxation	**85,595**	**18,740**
IRAP taxable amount difference	2,592	5,815
Value of production abroad (Irap)	(11,651)	(2,758)
Accrual to (utilisation of) tax provision	(21,298)	3,551
Ship Recycling Scarl contribution	4	4
Deferred taxes of foreign subsidiaries	(18,426)	-
Other differences	(112,650)	(89,259)
Effective taxes	**(75,834)**	**(63,907)**

The other differences amounting to a negative €112,650 thousand essentially were essentially attributable to adjustments on tax losses and changes in Italian taxes of the companies included in the national tax consolidation.

41 Operating result

A profit of €278,498 thousand was recorded for the year, compared to a profit of €107,279 thousand recorded the previous year.

42 Amount of compensation paid to members of management and control bodies, General Managers, and Senior Managers with strategic responsibilities

In implementation of Art. 123-*ter* of the Consolidated Tax Law (TUF) introduced as a result of Italian Legislative Decree 259 from December 2010, Consob changed the Issuer Regulations with resolution dated December 23, 2011 by introducing, among other things, the new Art. 84-*quater* that regulates the methods for the publication and contents of the remuneration report that listed companies are required to prepare within the deadline provided. The "Report on Remuneration Policy and Compensation Paid 2025" is prepared by the Company as an autonomous document approved by the Board of Directors on March 11, 2025 and published on the Company's website at www.saipem.com. The report was prepared according to what is specified in "Schedule 7-*ter* of Annex 3" to the Issuer Regulations. The report comprises two separate sections. The first sets out the policies adopted for 2024 for the compensation of Company Directors, General Managers and other Senior Managers with strategic responsibilities as well as Statutory Auditors, the general aims pursued, the actors involved in the policy setting process and the procedures employed to adopt and implement it, while the second section describes the compensation paid to the Directors, Statutory Auditors, General managers and other Senior Managers with strategic responsibilities.

Compensation of Statutory Auditors

The compensation of the Statutory Auditors amounted to €170 thousand in 2024.
The compensation included emoluments and all other retributive and social security compensations due for the function of Statutory Auditor of Saipem SpA.

Compensation of Senior Managers with strategic responsibilities

To ensure greater consistency between disclosures provided in the Report on Remuneration Policy and Compensation Paid and this annual report, the definition of Senior Managers with strategic responsibilities is consistent with Article65, section 1-*quater* of the Issuer Regulations.
This definition refers to individuals with direct or indirect planning, coordination and control powers and responsibilities.
The table shows the compensation payable to Saipem's key management personnel, defined as executives, other than Directors and Statutory Auditors, who are required to participate in the Management Committee and in any case the first reports to the Chief Executive Officer and the Chairman of the Board of Directors.

(€ thousand)	2024	2023
Wages and salaries[(a)]	9,790	7,130
Other long-term benefits	218	159
Fair value of incentive plans	1,764	648
Total	**11,772**	**7,937**

(a) The amount includes the best cost accrual as of 31 December 2024 related to STI Allocation for 2024, whose final amount can be only determined after the approval date of the present Financial Statement, as well as the portion of STI for 2022 deferred for a two-year period.
It has to be outlined that Senior Managers with strategic responsibilities remuneration might differ from the amount shown in the document "Report on Remuneration Policy and Compensation 2025" issued by Saipem S.p.A. due to, on the one hand, the circumstances that some data become definitively available after the approval of the present financial statement and, on the other hand, data could be presented in different ways.

43 Related party transactions

Following the adoption of the Consob Related Parties Regulation and considering the recommendations in the Corporate Governance Code, in 2010 the Board of Directors of Saipem, with the favourable opinion of the Related-Party Transactions Committee (Control and Risk Committee until the appointment of the Related Parties Committee by the Board of Directors, on May 18, 2021), unanimously approved a specific procedure in this regard, last updated on October 25, 2023, and named "Management System Guideline Transactions with Related Parties and Parties of Interest" (the "Related Parties MSG").
The Related Parties MSG establishes the principles and rules to which Saipem and its subsidiaries must adhere in order to ensure the transparency and substantive and procedural fairness of transactions with related parties and persons of interest, directors and statutory auditors and executives with strategic responsibilities (DIRS) of Saipem, carried out by Saipem or its subsidiaries. The Related Parties MSG adopted defines the time frames, responsibilities and assessment tools for the functions involved, plus the information flows that must be complied with to guarantee the correct application of the regulations. In 2016, an internal operating procedure named "Transactions involving interests held by the Board of Directors and Statutory Auditors and transactions with related parties - role and responsibilities of the representatives" was also issued, to further regulate the activities, roles, and responsibilities, at operational level, of those involved in the procedure, which is also updated as needed to reflect changes to the Related Parties MSG.
For more details, see the Related Parties MSG, available on Saipem's website at www.saipem.com (section "Governance – Related parties procedure – transactions with related parties").
Transactions concluded by Saipem and its controlled companies with related parties essentially regard the exchange of goods, the supply of services, the provision and utilisation of financial resources including entering into derivatives contracts. All transactions are part of ordinary operations, and are settled at market conditions, i.e., at the conditions that would have applied between two independent parties, and are carried out in the interest of Saipem.
During 2024, the CEO reported periodically to the Board of Directors and the Board of Statutory Auditors on the execution of transactions with related parties.

Trade and other transactions

Trade and other transactions for financial year 2024 consisted of the following:

(€ thousand)

	Dec. 31, 2024			Year 2024			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
Continuing operations							
Andromeda Consultoria Tecnica e Representações Ltda	2	-	3,696	-	-	-	2
Boscongo SA	1,068	111	-	-	139	550	433
Consorzio Sapro	-	-	-	-	4	-	-
Denuke Scarl	-	-	-	-	-	-	7
Energy International Services SpA	-	-	-	-	-	-	-
Energy International Services SpA Row Sharjah Branch	-	-	-	-	-	-	-
ER SAI Caspian Contractor Llc	-	-	-	-	-	-	-
ERS - Equipment Rental & Services BV	-	-	130	-	7	-	-
European Maritime Construction SAS	-	-	-	-	-	-	-
Gydan Yard Management Services	-	-	-	-	-	-	-
Global Petroprojects Services AG	1,255	31,357	-	-	52,931	140	1,195
INFRA SpA	871	(35)	-	-	(1)	596	12
Moss Maritime AS	788	1,197	-	-	4,186	9	316
North Caspian Service Co Ltd	-	-	-	-	-	-	-
Petrex SA	2,202	26	31,502	-	2	-	176
Professional Training Center Llp	-	-	-	-	-	-	-
PT Saipem Indonesia	15,319	11,192	167,783	-	18,162	2,135	9,250
SAGIO - Companhia Angolana de Gestão de Instalaçao	-	-	-	-	-	-	-
Saigut SA de CV	-	-	-	-	-	-	77
SAIMEP Lda	4,715	85	-	-	331	562	650
Saimexicana SA de Cv	10,646	557	5,124	-	736	6,579	563
Saipem (Beijing) Technical Services Co Ltd	4,111	2,763	1,583	-	18,909	2	456
Saipem (Malaysia) Sdn Bhd	-	-	-	-	-	-	-
Saipem (Nigeria) Ltd	-	-	-	-	-	-	-
Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda	98,373	48,157	-	705	71,968	81,717	3,977
Saipem America Inc	7,168	3,473	4,226	1	2,844	8,316	1,974
Saipem Asia Sdn Bhd	6,332	683	4,477	-	858	2,093	4,210
Saipem Australia Pty Ltd	18,171	6,343	326,211	(885)	6,884	12,703	1,748
Saipem Canada Inc	352	-	-	-	-	51	-
Saipem Contracting (Nigeria) Ltd	6,638	118	185,466	1,630	929	4,933	534
Saipem Contracting Algérie SpA	14,286	7,112	20,508	-	-	-	10
Saipem Contracting Prep SA	-	-	-	-	-	-	-
Saipem Contracting Netherlands BV	9,931	1,919	17,899	-	785	1,666	2,779
Saipem do Brasil Serviçõs de Petroleo Ltda	13,784	2,908	516,332	13	2,838	7,276	177
Saipem Drilling Co Pvt Ltd	-	-	-	-	-	-	-
Saipem Drilling Norway AS	13,017	-	-	-	-	16,864	315
Saipem East Africa Ltd	-	-	-	-	-	-	-
Saipem Finance International BV	2,335	-	-	-	349	-	205
Saipem Guyana Inc	1,572	-	-	-	37	501	517
Saipem India Projects Ltd	4,566	22,313	2,129	-	36,692	1,037	1,277
Saipem Ingenieria y Construcciones SLU	10	-	4,643	-	-	1	29
Saipem International BV	23	-	141	-	-	-	80
Saipem Libya Llc - SA.LI.CO. Llc	-	-	-	-	-	-	-
Saipem Ltd	50,814	14,839	78,114	4,520	14,749	14,139	5,942
Saipem Luxembourg SA	43,707	624	1,704	-	65	11,064	2,494

The trade and other transactions of 2024 are shown below.

(€ thousand)

	Dec. 31, 2024			Year 2024			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
Saipem Maritime Asset Management Luxembourg Sàrl	-	-	102	-	-	-	-
Saipem Misr for Petroleum Services (S.A.E.)	1,680	1,101	-	-	837	731	660
Saipem Norge AS	607	-	-	-	-	338	667
Saipem Offshore Norway AS	-	-	-	-	-	-	-
Saipem Romania Srl	33,706	40,928	16,810	105	60,839	3,285	1,092
Saipem SA	96,203	34,950	442,793	-	28,275	75,100	13,800
Saipem Services Mexico SA de Cv	-	-	-	-	-	-	-
Saipem Singapore Pte Ltd	3,696	21	60,462	-	157	273	1,391
Saipem Ukraine Llc	-	-	-	-	-	-	-
Sajer Iraq Company for Petroleum Services, Trading, General Contracting & Transport Llc	462	-	-	-	-	4	34
Saiwest	3,373	-	-	-	-	-	13
Saudi Arabian Saipem Ltd	23,924	1,164	70,079		(347)	12,996	1,629
Saudi International Energy Services Ltd Co	-	-	-	-	-	-	-
Servizi Energia Italia SpA	220,491	249,936	900,709	1,560,345	(442,965)	122,787	4,381
Sigurd Rück AG	115	-	2,050	-	-	-	68
Snamprogetti Engineering & Contracting Co Ltd	5,364	71	194,211	-	94	323	1,029
Snamprogetti Engineering BV	-	-	69	-	-	-	-
Snamprogetti Netherlands BV	15	-	-	-	-	-	43
Snamprogetti Saudi Arabia Co Ltd Llc	70,088	841	1,610,169	125	177	23,861	19,926
Snamprogetti Chiyoda sas di Saipem SpA	13	3,859	627	-	-	-	54
Sofresid Engineering SA	-	-	-	-	-	-	-
Sofresid SA	1,734	1,263	-	-	-	112	14
Sonsub International Pty	-	-	-	-	-	-	-
Saipem Drill LLC	-	-	-	-	-	-	-
Other subsidiaries	-	-	-	-	-	-	-
Total subsidiaries	**793,527**	**489,876**	**4,669,749**	**1,566,559**	**(118,529)**	**412,744**	**84,206**
ASG Scarl	550	1,385	-	-	43	-	-
CCS JV SCARL	5,374	6,851	-	-	-	44,744	193
CEPAV (Consorzio Eni per l'Alta Velocità) Due	165,808	144,262	253,490	-	317,288	354,382	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	108	-	13,900	-	119	88	-
Charville - Consultores e Serviços Lda	-	-	-	-	-	-	-
CMS&A WII	-	-	-	-	-	-	-
Consorzio F.S.B.	163	110	-	2	347	-	-
GYDAN LNG SNC	-	-	-	-	-	-	-
GYGAZ SNC	-	-	-	-	-	-	-
KWANDA Suporte Logistico Lda	-	-	-	-	-	734	-
Modena Scarl	-	-	-	-	-	-	-
Novarctic Snc	-	-	-	-	-	-	-
Petromar Lda	7,986	-	4,097	-	(8)	2,406	3,671
P.S.S. Netherland BV	2,497	4,561	-	-	-	(601)	-
Rodano Consortile Scarl	-	-	-	-	-	-	-
Rosetti Marino SpA	-	-	-	-	-	-	-
Saipar Drilling Co BV	-	-	-	-	-	-	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	1,360	-	22,394	-	39	-	(1,397)
Sairus Llc (ex Katran-K Llc)	-	-	-	-	-	-	-

Trade and other transactions for 2024 consisted of the following

(€ thousand)

	Dec. 31, 2024			Year 2024			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
SAME Netherlands BV A	-	-	-	-	-	-	-
SAREN Llc A	-	-	-	-	-	-	-
SCD JV Scarl	1,167	49,878	-	-	-	2,764	819
Southern Gas Constructors Ltd	-	-	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	-	-	-	-	-	-
The Branch of the Company	-	-	-	-	-	-	-
Xodus Subsea Ltd	-	-	-	-	-	-	-
Other associates and jointly controlled companies	-	-	-	-	-	-	-
Total associates and jointly controlled companies	**185,013**	**207,047**	**293,881 -**	**2**	**317,828 -**	**404,517**	**3,286**
Agenzia Giornalistica Italia SpA	-	-	-	-	36	-	-
Compagnia Napoletana	-	-	-	-	-	-	-
Ecofuel SpA	-	-	-	-	75	-	21
Eni Adfin SpA	-	-	-	-	-	-	-
Eni Angola SpA	(43)	-	-	-	-	-	-
Eni Angola Exploration BV	-	-	-	-	-	-	-
Eni Benelux	-	21	-	-	-	-	-
Eni Canada Holding Ltd	-	-	-	-	-	-	-
Eni Congo SA	48,049	31,517	-	-	-	395,445	33
Eni Corporate University SpA	-	-	-	-	175	-	-
Eni Côte d'Ivoire Ltd	-	3,916	-	-	-	14,594	-
Eni Cyprus Ltd	-	-	-	-	-	-	-
Mozambique Rovuma Venture SpA	6,886	-	-	-	-	7,314	-
Eni Fuel SpA	-	-	-	-	-	-	-
Eni Fuel Centrosud SpA	-	-	-	-	-	-	-
Eni Gas e Luce SpA	-	157	-	-	1,367	-	-
Eni Insurance Ltd	-	-	-	-	-	-	-
Eni Iran BV	-	-	-	-	-	-	-
Eni Lasmo Plc	-	-	-	-	-	-	-
Eni Mediterranea Idrocarburi SpA	(253)	-	-	-	-	62,422	-
Eni New Energy SpA	1,700	7,706	-	-	-	222	-
Eni Norge AS	88	-	-	-	-	88	-
Eni North Africa BV	-	-	-	-	-	-	-
EniPower Mantova SpA	-	-	-	-	-	-	-
EniPower SpA	28	-	-	-	-	46	-
Eni Pakistan Ltd	-	-	-	-	-	-	-
Eni SpA	32	160	-	-	(34)	-	-
Eni SpA - Exploration & Production Division	2,865	839	-	-	1,846	22,032	-
Eni SpA - Gas & Power Division	-	-	-	-	-	-	-
Eni SpA - Refining & Marketing Division	56,647	49,002	-	-	576	35,750	-
EniServizi SpA	-	(230)	-	-	1,353	-	-
Eni Tunisia BV	-	-	-	-	-	-	-
Eni Turkmenistan Ltd	-	-	-	-	-	-	-
Floaters SpA	-	-	-	-	-	-	-
Nigerian Agip Exploration Ltd	-	-	-	-	-	-	-
Raffineria di Gela SpA	-	-	-	-	-	-	-
Serfactoring SpA	-	236	-	-	-	-	-
SAME Netherlands BV A	-	-	-	-	-	-	-

Trade and other transactions for 2024 consisted of the following

(€ thousand)

Name	Dec. 31, 2024 Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Year 2024 Costs Goods	Services	Revenue Goods and services	Other
Servizi Aerei SpA	-	-	-	-	-	-	-
Società Adriatica Idrocarburi SpA	-	-	-	-	-	-	-
Società EniPower Ferrara Srl	-	-	-	-	-	-	-
Scogat - Société pour la Construction du Gazoduc Transtunisien SA	-	-	-	-	-	-	-
Eni Rewind	206	-	-	-	-	-	468
Eniprogetti SpA	9,073	58	-	-	223	30,283	364
Trans Tunisian Pipeline Co SpA	-	-	-	-	-	-	-
Versalis SpA	-	75	-	-	-	-	-
Total Eni and subsidiaries	**125,278**	**93,457**	**-**	**-**	**5,617**	**568,196**	**886**
Blue Stream Pipeline Co BV	2,785	-	-	-	-	4,096	-
GreenStream BV	251	-	-	-	-	3,621	-
Mellitah Oil & Gas BV	35,283	58,975	-	-	-	142,307	-
Raffineria di Milazzo ScpA	-	-	-	-	-	-	-
Transmediterranean Pipeline Co Ltd	79	-	-	-	-	799	-
Total companies jointly controlled by Eni and Eni associated companies	**38,398**	**58,975**	**-**	**-**	**-**	**150,823**	**-**
Autostrade per l'italia SpA	20	-	-	-	-	35	-
Enura	163	-	-	-	-	9	-
Cetena SpA	-	-	-	-	-	-	-
CDP SpA	-	-	-	-	81	-	-
CDP Equity SpA	-	-	-	-	113	-	-
De Nora Water Technologies Italy S	-	200	-	-	1,501	-	-
Fincantieri	-	-	-	-	-	17	-
Fintecna SpA	-	22	-	-	-	-	-
Fisia Ambiente SpA	15	-	-	-	-	12	-
GNL Italia SpA	219	-	-	-	-	-	-
HCE Contruction SpA	31	-	-	-	-	25	-
Italgas Reti SpA	5	-	-	-	-	-	-
Page Europa Srl	-	50	-	-	3,350	-	-
Remazel Engineering SpA	-	-	-	-	2,349	-	-
Snam Rete Gas SpA	36,406	-	-	-	-	195,651	-
Tamini Trasformatori Srl	-	-	-	-	-	-	-
Terna SpA Rete elettrica	-	-	-	-	-	-	-
Trevi	-	-	-	-	1,244	-	-
Stoccaggi Gas Italia	7,167	-	-	-	-	16,364	-
Valvitalia	-	898	-	-	3,798	-	-
Other	-	-	-	-	16	149	-
Total CDP SpA Group	**44,026**	**1,170**	**-**	**-**	**12,452**	**212,262**	**-**
E-Geos SpA	-	17	-	-	-	-	-
Enel Energia	-	(2)	-	-	23	-	-
Gestore dei Servizi Energetici	-	-	-	-	-	-	-
GMCS Cost Control Risk Management	-	-	-	-	-	-	-
Infrarail Srl	-	-	-	-	-	-	-
Italia Trasporto Aereo SpA	-	20	-	-	20	-	-
Leonardo SpA	-	686	-	-	1,687	-	-

