

Saipem campaign for vendor social responsibility

By way of continuation of the project that began in 2011, assessing compliance with social responsibility throughout its supply chain, Saipem organised the fourth audit campaign at some of its suppliers' operating sites. The audits aimed to gather information on the behaviour of suppliers on major issues such as child and forced labour, freedom of association and right to collective bargaining, remuneration, working hours, discrimination and disciplinary practices, and health and safety. The results of the visits were condensed into audit reports that were submitted to the Sustainability Committee. As in previous campaigns, improvement actions

were proposed where relevant.

In 2014, 25 audits were carried out, reaching the target set. An analysis of the results of the 2014 campaign confirms the results already identified in previous campaigns, with weak points mainly in the areas of HSE management, remuneration and, more generally, the management system.

It confirmed that there were no major problems in terms of child or forced labour and, in general, no cases of discrimination or exploitation, or issues associated with freedom of association and representation.

The table below summarises the four years of the campaign.

NUMBER OF VISITS	2011	2012	2013	2014
India	10	8	7	12
China	6	6	12	13
Others (Brazil, South Korea, etc.)	1	5	5	0
Total	17	19	24	25

SAIPEM CAMPAIGN FOR LABOUR RIGHTS IN INDIA

An Indian vendor's improvement of its labour rights practices shows the effectiveness of Saipem's auditing campaign and is an example of a win-win business relationship. As part of Saipem's 'Campaign for Vendor Social Responsibility', the first audit was carried out on the vendor's

operating sites in 2011, when fourteen Social Responsibility issues emerged.

The 2013 follow-up audit highlighted the vendor's willingness to improve, as demonstrated by the implementation of eleven out of the fourteen corrective actions

requested. More positive results were shown in 2014, during the second follow-up audit, when only two criticalities were encountered. 2015 has gotten off to a good start: one improvement action has already been implemented, while the other is currently in hand.