



Genoa Bridge, Italy



Digital Italian Sustainability Week 2020
July 2020



Webuild at a Glance



Webuild ESG Profile



Q&A



Webuild at a Glance



Webuild ESG Profile



Q&A



We build large, complex infrastructure for sustainable mobility, clean hydro energy, clean water and green buildings



Leading Builder of Large, Complex Infrastructure

114
Years

5
Continents

50
Countries

70,000⁽¹⁾
Direct and indirect
workforce

60,000
Additional jobs
created in the wider
economy

>100
Nationalities

Our journey will pursue growth, cash generation and transformation

WEBUILD MOMENTUM

- **Sustained growth supported by high quality and diversified construction backlog** (disciplined bidding)
- **Effective de-risking**: increasing focus on large projects in US, Australia and Europe; reduced top 10 projects concentration
- **Record new orders in 2019 + Texas High-Speed Railway**
- **Adopted the highest ESG standards**: pursuing Health & Safety and SDG⁽¹⁾ contribution
- **Institutional support and greater financial flexibility achieved with Progetto Italia**: capital increase successfully completed, wider shareholders base including CDP Equity and leading Italian banks; new credit lines
- **Solid financial profile to face Covid-19 impact: gross and net debt in 2019 reduced vs FY 2018**
- **Reorganization of Lane completed**
- Significant **risk contingencies already addressed** (Panama, Yuma, Venezuela)

REFERENCE MARKET REVIVAL

- Investment in **sustainable infrastructure worldwide** as a main lever **to relaunch the economy post COVID-19**
- Locally: **positive turning point for the Italian infrastructure market** (e.g. New Genoa bridge, M4 metro line, Jonica highway)

PROGETTO ITALIA AND ASTALDI SECTOR GAME CHANGER

- Creation of platform **with scale, efficiency, capital and flexibility** to compete in global market
- **Astaldi: adds size** (€6.6bn construction backlog as of 31 December 2019)⁽²⁾, **capabilities, solid value creation** (€225m investment for €130m EBIT expected by 2021)⁽³⁾

1) United Nations' Sustainable Development Goals to be achieved by 2030

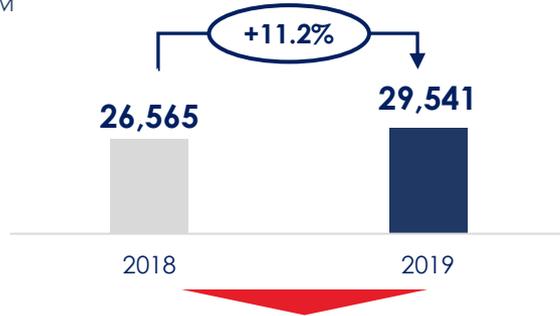
2) Source: Management accounts as communicated by Astaldi on 17 June 2020

3) Source: Management accounts as communicated by Astaldi on 12 September 2019 ("Management-related information at 30 June 2019 and Prospective Information").

Webuild results at a glance (Full Year 2019)

Construction Backlog

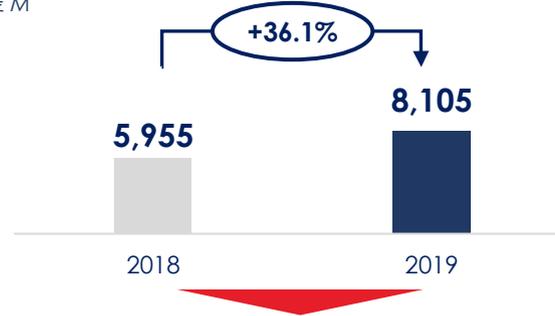
€ M



- **Solid backlog, following de-risking guidelines:** +11% vs FY 2018;
- **>85% of construction backlog related to projects that contribute to SDG⁽¹⁾ advancement**

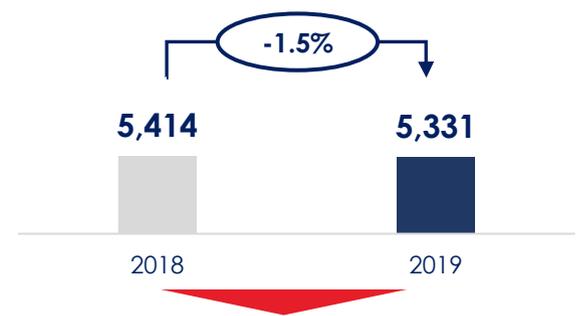
New Orders

€ M



- **Record New Orders in 2019: € 8.1bn**, not including Texas High Speed Train (\$15bn); Book to bill 1.66x
- **>75% New orders from low risk countries⁽²⁾**

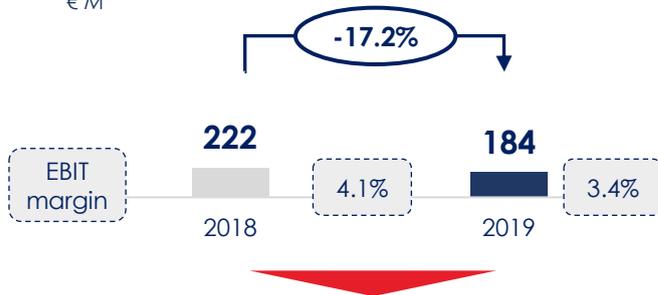
Revenues⁽³⁾



- **Revenues amounted to €5.3 billion**, in line with 2018
- **~26% Revenues in US and Australia**
- **Top 10 projects revenue share decreased to 46.9%** (vs 52.9% in FY18)