Trade and other transactions for 2024 consisted of the following

(€ thousand)

Name	Dec. 31, 2024 Trade and other receivables	Dec. 31, 2024 Trade payables, other liabilities and contract liabilities	Dec. 31, 2024 Guarantees		Year 2024 Costs Goods	Year 2024 Costs Services	Year 2024 Revenue Goods and services	Year 2024 Revenue Other
Rete Ferroviaria Italiana SpA	-	295	-		-	297	-	-
RSE	-	26	-		-	26	-	-
Sace FCT SpA	-	1,869	-		-	191	-	-
Sogin	-	-	-		-	-	-	-
Telespazio	-	1,816	-		-	12,302	-	-
Trenitalia TPER Scarl	-	-	-		-	-	-	-
Total of entities controlled or owned by the State	**-**	**4,727**	**-**	**-**	**-**	**14,546**	**-**	**-**
Total Joint Ventures	**81,125**	**16,199**	**-**		**-**	**-**	**161,154**	**-**
Other related parties	-	-	-		-	-	-	-
Total	**1,267,367**	**871,451**	**4,963,630**		**1,566,561**	**231,914**	**1,909,696**	**88,378**
Revenues recorded towards related parties as a deduction for payroll and related costs	-	-	-		-	-	-	(16,157)
Costs recorded towards related parties as an increase for payroll and related costs	-	-	-		-	(2,677)	-	-
Total	**-**	**-**	**-**		**-**	**(2,677)**	**-**	**(16,157)**
Overall total - Continuing operations	**1,267,367**	**871,451**	**4,963,630**		**1,566,561**	**229,237**	**1,909,696**	**72,221**
Discontinued operations			-					
Boscongo SA			-		28			
Saimexicana SA de Cv								17
Saudi Arabian Saipem Ltd					12			
Total subsidiaries	**-**	**-**	**-**	**-**	**40**	**-**	**-**	**17**
Overall total - Discontinued operations	**-**	**-**	**-**	**-**	**40**	**-**	**-**	**17**
Overall total	**1,267,367**	**871,451**	**4,963,630**	**-**	**1,566,601**	**229,237**	**1,909,696**	**72,238**

Trade and other transactions for financial year 2023 consisted of the following:

(€ thousand)

	Dec. 31, 2023			Year 2023			
				Costs		Revenue	
Name	Trade and other receivables	Trade Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
Continuing operations							
Andromeda Consultoria Tecnica e Rapresentações Ltda	5	-	4,071	-	-	-	2
Boscongo SA	4,341	1,037	5,314	111	1,195	360	525
Consorzio Sapro	-	-	-	-	5	-	-
Denuke Scarl	-	-	244	-	(76)	6	7
Energy International Services SpA	-	(26)	-	-	-	-	-
Energy International Services SpA Row Sharjah Branch	1,506	-	-	-	(580)	978	1,001
ER SAI Caspian Contractor Llc	-	-	-	-	(9)	(170)	924
ERS - Equipment Rental & Services BV	224	38	130	-	23	161	275
European Maritime Construction sas	-	-	-	-	-	-	(1)
Global Petroprojects Services AG	865	15,258	-	-	29,000	28	742
Saipem Offshore Construction SpA	48	(18)	-	-	(93)	270	13
Moss Maritime AS	450	840	-	-	3,969	19	351
North Caspian Service Co Ltd	-	-	-	-	-	-	-
Petrex SA	2,380	60	31,869	-	34	-	993
Professional Training Center Llp	-	-	-	-	-	-	-
PT Saipem Indonesia	20,838	8,663	107,295	-	8,581	1,310	13,781
SAGIO - Companhia Angolana de Gestão de Instalaçao	-	-	-	-	-	-	-
Saigut SA de CV	-	-	-	-	-	-	124
SAIMEP Lda	9,013	111	1,183	-	111	978	291
Saimexicana SA de Cv	7,301	1,099	400	10	793	4,089	912
Saipem (Beijing) Technical Services Co Ltd	936	1,536	1,528	-	3,245	-	104
Saipem (Malaysia) Sdn Bhd	-	-	-	-	-	1	8
Saipem (Nigeria) Ltd	-	-	-	-	-	-	-
Saipem (Portugal) Comércio Marítimo, Sociedade Unipessoal Lda	85,452	11,099	9,057	3,950	58,282	76,883	5,719
Saipem America Inc	5,290	1,932	5,014	-	1,986	2,560	1,725
Saipem Asia Sdn Bhd	4,813	110	8,267	-	260	(2)	1,039
Saipem Australia Pty Ltd	17,890	1,223	307,746	885	338	9,915	691
Saipem Canada Inc	481	234	-	-	232	212	-
Saipem Contracting (Nigeria) Ltd	9,201	217	270,134	27	308	5,185	550
Saipem Contracting Algérie SpA	14,053	241	17,667	-	-	-	6
Saipem Contracting Prep SA	-	-	-	-	-	-	-
Saipem Contracting Netherlands BV	17,456	5,057	34,648	-	3,839	11,091	1,711
Saipem do Brasil Serviçõs de Petroleo Ltda	5,858	572	582,806	-	12,451	4,432	132
Saipem Drilling Co Pvt Ltd	-	-	-	-	-	-	-
Saipem Drilling Norway AS	11,205	-	-	-	-	9,487	327
Saipem Finance International BV	5,038	-	-	-	296	-	486
Saipem Guyana Inc	1,489	-	14,073	-	-	612	303
Saipem India Projects Ltd	2,182	15,605	1,674	-	20,950	475	1,076
Saipem Ingenieria y Construcciones SLU	1	-	4,870	-	-	-	5
Saipem International BV	24	-	34	-	-	-	71
Saipem Libya Llc - SA.LI.CO. Llc	-	-	-	-	-	-	-
Saipem Ltd	66,219	23,474	240,254	1,703	14,607	56,096	8,285
Saipem Luxembourg SA	33,651	523	905	-	4,280	8,974	3,338
Saipem Maritime Asset Management Luxembourg Sàrl	-	-	102	-	-	-	-
Saipem Misr for Petroleum Services (SAE)	4,339	489	30,962	-	407	(40)	652

The trade and other transactions of 2023 are shown below.

(€ thousand)

	Dec. 31, 2023			Year 2023			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
Saipem Norge AS	503	-	-	-	-	20	640
Saipem Offshore Norway AS	-	-	-	-	-	-	-
Saipem Romania Srl	20,858	59,101	15,907	-	65,677	2,436	-
Saipem SA	69,145	29,484	336,690	-	29,096	48,429	13,687
Saipem Services Mexico SA de Cv	-	-	-	-	-	-	(1)
Saipem Singapore Pte Ltd	2,372	86	52,577	-	(16)	(18)	853
Saipem Ukraine Llc	-	-	-	-	-	-	-
Sajer Iraq Company for Petroleum Services, Trading, General Contracting & Transport Llc	384	-	-	-	-	1	57
Saiwest	3,549	-	-	-	-	3	36
Saudi Arabian Saipem Ltd	18,790	1,466	73,474	-	773	6,298	1,634
Saudi International Energy Services Ltd Co	1,125	-	-	-	-	-	1,124
Servizi Energia Italia SpA	258,212	819,762	860,118	1,023,958	237,636	459,907	6,500
Sigurd Rück AG	113	-	1,956	-	-	-	69
Snamprogetti Engineering & Contracting Co Ltd	9,560	106	157,399	-	82	2,876	2,994
Snamprogetti Engineering BV	-	-	64	-	-	-	-
Snamprogetti Netherlands BV	12	-	-	-	-	-	43
Snamprogetti Saudi Arabia Co Ltd Llc	94,035	1,745	1,644,255	-	777	38,485	17,974
Snamprogetti Chiyoda sas di Saipem SpA	27	-	596	-	-	-	58
Sofresid Engineering SA	-	-	-	-	2,737	9	663
Sofresid SA	549	(5,483)	-	-	-	2	11
Sonsub International Pty	-	-	-	-	-	-	-
Saipem Drill Llc	-	-	-	-	-	-	-
Other subsidiaries	-	-	-	-	-	-	-
Total subsidiaries	**811,783**	**995,641**	**4,823,283**	**1,030,644**	**501,196 -**	**752,358**	**92,510**
ASG Scarl	550	1,453	-	-	-	-	-
CCS JV Scarl	3,820	31,152	-	-	-	7,324	1,301
CEPAV (Consorzio Eni per l'Alta Velocità) Due	109,394	212,454	143,300	-	276,962	349,984	5
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	54	-	222,906	-	192	155	-
Charville - Consultores e Serviços Lda	-	-	-	-	-	-	-
CMS&A WII	-	-	-	-	-	-	-
Consorzio FSB	49	110	-	2	233	-	-
GYDAN LNG Snc	-	-	-	-	-	(372)	-
GYGAZ Snc	3,991	-	-	-	-	3,991	-
KWANDA Suporte Logistico Lda	-	-	-	-	-	787	-
Modena Scarl	-	-	-	-	-	-	-
Novarctic Snc	-	-	-	-	-	(372)	-
Petromar Lda	5,120	105	1,130	-	105	2,338	3,359
PSS Netherlands BV	1,935	3,400	-	-	-	1,264	-
Rodano Consortile Scarl	-	-	-	-	-	-	-
Rosetti Marino SpA	-	-	-	-	-	-	-
Saipar Drilling Co BV	-	-	-	-	-	-	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	6,274	-	25,680	-	-	(408)	1,393
Sairus Llc (ex Katran-K Llc)	-	-	-	-	-	-	-
SAME Netherlands BV A	-	-	-	-	-	-	-
SAREN Llc A	-	-	-	-	-	-	-
SCD JV Scarl	985	156	-	-	-	4,129	3,066
Southern Gas Constructors Ltd	-	-	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	-	-	-	-	-	-

Trade and other transactions for 2023 consisted of the following

(€ thousand)

	Dec. 31, 2023			Year 2023			
				Costs		Revenue	
Name	Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
SAREN BV	-	-	-	-	-	-	-
Xodus Subsea Ltd	-	-	-	-	-	-	-
Other associates and jointly controlled companies	-	-	-	-	-	-	-
Total associates and jointly controlled companies	**132,172**	**248,830**	**393,016**	**2**	**277,492**	**368,820**	**9,124**
Agenzia Giornalistica Italia SpA	-	-	-	-	36	-	-
Compagnia Napoletana	-	-	-	-	-	-	-
Ecofuel SpA	100	-	-	-	76	47	18
Eni Adfin SpA	-	-	-	-	-	-	-
Eni Angola SpA	10,182	-	-	-	-	-	2,561
Eni Angola Exploration BV	-	-	-	-	-	-	-
Eni Benelux	-	21	-	76	-	-	-
Eni Canada Holding Ltd	-	-	-	-	-	-	-
Eni Congo SAU	3,691	33,095	-	-	-	157,965	90
Eni Corporate University SpA	-	20	-	-	20	-	-
Eni Côte d'Ivoire Ltd	33,067	18,510	-	-	-	342,765	-
Eni Cyprus Ltd	-	-	-	-	-	-	-
Mozambique Rovuma Venture SpA	-	-	-	-	-	-	-
Eni Fuel SpA	-	-	-	-	-	-	-
Eni Fuel Centrosud SpA	-	-	-	-	-	-	-
Eni Gas e Luce SpA	-	141	-	-	1,167	-	-
Eni Insurance Ltd	-	-	-	-	-	-	-
Eni Iran BV	-	-	-	-	-	-	-
Eni Lasmo Plc	-	-	-	-	-	-	-
Eni Mediterranea Idrocarburi SpA	1,500	-	-	-	-	160,926	-
Eni New Energy SpA	1,685	-	-	-	-	387	-
Eni Norge AS	-	-	-	-	-	-	-
Eni North Africa BV	-	-	-	-	-	-	-
EniPower Mantova SpA	-	-	-	-	-	-	-
EniPower SpA	76	-	-	-	-	4	-
Eni Pakistan Ltd	-	-	-	-	-	-	-
Eni SpA	252	931	-	-	224	282	-
Eni SpA - Exploration & Production Division	2,455	300	-	-	1,162	19,406	-
Eni SpA - Gas & Power Division	1	-	-	-	-	-	-
Eni SpA - Refining & Marketing Division	3,607	111	-	-	112	26,225	-
EniServizi SpA	-	787	-	-	1,764	-	-
Eni Tunisia BV	-	-	-	-	-	-	-
Eni Turkmenistan Ltd	-	-	-	-	-	-	-
Floaters SpA	-	-	-	-	-	-	-
Nigerian Agip Exploration Ltd	-	-	-	-	-	-	-
Raffineria di Gela SpA	-	-	-	-	-	-	-
Serfactoring SpA	-	236	-	-	-	-	-
Servizi Aerei SpA	-	-	-	-	-	-	-
Società Adriatica Idrocarburi SpA	-	-	-	-	-	-	-
Società EniPower Ferrara Srl	-	-	-	-	-	-	-
Scogat - Société pour la Construction du Gazoduc Transtunisien SA	-	-	-	-	-	-	-
Eni Rewind	110	-	-	-	-	-	527
Eniprogetti SpA	3,108	305	-	-	76	2,918	355

The trade and other transactions of 2023 are shown below.

(€ thousand)

	Dec. 31, 2023			Year 2023			
				Costs		Revenue	
Name	Trade and other receivables	Trade and other payables and contract liabilities	Guarantees	Goods	Services	Goods and services	Other
Trans Tunisian Pipeline C SpA	-	-	-	-	-	-	-
Versalis SpA	-	76	-	-	-	40	-
Total Eni and subsidiaries	**59,834**	**54,533**	**-**	**76**	**4,637**	**710,965**	**3,551**
Blue Stream Pipeline Co BV	821	-	-	-	-	777	-
GreenStream BV	216	-	-	-	-	3,242	-
Mellitah Oil & Gas BV	59,655	106,575	-	-	-	46,020	-
Raffineria di Milazzo ScpA	-	-	-	-	-	-	-
Transmediterranean Pipeline Co Ltd	161	-	-	-	-	395	-
Total companies jointly controlled by Eni and Eni associated companies	**60,853**	**106,575**	**-**	**-**	**-**	**50,434**	**-**
Cetena SpA	-	-	-	-	-	-	-
CDP SpA	-	-	-	-	686	-	-
Fincantieri	-	-	-	-	-	21	-
Fintecna SpA	-	22	-	-	-	-	-
GNL Italia SpA	219	-	-	-	-	44	-
Italgas Reti SpA	5	-	-	-	-	-	-
Snam Rete Gas SpA	32,664	42,153	-	-	-	50,736	-
Tamini Trasformatori Srl	-	3	-	-	-	-	-
Terna SpA Rete Elettrica	-	-	-	-	-	-	-
Stoccaggi Gas Italia	7,174	-	-	-	-	10,803	-
Valvitalia	-	195	-	-	4,112	-	-
Other	258	1,534	-	-	146	558	-
Total CDP SpA Group	**40,320**	**43,907**	**-**	**-**	**4,944**	**62,162**	**-**
Enura	163	-	-	-	-	242	-
E-Geos SpA	-	17	-	-	-	-	-
Enel Energia	-	(2)	-	-	35	-	-
Gestore dei Servizi Energetici	613	-	-	-	-	-	92
GMCS Cost Control Risk Management	-	188	-	-	443	-	-
Infrarail Srl	-	-	-	-	-	-	-
Leonardo SpA	-	593	-	-	1,783	-	-
Sace FCT SpA	-	1,080	-	-	248	-	-
Sogin	1,066	-	-	-	-	-	-
Telespazio	-	3,209	-	-	12,869	-	-
Trenitalia TPER Scarl	-	-	-	-	-	6	-
Total of entities controlled or owned by the State	**1,842**	**5,085**	**-**	**-**	**15,378**	**248**	**92**
Total Joint Ventures	**78,590**	**50,989**	**-**	**-**	**292**	**29,558**	**-**
Other related parties	-	330	-	-	893	-	14
Total	**1,185,394**	**1,505,890**	**5,216,299**	**1,030,722**	**804,832**	**1,974,545**	**105,291**
Revenues recorded towards related parties as a deduction for payroll and related costs	-	-	-	-	-	-	(17,920)
Costs recorded towards related parties as an increase for payroll and related costs	-	-	-	-	(1,215)	-	-
Total	**-**	**-**	**-**	**-**	**(1,215)**	**-**	**(17,920)**
Overall total - Continuing operations	**1,185,394**	**1,505,890**	**5,216,299**	**1,030,722**	**803,617**	**1,974,545**	**87,371**
Discontinued operations							
Boscongo SA	-	-	-	-	96	-	-
Petrex SA	-	-	-	-	-	102	20
Saimexicana SA de Cv	-	-	-	-	-	-	13
Saudi Arabian Saipem Ltd	-	-	-	-	166	10	-
Servizi Energia Italia SpA	-	-	-	-	20	-	-
Total subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Trade and other transactions for 2023 consisted of the following

(€ thousand)

Name	Dec. 31, 2023 Trade and other receivables	Trade payables, other liabilities and contract liabilities	Guarantees	Year 2023 Costs Goods	Services	Revenue Goods and services	Other
Eni Congo SAU	-	-	-	1	432	-	-
Total Eni Group	-	-	-	-	-	-	-
Total	-	-	-	1	714	112	33
Revenues recorded towards related parties as a deduction for payroll and related costs	-	-	-	-	-	-	-
Costs recorded towards related parties as an increase for payroll and related costs	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Overall total - Discontinued operations	-	-	-	1	714	112	33
Overall total	1,185,394	1,505,890	5,216,299	1,030,723	804,331	1,974,657	87,404

Financial transactions

Financial transactions for 2024 consisted of the following:

(€ thousand)

