

2022 Consolidated Non-financial Statement

Prepared in accordance with Legislative decree no. 254/2016

Introduction

This Consolidated Non-Financial Statement (the “Statement”) refers to Webuild Group (the “Group”), which includes Webuild S.p.A. and the fully consolidated companies. The terms “Webuild” or the “Company” are used to refer to just the parent, Webuild S.p.A.. More information about the Statement’s scope is given in the “Methodology for reporting non-financial information” section.

The policies, management systems and internal procedures described below refer to Webuild. The key content of these documents is reviewed by the competent bodies of the subsidiaries, consortia, consortium companies, etc. in which Webuild has an investment with a view to their adoption.

The section entitled “The infrastructure sector and Webuild’s role” provides a snapshot of the unique characteristics of the Group’s market in order to facilitate a better understanding of the information provided in this Statement.

Towards an increasingly sustainable future

Sustainability continues to be an essential linchpin in Webuild Group's strategy.

Its ongoing projects generate **benefits for about 93 million people around the world** (89 million in 2021), providing better access to water, energy, mobility and public utility infrastructure, and avoid GHG emissions of approximately **25 million tonnes of CO₂** (24 million in 2021) a year.

Confirming its role as a key mover in the global climate transition, **81%** of the Group's 2022 **revenue** is eligible under the **EU taxonomy**, the classification system of environmentally sustainable economic activities introduced by the EU.

Economic value generated by the Group, i.e., the total wealth created for stakeholders, amounted to **€8,224 million** in 2022 (€6,499 million in 2021), of which 95% distributed to suppliers, employees, investors and lenders, public administration and local communities.

Webuild's contribution to the economies of the local areas where it works was significant again in 2022: **89% of its workforce was hired locally** (84% in 2021) and **94% of its suppliers were local** (91% in 2021). If the indirect and induced effects in the Group's main markets are also considered, Webuild contributed to the creation of **6 jobs** for each direct employee, generating a GDP multiplier of 3.3 (i.e., **€3.3 of GDP for each euro** of value added generated by the Group).

In 2022, **Science-Based Target Initiative** (SBTi) approved the Group's new 2030 GHG emission reduction targets, which it had formally presented in 2021. Its direct emissions in 2022 increased by **7%** on the previous year, due to the ramp-up of some important projects.

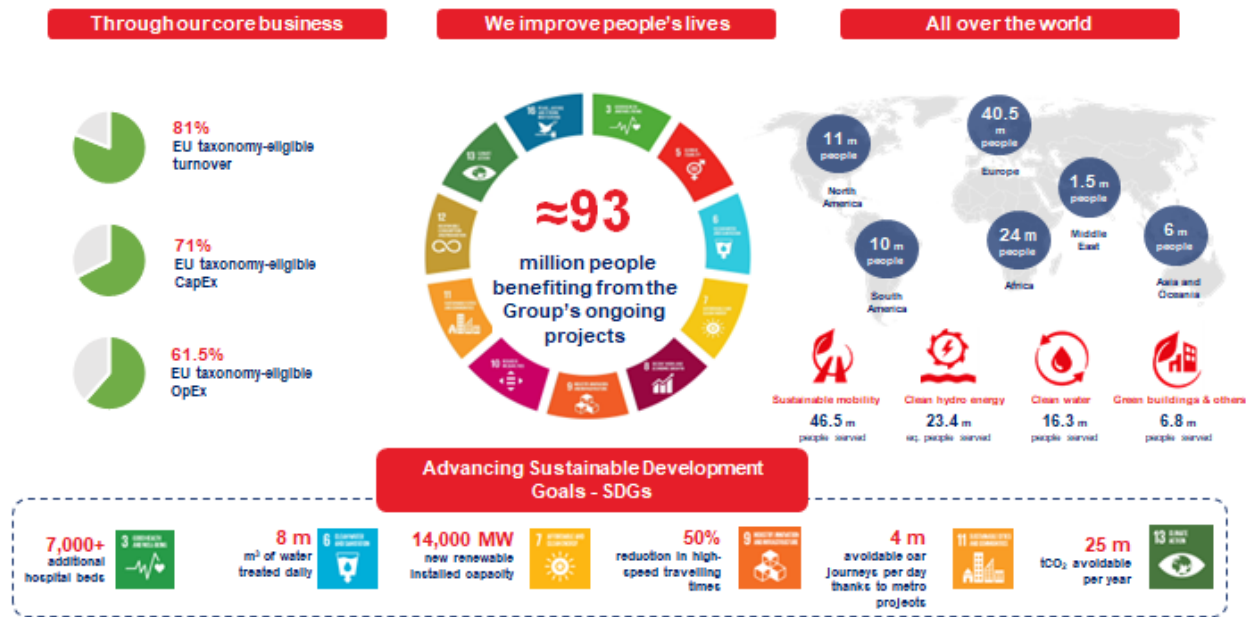
During the year, the Group made progress in advancing towards all the targets set out in its **ESG plan**:

- the **emissions intensity rate (scope 1 & 2)** dropped by 57% compared to the 2017 baseline (the target is -50% for 2023);
- the **Lost Time Injury Frequency Rate (LTIFR)** has improved by 41% compared to the 2017 baseline (the target is -40% for 2022).
- the **percentage of women** included in succession planning for key positions is 21% (with the target for 2023 increased to 25% compared to the originally-established 20%);
- additional investments in **innovative projects** approximated €21.8 million in 2022, which added to the €8 million of 2021, give a total of €29.8 million (for a target of €30 million by 2023), reaching a record of over €118 million invested in innovation in the past five years.

The Group has been included in Borsa Italiana's **MIB® ESG Index** and retained its position as one of the top sector players in terms of the **ESG ratings** issued by major independent organisations such as MSCI (A), CDP Climate Change (A-), ISS-ESG (C+ Prime) and Moody's ESG-ex Vigeo Eiris (Advanced)²².

²² Ecovadis' 2022 rating of Webuild was affected by the well-known events related to the construction of the stadiums for the World Cup in Qatar. As it applied the highest standards for personnel management and occupational health and safety, Webuild firmly asserts that it was extraneous to such events.

Our contribution to global challenges



Our ESG performance



Main ESG ratings



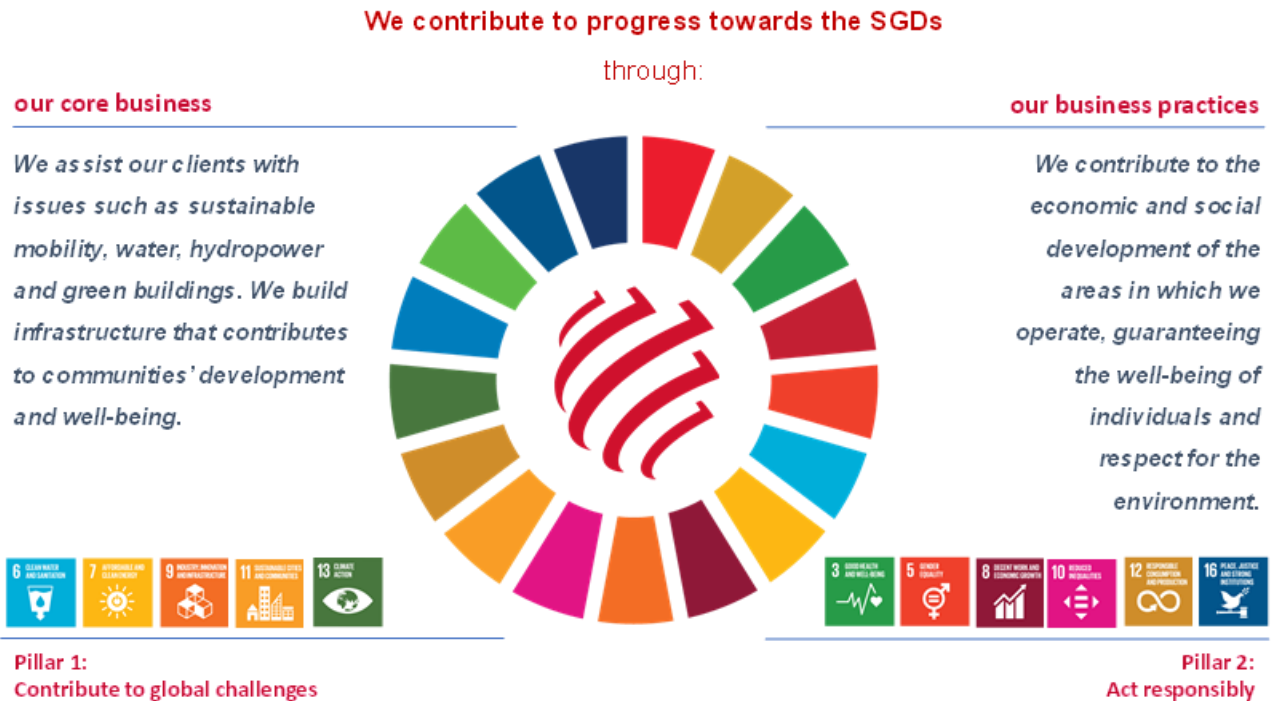
Indicators and rewards



* Data related to the Group's main markets, calculated using input-output parameters (more information available in the "Social" section)

Sustainability Strategy

Webuild’s Sustainability Strategy is embedded in the Group’s business model²³ and strategy and is underpinned by two key pillars: its contribution to global challenges and its unceasing commitment to acting responsibly.



The Sustainability Strategy allows Webuild to pursue 11 of the key Sustainable Development Goals (SDGs) defined by the United Nations.

Contribute to global challenges

The first pillar relates to the core business, hinging on the Group’s capacity to develop infrastructure projects in the areas of Sustainable Mobility, Clean Hydro Energy, Clean Water and Green Buildings and its contribution to the global challenges posed by urbanisation, climate change, resource scarcity and technological innovation.

Over the year, the Group affirmed its focus on infrastructure projects that contribute to achievement of the SDGs and the challenge posed by climate change.

Thanks to the new orders acquired during the year, Webuild is now even better placed to contribute to sustainable development. In fact, its order backlog at 31 December 2022 will generate benefits for over 93 million people around the world (89 million in 2021) and avoid GHG emissions of roughly 25 million tonnes per year²⁴(24 million tonnes in 2021). In geographical terms, the largest benefits were seen in Europe in 2022 (40.5 million people compared to 38 million in 2021) while the Sustainability Mobility area saw the most growth (46.5 million beneficiaries compared to 43.1 million in 2021). These figures confirm the Group’s pivotal role as a major contributor to the sustainable mobility sector’s growth in Italy and Europe.

²³ Additional information is available in the “Webuild Group: our vision and performance” section of the Directors’ report.

²⁴ Based on contributions in terms of avoidable emissions by hydroelectric, railway and metro projects in portfolio.

Act responsibly

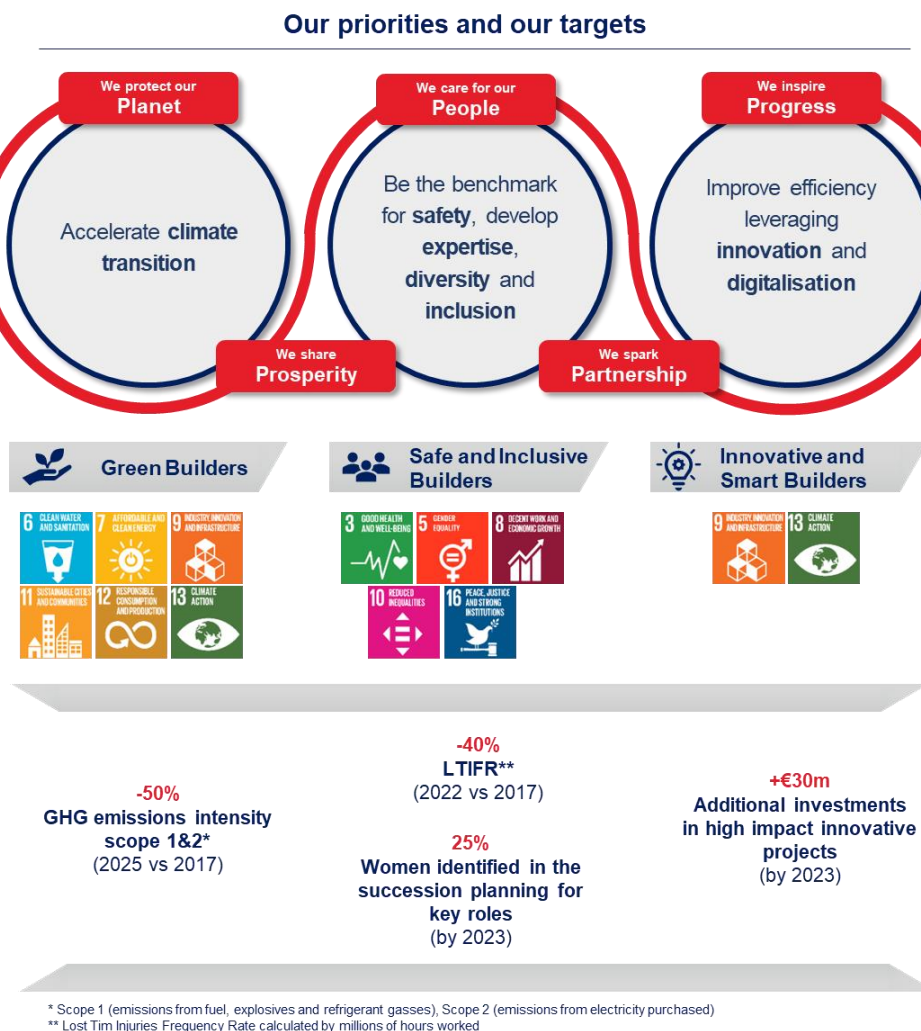
The second pillar embodies the ethical, social and environmental responsibility policies and practices applied by the Group to protect and enhance people and the environment and to contribute to the social and economic development of the countries where it operates.

Webuild pursues ongoing improvement in its ESG performance (confirmed by the independent ratings received) by adopting business practices designed for sustainable development.

The following sections describe the Group’s ESG policies, practices and performances.

ESG plan

The Group has drawn up an ESG plan for the 2021-2023 period focused on three strategic areas - Green, Safety & Inclusion and Innovation - in which it has long invested resources and for which it has already achieved important results. Webuild has identified a number of projects and specific targets to be pursued over the plan period for each priority (the sustainability “construction sites”) as shown below:



The Group reinforced its focus on some targets in its annual revisiting of the plan and specifically:

- the emissions intensity reduction target, which it aligned with the Sustainability-Linked Financing Framework published in November 2021²⁵;
- the diversity target with the inclusion of women in succession planning, previously set at 20%.

The progress towards the targets set out in the ESG plan is summarised below.



GHG emissions intensity (scope 1&2)	Lost Time Injuries Frequency Rate	Women identified in the succession planning for key roles	Investments in innovative, high potential projects
-57% (2022 vs 2017)	-41% (2022 vs 2017)	21% (end of 2022)	≈€29.8m (end of 2022)

The complete ESG plan is available on Webuild’s [website](#). The following sections describe the policies, practices and performances for each of the above strategic areas.

Material non-financial topics

Given the reference context, the specific nature of the infrastructure sector, the Group’s sustainability strategies and the inputs from its stakeholders, Webuild has drawn up and regularly revises a list of material topics in line with the methodology proposed by the GRI Sustainability Reporting Standards (described in more detail in the “Methodology for reporting non-financial information” section).

Material topics are those on which Webuild furnishes non-financial disclosures pursuant to Legislative decree no. 254/2016 in order to impart adequate information on the Group’s operations, performance, result and its impact.

A list of the material topics grouped by the three ESG clusters is provided below.

²⁵ See the “Company organisation” section for more information.

Governance

- A. Sustainability strategy
- B. Excellence and innovation
- C. Ethics and integrity
- D. Anti-corruption
- E. Tax transparency
- E. Supply chain
- G. Stakeholder engagement
- H. Cyber security

Social

- I. Attraction and development of employees
- J. Health, safety and welfare
- M. Diversity and inclusion
- L. Human rights
- M. Contribution to local economies
- N. Privacy

Environment

- O. Climate change
- P. Natural resources and circular economy
- Q. Biodiversity

Webuild performed the 2022 materiality analysis in line with the guidelines of the GRI Universal Standards 2021. This revised version proposes a new approach whereby material topics are identified on the basis of the most significant impacts (positive, negative, current and potential) generated by an organisation on the economy, environment and people, including impacts on their human rights.

As a result of this analysis, the topics of “Ethics and integrity”, “Health, safety and welfare”, “Anti-corruption”, “Excellence and innovation” and “Human rights” were allocated maximum priority (listed in order of priority).

A table bridging the aspects of Legislative decree no. 254/2016, the main ESG risks and the sections of this Statement that describes the oversight and treatment methods is provided below.

Legislative decree no. 254/2016	Main risks	Organisational policies and oversight	Management methods
		NFS sections	
Environment	Compliance with legislation, management of environmental aspects (water, waste, materials, biodiversity, etc.)	"Company organisation" and "Environment"	"Environment"
Climate change	Physical risks and risks linked to the energy/climate transition	"Climate change – Strategy, Governance"	"Climate change – Main climate-related risks and opportunities"
Employees	Employee health and safety, attraction and retention, skills obsolescence, diversity and inclusion	"Company organisation" and "Human resources"	"Human resources"
Human rights	Employment conditions, child and compulsory labour, freedom of association and collective bargaining, human rights in the supply chain	"Company organisation" and "Human rights"	"Human rights"
Supply chain	Ethical, social and environmental aspects related to procurement	"Company organisation" e "Supply chain"	"Supply chain"
Combatting corruption	Active and passive corruption	"Company organisation" and "Anti-corruption"	"Anti-corruption"
Social aspects	Engagement with local communities and stakeholders, tax transparency	"Company organisation" and "Social"	"Social"

Company organisation

A dynamic, constantly changing structure to underpin business growth in line with international best practices

Corporate governance

Webuild's corporate governance model is a traditional management-type model and complies with international best practices. It is an essential tool in ensuring the efficient management of the Group and effective controls over its activities, in line with the Group's goals of creating value for shareholders and protecting stakeholder interests.

The Company's governance system is based on integrity and transparency. It complies with the relevant legal requirements, Consob (the Italian commission for listed companies and the stock exchange) regulations and the recommendations of the Code of Corporate Governance/Conduct in force from time to time.

At the end of 2022, the Company's Board of Directors had fifteen members, including six women (40%), and ten who met the independence requirements (66.6%). The Board of Directors has three committees: the Control, Risk and Sustainability Committee, the Compensation and Nominating Committee and the Committee for Related-Party Transactions. The Control, Risk and Sustainability Committee, comprised of six independent directors, examines this Consolidated Non-financial Statement in connection with the Company's activities and engagement with its stakeholders.

Identity pillars

Following its rebranding in 2020, Webuild refreshed the Group's identity 2021 to better reflect its industry standing and its commitment to sustainable development.

In addition to reformulating its Vision, Mission and Values, Webuild also unveiled its purpose- "Webuild, Partner for a sustainable future" - embracing the essence of the Webuild brand: a group at the service of the community contributing to global sustainability.

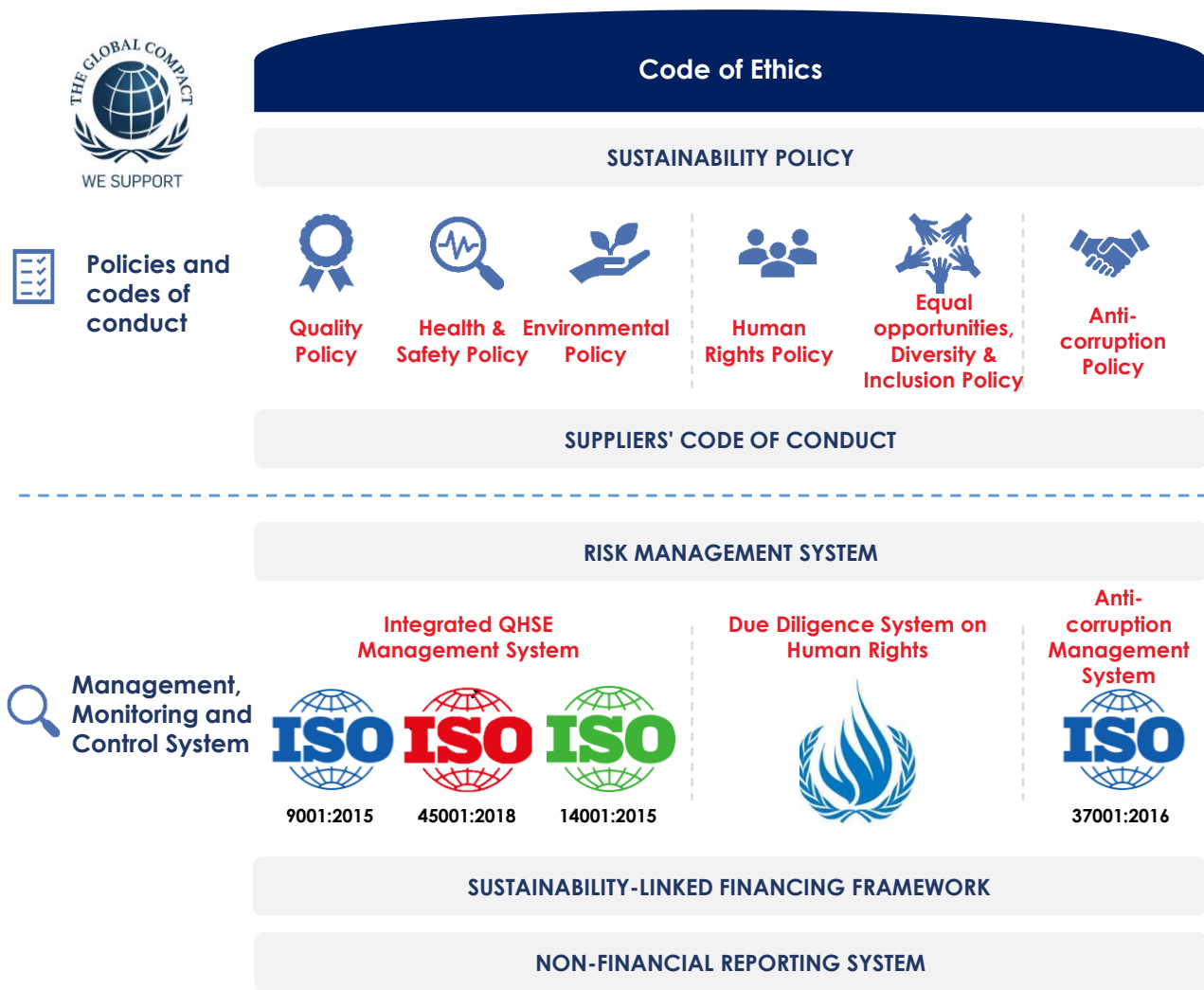
In line with the Group's traditions, the pillars reiterate and reinforce its commitment to sustainable development, and its intention to return part of the value generated to society to make a positive contribution to the communities and local areas where it operates.

The identity pillars represent Webuild's commitment to build well-constructed works that "do good" for the future, in line with its growth strategy and business positioning.

ESG framework

The Company has an organisational and management model based on a system of principles (Code of Ethics and Policies) and management and control tools (risk management, models, procedures and controls) designed to monitor significant ESG (Environmental, Social, Governance) topics in line with the regulations applicable in the countries where it operates, standard principles and international guidelines.

Webuild is a signatory of the UN's **Global Compact**, the largest global sustainability initiative that requires companies to align their operations and strategies with ten universally-recognised principles on human rights, labour practices, the environment and anti-corruption.



Code of Ethics

The Company has a Code of Ethics, which sets out its principles and rules of conduct that people who work for or with Webuild are required to adhere to at work.

The Code applies to the directors, statutory auditors, managers and employees of Webuild as well as all those parties that work with the Company directly or indirectly, temporarily or on an ongoing basis, to the extent of their duties and responsibilities.

They are required to comply with the laws and regulations applicable in the various geographical areas in which the Company operates and to base their conduct on that set out in the Code.

The Code is the culmination of a journey which started with the definition of Webuild’s Identity Pillars. It sets the tone for how the Company interacts with its collaborators, partners and, more broadly, its stakeholders. The Code establishes proactive behaviour to be adopted at work and an ethical leadership model.

Company policies

Webuild has issued a number of company policies (posted on the Company’s website), which alongside the Code of Ethics, represent the main points of reference for people working for the Company. They are summarised below:

Sustainability Policy: the principles that the Company is committed to complying with during its operations in order to contribute to economic progress, social well-being and the environmental protection of the countries where it operates.

Health and safety Policy: the principles that the Company is committed to complying with to protect the health and safety of its employees, suppliers and subcontractors during the entire life cycle of its contracts (design, construction and development) and in the workplace; its objective is “zero injuries”.

Environment Policy: the principles that the Company is committed to complying with in order to mitigate possible adverse effects on the environment, protect the ecosystem and increase the beneficial effects, contributing through its projects to resolving the main global environmental issues, reaffirming the right of each worker to intervene to stop activities that could be harmful to the environment.

Quality Policy: the principles that the Company is committed to complying with to ensure full client satisfaction, the active involvement of all stakeholders and the continuous improvement of the Quality System, based on its fundamental goal of “build to perfection”.

Human rights Policy: the principles that the Company is committed to complying with to ensure the protection of human dignity, just and favourable working conditions and the protection of the human rights of stakeholders affected by its activities.

Equal opportunities, diversity and inclusion Policy: the principles that the Company is committed to complying with to encourage inclusive work environments that value the individual, developing human capital.

Anti-corruption Policy: the anti-corruption principles to be adhered to by employees, based on the fundamental tenet of “zero tolerance”.

The Company strengthened its commitment to the environment, health and safety and human rights and workers with the **International Framework Agreement** signed in 2014 with the Italian (Feneal-UIL, Filca-CISL and Fillee-CGIL) and international (BWI- Building and Wood Workers’ International) trade unions of the construction sector.

The above principles are reiterated in the **Suppliers Code of Conduct**, introduced early in 2020, which extends the Company’s responsible operating practices to its supply chain. This Code is binding for all Webuild suppliers and, together with the Code of Ethics, is an integral part of their contractual relationship with the Company.

Management and control system

The Company has an internal control and risk management system incorporating rules, procedures and organisational structures to ensure healthy, ethical business practices that are consistent with its objectives through appropriate procedures to identify, measure, manage and monitor the main risks.

This system is based on standards which require:

- business activities to be based on applicable internal and external rules, can be mapped and documented;
- that the allocation and exercise of powers as part of a decision-making process is commensurate with the positions of responsibility and the size and/or significance of the underlying transaction;
- the separation of duties between those parties that take or implement decisions, that record transactions and those that are required to perform the controls over such transactions provided for by law and procedures envisaged by the internal controls;
- that confidentiality and compliance with the personal data protection legislation is ensured.

Webuild has also voluntarily adopted an **Integrated QEHS** (Quality, Environment, Health and Safety) **Management System** in compliance with the international standards ISO 9001, ISO 14001 and ISO 45001, as well as an **Anti-Corruption Compliance System** pursuant to ISO 37001. These systems are certified by an independent expert.

The quality, environment, health and safety management system certifications cover the definitive and executive designs, works management and performance to build large works, complex civil and industrial works and related technological systems; the design and management of integrated operation and maintenance services for infrastructure, civil and industrial buildings, related technological systems and electromedical devices; and remediation of contaminated sites (reference to IAF 28, 34, 19 and 39).

The quality management system also applies to the coordination of the general contractor activities carried out in accordance with Title III of Legislative decree no. 50/2016 and Legislative decree no. 56/2017 as subsequently amended and integrated.

The scope of these systems includes all the work sites where the Company operates and all types of companies in which it is involved.

The anti-corruption management system covers the design, construction, restructuring and maintenance, on its own behalf or for third parties, of civil engineering, industrial, infrastructure and plant engineering works. It applies to the Group's core and strategic processes managed by the Italian offices and the Company's operations, including those of the foreign branches and directly managed work sites. Centralisation of the main processes exposed to corruption risks (including business development and procurement) has meant that the related controls are carried out as part of the certification.

The Company has an ISO 31000 compliant **risk management system**, certified by an independent expert. It covers construction on its own behalf or for third parties of roads, ports, buildings, hydraulic, hydropower, railway and other civil engineering works in Italy and abroad.

Webuild refers to the OECD Guidelines for multinational enterprises and ISO 26000 "Guidance on Social Responsibility" for its CSR issues. It has also adopted the UN's Guiding principles on business and human rights for the management of human rights.

The Group's large Italian companies also have a social accountability management system certified in accordance with SA8000²⁶.

Subsequent sections of this Statement provide more information on these frameworks.

Organisation, Management and Control Model

Webuild has introduced an Organisation, Management and Control model (the "231 model") to:

- prevent the commission of the predicate crimes as per Legislative decree no. 231/2001;
- define and implement an internal culture based on respect and transparency;
- raise awareness among employees and stakeholders.

The Model sets out specific controls implemented in internal procedures in order to monitor transactions exposed to the potential risk of crimes that would trigger the administrative liability of companies.

It includes measures to identify and reduce potential risks of non-compliance with the provisions of Legislative decree no. 231/01. With respect to the risk of corruption, the Model's controls are aligned to the Anti-corruption Compliance System.

The Integrity Board, which is an independent control body, monitors the effective implementation of and compliance with the Model. The Company has informed its employees of an email and postal address for any communications to be made directly to the Integrity Board, guaranteeing their anonymity and protection from any form of reprisal. Notification of alleged violations of the Model can also be made using the whistleblowing system (see the Anti-corruption section) which forwards them to the Integrity Board.

This complies with Law no. 179/2017 and Confindustria's guidelines for the construction of organisational, management and control models (2021).

²⁶ At the end of 2022, Webuild Italia S.p.A., Cossi S.p.A. and NBI S.p.A. were SA8000-certified.

Sustainability-linked Financing Framework

In November 2021, the Company's Board of Directors approved a Sustainability-linked Financing Framework, formalising the inclusion of environmental sustainability criteria in the Group's funding strategy. It also affirms the Group's stated purpose of contributing to the achievement of the UN's SDGs and acceleration of the global climate transition.

The Framework sets out guidelines to be adhered to when the Company issues new financial instruments linked to sustainability objectives. It defines carbon intensity as the KPI and fixes specific intermediate and long-term sustainability performance targets that contribute to the advancement of SDG 9 Industry, Innovation and Infrastructure and SDG 13 Climate Action.

The Framework was assessed by an independent body which issued a Second Party Opinion on the document's compliance with Webuild's sustainability strategy and the international standards regulating sustainability-linked financing.

In January 2022, Webuild completed the issue of its first sustainability-linked bonds, receiving orders for more than twice the amount offered, confirming the international and domestic financial community's appreciation of Webuild's strategy of recent years.

The issue is linked to achievement of the 50% reduction target of the Company's carbon intensity emissions (scope 1 & 2) by 2025 compared to 2017.

Security system

Webuild's security system is coordinated by a corporate unit that ensures:

- definition of standards and guidelines on security risks;
- coordination of the local security units;
- specific assessments of security risks;
- continuous monitoring of significant security risk events;
- definition of security incident management models for the effective management of security incidents that are harmful or potentially harmful to individuals, based on respect for the individual, human rights, the Code of Ethics, and in compliance with local and international regulations, as coordinated with the competent authorities;
- regular audits of the local security units.

Specifically, in order to identify, manage and mitigate potential risks and threats to the Company's value and principles of legality, it adopts the following safeguards:

Preventative Analysis

Webuild's commitment to building large infrastructure projects exposes the Group to risks of potential criminal infiltration. The Company has set in place measures to identify and assess risks of possible infiltration and influence by organised crime in the production chain of its projects in Italy and, when appropriate, abroad.

The Security Department liaises with the centralised Compliance and Vendor Management Departments and project management to:

- perform structured analyses of the Group's partners working in sectors at risk of infiltration in line with legality protocols (for example, supply cycle and transport of aggregates, cement and bitumen, dry and wet leases, road transport for third parties, work site security, environmental services for the treatment and elimination of waste, etc.);
- carry out analyses and in-depth investigations of sub-contractors and sub-suppliers;
- cooperate with the police forces and competent institutions, as agreed with headquarters.

Security and employee safety

Work sites may be assigned a security unit in certain geographical areas due to the risks identified.

The security personnel may be employees and/or personnel provided by third parties, who are usually unarmed and/or by personnel supplied by the army or local police departments under specific contracts, formal agreements or service orders.

Security personnel receive the following training:

- group employees: initial training and periodic refresher courses from the local security managers based on training programmes that reflect the applicable standards and regulations and include information on respect for the individual, human rights and the Code of Ethics.
- personnel of private companies: training by their managers based on training programmes that comply with the terms of the contracts agreed with Webuild and that include information on respect for the individual, human rights and the Code of Ethics.
- personnel supplied by the army or public safety forces: training that complies with local regulations and standards and is provided by their internal units.

The internal security personnel and personnel of private companies act in accordance with operating procedures approved by Webuild's security units and/or those of their company, which comply with Webuild's models and hinge on respect for the individual, human rights and the Code of Ethics, adapted to the local regulations and rules.

Personnel supplied by the army or public safety forces operate in accordance with the local regulations and procedures of their organisation or procedures drawn up by the local authorities for the specific service they are providing.

Cyber security

Given the Group's international footprint, the ongoing digitalisation of processes and remote work patterns, data and information protection is a key concern.

Accordingly, Webuild has set up an Information & Cyber Security Unit as part of the Security Department to steer, implement and monitor information and data protection measures for the Group based on the National Framework for Cyber Security and Data Protection and the main reference standards. It is assisted by the IT and Digital System Department.

Specifically, the Company has defined new security measures so that all technical applications and infrastructure are fully integrated with the cyber security systems. These measures, which are either being implemented or will be so in the near future, include:

- the definition of cyber security requirements for the group companies;
- the progressive standardisation of processes and tools;
- the introduction of the security by default & by design approach for each new project undertaken by the Company and for each contract;
- the set-up of a Global Security Operation Centre for the Company and the work sites to monitor and guide timely remediation actions in the case of events that could potentially compromise the confidentiality, integrity and availability of data processing and technologies deployed while concurrently handling any incidents and performing security assessments and audits.

The Company has prioritised raising its employees' awareness of the importance of this issue as they are the first line of defence. To this end, it deploys the most suitable training methods (in-person, e-learning, exercises and tests, newsletters, etc.) at headquarters and on site.

As part of its information & cyber security activities and in order to pro-actively prevent and respond to incidents, the Company has formal agreements in place with institutions and its peers in Italy to enable the improvement of response time and the capacity to deal with potential threats.

Data protection

Compliance with data protection regulations is a priority for the Company and it has a comprehensive organisational model to oversee such compliance, which is also guaranteed by the Data Protection Officer (DPO), a role covered by the Compliance Manager. The DPO is assisted by a privacy team, comprising members from the main departments that can provide assistance thanks to their specific expertise (e.g., HR Department, Legal Department, IT Department and the Information & Cyber Security Unit). The team's objective is to advise on the application of the data protection regulations in accordance with Regulation (EU) no. 2016/679 (the General Data Protection Regulation, GDPR).

The Company has data protection policies and procedures for all its departments that process personal data, especially as regards data breaches and the transfer of data to countries that do not comply with the GDPR such as the US. An online training module on the EU Regulation is available to all employees as well as dedicated courses for those units that either process personal data or manage relationships with third parties acting in their role as data managers.

Non-financial reporting system

Webuild has a non-financial reporting system that complies with the requirements of Legislative decree no. 254/2016 and the GRI Sustainability Reporting Standards. The Corporate Social Responsibility Department supervises this reporting system. This Statement is approved by the Company's Board of Directors after it has been examined by the Control, Risk and Sustainability Committee.

Main organisational changes

In 2022, the Group re-engineered and digitalised its regulatory system to make it more effective and user-friendly and to ensure its seamless application by subsidiaries, branches and work sites. This initiative saw the Group engaged in migrating and applying its organisational standards and processes during the year with dedicated projects, including:

- a regulatory framework for Webuild Italia and Partecipazioni Italia;
- continuation of the alignment of Lane's regulatory system with that of the Group, including with respect to change management;
- alignment of the regulatory frameworks of the subsidiaries CSC, Cossi, Seli, NBI and Fisia Italimpianti by performing a gap analysis and preparing a convergence action plan.

