

PEOPLE SAFETY

A real value at Saipem and a key part of its business model



The safety of all people involved in Saipem's operations is a priority objective which is constantly monitored and guaranteed in the management of the Company's activities by means of an integrated HSE management system.

Further details on Saipem's approach to safety can be found in the 'Consolidated Non-Financial Statements' of the Annual Report 2017.

2017 Highlights	UN GC Principles	Sustainable Development Goals
<ul style="list-style-type: none">Percentage of Saipem Group's relevant entities covered by ISO 14001 and OHSAS 18001 certifications 100%		
<ul style="list-style-type: none">Internal HSE audits carried out at subsidiaries, projects, sites, vessels and subcontractors +100		

SAIPEM SAFETY MILESTONES: THE WE WANT ZERO AND LSR CAMPAIGNS

We Want Zero (WWZ) is a programme that, since its launch in 2014, has aimed to reduce fatal accidents within Saipem to zero. Implemented through workshops, the initiative was delivered upon request to several companies, sites and projects throughout 2017, seeing the involvement of subcontractor and client representatives. Innovative lateral thinking methodologies are used to identify chronic organisational safety problems in a given area or context. The problems identified are then clustered into organisational, technical and cultural areas and innovative and creative solutions are developed. The process has also been piloted to focus on engineering phases and quality. Another milestone in achieving zero accidents is the Saipem **Life Saving Rules (LSR)** campaign, the customised gold standard for safety compliance within Saipem's industry. Since its launch in late 2015, Saipem people, subcontractor and client personnel from 126 different projects and sites within the Saipem world have benefited from this campaign. In 2017, the development of a LSR management Walkabout Tool began. This tool allows managers to assess the level of implementation of each LSR, providing them with guidance and methods for sampling such as questioning, observation and activity simulation to gauge the gaps that may exist in competence, knowledge and practical application of each rule. A 3D online LSR learning and assessment tool will be released in 2018.

A TRANSFORMATIONAL JOURNEY OF THE SCHIEDAM TRAINING CENTRE

2017 marks the 5th consecutive year of Schiedam's Training Centre operations. This competence hub was set up in late 2012 in Schiedam, in the Netherlands, to capitalise on Saipem's versatile offshore crane simulator

and to coordinate several complex HSE training courses, such as working safely at height and in confined spaces. Having an internal training centre means that course contents are better tailored to Saipem's needs, learning materials are constantly aligned with operational procedures, and immediate open feedback is received on training suitability and effectiveness.

Following the first year of operations, a thorough management review identified the need to develop integrated competence programmes, in addition to standalone training courses. This led the Schiedam Training Centre to start its transformation from a traditional training facility to a '**competence hub and catalyser**'. Furthermore, it meant an increased responsibility for the full cycle-proactive collection and appraisal of training needs, engagement of internal and external knowledge owners, and project management of competence programmes.

As a matter of fact, in the 4 years that followed, the Schiedam Training Centre successfully set up and delivered a series of:

- *Young HSE technicians training programmes* to align knowledge and skills of newly hired HSE professionals, prior to their deployment on various Saipem projects;
- *Young Installation Engineers competence programmes*, which combine key engineering skills with important safety requirements for graduate installation engineers;
- *HSE Officer competence programmes*, providing experienced HSE officers with advanced skills in line with company needs, i.e. train-the-trainer and incident investigation;
- *Leading Tomorrow competence programmes*, customised bespoke workshops for Vessel Management Teams (VMT) and their front-line supervisors, aimed at improving efficiency and safety on Saipem construction vessels.

In parallel with training at the Schiedam facility, **over 4,000 Saipem employees** have attended Schiedam's training courses at various locations – vessels, projects, and fabrication yards. The Training Centre has also

SAFETY PERFORMANCE

Year	million man-hours	LTI Frequency Rate*	TRI Frequency Rate*
2015	234	0.31	1.08
2016	259	0.20	0.78
2017	282	0.14	0.51

Unfortunately, there were 3 fatalities involving subcontractor personnel in Brazil, Saudi Arabia and Singapore in 2017 due to the following causes: an explosion during depressurisation of a subsea system, a fall from height while a scaffold was being dismantled and a crane boom striking an individual during its installation. In-depth investigations were carried out to identify the proper actions (some of the most significant actions are related to an improvement or to reinforcing the competency of key personnel, such as 'working at height' training and simultaneous operations) that can minimise the possibility of such accidents being repeated. Saipem invests significant resources to train its personnel on HSE topics to increase their awareness of the risk of their work activities through ad-hoc campaigns and programmes and to strengthen its HSE Management System. It is Saipem's duty, as a responsible employer, to make every possible effort to avoid accidents at work. The results of Saipem's continuous efforts can be seen by comparing the previous year's leading indicators (TRI-Total Recordable Incidents and LTI-Lost Time Injury). As confirmation of the solidity of the system and its homogeneous implementation at all of Saipem's sites, a third party certification company extended the existing ISO 14001 and OHSAS 18001 Certificate to the entire Saipem Group at the end of the year. Results from activities carried out by the third party certification company are in line with internal audits performed at the Corporate, Division and Subsidiary levels showing a reduction in major non conformities and an increase in noteworthy efforts.