Name	Dec. 31, 2024 Loan assets	Loans and borrowings	Year 2024 Commitments	Expenses	Income
Saipem Finance International BV	533,669	1,243,468	6,270,387	26,158	42,694
Saipem SA	-	-	-	-	5,836
Servizi Energia Italia SpA	-	-	-	-	7,046
Snamprogetti Saudi Arabia Co Ltd Llc	-	-	-	-	6,255
Saipem Ltd	-	-	-	-	2,242
Saipem Contracting Netherlands BV	-	-	-	-	1,309
Puglia Green Hydrogen Valley - PGHyV Srl	225	-	-	-	-
Subsidiaries, associated companies and other	2,063	-	-	-	30,661
Total	**535,957**	**1,243,468**	**6,270,387**	**26,158**	**96,043**

Financial transactions for 2023 consisted of the following:

(€ thousand)

	Dec. 31, 2023		Year 2023		
Name	Loan assets	Loans and borrowings	Commitments	Expenses	Income
Saipem Finance International BV	866,638	920,027	6,662,550	14,531	23,393
Saipem SA	-	-	-	-	3,208
Servizi Energia Italia SpA	-	-	-	-	6,497
Snamprogetti Saudi Arabia Co Ltd Llc	-	-	-	-	6,072
Saipem Luxembourg SA	-	-	-	1	839
Saipem Ltd	-	-	-	5	2,130
Consorzio FSB	-	-	-	38	-
Saipem Contracting Netherlands BV	-	-	-	-	1,224
Eni SpA	-	-	-	5	-
Puglia Green Hydrogen Valley - PGHyV Srl	216	-	-	-	-
CCS JV Scarl	-	-	-	1,838	-
SCD JV Scarl	-	-	-	157	-
PSS Netherlands BV	3,258	-	-	-	-
SACE SpA	-	-	-	5,104	-
Subsidiaries, associated companies and other	-	799	-	-	9,851
Total	**870,112**	**920,826**	**6,662,550**	**21,679**	**53,214**

Impact of transactions or positions with related parties on the balance sheet, economic result and cash flow

The impact of the transactions or positions with related parties on the items of the statement of financial position is summarised in the following table:

	Dec. 31, 2024			Dec. 31, 2023		
(€ thousand)	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Cash and cash equivalents	1,718,946	91,246	5.31	1,291,539	1,892	0.15
Other current financial assets	536,436	536,416	100.00	870,778	870,758	100.00
Trade and other receivables	1,852,912	1,267,367	68.40	1,672,274	1,185,394	70.89
Other current assets	183,797	113,966	62.01	106,846	68,106	63.74
Other non current assets	36,184	-	-	14,569	6,362	43.67
Current financial liabilities	1,246,412	1,243,468	99.76	952,823	949,047	99.60
Current portion of non-current financial liabilities	4,372	-	-	4,453	-	-
Current portion of lease liabilities	61,496	306	0.50	25,929	565	2.18
Trade and other payables	1,706,644	871,451	51.06	1,691,036	1,505,890	89.05
Contract liabilities	1,545,945	499,625	32.32	1,299,877	466,231	35.87
Other current liabilities	135,336	127,785	94.42	35,646	28,227	79.19
Non-current financial liabilities	-	-	-	651,444	-	-
Non-current lease liabilities	147,330	-	-	129,563	221	0.17
Other non-current payables and liabilities	82,725	-		6,333	4,933	77.89

The impact of the transactions with related parties on the items of the income statement is summarised in the following table:

	2024			2023		
		Related parties			Related parties	
(€ thousand)	Total		Incidence %	Total		Incidence %
Core business revenue	5,871,918	1,909,696	32.52	4,130,292	1,974,546	47.81
Other revenue and income	93,461	88,378	94.56	149,955	87,370	58.26
Purchases, services, and other costs	(4,898,422)	(1,798,476)	36.72	(3,902,913)	(1,834,339)	47.00
Personnel expenses	(725,339)	13,479	n.s.	(571,184)	(16,705)	2.92
Other operating income (expense)	-	-	-	(1,242)	(1,242)	100.00
Financial income	260,433	77,603	29.80	197,162	53,229	27.00
Financial expense	(218,416)	(26,371)	12.07	(183,318)	(21,680)	11.83
Derivative financial instruments	(6,507)	(13,742)	n.s.	(22,172)	(11,350)	51.19

Financial lease transactions

Financial lease transactions as of December 31, 2024, consisted of the following:

(€ thousand)

	Dec. 31, 2024		Year 2024		
Name	Loan assets	Loans and borrowings	Commitments	Expenses	Income
Consorzio FSB	-	429	-	207	-
Total related party transactions	**-**	**429**	**-**	**207**	**-**

Financial lease transactions as of December 31, 2023, consisted of the following:

(€ thousand)

	Dec. 31, 2023		Year 2023		
Name	Loan assets	Loans and borrowings	Commitments	Expenses	Income
Consorzio FSB	-	155	-	39	-
Total related party transactions	**-**	**155**	**-**	**39**	**-**

The incidence of operations or positions with related parties regarding financial lease transactions as of December 31, 2024 is as follows:

	Dec. 31, 2024		
(€ thousand)	Total	Related parties	Incidence %
Non-current lease liabilities (including current portion)	208,825	306	0.15
Total	**208,825**	**306**	**0.15**

The incidence of operations or positions with related parties regarding financial lease transactions as of December 31, 2023 is as follows:

	Dec. 31, 2023		
(€ thousand)	Total	Related parties	Incidence %
Non-current lease liabilities (including current portion)	155,492	155	0.10
Total	**155,492**	**155**	**0.10**

The main cash flows with related parties were as follows:

(€ thousand)	2024	2023
Revenue and income - Continuing operations	2,011,553	2,078,621
Revenue and income - Discontinuing operations	-	145
Costs and charges - Continuing operations	(1,798,476)	(1,834,339)
Costs and charges - Discontinuing operations	(37)	(715)
Change in trade receivables and other assets - Continuing operations	(121,470)	(105,221)
Change in trade receivables and other assets - Discontinued operations	-	5,937
Change in trade payables, other liabilities and contract liabilities - Continuing operations	(506,422)	535,646
Change in trade payables, other liabilities and contract liabilities - Discontinued operations	-	11,642
Dividends received	121,002	504
Interest received	59,496	21,615
Interest paid	(26,160)	(16,532)
Net cash flows from operating activities - Continuing operations	**(260,477)**	**680,294**
Net cash flows from operating activities - Discontinued operations	**(37)**	**17,009**
Net cash flows from operating activities	**(260,514)**	**697,303**
Investments:		
- property, plant and equipment - Continuing operations	(1,474)	(111)
- property, plant and equipment - Discontinued operations	-	-
- equity investments	(41,472)	(76,170)
- loan assets for operating purposes	-	-
Cash flow from investments - continuing operations	*(42,946)*	*(76,281)*
Cash flow from investments - Discontinued operations	-	-
Cash flow from investing activities	*(42,946)*	*(76,281)*
Disposals:		
- property, plant and equipment - Continuing operations	4,489	801
- property, plant and equipment - Discontinued operations	-	34
- equity investments	148	-
- loan assets for operating purposes	187	-
Cash flow from disposals - continuing operations	*4,824*	*801*
Cash flow from disposals - Discontinued operations	-	*34*
Cash flow from disposals	*4,824*	*835*
Net variation of securities and loan assets not related to operations	*334,155*	*(517,201)*
Net cash flows from investing activities	**296,033**	**(592,648)**
Increase (decrease) in current loans and borrowings	323,440	(267,491)
Dividend distribution	(16)	-
Net cash flows from financing activities	**323,424**	**(267,491)**
Total cash flows to related parties	**358,943**	**(162,836)**

The incidence of cash flows with related parties was as follows:

	Dec. 31, 2024			Dec. 31, 2023		
(€ thousand)	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Cash flows from operating activities	399,600	(260,514)	n.s.	598,893	697,303	n.s.
Cash flows from investing activities	23,486	296,033	n.s.	(580,248)	(592,648)	n.s.
Cash flows from financing activities	(44,694)	323,424	n.s.	267,920	(267,491)	n.s.

44 Significant non-recurring events and operations

During the year, except for the instances mentioned above, there were no significant non-recurring events and operations, as defined in the Consob Communication No. DEM/6064293 of July 28, 2006.

45 Transactions deriving from atypical and unusual transactions

In the first half of the year, there were no atypical or unusual transactions, as defined in the Consob Communication no. DEM/6064293 of July 28, 2006.

46 Events after the reporting period

Memorandum of understanding

On February 6, 2025, Saipem and SIMEST, the CDP Group company specialised in the international expansion of Italian companies, signed a memorandum of understanding aimed at promoting new investments, greater competitiveness (also internationally) and growth in the market for companies in Saipem's supply chain.

Revolving credit facility

On February 11, 2025, Saipem entered into a new revolving credit facility with a pool of fourteen leading national and international financial institutions for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million revolving credit facility signed in February 2023, increasing its amount.

Proposed merger between Saipem and Subsea7

On February 23, 2025, Saipem and Subsea7 announced that they had reached an agreement on the key terms of a possible cross-border merger of the two companies through the signing of a memorandum of understanding. The merger will be structured through a merger by absorption of Subsea7 into Saipem, in accordance with EU regulations, with the latter to be renamed Saipem7 (Combined Company), which will have shares listed on both the Milan and Oslo stock exchanges.
Siem Industries (main shareholder of Subsea7) would hold around 11.9% of the Combined Company's share capital, while Eni and CDP Equity (main shareholders of Saipem) would hold around 10.6% and around 6.4%, respectively.
The Combined Company will be made up of four businesses: Offshore Engineering & Construction, Onshore Engineering & Construction, Sustainable Infrastructures and Offshore Drilling. The Offshore Engineering & Construction business will be incorporated into a company with its own operational autonomy, named Subsea7, with its own headquarters in London, which will encompass all the operations of Subsea7 and Saipem's Asset Based Services segment.
The signing of binding agreements containing the final terms of the Proposed Combination is conditional, among other things, on the successful outcome of the confirmatory due diligence, the conclusion of a satisfactory agreement for both parties on the terms of the merger ("Merger Agreement"), and the approval of the final terms of the Proposed Combination by the Boards of Directors of Saipem and Subsea7. The parties will also initiate the necessary consultations with the trade union representatives, in accordance with the applicable regulations. The parties currently plan to submit the final terms of the Proposed combination for approval by their respective Boards of Directors and to sign the Merger Agreement around mid-2025. The completion is currently scheduled for the second half of 2026.

Collaboration agreements

On March 5, 2025, Saipem and Divento, a partnership between Copenhagen Infrastructure Partners (CIP, through the flagship fund Copenhagen Infrastructure V), GreenIT, a joint venture between Plenitude (a company controlled by Eni) and CDP Equity (CDP Group), 7 Seas Wind Power, and NiceTechnology, signed a collaboration agreement concerning the use of Star 1, Saipem's proprietary technology for floating wind, in favour of the 7 Seas Med projects in Sicily and Ichnusa Wind Power in Sardinia.

Situation of equity investments and economic performance of the main investee companies

Equity and non-equity investments as of December 31, 2024

Share capital				Company	
Number of shares or quotas	Accounting currency	Unit notional amount	Amount	Company	Head office
				Direct subsidiaries	
20,494,210	BRL	1.00	20,494,210	Andromeda Consultoria Tecnica e Representações Ltda	Rio de Janeiro
380,000	EUR	453.80	172,444,000	Saipem International BV	Amsterdam
25,835	EUR	1.20	31,002	Saipem Luxembourg SA	Strassen
19,870,122	EUR	1.00	19,870,122	Saipem SA	Montigny le Bretonneux
20,000,000	EUR	1.00	20,000,000	Servizi Energia Italia SpA	Milan
10,000	EUR	1.00	10,000	Smacemex Scarl in liquidation	Milan
10,000	EUR	1.00	10,000	SnamprogettiChiyoda sas di Saipem SpA	Milan
203,000	EUR	1.00	203,000	Snamprogetti Netherlands BV	Amsterdam
1,000,000	EUR	1.00	1,000,000	Saipem Finance International BV	Amsterdam
20,000,000	EUR	1.00	20,000,000	Saipem Offshore Construction SpA	Milan
				Total direct subsidiaries	
				Associates and jointly controlled companies	
50,864	EUR	1.00	50,864	ASG Scarl	Milan
-	EUR	-	-	CEPAV (Consorzio Eni per l'Alta Velocità) Due	Milan
-	EUR	-	-	CEPAV (Consorzio Eni per l'Alta Velocità) Uno	Milan
-	EUR	-	-	Consorzio FSB	Milan
-	EUR	-	-	Consorzio Sapro	San Giovanni Teatino
30,000	EUR	1.00	30,000	PSS Netherlands BV	Leiden
2,750,471	EUR	1.00	2,750,471	Puglia Green Hydrogen Valley - PGHYV Srl	Bari
10,000	EUR	1.00	10,000	Consorzio Florentia	Parma
10,000	EUR	1.00	10,000	La Bozzoliana Scarl	Parma
10,000	EUR	1.00	10,000	La Catulliana Scarl	Parma
93,370	EUR	1.00	93,370	ChemPET Srl	Cerano
4,000,000	EUR	1.00	4,000,000	Rosetti Marino	Ravenna
				Total associates and jointly controlled companies	
				Other investee companies	
32,050	LYD	45.00	1,442,250	Libyan Italian Joint Co	Tripoli
598,065,003	INR	1.00	598,065,003	Nagarjuna Fertilizers & Chemicals Ltd	Hyderabad (India)
428,181,821	INR	1.00	428,181,821	Nagarjuna Oil Refinery Ltd	Hyderabad (India)
				Total other investee companies	
				Overall total	

Cont'd **Equity and non-equity investments as of December 31, 2024 continued**

Company	Equity investment: Number of shares or shares owned	Held %	Notional amount accounting currency	Balance sheet value
Direct subsidiaries				
Andromeda Consultoria Tecnica e Rapresentações Ltda	20,289,268	99.00	20,289,268	3,976,759
Saipem International BV	380,000	100.00	172,444,000	1,246,988,762
Saipem Luxembourg SA	25,835	100.00	31,002	14,310,436
Saipem SA	19,870,121	100.00	19,870,121	760,390,146
Servizi Energia Italia SpA	20,000,000	100.00	20,000,000	21,000,000
Smacemex Scarl in liquidation	6,000	60.00	6,000	6,000
SnamprogettiChiyoda sas di Saipem SpA	9,990	99.90	9,990	-
Snamprogetti Netherlands BV	203,000	100.00	203,000	11,594,926
Saipem Finance International BV	250,000	25.00	250,000	10,000,000
Saipem Offshore Construction SpA	20,000,000	100.00	20,000,000	20,500,000
Total direct subsidiaries				**2,088,767,029**
Associates and jointly controlled companies				
ASG Scarl	28,184	55.41	30,516	28,184
CEPAV (Consorzio Eni per l'Alta Velocità) Due	-	59.09	26,855	26,856
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	-	50.36	26,009	26,009
Consorzio FSB	-	29.10	4,358	5,000
Consorzio Sapro	-	51.00	5,268	5,268
PSS Netherlands BV	10,180	36.00	10,800	-
Puglia Green Hydrogen Valley - PGHYV Srl	275,047	10.00	275,047	287,447
Consorzio Florentia	4,900	49.00	4,900	4,900
La Bozzoliana Scarl	3,000	30.00	3,000	3,000
La Catulliana Scarl	4,900	49.00	4,900	4,900
ChemPET Srl	21,421	22.94	21,421	2,344,679
Rosetti Marino	800,000	20.00	800,000	35,700,000
Total associates and jointly controlled companies				**38,436,243**
Other investee companies				
Libyan Italian Joint Co	300	0.94	13,557	-
Nagarjuna Fertilizers & Chemicals Ltd	4,400,000	0.74	4,400,000	463,335
Nagarjuna Oil Refinery Ltd	4,000,000	0.93	4,000,000	-
Total other investee companies				**463,335**
Overall total				**2,127,666,607**

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Performance of the main investee companies

Subsidiaries

Saipem SA
The company, which is governed by French law, operates directly or through its subsidiaries and associates in the engineering and construction sector. During the year, it recorded revenue of €2,080,754 thousand and profit of €36,263 thousand.

Saipem Finance International BV
The Dutch company has as its object the raising and management of financial resources, the granting of financing and guarantees to Group companies and third parties, as well as the management of monetary settlement services. 2024 closed with a profit of €44,401 thousand.

Saipem International BV
This Dutch company is a holding company that manages a part of the Group's foreign investments. 2024 closed with a loss of €182,791 thousand.

Snamprogetti Netherlands BV
This Dutch company is a holding company that manages a part of the foreign investments that belonged to the Snamprogetti Group, purchased in 2006. 2024 closed with a profit for the year of €10,452 thousand.

Servizi Energia Italia SpA
The company operates mainly in the energy carriers sector. Revenue recorded in 2024 amounted to €2,194,816 thousand, generating a profit of €162,092 thousand for the year.

Saipem Luxembourg SA
This company, based in Luxembourg, is engaged in the purchase, sale, rental, and management of maritime vessels, as well as financial and commercial operations directly or indirectly linked to this activity. Revenue earned in 2024 amounted to €284,348 thousand, generating a loss for the year of €2,950 thousand.

INFORMATION REGARDING CENSURE BY CONSOB PURSUANT TO ARTICLE 154*B*(7), LEGISLATIVE DECREE NO. 58/1998 AND THE NOTICE FROM THE CONSOB OFFICES DATED APRIL 6, 2018

On January 30, 2018, Consob, having concluded its inspection commenced on November 7, 2016 (which ended on October 23, 2017) and about which Saipem SpA ("Saipem") gave information in the Annual Report 2016, has informed Saipem that it has detected non compliances in "the Annual Report as of December 31, 2016, as well as in the Interim Consolidated Report as of June 30, 2017" with the applicable international accounting standards (IAS 1 "Presentation of Financial Statements"; IAS 34 "Interim Financial Reporting"; IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", par.5, 41 and 42; IAS 36 "Impairment of Assets", par.31, 55-57) and, consequently, has informed Saipem about the commencement "of proceedings for the adoption of measures pursuant to Article 154-*ter*, subsection 7, of Legislative Decree No.58/1998".
With notes of February 13 and 15, 2018, the Company transmitted to Consob its own considerations in relation to the remarks formulated by the offices of Consob, highlighting the reasons for which it does not share such remarks.
On March 2, 2018, the Commission of Consob, partially accepting the remarks of the offices of Consob, informed Saipem of its own Resolution No. 20324 (the "Resolution"), with which it ascertained the "non-compliance of Saipem's Annual Report 2016 with the regulations governing their preparation", without censuring the correctness of the Interim Consolidated Report as of June 30, 2017.
According to the Resolution, the non-compliance of Saipem's Annual Report 2016 with the regulations which govern its preparation, concerns in particular: (i) the incorrect application of the accrual basis of accounting affirmed by IAS 1; (ii) the non-application of IAS 8 in relation to the correction of errors with reference to the financial statements of 2015; and (iii) the estimation process of the discount rate pursuant to IAS 36.
Consob has therefore asked the Company, pursuant to Article 154-*ter*, subsection 7 of Legislative Decree No. 58/1998, to disclose the following elements of information to the markets:
(A) the weaknesses and non-compliance identified by Consob in relation to the accounting correctness of the financial statements mentioned above;
(B) the applicable international accounting standards and the violations encountered in relation thereto;
(C) the illustration, in an appropriate pro-forma consolidated income statement and balance sheet – with comparative data – of the effects that accounting in compliance with the regulations would have produced on the 2016 balance sheet, income statement and shareholders' equity, for which incorrect information was supplied.