With respect to the Company's headquarters, the main organisational reshuffles involved:

- The introduction of a new Corporate Cost Efficiency Programme Unit (January 2022) to roll out new operating models, in line with the business plan, to reduce indirect costs by: (i) establishing centralised service hubs for the work sites (shared services model), (ii) identifying back office automation possibilities, (iii) identifying indirect cost savings and assisting the relevant departments to implement the related measures, (iv) PMO monitoring of activities and savings achieved.

Given the cross-departmental nature of the project, the unit reports to the General Manager Corporate and Finance- Group CFO and Chief HR, Organisation and Systems Officer.

- Completion of the succession plan and reorganisation of the Plant and Equipment Department (February 2022) into functional areas to enable greater technical supervision (Electrical and System Engineering, Plants, Construction Machinery, TBM and Auxiliaries).
- Reorganisation of the Group Bidding and Engineering Unit (March 2022) using the Group's span and layer approach, which led to the creation of two new competence centres specialised in bids:

- Bid Management, standardising the bidding processes across the entire Group for the integrated and centralised management of bids of all the Group's various bidding units (including those of the former Astaldi), and formalising the liaison process with the corresponding units at the subsidiaries;
- Bid Services, standardising and bringing all the services provided to the Bid Management Team to prepare for bids under one roof (e.g., Planning, Estimating & Methods, Bid Doc Control, etc.).
- Delaying the Controlling and Accounting Department (March 2022) with respect to its Operations and Risk Controlling activities together with a review of the department's geographical areas.
- Reorganisation of the Contract Management Department (May 2022) by geographical area to ensure more effective supervision of all claims.
- Appointment of a CEO for Lane (May 2022) to complete the succession plan for the US group company's senior management. Ignacio Botella, part of the Group's Senior Management Team as Deputy General Manager & Operations Executive Director Americas, took on this role.
- Overhaul of the HR Department, which involved merging the HR Management, Industrial and Labour Relations, Total Rewards and Mobility Policies, Talent Acquisition & Employer Branding, HR Administration, Workforce Planning and Services and Facility Management Departments as well as merging the Organisation & Change Management, Development, Succession Planning & DEI and Knowledge Management and Technical Training Departments into the Organisational Development, Learning and Change Department (November 2022).

Continuous communication and transparency with all the stakeholders

The Group has always engaged with all its stakeholders in a transparent and continuous manner, using state-of-the-art tools for both external and internal communications.

From an institutional viewpoint, it wound up the Progetto Italia communication plan, as the project was accomplished in April 2022. The plan provided for continuous communication with the parties involved during the different phases. Webuild's main objective was to present, with utmost transparency, the Group's commitment to bring together several sector companies, becoming large enough with innovative technical and engineering expertise so as to be in a position to immediately vie for the investments earmarked for the large infrastructure sector.

In 2022, Webuild stepped up its commitment to communicate every aspect of its business transparently and in real time, allowing stakeholders to have a comprehensive understanding. This involved issuing an increasing number of press releases and communications around 200, (about 30% more than in 2021) tailored to their target audiences to provide comprehensive information. Webuild also has a corporate magazine, We Build Value, with a circulation that has grown exponentially over the years in terms of its reach in Italy, the United States and Australia, two countries of great strategic interest to the Group.

It placed more than 20 webcams in Webuild work sites in Italy so that the local communities and other stakeholders could follow the projects. The Group also opened work sites to the public, with open days at the Milan Metro Line 4 site and the Paris Metro (Grand Paris Express) site. Webuild also launched a special communication plan for a specific site, the Milan Metro Line 4, to present the technical activities and stories behind progress on the project in order to connect a wider audience with the activities of the M4 metro and, more generally, of the sector.

During the year, the Group also organised campaigns to raise awareness around sustainable infrastructure and the positive effects infrastructure can have, starting from its construction and continuing through to its operation. One example was the intensive campaign about the role of infrastructure for water, "Acqua per la vita" (Water for life), designed to focus attention, including at institutional level, on the need for infrastructure to produce, save and efficiently manage water, especially at times of severe drought.

In 2022, Webuild built on its integrated multi-channel communication plan launched in 2021, Webuild Next-Gen, designed for young people. This includes dedicated campaigns for the transparent presentation of the Group's plan to include young people in its activities. One such campaign was the Challenge 4 Sud with the universities of southern Italy while others included communications about projects for young people, including the Alberto Giovannini Award and the Scuola di Mestieri.

The Group also undertook a series of cultural initiatives as part of the "Agenda Cultura" to reinforce communities' positive perception of the value of infrastructure to their areas, which included the "Superbarocco. Arte a Genova da Rubens a Magnasco" exhibition at the Scuderie del Quirinale in Rome. The exhibition was organised by Scuderie del Quirinale and the National Gallery of Art of Washington, D.C. to celebrate the Genoese baroque, one of the artistic periods of greatest splendour for Genoa and Italy, and concluded with a concert by the Orchestra of the Accademia Nazionale di Santa Cecilia in the Sant'Agnese in Agone Church in Piazza Navona in Rome.

Webuild engages continuously with its stakeholders on digital channels with an ecosystem of 13 websites and five social media platforms. In 2022, the Group's digital touchpoints collected over 75,000,000 impressions, of which more than 91% through the social media, thanks to an extensive communications plan that can create 2,900 posts a year, with an average of around eight posts a day. The Group's website has 4,800 pages, which are refreshed daily. During the year, the Group also released new vertical mini-sites, including cantieritrasparenti.it, and new insights into the Group's initiatives. Its social media channels have over 287,000 followers, 20% more than in 2021.

In 2022, Webuild kept its stakeholders up to date with a direct email marketing (DEM) programme, sent to more than 18,500 contacts every week (more than double the number of 2021).

The Group was strongly committed to its strategic internal communication plan throughout the year, focused on strengthening the information and granular engagement processes of Webuild's people, both at the Company's offices and the work sites, with the aim of encouraging their informed and active participation in working towards business objectives. In 2022, the main drivers of the Group's internal communication strategy were to improve information accessibility (thanks to the deployment of innovative instruments and networking, such as the new Webuilders employee app, initially launched for a population of 3,000 employees based mostly in Italy which will be extended abroad in 2023); the direct involvement of senior and middle management in sharing business results and objectives, achieved through presentations of the 2021 results with an extensive cascading strategy that reached more than 1,000 people around the world; the active promotion of the Group's identity to strengthen a shared culture with its employees as its first ambassadors on their own channels and social media (the Brand Builders project); publicising and engaging employees in change management processes (performance management, mentorship projects and training).

Webuild also carried out dedicated communication campaigns to raise employee awareness about issues close to its heart such as sustainability and the ESG Plan objectives, diversity, innovation, safety and the environment.

The Group drew up a schedule for virtual meetings (Time to Talk) involving all group employees to discuss key issues related to Webuild's business and identity, such as compliance, resources development, governance processes, responsibility and obligations with respect to quality, the environment and safety. These online meetings were attended by approximately 1,500 people and their aim was to provide group employees with greater familiarity with strategic issues, consolidate and share a common culture (especially the employees of companies new to the Group) and reinforce the value of each person's contribution to achieving the Group's objectives.

Innovation, research and development



Strategic for the Group's sustainable growth and competitive edge



€118 mln
Investments in innovation
2018-2022



≈380
Average annual number of
employees engaged in
innovation and R&D activities

Webuild considers innovation essential for its long-term sustainable growth in an era of technological and environmental challenges. Innovation is key to be competitive in terms of:

- core and staff process efficiency for improved performance efficiencies (timing and costs);
- social and environmental performance thanks to less work-related incidents and a smaller impact on the environment and the communities affected by its operations;
- quality construction services that meet client needs;
- reduction of construction lead times;
- expansion into new business sectors.

The Company's sector is known for the highly customised processing, techniques and technologies deployed depending on the nature of the works to be performed. Each project is unique and requires the development of bespoke solutions based on highly specialist know-how. The Group's work sites are real hives of innovation and advanced research.

R&D activities are carried out at project and company level.

At project level, in addition to researching materials, ensuring worker safety, pursuing quality and protecting the environment, the most challenging activities are those for projects with technical characteristics that cannot be dealt with using conventional techniques and technologies.

At corporate level, the technical departments work unceasingly to develop state-of-the-art methods that best respond to the unique characteristics of each project. The Company's technical teams work alongside the best experts and professionals in the market, universities and research centres from day one to develop tailored solutions able to meet clients' requirements while protecting the local environment and communities.

During the 2018-2022 five-year period, the Company invested on average around €23 million in innovation, research and development projects for a grand total of over €118 million. These projects have involved an average of around 380 group specialised resources²⁷ each year.

²⁷ Personnel involved in long-term projects are included for each year of the project. The figures for 2022 include Lane's figures based on conservative estimates considering the information available that could be verified at the date of preparation of this Statement.

Innovation projects mainly related to the following areas:



Design, planning and development

Webuild places its services at the client's disposal for the project to be developed. Its aim is to deliver a high-quality service and play its part in the sector's technological evolution.

One of its key initiatives is the design and development of a system to collect, integrate and manage large quantities of data about contracts in order to process and organise them in a consistent and user-friendly manner.

Through the deployment of Artificial Intelligence (AI) techniques, data analytics and machine learning, the platform will provide innovative support to decision-making at corporate and project level, improving the project team's forward-looking and management abilities:

- in managing contracts and planning activities, thanks to a model that provides real time information on the project's status;
- during calls for tenders for new projects, drawing on the forward-looking technical and financial models based on the integrated multi-disciplinary data.

In 2022, Webuild trialled application of the Robotic Process Automation (RPA) technology to automate, standardise and streamline certain repetitive work site activities that require great manual dexterity.

One of the Company's success stories of the year is Axel (Autonomous Exploration Electrified Vehicle), the world's first rover robot to inspect shafts and tunnels.

Axel solves and eliminates the risks of exploring critical areas as it is remote controlled, can report on environmental conditions of tunnels and provide remote, real-time images and data about the area being explored (e.g., temperature, humidity, state of the tunnel walls, presence and concentration of dangerous gases, etc.).

The robot provides input on the activities necessary to make the environment safe for the workers, such as air exchange and filtration, tunnel wall reinforcement and installing electrical systems.

Webuild's Remote-Controlled Robot

Project TELT – TURIN-LYON HIGH-SPEED RAILWAY
 "Nicchie la Maddalena" construction site



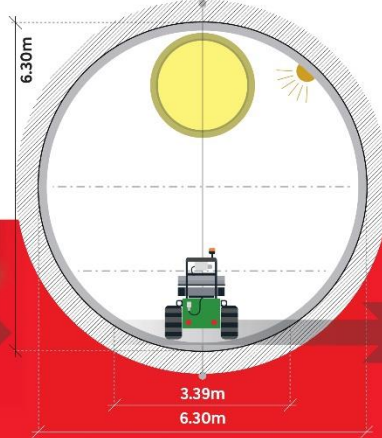
World-First Robot Prototype For Inspections by Remote

Maddalena Tunnel
 Diameter ~6 m Length ~3 km Humidity 95% Temperature ~40 degrees

Remote-controlled robot for tunnel inspections



The Rover



Width	Wheelbase	Traction	Wheel diameter
1.6m	~2m	Four-wheel	>60cm

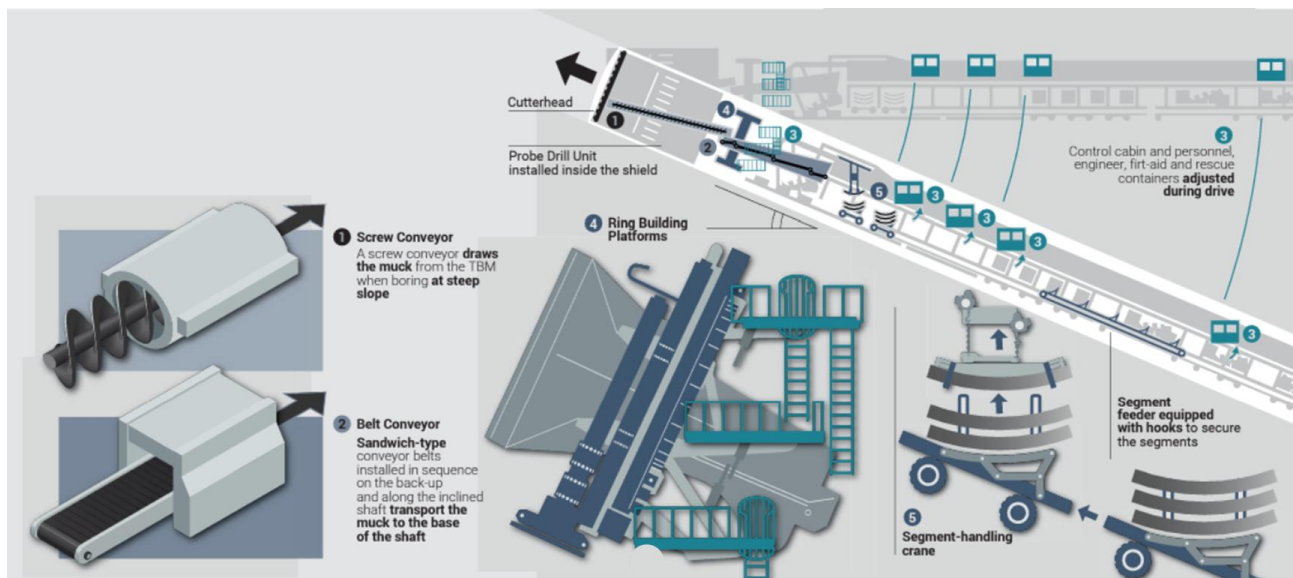
axel
 AUTONOMOUS EXPLORATION
 ELECTRIFIED VEHICLE

April 2022

Construction techniques

Webuild's innovative potential comes to the fore in this area.

One of the most interesting initiatives carried out in recent years is the design and development of new technologies to develop large inclined hydraulic tunnels using mechanised boring techniques and alternative lining solutions for the Snowy 2.0 hydropower station project in Australia.



The project involves the excavation of a 1,600 metres inclined pressure shaft at a 25° slope (46.73%), with a diameter of 9.9 m and subject to significant dynamic loads (+/- 25bar). This high-pressure shaft's maximum incline is unique in the world and, given the size of the works and operating conditions, represents a world first technological innovation in the sector of TBMs (Tunnel Boring Machines). On-site activities commenced in 2022 using the technological solutions designed for the excavation of tunnel sections with a negative slope (between

-9% and 0%). The self-adaptive driving systems and reconfigurable platforms that transition from horizontal tunnelling to inclined excavation were fine-tuned. The tunnel boring machine (TBM) can operate both in open mode and closed mode, as well as if there is naturally occurring asbestos material.

Webuild also fine-tuned the innovative use of single lining in mechanically connected sections to withstand high internal pressure and the related high performance sealing mortars.

This innovative and one-of-a-kind solution has been adopted to mitigate the risk of potential issues related to the site's geological conditions and will allow significant cost and time savings in boring the tunnel.

After receiving the prestigious ITA Tunnelling Award 2021 for its innovative construction methodology, Riser Concept, developed for the environment restoration project of the Matanza-Riachuelo catchment basin in Argentina, the Group patented the solution in the United States.

Materials

The Group focused on a number of projects concerning the reuse of excavation materials, water treatment and the development of innovative construction materials.

It developed the WeCycle research project for the reuse of excavation materials to explore the feasibility of reusing earth and rocks excavated by TBMs for circular economy purposes.

In 2022, Webuild analysed the feasibility of reusing these materials in the production cycle for two-component grouts for back-filling, raw materials and concrete production. The study found the project to be technically feasible but not economically viable.

From a circular economy viewpoint, the objective is to supplement the more traditional reuse methods with innovative methods whereby the excavated earth and rocks are put to greater use in protecting the local area and mitigating hydrogeological risk or simply acquiring an economic value through their reuse in new production cycles while reducing transport (and related emissions) and disposal costs.

With respect to water treatment, the Group has commenced a project to develop a technology to break down surfactants in wastewater. It is nearing completion and the technology will be trialled shortly.

The Group has also invested in the study of innovative materials. It developed numerous solutions including:

- analysis of a custom-designed mix for possible use as a filler for the production of back-filling grout of the filter-pressed material coming from the wastewater treatment system during the tunnel boring process;
- development of an innovative aerated two-component grout with the aim of creating a drainage cushion in the annular space around the prefabricated tunnel section lining, to decrease the pressure on the lining where there is significant water head. The Group has applied this technology at several sections of the new Naples- Bari railway line.

In addition to the above projects, the Group developed an ingenious test method to explore the explosive spalling of the fibre-reinforced tunnel sections during fire testing using the confined slab spalling test. The design and development of this technology have been completed.



Work site digitalisation

The initiatives in this area cover many fields. They entail the development of innovative tools that use machine learning, AI, big data & predictive analysis, IoT and BIM to facilitate the processing of large quantities of data

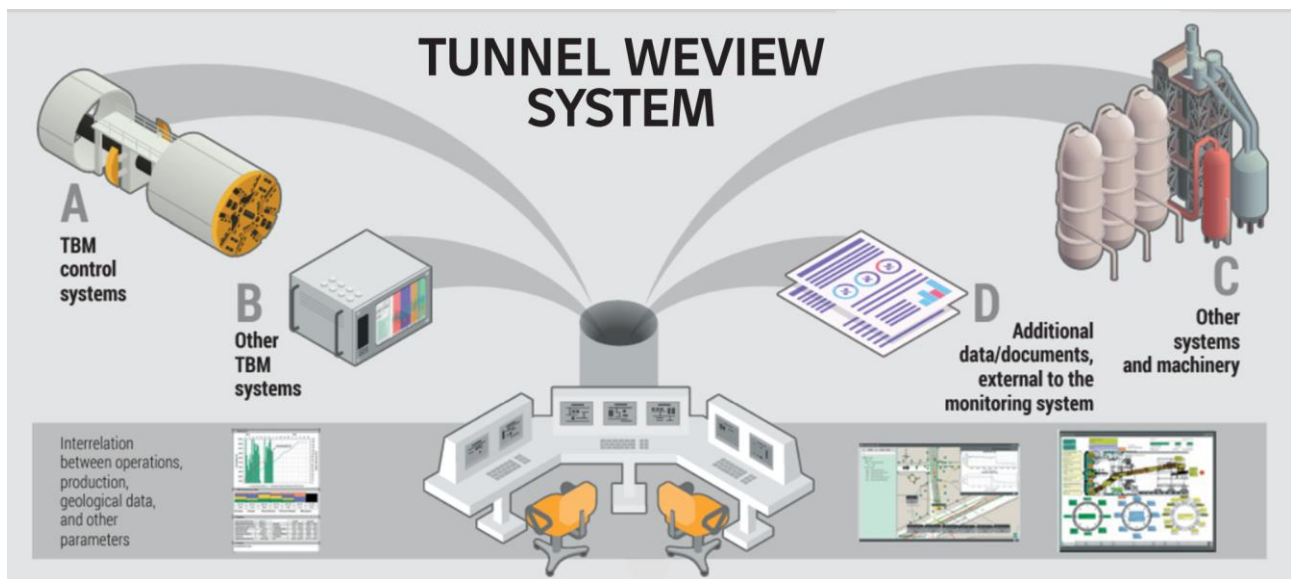
with summarised and concise outputs available in real time. Digital innovation is essential to Webuild's competitive edge. The main initiatives undertaken are:

- design of a complex system (data lake) to collect, supplement and manage big data from the work sites. The system processes the data using AI, drawing on past experience to support both contract and bid management.

This technology can be used to build a digital twin of the work site to organise the data generated by different sources and provide readily available processed information.

The same technology uses the data lake at centralised level to filter and file the data in a standardised manner;

- digitalisation of the collection, aggregation and entering of data during the execution phase, replacing paper reports with paperless versions that can be prepared by the work site personnel on their mobile devices (tablets, smartphones). This solution ensures a better trail, established inputs, and eliminates the need for transcription thereby simplifying the validation process;
- the Tunnel WeView system to assist management monitor a project's production, safety and environmental aspects and its impact by the real-time collecting, processing and viewing of operating, energy and environmental data, including monitoring the environmental objectives (e.g., GHG reduction) and their achievement. In 2022, the Group applied this technology at the Snowy 2.0 work site completing all the dashboards and network architecture of the subsystems. It also intends to extend the platform to an aggregate solution connected with the company servers for Italian projects;



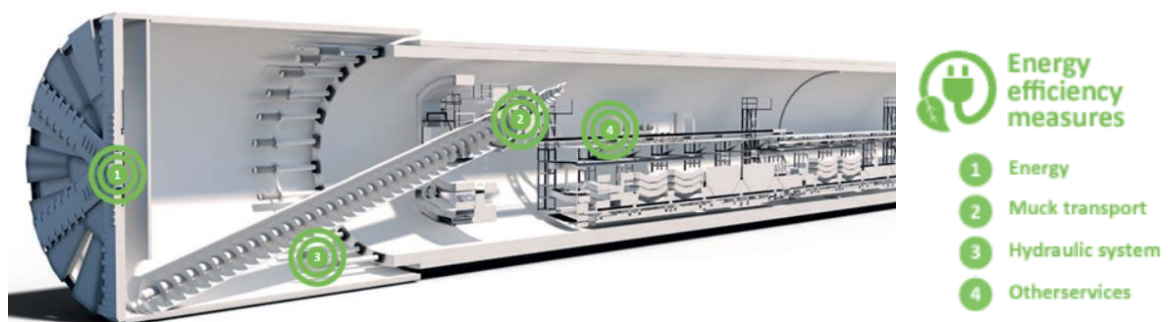
- knowledge management ecosystem to encourage a new approach to processes and activities to increase productivity, operating efficiency, sustainability, flexibility and traceability. In 2022, the Group launched the platform at four pilot work sites and set up two new internal communities of experts in the various fields;
- an innovative procurement platform designed to optimise the supply chain management, from the supplier screening and selection processes to performance assessment, as well as contract planning management. This system will resolve certain limitations inherent in the existing solutions, such as insufficient integration of the data and management aspects or not being able to map the entire supply cycle. It will also reflect the specific needs of the construction market and, specifically, those of Webuild;
- development of a fleet management platform to manage the technical and other data of all the Group's equipment with a standard classification using their tax and technical characteristics, which vary from one product family to another. The platform also includes all the information about the projects the equipment

is used for and their geographical location. At present, this system is in use at almost 30 work sites around the world.

Safety, quality and the environment

The design of a construction site layout that is sustainable, attentive to the safety of workers, the environment and the surrounding areas is becoming increasingly important. Once again, technology is the harbinger of efficient and improved performances in the safety and environment areas, leading Webuild to invest in this type of initiative. The most significant initiatives recently undertaken include:

- *GREEN TBM* - development of a TBM with reduced energy and water consumption by optimising the onboard systems and devices to improve tunnelling efficiency and all the many related functions and equipment; this has led to a reduction in the machine's environmental impact, faster tunnelling and greater safety. The first trials indicated a reduction in energy consumed per cubic metre of bored tunnel of around 20% compared to the traditional TBMs. During 2022, the machine's executive designs were completed and construction of the first more efficient TBM has started;



- an innovative system to monitor and manage work sites' water resources using remote digital systems to maximise water recovery during construction activities. This system (WWE- Webuild Water Efficiency) has been used at the Giovi third railway crossing work site (Milan- Genoa high speed/capacity railway line) in Italy;
- an automated system to design, manufacture and position tunnel segments using highly efficient robotic technology that integrates solutions for innovation, efficiency, circular economy, environmental footprint reduction, and development of a more resilient and better performing product. The robotised factory has been designed so that it can be dismantled and re-installed in other areas (design for deconstruction). It is currently being installed at the first Italian work sites and is nearly entirely self-sufficient in terms of its water and energy requirements;
- full electric or hybrid propulsion multi-service vehicles to transport materials and personnel in underground sites and to support the TBMs during the mechanised excavation for the total or partial elimination of GHG and polluting substances with the consequent improvement of the air in tunnels;
- environmentally-friendly electrical transformer cabins built using a combination of low environmental impact technologies and materials. In 2022, the analysis focused on the cabins' ability to emit less emissions, their costs and benefits and the feasibility of their use in the work sites to identify the most suitable type of cabin. Once finalised, the cabins will be audited for EDP (Environmental Product Declaration) certification.
- development of the AMICO- Account Method of Infrastructures embodied CarbOn platform to be used for the analysis and parametric evaluation of carbon emissions (embodied carbon) and energy consumption (embodied energy) of an infrastructure over its life cycle;
- introduction of the Infinity Neural system, which uses AI (Artificial Intelligence) to monitor work at tunnels bored using TBMs to improve workers' health and safety. The system consists of video cameras installed along the tunnel which monitor the proper use of Personal Protective Equipment, interaction between the

machines and between the machines and the workers and that the designated pedestrian crossings are observed. It picks up on non-compliant behaviour, which is reported to the supervisors using an instant messaging tool as well as sending concurrent acoustic signals to the workers involved. The system also guarantees privacy and generates regular reports.

In addition to continuing its ongoing projects, the Company constantly scouts for new potential innovation, research and development projects to invest in.

During the year, the US-based group company Lane continued to roll out its Fast Lane to Innovation Award programme to encourage, identify and recognise innovative practices developed in-house. In addition to their technical aspects, the submissions are assessed in terms of their environmental benefits and sustainability.

The Company has set itself the objective of investing additional resources of more than €30 million in the 2021-2023 three-year period, as set out in its ESG Plan. Its aim is to roll out high impact innovative technological and digital projects within its business processes to make them more efficient and sustainable.

Human resources



Health and safety, creation of jobs, attraction and professional development, diversity and inclusion: the Group's commitment to its people

Injury rates
one of the best in the sector

44%
employees under 35

35% women
at the head office

≈1,000,000 hours
training provided to direct and indirect
personnel

Internal policies

People, their skills and their dedication are fundamental to any organisation's competitive edge. Human capital is an increasingly critical success factor given the nature of Webuild's business, consisting of the building of unique large, complex infrastructure projects, its need to understand and have a flexible organisation that can adapt to different cultures and the complex transformation it is currently undergoing.

The adoption of a HR strategy and policy is essential and they must underpin the Group's strategic objectives through the efficient management of human resources and the organisation.

Objectives:

- guarantee that employees act in accordance with common rules and practices in compliance with the Code of Ethics and the Company's values;
- foster an inclusive work environment that enhances individual skills and encourages employees to develop their potential;
- cultivate diversity and inclusion as levers to understand the various cultural contexts in which Webuild operates, to encourage innovation and the ongoing improvement of decision-making processes key to achievement of the business objectives;
- attract, retain and motivate employees by guaranteeing their best placement within the Group to enhance their talents and growth;
- maintain the highest levels of protection for health and safety in the workplace for its employees, ensuring the necessary prevention and protection measures are in place to avoid or minimise occupational risks and instil a safety-based culture at all levels and proactive and ethical conduct;
- encourage the adoption of a single organisational model throughout the Group, based on structures and processes to create value and to concurrently comply with the legislation of all the countries where Webuild operates;
- introduce digitalisation as an essential tool to bolster the efficiency and standardisation of processes and maximise knowledge and the sharing of information between people across the Group.

Main risks and management methods

The Company's HR management policy complies with the principles set out in its Code of Ethics and the laws and regulations of the countries where it operates.

The risks and methods used to manage the key employee-related aspects and risks are described below.

Workforce

At 31 December 2022, the Group's workforce was as follows:

Direct workforce by category (GRI 2-7)	Unit	2020	2021	2022	% 2022
Managers	no.	544	477	463	1.3%
White collars	no.	8,318	8,518	9,830	27.3%
Blue collars	no.	20,300	21,803	25,701	71.4%
Total	no.	29,162	30,798	35,994	100%
Direct workforce by geographical segment (GRI 2-7)	Unit	2020	2021	2022	% 2022
Italy	no.	3,174	3,554	4,075	11%
Africa	no.	10,055	11,340	11,679	32%
Europe (excluding Italy)	no.	2,419	2,322	2,305	6%
Americas	no.	6,789	8,084	7,657	21%
Asia and Oceania	no.	6,725	5,498	10,278	29%
Abroad	no.	25,988	27,244	31,919	89%
Total	no.	29,162	30,798	35,994	100%

At year end, technical and production employees made up 79% of the workforce with office employees accounting for the other 21%. The split between open-ended and fixed-term employment contracts is 85% and 15%, respectively.

If the indirect resources (employees of subcontractors, temporary work agencies and other service providers involved in the Group's projects) are included, the total workforce deployed by the Group in 2022 numbered 75,514.

Direct and indirect workforce by geographical segment (GRI 2-7 and 2-8)	Unit	2020	2021	2022	% 2022
Italy	no.	7,911	15,779	16,040	21%
Africa	no.	11,463	12,440	12,716	17%
Europe (excluding Italy)	no.	6,399	9,427	5,654	7%
Americas	no.	13,256	25,356	22,422	30%
Asia and Oceania	no.	15,854	11,103	18,682	25%
Abroad	no.	46,972	58,326	59,474	79%
Total	No.	54,883	74,105	75,514	100%

The above figures relate to the Group's employees at 31 December of each year, calculated in line with the consolidation criteria of each group company²⁸. Considering the workforce engaged in the Group's projects, the total at 31 December 2022 is over 82 thousand direct and indirect resources.

²⁸ i.e.: (i) the number of employees regardless of the investment percentage for consolidated companies; (ii) the number of employees in proportion to the investment percentage for joint operations; and (iii) none of the employees are included in the calculation for equity-accounted investees and other companies.

New hires and outgoing employee trends are affected by the unique nature of the infrastructure sector, where workers are taken on for specific projects with employment contracts that usually end when the works have been completed.

In 2022, the Group hired 11,322 resources, including 4,585 under 30 years of age. Outgoing employees numbered 5,549, and this figure includes the transfers of resources among group sites. The greatest number of incoming resources was seen in Asia and the Middle East, while most departures were seen in the Americas as a result of the stage of completion on the main ongoing projects.

Attraction, selection and development

In 2022, Webuild carried on with its “Next-Gen” plan, launched in 2021 for young talents in Italy and abroad. This initiative is designed to help train the up-and-coming generations and to create jobs and opportunities for professional training in the infrastructure industry. It includes partnerships with Italian and international universities, research and innovation projects focused on diversity and sustainability, and technical schools for the training and employment of specialised workers. Employee attraction, selection and development activities comply with the principles contained in the Code of Ethics and company policies.

Employer Branding

There was a gradual return to the office after the restrictions imposed to deal with the Covid-19 emergency in previous years. Webuild’s approach to this “new normal” was to consolidate the experience acquired in using digital tools, which have now entered the daily life of the new generations in a disruptive and essential way while concurrently promoting as much as possible in-person participation at physical events to engage face-to-face with young talents and close the gap. To this end, it organised around 30 events during the year using all the tools available, ranging from assessment simulations, seminars held by Webuild managers, career orientation meetings, career days and recruitment days, representing a valuable opportunity to engage with the younger generations.

The young generations are a fundamental resource to the Group, which reiterated and extended its commitment with innovative and engaging initiatives that gave young people the opportunity to get to know the Group and test themselves through competitions organised by Webuild with the main Italian universities and other multinational groups.

During the year, Webuild continued to cultivate strategic relationships with Italian and international universities, participating in initiatives targeted directly at the students as well as playing an active role in the definition of guidelines, the joint planning of placements and recruitments, analyses of educational requirements and the evaluation of the courses offered by the universities to ensure that they are increasingly aligned with the business world’s real needs.

Programmes and initiatives for young people



2021-2022 PLAN



TOTAL INVESTMENT

>€1.2mln



BENEFICIARIES

~250 YOUNG PEOPLE

Premio **Alberto Giovannini** for graduates and PhD students

Trade schools in Italy

Challenge 4 Sud contest for engineering students in Southern Italy

Recruiting in Southern Italy 100 engineering graduates



Scholarships and partnerships with 18 universities in Italy and abroad

STEM Programmes dedicated to Women

Ingenio al femminile Award for sustainability in infrastructure sector

October 2021

Main initiatives of 2022

Italy	United States	Australia
<p>In 2022, UniWeLab, the research lab set up by Webuild and Genoa University in 2021, promoted a hackathon for undergraduates to brainstorm innovative ideas for sustainable mobility in the Genoa area. The winning team reinterpreted the “Sopraelevata”, the Genoa flyover, as a green belt for the city while the lab ended its first year of activity with the publication of the UniWeLab book describing its experiences and the training and innovation activities performed.</p> <p>The first edition of the Alberto Giovannini Award ended in March. It was set up in memory of the Group’s former chairperson, following his untimely passing in 2019. Aimed at making a concrete contribution to the professional growth of young people, the award is open to all Italian universities engaged in promoting innovation in the construction sector. The winners of the first edition were awarded an international internship, upon completion of which they were offered a place in the Group. The PhD bursary to stimulate research and innovation in the sector was assigned to the Turin Polytechnic University.</p> <p>Again during the year, as part of the Webuild Next-Gen initiative, Webuild was committed to promoting the universities of southern Italy with an initiative that involved students from various universities and saw them work in groups on innovative projects, the challenge4Sud.</p>	<p>As well as focusing on universities pivotal to its reference markets, Lane rekindled its relationships with the organisers of national conferences targeted at a diverse university-level audience. For the second consecutive year, it participated in the Society for Women Engineers (SWE) conference as well as the Society of Hispanic Professional Engineers (SHPE) national conference in November and will also attend the National Society of Black Engineers (NSBE) conference in March 2023. This new, more targeted approach allows the group company to strengthen brand awareness with selected partners, focussing on fewer organisations but with greater involvement before, during and after events. Its commitment runs throughout the entire academic year through posts on social media, seminars and general support provided to students in interview simulations and resume workshops.</p> <p>Standardisation of the Group’s approach to employer branding, both online and in-person, led to the development of a scalable solution, perfect for dealing with the ongoing transition from events that had moved completely online to a hybrid combination of online and in-person.</p> <p>Lane’s team is also trialling a programme to provide high school students with summer internships. This programme will increase brand awareness at an earlier stage to stimulate students’ interest in the large infrastructure industry and help solve the skill shortage in the US.</p>	<p>In 2022, the Group continued to partner with the University of Technology (UTS) in Sydney. The recipients of the 2022 Australia Tomorrow’s Builders Scholarships were identified while the “Women in Engineering and IT” programme was renewed to promote women engineers’ academic and professional training.</p> <p>Webuild will continue its partnership with UTS in 2023, supporting the “Women in Engineering & IT” programme and minority groups through scholarships in engineering and construction courses.</p> <p>The University of Melbourne in the state of Victoria renewed the two scholarships funded by Webuild for a male student who received the “Webuild Master of Engineering Scholarship” and a female engineering student who was awarded the “Webuild Women into Engineering Pathway Scholarship”.</p> <p>During the year, Webuild entered into a partnership with the University of Queensland to fund two scholarships for First Nations engineering students, reflecting how important it is to the Group to develop the young talents in the areas where it operates. The first recipients will start their courses in 2023. This partnership speaks to the importance to the Group of inclusion and diversity as guiding tenets, helping to affirm Webuild as a Diversity Employer. Webuild will also participate in the 2023 Innovation Challenges, contributing to stimulate the creativity of engineering students and the development of new sustainability options.</p>

During the year, the Universum classification of the “Most Attractive Employers Italy 2022” confirmed Webuild’s position among the top 30 for STEM professionals in Italy. Webuild is also the most attractive business in the construction sector for both categories of the survey.

As part of the “Italy’s Best Employers 2022/23” study carried out by La Repubblica, Affari&Finanza on a high-level data base using the social listening method and AI to assess a company’s online reputation, Webuild obtained the top score of 100/100.

These prestigious accolades bolster the Group’s reputation on the labour market and its appeal as an employer of choice, supported by its regular notification of job vacancies at all levels and its core values, starting with how it cares for its employees in the more than 50 countries where it operates.

The challenges of the next few years posed by the construction sector’s fast-paced growth, boosted by public investments in infrastructure, has extended the Employer Branding reference target to secondary school students and professionals of other sectors. Webuild has already launched initiatives to augment its brand awareness and the attractiveness of its sector with this new target base through presentations by managers at technical secondary schools (specialised in construction, the environment and local communities) while others are in the pipeline, such as Open Days at group work sites. These Open Days are both a good opportunity to showcase the Group’s activities to potential candidates and to engage with the local communities.