EBIT⁽³⁾

€ M



- **FY19 EBIT includes one-off write down related to I-4 for €92m and impairment on credits vs an Italian partner in receivership for €46m**
- **Net of the nonrecurring negative write-offs EBIT margin would stand at 6%.**

Gross Debt

€ M



- **€235m of gross debt improvement in FY19**

NFP

€ M



- **€310m Net financial position improvement in FY19**
- **NFP in FY19 was affected by delays in cash-in from Italian operations for €237m**

1) United Nations' Sustainable Development Goals to be achieved by 2030
 2) Low risk countries include: US, Australia and Europe
 3) Adjusted data - for details refer to income statement in the appendix

4) Excluding impact of debt coming from Beyond; in 2019, within Progetto Italia, a €150 million medium term loan facility aimed at supporting Astaldi's needs prior to court approval of its pending Plan was granted to the Issuer's subsidiary, Beyond. The drawn down amount as of December 2019 was €85m

Progetto Italia: a systemic combination supported by CDP and major Italian banks



OVERVIEW OF PROGETTO ITALIA PARTIES INVOLVED

WEBUILD (SALINI IMPREGILO)

- Industrial know-how
- Vast and diversified capabilities
- Demonstrated "platform" building capabilities

CDP

- Capital
- Institutional support
- Potential future operating partnerships

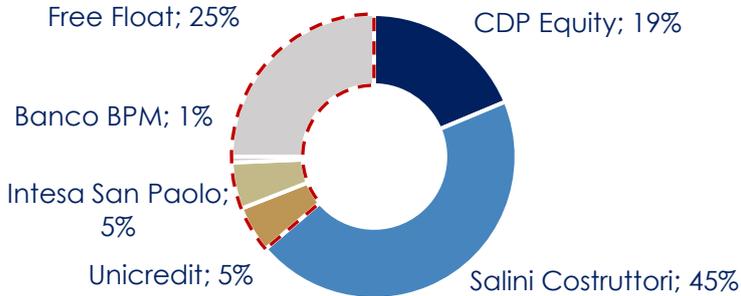
ASTALDI + OTHER COMPANIES/ASSETS

- Track record
- Capabilities
- Scale and relevant cost structure optimization

BANKS

- Capital
- Financial support to business development

Following €600m recent capital increase, CDP became the second biggest shareholder after Salini Costruttori



Progetto Italia: overview of Astaldi acquisition



Key financials as at Dec-2019



Revenues: €1.5bn

Adj. EBIT: €40m⁽²⁾

Presence in geographies with positive infrastructure growth prospects (e.g. Canada, Chile, Romania and India)

Target Perimeter for Webuild⁽³⁾



Ferrovii Curtici-Simeria
Romania



Metro BLU
Italy



Danubio Braila Bridge
Romania



Apice Hirpinia
Italy



IRICAV DUE
Italy

1) Assuming full conversion of unsecured debt (i.e. including risk funds) and not considering the impact of warrants granted to the banks financing Astaldi.
 2) Adjusted EBIT does not include €30 million of non-recurring costs for the period linked to the composition procedure
 3) Selected projects with backlog > €200m.

Webuild response to Covid-19



EMPLOYEES HEALTH & SAFETY

- 24/7 internal **communication channel**
- Adequate **personal protection equipment distribution**
- **Work environment disinfection** increased
- Enforcement of **adequate social distancing** on site, at the base camps and the canteens
- **Educational programmes** for all workers
- **Smart working** adopted by the entire admin staff in Italy
- **Business travel cancelled** except for extraordinary cases
- **Additional staff insurance** in the event they are hospitalised for the COVID-19



BUSINESS AND FINANCIAL CONTINUITY

- **Activity maintained** at most of construction sites
- **Relations with clients, partners, suppliers & subcontractors** to ensure continuity of work and workers safety
- **Completely resumed or in process of restarting** for activities that have undergone a total shutdown
- Ongoing analysis of the **cost basis** to identify short- and long-term actions that can be activated (e.g. simplifying the organizational structure, optimize spending and facilities management, reduce indirect cost at a project level etc)
- **Sufficient available liquidity**
- **No major maturities in 2020 nor in the first half of 2021**



SUPPORT TO LOCAL COMMUNITIES

- **130,000 FFP2 masks donated** to Italian police forces and regions



OUTLOOK 2020

- In light of the rapid and continually evolving situation, the Group is performing an **analysis to assess the potential impact on the economic and financial outlook** that might be caused by the COVID-19 containment measures being adopted by countries where it operates. It is also **updating its Business Plan to include the acquisition of Astaldi**