A. Weaknesses and non-compliance identified by Consob regarding the correctness of accounting in the consolidated and statutory financial statements of 2016.
The weaknesses and non-compliance identified by Consob with regard to the 2016 consolidated and statutory financial statements can be substantially attributed to the following two items:
(a) non-compliance of the "2016 consolidated and statutory Saipem SpA financial statements with reference to the comparative data for 2015";
(b) non-compliance of the estimation process of the discount rate underlying the impairment test for the 2016 financial statements with the requirements of IAS 36, which requires the Company to "apply the appropriate discount rate to future cash-flows".
With regard to point (a), the contestation concerns the non-compliance of the 2016 consolidated and statutory financial statements with:
(i) IAS 1, paragraph 27, according to which "an entity shall prepare its statements (except for cash flow information) using the accrual basis of accounting"; and paragraph 28, according to which "when the accrual basis of accounting is used, an entity recognises items as assets, liabilities, equity, revenue and costs (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework"; and(ii) IAS 8, par. 41, according to which "[...], material errors are sometimes not discovered until a subsequent year, and these prior year errors are corrected in the comparative information presented in the financial statements for that subsequent year" and par. 42 according to which "the entity shall correct the material prior year errors retrospectively in the first financial statements authorised for issue after their discovery by:
(a) restating the comparative amounts for the year/years prior to the one in which the error occurred [...]".
In substance, in Consob's opinion, the circumstances at the basis of some of the impairment losses recognised in the 2016 financial statements already existed, wholly or in part, when preparing 2015 financial statements. Indeed, Consob alleges that the Company approved 2016 consolidated and statutory financial statements without having corrected the "material

errors" contained in the consolidated and statutory financial statements of the previous administrative period, in relation to the following items:

- "property, plant, and equipment";
- "inventories";
- "tax assets".

With regard to point sub (b), Consob does not approve that the Company, for the purposes of the impairment test: (i) used a single rate to discount business unit cash flows, characterised by a different risk profile; (ii) did not consider the country risk in relation to some assets operating in specific geographical areas over a long period of time; (iii) did not take into account the changes in the Company risk profile subsequent to the transaction that determined the deconsolidation of Saipem from the Eni Group.

B. The applicable international accounting standards and the violations encountered in relation thereto.
Consob holds that the 2016 consolidated and statutory financial statements of Saipem as of December 31, 2016, were not compliant with the following standards: IAS 1, IAS 8, and IAS 36.
Specifically, Consob observed that the Company approved 2016 consolidated and statutory financial statements without having corrected the "material errors" contained in the consolidated and statutory financial statements of the previous administrative period, in relation to the following items:

- "property, plant, and equipment";
- "inventories";
- "tax assets".

With reference to the item "Property, plant and equipment" as of December 31, 2015, Consob alleges the incorrect application of IAS 16 "Property, plant and equipment" and of IAS 36.
Specifically, Consob alleges that some impairment losses carried out by the Company on "property, plant and equipment" in the 2016 consolidated financial statements should have been accounted for, at least in part, in the previous year.
In particular Consob alleges:

(i) the incorrect application of IAS 36 with reference to the impairment test of some assets recognised as "property, plant and equipment" of the Offshore Drilling business unit and with respect to the assets recognised in the Offshore and Onshore Engineering & Construction business units. Consob's remarks refer to the methods of cash flow estimation expected from the use of said assets for the purposes of the application of the impairment test with respect to 2015 and specifically to the incorrect application of IAS 36: (a) par. 33, let. a), according to which "In measuring value in use an entity shall: a) base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight shall be given to external evidence"; (b) par. 34 in the part that requires that management assesses the reasonableness of the assumptions on which its current cash flow projections are based by examining the causes of differences between past cash flow projections and actual cash flows. (c) par. 35 in the part that refers to the approach to be followed when use is made of cash flow projections over a period longer than five years, highlighting that said approach is allowed 'if [the entity] is confident that these projections are reliable and it can demonstrate its ability, based on past experience, to forecast cash flows accurately over that longer period';

(ii) the incorrect application of IAS 16, paragraphs 51, 56 and 57 with reference to the residual useful life of some assets registered as "property, plant and equipment" of the Onshore Drilling business unit, of the Offshore Engineering & Construction business unit and of the Onshore Engineering & Construction business unit. Consob's remarks concern the circumstances that the review of the estimation of the residual useful life of assets cited (reported in the 2016 financial statements) should have already been done in the financial year 2015. Specifically, Consob alleges that IAS 16: (a) paragraph 51 was not correctly applied in the part that requests that "the residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; (b) paragraph 56 in the part that requires that "the future economic benefits embodied in an asset are consumed by an entity principally through its use. However, other factors, such as technical or commercial obsolescence and wear and tear while an asset remains idle, often result in the diminution of the economic benefits that might have been obtained from the asset" [...]; paragraph 57 in the part that requires that "the useful life of an asset is defined in terms of the asset's expected utility to the entity. The asset management policy of the entity may involve the disposal of assets after a specified time or after consumption of a specified proportion of the future economic benefits embodied in the asset. Therefore, the useful life of an asset may be shorter than its economic life. The estimation of the useful life of the asset is a matter of judgement based on the experience of the entity with similar assets."

As a consequence of the above-mentioned remarks, Consob likewise does not agree with the recognition of the impairment losses included in the 2016 consolidated and statutory financial statements with reference to some inventories and to a deferred tax asset related to the items criticised by Consob for which the items of the impairment loss according to Consob should have been accounted for in 2015.
Consob notes in this regard:

(i) IAS 2, paragraph 9, that "inventories shall be measured at the lower of cost and net realisable value" and at paragraph 30 that "estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise";
(ii) IAS 12 in the part that requires, at paragraph 34, that "a deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised" and that "to the extent that it is not probable that taxable profit will be available against which unused tax losses or unused tax credits can be utilised, the deferred tax asset is not recognised".

Furthermore, Consob criticises the process of estimating the discount rate at the base of the impairment test for 2016 in so far as it is characterised by an approach that is not compliant with IAS 36 which requires that the Company "shall apply the appropriate discount rate to the future cash flows". More precisely, with respect to 2016 Consob does not agree with the approach taken by the Company, i.e., with reference to the execution of the impairment test it: (i) has used a single discount rate for cash flows from business units, which are characterised by different risk profiles; (ii) has not taken into account the country risk associated with certain assets operating in specific geographical areas for an extended period of time.
In relation to the above, Consob also alleges the violation of the principle of correct representation of the company's situation which would not guarantee the observance of fundamental assumptions and qualitative characteristics of information.
Consob believes, in fact, that the importance of the errors and the significance of the shortcomings can likewise determine the non-compliance of the aforementioned financial statements with the requirements of reliability, prudence and completeness, pursuant to IAS 1.

C. The illustration, in an appropriate pro-forma consolidated income statement and balance sheet – with comparative data – of the effects that accounting in compliance with the regulations would have produced on the 2016 balance sheet, income statement and shareholders' equity, for which incorrect information was supplied.
While not sharing the judgement of non-compliance of the 2016 consolidated and statutory financial statements put forward by Consob in its Resolution, Saipem points out that the 2016 consolidated and statutory financial statements of the Company were approved by the Board of Directors on March 16, 2017 and by the Shareholders' Meeting on April 28, 2017 and were subject to audit pursuant to Legislative Decree No. 39 of January 27, 2010, Articles 14 and 16, and the report was issued on April 3, 2017.
In addition, with the press release of March 5, 2018, Saipem reported that "the Board of Directors of Saipem, in disagreement with the Resolution of Consob, resolved on March 5, 2018, to appeal the Resolution in the competent courts".
In the press release dated March 21, 2018, Saipem reported that for the purposes of ensuring a correct interpretation, and in order to implement the findings of the Resolution, today the Company has filed a petition with Consob in order to obtain interpretative clarifications suitable for overcoming the technical and evaluation complexities related to the findings of the Authority and to be able, in this way, to inform the market correctly, reaffirming that it does not share – and has no intention of accepting – the judgement of non-compliance of the consolidated and statutory financial statements as of December 31, 2016.

On April 16, 2018, Saipem issued a press release regarding the pro-forma consolidated income statements and statement of financial position as of December 31, 2016, for the sole purpose of complying with the Resolution.
On April 27, 2018, Saipem lodged an appeal with the Regional Administrative Court ("TAR") of Lazio requesting the annulment of the Resolution and of any other presumed or related act and/or provision.
On May 24, 2018, Saipem filed with the TAR-Lazio additional grounds for appeal against the aforementioned Resolution.
On June 15, 2021, a hearing was held before the TAR-Lazio to discuss Saipem's appeal against the Consob Resolution of March 2, 2018.
On July 6, 2021, the TAR-Lazio rejected the appeal filed by Saipem SpA on April 27, 2018.
On November 6, 2021, Saipem filed its own appeal before the Council of State against decision of the TAR-Lazio.
On March 7, 2024, a hearing was held before the Council of State for the discussion of the merits of the appeal brought by Saipem against the TAR-Lazio ruling.

On April 6, 2018, after the closure of the market, the Offices of the Italian securities market regulator Consob (Divisione Informazione Emittenti - Issuer Information Division) announced with their communication No. 0100385/18 (the "Communication"), that they started an administrative sanctioning procedure, claiming some violations pursuant to Articles 191 and 195 of Italian Legislative Decree No. 58/1998 (the "Financial Law"), relating to the offer documentation (Prospectus and Supplement to the Prospectus) made available to the public by Saipem SpA ("Saipem") on the occasion of its capital increase operation, which took place in January and February 2016. The alleged violations were exclusively addressed to the members of the Board of Directors and the Chief Financial Officer/Officer responsible for financial reporting in office at that time.
The Offices of Consob, in communicating their allegations to the interested parties also pointed out that, if the alleged violations were ascertained by the Commission of Consob at the outcome of the procedure, said violations *"would be punishable by an administrative fine between €5,000 and €500,000"*.
Saipem received notice of the communication solely as guarantor ex lege for the payment *"of any economic fines that may eventually be charged to the company executives at the outcome of the administrative procedure"*.
The allegations follow Consob Resolution No. 20324 of March 2, 2018 (the "Resolution"), the content of which was communicated to the market by the Company with its press release of March 5, 2018. The Resolution – with which, as also communicated to the market, the Company disagreed and that it will appeal before the TAR-Lazio – alleged, among other things, *"the inconsistency of the assumptions and elements underlying the Strategic Plan for 2016-2019 with respect to the evidence at the disposal of the administrative bodies"*, as the indicators of possible impairment of value of the assets, later impaired by Saipem in its nine-month interim report as of September 30, 2016 would already have existed, in the opinion of Consob, at the time of approval of the consolidated financial statements of 2015.
With its Communication, the Offices of Consob have charged the company executives who, at the time of the capital increase, performed management functions, with the violations that are the subject of the Resolution and have already been communicated to the market, as stated above. The Offices of Consob further claimed certain *"elements relative to the incorrect drafting of the declaration on the net working capital"* required by the standards in force applicable to the prospectus. The foregoing would imply, according to the Offices of Consob, *"the inability of the offer documentation to ensure that the investors would be able to formulate a well-grounded opinion about the equity and financial position of the issuer, its operating results and prospects, pursuant to Article 94, sections 2 and 7, of the Financial Law, with regard to the information concerning: a) estimates of the Group's results for 2015 (Guidance 2015 and underlying assumptions)"; "b) forecast of the Group results drawn from the Strategic Plan for 2016-2019 and underlying assumptions"; "c) the declaration on the Net Working Capital"*.
Also according to the Offices of Consob, Saipem would have additionally omitted, in violation of Article 97, section 1 and Article 115, section 1, letter a), of the Financial Law, to report to Consob *"information pertaining to: (i) the assumptions underlying the declaration on its Net Working Capital; (ii) the availability of an updated 'Eni Scenario' on the price of oil; and (iii) the existence of significant amendments to the assumptions underlying the Strategic Plan for 2016-2019"*.
On July 4, 2018, Saipem, as guarantor ex lege for the payment *"of any fines that may eventually be charged to the company executives at the outcome of the administrative procedure"*, submitted its defence to Consob.
Saipem and all the company executives who have received the Communication have proceeded to file their defences with the Consob Offices.
With its Resolution No. 20828 of February 21, 2019, communicated to Saipem on March 12, 2019 and adopted at the outcome of the procedure for application of a fine initiated on April 6, 2018, Consob applied the following fines: a) €200,000 on the company Chief Executive Officer in office at the time of the events alleged; b) €150,000 on the Officer responsible for financial reporting in office at the time of the capital increase in 2016.
Consob also sentenced Saipem to a payment of €350,000, as the party jointly liable for payment of the aforementioned administrative fines with the two persons fined pursuant to Article 195, section 9, of the Consolidated Law on Finance (TUF) in force at the time of the alleged violations, with obligation to recourse against the authors of the alleged breaches.
Consob ordered the filing of the procedure launched on April 6, 2018, against the non-executive Directors in office at the time of the facts alleged.
The Board of Directors of Saipem resolved on April 2, 2019 to appeal the Resolution No. 20828 before the Court of Appeal.
A similar appeal was filed by the two individuals sanctioned under the Resolution, i.e., Saipem's Chief Executive Officer in office at the time of the events alleged and the Chief Financial Officer and Officer responsible for financial reporting in office at the time of the events in scope. The first hearing before the Milan Court of Appeal was held on November 13, 2019.
After multiple applications for leave to submit documents, pleadings, additional grounds of appeal, written observations, and replies, at the hearing of April 21, 2021, the appeals were finally discussed.
The Milan Court of Appeal, partially upholding the appeals, (whilst it rejected the remaining)
- reduced from €200,000 to €150,000 the administrative financial fine imposed by Consob in 2019 against the former Chief Executive Officer of the Company in office from April 30, 2015 until April 30, 2021;

- reduce from €150,000 to €115,000 the administrative financial fine imposed by Consob in 2019 against the former CFO and Officer responsible for the Company's financial reporting in office at the time of the 2016 capital increase until June 7, 2016; and
- consequentially reduced from €350,000 to €265,000 the payment of the afore-mentioned administrative financial fines by Saipem as the party jointly and severally liable pursuant to Article 195, paragraph 9, of the Italian Consolidated Law on Finance.

On January 20, 2022, Saipem has filed an appeal to the Supreme Court against the sentence of the Court of Appeal of Milan.
On March 1, 2022, Consob served Saipem with its appeal ("controricorso con ricorso incidentale").
Saipem filed its appeal against Consob's appeal ("controricorso con ricorso incidentale") on April 8, 2022.
The case is pending.

CERTIFICATION OF THE STATUTORY FINANCIAL STATEMENT PURSUANT TO ARTICLE 154-*BIS*, PARAGRAPH 5 OF THE LEGISLATIVE DECREE NO. 58/1998 (CONSOLIDATED LAW ON FINANCE)

1. The undersigned Alessandro Puliti and Luca Caviglia in their quality as Chief Executive Officer and Manager responsible for the preparation of the financial reports of Saipem SpA, also pursuant to Article 154-*bis*, paragraphs 3 and 4 of Legislative Decree No. 58 of February 24, 1998, certify:

- the adequacy to the Company structure, and
- the effective application of administrative and accounting procedures for the preparation of the statutory financial statements of 2024.

2. Internal controls over financial reporting in place for the preparation of the 2024 statutory financial statements have been defined and the evaluation of their effectiveness has been assessed based on principles and methodologies adopted by Saipem in accordance with the Internal Control - Integrated Framework Model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents an internationally-accepted framework for the internal control system.

3. The undersigned officers also certify that:
   3.1 the statutory financial statements as of December 31, 2024:
      a) have been prepared in accordance with applicable international accounting standards adopted by the European Commission pursuant to Regulation (CE) No. 1606/2002 of the European Parliament and European Council of July 19, 2002;
      b) correspond to the accounting books and entries;
      c) fairly represent the financial, results of operations and cash flows of the parent company;
   3.2. the Directors' Report includes a reliable analysis of performance and operating profit, of the company's situation, together with a description of the main risks and uncertainties.

11 March 2025

/ signature / Alessandro Puliti
Alessandro Puliti
Chief Executive Officer

/signature/ Luca Caviglia
Luca Caviglia
Manager in charge of preparing the company's financial reports

PROPOSALS OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING

Dear Shareholders,

- *having reviewed the Directors' Report, prepared pursuant to Article 125-ter* of Italian Legislative Decree No. 58 of February 24, 1998;

- having examined the Annual Financial Report for the year ended December 31, 2024, the audit reports prepared by the independent auditors and the report of the Board of Statutory Auditors;
- having noted the Consolidated Financial Statements at December 31, 2024 which includes the Sustainability Report for 2024 prepared pursuant to Legislative Decree No. 125 of September 6, 2024;

The Board of Directors of Saipem Spa proposes that you:

1) to approve the statutory financial statements for the year ended December 31, 2024 of Saipem SpA, which closes with a profit of €278,498,189.94;
2) to allocate €13,924,909.50, equivalent to 5% of the year's profit, to the legal reserve pursuant to Article 2430 of the Italian Civil Code;
3) to distribute the profit for the year to the savings shareholders as a preferential dividend at the rate of €5 for each savings share in circulation at coupon detachment, for a total of €5,295.00;
4) to distribute the profit for the year to the savings shareholders as a dividend amounting to €264,567,985.44 and an additional €68,153,850.12 charged to the reserve created with profits from previous years, for a total of €332,721,835.56, corresponding to a dividend per share of €0.17.