Selection and acquisition

The employee selection and acquisition activities are regulated by a defined, standardised procedure at corporate level and for its projects that require the structured scheduling of requirements, followed by an internal scouting stage to verify any potential internal candidates for the vacant position or recruitment on the market (if necessary).

The Company uses a dedicated system that ensures the traceability and transparency of the scouting and selection process by constantly updating the pipeline of candidates.

Alongside the recruiting activities to fill vacant positions, in 2022, the Company continued to use its advanced search tool to create a national and international pool of talents for future staffing needs and to complete its succession plan as an additional lever to guarantee and ensure business continuity. It will continue this project into 2023 by extending the analyses performed to date.

During the year, the Group continued its inclusion-oriented selection programme, launched in 2021 to foster diversity and inclusion as part of Webuild’s 2021-2023 ESG plan.

This inclusion-oriented selection programme is comprised of three steps covering:

- the presentation of diversity-oriented shortlists (when possible);
- assessment of the working for inclusion skill described in the leadership model;
- the presentation of blind CVs to managers involved in selection to avoid possible involuntary bias during the selection phase.

The programme was implemented at the head office in 2021, before being extended to the branches in 2022. It will be adopted by all directly managed projects and joint ventures led by Webuild in 2023. The Company shared its new selection guidelines with the suppliers that assisted the Group with personnel scouting and selection to ensure their consistent application.

To indirectly support its international staffing activities and to meet the large growth in demand for workers, partly a result of the National Recovery and Resilience Plan, the Group stepped up its vetting of international recruitment agencies during the year with a view to creating new partnerships covered by master agreements at advantageous terms for all group entities.

2022 also saw the Group heavily involved in recruitment with a view to the career orientation of the new generations: considering just the Italian contracts alone, the Group hired around a hundred young talents, who chose Webuild for their first job, during the year.

Management training and development

Fostering personal development and talents is important to Webuild to build its business. In 2022, it introduced and refreshed tools, programmes and initiatives to support and promote career paths, organisational growth and the continuity of its succession plans.

Performance Management

The performance management model defines and assesses each employee's contribution to the achievement of the Group's objectives in terms of the results achieved and the skills and approaches acquired.

Its main characteristics are:

- a dedicated application for performance management;
- assignment of objectives and performance assessment based on two factors: the "what" (result) and "how" (managerial skills in action). The reference managerial skills are those of the Group's Leadership Model, encompassing the soft skills and practices necessary to achieve the Group's objectives;
- dialogue between the manager and the employee starting with the agreement of individual objectives through to the assessment of performance and practices deployed.

The model promotes management by objective and a culture of feedback, involving managers in the personnel development choices, the identification of growth paths on the basis of the gaps identified as well as the strengthening of tools for managing talents and key resources, including as part of succession planning.

After its deployment at corporate level, in 2022, the model was extended to white collars at the Italian group companies and the project managers and supervisors of the Italian projects as part of the plan for its progressive roll-out to all the Group's operating entities.

Once again, the process was supported by in-person and online training courses to provide guidance about the correct assignment of objectives, performance assessments and management of feedback.

Managerial and talent development

In 2022, the Group continued to hone and introduce dedicated tools to identify talents and accelerate their growth paths towards management positions both at corporate and project level. This approach is designed to support the global staffing strategy in line with the Group's business growth.

One of Webuild's key development tools for its senior and upcoming managers is its Global Managerial Academy. This school provides training paths for figures who are already working in key roles or who are growing inside the Company tailored to their seniority and designed to foster both the development of their managerial and technical skills that are fundamental to the Group's business.

2022 saw a return to in-person training courses to encourage greater participation and networking among the attendees based at different group entities. Since its inception in 2022, the Global Managerial Academy has provided training to 170 managers from all over the world working in different business areas.

In addition to specific tools designed to foster personnel development introduced in previous years, Webuild introduced:

- assessment pathways to encourage the growth and promotion of its more senior resources, flanked by dedicated training and development initiatives (e.g., business coaching);
- a structured succession planning process to ensure a pipeline of successors for the Group's key strategic roles, both at head office and operations levels to guarantee business continuity.

In the second half of the year, Webuild defined a new assessment methodology for use in a mapping and identification project in the first half of 2023 in order to create a structured system to identify and manage young talents. It will then be able to introduce targeted action plans to foster growth with special development initiatives such as job rotations, a dedicated Academy, mentorships and technical training courses.

E-Learning Academy

The Group's eLearning platform, E-Learning Academy, promotes ongoing skill acquisition. It provides online courses for self-learning, enabling a large part of the workforce to complete their mandatory training courses and technical and managerial courses.

In 2022, the platform was refreshed with new content and functionalities in order to make it easier to use and monitor. It currently has over 100 learning pills and training courses on technical subjects, innovation, leadership and compliance.

Knowledge Management and Technical Training

The Company set up a new Knowledge Management and Technical Training unit in 2020 to capitalise on internal skills by sharing and leveraging the Group's know-how and to develop new skills to tackle the sector's future challenges.

Knowledge Management

During 2022, the Company continued its Knowledge Management Programme as part of its drive to optimise the knowledge-sharing tools and methods and access to specialist expertise, significantly improving the Company's competitiveness in the production and related sectors and bolstering the retention and expertise of Webuild employees.

The purpose of the Knowledge Management Programme is to provide employees with a service to capitalise their know-how as a 360-degree change management tool and provide the Group with a competitive edge, including through the deployment of digital technologies.

The Knowledge Management Programme has two main areas: the design of an integrated platform to host "explicit" information and collaboration communities that can capitalise on specific knowledge to make it easy to deploy as needed by transforming "tacit" skills into "explicit" skills in a digital format. It was necessary to establish the needs and requirements of the people in the different functions to design the Knowledge Management platform, aimed at reaching easily traceable information in a structured way and in profiled sharing, after which a concept of the new innovative Knowledge Management process and the related implementation roadmap were defined.

Based on this model, Webuild defined a standard applicable to the first two use cases and selected pilot work sites. It also set up two communities: the Innovation Community, to share internal know-how about innovative topics, and the IT & DS Community for employees specialised in Information Technologies and Digital Systems. The aim of these communities is to allow them to consult about problems, share solutions and ideas and to make their daily work more efficient. These communities significantly improve operating efficiency both by encouraging the sharing and re-deploying of best practices developed by one work site and transferring them to another and by creating a work environment with a single point of access. Thanks to a network of experts skilled in identifying effective, fast and appropriate solutions, recurring problems can be resolved easily and quickly.

Technical training

The Italian construction sector will see exponential growth in the next few years due to the state investments earmarked for it as part of the plan to relaunch the economy together with the funds set aside for infrastructure by the National Recovery and Resilience Plan.

Therefore, there will be great need for specialised labour, which is not currently available on the market due to the stagnant situation of the sector in recent years.

To meet this need, in 2022, Webuild set up a trade school, "Scuola di Mestieri", designed to train and employ a new generation of specialised workers in the infrastructure sector.

The Scuola di Mestieri vocational courses bring together theory and on-site experience. The school aims to deliver specialist training to new resources and to integrate them into the Group, offering the security of stable employment and solid career prospects.

Alongside classroom lessons, the new hires will be mentored in the work sites by more senior resources who have been provided with tailored training on how to effectively pass on their know-how. Simulators will also be used to allow both the new hires and their mentors to trial critical conditions in a safe environment.

The school's key objectives are:

- attract resources to the construction sector to benefit the entire industry;
- develop a pool of strategic resources qualified to respond to the medium to long-term changes the sector will face;
- provide reskilling pathways and rehiring of currently unemployed resources, embracing the National Recovery and Resilience Plan's mission for labour policies;
- leverage the know-how accumulated in-house on an international scale;
- install a culture of safety;
- standardise skillsets.

The Scuola di Mestieri has a tailored selection process which includes aptitude tests to assess candidates' awareness of safety issues, as well as their interpersonal skills, willingness to learn and professional ethics.

The attraction, selection and development activities, described above, help the Company mitigate risks such as not being able to fill positions due to a lack of qualified personnel available on the market, or a time lapse between the assignment of the project and the starting of works, or an inability to retain and motivate key professionals, including for the broader business continuity purposes.

The school's underlying aim is to transfer the Group's exclusive skill set to new resources, to cultivate the workers of the future while continuing to invest in Webuild people and unceasingly ramp up its own internal expertise.

The school was involved in three pilot projects rolled out on a trial basis during the year:

- the Giovi third railway crossing- Genoa Junction project (the high-speed railway line that will connect Genoa to Milan) in the first half of the year;
- the SS-36 state road Jonica project in August, with the training of master builders who will act as tutors for the new recruits and will continue with the first placements of young trainees;
- the Hirpinia- Orsara section of the high-speed Naples- Bari railway line project, for the work performed by the TBM, towards the end of the year.

During the year, in order to increase training capacity and extend the project to the Group's professional staff and managers, Webuild began to blue print an internal academy to attract, on-board, train and develop professionals with the skills required by the Group in the 2023-2026 period. The aim is to both to achieve internal upskilling and provide training to the local communities.

During the year, Webuild continued to focus on professional development and technical skills both by developing specific courses at head office level and providing courses locally in the various geographical areas where it is present. Its objective is to ensure that work is performed in accordance with its technical, quality, environmental, health and safety standards as well as to ensure that it has qualified personnel available for its current and future projects. Accordingly, projects continue to deliver professional training courses for the local workforce, defined using parameters that identify the training requirements and needs for each position and employees are required to attend the specific training course identified for their roles and requirements (both classroom-based and on-site).

These courses avoid the risk that employees' technical, professional and managerial skills become obsolete as this could affect the productivity, efficiency and safety of their jobs.

The Group drew up an environmental training plan in line with its climate transition road map and the 2021-2023 ESG plan objectives. Its intention is to inform, raise awareness and provide technical training tailored to the reference target focused on, in particular, decarbonisation, the circular economy, biodiversity and environmental protection.

In line with the previous year, the Group continued to deliver its training course on environmental sustainability in the construction sector “Sostenibilità ambientale in constrAction: eco-design, decarbonizzazione ed economica circolare” in 2022.

This course was prepared by the Safety, Environment and Quality and Corporate Social Responsibility Departments in collaboration with the Turin Polytechnic for employees at the head office and group companies. It offers a concrete, objective and specific approach to climate change, the circular economy and decarbonisation tailored to the construction sector.

Training hours (classroom and on-site) provided in 2022 covered many aspects (health and safety, the environment, quality, technical/specialist, compliance, management, etc.) for a total of 730,734 hours (400,407 hours in 2021). These courses were supplemented by health and safety courses provided directly at the work sites, which are very important as awareness-raising and prevention tools. During 2022, the Group carried out roughly 178 thousand Toolbox Talks (147 thousand in 2021)- short meetings on health and safety-related aspects and the environment held at the start of work shifts- at its work sites. Overall, Toolbox Talks on health and safety-related aspects numbered approximately 131 thousand (125 thousand in 2021) which, including those on the environment, brought the average to more than 480 a day (400 in 2021).

In addition to training given to group personnel, the staff of the Group’s subcontractors attended courses on QHSE subjects totalling 266,347 hours in 2022.

A total of 997,081 hours of training were provided in 2022 to direct and indirect personnel (561,445 in 2021).

Average per capita training hours (GRI 404-1)	Unit	2020	2021	2022
Managers and white collars	hours	8	10	19
Blue collars	hours	10	14	21
Total	hours	9	13	20

Total reward

The Company has operating procedures and practices designed to ensure that its remuneration policies comply with the regulations applicable in the countries where the Group operates and especially the minimum wage requirements, where these exist. At both corporate and operating level, the Company regularly meets with the trade union representatives (when appointed) to discuss remuneration.

A well-thought out remuneration policy is essential to retain key resources, mitigating the risks Webuild is exposed to, which are mainly the possible more aggressive remuneration and career policies of competitors. To this end, Webuild’s remuneration policy has the following objectives: guarantee fair treatment in terms of the enhancement of know-how and professional skills of individuals and their roles and responsibilities, check that remuneration matches the related positions, ensure fair and consistent remuneration in line with the reference market and award bonuses in line with results and actions.

Webuild’s remuneration policy has the following objectives in line with the above principles: retain and motivate qualified professional resources to pursue the Company’s and Group’s objectives; encourage these resources to stay with the Company and the Group; align, as far as possible, management’s interests with the medium to long-term interests of shareholders and stakeholders; ensure financial balance and the sustainability of its policies over time.

The Company continued its Short-Term Incentive (STI) programme for its key resources during the year, with the objective of strengthening the results-orientated culture. The programme is part of the Performance management system which has continued the approach to setting objectives and assessing performance and

includes a skills assessment section, in order to obtain an overall assessment of managers by considering not only what they have achieved, but how have they done it. The STI programme has three categories of objectives: the first is that of the Group's performance in line with that of senior management. The second is individual performance while the third refers to the skills requested of each position. At the end of the year, the results are assessed in qualitative and quantitative terms and considered together with the skills to determine the overall performance achieved.

The safety objectives related to the development and implementation of the quality, environment and safety management system and a reduction in the injury rate continue to be included for resources in the operations area. These objectives reflect the Company's commitment to improving the protection of its workers' health and safety and ensuring high quality standards and protection of shared environmental assets.

During the year, the Company continued its long-term incentive plan, the LTI 2020-2022 plan, to align the performance of the Group's key personnel with shareholders' interests as well as to retain and engage with management to ensure the stability required to meet the business plan objectives and remunerate them in line with market practices. As well as being tied to economic and financial indicators, the three-year plan also includes achievement of specific sustainability objectives. The two non-financial objectives (equal to 20% of the total) reflect the Company's commitment to ESG issues, which are an increasingly integrated part of Webuild's business strategies. They include an injury rate reduction goal (it should be noted that Webuild's injury frequency rate is much lower than its peers) and involvement in the shared fight against climate change by reducing the Group's GHG emissions intensity (scope 1 and 2).

Webuild is aware of the importance that employee satisfaction plays in terms of the quality and productivity of their output and that work/life balance also contributes to this satisfaction. In 2022, it activated a number of services to draw attention to the importance of a good work/life balance as employees returned to work in their new premises.

Another important aspect of this issue relates to the journey from home to work by private means of transportation, which can be very stressful especially in large cities. Webuild is convinced that mobility is one of the main issues that a company dedicated to the well-being of its employees and protection of the environment should manage as best it can. In 2022, it confirmed the home-work travel plan, launched at the end of 2021, which sets out initiatives and solutions to improve and make the journey from people's homes to the office more sustainable. It considered the possibility to work from home and the needs of its employees as per the dedicated survey.

Equal opportunities, diversity and inclusion

The Group is committed to maintaining a work environment that fosters inclusion, recognition and appreciation of diversity in all its forms (gender, age, nationality, ethnicity, social or civil status and religion). It believes that this gives it a competitive edge in terms of growth, the creation of synergies and in understanding and capitalising on the challenges of a multi-cultural business environment in line with the guidance set out in its Policy on Equal Opportunities, Diversity and Inclusion.

This approach includes the awareness-raising, communication, employer branding, recruiting and training initiatives and actions to proactively foster an inclusive culture which supports diversity.

As described in the "Employer Branding" section, Webuild has extended and consolidated its commitment to funding scholarships and courses both for female students and young people in general as part of its partnerships with leading universities and national and international bodies.

Turning to recruiting, the Group continued and reinforced the inclusion-oriented selection process (see the "Selection and acquisition" section) demonstrating its intention to align its processes ever more closely with the principles of equal opportunity, diversity and inclusion.

In 2022, Webuild confirmed its membership of the Italian association Valore D, which promotes gender balance and an inclusive culture both through training, as well as communication and networking. This paved the way for the Company's involvement in numerous training initiatives, including mentoring programmes to foster management skills and reinforcement of an inclusive culture, workshops, training labs and talks, designed to cultivate soft skills together with leadership skills.

Inspire – Webuild's mentoring programme

Webuild extended its mentoring project, designed to promote its people's development and strengthen a corporate and transversal culture.

In 2022, the Inspire programme involved two initiatives focused on the enhancement of diversity and inclusion through:

- continuation of the onboarding mentoring project, where a mentor (a more senior figure) is associated with a younger new hire (the mentee) to stimulate mutual growth and intergenerational exchange;
- launch of a mentoring project for female leadership to encourage the development of women in managerial roles and/or towards roles with greater responsibilities.

Webuild's training and awareness raising initiatives also included an online course on unconscious bias held during the year.

The Group's commitment to fostering a diversity and inclusion culture was demonstrated with Webuild Italia's certification pursuant to ISO 30415 Human resource management- Diversity and Inclusion. This achievement confirms the Group's work to incorporate greater inclusiveness and sustainability in its approach and development of HR processes.

The Group has employees of more than 100 nationalities, 89% of the workforce is local, increasing to 99% in Italy, 96% in Africa and 99% in the Americas. Local managers make up 77% of the total (more information is available in the "Social" section of this Statement).

The Group's leadership status is characterised by international managers from non-construction companies who contribute their different views and outlooks. International resources cover 24% of the Group's key positions.

Another important contributor to diversity is the young age of the Group's resources. The following tables provide a breakdown of its employees by age bracket:

Employees by age bracket (GRI 405-1)	Unit	2020	2021	2022
< 30 years	%	26%	24%	25%
30-50 years	%	58%	58%	58%
> 50 years	%	16%	18%	17%

Considering employees under 35 years old, the percentage of this age bracket increases to 44%.

With respect to gender diversity, the Company proactively promotes equal opportunities for men and women in a sector that has traditionally been a male domain.

Employees by gender (GRI 405-1)	Unit	2020	2021	2022
Men	%	88%	88%	88%
Women	%	12%	12%	12%

At group level, women make up 8% of the management team, 24% of white collars and 7% of the blue collars, while at functional level, they represent 6% of the technical and production staff and 34% of the office employees.

The presence of female employees is higher at the central Milan and Rome offices, where they make up 35% of the total workforce.

In 2022, the Group continued to develop its gender pay gap analysis method. Its purpose was to analyse any remuneration differences and assess the percentage of female employees holding senior positions in the Group by comparing roles using the job evaluation system.

It included measures to eliminate the remuneration differences for certain categories in the 2022 remuneration policies.

As described in the previous sections, recruitment, development and training activities will continue to focus on equal opportunities for access to management positions, in order to increase the number of female employees holding senior positions.

Accordingly, and with specific reference to the succession plans for key roles, the percentage of women included in the succession plan for key roles in 2022 was 21%. Webuild confirms its target of 25% for the end of 2023. It has also implemented dedicated tools to increase the number of women in management and key positions.

Health and safety in the workplace

Focus on health and safety in the workplace is one of Webuild's fundamental values. It has an ISO 45001 certified occupational health and safety management system, which defines the main processes, roles and specific responsibilities to achieve its objectives and implement its safety policies.

The new certifications have been updated during the year to reflect the change in the Group's scope after the integration of the Astaldi Group companies and contracts.

Organisational units

The Corporate Safety, Environment and Quality Department is organised to best meet management's objectives:

- ensuring coordination of the HSE management system activities to be of use to HSE teams at work sites;
- encouraging a change in the HSE culture through a competence centre to develop innovative policies and programmes;
- strengthening the integration of health and safety aspects within engineering processes through the technical safety unit;
- monitoring health at corporate level and providing guidance for work sites;
- ensuring continued health and safety operating support to the work sites.

The main risk the Group is exposed to in this respect is the incomplete implementation of the relevant regulations with the resulting potential impact on its workers, in terms of professional illnesses and injuries, and on itself in terms of potential sanctions. Changes in regulations and external factors tied to the operating context (e.g., climate, social, cultural factors) may be sources of risk for the Company.

Specifically, workers are exposed to various types of risks that could affect their health and safety based on the geographical location of each operating unit and their specific activities. Each office and work site that applies the Group's health and safety management system has, inter alia, the following measures to manage these risks:

- identification and assessment of the exposure to the risk;
- identification of the persons at risk;
- assessment of each job's risks;
- identification of control measures to reduce the risk;

- definition and introduction of training courses;
- monitoring work areas to check that control measures are in place and effective;
- making employees aware of these risks, including via unconventional and innovative information, training and communication campaigns.

These measures are regulated by internal guidelines and procedures, which include, inter alia, the documentation each operating unit is required to have, comprising the risk assessment document, operating safety plans, emergency and evacuation plans, fire prevention and control plans and first aid plans.

The Employer and downstream (in line with the proxy system) the managers, officers and workers ensure that health and safety management measures are in place. Specialist teams oversee the implementation of the measures in each operating unit. Specific attention is given to training employees about specific duties and the operating controls over work processes, performed either directly by the Group's employees or subcontractors' staff.

Training programmes are defined at operating unit level by the health and safety management system manager and approved by the Employer, based on a risk assessment and the applicable legislative requirements. The training courses provided to each worker cover at least the following issues:

- the health and safety organisation (Employer, health and safety manager, prevention and protection officers, company doctor and the workers' safety representative), the legislative framework and an overview of the management system;
- health and safety risks arising from the Group's activities in general and the specific risks faced by the workers depending on their job;
- first aid and emergency management procedures (in particular, the fire fighting and evacuation plans).

The health and safety managers receive special information and training courses. The key topics are the legal-regulatory framework, safety management and organisation, risk identification and measurement, communication, training and discussions with workers.

The health and safety officers and supervisors undergo additional training to that provided to the workers on the definition and identification of risk factors, incidents and near misses, techniques to communicate with and raise the awareness of employees, checking that workers comply with the legal and internal rules and the use of collective and personal protection equipment.

Workers, health and safety officers and supervisors and managers attend regular refresher courses. The courses for health and safety specialists (Protection and Prevention Manager, Protection and Prevention Officer, First Aid Officers, etc.), meet the minimum requirements of the relevant legislation.

The work site workers (employees of the Group and its subcontractors) receive special training on the related risks, specific activities and the possible risks of interference (Induction, Tool Box Talks, Job Safety Analysis/Pre-Job Meetings, etc).

In order to ensure the collaboration of all the Group's employees, they have the right to appoint safety representatives in accordance with the applicable legislation.

These representatives are given the relevant training and information. They are also consulted when key mitigation measures are implemented, including as a minimum:

- the introduction of a new process or equipment or its adaption;
- the appointment of the risk assessment manager;
- injuries.

The Health and Safety Policy provides for, inter alia, the "right to intervene" for all employees when there is a doubt that health or safety could be compromised.

Employees may also use the whistleblowing system described in the section on “Anti-corruption” to make notifications about health and safety issues or they may use the other available channels at group level (e.g., reporting to their superior) or work site level (e.g., the workers’ representatives, post boxes, grievance mechanisms).

The Corporate Safety, Environment and Quality Department regularly performs specific audits of the effective application of the ISO 45001 management system at the Group’s work sites and assesses application of the internal health and safety in the workplace regulations.

Valyou – Our Health and Safety Way

The roll-out of the safety Builders Program was re-activated in 2022 as the Covid-19 emergency measures were eased. This program’s objective is to encourage a strong corporate safety culture, based on strengthening leadership abilities at all management levels. It is part of Webuild’s more wide-reaching communication strategy, Valyou- Our Health and Safety Way project.

Thanks in part to careful planning, 66 workshops and 32 safety intervention (s.a.f.e.r.) training courses were held in 2022, with the participation of 1,407 managers and supervisors for a total of roughly 7,933 hours of training.

As an integral part of the Valyou- Our Health and Safety Way, Webuild continued to roll out and introduce its “Your Lifesaving Rules”. Launched in 2019, this set of operating and management rules is devised to:

- integrate the culture change process commenced with the Safety Builders Program;
- foster workers’ active involvement;
- strengthen the sense of belonging to the Group;
- systematise conduct;
- promote the purposive adoption of the Group’s Health & Safety Vision.

The Company’s main workplaces celebrated the World Day for Safety and Health at Work (“WSD”) in April 2022. In line with the theme promoted by the International Labour Organisation (ILO) “Act together to build a positive safety and health culture”, the Group focused on cultivating open communication and dialogue based on trust, feedback and mutual respect for a positive health and safety culture. Participation in the event was very satisfactory with more than 33 Italian and foreign work sites celebrating the event and actively involving managers and workers in Safety Management Walkabouts and Toolbox Talks to promote the near miss report and the use of the right to intervene (safety intervention).

The Group awarded the Safety Trophy to the work site that stood out both during the WSD celebrations and throughout the year. The award ceremony took place in December 2022 with the “virtual” awarding of the trophy by the CEO Pietro Salini to the Milan Metro Line 4 work site.

The objective of the activities carried out in the work sites as part of the ValYou project, the Safety Builders Program, the Your Life Saving Rules, dedicated training courses to hone skills in addition to the mandatory courses and the celebration of the World Day for Safety and Health at Work is to heighten awareness of all Webuild personnel and the personnel of its suppliers and subcontractors of the importance of health and safety in the workplace as well as emphasising management’s significant involvement in promoting culture change programmes.

Safety performance

There has been a significant improvement in the Group’s safety performance.

The gradual winding back of the measures adopted to curb the spread of Covid-19 made it possible to increase training, meetings and information on safety activities, which are fundamental to preventing injuries. The greater mobility of resources also meant resuming support, assessment and audit activities at worksites, which contributed to reducing the number of injuries.

The injury rates are set out below, expressed as the number of events for every million hours worked²⁹.

Injury rates- Direct workforce (GRI 403-9)	Unit	2020	2021	2022
Hours worked	hours	79,594,548	89,844,575	96,203,020
Lost Time Injury Frequency Rate	LTIFR	1.947	2.727	2.204
Total Recordable Frequency rate	TRFR	5.63	6.70	6.00

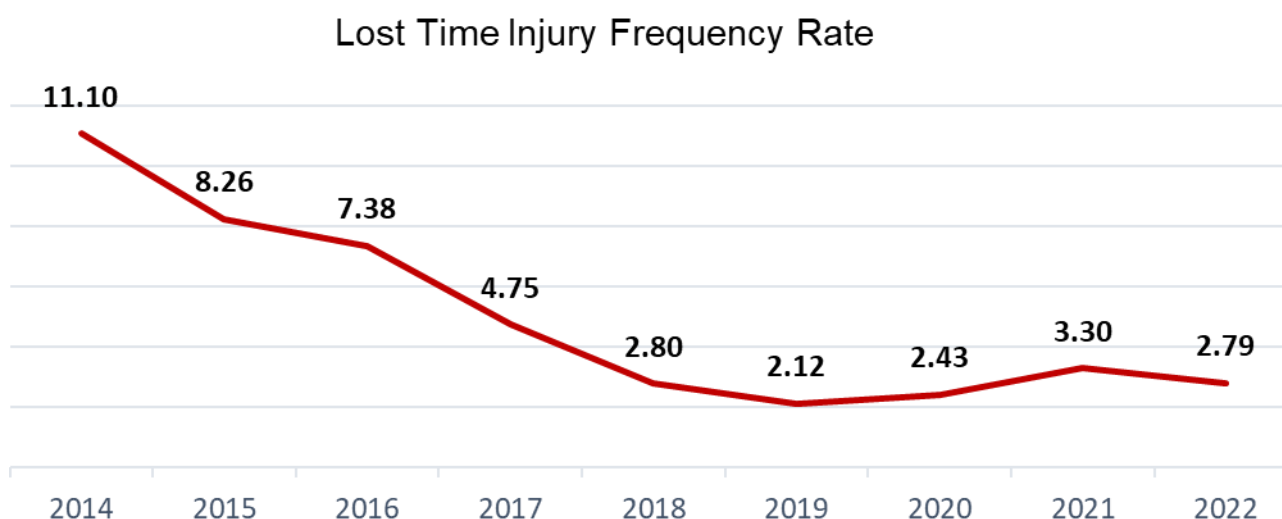
Injury rates- Subcontractors' workforce (GRI 403-9)	Unit	2020	2021	2022
Hours worked	hours	59,693,023	57,384,422	44,898,290
Lost Time Injury Frequency Rate	LTIFR	3.066	4.182	4.054
Total Recordable Frequency rate	TRFR	3.52	4.97	5.43

Total injury rates (GRI 403-9)	Unit	2020	2021	2022
Hours worked	hours	139,287,570	147,228,997	141,101,310
Lost Time Injury Frequency Rate	LTIFR	2.427	3.294	2.792
Total Recordable Frequency rate	TRFR	4.72	6.02	5.82

Reference should be made to the Methodology for reporting non-financial information for details about the calculation method.

A local investigation and/or investigation with the support of the corporate units is carried out for each injury, depending on its severity. The objective is to identify the cause of the injury (root cause analysis) to prevent similar events occurring. The Integrity Board is informed of the results of investigations into important inquiries pursuant to the provisions of the Organisational model (Legislative decree no. 231/2002 as subsequently amended).

The following graph presents the LTIFR (the ratio of the total number of injuries leading to absence from work in the period to the total number of hours worked, multiplied by 1,000,000) and its improvement in recent years.



²⁹More information about injuries recorded in the year is available in the GRI Content Index, indicator GRI 403-9. The total hours worked in 2021 were adjusted (upwards by 0.07%) to reflect information that became available after the 2021 Consolidated Non-financial Statement had been published.

The ratio improved in 2022 compared to previous years which were affected by Astaldi's entry into the Group and the reduced prevention activities due to the pandemic-imposed restrictions.

The Group has met its objective of a 40% reduction by 2022 (before introduction of the ValYou programme) compared to the 2017 LTIFR.

The Company will continue to make occupational health and safety improvements over the coming years to achieve a further reduction in its injury rates (LTIFR and TRFR), an increase in the per capita safety training provided for direct employees and as part of the Safety Builders programme, and to step up its operating monitoring activities, with on-site security assessments and audits.

Health protection

Webuild protects its workers' health in the workplace with a dedicated corporate Internal Healthcare Unit, which is in charge of health management through occupational medicine, work hygiene (performing regular inspections of the work sites to check workplace conditions and compliance with applicable legislation), travel-related health advice, health care and medical emergencies, digitalisation of health care processes and services and health promotion initiatives.

Initiatives underway include those aimed at:

- prevention of cardiovascular risks;
- smoking cessation campaigns for smokers;
- prevention of sexually transmitted diseases (e.g., HIV) campaigns in particularly critical social and health situations;
- prevention of flu (and its complications) through vaccine programmes (which were also in place at the end of 2021);
- campaigns to promote healthier life styles with better nutrition and increased exercise;
- psychological support for stress management and problem solving through an anonymous counselling service, which is active 24/7. The Group's intention is to promote the psychosocial well-being of all its people working in Italy and abroad to create an environment that fosters quality of life.

When adequate local healthcare units are not available, the Company sets up work site medical clinics which offer 24-hour healthcare and ambulance services to direct and indirect employees as well as their family members residing in the work site accommodation. The Group ensures that the local populations are also provided with healthcare assistance for acute or serious problems in remote areas not served by public healthcare units (reference should be made to the section on social aspects for more information).

Employees of the Italian head offices and those on secondment abroad from the corporate offices and their families also have private health insurance which covers healthcare services for non-work-related issues. These insurance policies cover reimbursement of medical, pharmaceutical and hospital costs (including for Covid-19) for urgent and non-deferrable treatment and/or procedures that are the consequence of illness and/or an injury. The policies also cover transfer to the nearest equipped hospital and return home of the patient or the body.

As it is aware of the added value achieved through mutually beneficial relationships between all the relevant parties, Webuild works with its commercial and financial partners and its vetted suppliers to guarantee high health and safety standards and to protect the environment.

With respect to Covid-19 infections in the third year of the pandemic, Webuild continued to maintain awareness high by monitoring the trend of infections and adopting Anti-contagion Security Protocols.

The Italian group companies introduced remote work for their office staff and ensured that its vulnerable employees took full advantage of this policy. In line with the specific risks at the Italian and foreign work sites, preventative measures have been introduced to reduce the risk of spreading the virus in the workplace, the residences and canteens. This has involved the reorganisation of work spaces and shifts to ensure the safety distance can be maintained, the supply of additional personal protection equipment, intensified sanitation and

disinfection activities, special information and training courses, more healthcare services at the work sites to support workers who became vulnerable or whose vulnerability worsened as a result of the pandemic and the preparation of special areas for the isolation of workers with flu-like symptoms who have returned from areas at risk or who have been in contact with people who may have the virus. The Group has also prepared dedicated methods to liaise with the local authorities to treat any suspected cases.

Human rights



Respect and promotion of working standards in line with the international protection principle

Human Rights Due Diligence
compliant with UN Guidelines

Agreement with the international trade union BWI
in place since 2014

Range of whistleblowing systems
to meet the needs of our various locations

Monitoring principles
extended to the supply chain

Internal policies

Webuild is committed to ensuring respect for the human rights enshrined in the International Charter of Human Rights, the fundamental conventions of the International Labour Organisation, the UN Global Compact, the UN Guiding principles on business and human rights and the OECD guidelines for multinational enterprises.

The Company reaffirmed its commitment, already included in the Code of Ethics and the Sustainability Policy, with the ten principles set out in its Human Rights Policy.

These principles, that everyone who works with Webuild around the world is required to comply with, cover health and safety, child labour, forced labour, freedom of association and collective bargaining, non-discrimination, diversity and inclusion, working conditions, local communities and the rights of indigenous people, the value chain and whistle-blowing systems.

The Company's main undertakings are described below.

Webuild does not tolerate any form of illegal, child labour or forced or compulsory labour. It protects the integrity of its employees, ensuring work conditions that respect the dignity of individuals and are fair and favourable.

It offers equal opportunities based on fair and objective criteria. It does not accept any form of discrimination or damaging behaviour.

Webuild respects its employees' right to freedom of association and collective bargaining in accordance with the legislation applicable in the countries where they work. It does not discriminate against employees who join trade unions or workers' representatives.

The Company also respects the rights and culture of the communities and indigenous peoples affected by its work and operates in accordance with the applicable requirements.

Webuild encourages respect for human rights in its values chain through specific measures, such as the screening systems, application of the Suppliers Code of Conduct and monitoring systems.

Specifically, the Suppliers' Code of Conduct encompasses the Company's commitments and the utmost integrity, correctness, reliability and sustainability standards and is a handy reference tool and guide for the Group's suppliers. It establishes the non-negotiable conduct expected of its suppliers.

In this respect, in 2014, the Company signed a framework agreement with the national trade unions (Feneal-UIL, Filca-CISL and Fillea-CGIL) and the international trade union for the construction sector (BWI- Building and Wood Workers' International) to jointly affirm and encourage respect for compliance with the basic principles and rights in employment relationships, encourage social justice and sustainable development by both itself and the consortia of which it is a member and vis-à-vis its contractors, subcontractors and suppliers.

The framework agreement covers child labour, forced or compulsory labour, the freedom of association and collective bargaining, non-discrimination, work hours, economic treatment, work conditions, specialised training, the environment, welfare and employment relationships.

The Group makes whistleblowing systems available to workers and third parties, safeguarding whistleblowers from any retaliatory action and guaranteeing their anonymity, when requested.

Main risks and management methods

The Company has implemented a due diligence process in line with the UN Guiding principles for business and human rights, which entailed mapping the potential impact on human rights of the Company's operations. Accordingly, the Company analysed:

- human rights enshrined in the international law instruments applicable to the Company;
- parties potentially at risk;
- internal processes.

The key takeaway of this analysis was the drafting of a Human Rights Impact Matrix, which the Group then used to measure the risks and prioritise the human rights relevant to it.

The content of the Company's Human Rights Policy (reiterated in the Suppliers Code of Conduct) draws on the results of the analysis and a thorough review and evaluation of the applicable standards and market best practices.

Risk identification and assessment process

The Group regularly performs a human rights risk assessment applying a valuation methodology (partly adapted from the Company's existing project risk assessment tools) to analyse the risks specific to each in-scope operating entity generated by its direct and subcontracted activities.

This assessment firstly considers specific indicators to define each entity's country risk³⁰, as its geographical context (the many country-specific conditions, such as regulations, practices, etc.) is a key factor when considering human rights and the correct identification of priority areas. Therefore, where country risk is other than "low", the Company analyses the significant specific risks and the mitigation measures adopted by the entity.

Webuild carries out a routine assessment of the human rights risks of its supply chain to determine whether it has suppliers based in countries and/or that supply goods considered at risk (based on the source country)³¹.

According to the most recent assessment performed at the end of 2021, roughly one third of the Group's total workforce (direct and indirect) is deployed in countries with a "very low" to "medium low" risk (e.g., Italy, Norway, the US and Australia), while the other two thirds work in "medium" or "medium high" risk countries (e.g., Ethiopia, Tajikistan, Saudi Arabia and Colombia). With respect to the latter, most of the workforce is engaged in working on six large projects that have been underway for several years and/or have nearly been completed. As a result, the Group has a very good understanding and oversight of the local situation and specific critical issues. Moreover, it does not operate in countries considered to be "high" or "very high" risk with respect to human rights.