Webuild at a Glance



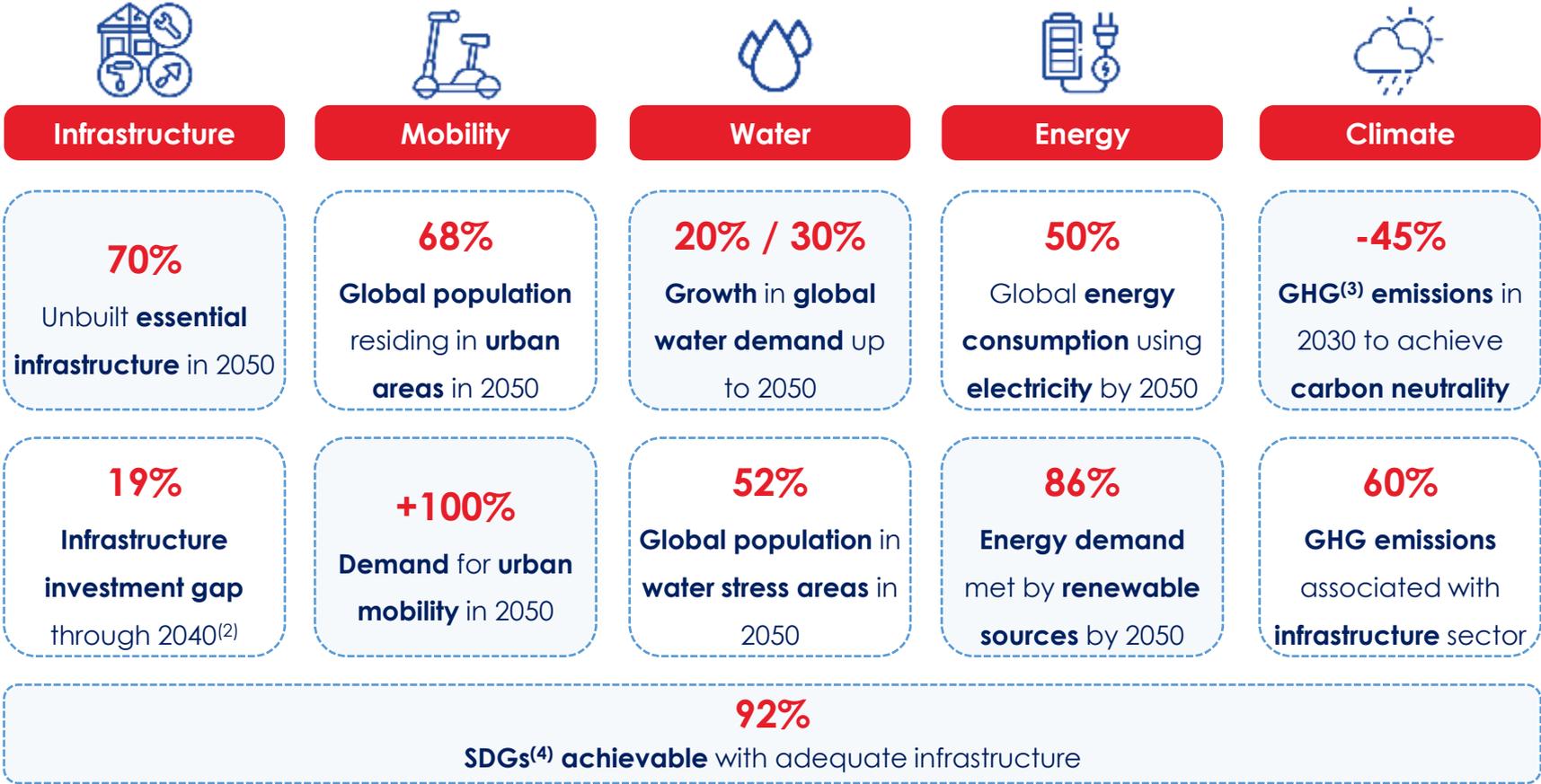
Webuild ESG Profile



Q&A

Global challenges in the ESG context

Global challenges⁽¹⁾



Context for addressing such challenges

PRE-COVID INVESTMENT FORECAST

G20 Global Infrastructure Outlook foreseen investments of around **\$ 77 trillion by 2040** in the Group's business areas

POST-COVID RECOVERY OUTLOOK

All major **Recovery strategies** announced by governmental and intergovernmental institutions, including the **EU, OECD, US White House and World Bank**, are strongly focused on **green and sustainable infrastructure**

1) Source: United Nations Office for Project Services, the Global Commission on the Economy and Climate
 2) Source: Global Infrastructure Outlook, Infrastructure investment needs to 2040
 3) Greenhouse gas
 4) United Nations' Sustainable Development Goals to be achieved by 2030

Webuild business model fully integrates ESG and SDGs along the entire value chain



Supported SDGs⁽¹⁾

Group's contribution to SDGs advancement



Extensive focus on sustainable projects and SDGs advancement

KEY FACTS

>85%

Revenues and Backlog related to **projects that contribute to SDG⁽¹⁾ advancement**

~60%

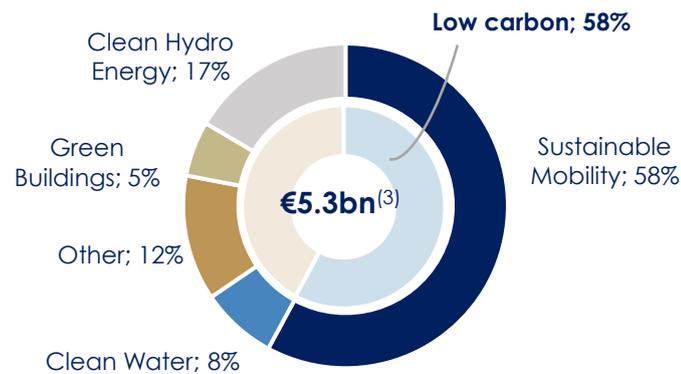
Revenues and Backlog related to **low carbon projects that reduce GHG⁽²⁾ emissions**