You are also asked to approve the proposal to pay-out dividends from May 21, 2025; ex-coupon date: May 19, 2025; record date: May 20, 2025.

11 march 2025

On behalf of the Board of Directors
Chairman
Elisabetta Serafin

REPORT BY THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE NO. 58/1998 AND ARTICLE 2429, PARAGRAPH 2, OF THE ITALIAN CIVIL CODE

Messrs. Shareholders,

this report has been prepared by the Board of Statutory Auditors appointed by the Shareholders' Meeting of May 3, 2023, whose term of office expires at the Shareholders' Meeting called to approve the financial statements as of December 31, 2025. During the financial year ended December 31, 2024, the Board of Statutory Auditors carried out the supervisory activities required by law, in accordance with the principles set out in the Rules of Conduct of the Board of Statutory Auditors, recommended by the National Council of Chartered Accountants and Accounting Experts, Consob provisions on corporate controls and indications contained in the Corporate Governance Code for Listed Companies, promoted by Borsa Italiana.
Moreover, since Saipem SpA (hereinafter also "Saipem" or "Company") has adopted the traditional governance model, the Board of Statutory Auditors is identified as the "Internal Control and Audit Committee", responsible for additional specific control and monitoring functions in the area of financial reporting, sustainability reporting and statutory audit, as provided for by Article 19 of Legislative Decree No. 39 of January 27, 2010, as amended by Legislative Decree No. 135 of July 17, 2016 and Legislative Decree No. 125 of September 6, 2024.
The Board of Statutory Auditors acquired the information required for the performance of its supervisory duties through participation in Board of Directors' and Board Committees' meetings, meetings with the Company and Group management, meetings with the independent auditors and corresponding control bodies of Group companies, analysis of the information flows acquired from the competent corporate structures, as well as further control activities.
The financial statements for the year ended December 31, 2024 showed a profit for the year ended December 31, 2024 of €278,498,189.94 (compared to a profit of €107,279,268.28 as at December 31, 2023). Shareholders' equity as at December 31, 2024 amounted to €2,573,247,813 (€2,395,261,330 as at December 31, 2023), of which €501,669,791 was share capital and €1,621,695,255 was share premium reserve.

Supervisory Activities

Supervision of compliance with the law, regulations and articles of association

The supervisory duties of the Board of Statutory Auditors are governed by Article 2403 of the Italian Civil Code, Legislative Decree No. 58/1998 and Legislative Decree No. 39/2010. The Board has taken into account the amendments made to Legislative Decree No. 39/2010 by Legislative Decree No. 135/2016 in implementation of Directive 2014/56/EU and European Regulation 537/2014, as well as Legislative Decree No. 125/2024 in force as of September 25, 2024.
Pursuant to the indications provided by Consob in communication No. DEM/3021582 of April 6, 2001, amended and supplemented by communication No. DEM/3021582 of April 4, 2003, and subsequently by communication No. DEM/6031329 of April 7, 2006, the Board of Statutory Auditors conducted the following supervisory activities in 2024.
The Board of Statutory Auditors monitored compliance with the law and the Articles of Association. In 2024, the Board of Statutory Auditors held 6 meeting and attended: 12 meetings of the Board of Directors, 15 meetings of the Audit and Risk Committee, 5 meetings of the Related Parties Committee, 12 meetings of the Remuneration and Nomination Committee and 6 meetings of the Sustainability, Scenarios and Governance Committee. In 2025, as of the date of this Report, the Board of Statutory Auditors has already met twice. The Board also met with the Compliance Committee established by the Company pursuant to Article 6 of Legislative Decree No. 231/2001, the Board of Statutory Auditors/Single Statutory Auditor and the Compliance Committees of the Group's main subsidiaries, and, as part of the exchange of information between the control body and the independent auditors required by law, held numerous meetings with KPMG SpA, the company appointed to perform Saipem's legal audit.

Supervisory activities concerning the adequacy of the organisational structure and compliance with the proper management principles

The Board of Statutory Auditors monitored the adequacy of the Company's organisational structure, its compliance with the proper management principles and the adequacy of the instructions issued by Saipem to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998, by acquiring information from the heads of the relevant corporate functions and meetings and exchanges of documents with the independent auditors, for the purpose of mutual sharing of data and information. The review by the Board of Statutory Auditors of the subsidiaries and the information exchanged with them did not reveal any elements worthy of attention.

The Board of Statutory Auditors monitored the development of the organisational structure, which, during the course of the year, was updated as follows:

on July 11, 2024 established the Drilling Business Line, reporting directly to the Chief Executive Officer and General Manager to ensure the oversight of the Drilling business and increase the effectiveness of the processes managed in both project award and execution. Within the new Business Line, the Drilling Commercial/Operations and Assets activities, previously placed under Asset Based Services Business Line, were merged. The Company is organised into business lines: Asset Based Services, Drilling, Energy Carriers, Offshore Wind, Sustainable Infrastructures, Robotics & Industrialised Solutions; it has 6 fabrication yards and an offshore fleet comprising 17 owned construction vessels and 15 drilling rigs, of which 9 are owned;

on December 18, 2024, Saipem's Board of Directors appointed Luca Caviglia as the Senior Manager responsible for financial reporting pursuant to Article 154-*bis* of Legislative Decree No. 58/1998, also responsible for the Sustainability Statement pursuant to paragraph 5-ter of the aforementioned article. Mr. Caviglia is also responsible for the Accounting and Administration function of Saipem SpA, now renamed Accounting, Administration and Sustainability Reporting function, part of the financial department headed by the Chief Financial Officer Paolo Calcagnini. The appointment was approved by the Board of Directors, after consulting the Remuneration and Nomination Committee and with the favourable opinion of the Board of Statutory Auditors, in compliance with the requirements of the law and the provisions of the Articles of Association.

The Board of Statutory Auditors ascertained that Model 231 (which includes the Code of Ethics) had been published on the Company's website following the latest update approved by the Board of Directors on December 18, 2024, which took into account: (i) risk assessment activities conducted during the second half of 2024; (ii) intervened regulatory updates; and (iii) the most recent organisational changes adopted by the Company, particularly relating to the Drilling Business Line.

Supervisory activities concerning the internal control and risk management system and the administrative accounting system

The Board of Auditors monitored the adequacy of the internal control and risk management system and of the accounting system, as well as the reliability of the latter to correctly represent administrative events, by:

- reviewing the positive assessment expressed by the Board of Directors on the adequacy of the Company's organisational, administrative and accounting structure, with particular reference to the Internal Control and Risk Management System, pursuant to Article 2381, paragraph 3, of the Italian Civil Code, also in accordance with Legislative Decree No. 14 of January 12, 2019;
- reviewing the reports by the Senior Manager responsible for financial reporting on the administrative and accounting structure, on the internal control system and on corporate disclosures produced on a half-yearly basis, as well as through meetings with him. The latter, together with the Chief Executive Officer, on March 11, 2025, issued the declarations required by: (i) Article 154-bis, paragraphs 3, 4 and 5, of Legislative Decree No. 58/1998 with reference to Saipem's statutory financial statements and consolidated financial statements as at December 31, 2024; and (ii) Article 154-bis, paragraph 5-ter with reference to the consolidated sustainability statement. The Board of Statutory Auditors also ascertained, with the assistance of the Internal Audit department and a leading consulting firm, that the Senior Manager responsible for financial reporting effectively applied administrative and accounting procedures;
- reviewing the Report by the Audit and Risk Committee on their activities and the adequacy of the Company's Internal Control and Risk Management System, as well as participating in their work and discussions, when required by the topics;
- reviewing the annual assessment by the Director of Internal Audit issued on March 7, 2025, which proved the Internal Control and Risk Management System of Saipem SpA and its subsidiaries as at December 31, 2024 as a whole to be adequate, as well as reviewing the Audit reports, the outcome of monitoring activities and the implementation of corrective actions;
- reviewing the reports prepared in the context of Integrated Risk Management activities, aimed at identifying the Group's main risks and their treatment plans. With particular reference to the analysis of risk controls, the Board of Statutory Auditors, together with the Audit and Risk Committee, examined the main Group risks mapping updates in periodic meetings with the Company's Integrated Risk Management and Compliance function, prior to their presentation to the Board of Directors;

- reviewing the half-yearly reports prepared by Saipem's Compliance Committee, established by the Company in accordance with the provisions of Legislative Decree No. 231/2001: no evidence was found to deem Model 231 adopted by the Company, which includes the Code of Ethics and associated application procedures to be inadequate. In a resolution, the Board of Directors of Saipem SpA on July 24, 2024, updated the composition of the Compliance Committee from 3 to 5 members, of which 4 external and one internal member, providing for the appointment of the Director of Internal Audit as an internal member and, the appointment of the Chairman of the Board of Statutory Auditors as one of the 4 external members;
- reviewing audit reports issued by the independent auditors KPMG on April 3, 2025 with reference to the Statutory Financial Statements of Saipem SpA as at December 31, 2024, the Consolidated Financial Statements of the Saipem Group as at December 31, 2024; as well as the independent auditors' report on the limited review of the consolidated sustainability statement as at December 31, 2024, pursuant to Article 14-bis of Legislative Decree No. 39 of January 27, 2010;
- reviewing the Additional Auditor's Report issued on April 3, 2025 pursuant to Article 11 of European Regulation No. 537 of April 16, 2014;
- obtaining information, as part of a continuous exchange of information set up with the Company's General Counsel to monitor ongoing litigation, which was constantly updated at Board of Directors' meetings; in this regard, we would like to point out the following, referring in particular to what is illustrated by the Company in the "Litigations" section of the notes to the financial statements:
- the Group is a party to legal proceedings. The evaluation of risk provisions is made on the basis of the information available, taking into account elements acquired from the external consultants assisting the Group. The Company has made provisions in respect of the following proceedings:
- a) disputes relating to actions for damages brought by institutional investors following Consob Resolution No. 18949 of June 18, 2014 in which the Company deemed it prudent to establish a provision in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets;
- b) other minor disputes for which the Company has prudently established a provision in accordance with IAS 37.
- In 2024, the Board of Statutory Auditors did not receive any specific communications pursuant to the corporate procedure "TeamPeg-Monitoring Legal Events -STD_GR-GROUP-LGC-002", which governs the process of internal communication and dissemination of information concerning Significant Legal Events and appropriate actions. However, the Board of Statutory Auditors is informed that: (i) this corporate procedure is being revised to incorporate the most recent organisational changes adopted by the Company and that: (ii) the information flows towards the Board of Statutory Auditors and the competent corporate bodies, in relation to Significant Legal Events, have been constantly ensured by the periodic reports provided, also during Board meetings, by the General Counsel of Saipem SpA;
- obtaining information from the heads of the relevant corporate functions;
- exchanging information with the supervisory bodies of subsidiaries, pursuant to subsections 1 and 2 of Article 151 of Legislative Decree No. 58/1998;
- reviewing the periodic reports by the Compliance Committees of foreign subsidiaries, which are responsible for assessing the adequacy of the Code of Ethics and the Organisation, Management and Control Model (OM&C), and the Company's effective compliance with them. The Compliance Committees of major foreign subsidiaries are entrusted with supervisory duties similar to those of Saipem's Board of Statutory Auditors. In 2024, the proposal to update the governance of Saipem Group companies, as approved by the Board of Directors of Saipem SpA on November 22, 2023, got underway, with particular reference to the structure of the Compliance Committees, on the basis of which: (i) foreign subsidiaries of greater and medium significance and Italian operating companies are to have only one type of Compliance Committee, a monocratic body composed of an external member to the Saipem Group. The Board held specific Annual Meetings dedicated to the exchange of information with these control bodies.

The Board of Auditors also supervised:

- the analysis carried out by the Company's Board of Directors, as part of the programme for the preparation and updating of the four-year Strategic Plan 2025-2028 (which includes the 2025 Budget as its first year), which was the subject of preliminary activities carried out by the Sustainability, Scenarios and Governance Committee and lastly approved at the Board at their meeting on February 25, 2025;
- the procedures for convening and attending the ordinary and extraordinary shareholders' meetings as well as the special meeting of savings shareholders, in compliance with current statutory and regulatory provisions, also pursuant to Article 106, paragraph 7, of Decree-Law No. 18 of March 17, 2020 converted with amendments into Law No. 27 of April 24, 2020 ("Decree No. 18/2020") as last extended by Decree-Law No. 202 of December 27, 2024, (converted, with amendments, by Law No. 15 of February 21, 2025), regulating voting by proxy and through the shareholders' representative designated by the Company, which extended until December 31, 2025 the possibility, for listed companies, to decide that attendance at

shareholders' meetings take place exclusively through the representative designated by the Company pursuant to Article 135-undecies of Legislative Decree No. 58/1998;
- the preliminary investigation conducted by the Company's Audit and Risk Committee, to express its opinion to the Board of Directors on the methodology to be used to perform the impairment test as at December 31, 2024, conducted with the support of an independent consultant appointed by the Audit and Risk Committee.

The Board of Statutory Auditors also supervised the fulfilment of obligations related to the "Market abuse" and "Protection of savings" regulations on corporate disclosure and Internal Dealing, with particular reference to the management of inside information and the procedure governing public disclosure.

In particular, pursuant to applicable regulations (Market Abuse Regulation "MAR", Legislative Decree No. 58/1998, Consob Regulation No. 11971/1999, Regulation (EU) No. 2014/596), the Board of Statutory Auditors monitored conformity of the procedures adopted by the Company to ensure the correct management of the disclosure of corporate information keeping and updating of registers of persons who have access to significant/inside information, as well as compliance with the disclosure obligations concerning transactions on financial instruments carried out by relevant persons (internal dealing). To this end, the Board of Statutory Auditors took note that on April 19, 2023, the Board of Directors, with the favourable opinion of the Sustainability, Scenarios and Governance Committee, approved the most recent proposal to update the corporate Management System Guideline "Market Abuse" providing, inter alia, a strengthening of information flows and controls in relation to the process of identifying and managing material/inside information, as well as appropriate procedural and organisational updates. The list of internal dealing transactions carried out as of 2016 is published on the Company's website.

The Board of Statutory Auditors received periodic updates from the Senior Manager responsible for the Company's Financial Reporting, also during meetings held by the Audit and Risk Committee, on the current administrative and accounting procedures used for the preparation of the Company's financial statements, the consolidated financial statements and the half-yearly financial report, as well as on other periodic accounting documents.

The Board of Statutory Auditors also reviewed the process that allows the Senior Manager responsible for Financial Reporting and the relevant executive Director, to issue the above-mentioned certifications required by Article 154-bis of Legislative Decree No. 58/1998, to manage the financial and sustainability reporting process, as well as the effectiveness of the Company's internal control and risk management systems, without violating their independence (pursuant to Article 19 of Legislative Decree No. 39/2010, as updated by Legislative Decree No. 135/2016 and Legislative Decree No. 125/2024).

In particular, the Board of Statutory Auditors, having consulted with the independent auditors, considers the instructions issued by the Company to its subsidiaries pursuant to current legislation, including regulatory provisions, to be adequate, having ascertained that Saipem Group companies, to which such provisions are applicable, have procedures in place to regularly provide the Company's management and the parent company's auditors with the economic and financial data required to prepare the consolidated financial statements.

As a result of the above, no situations or critical issues emerged from the activities conducted, such as to deem the Company's Internal Control and Risk Management System, as a whole, to be inadequate.

Consob Attention Notice No. 5/21 of April 29, 2021

In its annual financial report, the Company published the net financial statement prepared in accordance with the provisions of Consob's Attention Notice No. 5/21 of April 29, 2021 concerning "Compliance with ESMA Guidelines on Disclosure Requirements under the Prospectus Regulation" and implementing ESMA's guidelines.

Consob Attention Notice No. 3/22 of May 19, 2022

On March 18, 2022, Consob drew the issuers' attention to the impact of the war in Ukraine on inside information and financial reporting.

On May 13, 2022, ESMA published the Public Statement "Implications of Russia's invasion of Ukraine on half-yearly financial reports" concerning the effects of Russia's invasion of Ukraine on half-yearly financial reports 2022 prepared in accordance with IAS 34 "Interim Financial Reporting".

On May 19, 2022, Consob published an Attention Notice entitled: "Conflict in Ukraine - Attention Notice for Issuers on Financial Reporting and Compliance with the Restrictive Measures Adopted by the European Union on Russia", drawing the attention of boards of directors, supervisory bodies, also in their capacity as audit committees, and independent auditors, involved in the process of producing the financial reporting published by issuers, to the recommendations provided by ESMA in the aforementioned Public Statement.

The Board of Statutory Auditors ascertained that the Company acted in an informed manner concerning of the above-mentioned warnings, also with particular regard to the effects on the issuer and its subsidiaries, of the restrictive measures adopted by the EU ("Bank of Italy, Consob, IVASS and UIF warning to comply with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine" of March 7, 2022).

In this regard, please refer to the section "Business Risk Management" within the Directors' Report, contained in the Company's Annual Financial Report as at December 31, 2024, where the Company specifies that:
With regard to the current geopolitical situation, which is characterised by various zones of conflicts, the following is noted:

- there are no residual operations underway in Russia and/or with Russian clients; the prior contractual relations were completed and, accordingly, the documentary formalisation process is being finalised, in full compliance with EU legislation. Also, the Strategic Plan 2025-2028 does not envisage the acquisition of new contracts in Russia;
- in Israel, Saipem, having evacuated its personnel working on the Haifa project after the attacks of October 7, 2023 and subsequently resumed the activities in 2024 using mainly local personnel, has adopted safety measures suited to the context. The negotiations with the client to redefine the scope of works and responsibilities of the Group, in order to limit its exposure in a high-risk area, were concluded positively;
- the Company has minimum offshore activities in the Red Sea, far from the area concerned by the attacks and boarding attempts on commercial vessels transiting through the Suez Canal.