³⁰ Specifically, as recommended by the principal regulations on human rights (e.g., the Australian Modern Slavery Act), the Company referred to the most recent Vulnerability measures and the Government Responses supplied by Global Slavery Index (www.globalsslaveryindex.org).

³¹ Once again, the Company referred to the Global Slavery Index to measure country risk and the lists of the U.S. Department of Labor's Bureau of International Labor Affairs to determine the risk related to a particular good.

The Group's commercial strategy is designed to mitigate country risk. In fact, more than 74% of its current order backlog is based in low risk countries such as the EU states (mainly Italy), North America and Oceania. In addition, nearly all the new orders of 2022 were acquired in these same areas.

With respect to the supply chain's³² general risk profile:

- over 80% of the Group's suppliers are based in countries with risks that are either "very low" or "low";
- none of the assessed suppliers are based in countries classified as "very high" risk and only 0.03% are based in "high" risk countries;
- no goods at risk were purchased from significant suppliers³³ during the year.

The Company has issued internal guidelines for its operating units for the correct management of the activities at risk. These guidelines provide for management and monitoring of human rights and specific reports to be sent to Corporate.

At organisational level, the Corporate Social Responsibility Department coordinates the human rights due diligence, defines the internal standards and guidelines, the reporting, disclosure and training methods and provides specialist assistance to the other internal units.

The main risks identified by the above-mentioned assessment and related management methods are summarised below.

Recruitment agencies

The main risks with respect to forced or compulsory labour are tied to the hiring of migrant workers, mainly in certain states of the Persian Gulf (Saudi Arabia and the United Arab Emirates) where the local labour force is insufficient and/or inadequate for the Group's needs. Specifically, there are two risk factors:

- use of recruitment agencies that may adopt improper practices, such as obliging the workers to pay recruitment fees (when hired), employment fees (throughout their employment) and cash deposits which are forms of debt (debt bondage);
- labour conditions that may limit the migrant workers' freedom of movement which are in some cases allowed or facilitated by local regulations, such as the ban on leaving their accommodation outside work hours, limitations on holiday arrangements, resignations and changes of employer.

The Group ensures that candidates for work in these countries are provided with exhaustive information about the contractual terms and work conditions in a language that they understand before they leave their country of origin. In addition, the Group fully bears the costs of recruitment, travel, visas, medical visits, etc.. Migrant workers are guaranteed the possibility to change jobs and to leave their destination country without prejudice to the possible notice obligation imposed by the applicable legislation, visa requirements and employment contracts. No workers are deprived of their identity documents unless this has been authorised by them and solely for their safekeeping. The Group requires the recruitment agencies to comply with these principles through specific contractual clauses and non-compliance entails termination of the contracts.

Working practices

While the potential risk of hiring people under the minimum working age established by the applicable local regulations is minimal, the Group's policy is only to agree employment contracts with people who are at least 18 years old irrespective of the local regulations. In countries where the presence of false identity documents is a

³² Once again, the information is taken from the assessment performed at the end of 2021.

³³ A significant supplier is a supplier with contracts over €250 thousand. Below this threshold, the only purchases of goods that could be considered risky were the purchases of work clothes, foodstuffs and raw materials (such as crushed stone and sand), equal to 0.04% of total purchases.

risk (e.g., some African countries), the Group has special procedures in place to check the authenticity of the documents, either identity documents or driving licences, assisted by the local authorities.

The Group enters into employment contracts with its employees that comply with the applicable local regulations, the principles of the framework agreement signed with BWI (Building and Wood Workers' International) and those in any agreements signed with the local trade unions with respect to work hours and holidays, economic treatment and other employment aspects. The Group's intention is to ensure scrupulous compliance with the applicable regulations in each country to mitigate the risk of non-compliance and, where possible, provide conditions that are better than those envisaged by the local regulations.

The Group may potentially be exposed to the risk that discrimination against an individual employee or specific categories of employees may take place in the workplace. In this respect, the Company's HR management procedures do not allow the different treatment of employees based on their gender, nationality or ethnicity, religion, age, political beliefs, sexual orientation, disability or other characteristics protected by the regulations in force in the countries where the Group operates during the entire HR management procedure (recruitment, training, assessments and termination of employment).

To reaffirm and strengthen its commitment to these issues, the Company set out key requirements in a dedicated Policy on Equal Opportunities, Diversity and Inclusion in 2019:

- advancement of a safe, rewarding and respectful work environment, an inclusive culture with an appreciation of the value of diversity and equal opportunities in HR management processes;
- combating harassment and discrimination, including by instituting appropriate and formalised whistleblowing tools.

This Policy also applies to the Company's suppliers that are required to comply with its principles (as specified in the Suppliers Code of Conduct). It requires systems be put in place to monitor and report on diversity and inclusion commitments and results.

More information on the relevant projects undertaken in 2022 is available in the "Equal opportunities, diversity and inclusion" paragraph of the "Main risks and management methods" section under "Human resources".

With respect to the freedom of association and collective bargaining, the Group ensures its employees have access to "alternative systems" for dialogue in the states of the Persian Gulf where the right to the freedom of association is restricted by law. These systems include worker committees, committees set up in the camps and complaint management procedures (grievance mechanisms). The Company ensures open communications with the workers and management's availability to discuss any issues that may arise with individual employees.

Transparency and engagement with communities

In 2022, the Group continued to be committed to and to act transparently in relation to human rights with its stakeholders, especially its investors, ESG rating agencies and NGOs such as Business and Human Rights Resource Centre (BHRRC).

With respect to its local communities, the Group's activities may generate risks related to its core construction business, such as noise pollution, dust, vibrations, work site vehicles and damage to private property. Risks related to the acquisition of land are immaterial as the client usually acquires the land directly. However, Webuild scrupulously adheres to the legal and contractual requirements and those set out in the project impact assessments to ensure it complies with them during its work and the activities contracted to third parties (subcontractors).

Depending on the nature of the project, the local management defines the best way of involving the local stakeholders, mostly through formal meetings, informal meetings and discussions, training and official events.

Supply chain

As a result of the routine assessment of risks related to its supply chain (briefly described in the “Risk identification” paragraph of this section), the Company has defined the following approach:

- vetting process for potential suppliers based on a dedicated human rights multi-factor assessment;
- contract clauses that require formal acceptance of the Code of Ethics and the Suppliers Code of Conduct, and extension of this commitment to the supplier’s subcontractors, which is mandatory for the contracts to be valid;
- monitoring, checks and audits to ensure compliance with its standards;
- regular assessments of the suppliers’ performances, which include ethical and social aspects (see the “Supply chain” section).

Training and whistleblowing

As part of its push to inform and raise employee awareness of human rights issues, the Company has developed an e-learning programme for its entire workforce available through the E-learning Academy. The course is mandatory for new hires and has been available on the internal E-learning platform since April 2020. At 31 December 2022, roughly 70% of Webuild corporate employees have completed it as well as other personnel working at the Group’s work sites.

With respect to access to the whistleblowing channels, all relevant persons (direct employees, supplier employees, local communities, etc.) may use the whistleblowing system described in the section on “Anti-corruption” for human right notifications. In addition, when IT channels are difficult to access, the Company has introduced alternative systems such as dedicated telephone numbers and/or personnel (grievance officers), post boxes for the receipt of reports, etc.

Climate change

Decarbonisation and resilience driving increasingly sustainable infrastructure.

-57%
GHG emissions intensity reduction target (2022 vs 2017)³⁴

Science-Based Target initiative³⁵
reduction targets to 2030 validated

-25 Mt CO₂
annual emissions avoidable thanks to ongoing railway, metro and hydro projects

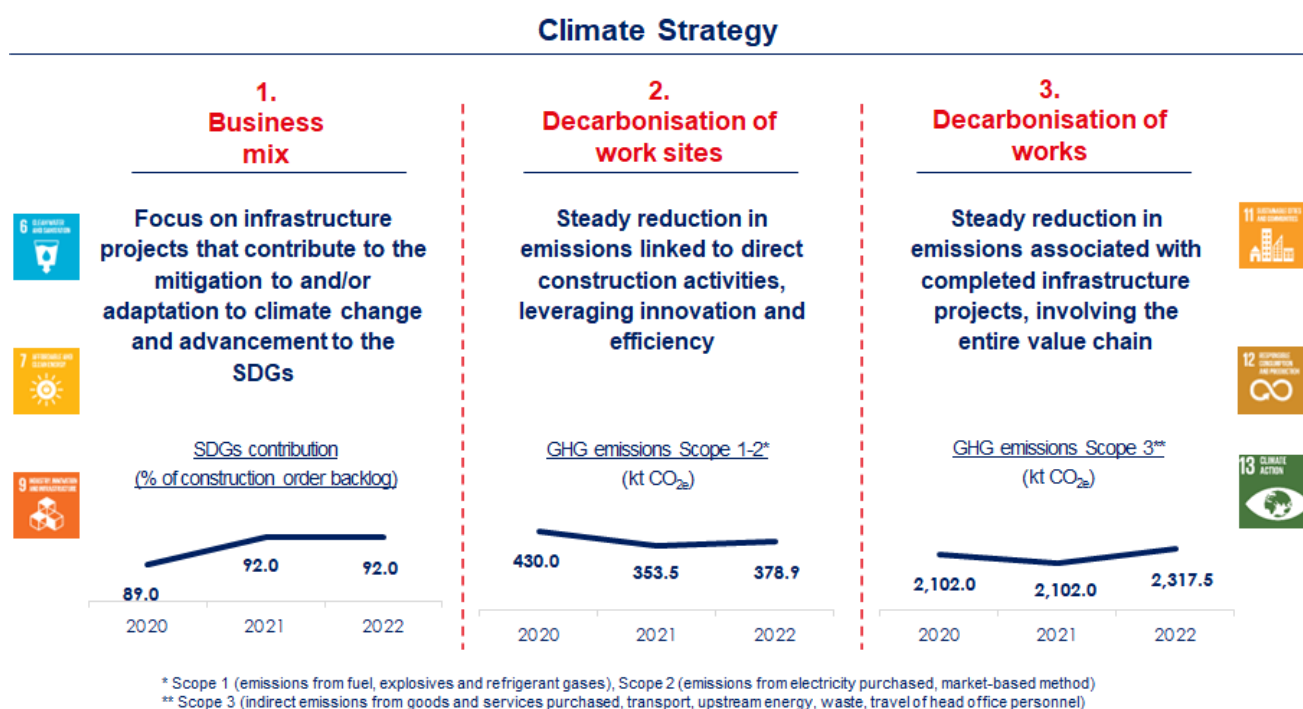
52%
renewable electric energy used by Webuild

Climate Strategy

Webuild promotes the global fight against climate change and the transition to a low-carbon economy.

The Group has a transparent, structured Climate Strategy. It intends to draw on its strategy to act as a beacon in the infrastructure industry supporting its clients in their journey to mitigate and adapt to climate change.

The strategy has three priority areas of intervention:



³⁴In terms of tCO_{2e} Scope 1 & 2/€M. Scope 1 & 2 indicate the emissions generated directly by the work sites and offices (scope 1) and by the electrical energy purchased (scope 2)

³⁵International organisation that establishes guidelines to calculate targets related to companies' contribution to decarbonisation in line with the Paris Agreement using a scientific approach.

In recent years, the Group has made good inroads: nearly all its activities contribute to advancement towards the SDGs and more than 80% of its 2022 revenue is EU taxonomy-eligible (see the dedicated box in this section). Moreover, although its absolute GHG emissions (scope 1 & 2)³⁶ have increased by 7% over 2021, this variation is significantly lower than the Group’s business growth and expansion with revenue up 26% compared to 2021 and the ramp-up of some important projects in 2022. The Group’s results reflect its steps taken to decarbonise its core business and works.

The Group’s achievements are confirmed by the independent accolades received such as its inclusion in the “Europe Climate Leaders 2022” ranking drawn up by Statistica with the Financial Times and in the “Azienda più attente al clima 2022” (The most climate-conscious companies of 2022) by the Italian newspaper Corriere della Sera/Pianeta 2030.

Business mix

Webuild occupies a unique place in its market thanks to its focus on developing low-carbon footprint infrastructure (i.e., that contributes to climate change mitigation) and/or resilient infrastructure (i.e., that contributes to climate change adaptation).

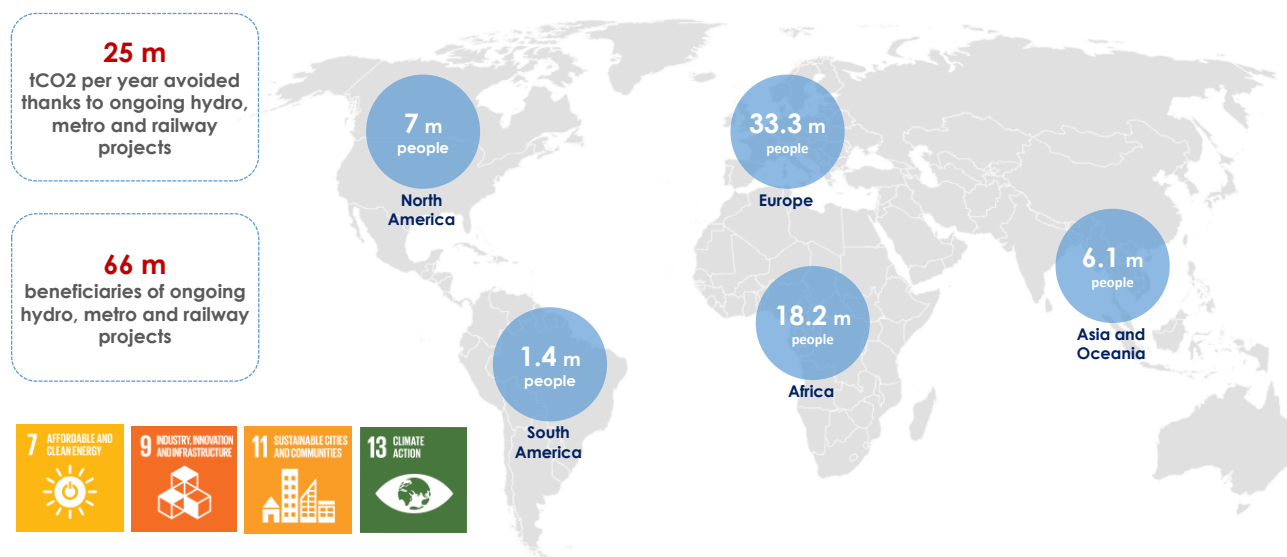
The Group’s contribution to climate change mitigation and adaptation



Specifically, the Group’s sustainability mobility (railways and metros), clean hydro energy and green buildings projects contribute significantly to reducing GHG emissions in the transport, energy and real estate sectors, the largest contributors to the climate-altering emissions.

³⁶ Scope 1 (emissions from fuel, explosives and refrigerant gases), Scope 2 (emissions from electricity purchased, market-based method).

The hydro energy, railway and metro projects underway will generate very significant benefits in terms of less emissions and greater numbers of people served, as summarised below³⁷.



Moreover, by improving the resilience of infrastructure, the Group's clean water and sustainable mobility (roads, bridges and tunnels³⁸) projects also contribute to adapting to climate change, which can be:

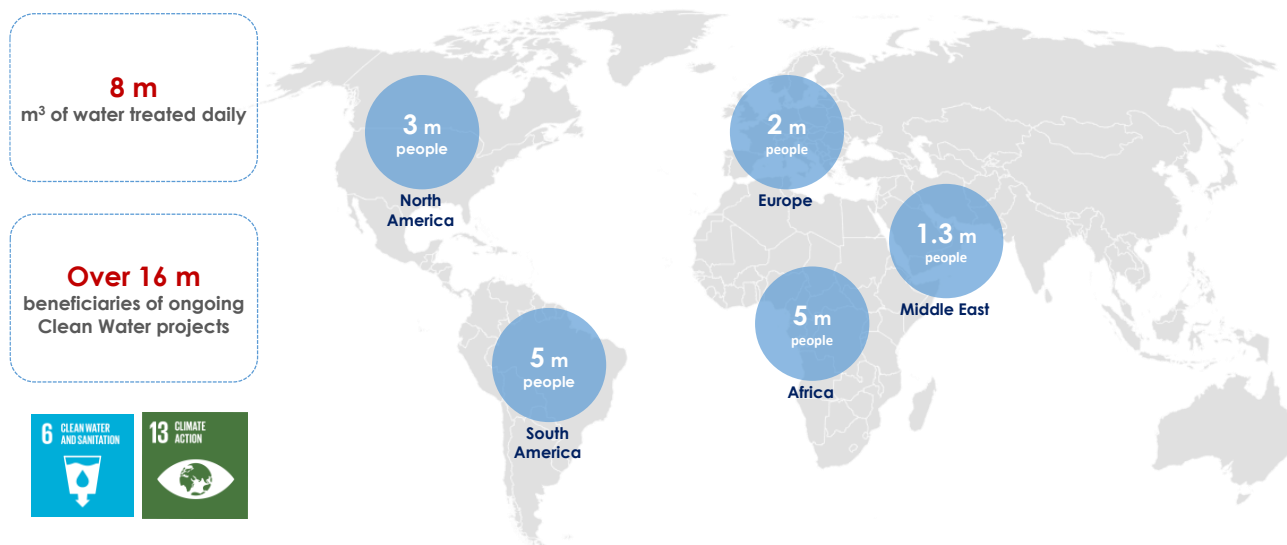
- chronic (e.g., higher temperatures, water scarcity), as in the case of drinking water and water treatment projects, aqueducts and water storage for drinking water and/or irrigation and desalination plants;
- acute (e.g., adverse weather events), such as hydraulic projects in urban areas to reduce flooding and the related water pollution or transport infrastructure projects (to improve its resilience).

The ongoing clean water projects respond to the specific requirements of areas affected by increasing water scarcity (such as the desalination plants built in the Middle East and irrigation water storage in Africa), the more frequent extreme weather events (the hydraulic projects carried out in the main urban centres in the US) and the pollution of rivers and water basins leading to a loss of biodiversity (the Riachuelo River in Argentina and the Caloosahatchee West Basin Storage Reservoir in the US). The benefits to the populations affected by the Group's projects are summarised below³⁹:

³⁷ More information is available in the Methodology for reporting non-financial information – Calculation method section.

³⁸ Designed according to resilience criteria.

³⁹ More information is available in the Methodology for reporting non-financial information – Calculation method section.



With respect to transport infrastructure, there is a growing focus on new infrastructure’s resilience to climate change. This issue is of great importance for works that are heavily exposed to the effects of atmospheric agents, such as roads, bridges and viaducts, as their resilience over time is essential to their users’ safety.

The Company is well-positioned in this market as it has accumulated significant experience in the use of design techniques and studies of materials that reflect future climate projections. Example of this are the award-winning Skytrain Bridge, built as part of the Sydney Metro Northwest project in Australia and designed to stand up to rain, flooding and winds forecast after 2100 or the New Genoa San Giorgio Bridge, designed to deal with the expected increase in rainfall over the next 80 years. It is expected that use of these design techniques will become widespread over the coming years, also given the new regulations that will be brought in from time to time.

EU taxonomy for sustainable economic activities

The European Union is leading the global transition to a sustainable, resilient and low-carbon economy in line with the Paris Agreement and UN’s 2030 Agenda.

By adopting the EU Green Deal, the EU institutions have defined an integrated, ambitious strategy to make Europe carbon neutral by 2050. This strategy includes plans, investments and reforms, such as, in particular, the initiatives to direct private investments (in addition to public investments) towards sustainability objectives.

The most important initiative in this respect is the EU taxonomy, adopted with Regulation (EU) no. 2020/852 (the “Regulation”), the first EU-wide classification system designed to objectively and transparently establish the criteria for classification of economic activities as environmentally sustainable.

The Regulation defines six environmental objectives to be prioritised by the European Union (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems). It establishes that, in order to be considered as environmentally sustainable, an economic activity shall concurrently comply with four conditions:

1. Contribute substantially to at least one of six environmental objectives;
2. Cause no significant harm (Do No Significant Harm- DNSH) to any of the other environmental objectives;
3. Meet minimum safeguards, i.e., the OECD guidelines for Multinational Enterprises, United Nations Guiding Principles on Business and Human Rights, the eight fundamental conventions in the Declaration of the

International Labour Organisation on Fundamental Principles and Rights at Work, and the International Bill of Human Rights;

4. Comply with the technical screening criteria developed by the European Commission, which establishes the mandatory criteria to assess the requirements of the substantial contribution and the non-causing of significant harm by the individual economic activities.

At the end of 2022, the European Commission identified the economic activities, the technical screening criteria and the DNSH criteria for just the first two environmental objectives of climate change mitigation and climate change adaptation⁴⁰. Therefore, companies are only required to report on the degree of environmental sustainability of their economic activities for these two objectives. The European Commission has only focused on a part of the European Union's economic activities as they can make a substantial contribution to reducing or stabilising GHG emissions (mitigation objective) and/or prevent the negative effects of the current or future climate on the activity, people and nature (adaptation objective)⁴¹.

As the current regulations are updated and the subsequent delegated acts adopted for the other four environmental objectives, additional economic activities will be incorporated into the EU taxonomy.

The economic activities can be classified as:

- eligible economic activities, i.e., those economic activities that meet the definition of at least one of the activities listed in the delegated acts adopted as per Commission Delegated Regulation no. 2020/852 (for 2022, the Climate Delegated Act), irrespective of whether these activities satisfy one or all of the technical screening criteria established by the European Commission;
- non-eligible economic activities, i.e., those economic activities that do not meet the definition of at least one of the activities listed in the delegated acts adopted as per Commission Delegated Regulation no. 2020/852, but which could be included in the future after the adoption of subsequent delegated acts;
- aligned economic activities, i.e., those economic activities that, in addition to being eligible, make a substantial contribution to the achievement of at least one of the six environment objectives defined by the European Commission, do no significant harm to any of the other environmental objectives, pass the minimum social safeguards and comply with the technical screening criteria established by the European Commission.

The Regulation requires that companies are required to report the KPIs for the proportion of turnover, capital expenditure (CapEx) and operating expenditure (Opex) associated with taxonomy-eligible, non-eligible and aligned economic activities⁴² in their financial statements at 31 December 2022.

Webuild analysed all the activities performed by the legal entities included in its consolidated financial statements, in order to identify those that are eligible, non-eligible and aligned. In 2022, its entities were eligible for seven taxonomy categories and 10 economic activities for a total of 92 in-scope entities⁴³.

The list of eligible economic activities in 2022 is as follows:

⁴⁰ Commission Delegated Regulation no. 2021/2139 of 4 June 2021 ("Climate Delegated Act")

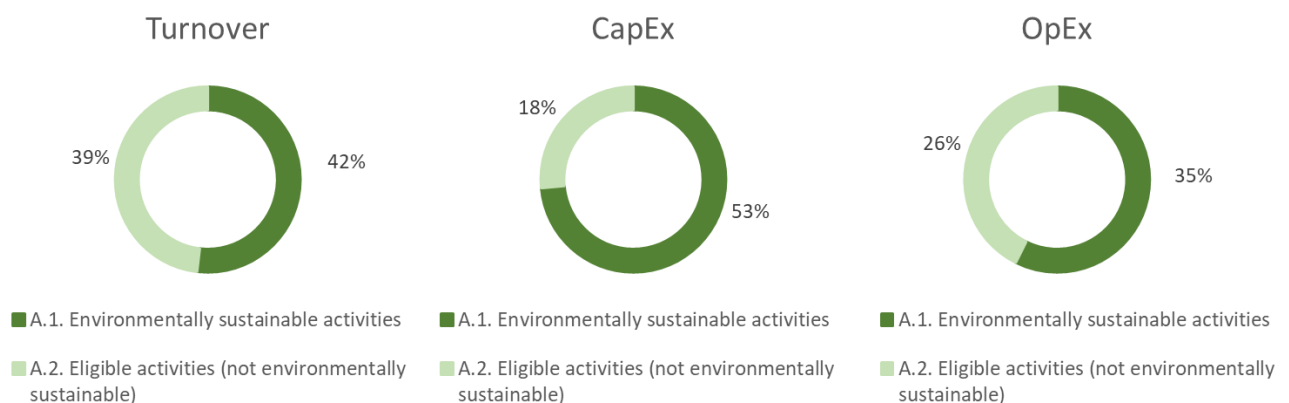
⁴¹ On 9 March 2022, Commission Delegated Regulation no. 2022/1214 included certain energy activities of the gas and nuclear sectors in the list of environmentally sustainable economic activities. As Webuild Group does not carry out these activities, it has not presented the tables set out in Annex XII for the disclosures about nuclear and fossil gas activities required by article 8.6/7 of Commission Delegated Regulation (EU) 2021/2178

⁴² Article 8 of the Taxonomy Regulation establishes that companies subject to Directive 2014/95/EU (Non-Financial Reporting Directive- NFRD) shall include in their non-financial statement "information on how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable". This requirement is completed by Commission Delegated Regulation no. 2021/2178 of 6 July 2021 (Disclosures Delegated Act) which specifies the information to be reported and the templates to use.

⁴³ Webuild counted the number of entities separately even when they jointly participate in the same project. Had Webuild performed the count by project, the number of its eligible and significant projects would be 75. With respect to projects that involve various group entities, Webuild counted them once, considering the main contractor, and the results were extended to include subcontracted work.

Sector	Code	Economic activities
Environmental protection and restoration activities	2.1	Restoration of wetlands
Energy	4.5	Electricity generation from hydropower (construction or operation of plants)
Water supply, sewerage, waste management and remediation	5.1	Construction, extension and operation of water collection, treatment and supply systems
Water supply, sewerage, waste management and remediation	5.3	Construction, extension and operation of waste water collection and treatment
Transport	6.14	Infrastructure for rail transport
Transport	6.15	Infrastructure enabling low-carbon road transport and public transport
Transport	6.16	Infrastructure enabling low carbon water transport
Construction and real estate activities	7.1	Construction of new buildings
Information and communication	8.1	Data processing, hosting and related activities
Professional, scientific and technical activities	9.1	Engineering activities and related technical consultancy dedicated to adaptation to climate change

Webuild subsequently assessed these entities using the technical screening criteria, the DNSH criteria and the minimum social safeguards defined for the substantial contribution to climate change mitigation and climate change adaptation. The results led to the calculation of the proportion of turnover, CapEx and OpEx recorded in 2022⁴⁴, as shown below:



The eligible economic activities account for 81% of turnover, 71% of CapEx and 61% of OpEx.

Of these, the environmentally sustainable activities (i.e., aligned) account for 42% of turnover, 53% of CapEx and 35% of OpEx⁴⁵ and relate to four taxonomy sections and five economic activities: 2.1 Restoration of wetlands, 4.5 Electricity generation from hydropower, 6.14 Infrastructure for rail transport, 6.15 Infrastructure enabling low-carbon road transport and public transport and 7.1 Construction of new buildings. Activities 4.5 Electricity generation from hydropower and 6.14 Infrastructure for rail transport make a significant contribution to the

⁴⁴ More information about the process applied by the Group to determine its eligible, non-eligible and aligned economic activities and the KPI calculation method is provided in the "Methodology for reporting non-financial information" section.

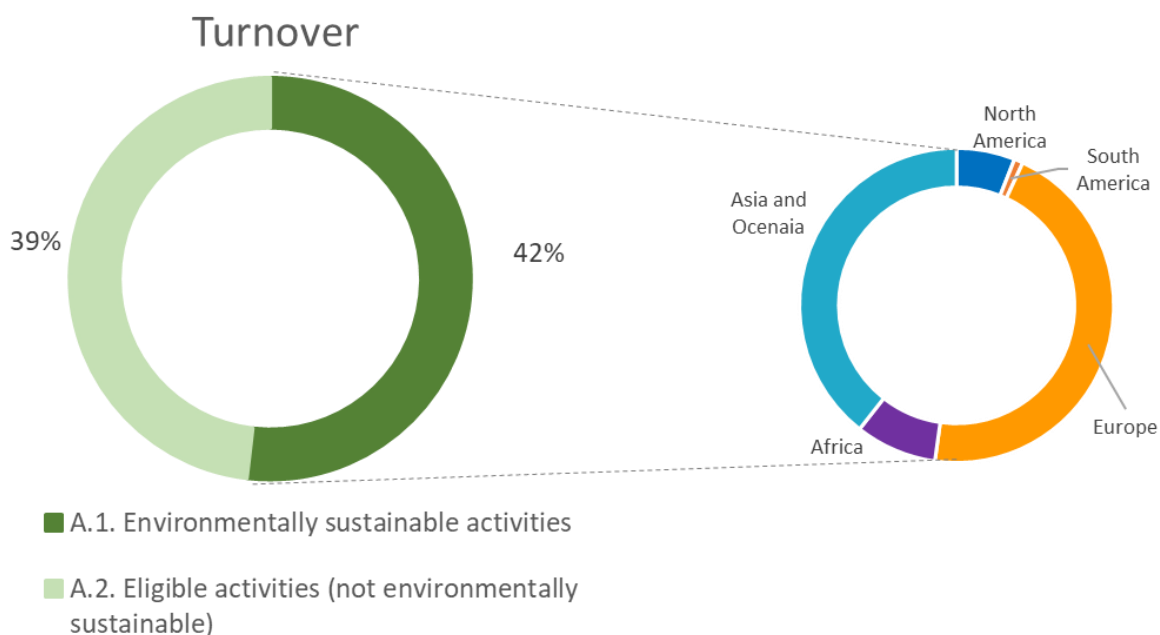
⁴⁵ More information is available in the table in the section on the EU taxonomy in the Methodology for reporting non-financial information section. Such table complies with the requirements of Annex II to Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021.

alignment percentages: they jointly make up more than 90% of the taxonomy-aligned turnover (approximately 86% of CapEx and 76% of OpEx). Activity 6.15 Infrastructure enabling low-carbon road transport and public transport mostly consists of projects in North America which are heavily affected by the different legislative framework.

Activity 2.1 Restoration of wetlands is the only one to make a substantial contribution to the climate change adaptation objective and, therefore, only the CapEx and OpEx related to the construction of a project able to counter the main physical risks that affect the activity⁴⁶ have been considered to be aligned.

The other aligned activities (4.5 Electricity generation from hydropower, 6.14 Infrastructure for rail transport, 6.15 Infrastructure enabling low-carbon road transport and public transport and 7.1 Construction of new buildings) all make a substantial contribution to the climate change mitigation objective.

A breakdown of the aligned turnover by geographical area is provided below: 85% of the Group's environmentally sustainable turnover is generated in Europe and Asia and Oceania (93% of CapEx and 84% of OpEx).



Non-eligible activities include non-core activities⁴⁷ and the activities that are not included in the taxonomy lists (such as mining projects, the building of waste-to-energy plants and corporate activities).

Decarbonisation of work sites

The second area of intervention of the Group's Climate Strategy is to reduce GHG emissions of its construction business.

Since 2014, when Salini and Impregilo merged, the Group has steadily decreased its energy consumption and GHG emissions while progressively growing its operations.

⁴⁶ In accordance with the provisions of Annex I to Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, for the calculation of the turnover KPI.

⁴⁷ In line with the criteria adopted to prepare the Consolidated Non-financial Statement and for consistency with the disclosures provided in this Statement, non-core activities are those carried out by the entities with limited operations (e.g., with contracts that are either starting up or nearing completion, on hold or significantly delayed) or inactive entities (e.g., in liquidation).

These achievements are the result of ongoing investments in efficiency actions and measures introduced at the Group's work sites around the world, as well as innovation programmes designed to develop technical solutions. These initiatives have enabled Webuild to move beyond the business-as-usual operating methods to define new more ambitious GHG emission objectives.

Webuild formalised its commitment to defining objectives in line with the SBTi standard in 2021 and obtained validation of its 2030 reduction targets in 2022.

The "Performance and targets" section provides a detailed description of the Group's programmes to reduce its GHG emissions associated with its construction business.

Decarbonisation of works

A steady reduction in GHG emissions associated with infrastructure projects developed by the Group is the third area of its Climate Strategy.

While work site decarbonisation aims to reduce emissions generated during the construction work, the works decarbonisation entails decreasing the emissions from permanent materials used to build the infrastructure and the emissions generated by its use.

It is essential that the entire value chain from the investors to the clients, designers, regulators and supply chain, and not just Webuild, be fully engaged and committed to achieving this objective.

Webuild has honed its expertise in the field in the construction of infrastructure in line with eco-design and construction frameworks, certified in accordance with LEED, GSAS, IS, Envision and other standards. Such approach means the Company's projects are evaluated over their entire life cycle to identify and develop integrated energy efficiency and decarbonisation solutions, right from the design stage.

The Group's objective is to make this approach standard, progressively incorporating it into new business initiatives irrespective of the adoption of eco-design and construction formats.

When agreed with the client and allowed by local technical regulations, Webuild intends to build increasingly low-carbon infrastructure, thereby decreasing its indirect emissions (scope 3).

It has defined a roadmap and specific initiatives for these scope 3 emissions (see the "Performance and targets" section).

Governance

The board of directors and its committees oversee the Company's climate change policies and performance.

The board committees most involved in this process are the Control, Risk and Sustainability Committee and the Compensation and Nominating Committee.

Specifically, the former committee, comprising six independent directors, regularly reviews the Company's ESG performance, including in relation to climate change as well as the related plans and actions. It also supervises the internal control and risk management system.

In 2021, Webuild rolled out the 2021-2023 ESG Plan which includes various climate change programmes and targets, tied to the long-term incentive plan (the 2020-2022 LTI Plan) introduced in 2020, which also includes a specific GHG emissions intensity reduction objective (scope 1 & 2).

At management level, oversight of climate aspects is guaranteed by all the headquarters units involved (in line with the Company's matrix organisational structure), which in turn coordinate the peripheral units.

Specifically, senior management adopts the Climate Strategy and targets proposed by the Corporate Social Responsibility Department.

In order to define and monitor progress on the Group's main decarbonisation programmes, it has set up various interdepartmental and interdisciplinary teams at headquarters level since 2018, including:

- CLEF (Climate and Energy Efficiency) team⁴⁸, which researches, tests and introduces new solutions and technologies to reduce scope 1 & 2 GHG emissions;
- LCO (Life Cycle Optimisation) team⁴⁹, focused on researching, testing and introducing new solutions and technologies to reduce scope 3 GHG emissions.

Between 2018 and 2021, the CLEF team has mostly engaged in developing and testing solutions to make the excavation activities more efficient as they are one of the most energy intensive areas of the large infrastructure sector. The LCO team worked mainly on optimising the use of cement and concrete and developing new low-carbon solutions, including together with the supply chain.

As mentioned earlier, in 2022, the Group obtained SBTi validation of its 2030 absolute emission reduction targets.

Integration of climate criteria as an integral way of doing business entails raising awareness and technical expertise about the issue. Accordingly, in 2022, the Company continued its internal communication campaign dedicated to ESG issues, including the World Environment Day celebrated in June, as well as technical training courses carried out with the Turin Polytechnic.

Main climate-related risks and opportunities

The Group analysed the risks and opportunities of climate change, based on three physical scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), the key features of which are:

⁴⁸ Comprising the Plant and Equipment (Global Supply Chain) and Environment (Group HR, Organisation and Systems) units and the Corporate Social Responsibility Department.

⁴⁹ Comprising the Procurement (Global Supply chain) and Environment (Group HR, Organisation and Systems) units and the Bidding & Engineering and Corporate Social Responsibility Departments.

Limited reduction in emissions

Large reduction in emissions

Reduction in line with the Paris Agreement objectives

	RCP 6.0 ⁵⁰	RCP 4.5	RCP 2.6
IPCC (Intergovernmental Panel on Climate Change) scenario	GHG emissions continue to increase throughout most of the century, the average global temperature rises by well above 2°C, the acute effects (heat waves, landslides, flooding, etc.) and chronic effects (extreme temperatures and humidity, water stress, etc.) of climate change will become more frequent, significantly affecting economic activities	GHG emissions peak before mid-century to then reduce slowly. The rise in temperature hovers around 2°C, the acute and chronic effects of climate change intensify	GHG emissions begin to decrease significantly to reach net zero during the century. The rise in temperature does not exceed 2°C compared to pre-industrial levels. The effects of climate change stabilise and economic systems are heavily affected by governmental climate policies

All the scenarios include a rise in the temperature and physical impacts caused by climate change but at different speeds and magnitudes. Webuild has identified and assessed the effects of the potential risks and opportunities based on these scenarios in the short-term (<2 years), medium-term (2-5 years) and long-term (>5 years).