>90%

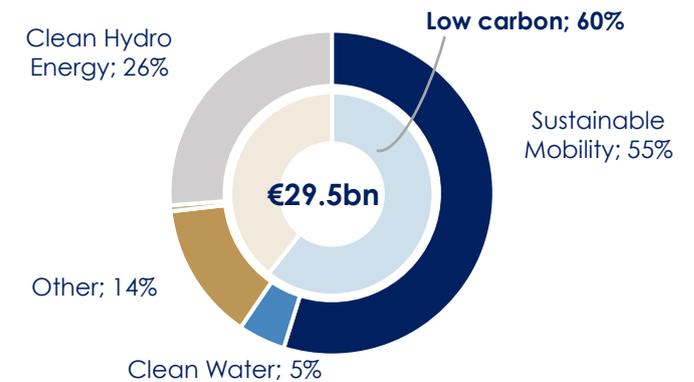
2019 new orders related to **projects that contribute to SDG advancement**



REVENUES BY ACTIVITY⁽²⁾



CONSTRUCTION BACKLOG BY ACTIVITY

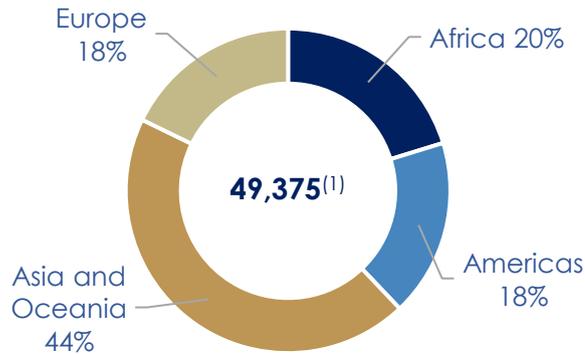


1) United Nations' Sustainable Development Goals to be achieved by 2030
2) Greenhouse gas
3) Revenues from contracts with customers
4) Revenue 2019

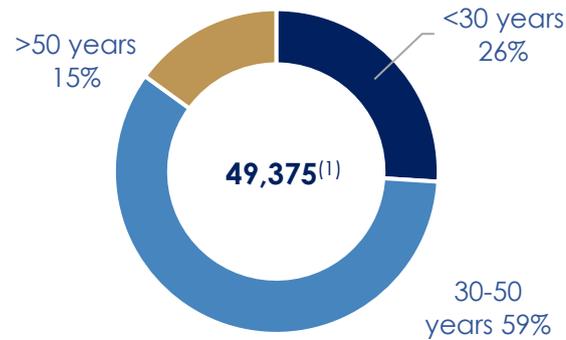
Our people and culture build our success

People are at the cornerstone of the Group's sustained growth. Webuild strongly invest in **attracting and retaining the best talents**, fostering an **inclusive work environment**, maintaining the **highest safety standards** and promoting personnel **professional development**.

Workforce by geography



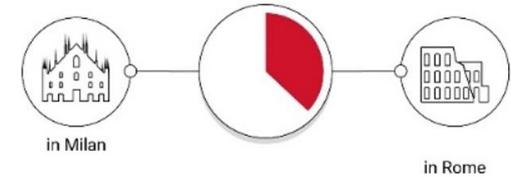
Workforce by age



Workforce by gender

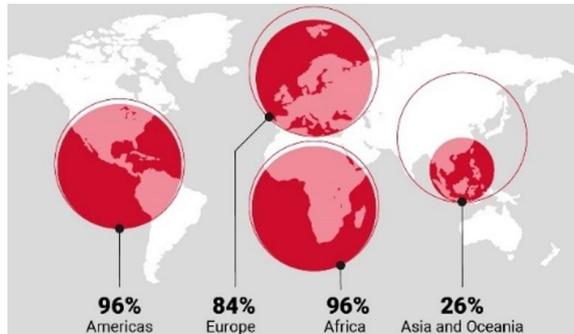
37%

Women at headquarters



69%

Local personnel



45%

Employees under 35 years old

94%

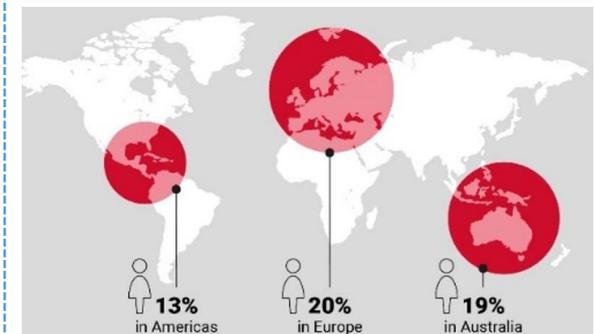
Permanent employment contracts

>480,000

Training hours provided⁽²⁾

10%

Women personnel



A Group fully integrated with local communities

KEY FACTS⁽¹⁾

70+

Basic infrastructures donated (schools, hospitals, roads, bridges, sport facilities, etc.) in the last 3 years