Consob Attention Notice No. 2/24 of December 20, 2024

On December 20, 2024, Consob published Attention Notice No. 2/24 in which they drew the issuers' attention to a number of points relevant to annual financial reporting for 2024, pointing out that a potential source of greenwashing may arise – without prejudice to the specifics of financial statements and sustainability reporting – from divergent information on sustainability issues in the annual financial report. In particular, the call for attention highlights the need for issuers to:
(i) facilitate investors in identifying climate information;
(ii) promote consistency between financial and sustainability reporting; and
(iii) provide clear disclosure on considerations made on the impacts of climate factors.
The attention notice does not introduce new disclosure requirements but stresses the requirements that are already in place. This is in order to promote transparency of information, ensure compliance with international accounting standards and discourage greenwashing.
The Board of Statutory Auditors verified that the Company acted in an informed manner with regard to the contents of the above-mentioned attention notices.

Committee for Internal Control and Audit of Accounts pursuant to Article 19, of Legislative Decree No. 39/2010 And Legislative Decree No. 135/2016, implementing Directive 2014/56/Eu and amending Directive 2006/43/EC And European Regulation 537/2014.

Supervision of statutory audit activities

The independent auditors KPMG SpA (hereinafter also referred to as "KPMG") today issued:
i) the reports pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of European Regulation 537/2014, for the statutory and Group consolidated financial statements as at December 31, 2024, prepared in accordance with the International Financial Reporting Standards - IFRS adopted by the European Union, as well as the measures implementing Article 9 of Legislative Decree No. 38/2005. These reports show that the financial statements and consolidated financial statements provide a true and fair view of the financial position, results of operations and cash flows for the year 2024. KPMG also expressed its unqualified opinion on the conformity of the Company's financial statements and the Group's consolidated financial statements with the provisions of the European Commission's Delegated Regulation (EU) 2019/815 on the preparation of financial information in single electronic format (ESEF - European Single Electronic Format);
(ii) the report by the independent auditors on the limited audit of the consolidated sustainability statement pursuant to Article 14-*bis* of Legislative Decree No. 39/2010; based on this report, no evidence has come to the attention of KPMG to suggest that:
a) the Saipem Group's consolidated sustainability statement for the year ended December 31, 2024 does not comply, in all material respects, with the reporting standards adopted by the European Commission pursuant to Directive 2013/34/EU European Sustainability Reporting Standard (ESRS) and
b) the information contained in the section "Information in accordance with Article 8 of the EU Regulation 2020/852 - Taxonomy Regulation" of the consolidated sustainability statement does not comply, in all material respects, with Article 8 of the EU Regulation 2020/852 - Taxonomy Regulation.
Today, the independent auditors also issued the "Additional Report for the Committee for Internal Audit and Audit of Accounts", which illustrates the results of the statutory audit and includes the declaration on the independence requirements pursuant to

Article 6, paragraph 2, letter a), of Regulation (EU) No. 537 of April 16, 2014, as well as the disclosures required by Article 11 of the same Regulation, without identifying "deficiencies in the internal control system in relation to the financial reporting process, nor material issues pursuant to Article 19 of Legislative Decree No. 39/10". The Board of Statutory Auditors shall inform the Company's Board of Directors of the results of the legal audit, transmitting the additional report pursuant to Article 11 of European Regulation 537/2014, accompanied by any observations, pursuant to Article 19 of Legislative Decree No. 39/2010, and European Regulation 537/2014.
During the year, the Board of Statutory Auditors held numerous meetings with the independent auditors, pursuant to Article 150, paragraph 3, of Legislative Decree No. 58/1998, when information was exchanged, and no other facts or situations worthy of mention emerged.
The Board of Statutory Auditors (i) analysed the work performed by the independent auditors, and in particular, the methodological framework, the audit approach used for the various key areas of the financial statements and the planning of the audit work and (ii) shared with the independent auditors the issues related to business risks, appreciating the adequacy of the auditors' planned response with the structural and risk profiles of the Company and the Group.
It should be noted that the Company's Board of Directors, in accordance with the indications of the joint Bank of Italy/Consob/ISVAP document of March 3, 2010, examined the compliance of the impairment test procedure with the requirements of international accounting standard IAS 36, also with the support of specialist consultants, which was followed by the approval of impairment test results on February 25, 2025 on the occasion of the approval of the consolidated preliminary results as of December 31, 2024.
In the notes to the financial statements of the Company, under the section "Fees for the statutory audit of the accounts and non-audit services", is a table detailing 2024 fees paid to the independent auditors and the entities belonging to their network, pursuant to Article 149-duodecies of Consob Issuers' Regulations. The "Attestation services" and "Statutory audit services" provided to Saipem and its subsidiaries by the independent auditors KPMG and the entities belonging to its network include, respectively, the fees for the limited audit of the Sustainability Report and for the compliance of Saipem's Consolidated Sustainability Statement, prepared in accordance with Legislative Decree No. 125 of September 6, 2024, transposing Directive 2022/2464/EU (CSRD). The independent auditors KPMG were not given any tasks not permitted by Article 17, paragraph 3, of Legislative Decree No. 39/2010.
Pursuant to Article 19 of Legislative Decree No. 39/2010, as amended by Legislative Decree No. 135/2016, the Board of Statutory Auditors verified and monitored the independence of the statutory independent auditors in accordance with Articles 10, 10-bis, 10-ter, 10-quater and 17 of the aforementioned Decree and Article 6 of the European Regulation, in particular with regard to the adequacy of the provision of non-audit services, in accordance with Article 5 of said Regulation. To this end, the Board of Statutory Auditors examined all the proposals for the engagement of the independent auditors for non-audit services, as well as the fees adjustment for the performance of the statutory audit activities in relation to exceptional and/or unforeseeable circumstances at the time of the engagement, such as to determine the need for a greater number of hours and/or a different commitment of the professional qualifications, in accordance with the terms and procedures approved by Saipem's Ordinary Shareholders' Meeting on May 3, 2018 upon conferring the engagement for the statutory audit of the accounts for the financial years 2019-2027.
Considering:
- the declaration vis-à-vis the independence requirements referred to in Article 6, paragraph 2, letter a), of Regulation (EU) No. 537 of April 16, 2014, contained in the Additional Report for the Internal Audit Committee issued by KPMG, and the transparency report produced by the same pursuant to Article 18, paragraph 1, of Legislative Decree No. 39/2010, which contains the information required by Article 13 of Regulation 537/2014, as published on its website; and
- the tasks conferred on it and the companies belonging to its network by Saipem and its Group companies;
- the Board of Statutory Auditors considers that the conditions for certifying the independence of the independent auditors KPMG are met.

Additional activities

Transactions of greater importance
To oversee compliance with the principles of proper administration, in addition to having participated, as outlined above, in all meetings of the Board of Directors and Board Committees, the Board of Statutory Auditors, pursuant to Article 2381, paragraph 5, of the Italian Civil Code, Article 150 of Legislative Decree No. 58/1998 and Article 21 of the Articles of Association, obtained from the Directors information on their activities and the most significant economic, financial and equity transactions approved and implemented during the year by Saipem and its subsidiaries; such information is fully represented in the

Directors' Report. On the basis of the information made available to the Board of Statutory Auditors, the latter can reasonably believe that the aforementioned transactions comply with the law and the Articles of Association and are not manifestly imprudent, risky or in conflict with resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the Company's assets.

Proposed Merger between Saipem and Subsea7

As disclosed in the press release dated February 23, 2025, Saipem and Subsea7 announced that they reached an agreement on the main terms of a possible cross-border merger of the two companies (the "Proposed Combination") through the signing of a Memorandum of Understanding ("MoU"). The "Proposed Combination" will be structured through a merger by incorporation of Subsea7 into Saipem, pursuant to EU regulations, the latter will be renamed Saipem7 (Combined Company) and its shares will be listed on both the Milan and Oslo stock exchanges. Siem Industries (Subsea7's reference shareholder) would hold approximately 11.9% of the Combined Company's share capital, while Eni and CDP Equity (Saipem's reference shareholders) would hold approximately 10.6% and 6.4% respectively. The signing of the binding agreements between the parties, setting out the final terms of the Proposed Combination is conditional upon, among other things, the positive outcome of the due diligence, the completion of a mutually satisfactory agreement on the terms of the merger ("Merger Agreement") and the approval of the final terms of the Proposed Combination by the Boards of Directors of Saipem and Subsea7. The parties have initiated the necessary consultations with trade union representatives in accordance with the applicable regulations and plan to submit the final terms of the possible merger to their respective Boards of Directors for approval and to sign the merger agreement indicatively in mid-2025.
The two companies also announced that:
Subsea7 shareholders will receive 6.688 Saipem shares for each Subsea7 share held. Subsea7 will distribute an extraordinary dividend of €450 million immediately prior to the closing of the transaction;
Siem Industries, Subsea7's reference shareholder, CDP Equity and Eni, Saipem's reference shareholders, have expressed their strong support and indicated their commitment to vote in favour of the transaction;
the transaction is expected to be finalised in the second half of 2026.

Issue of a new bond and tender offers relating to two bonds maturing in 2025 and 2026

As disclosed in press releases on May 21, 22 and 29, 2024, the Company:
successfully completed the placement of a new fixed rate non-convertible and unsubordinated bond for a total principal amount of €500 million, with maturity in May 2030 (the "Notes"). The Notes pay a fixed annual coupon of 4.875% with a re-offer price of 100%; and
announced the indicative results of the tender offers relating to two bonds maturing in 2025 and 2026. Specifically, the total principal amount, based on the terms and subject to the conditions set out in the Tender Offer Memorandum was €363,007,000, of which (i) €104,498,000 in respect of 2025 (i.e. Any and All of the amount of the 2025 Notes tendered). Upon completion of the transaction, the 2025 Notes still outstanding were, in nominal amount, equal to €275,407,000; and (ii) €258,509,000 in respect of the 2026 Notes and proceeded with the increase of the Capped 2026 Notes Maximum Amount from €200,000,000 to €258,509,000. Therefore, no Pro-Ration Factor was applied to the validly made offers of 2026 Notes. Upon completion of the transaction, the 2026 Notes still outstanding were, in nominal amount, equal to €241,491,000.

Revolving credit facility

On February 11, 2025, Saipem entered into a new "Revolving Credit Facility" with a pool of fourteen leading national and international financial institutions for an amount of €600 million, with a duration of 3 years, extendable for an additional one or two years at the discretion of the lenders. The new credit facility replaces the €473 million "Revolving Credit Facility" signed in February 2023, increasing its amount.

Consolidated Sustainability Statement

Saipem, as a public interest entity and parent company of a large group, has been required to disclose non-financial information since 2017, in accordance with the provisions of Legislative Decree No. 254/2016, issued in implementation of Directive 2014/95/EU (hereinafter also the "Decree") which came into force on January 25, 2017 and subsequently in compliance with the provisions set forth in Legislative Decree No. 125/2024 of September 6, 2024, in force as of September 25, 2024 transposing into Italian law European Directive No. 2022/2464 ("Corporate Sustainability Reporting Directive - CSRD").
Your Company's Consolidated Sustainability Statement is published in a specific section of the Annual Report, thus fulfilling the disclosure requirements relating to non-accounting events, which are limited to the analysis of non-financial information.
The new directive, introduced into Italian law by the above-mentioned Legislative Decree No. 125/2024 significantly broadens the reporting requirements and, in compliance with the aforementioned provisions, the Saipem Group's Consolidated

Sustainability Statement contains a description of issues identified as relevant (or material) following the "double relevance" analysis, in addition to further issues assessed as significant by the Company, concerning: 1) the Company's business model and strategy; 2) Company's policies; 3) main actual or potential impacts for the Company vis-à-vis sustainability issues, defined on the basis of the materiality criteria, and any actions taken to identify, monitor, prevent or mitigate negative impacts or remedy them; 4) the main risks for the Company related to sustainability issues and their management; 5) performance indicators needed to represent the specific sustainability results achieved by the Company. The Consolidated Sustainability Statement refers to the 'Directors' Report and the 'Report on Corporate Governance and Shareholding Structure' for the parts covered by the aforementioned documents and contains, in turn, information that fulfils the obligations set forth in the first and second paragraph of Article 2428 of the Italian Civil Code, limited to the analysis of non-financial information.
On March 11, 2025, the Board of Directors, based on the information received from management and the preliminary activity carried out by the Sustainability, Scenarios and Governance Committee and the Audit and Risk Committee (called upon to assess the suitability of sustainability reporting to correctly represent the Company's business model, strategies, impacts, risks opportunities relevant to sustainability and the actual performance, in coordination with the "Sustainability, Scenarios and Governance Committee" and to "examine the content of sustainability reporting relevant to the Internal Control and Risk Management System, also in consideration of the results of control activities to monitor risks related to sustainability reporting") approved the Directors' Report including the specific section dedicated to the Consolidated Sustainability Statement drafted pursuant to EU Directive 2022/2462 (CSRD) and Legislative Decree No. 125/2024 transposing it into Italian law.
The Consolidated Sustainability Statement is made public together with the Annual Financial Report and filed with the Company Register.
The Board of Statutory Auditors and Saipem's Compliance Committee have received periodic updates on the preparatory activities for the drafting of the Consolidated Sustainability Statement. The Board of Statutory Auditors, inter alia, obtained specific information on the drafting process and the internal quality control and risk management systems adopted by the Company in relation to sustainability reporting.
Pursuant to Articles 8 and 18 of Legislative Decree No. 125/2024, activities to certify the conformity of the consolidated sustainability reporting were entrusted to the independent auditors KPMG SpA ("KPMG") for the period 2024-2027, confirming the engagement for the limited audit of the non-financial statement (DNF) previously conferred until 2027, pursuant to Article 3, paragraph 10, of Legislative Decree No. 254 of December 30, 2016 and coinciding with the end of their mandate for the legal audit of the accounts of the Saipem Group.
Today, KPMG issued its report pursuant to Article 14-bis of Legislative Decree No. 39/2010 on the consolidated sustainability statement, certifying its compliance with the requirements of Legislative Decree No. 125/2024 and the reporting standards/guidelines used for its preparation.
The Board of Statutory Auditors, as part of its duties as per the regulations, supervised compliance with the provisions of Legislative Decree No. 125 of September 6, 2024 (in force as of September 25, 2024) issued in implementation of Directive 2022/2464/EU of the European Parliament and of the Council of December 14, 2022, amending Regulation 537/2014/EU, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU on corporate (individual or consolidated) sustainability reporting.
By Executive Resolution No. 127 of February 27, 2025, Consob published the updated list of entities that, as of December 31, 2024, have published the Non-Financial Statement ("DNF") relating to the financial year beginning on or after January 1, 2023, identifying your Company in this list.

Sustainability Report 2024

The Company also prepares and publishes a separate Sustainability Report on a voluntary basis, which is subject to a limited audit by the independent auditors KPMG SpA.

Tax transparency: Group tax strategy and adherence to the cooperative compliance regime pursuant to Legislative Decree No. 128 of 5 August 2015

As of January 1, 2022, Saipem SpA has implemented its own tax risk internal control system, pursuant to Article 4 of Legislative Decree No. 128/2015 ("Tax Control Framework").
On November 22, 2023, the Board of Directors of Saipem SpA approved the updated Group Tax Strategy ("Tax Strategy"), which defines the fundamental principles and guidelines to which companies of the Saipem Group must adhere in terms of tax management and in their relations with the Tax Authorities. This document is published on the corporate website.
On December 29, 2023, implementing a board resolution, the Company filed an application to join the cooperative compliance regime with the Italian Revenue Agency pursuant to Legislative Decree No. 128/2015 ("Cooperative Compliance") to establish a collaborative relationship with the Italian Tax Authorities that aims to reduce the level of uncertainty on relevant tax issues

and prevent tax disputes through constant and preventive forms of dialogue. In 2024, Saipem SpA and its subsidiary Servizi Energia Italia SpA were admitted, effective 2023, to the cooperative compliance regime with the Italian Revenue Agency, pursuant to the aforementioned Legislative Decree No. 128/2015.

Reporting of Income Tax Information pursuant to Legislative Decree No. 128 of 4 September 2024 (Country-by-Country report)

On September 12, 2024, Legislative Decree No. 128 dated September 4, 2024 (effective from September 27, 2024) was published in the Italian Official Gazette, implementing Directive (EU) 2021/2101 of the European Parliament and of the Council of November 24, 2021 (CBCR Directive - Country-by-Country reporting), amending Directive 2013/34/EU. The Decree, by amending Legislative Decree No. 139 of August 18, 2015 implementing Directive 2013/34/EU (which establishes, inter alia, the content of the "Government Payment Report"), regulates the disclosure of income tax information by certain companies and branches. Saipem is subject to the application of the Decree as the parent company, operating in multiple tax jurisdictions, with consolidated revenues in excess of €750 million.
It is envisaged that the aforesaid information may be provided in accordance with the procedures set forth in Article 4 (Country-By-Country Report) of the Decree by the Minister of Economy and Finance ("MEF") dated February 23, 2017 relating to the disclosure obligations concerning the automatic and compulsory exchange of information in the tax area to which Saipem is subject with effect from the tax year 2016.
Specifically, the aforementioned MEF's Decree of February 23, 2017, inspired by Action 13 (Transfer Pricing Documentation and Country-by-Country Reporting) of the OECD's BEPS project, requires that multinational companies with consolidated revenues of €750 million or more prepare a "BEPS Country-by-Country Report" ("CbCR"), which provides data on: turnover, profits and taxes accrued and paid, aggregated in terms of the tax jurisdictions in which they operate.
The above mentioned Decree and the related supervisory obligation, will come into force for Saipem starting from the financial year 2025; however, as noted in Saipem's Annual Financial Report for the year 2024, your Company already prepares and submits to the Italian Revenue Agency, within the terms of the tax return, a Country-By-Country Report that, among other things, can be used to fulfil the disclosure obligations required by Legislative Decree No. 128/2024 as provided by its Article 1, paragraph 5.

Fulfilment of transparency and disclosure obligations under EU and national state aid legislation pursuant to Law No. 124 of August 4, 2017 (Article 1, paragraphs 125-129)

Pursuant to the law, the Company disclosed in its annual report that: in 2024, Saipem SpA received public grants under the scope of Law No. 124/2017 (Article 1, paragraphs 125-129) et seq., amounting to €5,624,742.49, from INPS (national social security institute) on May 27, 2024. These grants related to the reimbursement of part of the labour costs for employees involved in a training programme funded by the Italian National Agency for Active Labour Market Policies (ANPAL) under the New Skills Fund included in the National Recovery and Resilience Plan (NRRP). The notice falling within the scope of the aforementioned legislation includes disbursements in excess of €10,000 paid by the same entity during 2024, also through multiple payments. The other Italian companies within scope did not receive any public grants under this legislation.