The findings of the scenario analysis and the climate risk & opportunity assessment were shared and integrated into the Group’s Global Risk Assessment process.

The main risks and opportunities are described in the following sections.

Advanced scenario analysis

The US group company Lane (USA) is involved in the Future World Vision: Infrastructure Reimagined project promoted by ASCE (American Society of Civil Engineers) to develop a software system using AI to simulate future trends of the construction sector over different timelines (10, 25 and 50 years). The project considers scenario analyses and six key mega trends for the sector: alternative energy, autonomous vehicles, climate change, smart cities, high tech construction/advanced materials, and policies and funding.

The project is currently being trialled by major US universities and technical colleges and will allow civil engineers and sector professionals to be better prepared to deal with future change. Once completed, Lane will be able to use the project to support its strategic processes (business plan and commercial development) and technical operations (training of engineers and project teams).

⁵⁰ RCP (Representative Concentration Pathway) 6.0, 4.5 and 2.6 are the three pathways adopted by IPCC for different GHG concentration trajectories used for research purposes and to develop the forward-looking models.

Main physical and transition risks

The Company has identified the following climate risk factors, the related potential impacts and mitigation methods:

Risk area	Type and description	Potential impact	Assessment and mitigation measures
Physical risks	<p>Acute risks</p> <p>Increase in frequency and severity of extreme weather events (landslides, flooding, storm surges, heat waves, etc.)</p>	<ul style="list-style-type: none"> • Damage to work site buildings and plants • Delays to work schedules <p><u>Expected risk timeframe:</u> medium to long-term</p>	<p><u>Low risk</u></p> <ul style="list-style-type: none"> • Insurance cover for assets • Work schedules defined on the basis of past experience and weather forecasts • Negotiations with clients about exceptional events (extension of the timeline and/or acceptance of higher costs)
	<p>Chronic risks</p> <p>Increase in temperature and humidity levels, changes in precipitation, rise in sea levels</p>	<ul style="list-style-type: none"> • Less availability of water in areas subject to water stress • Lower productivity due to environmental conditions <p><u>Expected risk timeframe:</u> medium to long-term</p>	<p><u>Low risk</u></p> <ul style="list-style-type: none"> • Site set-up, plants and work schedules defined on the basis of the local environmental conditions <p>As these risks will occur in the medium to long-term, no significant impact on assets is expected given the temporary nature of the Group's work sites</p>

Risk area	Type and description	Potential impact	Assessment and mitigation measures
Transition risks	<p>Policies, regulations and technology</p> <p>Increase in cost of raw materials due to higher carbon tax</p> <p>Transition from existing plant, machinery and materials to solutions with lower emissions</p> <p>Introduction of new regulations and specific techniques</p>	<ul style="list-style-type: none"> • Higher procurement costs (if the carbon tax is passed along the value chain) • Higher investment outlays to replace/upgrade construction plants and methods • Higher costs and investments to comply with new requirements/regulations <p><u>Expected risk timeframe:</u> short-medium term</p>	<p><u>Medium risk</u></p> <ul style="list-style-type: none"> • Innovation programmes to increase the energy efficiency of plant and machinery, construction techniques and use of materials • Partnerships with the supply chain to jointly develop low emission solutions • Technical/environmental training courses for personnel involved in sensitive processes • Ongoing analysis of newly issued regulations to ensure compliance <p>These risks are systematic, affecting the entire sector and not just the Company (for example, in terms of investments made).</p>
	<p>Market and reputation</p> <p>Greater demand from clients for low emission construction solutions</p> <p>Greater interest of the financial community and stakeholders in the Company's decarbonisation plans</p>	<ul style="list-style-type: none"> • Higher costs and investments needed to acquire and adopt low emission methods and solutions • Less support from stakeholders if they consider the decarbonisation strategies and plants to be inadequate <p><u>Expected risk timeframe:</u> short-medium term</p>	<p><u>Low risk</u></p> <p>In addition to the above measures:</p> <ul style="list-style-type: none"> • Definition of a Climate Strategy and decarbonisation roadmap • Definition and introduction of science-based emission reduction targets • Link between emission performances and financing instruments (sustainability-linked bonds) and management's variable remuneration (LTI plan)

Main opportunities

As well as being a source of potential risks, climate change can create opportunities for the Group, such as those listed below.

Business growth

The steady introduction of policies and regulations to accompany and accelerate the climate transition is an important lever to generate new business opportunities.

The Group already plays a leading role in the development of infrastructure that contributes to both climate objectives defined by the international community:

Mitigation (Reduction in GHG emissions)	Railways, metros, light rail, hydroelectric plants, high-performance buildings and civil structures
Adaptation (Resilience to the effects of climate change)	Hydraulic projects, drinking water, desalination and water treatment plants, roads (including bridges and tunnels) and sea works

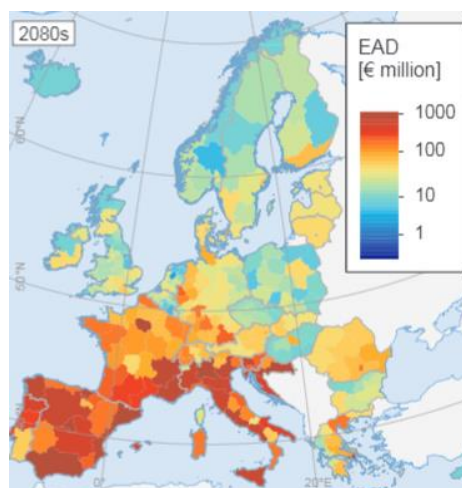
These business areas will continue to offer strong growth potential in the coming years, bolstered by the state investment plans rolled out in the main markets of strategic interest to the Group, given their capacity to contribute to the achievement of the Paris Climate Agreement objectives and the SDGs.

The importance of improving the resilience of Europe's critical infrastructure

The extreme climate events of the coming decades could have a particularly strong impact on European infrastructure.

According to a study carried out by the European Commission⁵¹, damage to infrastructure under the influence of climate change may multiple six-fold by mid-century and could amount to more than 10 times by the end of the century. The southern European countries will be most affected and, as a result, will probably require higher costs of adaptation.

Road and railway infrastructures are likely to be the most affected by heat and cold waves, flooding and wildfires; the ports by coastal flooding and storms, the hydraulic infrastructures by drought and heatwaves and social infrastructures (schools and hospitals) by flooding, wildfires and drought.



The overall damage could be in the region of €20 billion per year by 2050 and over €37 billion by the end of the century, roughly half of which would be incurred by Italy and Spain.

The funds earmarked by the EU as part of the EU Green Deal and NextGenerationEU become increasingly vital as they can be used to finance change in a sector that has been penalised by insufficient investments in maintenance and modernisation over the past decades.

Efficiency of operating processes

The growing demand for low GHG emission construction solutions and methods by the market has driven innovation and the development of partnerships with the supply chain. The introduction of new processes and

⁵¹ Source: Escalating impacts of climate extremes on critical infrastructures in Europe, 2017, <https://www.sciencedirect.com/science/article/pii/S0959378017304077>

related technologies makes it possible to decrease energy and materials consumption, as well as emissions, generating large cost savings.

As a result and notwithstanding its ongoing business growth, the Group has managed to steadily decrease its energy consumption and the use of the principal raw materials. This trend confirms the validity of its environmental strategy, reinforced with the introduction of Webuild's Climate Strategy, which includes:

- Development of medium to long-term targets using the methodology developed by Science Based Target Initiative (SBTi);
- Systematic organisation of technical scouting processes and development, prototyping and testing of innovative solutions and systems to monitor and decrease GHG emitted by the business (process decarbonisation);
- Development of systems with universities and specialised research centres to assess the energy and carbon life cycles of infrastructure, to be used during the bidding, design and construction processes;
- Promotion of a climate change and efficiency internal culture with employees through information, awareness raising and training programmes.

Performance and targets

The Group's carbon footprint

The Group's scope 1, 2 and 3 emissions, defined and calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, are set out below. They comply with the requirements of the SBTi⁵². Specifically:

- Scope 1 includes emissions from sources controlled directly by the Group, i.e., from the use of fuel for vehicles, machinery and power generators, fugitive emissions deriving from the topping up of air conditioning systems, emissions deriving from the use of explosives for demolition and excavation activities;
- Scope 2 includes indirect emissions from purchased electricity;

Scope 3 includes other indirect emissions generated by sources not owned or controlled by the Group. The emissions from goods and services purchased are the most significant and are largely influenced by the use of the principal construction materials (cement, steel, concrete). They are followed by emissions from transport, upstream energy, waste and the travel of head office personnel (in Italy and the US).

⁵²In 2021, Webuild updated its GHG emission inventory to ensure full compliance with international standards. It extended its reporting system to all the scope 3 emissions categories and concurrently applied this new reporting method to the previous comparative years (2019 and 2020). Therefore, the 2020 figures shown in this table have been restated and differ from those presented in the 2020 Consolidated Non-financial Statement, to which reference is made for more information.

GHG emissions (scope 1 & 2) (GRI 305-1, 305-2, 305-4)	Unit	2020	2021	2022
Scope 1 emissions	t CO _{2e}	358,733	311,272	320,851
Scope 2 emissions (market-based method)	t CO _{2e}	71,255	42,212	58,098
Scope 2 emissions (location-based method)	t CO _{2e}	68,252	38,574	55,873
Total scope 1 & 2 emissions (market-based)	t CO_{2e}	429,988	353,484	378,948
Intensity of scope 1 & 2 emissions	t CO_{2e}/€M	80	55	47

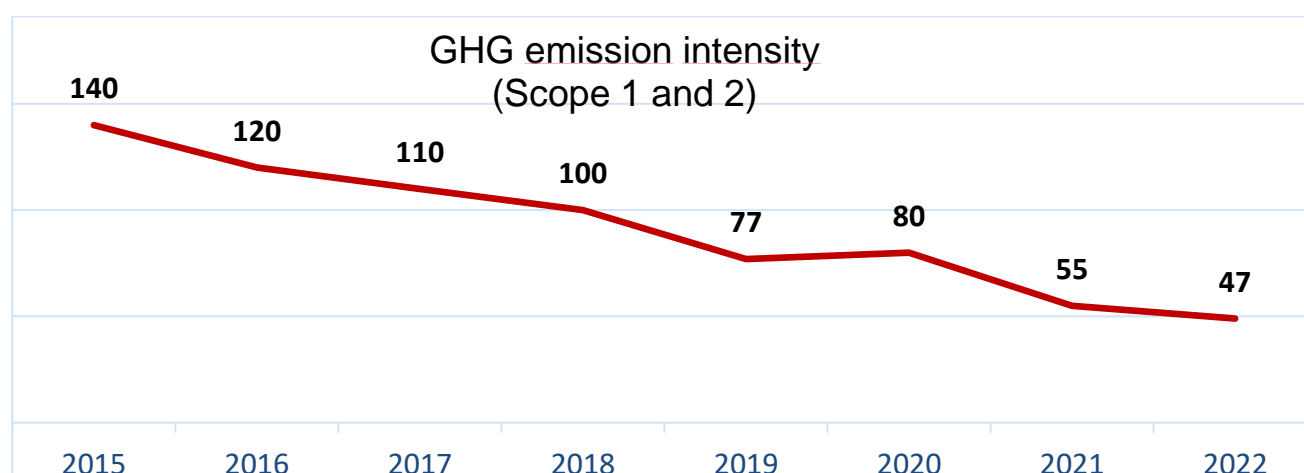
GHG emissions (scope 3) (GRI 305-3)	Unit	2020	2021	2022
Goods and services acquired	t CO _{2e}	1,697,170	1,552,130	2,051,442
Transportation of materials to the work sites	t CO _{2e}	278,131	289,301	101,815
Use of energy (upstream, not included in scope 1 & 2)	t CO _{2e}	90,745	107,213	117,793
Waste generated**	t CO _{2e}	31,134	58,347	40,567
Business trips and home-work commute of employees	t CO _{2e}	4,953	4,705	5,863
Total scope 3 emissions	t CO_{2e}	2,102,133	2,011,696	2,317,479

Biogenic emissions* (GRI 305-1, 305-3)	Unit	2020	2021	2022
Biodiesel- Scope 1	t CO ₂	-	-	4,209
Biodiesel- Scope 3	t CO ₂	-	-	15,514
Total biogenic emissions	t CO₂	-	-	19,722

*Reported since 2022

**The 2021 figure has been restated to reflect new information about the excavation waste at the Rogun Dam project in Tajikistan that only emerged after publication of the 2021 Consolidated Non-financial Statement. Therefore, it is different to that shown in the 2021 Consolidated Non-financial Statement.

The graph below plots the intensity trend of GHG emissions (t CO_{2e} Scope 1&2/€M) and shows how it has improved over the past eight years.

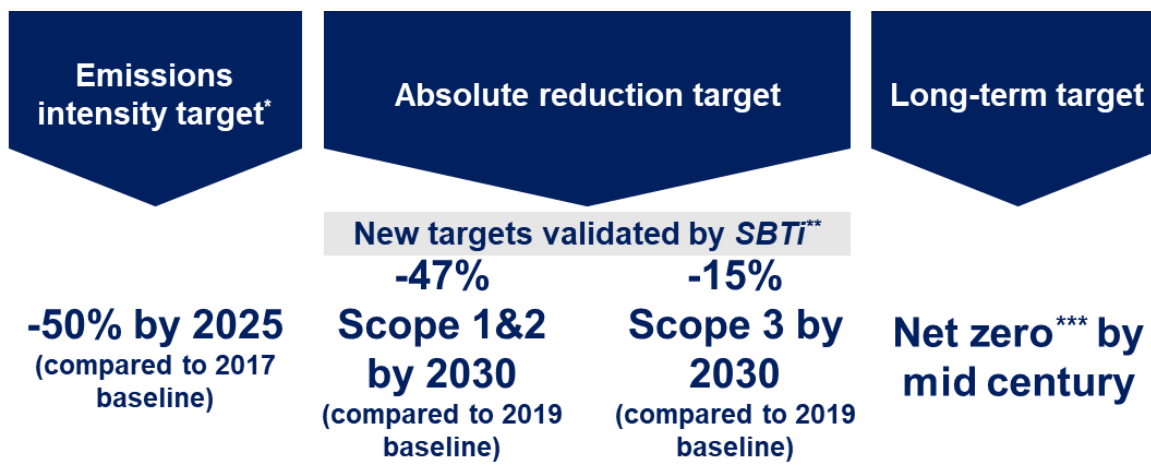


It is important to note that the infrastructures for which the Group generates emissions during their construction in turn generate benefits that are very significant in terms of avoided or reduced emissions once they have been rolled out. In addition, while the emissions generated by the Group are temporary (as they only take place during

the construction period), the environmental benefits arising from the use of the infrastructure are nearly permanent given that many works have a useful life of between 80 to 100 years if not longer, as shown in the next graph.

Emissions intensity target

As described in the “Climate Strategy” section, Webuild has designed a roadmap to steadily reduce its GHG emissions with the following short, medium and long-term targets:



* In terms of t CO2e scope 1&2/€M. Scope 1 (emissions from fuel, explosives and refrigerant gases), scope 2 (emissions from electricity purchased, market-based method)

** Science-Based Target Initiative

***State of no impact on the climate, obtained by reducing emissions and neutralising any residual emissions difficult to eliminate

As shown in the table above, Webuild’s absolute reduction targets defined in 2021 were validated by SBTi in 2022.

These reduction targets are supported by an action plan defined during the year.

Webuild’s main intervention levers to reduce scope 1 & 2 emissions are:

- the gradual transition from diesel generators at work sites to their connection to electricity grids;
- improving the efficiency of the vehicle fleet
 - by steadily replacing existing vehicles with low emission models, introducing hybrid and/or electric vehicles
 - use of conveyor belts to move excavation materials at the work sites instead of lorries
 - progressive adoption of high efficiency catalytic systems on site vehicles
 - introduction of real time consumption monitoring systems for vehicles and machinery
- making plant, equipment and electrical systems more efficient
 - by adopting power quality solutions able to stabilise electrical loads and reduce consumption in the work sites
 - ongoing deployment of “green” TMBs, i.e., machines engineered especially by Webuild together with the manufacturers for lower energy and water consumption compared to that of the traditional machines (see the “Company Organisation- Innovation, research and development” section for more information)
 - development of environmentally-friendly robotic prefabrication systems, engineered specifically by Webuild with the manufacturers, which comply with the circular economy principles through the more efficient use of energy, water and materials
 - introduction of predictive maintenance systems, able to identify inefficiencies in the operation of work site equipment and improve maintenance cycles

- ongoing deployment of ventilation systems in tunnels that operate with automated pollutants controls, able to make energy consumption more efficient and provide better air quality
- progressive introduction of renewable production systems at the work sites, such as photovoltaic and mini-hydroelectric systems;
- utilisation of renewable energy by purchasing electricity from renewable sources and fuel with blends of renewable components (e.g., biodiesel).

As the emissions from the use of the principal construction materials (cement, concrete, steel) make up more than two thirds of the Group's scope 3 emissions, Webuild will focus on them to define its reduction target in line with the requirements defined by SBTi.

The main intervention levers to reduce its scope 3 emissions are:

- deployment of low emission construction materials (generated during their production), especially
 - transition to low-carbon cement and concrete
 - transition to steel with high recycled content
- development of processes to optimise infrastructure design, to achieve
 - optimisation of quantities of materials used during construction, thanks to value engineering solutions and/or innovative materials
 - utilisation of alternative low emission solutions (such as steel fibre instead of traditional metal reinforcements for tunnel sections)

Webuild has also committed to reducing, where possible, its indirect emissions (scope 3) generated by its related activities, such as transport, waste production and personnel movements. Specifically:

- its procurement policy is designed to maximise purchases from local suppliers (94% in 2022), cutting out the need for long transport journeys and minimising the associated emissions. When goods are not available on the local market, the Group prefers to ship materials and machinery by sea as this is the means of transport with the lowest associated emissions;
- its environmental policy (see the relevant section) targets the steady increase in waste sent for recycling and reuse to minimise atmospheric emissions compared to waste sent to landfills or to waste-to-energy plants;
- with respect to reducing personnel movements:
 - the Group has equipped its offices and work sites with video conference systems which significantly reduced the number of business trips even before the pandemic's onset
 - it introduced extensive remote working programmes to deal with the Covid-19 emergency in the past two years
 - its travel policies favour travelling by train rather than by plane and the use of public transport rather than taxis
 - the Italian head offices have a mobility manager who regularly draws up a home-office commuting plan
 - when possible, contracts have collective transport methods (buses) for blue collars and car-pooling for white collars at the work site offices.

Energy consumption

Energy requirements are the main source of GHG emissions at the work sites.

While the Group's business is characterised by highly customised processing, techniques and technologies depending on the specific requirements of the works to be built and the characteristics of the areas where they will be located, Webuild has actively developed production processes and technical-organisational solutions for some years to decrease its environmental footprint.

Accordingly, when designing and setting up its work sites, Webuild checks all the environmental components of its industrial processes to optimise them and make them more efficient.

The following tables show its energy consumption and the initiatives taken to reduce the related GHG emissions:

Energy consumption (GRI 302-1, 302-2, 302-3)	Unit	2020	2021	2022
<i>Non-renewable energy sources</i>				
Diesel	GJ	4,547,812	4,098,364	4,160,241
Petrol	GJ	220,991	205,202	267,558
Kerosene	GJ	975	2,807	2,942
Natural gas and LPG	GJ	29,024	25,228	73,552
Electricity	GJ	499,595	370,161	393,626
Total consumption from non-renewable energy sources	GJ	5,298,396	4,701,762	4,897,919
<i>Renewable energy sources</i>				
Biodiesel*	GJ	-	-	59,044
Electricity from renewable sources	GJ	198,772	196,359	424,683
Total consumption from renewable energy sources	GJ	198,772	196,359	483,727
Total internal energy consumption	GJ	5,497,168	4,898,121	5,381,646
Energy consumption from non-renewable energy sources	GJ	1,146,475	1,705,414	1,857,408
Energy consumption from renewable energy sources*	GJ	-	-	217,644
Energy consumption- subcontractors	GJ	1,146,475	1,705,414	2,075,052
Total	GJ	6,643,643	6,603,536	7,456,698
Energy intensity	GJ/€M	1,251	1,029	922

*Reported since 2022

The Group's overall energy requirements have increased compared to 2021. Consumption from the main energy sources (diesel, petrol and electricity) was affected by the greater volume of activities carried out for some large projects being ramped up in Europe, USA and Australia.

In 2022, 52% of the electricity consumed by the Group came from renewable sources (35% in 2021).

Over the last three years, initiatives (mainly scope 1 & 2) have been rolled out to improve the energy efficiency of industrial processes, to adapt current production processes, to change the current energy sources used, to adopt less polluting logistics options and to introduce awareness campaigns for employees.

GHG emission reduction initiatives	Unit	2020	2021	2022
Active initiatives	no.	13	22	17
Reduction in GHG emissions	t CO _{2e}	78,979	73,704	17,546

In addition to the active initiatives shown in the table, the Group has planned initiatives as part of its strategy to reduce emissions described in the previous section.

Given the current situation with rapidly fluctuating energy costs, these ongoing and planned initiatives are very important as they will allow the Group to obtain significant savings.



Environment

Optimisation of the use of natural resources, protection of the environment and biodiversity for increasingly sustainable work sites

Circular economy

focus on reuse, recycling and reduction of waste

67%

low-carbon steel used

73%

reused excavated materials

87%

materials purchased within a 160 km radius of the work sites

Internal policies

Protection of the environment is a priority for Webuild, which formalised a specific Environmental Policy in 2002, one of the first European construction companies to do so. In 2007, it introduced an environmental management system which is ISO 14001 certified.

Webuild's Environmental Policy defines ten principles to guarantee:

- compliance with applicable legal and contractual requirements related to the environment;
- identification and assessment of environmental aspects tied to the Company's direct and indirect, present and future operations, evaluation of the related significant effects and management of the mitigation and control measures, integrating the life cycle perspective and sustainable supply chain logics;
- identification of all the technical and organisational measures, including of an innovative nature, designed for the rational use of natural resources and the mitigation of pollution, GHG emissions, waste generation and inconvenience to the local communities as well as the maximisation of the positive effects for the environment;
- involvement and participation of all employees or people who work for the Company through actions to make them aware of the issue, the dissemination of information and training courses, dialogue and transparency in action;
- engagement with the community and stakeholders.

The Policy also provides that each worker has the right and is obliged to intervene and stop work if the environment could potentially be compromised.

During the realisation of awarded projects, the Group ensures compliance with the above-mentioned principles in accordance with the commitments taken on with its clients. More information about Webuild's role and responsibilities during the infrastructure project development stage is available in the section entitled "The infrastructure sector and Webuild's role".

Main risks and management methods

The main environmental risks arising from the Company's activities relate to non-compliance with applicable environmental legislation, compromising one or more environmental components (e.g., the soil, water, air or biodiversity) due to a mistaken assessment of the risk or ineffective management/mitigation activities, inefficient use of natural resources and the failure to obtain/maintain environmental certifications and ratings.

The main environmental risks facing the Company (generated by external factors) arise from changes in the applicable environmental legislation, the inconsistent interpretation of applicable legislation by the competent local authorities, incomplete and/or insufficient environmental impact assessments for projects (which should be performed by the client) or adverse environmental conditions (e.g., extreme weather events, climate or geological conditions, etc. differing from those anticipated during the tender procedure).

Environmental management systems and certifications

To monitor these risks, Webuild has an environmental management system, which complies with the ISO 14001 standard and has been certified by an independent certification body.

To ensure that any significant negative environmental impacts are properly identified, managed and mitigated and positive impacts seized as opportunities, the system incorporates a number of environmental management procedures that have to be implemented by the Group's production companies, after being revised to comply with the applicable regulations or contracts.

When contractually provided for, the Group's contracts may include additional environmental management standards that could require special certifications or ratings. They may be:

- system standards, which involve reaching specific environmental performance targets during construction activities (e.g., lower emissions, waste recycling);
- product standards, which require the completed works to meet specific environmental performance targets (e.g., use of low-carbon construction materials, energy-efficient buildings).

The certification systems most frequently used by the Group are LEED (Leadership in Energy and Environmental Design) on a global basis, GSAS (Global Sustainability Assessment System) in the Middle East and IS (Infrastructure Sustainability) in Australia.

Environmental risk identification, assessment and management

Mitigation of environmental risks at the source is essential to better protect the environment and prevent pollution for every construction project. This is achieved by deploying appropriate design and planning activities that consider the work's entire life cycle.

To ensure they are properly managed, Webuild deals with and manages the impacts identified but not eliminated or mitigated in the design phase by adoption reasonable measures (work methodologies).

During the start-up of a new contract and based on the planned work, the plant to be built and the areas to be used for logistics and building work, an environmental risk assessment is performed to identify significant environmental aspects, i.e., those aspects that could have a significant impact on the environment. Their identification and assessment of the significance of their impact as well as the subsequent definition of impact management and mitigation measures take place in line with specific procedures.

The significance of environmental impacts is assessed using a method based on an analysis of well-defined criteria, such as the existence of special regulatory or contractual requirements, assessment of the related risk, management of the impact and the area's sensitivity to the specific environmental aspect.

The assessment considers various scenarios: standard operating conditions, irregular conditions (e.g., plant start-up, maintenance), emergencies (e.g., fire, spills). Identification of the significant environmental aspects includes an analysis of the main effects of the contract work and other activities on the different environmental components:

- natural and energy resources;
- atmosphere and climate (emissions);
- soil, subsoil and water environment;
- waste and use of hazardous substances/preparations;

- existence of systems containing GES/ODS;
- traffic, atmospheric, light and electromagnetic pollution;
- noise and vibrations;
- ecosystem, cultural heritage and environmental restoration.

After the environmental risk assessment, analysis of the contractual obligations and related environmental regulations, the following is prepared for each project:

- environmental plans/procedures setting out guidelines for the management/protection of each specific environmental component;
- environmental protection plans defining the mitigation activities to be adopted in the specific area, as well as the appropriate emergency response measures to be deployed and implemented;
- environmental monitoring and control plans defining the specific control and monitoring activities for the environmental components identified in the various areas that also allow an assessment of the mitigation actions' effectiveness;
- specific instructions for the different method statements applied in order that the related impacts can be mitigated and monitored and improvement actions taken.

In addition, and to comply with the client's instructions, the project's social-environmental impact assessment and ruling legislation, the contract undergoes environmental monitoring to check any unforeseen variations and/or critical environmental issues affecting the areas outside the work site during the development or placement in service of the work. This includes investigating the causes to determine whether they are due to the project and, if so, together with the client, to define mitigation/prevention measures with the client and check their effectiveness.

To ensure the correct implementation of the environmental plans, the work sites schedule and provide for information/training to be given to the employees involved in contracts with potential impacts on the environment, including the subcontractors' employees. They regularly run campaigns to raise employees' awareness of specific issues (e.g., energy savings, waste, spills, use of hazardous substances/preparations, design, LCA planning).

Organisational oversight

The work site environmental departments carry out the monitoring/supervision procedures provided for in the environmental plan with regular checks and audits of the activities performed directly and indirectly by subcontractors. If any instances of non-compliance are identified, special remedial actions are defined as well as plans to improve the processes and/or performance when deemed appropriate.

Contract management regularly reviews environmental performances and the management system's strengths and weaknesses. It sets objectives for the subsequent period to ensure continuous improvement.

The Company is committed to the optimal use of resources and reduction of its environmental footprint. It will continue to protect the areas where it works to ensure that serious environmental accidents do not take place, that production processes become more efficient, the use of local raw materials is more efficient and effective and that water resources, materials and waste not sent to landfills will be reused including for energy generation (in line with the applicable legislation). It will assess its water management cycle and machinery to define additional measures to reduce its impact on the environment. Finally, it will continue to provide training courses about the environment to its employees to increase the per capita hours provided to direct employees.

At corporate level, the Group HR, Organisation and Systems Department defines methodologies, tools and operating methods to manage quality, health, safety and environment issues. Its Safety, Environment and Quality Unit is in charge of the environmental management system. It provides technical assistance with environmental issues, analyses the Group's environmental performance and defines the objectives/guidelines for continuous improvement to pursue steadily improved performances.

Communications about environmental aspects are made on a hierarchical basis within the Company through the QHSE coordinators (who liaise with the corporate and contract managers), the company intranet, the website and this Statement. Other internal communication channels (e.g., employees, subcontractors) and external channels (e.g., local communities) are set up at individual production unit level in line with the ruling legislation, contractual requirements and any recommendations in the social and environmental impact assessments approved by the authorities.

Employees may use the whistleblowing system described in the section on “Anti-corruption” for environmental notifications. In addition, some work sites have additional notification systems (grievance mechanisms), which can also be used by third parties (e.g., local communities). Typical communications received locally relate to inconveniences caused by the work site equipment (traffic, dust) and construction activities (noise, vibrations) or damage to private property.

Reference should be made to the section on “Main risk factors and uncertainties” (“Criminal litigation” paragraph) of the Directors’ report for ongoing environment-related disputes.

The methods to manage the main environmental components are described below. The environmental data are heavily affected by the number and type of works under construction, the client’s design decisions and the stage of completion of the individual projects. Accordingly, a comparison with previous periods may not always be significant, especially in terms of the absolute values.

The local area and the circular economy

At the end of 2022, the Group’s work sites included in the scope of this Statement included 35,276 operational sites, of which 126 underground, for a total surface area of 158,977,831 m². The following table shows the main data by geographical area:

Geographical area	Unit	Total surface area	Surface area in protected areas	Surface area of areas adjacent to protected areas
Africa	m ² / %	22,490,000	0%	0%
Europe	m ² / %	24,744,348	10%	6%
Americas	m ² / %	73,148,022	62%	6%
Asia and Oceania	m ² / %	38,595,461	17%	3%
Total	m² / %	158,977,831	34%	5%

The American continent is the geographical area where the Group has the largest surface areas inside protected areas. This is due to the Caloosahatchee (C43) West Basin Storage Reservoir contract in Florida, USA acquired in 2019. The project is part of a larger plan, The Comprehensive Everglades Restoration Plan, a long-term plan approved by the US Congress to restore, protect and preserve the environment of a protected area of great importance to the community, the economy and ecosystem of Florida. The Everglades provides drinking water to more than eight million people, supports the flourishing agricultural and tourist sectors of Florida, has unique natural habitats and is home to two native American tribes. Lane’s share of the project is to build a reservoir on over 4 thousand hectares as part of the plan to contain wastewater discharges, improve water quality, restore natural habitats and preserve the protected species.

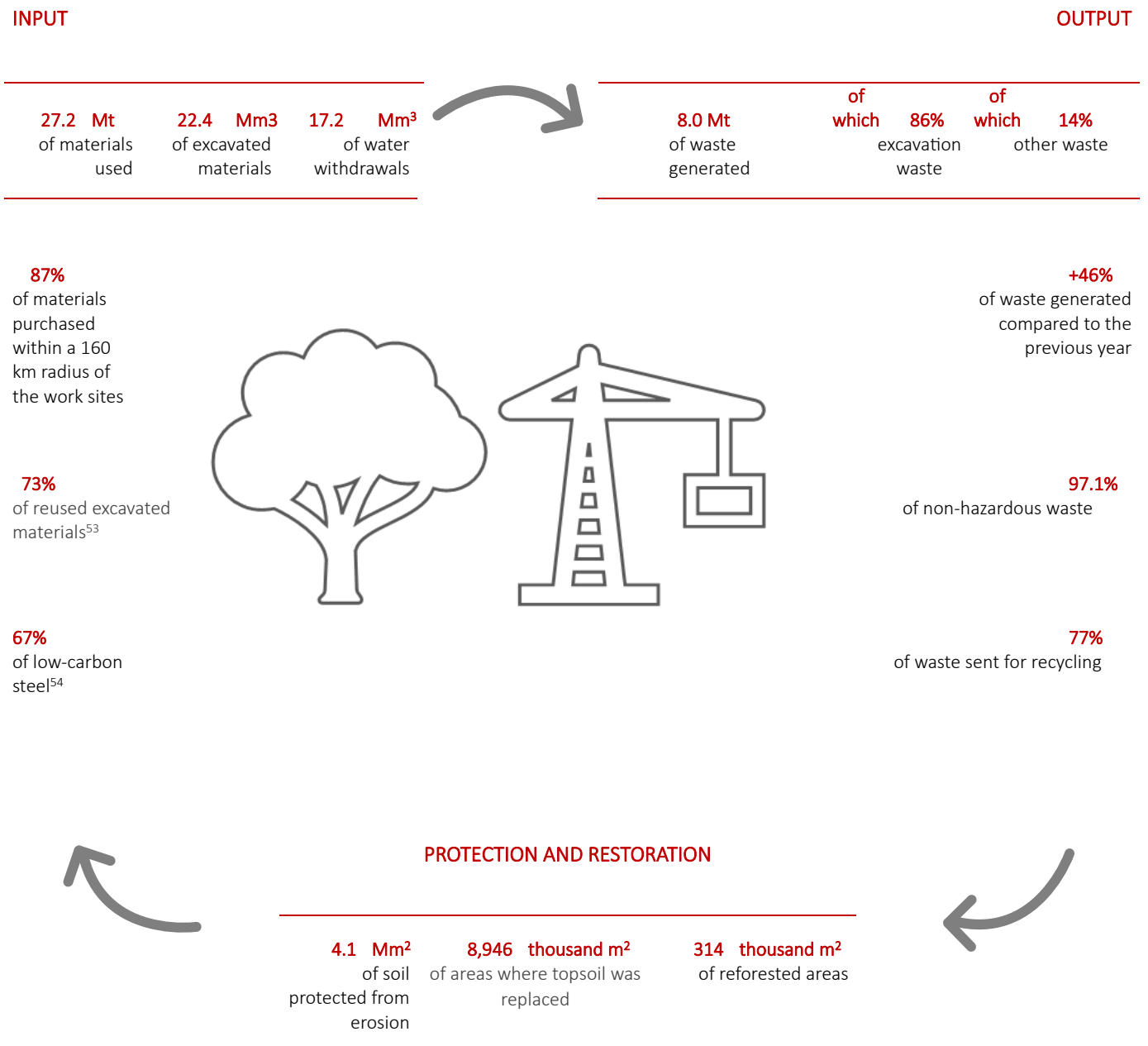
In Europe, the largest surface areas inside protected areas are a railway project in Romania and two Italian projects (Cociv and Line 4 of the Milan Metro).

The projects in protected areas (or partly within them) in Asia and Oceania are Umm Lafina in the United Arab Emirates and Snowy 2.0 in Australia.

Information about biodiversity management is available in the “Biodiversity, cultural heritage and environmental restoration” section.

The Group adopts practices that are in line with the principles of the circular and green economy, designed to minimise (when possible) the use of natural resources, including through their reuse, as part of its activities. Similarly, it encourages the recovery of waste materials in the same project or surrounding areas.

The Group’s resources for the year are presented in the next chart, showing the “circularity” of its practices.



The following paragraphs describe the elements presented in the above chart.

⁵³ The materials reused during the year may include excavated materials from previous years.

⁵⁴ Steel with high recycled content (equal to or higher than 90%)

Raw materials

Construction of motorways, bridges, dams, railway and metro lines and civil and industrial buildings requires the use of large quantities of water, aggregates, iron, cement and backfill: all raw materials which are mostly not renewable.

The environmental assessments made at the start of a new contract consider these aspects and the related mitigation measures are designed to ensure the efficient management of these resources.

With respect to raw materials, the Group is committed to, where possible:

- reusing excavated earth and rocks in other industrial processes such as, for example, the production of aggregates for concrete or the construction of embankments and other earth fills as required by the projects for cost efficiency purposes and in line with circular economy principles in line with the ruling regulations;
- sourcing and use of alternative or innovative materials, such as materials that have been recycled, obtained using low-carbon methods or that improve the quality, durability, safety and functionality of the finished works;
- using products and components that do not contain hazardous substances.