500+

Social programs and initiatives towards local communities

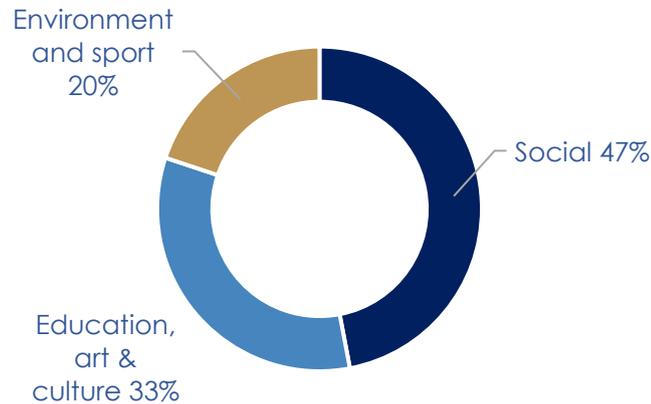
72,300+

Free health interventions in our worksite clinics for local communities in remote and rural areas

€9.2m

Investment in local community

Community initiatives by topic



Some examples



Recipient countries

Initiative type	No. programs	Involved countries
Social	270+	10 Argentina, Australia, Ethiopia, Italy, Kazakhstan, Malaysia, Nigeria, Qatar, Ukraine, USA
Education, art & culture	190+	9 Australia, Brazil, Ethiopia, Italy, Kazakhstan, Malaysia, Qatar, Saudi Arabia, USA
Environment & sport	110+	5 Italy, Qatar, Saudi Arabia, Ukraine, USA



Sustainable value delivered to clients, investors, employees, supply chain, authorities and local communities

Core business for Webuild

Infrastructure projects lifecycle



Key areas of focus for Infrastructure companies⁽¹⁾

	Commercial Planning	Bidding	Execution
Project environmental impacts	<ul style="list-style-type: none"> No involvement in controversial sectors (e.g. nuclear) Robust assessment during planning and bidding phases 		
Climate business mix	<ul style="list-style-type: none"> Low carbon projects account for the majority of revenue and backlog 		
Lifecycle project footprint	<ul style="list-style-type: none"> Increasing projects adopting eco-design schemes 		
Occupational health and safety	<ul style="list-style-type: none"> Best in class safety performance 		
Structural integrity and safety	<ul style="list-style-type: none"> Safety by Design fully integrated in the overall design process management 		
Business ethics	<ul style="list-style-type: none"> Robust ethical compliance strategy and management system 		

“Sustainable Mobility”: We build metros, railways, roads, motorways, bridges, ports and sea works



San Gotthard Railway Project, Bodio and Faido lots - Switzerland



Anchieta – Imigrantes Motorway System - Brazil

Selected Projects

Project	Country	Total Value ⁽¹⁾	Backlog ⁽²⁾
COCIV	Italia	€3.9bn	€2,786m
Riyadh Metro Line 3	Saudi Arabia	\$5.9bn	€428m
I-4 Ultimate	USA	\$2.3bn	€194m
Forrestfield Airport Link	Australia	€0.8bn	€284m
Statale Jonica 106	Italy	€0.8bn	€373m

Megatrend 2050

68%

Global **population** residing in **urban areas**

+100%

Demand for urban mobility

Group’s contribution to SDGs and climate change



3 million passengers a day
Capacity of metros under construction

-25/50%
Reduction in travel times of the ongoing high speed projects

-550,000 t
Annual **GHG⁽³⁾ emissions** avoidable by **ongoing metro projects**

Key Facts

Construction Backlog
31 December 2019

Achievements



Sustainable
Mobility



7,265 km of railways



487 km of metro lines



65,031 km of roads and motorways

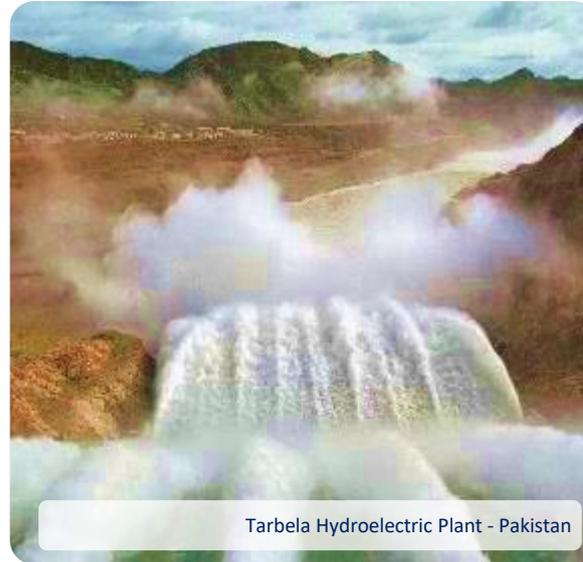


626 km of bridges and viaducts

“Clean Hydro Energy”: We build hydroelectric plants



Rogun Hydropower Project – Tajikistan



Tarbela Hydroelectric Plant - Pakistan

Selected Projects

Project	Country	Total Value ⁽¹⁾	Backlog ⁽²⁾
Snowy Hydro 2.0	Australia	AUD5.3bn	€3,251m
Koysba	Ethiopia	€2.5bn	€1,865m
Rogun	Tagikistan	\$1.9bn	€1,657m
GERD	Ethiopia	€3.3bn	€957m

Megatrend 2050

50%

Global energy consumption using electricity

86%

Energy demand met by renewables

Group's contribution to SDGs and climate change



14,000 MW

New installed capacity from renewable sources with the ongoing hydropower projects