Transactions with related parties and parties of interest

On May 18, 2021, the Board of Directors of Saipem SpA set up a special Related Parties Committee to perform the functions required by current legislation on Related Party Transactions.
The Board of Statutory Auditors monitored compliance of the procedures adopted by the Company, through the Management System Guideline ("MSG") "Transactions with Related Parties and Parties of Interest" (approved on November 24, 2010, and last updated on October 25, 2023 by the Board of Directors of Saipem SpA, under the terms proposed by the Related Parties Committee), to the principles indicated in Consob Resolution No. 17221 of March 12, 2010 updated with the amendments made by Resolution No. 19974 of April 27, 2017 and most recently by Resolution No. 22144 of December 22, 2021, effective as of December 31, 2021.
In 2024, the Chief Executive Officer reported periodically to the Board of Directors and the Board of Statutory Auditors on Related Party Transactions.
The Board of Statutory Auditors, in particular:
(i) participated in in-depth studies conducted by the Related Parties Committee, which monitored the adequacy of the Company's current procedures on transactions with related parties and parties of interest, assessing them as adequate and noting that:
- during their 2021-2024 mandate, the Board of Directors, at the proposal of the Related Parties Committee, approved 3 revisions of the MSG;

- the most recent update approved by the Board of Directors on October 25, 2023, concerned various aspects of the process, namely: (i) updating the thresholds applicable to transactions with related parties; (ii) aligning the regulations on transactions with parties of interest with those on transactions with related parties; (iii) strengthening the controls in relation to consultancy contracts with parties of interest; (iv) updating the interpretation of certain definitions;
- in 2024, no significant changes occurred in the Company's ownership structure that required an update of the current corporate procedures, and

(ii) supervised compliance with procedures adopted by the Board of Directors, as well as the provisions on transparency and public disclosure, to ascertain compliance of the procedural framework prepared by the Company, as well as the correct application of the same when carrying out transactions with related parties.
The Board of Statutory Auditors assessed as adequate the information provided by the Board of Directors in the Directors' Report on intra-group and related party transactions. The Internal Audit function, on the basis of the annual audit plan approved by the Board of Directors, after consulting the Board of Statutory Auditors and the CEO and General Manager, who oversees the internal control and risk management system in his capacity as Director responsible for establishing and maintaining it, monitors the application of these regulations.
In 2024, audits conducted by the Internal Audit function on transactions with related parties and parties of interest performed during the observation period, revealed an "adequate and operational" internal control and risk management system. Transactions carried out by Saipem with related parties essentially concern the provision of services and the exchange of goods with joint ventures, associated companies and subsidiaries not consolidated on a line-by-line basis, with subsidiaries, joint ventures and associates of Eni SpA and CDP SpA, and with companies controlled by MEF (the Italian Ministry of Economy and Finance). These transactions are part of ordinary business operations, carried out at equivalent to market or standard conditions and in the interest of Group companies. The Statutory Auditors, Directors and Executives with strategic responsibilities, declare every six months any transactions they entertained with Saipem SpA and its subsidiaries, including through third parties or persons related to them. Amounts of transactions of a commercial, financial and/or other nature with related parties are adequately disclosed in the notes to the financial statements.
The Board of Statutory Auditors was kept constantly informed about the aforementioned transactions and monitored the Company's compliance with the applicable procedures. To the best of the Board of Statutory Auditors' knowledge, and with reference to the above, no atypical and/or unusual transactions were carried out with Group companies, third parties or related parties.

Complaints pursuant to Article 2408 of the Italian Civil Code

From the date of the previous report by the Board of Auditors to date, the Board of Statutory Auditors has not received any complaints pursuant to Article 2408 of the Italian Civil Code.

Compliance Committee

Concerning Consob Resolution No. 20324 of March 2, 2018 pursuant to which the Board of Statutory Auditors disclosed in its report to the shareholders over the last few years and whose contents are illustrated in the Company's financial reports under the section "Information Regarding Censure by Consob Pursuant to Article 154-ter, subsection 7, of Legislative Decree No. 58/1998 and the Notice from the Consob Offices dated April 6, 2018", please note that, as announced by the Company in its press release of July 6, 2021: with a ruling filed on the same date, the Regional Administrative Court ("TAR") of Lazio rejected the appeal filed by the Company on April 27, 2018 against Consob Resolution No. 20324 of March 2, 2018 (of which the market was informed in a press release dated March 5, 2018, "the Resolution"). According to the Resolution (whose text has been last illustrated in detail in the section "Information Regarding Censure by Consob Pursuant to Article 154-ter, subsection 7, of Legislative Decree No. 58/1998 and the Notice from the Consob Offices dated April 6, 2018" of the Annual Report as at December 31, 2021), the non-compliance of Saipem's Annual Report 2016 with the regulations which govern its preparation, concerns in particular: (i) the incorrect application of the accrual basis of accounting affirmed by IAS 1; (ii) the non-application of IAS 8 in relation to the correction of errors with reference to the financial statements of 2015; and iii. the estimation process of the discount rate pursuant to IAS 36.
On April 16, 2018, Saipem issued a press release regarding the pro-forma consolidated income statements and statement of financial position as at December 31, 2016, for the sole purpose of complying with the Resolution, reserving the right to lodge an appeal with the Regional Administrative Court ("TAR") of Lazio. On November 6, 2021, Saipem filed its appeal before the Council of State against the decision of the TAR of Lazio.
On March 7, 2024, a hearing was held before the Council of State for the discussion of the merits of the appeal brought by Saipem against the TAR-Lazio ruling In a ruling dated March 19, 2024, the Council of State dismissed the appeal, dividing costs between the parties in view of the novelty of the matter and the complexity of the issues raised.

Whistleblowing reports received by Saipem and its subsidiaries

Since December 1, 2006, the Company has had its own procedure “Whistleblowing Reports received (including anonymously) by Saipem SpA and by its Subsidiaries in Italy and Abroad” which provides for the establishment of information channels suitable for guaranteeing the receipt, analysis and processing of reports relating to issues of internal control, corporate reporting, administrative liability of the Company, fraud or other matters, forwarded by employees, members of corporate bodies or third parties, also in confidential or anonymous form.Lastly, to incorporate the most recent regulatory changes deriving from the approval of Legislative Decree No. 24/2023 related to the implementation of the European Directive concerning the protection of persons who report violations, the Company updated this procedure on March 27, 2024, providing, inter alia, whenever significant whistleblowing reports are received, as defined by the procedure itself, the Internal Audit function shall promptly inform the Reporting Committee, the Company's Reporting Team, the Board of Statutory Auditors and, for matters under its remit, Saipem’s Compliance Committee. The Internal Audit function is responsible for ensuring the required reporting flows. In this regard, we have reviewed the 2024 quarterly reports by Internal Audit, detailing whistleblowing reports received during the year and the results of their investigations, constantly monitoring activities.

Corporate Governance Code

Pursuant to Article 149, paragraph 1, letter c-bis, of Legislative Decree No. 58/1998, the Board of Statutory Auditors monitored the procedures for the actual implementation of the Corporate Governance Code of listed companies, promoted by Borsa Italiana SpA, whose recommendations and principles the Company adopts, incorporating over time the relevant updates and recommendations contained, most recently, in the "2024 Report on the Evolution of Corporate Governance in Listed Companies - 12th Report on the Application of the Corporate Governance Code".
On March 11, 2025, Saipem’s Board of Directors, after reviews by the Board Committees, in particular: (i) having consulted with the Remuneration and Nomination Committee, which confirmed the alignment of Saipem's Remuneration Policy with the recommendations of the Corporate Governance Code; (ii) having consulted with the Audit and Risk Committee on the description, in the Report on Corporate Governance and Shareholding Structure 2024, of the main characteristics of the Internal Control and Risk Management System and the coordination between the parties involved, indicating reference models and national and international best practices, expressing its overall assessment on the adequacy of the system itself; (iii) having consulted with the Sustainability, Scenarios and Governance Committee, which confirmed the substantial alignment of Saipem's corporate governance with the 2025 recommendations set out in the aforementioned "2024 Report on the Evolution of Corporate Governance in Listed Companies - 12th Report on the Application of the Corporate Governance Code" and, in general, positively assessed the consistency of Saipem's "Report on Corporate Governance and Shareholding Structure 2024" with the principles and recommendations of the Corporate Governance Code, approved Saipem's Report on Corporate Governance and Shareholding Structure 2024, published on the Company's website.
The Board of Statutory Auditors verified the correct application of the criteria and procedures applied by the Company's Board of Directors to ascertain the independence requirements of current Directors, pursuant to Legislative Decree No. 58/1998 and the Corporate Governance Code.
The Board acknowledged that Saipem's Annual Report on Corporate Governance and Shareholding Structure, in compliance with the relevant legal and regulatory obligations, contains information on the ownership structure, adherence to the Corporate Governance Code and compliance with its requirements, highlighting the choices that the Company has made in applying the self-regulatory principles.

Self-assessment by the Board of Statutory Auditors

The Board of Statutory Auditors periodically verified that its members met the independence criteria, as well as professionalism and good repute, as required by law (Article 148, paragraph 3 of Legislative Decree No. 58/1998) and by the principles set forth in the Rules of Conduct for Boards of Statutory Auditors recommended by the National Council of Certified Public Accountants and Accounting Experts and by the Corporate Governance Code (Recommendations 9 and 7), noting that:

- no instances were found of ineligibility, incompatibility and disqualification provided for in relation to the office of Statutory Auditor by law, regulations and the Articles of Association
- its members meet the requirements of good repute prescribed by the applicable regulations and, specifically, the requirements established for members of control bodies pursuant to Article 148, paragraph 4 of Legislative Decree No. 58/1998; and
- they comply with the provisions concerning the maximum number of offices they may hold in compliance with applicable regulations.

Gender balance is guaranteed in the composition of the Board of Statutory Auditors, in accordance with the provisions of the Articles of Association, Law No. 120 of July 12, 2011, "Amendments to the Consolidated Law on Financial Intermediation, pursuant to Legislative Decree No. 58 of February 24, 1998, concerning equal access to the boards of directors and statutory

auditors of companies listed on regulated markets" and Consob Resolution No. 18098 of February 8, 2012, also pursuant to Article 123-bis of Legislative Decree No. 58/1998, updated by Law No. 145/2018 and Law No. 160/2019.
As to its functioning, the Board:
(i) verified that its members participated assiduously (in quantitative terms) both in meetings of the Board of Statutory Auditors, the Board of Directors, the Audit and Risk Committee and in general all Board Committees; and
(ii) assessed the relevance of topics on the basis of a planning process aimed at identifying the main risks (risk-based approach), and on the basis of the adequate planning of periodic information with the Company's management, the internal control functions and the Compliance Committee pursuant to Legislative Decree No. 231/2001. The specific control and monitoring functions over financial reporting and auditing, provided for by Article 19 of Legislative Decree No. 39 of January 27, 2010, as amended by Legislative Decree No. 135 of July 17, 2016, provided, inter alia, for a constant and reciprocal exchange of information with the independent auditors and the Senior Manager responsible for the Company's Financial Reporting, including activities carried out jointly with the Audit and Risk Committee, ensuring the proper and effective functioning of the Board of Statutory Auditors also in its capacity as the Internal Control and Audit Committee.

Shareholders' agreements pursuant to Article 122 of Legislative Decree 58/1998

On January 22, 2016, the shareholders' agreement between Eni SpA and Fondo Strategico Italiano - FSI SpA (subsequently CDP Industria SpA now CDP Equity SpA) entered into on October 27, 2015 became effective. The Board of Statutory Auditors verified that the key information relating to the aforementioned Shareholders' Agreement had been updated (last updated on January 22, 2025) and published by the Company on the same date in compliance with the provisions of Consob Issuers' Regulation 11971/99. In particular: in compliance with the provisions of Article 122 of Legislative Decree No. 58 of February 24, 1998 and Articles 129 and 131 of Consob Issuers' Regulation 11971/99, in addition to what has already been disclosed to the market, on January 21, 2025 and on July 20, 2022, the parties disclosed that Eni SpA and CDP Equity SpA notified Saipem that they had tacitly renewed, for an additional three-year period, the Shareholders' Agreement entered into on January 20, 2022, covering a total of 25.006% of Saipem's ordinary share capital. The Agreement envisaged a three-year term from the effective date (i.e., January 22, 2022) to be automatically renewed on its expiry date (i.e., January 22, 2025) for an additional period of three years only, unless terminated by either party with at least six months' notice. The aforementioned term having expired without having been terminated; the Shareholders' Agreement was automatically renewed for an additional three-year period (i.e. until January 22, 2028)".
With particular reference to the above-mentioned proposed merger between Saipem and Subsea7, as disclosed by both companies on February 23, 2025: CDP Equity, Eni and Siem Industries signed a separate Memorandum of Understanding, in which they undertook to support the Proposed Combination and agreed on the terms of a Shareholders' Agreement that will be effective upon its completion. The Articles of Association of the Combined Company will also provide for the adoption of the increased voting rights (two votes per share).

Management and coordination (pursuant to Article 2497 et seq. of the Italian Civil Code)

The new shareholding structure, resulting from the Shareholders' Agreement between Eni SpA and FSI (subsequently CDP Industria SpA, currently CDP Equity SpA), "aimed at creating a joint control of Saipem by Eni and FSI", meant that from January 22, 2016 Saipem is no longer subject to the management and coordination of Eni SpA pursuant to Article 2497 of the Italian Civil Code. The aforementioned Shareholders' Agreement, valid for three years from the effective date (i.e. January 22, 2022), provided for a tacit renewal upon expiry (i.e. January 22, 2025). The latter deadline having expired without a notice of termination having been received; the Shareholders' Agreement was automatically renewed for a further three years (i.e. until January 22, 2028). Saipem exercises the management and coordination over its subsidiaries pursuant to Article 2497 et seq. of the Italian Civil Code.

Opinions expressed by the Board of Auditors

In the period since the previous report, the Board of Statutory Auditors:
- expressed in favour, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, of the proposals put forward by the Remuneration and Nomination Committee, concerning directors with special powers, as set forth in the following board resolutions:
- on June 26, 2024, concerning (i) setting the fixed gross annual remuneration for the Chairman of the Board of Directors, (ii) setting the remuneration structure and gross annual remuneration of the Chief Executive Officer and General Manager, (iii) the 2024 award of the 2023-2025 Long-Term Variable Incentive Plan; (iv) the regulations of the 2023-2025 Long-Term Variable Incentive Plan for the 2024 award;
- on January 28, 2025, concerning indicators for the 2025 Corporate Fact Sheet of the 2023-2025 Short-Term Variable Incentive Plan and for the 2025 award of the 2023-2025 Long-Term Variable Incentive Plan;

- on March 11, 2025, concerning: (i) the finalisation of results of the 2024 entry gate and the 2024 Corporate Fact Sheet for activating the 2024 Short-Term Variable Incentive Plan; (ii) the 2024 Short-Term Variable Incentive of the Chief Executive Officer and General Manager; (iii) the approval of the 2025 entry gate and the 2025 Corporate Fact Sheet relating to the 2025 Short-Term Variable Incentive Plan; (iv) setting performance targets for the three-year period 2025-2027 relating to the economic-financial and ESG indicators for the 2025 award of the 2023-2025 Long-Term Variable Incentive Plan; (v) the proposal to the Ordinary Shareholders' Meeting to buyback treasury shares to service the 2023-2025 Long-Term Variable Incentive Plan for the three-year period 2023-2025, for the 2025 award;
- also expressed in favour of the following additional resolutions passed by the Board of Directors, pursuant to the powers it has in accordance with by the Company's internal regulations or the provisions of the Corporate Governance Code for Listed Companies, promoted by Borsa Italiana, to which the Company has adhered:
- on June 26, 2024, concerning the setting of the annual gross remuneration of Directors serving on Board Committees;
- on December 18, 2024, concerning the appointment of Luca Caviglia as Senior Manager responsible for Financial Reporting, also responsible for certifying the sustainability statement pursuant to Article 154-bis of Legislative Decree No. 58/1998 and Article 21 of the Articles of Association;
- on December 18, 2024, concerning the updated Saipem SpA's "Model 231 (includes Code of Ethics)", "Annex 1" and "Special Part of Model 231 - Sensitive Activities and Specific Control Standards";
- on March 11, 2025 concerning the annual audit plan for the financial year 2025 and its budget.

Conclusions

Based on the control activities it performed, the Board of Auditors, for matters under its remit, expresses in favour of the proposals for the approval of the financial statements for the year ended December 31, 2024 and the allocation of the year's results, as formulated by the Board of Directors, which propose to:
approve the Statutory Financial Statements of Saipem SpA at December 31, 2024, which closed with a net income of €278,498,189.94 and allocate the net income as follows:

- €13,924,909.50, equal to 5% of net income, to the legal reserve;
- €5,295.00 to savings shareholders corresponding to a dividend of €5.00 per savings share;
- €264,567,985.44 to holders of ordinary shares, whom are to receive an additional €68,153,850.12 from the reserve from previous years' earnings, for a total of €332,721,835.56, corresponding to a dividend of €0.17 per ordinary share.