With respect to water resources, the Group is mainly involved in the development of storm water, industrial and drainage recovery systems to reduce the quantities of raw water and/or drinking water required at the work sites. Furthermore, the working methods and the work sites are designed considering possible water optimisation.

Innovative solutions to reduce materials and water footprints

As described in the “Climate change” section, the use of cement, concrete and steel at Webuild’s projects is responsible for most of the Group’s indirect GHG emissions (scope 3). Webuild is engaged on all fronts to optimise the use of these materials at its work sites through:

- value engineering processes to decrease the quantities of materials used;
- development of special optimised concrete mixes with a low cement content or that include cement substitutes from other industrial sectors (e.g., the iron and steel sector) to allow a reduction in the use of cement of up to 65%;
- greater use of steel with a higher recycled content (including above 90%).

Alongside the Group’s traditional process water recovery systems and closed-circuit systems in place at its work sites for years, it has developed a water optimisation system, WWE (Webuild Water Efficiency), an innovative monitoring system for the remote digitalised mapping of water resources. This will assist detection of water losses and prompt resolution, identification of waste and the reduction of water consumption and water efficiency. WWE monitors two ratios: the water-use efficiency ratio and the water autonomy ratio, which provide an immediate snapshot of the correct functioning of the water management system and the level of autonomy of the work site with respect to this resource, so that they are always at highest levels. Webuild is gradually introducing the WWE system at its work sites.



The main raw materials used by the Group are shown in the tables below:

Materials used (GRI 301-1)	Unit	2020	2021	2022
<i>Principal construction materials</i>				
Bitumen	t	47,570	27,844	59,127
Cement	t	484,637	527,145	777,066
Steel	t	179,758	173,681	271,654
Ready-mixed and pre-cast concrete	t	4,175,879	4,353,389	5,469,775
Ready-mixed asphalt	t	740,851	486,530	703,985
Total construction materials	t	5,628,695	5,568,590	7,281,607
<i>Aggregates</i>				
Aggregates and sand	t	11,411,623	12,584,211	19,959,292
Total aggregates	t	11,411,623	12,584,211	19,959,292

Water withdrawal (GRI 303-3)*	Unit	2020	2021	2022
Wells	m ³	3,398,594	3,467,299	3,397,172
Rivers	m ³	6,882,593	9,562,130	11,941,391
Lakes	m ³	29,790	117,865	180,088
Aqueducts	m ³	2,389,843	1,642,059	1,636,330
Total	m³	12,700,820	14,789,354	17,154,981

*The 2020 and 2021 figures have been restated using the same calculation methodology

The main variations on the previous year relate to the progress made on the Group's projects. Specifically, the increase in the use of the principal construction materials (31% on 2021) mostly relates to the projects in Europe, Australia and the United States.

The rise in the use of aggregates is mostly attributable to the greater activities carried out for Lane's projects in the US and the projects in Ethiopia and Colombia.

There was a 16% increase in water resources utilisation in 2022, chiefly due to the greater withdrawals from rivers for the Koyscha project in Ethiopia.

With respect to the circular and green economy, during the year, 87% of the materials purchased complied with the region-based criterion, as they were purchased within a radius of less than 160 km from the work sites, thus reducing the impact of their transport. During 2022, 67% of the steel used was low carbon, i.e., with a recycled content of 90% or more. The Group also used 71 thousand tonnes of low carbon cement materials and water recycled and reused in production processes of 2.0 million cubic metres (1.3 million cubic metres in 2021).

Energy consumption, both in the form of fossil fuels and electric energy, has a strong impact during construction of infrastructure. Reduction of energy consumption and greater energy efficiency allow a decrease in GHG emissions and mitigation of the effects of climate change. The "Climate change" section describes the Group's actions in this area.

Soil, subsoil and water environment

The Group's construction activities may affect the soil and water environment at different levels depending on the works in question and the surrounding environment (e.g., urban or rural environment).

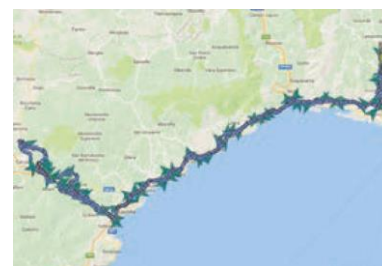
Contracts are managed to avoid damaging these environmental components. Specifically, containment tanks, wastewater conveying networks and waterproofing systems for risky logistic areas (e.g., workshops, fuel and chemical depots, machine washing areas) are built during the work site start-up phase to prevent contamination of the soil, subsoil and surrounding water bodies, also as a result of meteorological events and/or run-offs.

Industrial wastewater is channelled and collected in sedimentation tanks and treatment plants compliant with the applicable legal and contractual provisions, using the best technologies available and considering the wastewater's specific characteristics and the parameters that the wastewater must meet in order to be discharged according to the legislation and the receiving body.

Construction work involves movement of large earth quantities to construct embankments, cuttings, tunnels or certain types of dams. In accordance with the policy to reduce waste production, the excavated earth and rocks are classified and stored on the sites for reuse within them, where possible and in compliance with the regulations, or transferred to third parties to be reused externally. In 2022, reused excavated materials⁵⁵ amounted to 16.4 million cubic metres (24.6 million cubic metres in 2021), which continues to be a significant amount showing the effectiveness of the Group's circular economy policies.

Traceability of excavated earth and rocks

The Group has introduced an automated system to trace the excavated earth and rocks at the COCIV work site in Italy. This involves the digitalisation of the transport documents, leading to a more efficient process, a more reliable and immediate end result and a drastic reduction in the production of paper documents.



In order to mitigate the risk of soil erosion due to excavations and aggravated by weather events (rain, wind), the Group takes specific soil protection measures consisting of systems to consolidate excavation fronts and to channel rainwater, as well as covering more exposed areas (e.g., escarpments) and planting trees that mitigate erosion. The mitigation measures are defined considering the natural elements, the environment and features of the local area. In 2022, areas where measures to protect against erosion have been implemented covered 4.1 million square meters (2021: 717.2 million square metres). The significant decrease is due to Lane's completion of the Turnpike project in Florida (it required intense stabilisation activities of the entire site in 2021).

Waste

Waste generated during construction of large-scale infrastructure can be grouped into two separate categories: municipal waste and special waste. Municipal waste is generated by logistics sites where the support activities for the industrial production are carried out such as offices, accommodation for non-resident workers and canteens. Special waste is generated by the actual industrial activities, such as construction work, plant operation and the workshops.

In line with the circular economy principles, the Group limits its waste production by maximising its reuse and recycling and minimising the use of landfills. Accordingly, its waste is collected, sorted and stored in specific enclosed areas from which they are then taken to be transferred to third parties authorised to recycle/dispose of the waste.

Hazardous waste is a marginal part of the waste generated in the Group's contracts. Normally it involves paint, additives and solvents, used oil and oil filters from vehicle maintenance, batteries, rechargeable batteries and, in some cases, earth, sludge and other materials containing hazardous substances.

Waste produced by activity, type and destination, dealt with in accordance with local regulations, is shown in the following table⁵⁶:

⁵⁵ These materials may include materials excavated in previous years.

⁵⁶ The 2021 figures have been restated to reflect new information related solely to the excavation waste at the Rogun Dam project in Tajikistan that only emerged after publication of the 2021 Consolidated Non-financial Statement. Therefore, they differ from those shown in the 2021 Consolidated Non-financial Statement.

Waste by activity (GRI 306-3)	Unit	2020	2021	2022
Construction and demolition waste	t	607,955	629,824	974,770
Excavation waste	t	5,247,569	4,735,572	6,938,576
Waste from support activities	t	105,030	148,946	115,503
Total non-hazardous and hazardous waste	t	5,960,554	5,514,343	8,028,849

Waste by type and destination (GRI 306-4, GRI 306-5)	Unit	2020	2021	2022
<i>Non-hazardous waste</i>				
Recovery, reuse and recycling	t	4,845,193	2,448,039	6,131,276
Incineration	t	6,329	1,257	1,054
Landfill	t	1,027,233	2,923,553	1,667,234
Total non-hazardous waste	t	5,878,756	5,372,849	7,799,565
<i>Hazardous waste</i>				
Recovery, reuse and recycling	t	61,102	103,238	39,056
Incineration	t	208	5	-
Landfill	t	20,488	38,250	190,228
Total hazardous waste	t	81,799	141,494	229,284
Total non-hazardous and hazardous waste	t	5,960,554	5,514,343	8,028,849

86% of the waste produced is from excavations, which thus affects Webuild's global waste performance. It is classified as waste in line with the applicable regulations and its possible internal and/or external reuse, which varies depending on the project's characteristics and the material's geotechnical characteristics which the Group cannot influence.

The increase in waste in 2022 compared to the previous year is mostly due to the progress made on the Ruta del Sol project in Colombia and the Hurontario Light Rail Transit project in Canada.

The percentage of waste recovered, reused and recycled is 77% for the year.

Webuild encourages all work sites to reduce their waste production and to maximise its recovery in line with their local context and economy and the ruling legislation.

Atmosphere

Unlike other industrial sectors, the construction sector does not generate significant atmospheric pollution. The main sources of atmospheric emissions are linked to dust created by the construction activities: excavations, earthwork, movement of heavy vehicles on unpaved roads and crushing excavated stone. The Group is committed to minimising these emissions in order to reduce any disturbance from dust in the area adjacent to the work/transport areas as well as limiting the production of exhaust gases.

Other sources of air pollution are the unloading of site equipment and plant. The methods adopted by the Group to mitigate these impacts are described below:

- regular dampening of unpaved roads accessing work sites, aggregates wetting systems at the crushing plants, the use of filters on the cement storage silos and asphalt production plants, loading methods and covering lorries transporting powdery materials, tyre washing systems at site entrance points and the replacement of road transport with conveyor belt transport;
- preventative and regular maintenance schedules for site plant and vehicles, ongoing replacement of the fleet with more efficient models;

- traffic management plans and speed limits;
- use of covered conveyor belts for the transportation of excavation materials;
- encouraging local procurement to reduce transport-related emissions.

The “Climate Change” section provides information on the Group’s energy efficiency actions.

Noise and vibrations

The aspects relating to noise and vibration are of double significance for the Group: internally, in terms of the health of workers, and externally, in terms of impacts on the environment and local communities.

The Group’s QHSE management system includes specific procedures to assess and monitor these aspects, so that each site can adopt the most appropriate measures to ensure protection of the health and safety of workers (soundproofing, use of personal protection equipment, etc.) and of the surrounding environment.

With regard to the effects on the environment surrounding the sites, the areas most affected by noise interference are protected by noise barriers, which can be artificial dunes made of backfill material, support structures and absorption panels made of various materials. The noise barriers can also be one or more rows of trees or shrubs which both absorb the noise and reduce the visual impact and dust. The choice of the barrier depends on its effectiveness, the area in which it will be placed and its landscaping effect.

The Group designs specific noise reduction devices tailored to the source (e.g. type of system), in order to maximise containment of the sound waves, for example, by covering conveyor belts.

Vibration is also a feature of work on civil engineering sites. The effects of pressure waves that propagate in the soil can cause damage to buildings or other structures located in the vicinity of the works. During the works, periodic monitoring of both noise and vibration is carried out, particularly in the presence of sensitive receptors.

Biodiversity, cultural heritage and environmental restoration

The loss of biodiversity is a global issue affecting a growing number of natural habitats, accelerated by climate change and pollution. Examples of infrastructure works that can mitigate human activities’ impact on biodiversity are the Group’s hydraulic engineering projects designed to reduce the pollution of water bodies (rivers, lakes, wetlands and oceans) being carried out in various parts of the world.

Webuild also adopts special protection measures, especially when the work sites are within sites of special natural, cultural or archaeological interest. These measures, which are implemented in accordance with the competent authorities’ provisions and the relevant applicable legislation, are designed to protect and preserve the ecosystem, flora and fauna, biodiversity and cultural/landscape and archaeological heritage of the areas around the work sites and from the related transport to and from such sites.

Depending on the type of project and activities, the works schedule is defined considering the biological rhythms of the local wildlife (e.g., their behaviour, reproduction periods, seasonal migration). This involves drawing up special plans to protect the fauna, including the procedures to be followed in the case of their rescue. In the last three years, the Group has rescued more than 1,300 wild animals. The use of pesticides and herbicides is generally banned in the Group’s work sites.

The linear work sites (for roads, railways) prepare flora and fauna continuity solutions, which can include making wildlife corridors, so that the works (including during the construction phase) do not become a physical barrier between previously adjacent areas.

Tailored plans are implemented for the protection of endemic and endangered species which provide for barriers/check points, work procedures, response and reporting procedures. The site employees are provided with the appropriate training courses.

Close attention is paid to the reduction of light pollution: cut-off lamps are used to limit the upward dispersion of light, the lighting system is calibrated to the minimum so as to guarantee the lux necessary for the safety of the site and the workers. Directional lighting is also used to limit lighting to within work site areas.

The placement of the work site is increasingly important. Webuild analyses and assesses how to reduce its impact on the landscape during the design phase of the work site.

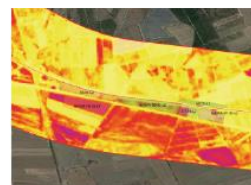
The Group also involves external professionals, researchers and local authorities in its procedures to manage operations in protected areas and/or when archaeological artefacts are discovered. For example, Webuild implemented an intensive system to monitor and protect the local flora and fauna at the Umm Lafina project in the United Arab Emirates, which is located in a coastal protected area with mangroves and a very diversified avian fauna. This system includes regular surveys by an independent specialist to monitor migratory birds. Webuild shared a special plan for the management of the mangroves with the authorities. This covered their movement, the planting of new plants previously grown in a nursery and the monitoring of their well-being once they have been re-planted, with the requirement of a survival rate of at least 80%.

The Group ensures that the direct and indirect work site employees are provided with tailored training courses on biodiversity, especially when this is pertinent to the project.

Smart biodiversity monitoring

The Group has recently started to use innovative biodiversity monitoring systems in areas where it operates. These include satellite technologies and distance monitoring, deployed at several linear work sites (for railway projects for example) where construction activities cover areas with different habitats and it is very important to trace and monitor it in all the project stages.

The systems can efficiently monitor and trace the potential impact of the Group's projects on biodiversity, for example, on valuable crops (through multi-spectral satellite analyses) or the wildlife's interaction with the work site activities (using motion-based detection systems).



As disclosed in the “The local area and the circular economy” section, at the end of 2022, 38% (2021: 36%) of the areas managed by the Group was located in protected areas and 5% (2021: 3%) in areas adjacent to protected areas⁵⁷.

Specifically, 128 work sites (the equivalent of 54.5 sq km) were located in protected areas (mostly in the US, followed by Italy, Australia, Sweden, Romania and Poland) and 38 (the equivalent of 7.2 sq km) in areas adjacent to protected areas (mostly in the US, followed by Australia, Italy and the United Arab Emirates). Of these sites, 33 are in areas protected by local regulations, 14 in areas protected by national regulations and 52 in “Natura 2000” areas. There are 111 work sites located in ecosystems that contain water (e.g., lakes, rivers, swamps, etc.), 24 in urban ecosystems, five in agricultural ecosystems, 15 in wood ecosystems, seven in mountain ecosystems, three in coastal ecosystems and one in an insular ecosystem. In these areas, construction and plant operation activities are mainly carried out.

Once construction has been completed, the areas affected by the work, access roads, plants, installations, quarries and deposits are cleaned up to return the areas to their original conditions in line with the contractual terms and current regulations. These restoration activities facilitate natural revegetation, prevent soil erosion and improve soil stability.

⁵⁷ The sites (not located within protected areas) in which activities with potential impacts on surrounding protected areas are carried out are considered “adjacent to protected areas”.

Any land reclamation activities, if provided for in the contract and necessary due to previous contamination, are agreed with the customers and performed in line with the competent authorities' instructions.

Environmental restoration activities may include reforestation for carbon capture purposes, and indigenous species are usually used. The main restoration activities performed by the Group are shown below:

Protection and restoration activities (GRI 304-3)	Unit	2020	2021	2022
Reforested area	m ²	159,506	593,973	313,675
Restored areas	m ²	8,625,836	3,545,662	8,945,837

The increase in restoration activities compared to 2021 is mostly due to the performance of Lane's projects. The decrease in reforestation activities relates to the specific stages of work on the projects in Colombia, the United Arab Emirates and Ethiopia. In 2022, the Group planted 236,525 trees (various species in Australia, Colombia, Ethiopia, Italy, Paraguay, Poland and the United States and mangroves in the United Arab Emirates).



Anti-corruption

Prevention and monitoring systems in line with the most stringent international standards

Zero tolerance
for corruption

Anti-corruption system
ISO 37001 certified

Continuous training
on anti-corruption

Whistleblowing
a dedicated platform

Internal policies

Webuild has a zero-tolerance policy for all types of corruption and is committed to complying with the anti-corruption laws ruling in the countries where it operates. It requires its stakeholders to act with honesty and integrity at all times. The Company never condones behaviour designed to improperly influence the decisions taken by representatives of public or private bodies.

The Company is committed to adopting preventive protocols to minimise the risk of active and passive corruption and to ensure compliance with the principles introduced by anti-corruption laws and international best practices.

These principles are enshrined in its Code of Ethics and reiterated in its Anti-corruption Policy, adopted voluntarily and in compliance with international best practices.

Anti-corruption system

Webuild has an Anti-corruption System which meets the ISO 37001 requirements and is certified by an independent certification body. In addition to its Anti-corruption Policy described earlier, the system provides for the:

- preparation, updating and application of the Anti-corruption Model approved by the Board of Directors on 16 June 2014 and updated on 28 September 2018 and 15 December 2020;
- issue of Guidelines and internal procedures and integration of existing ones to define the roles and responsibilities of the parties involved and the operating methods for the processes and controls defined in the above documents.

As part of its zero-tolerance policy, the Company seeks to align its strategy with the Anti-corruption System, instilling a compliance culture and mitigating the potential risks of non-compliance.

The Board of Directors adopts the Anti-corruption System while the Compliance Unit monitors the Anti-corruption System and its correct application. It draws up an annual Compliance Plan, which sets out the Company's goals to ensure achievement of the general objectives and ISO 37001 recertification. The Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Director in charge of the Internal Control System all check the Compliance Plan as does the Integrity Board for the aspects related to Legislative decree no. 231/2001.

Main risks

The Anti-corruption System is designed to cover the risks to which the Company could be exposed. With respect to active corruption, the main risks identified relate to interaction with representatives of the public administration as part of specific activities, such as, for example, those to comply with defined obligations vis-à-vis the public administration or the obtaining of authorisations from it (licences and permits, payment authorisations from works management or approval of design extensions/variations). Other risks may arise from participation in calls to tender by public bodies, inspections and/or checks or disputes.

With respect to active corruption in the private sector, this risk is less material and mostly relates to the Group's participation in tenders called by private bodies or management of partnerships.

The main risks facing the Company arise from procurement and subcontracting activities. During the assignment stage, potential suppliers/subcontractors could attempt to corrupt a company employee to obtain the contract (passive corruption). In addition, once the contract has been signed, the suppliers/subcontractors could act unlawfully to obtain approval and, hence, payment for activities they did not actually perform or the non-reporting of non-compliance of their services.

Organisational and management oversight

The Compliance Unit performs an anti-corruption risk assessment of the Company's relevant process as part of the risk assessments necessary to regularly update the 231 model. The assessment is performed for the other group companies (subsidiaries, consortia, joint ventures, etc.) using a scope defined on the basis of the CPI (corruption perception index) assigned to the country where the group companies operate and depending on how long their compliance system has been in place. In 2022, 100% of the legal entities making up Webuild Group were included in the anti-corruption risk assessment scope. The risk assessment findings are used to draft the Compliance Plan and to schedule the yearly audits and inspections to check the Group's operating companies correctly apply its ethical and anti-corruption procedures and standards.

The procedures specifically designed to monitor the above risks include the Guidelines for the Assessment of Relevant Third Parties, which define valuation procedures applicable to potential counterparties before a contract is signed. The procedures aim to identify the ethics and professional integrity of the Group's partners and their compliance with its anti-corruption policies. To complete the due diligence of third parties, the Group has specific procedures to monitor conflicts of interest with its employees during the recruiting stage and when they are hired. During 2021, it updated its third-party assessment procedures to fine-tune its assessment procedures, especially in the case of entities debarred by Multilateral Development Banks.

With respect to ethical procedures, the Company has introduced new rules to manage its advocacy and PR programmes⁵⁸.

Contracts agreed by the Company with Third Parties must include specific measures to ensure their compliance with Anti-corruption laws, the Company's Code of Ethics and Anti-corruption Model.

Whistleblowing system

Webuild also has a whistleblowing system that can be accessed through an external web portal. This allows employees to make anonymous or confidential (at their own discretion) notifications about potential violations while being protected against any form of reprisal, discrimination or unfair treatment. The Anti-corruption Model provides that employees are obliged to report any violations of the Model and/or internal or external regulations, the ethical principles and all anti-corruption laws by the Company, a colleague, a consultant or third party. As of 2018, third parties (e.g., suppliers, subcontractors) can also use the whistleblowing system. Starting in 2020, access to the system has been further extended to include dedicated sections for companies and joint ventures

⁵⁸ More information is available in the "Stakeholder engagement" paragraph of the "Social" section.

led by Webuild with 50 companies having access to the platform by the end of 2022. Alternatively, notifications can be made by post or email. The Company guarantees the protection of the notifying person in accordance with the provisions of Law no. 179/2017 and Regulation (EU) no. 2016/679 on personal data protection.

Violations of the Anti-corruption Model's principles and measures are a serious breach of their contracts by employees and consultants. Webuild takes all the steps provided for by the existing laws and contracts in the case of these violations, including warnings, dismissal, termination of the contractual relationship, claims for compensation, etc.

In 2022, the Company received 13 notifications through its whistleblowing channels, of which three for the potential violations of its anti-corruption procedures involving group companies. In all cases, the Compliance Unit commenced an investigation and based on the Company's internal procedures, was assisted by either the Internal Audit Unit or the Legal Unit. Most of the notifications received were found to be ungrounded at the end of the investigations, especially those related to possible violations of anti-corruption procedures.

Training

The Company requires that all new employees receive the mandatory Anti-corruption training as part of a broader Compliance programme. It continued its annual certification process whereby all employees are asked to formally renew their commitment to the Company's Code of Ethics and Anti-corruption Model and to confirm that they have not been involved in conflict of interest situations.

Monitoring and reporting

The Compliance Unit also prepares internal reports for the Board of Directors (every six months), which it addresses to the Control, Risk and Sustainability Committee, as well as ad hoc communications and reports to management, either together with or through the Internal Audit and Compliance Manager, on any critical issues it identifies during its work.

Reference should be made to the "Main risk factors and uncertainties" (sub-paragraph "COCIV consortium" in the "Criminal litigation" paragraph) section of the Directors' report for ongoing disputes about corruption.

Supply chain



Quality partnerships and continuous performance improvement to tackle market challenges together

17.5 thousand suppliers
working with Webuild in 80 countries

266 thousand hours
HSE training provided to subcontractors' employees

Innovation Days
to encourage collaboration with innovative suppliers and partners

Improved vendor rating index⁵⁹
confirming the high quality of the supply base

Internal policies

Each year, Webuild works with thousands of suppliers both for its contracts and internal requirements. As defined in its Code of Ethics, its conduct hinges on principles of correctness and transparency, and it is committed to not exploiting any conditions of dependence or weakness of its suppliers.

The Company selects its suppliers using principles of fairness and impartiality and selection criteria which involve checking their quality, technical/professional qualifications, compliance with standards about human rights, labour regulations, including equal opportunities, health, safety and the environment as well as prices.

Suppliers are required to formally accept the Code of Ethics, the Anti-corruption Model and, starting from 2020, the Suppliers Code of Conduct, which are integral parts of their contracts. Webuild encourages its suppliers to apply the same criteria when selecting their subcontractors and to share the Group's principles of integrity, honesty, reliability and sustainability in order to encourage and promote compliance with its principles along the entire supply chain.

The Company is committed to protecting the confidentiality of corporate information and professional know-how and requires its counterparties to do likewise.

When Webuild manages contracts directly or as the project leader, or there are specific agreements in place, suppliers are required, to the extent of their involvement, to comply with/adopt the Company's Quality, Health, Safety and Environment Management Systems.

Main risks and management methods

In 2022, the Group worked with roughly 17.5 thousand suppliers from around 80 countries. The main supply categories related to subcontracts, materials, machinery and equipment and services.

In the procurement process, the inadequate functioning of the qualification process and/or assessment of the suppliers' performance or the possible abuse of a position of strength vis-à-vis smaller suppliers could potentially expose the Group to various risks, such as compliance, reputation and commercial.

The main risks arising from external factors include potential risks of non-compliance with regulatory changes requiring the adoption of new measures with suppliers, and commercial and reputation risks due to possible

⁵⁹Internal supplier rating system

issues with suppliers (e.g., inadequate performance in technical, qualitative, human rights, safety, environmental areas, etc.) after the contract has been signed.

The Company has established a number of procedures to manage the procurement of goods and services and monitor these risks. They include definition of the roles, responsibilities and checks to be performed to ensure that the operating activities are performed in accordance with the applicable laws and regulations, the Company's Code of Ethics, the 231 Model and the Anti-corruption Model.

Selection and qualification

The supplier qualification procedure is an important part of the procurement process. Its aim is to assess whether the potential supplier meets the Company's criteria so that it can be included in the Vendor List. This qualification procedure also ensures that the Group's requirements are met for all goods categories and in all relevant geographical areas.

The Procurement Department manages the supplier qualification process, which involves a number of preliminary checks of the potential supplier's reputation, its expertise and that it is not already included in the Reference Lists.

Potential suppliers are required to fill in a questionnaire to allow the Company to obtain information about and assess various aspects such as: business and production category, organisation and shareholder structure, financial reporting, registration and certifications, quality, the environment and safety, social responsibility (including human rights), and specific information about their goods categories (when available).

Based on these questionnaires, the Procurement Department may proceed with specific analyses and detailed checks, which can include assessment visits to the supplier's production units and offices. Other company departments, such as the Technical Services and Safety and the Environment and Systems Departments, may also be involved in the visits which are designed to assess the supplier's technical and operating capabilities with special regard to the products and services of interest to the Group. They also investigate those aspects that could affect the potential partner's ability to comply with its contractual commitments.

Additional risk analyses are performed for certain suppliers that fall into the counterparty risk category using the methods and tools defined by the Risk Management Unit.

Upon completion of the checks, suppliers found to be suitable for qualification are included in the suppliers register and the reference Vendor List.

Certain contracts require adoption of a specific additional qualification system depending on the applicable regulatory and contractual requirements. For example, suppliers working on projects subject to LEED environmental certification are subjected to additional checks to verify their compliance with specific environmental parameters, while other specific requirements, such as social criteria, are checked for projects acquired in some countries. These may include checking potential suppliers whose workforce mainly consists of employees from special categories (e.g., ethnic minorities).

In 2022, the Corporate Procurement Department checked the accuracy of the information provided by the applicants, that the applicants were not already included in the Reference Lists and that there were no compliance risks. The results were positive for 6,790 potential suppliers.

Contracts with suppliers include provisions requiring them to comply with the applicable regulations, the Code of Ethics, the Suppliers Code of Conduct, the 231 Model and the Anti-corruption Model as well as quality, health and safety and environment requirements. Specifically, the Suppliers Code of Conduct defines the principles the Group's suppliers and subcontractors must comply with in 11 well-defined areas (quality and performance excellence, occupational health and safety, the environment, fair and non-discriminatory employment conditions, equal opportunities and non-discrimination, local communities, anti-corruption and combating fraud, the correct management of cash flows, unfair competition, conflicts of interest and privacy), as well as the

procedures for the oversight of these principles and management of any notifications of non-compliance. The contracts have specific termination clauses if suppliers do not comply therewith.

Monitoring and performance assessment

Once the contract has been signed and is effective, the Company monitors the performance of its key suppliers using a special assessment process, involving the Corporate Procurement Department and the contract managers. It assesses suppliers once a year. In 2022, these assessments involved more than 20 contracts selected for their financial significance. They covered nearly all the suppliers of the analysed contracts (response rate of above 95%) included in the assessment scope, showing average performances (measured using the IVR vendor rating index) of 88/100 (an improvement on the 86/100 of 2021), confirming the high quality of the Group's supply base.

The assessment process is flanked by the on-site monitoring of projects by the local QHSE Departments, which mainly cover subcontractors and is designed to check that their activities comply with the Company's quality standards and applicable requirements for environment, health and safety aspects. Specifically, the local QHSE Departments regularly audit the subcontractors. Any non-compliance is handled in accordance with the management system procedures and includes the agreement of improvement plans and follow-up checks to ensure that they are implemented.

Involvement of the subcontractors in these issues also takes the form of regular coordination meetings and the participation of their employees in classroom and on-site QHSE training courses (266,347 hours in 2022).

Involvement

In addition to involving and monitoring suppliers at the work sites, they were also involved in various centrally organised initiatives during the year.

This includes the annual supplier meeting attended by the Group's Italian and international employees and suppliers when the main procurement practices are presented.

In 2021, the Group launched Supplier Development Hub, a collaborative platform to support the supply chain, sharing its know-how, experience and solutions to accelerate innovation and sustainability in the infrastructure sector. The programme continued in 2022 with workshops and webinars about innovation and sustainability for the Group's suppliers.

The Company continued its Innovation Days in 2022, which are appointments with individual suppliers attended by company employees (including on virtual platforms). They are an opportunity for the supplier and the Company to discuss their experiences about new technologies, products, innovative processes and other matters of mutual interest. Once again, the focus was increasingly on sustainability issues and this trend will continue and, where possible, increase in the coming years.

Social

Economic development of local areas, ongoing engagement with stakeholders, support to communities: the shared value generated by the Group

<p>89% direct employees hired locally</p>	<p>94% local procurement</p>
<p>6 jobs created for each direct group employee</p>	<p>> 16,500 free healthcare check-ups at work site clinics</p>

Internal policies

It is a well-known fact that the direct relationship between investments in infrastructure and greater domestic demand leverages economic growth. Companies like Webuild engaged in building infrastructure may contribute to this factor by adopting suitable internal policies designed to maximise the utilisation and enhancement of local production factors.

Webuild is committed to contributing to the social and economic development of the areas where it operates in line with its Code of Ethics and Sustainability Policy, through:

- employment of workers from the area in which the projects are taking place, when available in the numbers required and that have the necessary skills;
- professional training of local personnel;
- procurement strategies designed to meet requirements using local supplies as far as possible, depending on the availability of the required goods and services;
- initiatives to assist the local communities, after checking the integrity and respectability of the recipients and the projects' consistency with the Code of Ethics.

The Company is also committed to respecting the rights and culture of the local communities which it does by also using appropriate communication channels in line with the relevant regulatory and contractual provisions.

Main risks and management methods

The Group identifies the risks and defines methods to manage the aspects related to the hiring of local labour and procurement and relations with the local stakeholders during the start-up stage of its projects.

The project start-up process complies with the Project Management principles (ISO 21500) and entails the proactive involvement of the project team and the corporate departments to ensure the integrated management of internal and external factors.

Specifically, regulatory and contractual elements applicable to the project are analysed during this process and the Company defines the Mobilisation programme which includes the main activities needed to start the project. They include definition of the work schedule, which comprises, inter alia:

- the requirement plan for machinery, plant, subcontractors, third parties, materials and services;
- the mobilisation plan for managers, staff and blue collars.

The methods of managing relations with local stakeholders are defined in the contracts and the Group is obliged to scrupulously abide by their provisions, as described in more detail in the following pages.

Employment created by the Group's projects

The creation of jobs by the Group in the countries where it operates is important as it enables local personnel to improve their skills and expertise and to generate additional wealth for the economy. As noted, the Group tends to employ workers from the areas near the work site when possible and they have the right qualifications. This approach also creates the opportunity for the Group to create a pool of qualified workers who can be used for future projects.

Some projects have special local personnel recruitment plans as provided for contractually, which may include employment targets.

Specifically, 89% of the 35,994 direct employees were hired locally in 2022.

Direct employees hired locally	Unit	2020	2021	2022
Africa	%	96%	96%	96%
Europe	%	90%	85%	97%
Americas	%	98%	96%	99%
Asia and Oceania	%	38%	42%	70%
Average	%	82%	84%	89%

While the Asia and Oceania area has a smaller percentage of local workers compared to the other areas (due to great resort to foreign workers), it recorded an increase on the previous year following the start-up of a significant number of new projects, mainly in Saudi Arabia and Australia. Reference should be made to the section on "Human rights" for information about the management of migrant workers.

In 2022, local managers made up 77% of the total, reaching 100% in Italy. In addition to the direct workforce, the involvement of indirect personnel (mainly employees of subcontractors and service providers) contributes significantly to the employment generated locally. Indirect workers involved in group projects numbered 39,520 at 31 December 2022.

Local procurement

Purchases from suppliers resident in the countries where the Group operates are the main trigger to developing ancillary industries (which is a direct contributor to GDP, public revenue and disposable income).

In 2022, the Group maintained a strong relationship with its local supplier chain, working with roughly 17,500 suppliers for an average 94% of its expenditure made with local suppliers.

Local procurement (GRI 204-1)	Unit	2020	2021	2022
Africa	%	47%	28%	37%
Europe	%	99%	94%	100%
Americas	%	99%	100%	99%
Asia and Oceania	%	84%	87%	91%
Average	%	91%	91%	94%

As already noted, the use of local suppliers allows the Group to minimise long-distance transport and, hence, mitigate the related environmental effect.

Tax

Taxes are one of the main sources of the Group's contribution to the countries where it operates as they can be used by the public administration to finance the economic and social development of their areas.

Webuild scrupulously meets all its tax requirements arising from its business in line with its Code of Ethics and the Sustainability Policy.

Its approach to tax is based on its business given that its foreign interests are mostly tied to commercial opportunities (participation in calls for tenders) and/or operating possibilities (contract management, concessions, equity investments, etc.).

Webuild fully complies with the applicable tax regulations in all the countries where it operates and has a collaborative and transparent relationship with the tax authorities.

The parent's tax department, which reports to the chief financial officer, analyses, directs and monitors the management of tax issues in line with Webuild's values and principles. It also assists the Group's other departments and companies.

Webuild's 231 model defines its rules of behaviour, prevention protocols and controls to ensure compliance with tax requirements and minimise the risk that tax crimes could be committed. It also serves to guarantee that the Group respects all the rules, procedures and processes to calculate taxes, keep tax records and prepare tax returns for approval.

All stakeholders (direct employees, supplier employees, local communities, etc.) may use the whistleblowing system described in the "Anti-corruption" section to report any suspect instances of tax non-compliance.

Webuild's tax contribution for 2021⁶⁰ in the main geographical areas where it operates is provided below.