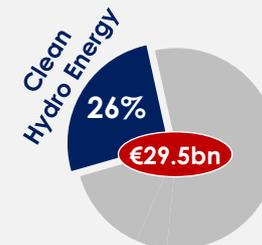
-14.5 Mt

Annual GHG⁽³⁾ emissions avoidable by ongoing hydropower projects

Key Facts

Construction Backlog
31 December 2019

Achievements



#1 Water Contractor Globally⁽⁴⁾

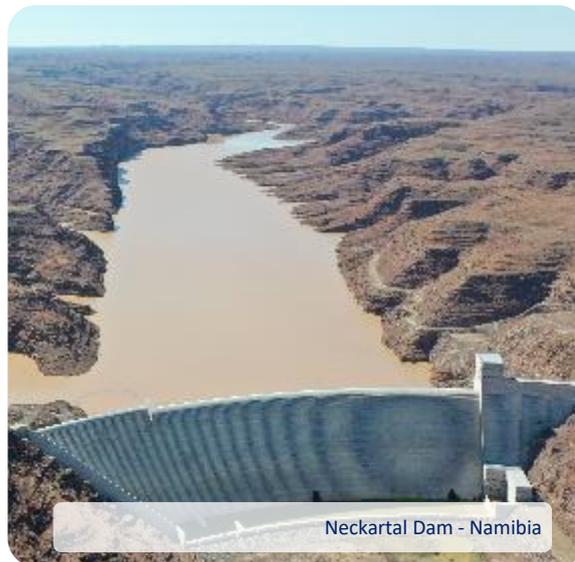


261 dams and hydroelectric plants

“Clean Water”: We build purification, desalination and wastewater management plants, drinking water and irrigation water reservoirs



Riachuelo environmental restoration system - Argentina



Neckartal Dam - Namibia

Selected Projects			
Project	Country	Total Value ⁽¹⁾	Backlog ⁽²⁾
C43 West Basin Storage	USA	\$0.5bn	€454m
NEBT	USA	\$0.6bn	€281m
Riachuelo Lot 2	Argentina	\$0.1bn	€117m

Megatrend 2050

20% / 30%

Growth in global **water demand**

52%

Global **population in water stress areas**

Group's contribution to SDGs and climate change



14 million residents

Population interested by **ongoing drinking water, desalination, water treatment projects and projects to decrease water pollution** and adapt to climate change



7 thousand hectares

New irrigable surface thanks to irrigation/mixed use reservoirs under construction

Key Facts

Construction Backlog
31 December 2019

Achievements



Clean Water

1 #1 Water Contractor Globally⁽³⁾

20mln people served/daily from Fisia Italiapianti desalination plants

“Green Buildings” & “Other”: We build civil and industrial buildings with sustainability characteristics



Selected Projects

Project	Country	Total Value ⁽¹⁾	Backlog ⁽²⁾
Al Bayt Stadium	Qatar	€0.8bn	€25m
ENI's headquarters	Italy	€0.2bn	€98m

Megatrend 2050

68% Global population residing in urban areas **- 45%** GHG emissions in 2030 to carbon neutrality

Contribution to SDGs and climate change



Best-in-class eco-design schemes
Life-cycle infrastructure footprint reduction obtained through the adoption of **LEED, GSAS, IS, etc. certification standards**



-30%
Lower environmental impacts from green buildings when compared with traditional ones



Key Facts

Construction Backlog
31 December 2019

Achievements



+30 iconic green buildings



1,647 km of tunnels

Well-defined ethical, social and environmental responsibility framework

KEY FACTS

UN Global Compact Signatory

Robust value system

Integrated policies platform with sound principles defined for all major ESG topics, including the supply chain