Mandatory conversion of savings shares into ordinary shares. Consequent amendment of Articles 5, 6 and 11 of the Articles of Association

Please note that:
(i) the Ordinary and Extraordinary Shareholders' Meeting, to be held on May 8, 2025 (single call), is called to resolve on the mandatory conversion of savings shares into ordinary shares and the consequent amendment of Articles 5, 6 and 11 of the Articles of Association. In this regard, the Board of Statutory Auditors has supervised the preliminary investigation process carried out by the directors, pointing out that, as of the date the Special Meeting of Savings Shareholders was convened (i.e. March 11, 2025), there were no significant historical series of market prices for Saipem's savings shares, which constituted a very peculiar situation, unprecedented in other mandatory conversions carried out in the Italian market. This made it necessary to resort to criteria for determining the Conversion Ratio other than those based on historical series.
For these reasons,

a) concerning the liquidation value: taking into account the inapplicability of the criterion indicated in Article 2437-ter, paragraph 3, of the Italian Civil Code (which refers to the arithmetic average of the closing trading prices in the six months preceding the date of publication of the notice of the Shareholders' meeting whose resolutions legitimize the right of withdrawal), the Board of Directors has deemed it appropriate to utilise the legal method for the valuation of unlisted shares, set forth in Article 2437-ter, paragraph 2, of the Italian Civil Code, which considers, inter alia, the Company's income prospects, which equate to the prospects of Savings Shares dividend distribution. The liquidation value was therefore calculated by discounting the expected cash flows to the Savings Shareholders (i.e. the so-called Dividend Discount Model) assimilated to a perpetuity and using a discount rate representative of the Company's cost of equity. Accordingly, the liquidation value of each Savings Share was determined by the Board of Directors, pursuant to Article 2437-*ter* of the Italian Civil Code, to be €55.56, also based on the opinion issued by the independent auditor and having consulted with the Board of Statutory Auditors;
b) concerning the conversion ratio: the Board of Directors commissioned KPMG SpA, the company responsible for the statutory audit of Saipem's accounts, to prepare a voluntary report attesting to the methods used by the Board to determine the Conversion Ratio and its implementation. These were detailed in the Explanatory Report by the Board of Directors of Saipem SpA on the sole item of the agenda of the extraordinary part of the Shareholders' Meeting, published

on the Company's website. On March 11, 2025, KPMG issued its report: their conclusions stated that no elements had come to the attention of the independent auditors such as to suggest that the valuation method adopted by the Directors, as indicated in their report to the Shareholders' Meeting, was not appropriate, it being considered reasonable and not arbitrary, and that the same had not been correctly applied for the purposes of determining the conversion ratio, identified as 60 ordinary shares of Saipem SpA for each savings share of Saipem SpA under mandatory conversion.

Milan, April 3, 2025

Board of Statutory Auditors

Giovanni Fiori (Chairman)

Ottavio De Marco

Ms. Antonella Fratalocchi

INDEPENDENT AUDITORS' REPORT

KPMG S.p.A.
Revisione e organizzazione contabile
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(The accompanying translated separate financial statements of Saipem S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Saipem S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Saipem S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2024, the income statement, the statement of comprehensive income, the statement of the changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Saipem S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition and measurement of contract assets and liabilities

Notes to the separate financial statements: notes 2 "Accounting policies - Contract assets and liabilities, Provisions for risks and charges, contingent assets and liabilities and Revenue from contracts with customers", 3 "Accounting estimates and significant judgements - Revenue, contract assets and contract liabilities and Provisions for risks and charges", 10 "Inventories and contract assets", 21 "Trade payables, other liabilities and contract liabilities", 27 "Provisions for risks and charges" and 36 "Revenue"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2024 include contract assets of €982,251 thousand, contract liabilities of €1,545,945 thousand, provisions for contract costs and losses on long-term contracts of €33,345 thousand and core business revenue of €5,871,918 thousand, which is also related to significant long-term contracts with customers for the performance of large projects that are complex from an engineering, technological and construction point of view. Revenue from those projects is recognised over time, based on their stage of completion and using the cost-to-cost method. Measuring contract assets and contract liabilities is based on significant estimates about the total contract revenue and costs and the related stage of completion which entail a high level of judgement by the directors. These estimates are affected by many factors, including: • claims for additional consideration compared to that contractually agreed; • the projects' long timeframe, size and engineering and operating complexity; • the risk profile of certain countries in which the work is carried out. These estimates, therefore, require a high level of directors' judgement that may significantly affect the recognition of revenue and the measurement of contract assets and liabilities. Accordingly, we believe that the revenue recognition and measurement of contract assets and liabilities are a key audit matter.	Our audit procedures included: • understanding the process for the allocation of revenue from contract with customers and additional consideration, assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • selecting a sample of contracts on which we performed, inter alia, the following procedures: - analysing contracts with customers in order to check that the main contractual terms have been appropriately considered by company management; - analysing the reasonableness of the assumptions underlying the project budgets and forecasts through (i) discussions with company management and the individual contract managers to support the information obtained from historical analyses (ii) analysis of supporting documentation, including any correspondence with customers and suppliers and legal-technical opinions possibly expressed by external experts engaged by company management (iii) analysis of the most significant discrepancies between past years' estimates and actual figures; • checking the recognition of costs and their allocation to the contracts in progress; • assessing the accuracy of the stage of completion calculation and the consequent recognition of revenue and contract assets and liabilities; • analysing the events after the reporting date that provide information useful for an assessment of management estimates; • assessing the appropriateness of the disclosures provided in the notes about revenue and contract assets and liabilities.

KPMG

Saipem S.p.A.
Independent auditors' report
31 December 2024

Provisions for risks and charges and contingent liabilities

Notes to the separate financial statements: notes 2 "Accounting policies - Provisions for risks and charges, contingent assets and liabilities", 3 "Accounting estimates and significant judgements - Provisions for risks and charges", 27 "Provisions for risks and charges" and 35 "Guarantees, commitments and risks - Legal proceedings"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2024 comprise provisions for risks and charges of €241,139 thousand, including provisions for contract costs and losses on long-term contracts of €33,345 thousand. The company is involved in a number of legal proceedings and, when a liability is considered to be probable and its amount can be estimated reliably, company management makes the related provisions for risks and charges. The process and methods for assessing the risk arising from the legal proceedings are complex and, by their very nature, entail a high level of judgement by company management, especially the evaluation of the uncertainty surrounding the outcome of the proceedings, the classification as provisions or liabilities and the appropriateness of the disclosures provided in the notes, including about possible liabilities. For the above reasons, we believe that this issue is a key audit matter.	Our audit procedures included: • understanding the process for the assessment of legal proceedings and assessing the design and implementation of controls and procedures on the operating effectiveness of material controls; • analysing the accounting policies used by the directors to estimate the outcome of significant legal proceedings; • assessing management's evaluations of the proceedings and their reasonableness by checking the main internal documentation, related reports and any technical appraisals prepared by experts engaged by management, as well as through the information obtained from external and internal legal advisors and company management; • exchanging information with the *Collegio Sindacale*, audit and risk committee, supervisory board and internal auditors; • analysing the events after the reporting date that provide information useful for an assessment of the significant legal proceedings; • assessing the appropriateness of the disclosures provided in the annual report about significant legal proceedings.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

KPMG

Other information required by article 10 of Regulation (EU) no. 537/14

On 3 May 2018, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2024.

Moreover, in our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 3 April 2025

KPMG S.p.A.

(signed on the original)

Cristina Quarleri
Director of Audit

Summary of meeting resolutions

Ordinary Shareholders' Meeting of Saipem SpA, __________.

05.

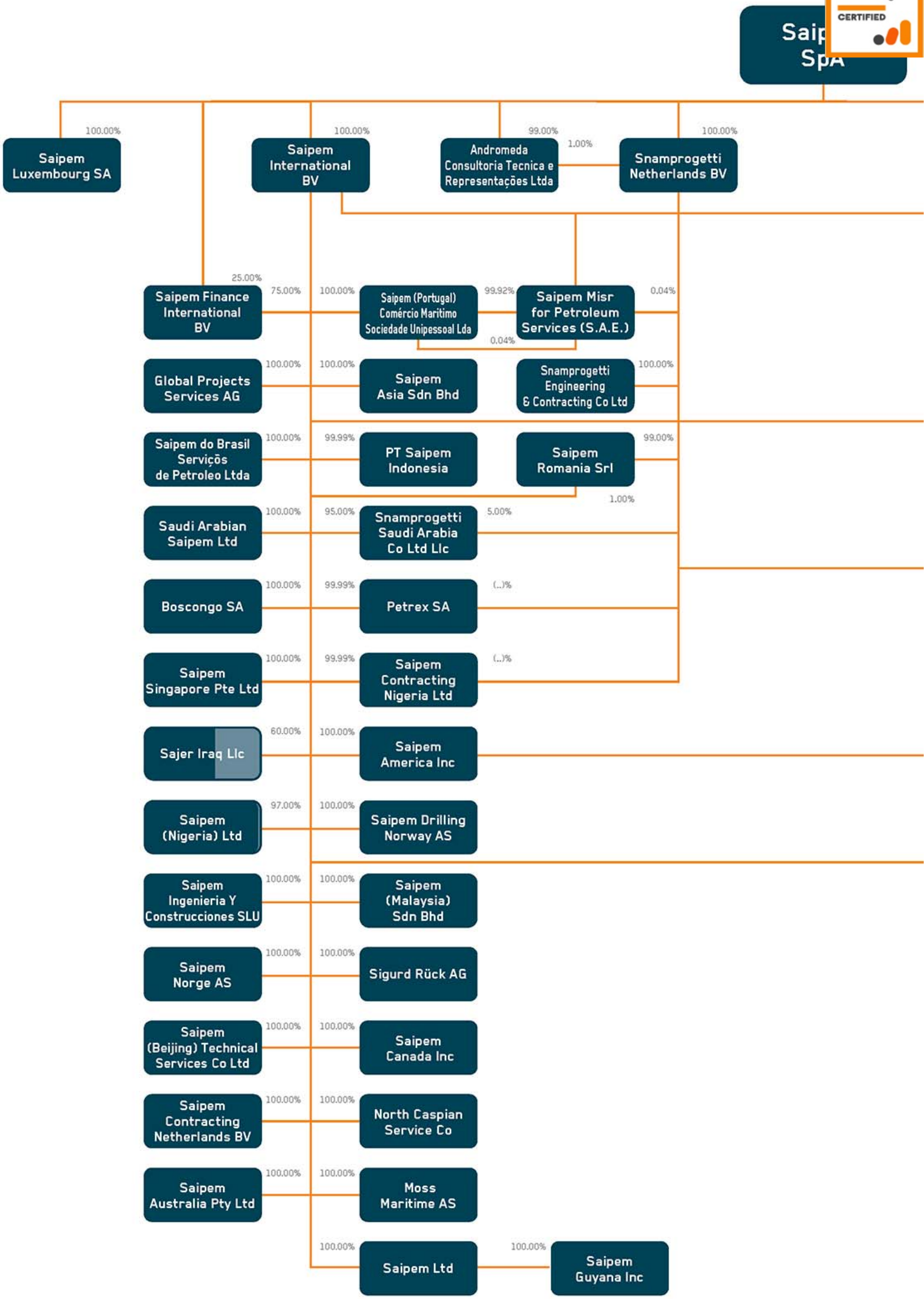
ANNEXES

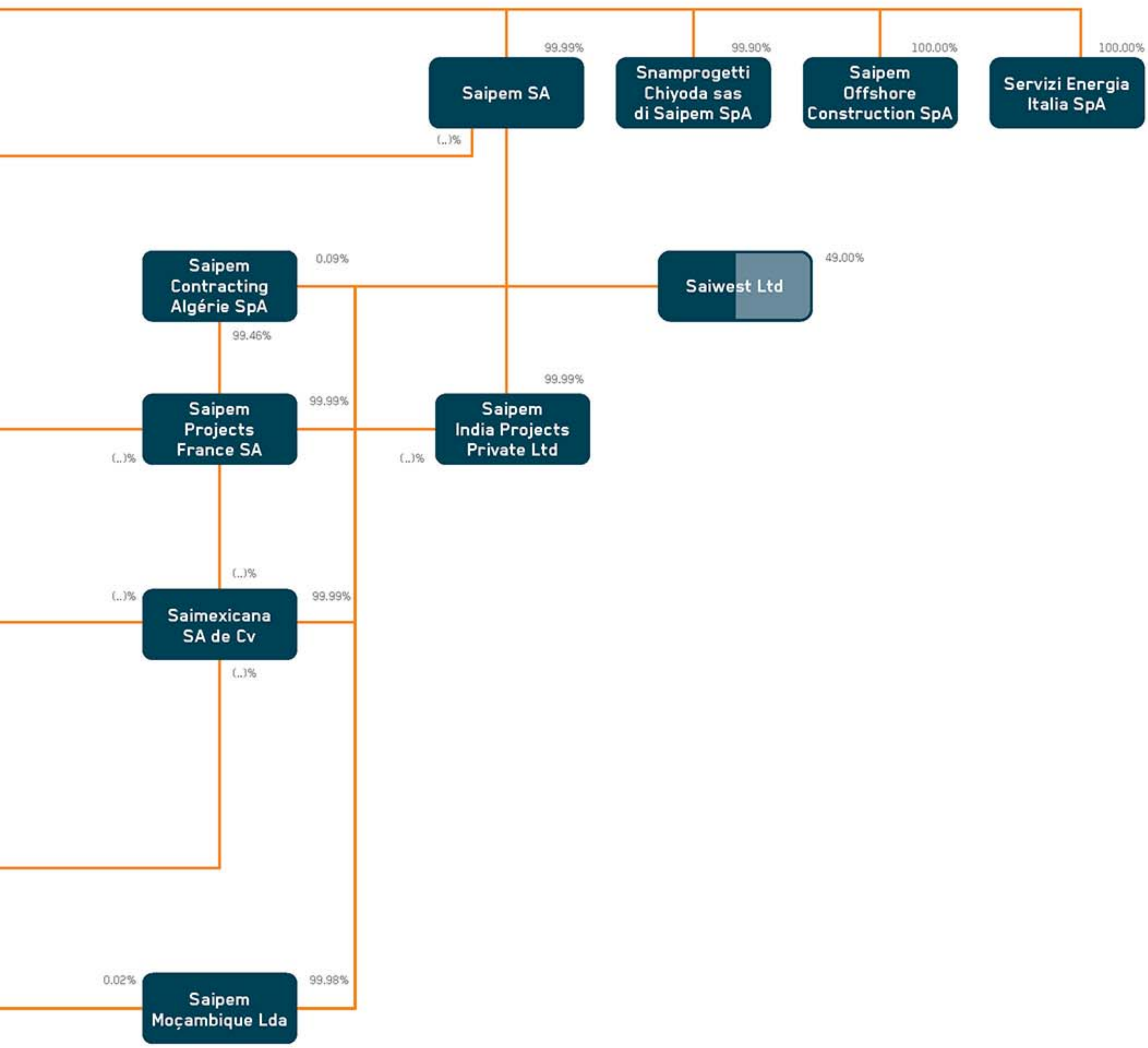
Annex A - Structure of the Saipem Group 623

Annex B - Fees for statutory audit of the accounts and non-audit services 626

Annex A - Structure of the Saipem Group

(subsidiaries)


Saipem SpA
100.00%
Saipem Luxembourg SA
100.00%
Saipem International BV
99.00%
1.00%
Andromeda Consultoria Tecnica e Representações Ltda
100.00%
Snamprogetti Netherlands BV
25.00%
75.00%
Saipem Finance International BV
100.00%
99.92%
Saipem (Portugal) Comércio Marítimo Sociedade Unipessoal Lda
0.04%
Saipem Misr for Petroleum Services (S.A.E.)
0.04%
100.00%
Global Projects Services AG
100.00%
Saipem Asia Sdn Bhd
100.00%
Snamprogetti Engineering & Contracting Co Ltd
100.00%
Saipem do Brasil Serviçõs de Petroleo Ltda
99.99%
PT Saipem Indonesia
99.00%
Saipem Romania Srl
1.00%
100.00%
Saudi Arabian Saipem Ltd
95.00%
Snamprogetti Saudi Arabia Co Ltd Llc
5.00%
100.00%
Boscongo SA
99.99%
Petrex SA
(...)%
100.00%
Saipem Singapore Pte Ltd
99.99%
Saipem Contracting Nigeria Ltd
(...)%
60.00%
Sajer Iraq Llc
100.00%
Saipem America Inc
97.00%
Saipem (Nigeria) Ltd
100.00%
Saipem Drilling Norway AS
100.00%
Saipem Ingenieria Y Construcciones SLU
100.00%
Saipem (Malaysia) Sdn Bhd
100.00%
Saipem Norge AS
100.00%
Sigurd Rück AG
100.00%
Saipem (Beijing) Technical Services Co Ltd
100.00%
Saipem Canada Inc
100.00%
Saipem Contracting Netherlands BV
100.00%
North Caspian Service Co
100.00%
Saipem Australia Pty Ltd
100.00%
Moss Maritime AS
100.00%
Saipem Ltd
100.00%
Saipem Guyana Inc



The chart shows only subsidiaries

Annex B - Fees for statutory audit of the accounts and non-audit services

Statutory Financial Statements

(€ thousand)

Type of services	Party that provided the service	Recipient	Fees
Statutory audit	Parent company auditor [1]	Parent company	1,941
	Parent company auditor's network	Parent company	
Certification services	Parent company auditor [2]	Parent company	418
	Parent company auditor's network	Parent company	41
Other services	Parent company auditor	Parent company	
	Parent company auditor's network	Parent company	
Total			**2,400**

(1) Of which €232 thousand for the compliance audit of the Consolidated Sustainability Statement (CSRD).
(2) Of which €44 thousand for the limited review of the Sustainability Report.

Consolidated Financial Statements

(€ thousand)

Type of services	Party that provided the service	Recipient	Fees
Statutory audit	Parent company auditor [1]	Parent company	1,941
	Parent company auditor's network	Parent company	
Certification services	Parent company auditor [2]	Parent company	418
	Parent company auditor's network	Parent company	41
Other services	Parent company auditor	Parent company	
	Parent company auditor's network	Parent company	
Statutory audit	i) Parent company auditor [3]	i) Subsidiaries	466
	ii) Parent company auditor's network [4]	ii) Subsidiaries	2,237
	iii) Auditors other than parent company's	iii) Subsidiaries	601
Certification services	i) Parent company auditor	i) Subsidiaries	
	ii) Parent company auditor's network	ii) Subsidiaries	335
Other services	i) Parent company auditor	i) Subsidiaries	
	ii) Parent company auditor's network	ii) Subsidiaries	
Total			**6,039**

(1) Of which €232 thousand for the compliance audit of the Consolidated Sustainability Statement (CSRD).
(2) Of which €44 thousand for the limited review of the Sustainability Report.
(3) Of which €127 thousand for audit services rendered to jointly controlled companies.
(4) Of which €62 thousand for audit services rendered to jointly controlled companies.
(5) Of which €141 thousand for audit services rendered to jointly controlled companies.

Società per Azioni
Share Capital €501,669,790.83 fully paid up
Tax code and VAT 00825790157
Registry of Businesses of Milan
Monza-Brianza, Lodi registration No. 788744

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Publications
Financial statements as of December 31 (in Italian)
prepared in accordance with
Legislative Decree of April 9, 1991 No. 127
Annual Report (in English)

Interim consolidated financial report
as of June 30
(in Italian and English)

Sustainability Report 2024 (in Italian and English)

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