Area	Tax jurisdiction	Revenue from sales to third parties	Intragroup revenue	Average nominal tax rate	Income taxes paid	Income taxes accrued	Employees (no.)	Tangible assets
Africa	LY, MA, SL, ZW, ZA, TN, DZ, LS, ET, UG, NG, NA, CG, GW, LR, TZ	383	10	26%	-68	-89	11,340	23
Americas	BR, CL, EC, DO, PA, US, AR, CA, CO, PE, VE, BO, CR, SV, GT, HN, MX, NI, PY	1,606	158	25%	-1	-8	8,085	126
Asia and Oceania	AE, KW, QA, OM, JO, KZ, SA, TJ, MY, AU, IN, ID, PA, SG	1,298	201	25%	-13	-1	5,497	302
Europe	AL, CH, RO, PL, GE, GB, CZ, UA, IT, TR, SK, AT, GR, FR, DK, ES, NO, NL, BG, RU; SE	3,223	1,813	24%	-36	-46	5,885	174

€m

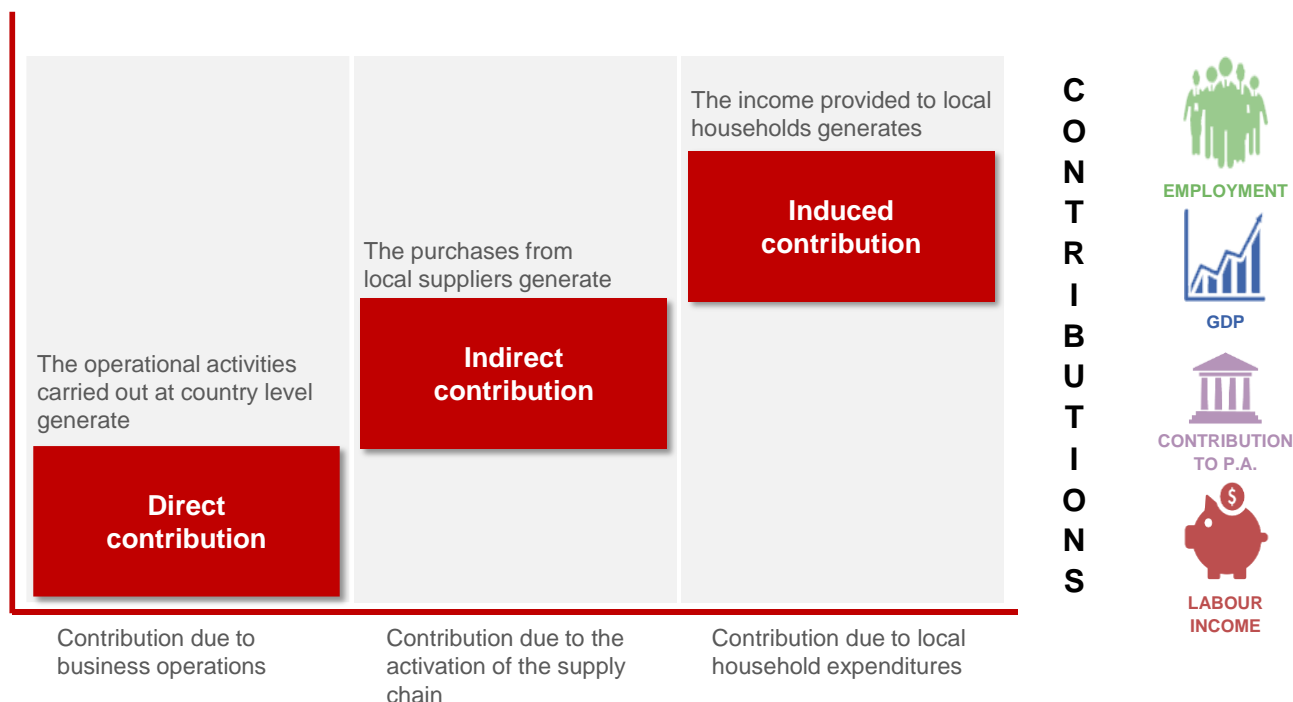
Contributions to local economies

Direct contributions made by Webuild's projects to local economies include employment, the use of local suppliers and taxes paid to the public administrations. They are only part of the benefits as they do not include the additional indirect and induced effect of the Group's activities in the countries where it operates.

⁶⁰ This is the most recent year for which information is available. More details are provided in the GRI Content Index (disclosure 207-4).

The Group has developed a proprietary calculation model, SEED (Socio-Economic Effects Determination) Model, to calculate its total contribution (direct, indirect and induced) to a country's economic and social growth in terms of employment, GDP, tax revenues and work income distributed to families⁶¹.

The following graph presents the SEED model.



If just the Group's main markets⁶² are considered, its average contribution to their economies, expressed as a multiple, is as follows:

- 6 jobs created for each direct Webuild employee;
- €2.8 of work income distributed for each Euro paid by the Group;
- €3.3 of GDP for each Euro of added value generated by Webuild;
- €8.7 of tax revenues for each Euro paid by the Group to the public administration.

These figures confirm that the Group's local investment policies have a significant knock-on effect on the economies of the countries where it operates.

In addition to the economic benefits to the countries, each person involved in a group project benefits in terms of the work income received and the opportunity to advance professionally thanks to the training provided.

Many studies⁶³ have shown that professional training courses provided by companies generate significant benefits for the participating employees who thus potentially have better employment and career prospects, higher salaries, greater professional satisfaction, more flexibility and interest in receiving additional training. This can also have a positive effect on the employee's health, social inclusion and their willingness to invest in further education for themselves and their children, triggering intergenerational social mobility mechanisms.

In this respect, the Group provided 997,081 hours of training to its direct employees and those of its subcontractors in 2022.

⁶¹ The SEED model uses an analysis of the investments made by the Group in the local economy and applies specific multipliers taken from the Social Accounting Matrix published by leading international research bodies.

⁶² Italy, USA, Australia, Ethiopia and Saudi Arabia.

⁶³ For example, Vocational education and training is good for you. The social benefits of VET for individuals. European centre for the Development of Vocational Training, 2011.

Initiatives to assist local areas

The Group contributes to developing the areas in which it works through initiatives to assist the local communities, which may include sponsorships, social and philanthropic initiatives. Sponsorships and donations are managed in line with the specific guidelines and internal procedures that are part of the Anti-corruption System, which is ISO 37001 certified. This ensures that any assistance is in line with the approved budgets and is only given after the positive outcome of checks of the potential recipients.

The Group Guidelines require that assistance is given locally in five strategic macro-sectors: social, art and culture, education and research, environment, sport and entertainment.

The main initiatives carried out can be classified as follows:

- direct assistance to design and build infrastructure benefiting the local community such as, for example, schools, healthcare facilities, roads, etc.;
- assistance with social programmes, carried out directly or through other organisations in the above macro-sectors;
- free access to certain work site facilities such as clinics, water and electricity supply networks for local communities living in rural areas not connected to basic services.

The Group carried out 29 initiatives in 2022 for €1.1 million (2021: roughly €2.6 million).

The most sizeable initiatives were carried out at both corporate and branch level, mostly for social, environmental, cultural and educational purposes.

Other initiatives carried out during the year included the customary free healthcare check-ups provided to local communities by some work site clinics, including those in Ethiopia (GERD and Koysa Hydroelectric Project), Tajikistan (Rogun Dam), Argentina (Matanza Riachuelo Riven Basin environmental restoration project), Colombia (Ruta del Sol Motorway) and Saudi Arabia (Riyadh Metro). Specifically, 10,089 medical check-ups (2020: 6,498) were given and 16,788 health interventions (2021: 13,607) provided in 2022.

Stakeholder engagement

Webuild has operations and projects all around the world and handles thousands of contacts with its stakeholders every day. It regularly maps its stakeholders based on engagement with the main stakeholders in the areas where it operates. The following chart lists the stakeholders relevant to the Company, the areas of interest and the key characteristics of the engagement with the Group.

Stakeholder \ Interest	Level of engagement		Area of interest					Relationship length			
	International	Local	Anti-corruption	Environment	Labour practices and human rights	Supply chain	Social	Long term	Short-medium term	Project life	Ad-hoc
Employees & Trade unions	•	•	•	•	•	•	•	•	•	•	
Shareholders & Investors	•		•	•	•	•	•	•	•	•	
Clients & Potential clients	•	•	•	•	•	•	•	•	•	•	
Suppliers, contractors, subcontractors & partners	•	•	•	•	•	•	•	•	•	•	
Local communities & NGO	•	•	•	•	•	•	•	•	•	•	
Governments & public administrations		•	•	•	•	•	•	•	•		
Sector associations & media	•	•	•	•	•	•	•	•	•	•	

The Group adopts diversified and flexible dialogue and involvement practices depending on the stakeholders' characteristics and needs.

At corporate level, key stakeholders include investors, clients, current and potential employees, national and international trade unions, partners, public administrations, the media and the general public. Dialogue with them mainly relates to development objectives and strategies, results, the acquisition of new contracts, the shareholder structure, career paths and professional development.

Institutional relations and advocacy activities

Stakeholder engagement activities include institutional relations and advocacy activities that the Group engages in with public institutions, regulators and other stakeholders to ensure the legitimate representation and sharing of issues of interest to it. These issues include development plans for infrastructure, sustainable mobility, water and hydropower resource management, innovation for the development of efficient, resilient and low environmental impact works and the creation of jobs and value for the areas where the Group operates.

Webuild's corporate identity and communication department carries out these activities in compliance with the relevant guidelines. This involves participation in events promoted by the sector associations and/or Italian embassies in the various countries where the Group operates, engagement with members of public institutions and monitoring of proposed legislation related to the sectors in which the Group operates in Italy and abroad⁶⁴.

Institutional relations take place in full compliance with the principles of legitimacy, transparency and accountability by qualified employees with special proxies and in compliance with Webuild's guidelines for the management of potential conflicts of interest. In order to contain the revolving doors risk, Webuild's policy is not

⁶⁴ More information about the sector associations the Group is a member of is available in the GRI Content Index (disclosure 2-28) in the "Methodology for reporting non-financial information" section.

to hire people who state during the recruitment stage that they have held public offices that involved authorising the Group's works or negotiating with it in the previous three years.

Moreover, pursuant to the principles of its Code of Ethics, the Company does not make contributions to political and trade organisations of any kind (parties, movements, committees, etc.) nor their representatives.

At operating level, the main engagement activities depend on the individual project's characteristics. The key stakeholders are partners, employees, local communities, suppliers, contractors and subcontractors, clients, local authorities and organisations like local trade unions and non-governmental organisations.

Like in previous years, the Group has engaged regularly with its stakeholders. Its main initiatives are summarised below:

<i>CHANNEL</i>	<i>ACTIVITY</i>
<i>FACE TO FACE COMMUNICATION</i>	
<i>MEETINGS, PRESENTATIONS, FOCUS GROUPS, WORKSHOPS, INTERVIEWS, CONSULTATIONS, CAREER DAYS, PUBLIC EVENTS</i>	<p>>12,000 people involved in about 1,200 meetings with the local communities and their representatives</p> <p>>5,400 people visited the Group's projects during roughly 150 open door events</p> <p>>788,000 people were involved in about 1,850 information campaigns about the Group's projects</p>
<i>DITIGAL COMMUNICATION</i>	
<i>COMPANY WEBSITES, INTRANET, MAGAZINES, WEBINARS, SURVEYS, SOCIAL MEDIA</i>	<p>2 million visits to the Group's website</p> <p>2.5 million interactions on the Group's social media</p> <p>75 million impressions on the Group's social media</p>

Given that it mainly operates as a contractor on behalf of public and private clients, the Group is required to scrupulously adhere to the contractual provisions about engagement with local stakeholders. These provisions establish the roles and responsibilities each party is obliged to comply with.

In line with these provisions, the Group defines procedures to handle engagement with local stakeholders (such as, for example, the grievance mechanisms) and the communication channels to be used at work sites either physical (e.g., public relations offices) or technological (dedicated phone numbers, websites, email addresses, etc.).

The clients are responsible for engagement with the local communities in most of the ongoing contracts while the Group provides technical and operating assistance to manage any issues that arise. Matters discussed by contract personnel and the local communities mostly relate to:

- employment and interaction between the work site and surrounding areas;
- the characteristics of the work under construction and its possible social and environmental implications.

As described in detail in the "The infrastructure sector and Webuild's role" section, the Group's clients are responsible for planning and developing projects. When required by the applicable regulations, this includes an assessment of the social and environmental impacts, the prior consultation of the stakeholders, definition of the mitigation and compensation actions and receipt of the authorisations. Therefore, the clients have sole responsibility for handling relations with the stakeholders for the second category of topics mentioned earlier, while the Group provides assistance with management of the relationships covering the first category of topics. This is a potential source of risks for the Group as, if the client does not properly and efficiently manage its

responsibilities, the local community could oppose the project leading to delays in the works, an increase in costs and damage to the Group's reputation as well. The Group considers this risk to be immaterial given also that it carries out most of its operations in low-risk countries and no such events have happened recently. However, the Group constantly monitors stakeholder expectations about the projects it is involved in so that it can build transparent relationships of mutual trust, also in order to monitor and mitigate any risks.

Should the Group receive requests for information or other communications from stakeholders, such as international non-profit organisations and SRI analysts, it provides the requested information to guarantee complete transparency about its role, responsibilities and work as a contractor engaged to build the works provided for by the relevant contract.

Methodology for reporting non-financial information

Webuild was the first Italian construction company to prepare and publish an Environmental Report in 2002 and similarly it was the first to publish a Sustainability Report drawn up in accordance with the Global Reporting Initiative (GRI) Guidelines in 2009.

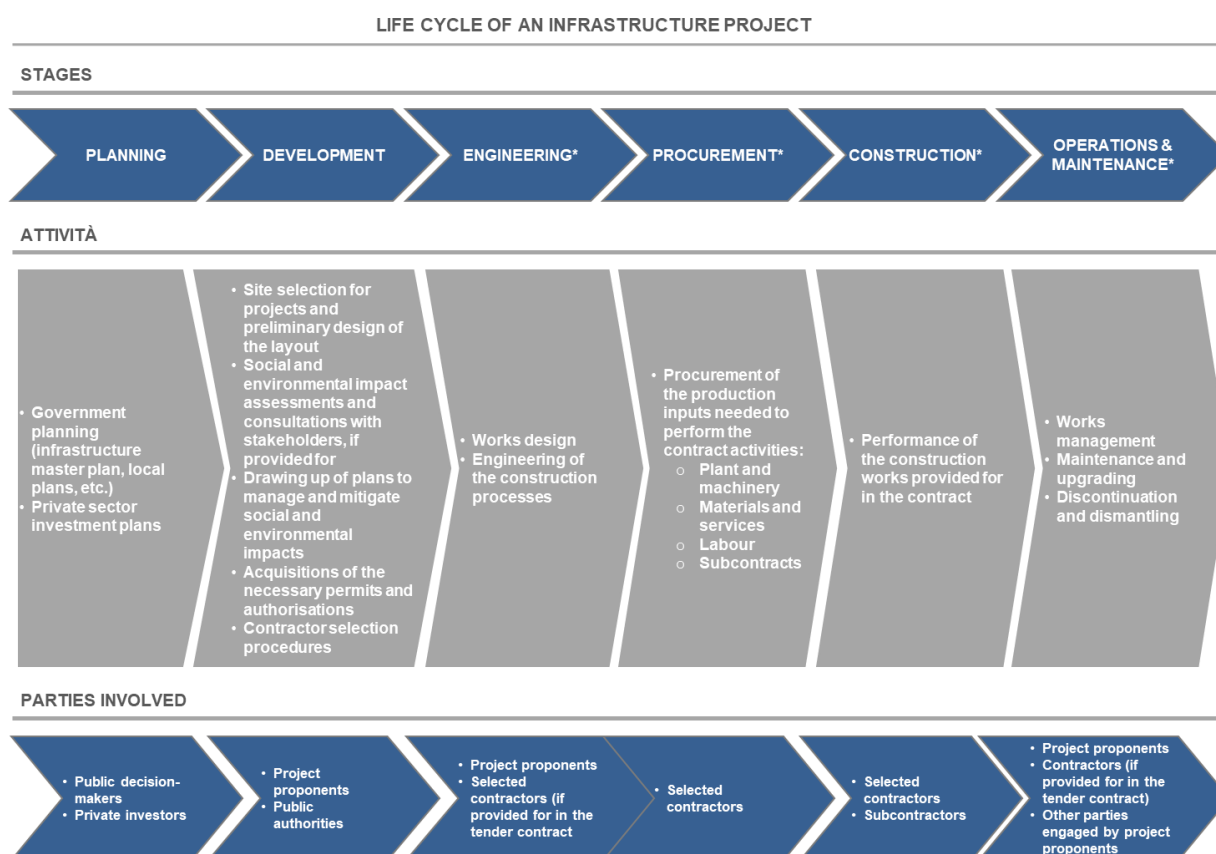
Standards applied

This 2022 Consolidated Non-financial Statement has been prepared in accordance with Legislative decree no. 254/2016 in accordance with the GRI Standard. Pursuant to changes in the reference regulations and best practices identified by the Company, this Consolidated Non-financial Statement is part of the Group's Annual Report.

The infrastructure sector and Webuild's role

The infrastructure market is highly regulated and its numerous operators are involved in planning, assessing, approving, developing, building and operating infrastructure according to their roles and responsibilities assigned by the relevant regulations.

The following chart shows the main stages of an infrastructure project's life cycle:



* Main stages of the infrastructure's life cycle in which Webuild Group is involved

An infrastructure project is planned by a public administration or private sector body (the project proponent) that is also involved in the subsequent stages of developing the infrastructure project. This stage involves a number of activities that include identifying the project locations, performing feasibility studies and, based on

the type of work and applicable legislation, completing the social and environmental procedures (assessment of potential impacts, consultations with stakeholders, identification of mitigation measures and compensation).

The public authorities (usually ministries or state environmental protection agencies, assisted by local bodies of the area where the project is to take place) actively engage in these procedures: assessing the adequacy of the social and environmental impact assessments, the consultation programmes and mitigation plans prepared by the Project proponent.

Upon completion of these procedures, the relevant authorities issue the appropriate authorisations, which include any social and environmental requirements the Project proponent has to abide by during the project.

Contractors such as Webuild enter the project development process only after the decision-making stage has been completed as this only involves the client and the public authorities. The Group takes part in selection procedures, organised by public and private clients to award the tenders, which may cover specific project activities (e.g., just construction), the entire engineering, procurement and construction cycle or also the subsequent operations & maintenance activities.

Therefore, the contractor does not take part in any activities prior to the assigning of the contract or the prior assessment processes, including the assessment of the project's social and environmental impacts and consultation of stakeholders.

As described earlier, these assessments are the sole responsibility of the Project proponent and of the public authorities, as they are required to meet the relevant obligations under the applicable regulations. They also have the decision-making powers about the findings of the assessment process. It follows that the potential social and environmental impacts of the work itself (e.g., loss of biodiversity due to the infrastructure's presence, expropriation of land) are the sole responsibility of the Project proponent.

The contractor is obliged to comply with the social and environmental requirements of the applicable regulations, the contract and any provisions imposed by the competent authorities when they approve the impact assessments. The social and environmental impacts attributable to the contractor arise solely from the contract activities and are mainly of a temporary nature (e.g., disruptions caused by the work site, health and safety in the workplace).

Materiality analysis

The Company performed a materiality analysis as set out in the new GRI Universal Standards 2021 to define the material topics to be disclosed in the Consolidated Non-financial Statement pursuant to Legislative decree no. 254/2016.

In 2022, the material non-financial topics relevant to the Group were identified by analysing the global situation (megatrends, the Paris Agreement, SGDs), recent developments in regulations and regulator recommendations (Consob and ESMA), the main applicable reporting frameworks and standards (GRI Standards and Recommendations of the Task Force On Climate-Related Financial Disclosures - TCFD), the market scenario (benchmarks and peer analyses) and the financial context (reports published by analysts and ESG rating agencies).

Webuild concurrently launched a project to fine-tune its risk management system, supplementing it and updating the list of ESG risks using a probability and impact matrix. Webuild also considered its dynamic and forward-looking expectation of reaching its strategic plan objectives (see the "Management of ESG risks" section in the Annual Report for more information).

The Group mapped the material topics by analysing its reference context (internal and external), its business model, the objectives of its business plan and sustainability plan and its risk management model. It then involved its stakeholders⁶⁵ (around 600 of which replied) in a dedicated survey to define the materiality of each topic.

⁶⁵ The stakeholder categories involved were employees, clients, suppliers, partners, investors, NGOs and ESG experts.

The survey results corroborated the list of topics identified as material by the analysis performed in 2021, confirming the completeness of the Group's disclosures on ESG topics. The Control, Risk and Sustainability Committee examined the material topics, which were approved by the Board of Directors when it approved the Group's Consolidated Non-Financial Statement.

The material aspects identified by the materiality analysis, grouped by impact scope, and the main impacts⁶⁶, are listed below.

Material topics	Impact scope	Main impacts
P. Natural resources and circular economy, Q. Biodiversity, A. Sustainability strategy, B. Excellence and innovation	Environment	land reclamation after the discovery of previous contamination, degradation of the ecosystem (flora, fauna, water resources and biological diversity) and of the cultural/landscape and archaeological heritage, non-compliance with laws and regulations, loss of competitiveness during calls for tenders, non-availability of innovative and environmentally sustainable products
O. Climate change, A. Sustainability strategy, B. Excellence and innovation	Climate change	use of energy-intensive machinery and processes, reduction of energy consumption and emissions, damage to assets caused by extreme weather events, loss of competitiveness during calls for tenders, unavailability of innovative and environmentally sustainable products
K. Diversity and inclusion, J. Health, safety and welfare, I. Attraction and development of employees, C. Ethics and integrity	Employees	existence of an inclusive and equal opportunities culture in the workplace, work-related injuries and work-related ill health, skills obsolescence, low attraction and low retention of employees
L. Human rights, C. Ethics and integrity	Human rights	framework agreement with national and international construction sector trade unions, use of forced labour and child labour, limitations to the freedom of association and collective bargaining, violation of human rights in the supply chain
F. Supply chain, C. Ethics and integrity	Supply chain	supply of goods and services from local suppliers, abuse of position of strength vis-à-vis small suppliers, inadequate supplier screening and/or assessment process
D. Anti-corruption, C. Ethics and integrity	Anti-corruption	relations with public officials to obtain preferential treatment, attempted corruption of employees by potential suppliers/subcontractors to win a contract
N. Privacy, M. Contribution to local economies, H. Cyber security, G. Stakeholder engagement, E. Tax transparency, C. Ethics and integrity	Social	direct and indirect contribution to local communities, non-compliance with the principles of the Code of Ethics along the value chain, incorrect management of tax issues in the countries where the Group operates, loss of confidentiality, integrity and availability of company data, inconveniencing the local community during the construction of infrastructure, identification of the specific needs of the community and stakeholders

⁶⁶ The equal opportunities topic is material mostly for the corporate offices while it is of less significance at the work sites given the characteristics of the construction sector, which is a predominantly male domain. The topics of innovation and cyber security, identified as material during the materiality analysis, although not envisaged by Legislative decree no. 254/2016 or the GRI Sustainability Reporting Standards, are discussed in this Statement as provided for by the latter Standards.

EU taxonomy for sustainable economic activities

Pursuant to article 8 of the Taxonomy Regulation, supplemented by Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 (the Disclosures Delegated Act), the following tables show the KPIs associated with the eligible and aligned economic activities as per the 2022 taxonomy.

The KPIs are calculated as the ratio of the portion of turnover, CapEx and OpEx associated with the taxonomy-agreed activities (numerator) to the Group's total revenue, CapEx and OpEx recorded in the year (denominator). Specifically:

- the portion of turnover was calculated as the portion of net revenue from products or services (including intangible) associated with the taxonomy-eligible or aligned activities (numerator), divided by net revenue⁶⁷ (denominator);
- CapEx includes increases in property, plant and equipment and intangible assets during the reporting period before amortisation, depreciation, impairment losses and any revaluations, including those arising from remeasurements and impairment losses, and excluding changes in fair value; the denominator also includes increases in property, plant and equipment and intangible assets arising from business combinations⁶⁸;
- OpEx includes direct expenditure that cannot be capitalised incurred for research and development, real estate restructuring, short-term leases, maintenance and repairs and all other direct costs related to the ordinary maintenance of property, plant and equipment⁶⁹;
- figures for entities accounted for as joint operations for financial reporting purposes are presented as a proportion of the Group's investment in such joint operations.

Some of the criteria applied by the Group to assess which of its activities are taxonomy-aligned are set out below:

- adherence with the minimum safeguards was established at group level, assessing these criteria with respect to the four main topics of human rights, labour rights, bribery, taxation and fair competition, identified also in the most recent report of the EU Platform on Sustainable Finance published in October 2022. Webuild is committed to ensuring respect for the human rights enshrined in the International Charter of Human Rights, the fundamental conventions of the International Labour Organisation, the UN Global Compact, the UN Guiding principles on business and human rights and the OECD guidelines for multinational enterprises. The Company reaffirmed its commitment, already provided for in the Code of Ethics and the Sustainability Policy, with the ten principles set out in its Human Rights Policy (available on the company website). These principles cover health and safety, child labour, forced labour, freedom of association and collective bargaining, non-discrimination, diversity and inclusion, working conditions, local communities and the rights of indigenous people, the value chain and whistleblowing systems. Webuild has a zero-tolerance policy for all types of corruption and is committed to complying with the anti-corruption laws ruling in the countries where it operates. It requires its stakeholders to act with honesty and integrity at all times. The Company condones behaviour designed to improperly influence the decisions taken by representatives of public or private bodies. Webuild has an Anti-corruption System which meets the ISO 37001 requirements and is certified by an independent certification body. Taxes are one of the main sources of the Group's contribution to the countries where it operates as they can be used by the public administration to finance the economic and social development of their areas. Webuild scrupulously meets all its tax requirements arising from its business in line with its Code of Ethics and the Sustainability Policy. Webuild fully complies with the applicable tax regulations in all the countries where it operates and has a collaborative and transparent relationship with the tax authorities. Webuild's 231 model defines its rules of

⁶⁷ Recognised in accordance with IAS 1.82.a) endorsed by the European Commission with Regulation (EC) no. 1126/2008. See note 33.1 "Revenue from contracts with customers" to the consolidated financial statements.

⁶⁸ CapEx includes, when applicable, costs recognised in accordance with point 73.e)i) and iii) of IAS 16- Property, plant and equipment; point 118.e)i) of IAS 38- Intangible assets; point 76.a) and b) (fair value model) of IAS 40- Investment property; point 79.d)i) and ii) (cost model) of IAS 40- Investment property; point 50.b) and e) of IAS 41- Agriculture; and point 53.h) of IFRS 16- leases. See the tables on changes in property, plant and equipment, right-of-use assets and intangible assets in notes 7.1, 7.2 and 7.3 to the consolidated financial statements.

⁶⁹ See note 34.3 "Services" to the consolidated financial statements for information on the denominator.

behaviour, prevention protocols and controls to ensure compliance with tax requirements and minimise the risk that tax crimes could be committed. It also serves to guarantee that the Group respects all the rules, procedures and processes to calculate taxes, keep tax records and prepare tax returns for approval. Webuild supports fair and sustainable competition as the best way to select the most qualified suppliers and to improve quality in the supply chain. The Group complies with competition laws in the markets where it operates and collaborates with the regulators. It refrains from collusive behaviour and abusive behaviour of a dominant position. It prohibits the collection of information about its competitors by illegal or unethical means.

- The EU Taxonomy reporting requirements cover all the economic activities performed by entities in the scope of the NFRD (Non-Financial Reporting Directive), regardless of their geographical location. Therefore, Webuild assessed whether the activities performed by its in-scope entities but based outside the EU were aligned with the EU Taxonomy. It checked whether these activities were being performed in accordance with the requirements of EU legislation or another relevant international standard or an equivalent national law application in the third country.
- Webuild assessed its projects' eligibility and/or alignment using the technical screening criteria defined in the Climate Delegated Acts. It considered both the work site/construction activities specified in the Delegated Acts as well as infrastructure design and operation. Similarly, where applicable, it assessed aspects closely connected to actual construction activities although this is not strictly required by the Delegated Acts. It took this approach to provide a greater perception of how environmentally sustainable its projects are, as well as the activities closely related to its core business. For example, it applies the DNSH (Do No Significant Harm) principle for the sustainable use and protection of water and marine resources related to economic activity 6.14. Infrastructure for rail transport. Webuild decided to assess this aspect given that work site preparation activities consume significant volumes of water⁷⁰, although this is not required by the Regulation, while it was considered insignificant when the asset has been placed into service as rail transport infrastructures, by their nature, do not impact on the good ecological status of a body of water.
- Webuild referred to the DNSH criteria to climate change adaptation (Appendix A- Annex I of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021) to perform a double assessment based on the lifespan of the economic activity as specified in the criteria:

"[...] The climate risk and vulnerability assessment is proportionate to the scale of the activity and its expected lifespan, such that:

a) for activities with an expected lifespan of less than 10 years, the assessment is performed, at least by using climate projections at the smallest appropriate scale;

b) for all other activities, the assessment is performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios consistent with the expected lifetime of the activity, including, at least, 10 to 30 year climate projections scenarios for major investments. [...]"

Specifically, Webuild assessed whether its construction activities met these criteria as they generally fall into the category described in point a), i.e., as well as whether the resulting asset in operation met them as, due to their lifespan, they fall into the category described in point b), i.e., with an expected lifespan of more than 10 years. Webuild deems that the generic DNSH criteria to climate change adaptation are met both with respect to its work sites and the infrastructure and for just the construction activities. Such latter activities are closely tied to its core business and, only for these may it direct its efforts and investments to ensure they are carried out

⁷⁰ Webuild referred to the Technical guidance on the application of 'do no significant harm' under the Recovery and Resilience Facility Regulation when performing this analysis.

sustainably. In line with this approach, if a project is an aligned activity, only the turnover, CapEx and OpEx related to Webuild's activities (construction activities)⁷¹ qualify as environmentally sustainable.

⁷¹ This approach is only correct when Webuild solely carries out construction activities or, in the case of EPC contracts, when it is not the party in charge of preparing the environmental impact assessment or equivalent report, which includes an assessment of the infrastructure's climate risk as described in point b) of Appendix A- Annex I of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021.

Tables of economic KPIs associated with 2022 EU Taxonomy-eligible and aligned economic activities

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover €'000	Proportion of 2022 turnover %	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category A	Transitional economic activity category T
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N					
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A1. Environmentally sustainable activities (Taxonomy-aligned)		€3,183,737	41.60%														41.60%	-			
Environmental protection and restoration activities	2	€0	0.00%														0.00%	-			
Restoration of wetlands	2.1	€0	0.00%	-	0%	-	-	-	-	Y	-	Y	Y	Y	Y	Y	0.00%	-			
Energy	4	€1,376,414	18.00%														18.00%	-			
Electricity generation from hydropower	4.5	€1,376,414	18.00%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	18.00%	-			
Transport	6	€1,779,026	23.20%														23.20%	-			
Infrastructure for rail transport	6.14	€1,540,566	20.10%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	20.10%	-			
Infrastructure enabling low-carbon road transport and public transport	6.15	€238,460	3.10%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	3.10%	-			
Construction and real estate activities	7	€28,297	0.40%														0.40%	-			
Construction of new buildings	7.1	€28,297	0.40%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	0.40%	-			

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
A.2 Taxonomy-eligible activities but not environmentally sustainable activities (not Taxonomy-aligned activities)		€2,995,547	39.10%													39.10%	-				
Environmental protection and restoration activities	2	€148,292	1.90%													1.90%	-				
Restoration of wetlands	2.1	€148,292	1.90%													1.90%	-				
Energy	4	€139,799	1.80%													1.80%	-				
Electricity generation from hydropower	4.5	€139,799	1.80%													1.80%	-				
Water supply, sewerage, waste management and remediation	5	€237,720	3.10%													3.10%	-				
Construction, extension and operation of water collection, treatment and supply systems	5.1	€653	0.00%													0.00%	-				
Construction, extension and operation of waste water collection and treatment	5.3	€237,067	3.10%													3.10%	-				
Transport	6	€1,996,278	26.10%													26.10%	-				
Infrastructure for rail transport	6.14	€809,960	10.60%													10.60%	-				

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
Infrastructure enabling low-carbon road transport and public transport	6.15	€1,184,103	15.50%														15.50%	-			
Infrastructure enabling low carbon water transport	6.16	€2,215	0.00%														0.00%	-			
Construction and real estate activities	7	€378,322	4.90%														4.90%	-			
Construction of new buildings	7.1	€378,322	4.90%														4.90%	-			
Information and communication	8	€63,761	0.80%														0.80%	-			
Data processing, hosting and related activities	8.1	€63,761	0.80%														0.80%	-			
Professional, scientific and technical activities	9	€31,376	0.40%														0.40%	-			
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1	€31,376	0.40%														0.40%	-			
A. TOTAL (A1+A2)		€6,179,284	80.70%														80.70%	-			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		€1,476,721	19.30%														19.30%	-			

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
				%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%				
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A1. Environmentally sustainable activity (Taxonomy-aligned)		€170,515	52.70%														52.70%	-			
Environmental protection and restoration activities	2	€8,447	2.60%														2.60%	-			
Restoration of wetlands	2.1	€8,447	2.60%	-	100%	-	-	-	-	Y	-	Y	Y	Y	Y	Y	2.60%	-			
Energy	4	€88,500	27.30%														2.37%	-			
Electricity generation from hydropower	4.5	€88,500	27.30%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	27.30%	-			
Transport	6	€73,568	22.70%														22.70%	-			
Infrastructure for rail transport	6.14	€58,433	18.10%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	18.10%	-			
Infrastructure enabling low-carbon road transport and public transport	6.15	€15,135	4.70%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	4.70%	-			
Construction and real estate activities	7	€0	0.00%														0.00%	-			
Construction of new buildings	7.1	€0	0.00%	100%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	0.00%	-			

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
A.2 Taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities)		€60,082	18.60%													18.60%	-				
Environmental protection and restoration activities	2	€0	0.00%													0.00%	-				
Restoration of wetlands	2.1	€0	0.00%													0.00%	-				
Energy	4	€1,502	0.50%													0.50%	-				
Electricity generation from hydropower	4.5	€1,502	0.50%													0.50%	-				
Water supply, sewerage, waste management and remediation	5	€3,383	1.00%													1.00%	-				
Construction, extension and operation of water collection, treatment and supply systems	5.1	€19	0.00%													0.00%	-				
Construction, extension and operation of waste water collection and treatment	5.3	€3,364	1.00%													1.00%	-				
Transport	6	€41,027	12.70%													12.70%	-				
Infrastructure for rail transport	6.14	€6,343	2.00%													2.00%	-				

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
Infrastructure enabling low-carbon road transport and public transport	6.15	€34,684	10.70%															10.70%	-		
Infrastructure enabling low carbon water transport	6.16	€0	0.00%															0.00%	-		
Construction and real estate activities	7	€9,893	3.10%															3.10%	-		
Construction of new buildings	7.1	€9,893	3.10%															3.10%	-		
Information and communication	8	€0	0.00%															0.00%	-		
Data processing, hosting and related activities	8.1	€0	0.00%															0.00%	-		
Professional, scientific and technical activities	9	€4,276	1.30%															1.30%	-		
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1	€4,276	1.30%															1.30%	-		
A. TOTAL (A1+A2)		€230,596	71.20%															71.20%	-		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		€93,112	28.80%															28.80%	-		
Total (A+B)		€323,709	100%															100%	-		

				Substantial contribution criteria						DNSH criteria										
ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
																	%	%	A	T
		€'000	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A1. Environmentally sustainable activity (Taxonomy-aligned)		€135,864	35.30%														35.30%	-		
Environmental protection and restoration activities		2	€14,209	3.70%													3.70%	-		
Restoration of wetlands		2.1	€14,209	3.70%	-	100%	-	-	-	Y	-	Y	Y	Y	Y	Y	3.70%	-		
Energy		4	€57,897	15.00%													15.00%	-		
Electricity generation from hydropower		4.5	€57,897	15.00%	100%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	15.00%	-		
Transport		6	€61,791	16.10%													16.10%	-		
Infrastructure for rail transport		6.14	€45,053	11.70%	100%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	11.70%	-		
Infrastructure enabling low-carbon road transport and public transport		6.15	€16,738	4.40%	100%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	4.40%	-		
Construction and real estate activities		7	€1,966	0.50%													0.50%	-		
Construction of new buildings		7.1	€1,966	0.50%	100%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	0.50%	-		

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
A.2 Taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities)		€101,134	26.30%													26.30%	-				
Environmental protection and restoration activities	2	€0	0.00%													0.00%	-				
Restoration of wetlands	2.1	€0	0.00%													0.00%	-				
Energy	4	€1,855	0.50%													0.50%	-				
Electricity generation from hydropower	4.5	€1,855	0.50%													0.50%	-				
Water supply, sewerage, waste management and remediation	5	€12,340	3.20%													3.20%	-				
Construction, extension and operation of water collection, treatment and supply systems	5.1	€53	0.00%													0.00%	-				
Construction, extension and operation of waste water collection and treatment	5.3	€12,287	3.20%													3.20%	-				
Transport	6	€73,488	19.10%													19.10%	-				
Infrastructure for rail transport	6.14	€26,398	6.90%													6.90%	-				

ECONOMIC ACTIVITIES	Code	Absolute 2022 turnover	Proportion of 2022 turnover	Substantial contribution criteria						DNSH criteria						Taxonomy-aligned proportion of turnover (year N)	Taxonomy-aligned proportion of turnover (year N-1)	Enabling activity category	Transitional economic activity category
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems				
Infrastructure enabling low-carbon road transport and public transport	6.15	€46,984	12.20%													12.20%	-		
Infrastructure enabling low carbon water transport	6.16	€106	0.00%													0.00%	-		
Construction and real estate activities	7	€11,684	3.00%													3.00%	-		
Construction of new buildings	7.1	€11,684	3.00%													3.00%	-		
Information and communication	8	€8	0.00%													0.00%	-		
Data processing, hosting and related activities	8.1	€8	0.00%													0.00%	-		
Professional, scientific and technical activities	9	€1,759	0.50%													0.50%	-		
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1	€1,759	0.50%													0.50%	-		
A. TOTAL (A1+A2)		€236,998	61.60%													61.60%	-		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		€147,755	38.40%													38.40%	-		
Total (A+B)		€384,754	100%													100%	-		

Scope of the Statement

As established by article 4 of Legislative decree no. 254/2016, this Consolidated Non-financial Statement includes the figures of the parent (Webuild S.p.A.) and its fully consolidated subsidiaries. The parent comprises its head offices in Italy (corporate), the directly run work sites, branches and joint operations for which it manages their operations, as per the list provided later in this document.