Highest standards

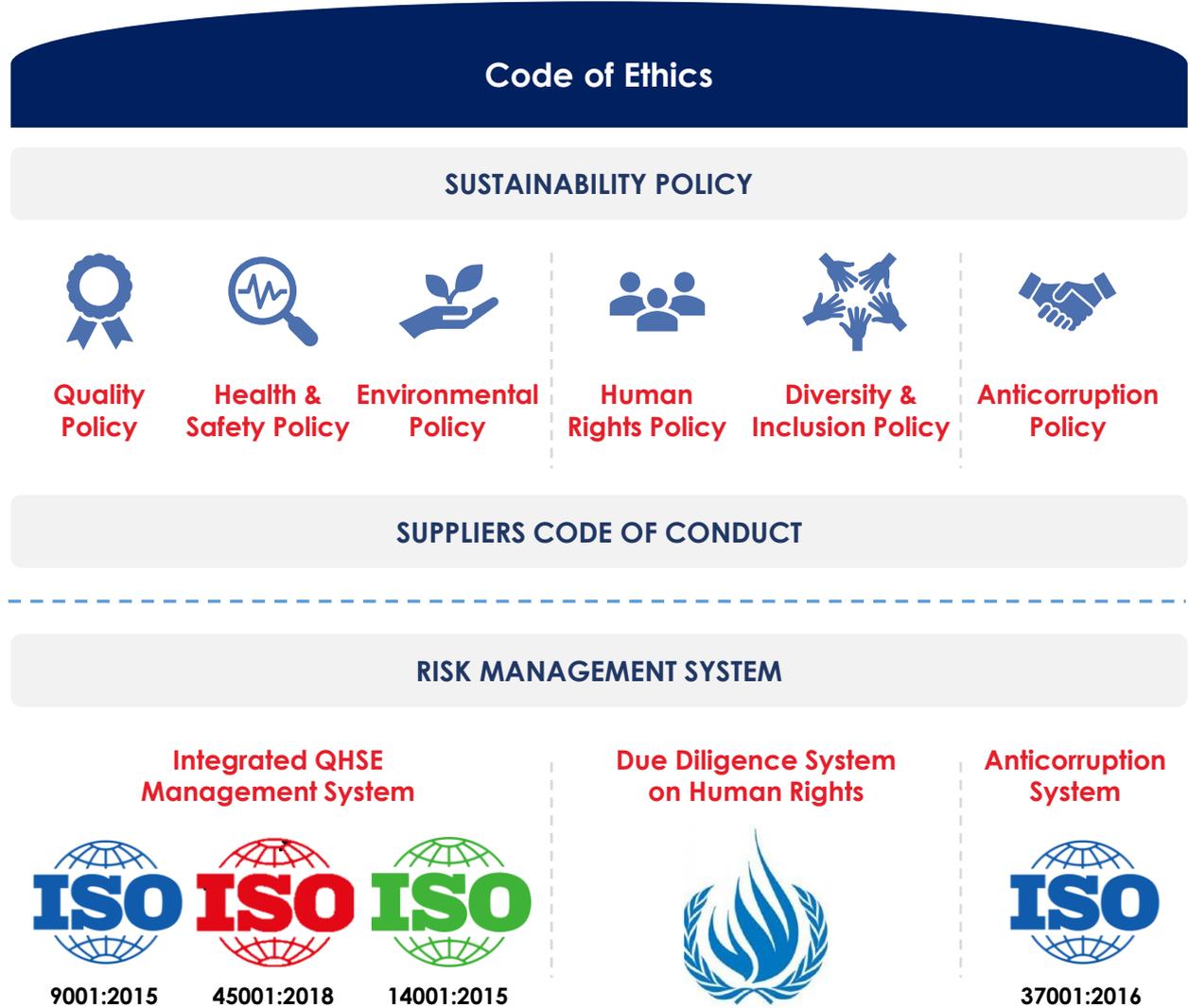
Integrated management system defined / certified according to the best international practices



Principles and Policies

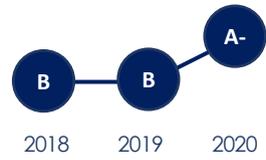
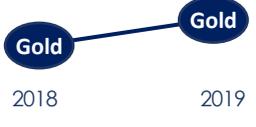
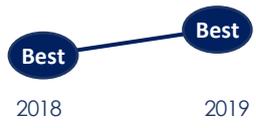


Management and Control System



Webuild ESG focus confirmed by high score ESG independent ratings

Best-in-class
ESG ratings

	Rating	Key drivers	Trend ⁽¹⁾
 <p>MSCI ESG RATINGS</p> <p>CCC B BB BBB A AA AAA</p>	<ul style="list-style-type: none"> Score: A Industry mode: B 	<ul style="list-style-type: none"> Corporate governance Business ethics Health and safety 	
 <p>CDP 2019 CLIMATE</p>	<ul style="list-style-type: none"> Score: A- Industry average: B 	<ul style="list-style-type: none"> Scope 1,2,3 emissions Emission reduction Value chain engagement 	
 <p>vigeo eiris</p>	<ul style="list-style-type: none"> Score: Advanced 	<ul style="list-style-type: none"> Human rights Environmental protect. Governance 	
 <p>Corporate Responsibility Prime rated by ISS-oekom</p>	<ul style="list-style-type: none"> Score: Prime Industry average: Poor / Average 	<ul style="list-style-type: none"> Business ethics Human & labor rights Environmental protect. 	
 <p>GOLD 2019 ecovadis CSR Rating</p>	<ul style="list-style-type: none"> Score: Gold Industry average: Bronze 	<ul style="list-style-type: none"> Business ethics Human & labor rights Environment & sustainable procurement 	
 <p>open corporation</p>	<ul style="list-style-type: none"> Score: Best in class construction sector 	<ul style="list-style-type: none"> Labor conditions Diversity Social responsibility 	

Robust ESG practices and performance: Environmental

Climate action



-33%
Energy consumption
compared to 2018



-25%
CO₂ emissions compared to 2018
(Scope 1 and 2)



>147,000
t CO₂ avoided in the 2017-2019
period

Circular economy



58%
Reused excavated materials



42%
Materials purchased **within 100**
miles from work sites



73%
Waste not sent to landfills

GHG⁽¹⁾ Emissions (t/mln Co₂e)



Raw materials (t/mln)



Water consumption (m³/mln)



Robust ESG practices and performance: Social

Health and safety



-25%

LTIFR⁽¹⁾ compared to 2018



6 Years

Consecutive years of decreasing number of injuries



>154,000

Training hours on health and safety

Diversity and inclusion



37%

Women at headquarters



100

Nationalities in the workplaces



24%

Key positions covered by international

Shared growth



69%

Employees hired locally



94%

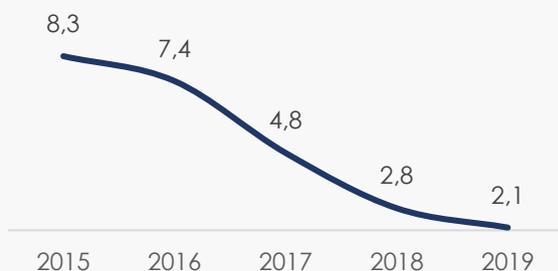
Local procurement



600

Initiatives for local communities

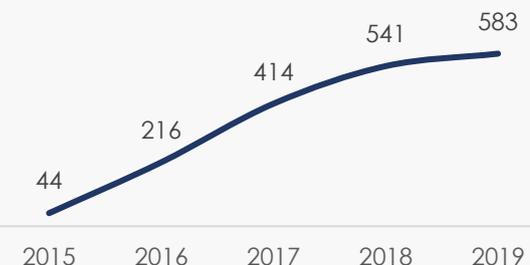
Lost Time Injuries Frequency Rate



Local procurement



Local community initiatives (cumulated)