(*) LTIFR and TRIFR are calculated respectively as the number of LTI and TRI divided by worked man-hours, all multiplied by one million (these figures include injuries to both employees and contractors).

provided support to several locations worldwide in setting up their own local training centres in Angola, Indonesia, Kazakhstan and Nigeria.

In 2017 the **Schiedam Training Centre achieved third party accreditation of crane and lifting courses**. This certification proves Saipem's commitment to guaranteeing verifiable competence of personnel working on their projects. More courses are scheduled for accreditation in 2018.

Overall, the Schiedam Training Centre has proven to be a multi-stakeholder value-creating initiative:

- Saipem's clients benefit from improved efficiency and safety on their projects;
- shareholders get better operational results with less safety incidents, resulting in a better company image;
- employees enjoy the highest level of safety at work and job satisfaction and engagement are better due to visible investment in their competence;
- local training centres ensure local content development;
- the supply chain gets to learn best practices.

SAFETY AS A FAMILY HABIT

A new initiative, *Family Safety Day*, was launched in late 2017 in Saudi Arabia to convey a robust message regarding the importance of Health, Safety and Environment, engaging the families of personnel in the company's safety culture. The objective of the event was to promote safety leadership among all employees and their family members. Family members would then be inspired to persuade their loved ones to act safely in all areas of their lives every day. During the workshop, the 'The Safer the Better' film was presented to the audience, highlighting that in order to promote change, a clear Safety Vision is required and everyone needs to make safety a way of life.

Employees participating in the Family Safety Day in Saudi Arabia

+200

PROMOTING A SAFETY CULTURE IN ITALY

Italia Loves Sicurezza (ILS), a movement aimed at changing the way of communicating about health and

safety, through its ongoing activities, continued to spread an HSE culture with the objective of reducing work-related accidents.

During the World Day for Health and Safety at Work, over 300 events were organised in 135 cities in 6 countries around the world. Saipem contributed to the initiative by staging two performances of the play 'Il virus che ti salva la vita - The virus that will save your life', which were attended by 600 people.

The second edition of the Safety Leadership Event took place in November 2017, the only experiential event in Italy dedicated to leadership and communication in the health and safety fields, organised by the LHS Foundation and ILS. 500 participants including managers and professionals from the main Italian companies took part in the event.

The initiative aims to overcome the traditional methods of training and dissemination in the field of health and safety and to spread a new HSE culture in Italy, using unconventional communication tools that can leverage the emotional sphere.

HSE training man-hours delivered to employees and subcontractor personnel

1.70 mln



GROWING NEW LEADERS IN H&S

For the 2017-2018 school year, Saipem, through the LHS Foundation, has confirmed its commitment to spreading a culture of health and safety in schools in Milan (Italy) by offering the educational programme 'Growing New Leaders in Safety', aimed at sensitising children and middle schoolers to the fact that they can influence others to adopt healthier and safer behaviours. The LHS Foundation collaborates with the MUBA Children's Museum in Milan, Rossolevante, the Red Cross of Milan and LILT.

[Further information on the activities can be found online.](#)

10 YEARS OF LEADERSHIP IN HEALTH & SAFETY



Saipem launched a new research project in 2006 to develop a cultural change programme aimed at significantly reducing accidents, events considered unacceptable. As a result the LiHS (Leadership in Health & Safety) programme was launched in 2007. Ten years on, the Leadership in Health & Safety programme has been applied successfully not only at Saipem, but also at many other organisations, which have implemented it to initiate a safety cultural change within their company.

What are the key elements that have determined the success of this programme?

Surely one of them is the commitment and the willingness

of the **top management** to extend this programme at every level of the Company. Secondly it is **the quality** of the organisation of the workshops, the development of teaching and support **materials** and, above all, **the passion** of the trainers in sharing the contents of the programme. But more than anything else, was the idea of using **the language of cinema**, which at the time was a rather new way to involve people in a training course, that was the key factor that allowed participants to be involved in a touching experience with such a huge emotional impact, that could break down linguistic and cultural barriers.

Over 1,000 workshops were

conducted at Saipem between 2007 and 2017.