The Company has an internal procedure in place to define and regularly review the scope of the Statement based on its consolidation scope for financial reporting purposes. Specifically, it performs a materiality analysis on the list of entities making up the parent and fully comprised subsidiaries considering the level of operations of the individual entities, which are classified as:

- operational (e.g., ongoing contracts);
- limited operations (e.g., contracts being completed);
- non-operational (e.g., entity in liquidation).

This Statement's scope includes entities classified as "operational" and "limited operations". A list of the entities included in the 2022 Statement's scope for which a non-financial reporting system was implemented is given below:

Name	Country	Name	Country
Webuild S.p.A.*	Italy	Napoli Cannello Alta Velocità S.C. a r.l.*	Italy
AGN HAGA AB*	Sweden	NBI S.p.A.*	Italy
Capodichino AS.M. S.C. a r.l.*	Italy	Nuovo Ospedale Sud Est Barese S.C. a r.l. – NOSEB S.C. a r.l.*	Italy
CDE S.C. a r.l.*	Italy	S. Agata FS S.C. a r.l.*	Italy
Consorzio COCIV*	Italy	SA.PI. NOR Salini Impregilo - Pizzarotti Joint Venture*	Norway
Consorzio Hirpinia AV*	Italy	Salini Impregilo - NRW Joint Venture*	Australia
Consorzio Iricav Due*	Italy	Salini Impregilo- Tristar*	United Arab Emirates
Constructora Ariguani SAS*	Colombia	Salini Impregilo S.p.A. - The Lane Construction Co. - Jose J. Chediack S.A. UTE*	Argentina
Cossi Costruzioni S.p.A.*	Italy	Salini Nigeria Ltd.*	Nigeria
CSC Costruzioni S.A.*	Switzerland	Salini Saudi Arabia Company Ltd.*	Saudi Arabia
DIRPA 2 S.C. a r.l.*	Italy	SCLC Polihali Diversion Tunnel Joint Venture*	Lesotho
Fisia Italimpianti S.p.A. *	Italy	Seli Overseas S.p.A.*	Italy
HCE Costruzioni S.p.A.*	Italy	Sirjo S.C.p.A.*	Italy
Infralegrea Progetto S.p.A.*	Italy	SLC Snowy Hydro Joint Venture*	Australia
Lane Industries Incorporated*	USA	T.E.Q Construction Enterprise Inc.*	Canada
Metro Blu S.C. a r.l.*	Italy	Thessaloniki Metro CW Joint Venture*	Greece

*The entities marked with an asterisk in the above table were also included in the reporting scope of the 2021 Consolidated Non-financial Statement. The other entities have been included in the reporting scope of this Statement for the first time.

Contracts managed directly by the parent include the Grand Ethiopian Renaissance Dam (Ethiopia), Koysa (Ethiopia), Bumbuna O&M (Sierra Leone), Urban Roads (Sierra Leone), Rogun Dam (Tajikistan), Saida- Tiaret Railway (Algeria), Normalizacion Hospital Basic de Linares (Chile), El Teniente - Q3 (Chile), S7 - Naprawa - Skomielna Biała (Poland), Sibiu Pitesti Lot 5 (Romania), Logistics Terminal at the Taranto Port (Italy), Sigonella NATO Base (Italy) and Cumana Railway (Italy).

The joint operations for which the Group manages their operations are Civil Works Joint Ventures (Saudi Arabia), Salini Impregilo – NGE Genie Civil (France), Asocierea Astaldi S.p.A.-IHI Infrastructure Systems SO, L.t.d. (Romania), Asocierea Astaldi-FCC-Salcef-Thales, lot 2a (Romania), Asocierea Astaldi-FCC-Salcef-Thales, lot 2b (Romania), Consorzio Gdansk (Poland), BSS-KSAB JV (Saudi Arabia), Consorcio Ana Cua (Paraguay) and Spark NEL DC Joint Venture (Australia).

More information on the in-scope entities is available in the section on the “Consolidation scope” in the notes to the consolidated financial statements.

The information in this Statement refers to the above scope. The data for the joint operations led by the Group are shown at 100%. Exceptions to the scope are listed below:

- data about emissions generated by the Group refer to a larger scope, defined in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, which considers all the emissions generated by Webuild and operations over which it or one of its subsidiaries has operating control. Therefore, in addition to the above operating entities, the scope also includes Mobilinx Hurontario Contractor (Canada) and Fisia Italimpianti succursale Argentina-Acciona Agua succursale Argentina UTE (Argentina);
- the environmental data for the offices are limited to the headquarters in Italy (Milan and Rome) and the US (Lane’s head office) and include energy consumption, direct emissions and emissions related to personnel travel; the other offices are not included as they are immaterial;
- data about the anti-corruption risk assessment refer to the consolidation scope of the consolidated financial statements;
- data about the labour force relate to the consolidation scope of the consolidated financial statements; with respect to the direct workforce, they are calculated in proportion to the Group’s investment for the entities that qualify as joint operations; employees are not included in the calculation for equity-accounted entities and other entities;
- data about health and safety of workers and QHSE training include the companies that are not fully consolidated for which the Group manages their operations and exclude joint operations when its partners are responsible for management of the Health and Safety Systems.

Any specific limitations to the scope are specified in the text or in the GRI Content Index.

Unless otherwise indicated, the 2020 and 2021 corresponding information is taken from the Group’s 2021 Consolidated Non-Financial Statement to which reference should be made.

Calculation method

The data and information in this Statement are taken from the Group’s information systems and a special non-financial reporting system introduced to meet the requirements of Legislative decree no. 254/2016 and the GRI Sustainability Reporting Standards. The data were processed using accurate calculations and, if specified, estimates. The methods used to calculate the main data and indicators are set out below.

Benefits of ongoing projects

The data in the “Sustainability Strategy” and “Climate change” sections related to the benefits of ongoing projects, in terms of residents served and progress towards the SDGs, are processed internally based on the characteristics of the individual projects in portfolio and reputable statistical sources. When available, official information has been used (i.e., data provided by clients).

Additional information about the main data presented is provided below:

- Beneficiaries of ongoing projects
 - Clean Water projects- calculated using the number of residents in the areas served by the projects and/or the equivalent residents served by the plants (sources: project data, internal processing);
 - Clean Hydro Energy projects- calculated using the number of residents served based on the plants’ production capacity and current energy consumption levels (sources: project data, World Bank database, internal processing);

- Sustainability mobility- metro projects- calculated using the expected number of passengers a day considering the transport capacity; railways: calculated using the expected number of passengers based on current passenger numbers and expected increase in railway travel; roads: calculated as the number of expected vehicles based on current traffic intensity (sources: project data, Eurostat database, OECD, internal processing);
- Green Buildings & Other projects- calculated using the number of people served by the projects (sources: project data, internal processing);
- Contributions to SDGs 3, 6, 7, 9 and 11- calculated using the number of hospital beds, water treated by water treatment plants, installed capacity from renewable sources, reduction in railway travelling times and car trips avoided by taking the metro (sources: project data, internal processing);
- Contribution to SDG 13- annual avoidable GHG emissions of ongoing low-carbon projects (hydropower plants, railways and metros), calculated as the difference between the emissions generated by the projects and the emissions that would be generated to obtain the same results (in terms of energy production and travel) with non-low-carbon systems (the average emission factor of the country in which the project is based was considered for the hydropower projects, the average emission factors of car trips were considered for railway and metro projects) (sources: project data, IEA database, Defra GHG Conversion Factors for Company Reporting, World Nuclear Association, internal processing).

Injury rates

The injury rates are calculated using the methods established by standard UNI 7249 “Statistics on occupational injuries”. They show the number of injuries leading to lost workdays (LTIFR) and the number of recordable injuries for every million hours worked (TRFR).

Specifically, the LTIFR (Lost Time Injury Frequency Rate) is calculated as the ratio of the total number of injuries leading to absence from work in the year (including death) to the total number of hours worked, multiplied by 1,000,000.

The TRFR (Total Recordable Injury Frequency Rate) is calculated as the ratio of total recordable injuries (calculated considering deaths, injuries leading to absence from work, injuries only requiring medical treatment and injuries leading to assignment of reduced workloads in countries where this is allowed) to the total number of hours worked, multiplied by 1,000,000.

Any commuting injuries during the year are not considered.

Energy consumption and GHG emissions

The calculation of direct energy consumption is based on the conversion factors provided by the UK Department for Business, Energy & Industrial Strategy- BEIS (Government GHG Conversion Factors for Company Reporting). Internal energy consumption refers to the in-scope entities’ direct activities. Indirect energy consumption refers to activities performed by subcontractors.

The GHG emissions figures are based on an inventory of the Group’s emissions in accordance with the GRI Standards, the recommendations of GHG Protocol Corporate Accounting and Reporting Standard and the requirements of the Science-Based Target Initiative (SBTi). The Group uses the operating control approach, i.e., it considers 100% of the emissions of the entities over which the Group controls their operating processes.

The GHG emissions were calculated and expressed as CO₂ equivalent (CO₂e). The Group used a calculation method based on the use of specific emission factors (EF) to calculate the total emissions of CO₂e.

The unit emission factors refer to the individual emission source and consider all the GHG contributions included in the calculation of the emissions expressed as CO₂ equivalent (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃).

The data used to calculate the emissions from fuel, electricity, materials used, waste generated at the work sites, both for the directly performed works and subcontracted activities, are extrapolated from the reporting systems used by the work sites (e.g., industrial accounting, inventory records, QHSE reporting systems).

The data used to calculate the emissions from fuel and electricity used at the fixed work sites are taken from the suppliers' documentation (e.g., invoices, reports).

The data used to calculate the emissions associated with business trips, employee home-work commute, transportation of materials to work sites from the production facilities were calculated using documentation provided by the service providers (travel agencies, logistics companies, vehicle lease companies) and estimates.

The emission factors are taken from qualified databases and/or product environmental certifications.

The main databases used were:

- Government GHG Conversion Factors for Company Reporting (UK Department for Business, Energy & Industrial Strategy – BEIS)
- CO2 Emissions from Fuel (International Energy Agency)
- Fourth Assessment Report AR4 (IPCC)
- Inventory of Carbon and Energy (Bath Inventory of Carbon and Energy – ICE)
- SimPro modelling software

The energy intensity rates and the GHG emission rates are calculated by comparing the total data (energy consumption and GHG emissions) to revenue for the period. Specifically, the intensity rate for GHG emissions includes the sum of scope 1 and scope 2 (market-based) emissions.

Water use

Data about water not taken from aqueducts, not obtained from other sources (e.g., water tanks) and not measured using meters are calculated considering the withdrawal systems' capacity (pump capacity in the average number of working hours) or production activity performed in the period.

Waste

The data refer to waste generated by the in-scope contracts (including waste produced by subcontractors) in line with the locally applicable regulations. When the data are expressed as a volume, the related weight is calculated using specific conversion factors. Information about the allocation methods for EU projects (i.e., how the waste is treated: recovery or disposal) is based on its legal classification. The methods used for non-EU projects reflect the conditions of the contracts agreed with third party waste management companies.

GRI Content Index

Statement on reporting in accordance with the GRI Standards	Webuild reports in accordance with the GRI Standards for the period from 1 January to 31 December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable sector standards	Not applicable

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
GRI 2 General disclosures 2021			
The organisation and its reporting practices			
2-1	Organisational details Name of the organisation: Webuild S.p.A. Ownership and legal form: Webuild S.p.A is listed on the Milan stock exchange and is managed and coordinated by Salini Costruttori S.p.A. Location of headquarters: Milan, Italy. Countries of operations: p. 24.		
2-2	Entities included in the organisation's sustainability reporting The organisation shall: a. list all its entities included in its sustainability reporting; p. 184 b. if the organisation has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; p. 184 c. if the organisation consists of multiple entities, explain the approach used for consolidating the information, including: i. whether the approach involves adjustments to information for minority interests; ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; iii. whether and how the approach differs across the disclosures in this Standard and across material topics. p. 184		
2-3	Reporting period, frequency and contact point a. Reporting period: 2022 b. Reporting cycle: Annual. c. Publication date: April 2023. Contact point for questions about the report: sustainability@webuildgroup.com		
2-4	Restatements of information: some figures for 2020 have been restated to include Astaldi. More information is available in the "Methodological for reporting non-financial information" in the 2020 Consolidated Non-financial Statement.		
2-5	External assurance: p. 197		
Activities and workers			
2-6	Activities, value chain and other business relationships a. Activities, brands, products, and services: p. 9. b. Markets served: p. 24. c. Scale of the organisation: p. 55, p. 102. d. Supply chain: p. 157. e. Significant changes to the organisation and its supply chain: no significant changes to the organisation or the supply chain compared to the previous year.		6
2-7	Employees: p. 101 Permanent contracts account for 98% of the total in Africa, 68% in the Americas, 86% in Europe and 83% in Asia and Oceania. 95.5% of the employees have full-time contracts. Male employees number 3,048 in Italy, 10,256 in Africa, 1,836 in Europe (excluding Italy), 6,741 in the Americas, 8,702 in Asia and 638 in Oceania.	Information about non-guaranteed hours employees is not available. Webuild will assess the feasibility of providing this information.	6
2-8	Workers who are not employees: p. 101. Data related to workers who are not employees are an average for the month.		
Governance			

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
2-9	Governance structure and composition a. Governance structure: p. 131 b. Composition of the highest governance body and its committees: p. 3, 85		
2-10	Nomination and selection of the highest governance body: see the "Appointment of the board of directors for the 2021-2023 period" section of the 2021 Annual Report and the "Nominating and substitution" section of the Report on corporate governance and the ownership structure.		
2-11	Chair of the highest governance body: the chair of the board of directors Donato Iacovone is not an executive director.		
2-12	Role of the highest governance body in overseeing the management of impacts: Webuild's board of directors pursues the organisation's sustainable success by: - developing the Group's strategies to pursue sustainable success and monitoring its implementation; - defining the most suitable corporate governance system for the Group and the pursuit of its strategies; -promoting engagement with shareholders and other important stakeholders in the most appropriate manner. The board of directors plays a key role in pursuing the Group's sustainable success. It reviews and/or approves (as proposed by the chief executive officer and the board committees) the ESG strategy and plan, the short and long-term incentive plan, the Consolidated Non-financial Statement, major projects and initiatives and their progress. With respect to ESG aspects, the board of directors is assisted by, in particular, the Control, Risk and Sustainability Committee and the Compensation and Nominating Committee. (Source: Report on corporate governance and the ownership structure)		
2-13	Delegation of responsibility for managing impacts: the board of directors has set up a Control, Risk and Sustainability Committee to support its assessments and decisions about the internal control and risk management system and its approval of the periodic financial and non-financial reports. The Committee reports to the board of directors every six months (source: Report on corporate governance and the ownership structure). The Company has departments in charge of individual ESG aspects such as HR, Organisation and System for social and environmental aspects and Finance for financial aspects. With respect to the entire ESG area, the parent set up a Corporate Social Responsibility Department in 2016 which promotes, coordinates and develops sustainability matters on a global level.		
2-14	Role of the highest governance body in sustainability reporting: the Control, Risk and Sustainability Committee regularly reviews the Company's ESG performance, including with respect to climate change, and the related plans and actions taken. It also monitors the internal control and risk management system.		
2-15	Conflicts of interest: Webuild has implemented a series of checks for the correct management of conflicts of interest between the Company, its employees and/or third parties with which it works. These checks are designed to mitigate the risks that could arise from an untimely or incomplete management of conflicts of interest by Webuild. To this end, the Company has a "Related Party Transactions Procedure" on its website to which reference should be made for information about the rules and standards governing transactions with related parties performed directly or through subsidiaries in order to safeguard the transparency and substantial and procedural correctness of such transactions.		
2-16	Communication of critical concerns: the Control, Risk and Sustainability Committee reports to the board of directors every six months on its main activities of that period and its assessment of the adequacy of the internal control and risk management system, in accordance with recommendation 35.h) of the Code of Corporate Governance. Reference is made to GRI 2-26 for information about the number and nature of critical concerns.		
2-17	Collective knowledge of the highest governance body: with respect to ESG aspects, the board of directors is assisted in particular by the Control, Risk and Sustainability Committee which reports on its activities and changes in the reference context.		

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
2-18	Evaluation of the performance of the highest governance body: the board used a specifically designed self-assessment to perform the board evaluation. The questionnaire includes questions on the composition, size and working of the board of directors and its committees, and the role that the board plays in defining strategies, monitoring the Company's performance and the adequacy of the internal controls and risk management system (reference is made to sections 7 and 8 of the Report on corporate governance and the ownership structure).		
2-19	Remuneration policies: reference is made to pages 4 to 11 and pages 26 to 33 of the 2022 Remuneration Report.		
2-20	Process to determine remuneration: reference is made to pages 11 to 15 of the 2022 Remuneration Report.		
2-21	Annual total compensation ratio: reference is made to page 36 of the 2022 Remuneration Report.	The annual total compensation ratio is calculated using the average and not the median.	
Strategy, policies and practices			
2-22	Statement on sustainable development: p. 5		
2-23	Policy commitments: p. 85, 142, 168. Reference is made to the website page that includes the Code of Ethics, the Suppliers Code of Conduct and the Company's policies.		10
2-24	Embedding policy commitments: reference is made to the Company's policies summarised in the table on p. 82		
2-25	Processes to remediate negative impacts: p.113, 120, 142, 154, 162, 188.		
2-26	Mechanisms for seeking advice and raising concerns: p.113, 120, 142, 154, 162, 188.		
2-27	Compliance with laws and regulations: p. 142, p. 229.		8
2-28	Membership associations: Webuild is a member of AICOM Associazione Italiana Compliance, AIS - Associazione Infrastrutture Sostenibili, Assimpredil ANCE, Associazione AIAS, Associazione AICQ CN, ASSOCIAZIONE ASSAFRICA & MEDITERRANEO, ASSOCIAZIONE INGEGNERIA OICE, Associazione Italiana Internal Auditors, Associazione Robert F. Kennedy Foundation Of Italy, Assolombarda, Assonime Associazione fra le Società Italiane per Azioni, CANOVA CLUB MILANO E ROMA, CCI France Italie (French Chamber of Commerce and Industry in Italy), Comitato Leonardo, E4impact Foundation, Fondazione Global Compact Network Italia, Gruppo Italiano Della Trilateral Commission, ISPI - Ist.Studi Di Politica Internazionale, ITCOLD Comitato Nazionale Grandi Dighe, Unindustria Roma. It paid membership fees of roughly 361 thousand to these associations during the year. The associations are substantially independent, therefore, Webuild may not always agree with all their activities and positions. Accordingly, it assesses its memberships once a year to ensure that they continue to represent its key interests. In accordance with the new 2023 guidelines of the UN Global Compact, this 2022 Consolidated Non-financial Statement is not a statement as per the Communication on Progress of the UN Global Compact, which, as per the new incoming legislation, will be made directly on the ad-hoc platform created by the same organisation.		
Stakeholder engagement			
2-29	Approach to stakeholder engagement: p. 120, 142, 164, 157, 169.		
2-30	Collective bargaining agreements: The Group agrees employment contracts with its employees in line with the local applicable legislation, the principles of the framework agreement with the BWI and any other agreements signed with the local trade unions. In 2022, this covered 12,882 employees, equal to 35.8% of the total.		3
GRI 3 Material Topics 2021			
Disclosures on material topics			
3-1	Process to determine material topics: p. 169		
3-2	List of material topics: p. 169		
GRI 200 Economic			
GRI 201 Economic performance (2016) Material topics: A. Sustainability strategy, C. Ethics and integrity			

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
3-3	Management of material topics: p. 5, 9, 80, 85, 229.		
201-1	Direct economic value generated and distributed: the direct economic value generated by the Group in 2022 amounted to €8,224 million, including €7,776 million which was distributed and €447 million which was retained. Specifically, €5,896 million was distributed to suppliers (operating costs), €1,448 million to employees (remuneration and benefits), €368 million to lenders and €65 million to the public administration (taxes). This does not include the dividends to be distributed to the shareholders, which will be available after the ex-dividend date expected to be 22 May 2023.		
GRI 202 Market Presence (2016) Material topics: A. Sustainability strategy, G. Stakeholder engagement, M. Contribution to local economies			
3-3	Management of material topics: p. 5, 9, 80, 160.		6
202-2	Proportion of management hired from the local community: p. 161 The term manager refers to persons who hold management positions as part of the contract and head a department/unit. In the case of EU resources, it refers to the contractual definition of a manager. Local employees are those who are hired in the same country as that in which they reside.		6
GRI 203 Indirect Economic Impacts (2016) Material topics: A. Sustainability strategy, G. Stakeholder engagement, M. Contribution to local economies			
3-3	Management of material topics: p. 5, 9, 80, 160.		
203-1	Infrastructure investments and services supported: p. 164. The total value of initiatives to assist local areas includes monetary donations (72.9%), sponsorships (24.8%) and contributions in kind (2.3%) (e.g., labour, materials, machinery).		
GRI 204 Procurement Practices (2016) Material topics: A. Sustainability strategy, F. Supply chain, G. Stakeholder engagement, M. Contribution to local economies			
3-3	Management of material topics: p. 5, 9, 80, 157, 160.		
204-1	Proportion of spending on local suppliers: p. 161. Local suppliers are those with a registered office in the same country in which the Group's projects are taking place.		
GRI 205 Anti-corruption (2016) Material topics: D. Anti-corruption			
3-3	Management of material topics: p. 154		10
205-1	Operations assessed for risks related to corruption: p. 154. 172 companies were included in the assessment scope.		10
GRI 207 Tax (2019) Material topics: E. Tax transparency, G. Stakeholder engagement			
3-3	Management of material topics: p. 160		
207-1	Approach to tax: p. 162		
207-2	Tax governance, control and risk management: p. 162		
207-3	Stakeholder engagement and management of concerns related to tax: p. 162		
207-4	Country-by-country reporting: p. 162. The data refer to 2021 as this is the most recent year for which information is available. The list of group companies included in the notes to the consolidated financial statements provides the names of the companies resident in each tax jurisdiction. As set out in the "Tax" section, the main activities performed by the companies resident in the tax jurisdictions are tied to commercial opportunities (participation in calls for tenders) and/or operating possibilities (contract management, concessions, equity investments, etc.) The data presented are grouped by geographical area and do not include the pre-tax profit or loss (the average nominal tax rate applicable to each area is shown).	This omission is for confidentiality purposes as presentation of the pre-tax profit or loss could affect the Group's competitive position in some markets.	
GRI 300 Environmental			
GRI 301 Materials (2016) Material topics: A. Sustainability strategy, P. Natural resources and circular economy			
3-3	Management of material topics: p. 5, 9, 80, 142.		7, 8
301-1	Materials used by weight or volume: p. 147. The Group does not use significant renewable materials for its core activities while it does use recycled or recovered materials, as described in the relevant section.		7, 8
GRI 302 Energy (2016) Material topics: A. Sustainability strategy, O. Climate change			
3-3	Management of material topics: p. 5, 9, 80, 124.		7, 8, 9
302-1	Energy consumption within the organisation: p. 137, p. 187.		7, 8, 9

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
302-2	Energy consumption outside of the organisation: p. 137, p. 187. Significant external energy consumption refers to the Group's subcontractors.		7, 8, 9
302-3	Energy intensity: p. 137, p. 187.		7, 8, 9
GRI 303 Water and effluents (2018) Material topics: A. Sustainability strategy, P. Natural resources and circular economy			
3-3	Management of material topics: p. 5, 9, 80, 142.		7, 8
303-1	Interactions with water as a shared resource: p. 147, p. 188.		7, 8
303-2	Management of water discharge-related impacts: p. 147, p. 188.		7, 8
303-3	Water withdrawal: p. 147, p. 188. Water withdrawn from all areas with water stress: during the year, water withdrawals of 33,151 cubic metres were made in areas with water stress for the Saida- Tiaret railway line project in Algeria. Areas with water stress are those classified as extremely high risk by the Water Risk Atlas published by World Resources Institute. Water withdrawn containing >1,000 mg/L of total dissolved solids: during the year, no water withdrawals containing >1,000 mg/L of total dissolved solids were made.		7, 8
GRI 304 Biodiversity (2016) Material topics: A. Sustainability strategy, Q. Biodiversity			
3-3	Management of material topics: p. 5, 9, 80, 142.		8
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas: p. 151.		8
GRI 305 Emissions (2016) Material topics: A. Sustainability strategy, O. Climate change			
3-3	Management of material topics: p. 5, 9, 80, 124.		7, 8, 9
305-1	Direct (Scope 1) GHG emissions: p. 137, p. 187 .		7, 8, 9
305-2	Energy indirect (Scope 2) GHG emissions: p. 137, p. 187 .		7, 8, 9
305-3	Other indirect (Scope 3) GHG emissions: p. 137, p. 187.		7, 8, 9
305-4	GHG emissions intensity: p. 137, p. 187.		7, 8, 9
GRI 306 Waste (2020) Material topics: A. Sustainability strategy, P. Natural resources and circular economy			
3-3	Management of material topics: p. 5, 9, 80, 142.		8
306-1	Waste generation and significant waste-related impacts: p. 149, p. 188.		8
306-2	Management of significant waste-related impacts: p. 149, p. 188.		8
306-3	Waste generated: p. 149, p. 188.		8
306-4	Waste diverted from disposal: p. 149, p. 188.		8
306-5	Waste directed to disposal: p. 149, p. 188.		8
GRI 308 Supplier Environmental Assessment (2016) Material topics: A. Sustainability strategy, F. Supply chain, G. Stakeholder engagement			
3-3	Management of material topics: p. 5, 9, 80,157, 160.		8
308-1	New suppliers that were screened using environmental criteria: p. 157. In 2022, 65% of the suppliers with large orders (i.e., >€250 thousand) were screened. As described in the "Supply chain" section, this process involves screening of various aspects, including the suppliers' environmental policies. The data refer to a scope of entities that is larger than the scope of operating entities considered for this Statement.		8
GRI 400 Social			
GRI 401 Employment (2016) Material topics: A. Sustainability strategy, I. Attraction and development of employees			
3-3	Management of material topics: p. 5, 9, 80,101.		6
401-1	New employee hires and employee turnover: p. 103. Specifically, in 2022, 11,322 people joined the Group, of whom 10,607 men and 715 women (entry rate of 33%), including 4,585 under 30 years of age (40%), 5,797 between 30 and 50 (51%) and 940 over 50 (8%). The geographical distribution of employees is as follows: 2,137 in Africa (19%), 3,168 in the Americas (28%), 1,122 in Europe (10%), and 4,895 in Asia and Oceania (43%). During the year, people that left the Group, including the transfers of resources among group sites, numbered 5,549, of whom 5,090 men and 459 women (exit rate of 16%), including 860 under 30 (15%), 3,906 between 30 and 50 (70%) and 783 over 50 (14%). The geographical distribution of the leavers is as follows: 1,253 in Africa (23%), 1,911 in the Americas (34%), 1,359 in Europe (24%) and 1,026 in Asia and Oceania (18%). The turnover rates were calculated using the average employee numbers for the year.		6
GRI 402 Labour/Management Relations (2016) Material topics: A. Sustainability strategy, I. Attraction and development of employees, L. Human rights			
3-3	Management of material topics: p. 5, 9, 80, 101, 119.		3

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
402-1	Minimum notice periods regarding operational changes: The minimum notice period to communicate significant operational changes for Webuild is set by collective employment contracts and relevant local laws. It varies from zero to 50 weeks for managers, zero to 12 weeks for office staff and 0 to 8 weeks for blue collars.		3
GRI 403 Occupational Health and Safety (2018) Material topics: A. Sustainability strategy, G. Stakeholder engagement, J. Health, safety and welfare			
3-3	Management of material topics: p. 5, 9, 80, 101, 160.		
403-1	Occupational health and safety management system: p. 113. The Health and Safety Management System is installed at the Italian head offices (corporate), direct contracts and joint operations where the Group manages the operational activities or has specific agreements with its partners. Its system is not used by the joint operations where health and safety management is the responsibility of its partners.		
403-2	Hazard identification, risk assessment, and incident investigation: p. 113		
403-3	Occupational health services: p. 113		
403-4	Worker participation, consultation, and communication on occupational health and safety: p. 113		
403-5	Worker training on occupational health and safety: p. 113		
403-6	Promotion of worker health: p. 113		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships: p. 113		
403-9	Work-related injuries: p. 113. Despite the stringent assessments of risks and operating controls, three fatal injuries took place in 2022 involving direct employees (0.03%) and none involving employees of subcontractors (0.00%). The serious injuries, calculated in accordance with Italian legislation (sick leave of more than 40 days), involved 16 direct employees (0.17%) and 10 employees of subcontractors (0.22%). The total number of recordable injuries was 577 for the direct employees (6.00%) and 244 for employees of subcontractors (5.43%). The main types of injury were bruises, fractures, wounds and dislocations.		
GRI 404 Training and Education (2016) Material topics: A. Sustainability strategy, G. Stakeholder engagement, I. Attraction and development of employees			
3-3	Management of material topics: p. 5, 9, 80, 101, 160.		6
404-1	Average hours of training per year per employee: p. 107 188. In 2022, direct employees received on average 20 hours of training (per head). Specifically, an average of 19 hours of training per capita was provided to managers and white collars while blue collars received an average of 21 hours. Technical and production employees received an average of 23 hours of training per capita, while office employees received nine hours. During the year, the per capita training hours provided to corporate employees amounted to 53 for men and 38 for women. This figure is not significant for the operating units given the strong predominance of male resources.		6
GRI 405 Diversity and Equal Opportunity (2016) Material topics: A. Sustainability strategy, K. Diversity and inclusion			
3-3	Management of material topics: p. 5, 9, 80, 119.		6
405-1	Diversity of governance bodies and employees: reference is made to the Report on Corporate Governance and the Ownership Structure for full disclosure on the diversity of governance bodies p. 120 (diversity of employees).		6
GRI 406 Non-discrimination (2016) Material topics: A. Sustainability strategy, K. Diversity and inclusion			
3-3	Management of material topics: p. 5, 9, 80, 119.		6
406-1	Incidents of discrimination and corrective actions taken: p. 120. The Group received 23 notifications of alleged discrimination from employees at the Snowy Hydro project and Lane's employees during the year. These notifications were handled in accordance with the relevant internal procedures. At year end, none of the cases were under investigation nor were there any cases still pending investigation.		6
GRI 407 Freedom of Association and Collective Bargaining (2016) Material topics: A. Sustainability strategy, L. Human rights			
3-3	Management of material topics: p. 5, 9, 80, 119.		3
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk: p. 120		3
GRI 408 Child Labour (2016) Material topics: A. Sustainability strategy, L. Human rights			

Disclosure	Description, page number, reference to other sections of the Report or other documents (The page numbers refer to the paragraph that includes the information)	Omission	UN Global Compact Principles
3-3	Management of material topics: p. 5, 9, 80, 119.		5
408-1	Operations and suppliers at significant risk for incidents of child labour: p. 120		5
GRI 409 Forced or Compulsory Labour (2016) Material topics: A. Sustainability strategy, L. Human rights			
3-3	Management of material topics: p. 5, 9, 80, 119.		4
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour: p. 120		4
GRI 410 Security Practices (2016) Material topics: A. Sustainability strategy, L. Human rights			
3-3	Management of material topics: p. 5, 9, 80,119.		1
410-1	Security personnel trained in human rights or procedures: p. 85. As described in the section on “Company organisation”, all the security personnel undergo initial training and regular refresher courses provided by the local managers in line with a training plan defined to comply with the applicable standards and regulations. These courses include information on respect for the individual, human rights and the Code of Ethics.		1
GRI 411 Rights of Indigenous Peoples (2016) Material topics: A. Sustainability strategy, L. Human rights			
3-3	Management of material topics: p. 5, 9, 80, 119.		1
411-1	Incidents of violations involving rights of indigenous peoples: p. 120. No instances (e.g., legal action) for the violation of rights of indigenous peoples took place in the year.		1
GRI 413 Local Communities (2016) Material topics: A. Sustainability strategy, G. Stakeholder engagement, M. Contribution to local economies			
3-3	Management of material topics: p. 5, 9, 80, 160, 168.		1
413-1	Operations with local community engagement, impact assessments, and development programmes: Given the type of works, their location and reference regulatory frameworks, the Group’s projects are subject to different laws and standards for social and environmental aspects. Accordingly, a social and/or environmental impact assessment prepared by the clients exists for 77% of its in-scope projects. The clients consulted the local communities for 48% of the projects. A management system is in place to handle complaints from local communities for 40% of the projects (the grievance mechanisms). Development programmes assisting the local communities exist for 23% of the projects while workers committees exist for 35% of the projects.		1
GRI 414 Supplier Social Assessment (2016) Material topics: A. Sustainability strategy, F. Supply chain, G. Stakeholder engagement			
3-3	Management of material topics: p. 5, 9, 80, 157, 160.		2
414-1	New suppliers that were screened using social criteria: p. 157. In 2022, 65% of the suppliers with large orders (i.e., >€250 thousand) were screened. As described in the “Supply chain” section, this process involves screening of various aspects, including social ones (e.g., employees, health and safety and human rights). The data refer to a perimeter of entities that is larger than the perimeter considered for this Statement.		2
GRI 415 Public Policy (2016) Material Topics: C. Ethics and integrity			
3-3	Management of material topics: p. 9, 85, 188, 229.		10
415-1	Political contributions. Pursuant to the principles of its Code of Ethics, the Company does not make contributions to political and trade organisations of any kind (parties, movements, committees, etc.) nor their representatives.		10

Bridge table with TCFD (Task Force Climate-Related Financial Disclosure) Recommendations

TCFD Recommendations		2022 NFS
GOVERNANCE		
Governance around climate-related risks and opportunities	a) Role of BoD	“Climate change – Governance” section
	b) Role of management	
STRATEGY		
Actual and potential impacts of climate-related risks and opportunities on the organisation	a) Climate-related risks and opportunities	“Climate change – Main climate-related risks and opportunities” section
	b) Impact of climate-related risks and opportunities	
	c) Resilience of the organisation’s strategy	
RISK MANAGEMENT		
Management of climate-related risks	a) Identification and assessment processes	“Climate change – Main climate-related risks and opportunities” section
	b) Management processes	
	c) Integration into overall risk management	
METRICS AND TARGETS		
Metrics and targets used to assess and manage climate-related risks and opportunities	a) Metrics used	“Climate change – Performance and targets” section
	b) GHG emissions	
	c) Targets	

Report of the auditors



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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' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

*To the board of directors of
Webuild S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5.1.g) of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2022 consolidated non-financial statement of the Webuild Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the directors' report and approved by the board of directors on 16 March 2023 (the "NFS").

Our procedures did not cover the information set out in the "EU taxonomy for sustainable economic activities" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Webuild S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

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Webuild Group
Independent auditors' report
31 December 2022

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS 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 NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:
 - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;



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- the group's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
- the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at group level,
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited the Snowy 2.0 project's site in Australia and the site of the Apice-Hirpinia section of the Napoli-Bari railway line project, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators;
- through remote communication tools, we performed reasonableness analyses of certain projects, which we have selected on the basis of their business and contribution to certain significant indicators, by obtaining documentary evidence and, where necessary, holding discussions with their management.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2022 consolidated non-financial statement of the Webuild Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.



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Our conclusion does not extend to the information set out in the "EU taxonomy for sustainable economic activities" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Milan, 4 April 2023

KPMG S.p.A.

(signed on the original)

Angelo Pascali
Director of Audit