Robust ESG practices and performance: Governance

Governance



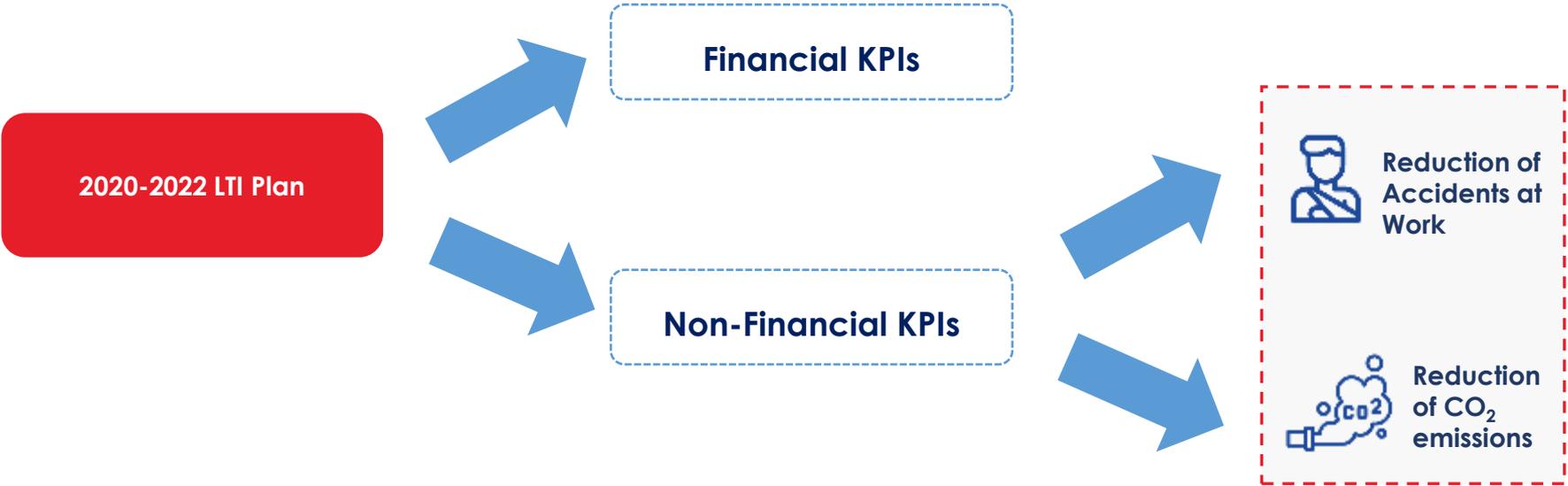
33%
Female BoD's directors



60%
Independent BoD's directors



ESG criteria
In the 2020-2022 LTI Plan⁽¹⁾



webuild a sustainable future



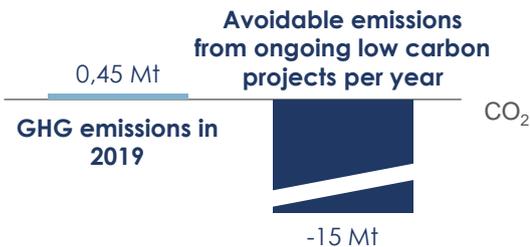
Environment

Positive influence on the planet

- Unique positioning in the construction market, with a **business mix** strongly oriented towards SDGs⁽¹⁾ (>85% revenue) and low carbon (≈60% revenue) projects

Environmental track record

- Proven excellence in **improving environmental** performance and implementing **innovative eco-design** processes



Social

Positive influence on people

- Deliver projects that **improve people's lives**, enhancing access to mobility, energy, water and other infrastructure

People care

- Best in class **safety** performance
- Focused **development plans** to attract and retain people
- New **human rights** and **diversity** programs in place

Workforce employed with the highest management standards

50k

People that will benefit from the ongoing projects

20+ million



Governance

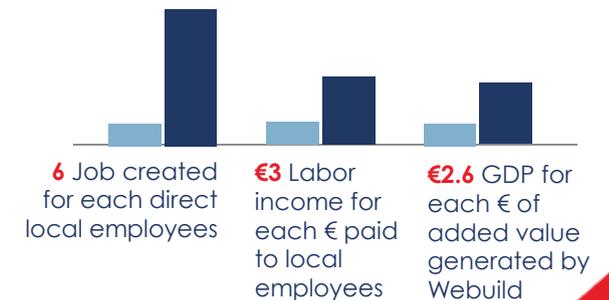
Positive influence on society

- **Economic shared growth** through job creation, local procurement and community support

Ethics and transparency

- Robust **business ethics** strategy
- ESG integrated in the **LTI**⁽²⁾ **remuneration**
- Best in class **ESG ratings**

Socio-economic effects ⁽³⁾





Q&A



Thank you

webuild 