The last one held in September for Saipem's Top Management was of particular importance not only because it celebrated 10 years of LiHS, but also because it served to build the **new Saipem Health and Safety Vision** aimed at strengthening the safety culture within the new corporate organisation.

However it is also outside of Saipem that the LiHS programme can really make a difference and that is what the LHS Foundation (a non-profit organisation established in 2010) is trying to do: support companies that want to improve their safety performance by focusing on two key factors: leadership and culture.

THE NEW SAIPEM HEALTH & SAFETY VISION

	<h3>OUR JOURNEY TO A SAFER AND BETTER FUTURE WHERE:</h3>		
<h2>SAIPEM'S HEALTH & SAFETY VISION</h2>	<h4>RESPECT AND WELL-BEING OF PEOPLE COME FIRST</h4> <p>Everyone embraces the same passion for life, safety and health regardless of position and hierarchy.</p> <p>Saipem is a community</p>	<h4>KNOWLEDGE AND COMPETENCES ARE SHARED</h4> <p>Everyone masters their job, cooperating to build a clean, efficient and safe working environment for all.</p> <p>Saipem is a safe workplace</p>	
	<h4>TRUST AND COLLABORATION ARE VALUED</h4> <p>Everyone works in harmony, is aware of hazards and communicates clearly and transparently.</p> <p>Saipem is a team</p>	<h4>TECHNOLOGY AND INNOVATION ARE KEYS TO SUCCESS</h4> <p>Everyone is proud of working for an extraordinary and safe company.</p> <p>Saipem is the future</p>	
<h3>THE SAFER, THE BETTER</h3>	<h3>...AND EVERYONE DEMONSTRATES THE COURAGE TO STOP AND INTERVENE, THE PRIORITY BEING ALWAYS PROTECTING THE HEALTH AND SAFETY OF COLLEAGUES.</h3>		

2007-2017 MAIN HSE PROMOTION ACTIVITIES

	Phase 1 LiHS Workshop	Phase 2 Cascading Events	Phase 3 Five Stars Training	Phase 4 Leading Behaviours	Phase 5 Choose Life	We Want Zero	Life Saving Rules
Events	1,133	1,661	2,053	2,161	674	15	9,425
Participants/ participations*	15,109	55,129	22,664	68,253	11,371**	250	43,992**

(*) Saipem employees, clients and subcontractors.

(**) Number of participations.

TEN YEARS OF LIHS IN EGYPT

A series of workshops, organised by Saipem MISR (Saipem's subsidiary in Egypt) Management to celebrate 10 years of the LiHS programme, saw the participation of the Saipem 10000 crew.

During the workshops the new Saipem Health and Safety Vision was introduced and shared with participants and input was collected on issues and concerns which provides material for the next steps.

Workshops organised in Egypt **16**

Attendees **+170**

A TAILOR-MADE LIHS IN KAZAKHSTAN

'Leadership in Health and Safety' is a dynamic programme which, adapting to the needs and requirements of each operating reality, contributes to the consolidation of the safety culture in the workplace.

From this point of view, implementation of LiHS within the TCO project (contract for onshore fabrication modules between TengizchevrOil - TCO and the ERSAl Caspian Contractor Llc and DSME Kazakhstan Llp consortium) is

certainly an example of versatility and personalization of the programme both in terms of project and client needs, as well as with regard to dialogue and integration among the parties. The entire LiHS implementation process for TCO has seen the participation and continuous collaboration between the Client and Saipem.

Accepted as a replacement programme to the more widespread IIF (Incident and Injury Free), LiHS showed strengths, as well as improvement options that were addressed by developing specific tools.

In particular, the areas that required attention were:

- **REPORTING OF THE IN FIELD RESPONSE:** to monitor the impact of LiHS initiatives at project level and among the workforce, the Cultural Assessment Tool was created; it consists of a package of tools that makes it possible to understand the perceptions and attitudes towards safety. The tools developed include a Safety Climate questionnaire and a series of Safety Interviews.
- **CONTINUOUS MANAGEMENT INVOLVEMENT:** to create a process of shared responsibility and continuous involvement of all project management, the Site Safety Leadership Team (SSLT) was created; it is an integrated

team that involves both client and project representatives who meet monthly to analyse and integrate data from the Cultural Assessment Tool with accident indicators in order to direct possible initiatives or interventions aimed at improving culture and behaviours on site.

- **CONTINUOUS IMPROVEMENT:** a Lessons Learned system has been set up in which the implementation process of the new tools is periodically reviewed and all the changes and improvements introduced are recorded to make them more effective.

The Cultural Assessment Tool is proving to be a fundamental tool for providing data on the status of a safety culture at the sites involved in the projects.