

2023 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** (93 million in 2022), providing better access to water, energy, mobility and public utility infrastructure, and avoid GHG emissions of **approximately 20.4 million tonnes of CO₂** a year (25 million in 2022).

Confirming its role as a key mover in the global climate transition, **63% of the Group's 2023 revenue, 72% of its OpEx and 57% of its CapEx** (81%¹⁰, 61% and 71% in 2022) 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 **€10,009 million** in 2023 (€8,224 million in 2022), of which 95% distributed to suppliers, employees, investors and lenders, public administration and local communities.

Webuild has always been committed to making a significant contribution to the economies of the local areas where it works. It favours the use of local workers as much as possible, also offering **training and professional advancement** opportunities; in 2023, **local managers** accounted for **77%** of the total (unchanged from 2022). The Group also tends to work with suppliers based in the countries where its projects are located, with the majority of its purchases being made from **local suppliers** (**93%** in 2023, 94% in 2022). If the indirect and induced effects in the Group's main markets are also considered, Webuild contributed to the creation of **six jobs** for each direct employee, generating a GDP multiplier of 2.8 (i.e., **€2.8 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 2023 decreased by **4%** on the previous year, thanks to the actions taken to decarbonise the core business and works.

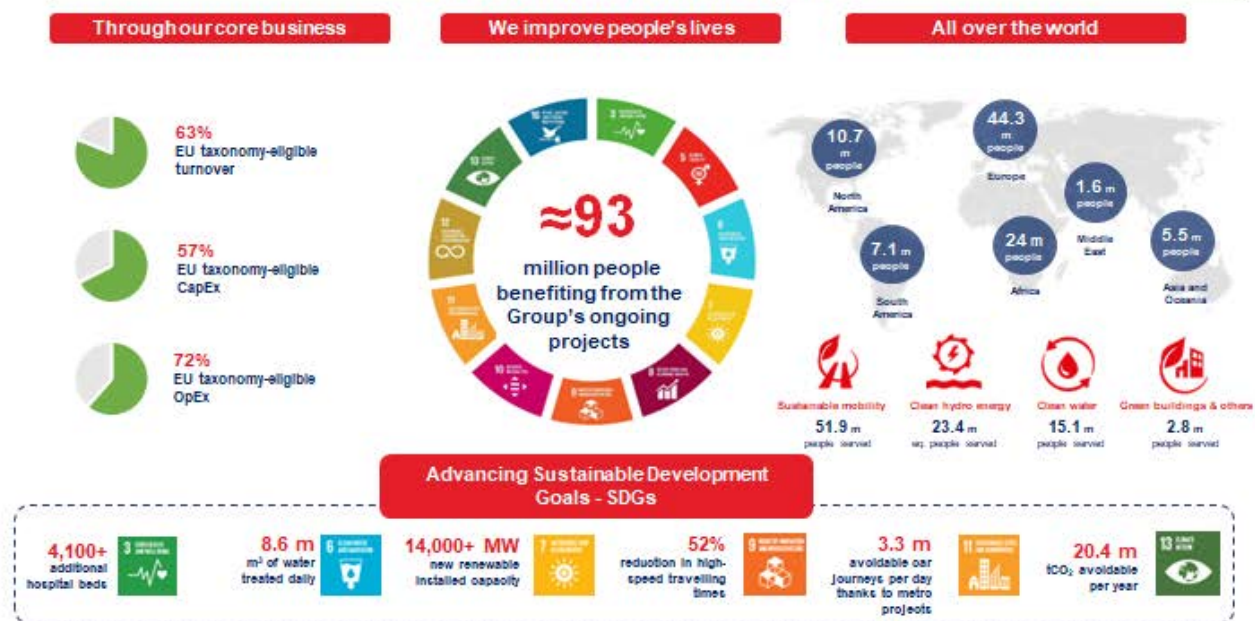
During the year, the Group made progress in advancing towards all the targets set out in its **ESG Plan**:

- the **emissions intensity rate (scope 1 & 2)** dropped by 67% compared to the 2017 baseline (-50% target for 2025);
- the **Lost Time Injury Frequency Rate** (LTIFR) has improved again after meeting the target in 2022 (-41% compared to the 2017 baseline (-40% target for 2022);
- the **percentage of women** identified for key roles in succession planning fully achieved the 25% target in 2023;
- additional investments in **innovative projects** approximated €27 million in 2023 which, added to the €29.8 million of the previous two years, give a total of around €57 million (for a target of €30 million by 2023).

The Group is 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 (AA), CDP Climate Change (A-), ISS-ESG (B- Prime) and Moody's ESG (ex Vigeo Eiris) (Advanced).

¹⁰ The difference is mostly due to the fact that, based on a FAQ published in October 2023 by the European Commission, economic activity 6.15 is considered eligible for the climate change adaptation objective (which does not consider revenue) instead of the mitigation objective. More information is available in the "EU taxonomy for sustainable economic activities" paragraph of the "Climate change" section.

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 model¹¹ and strategy and is underpinned by two key pillars: its contribution to global challenges and its unceasing commitment to acting responsibly.

We contribute to progress towards the SDGs through:



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 2023 will generate benefits for over 93 million people around the world (like in 2022) and avoid GHG emissions of roughly 20.4 million tonnes¹² per year (25 million tonnes in 2022). In geographical terms, the largest benefits were seen in Europe in 2023 (44.3 million people compared to 40.5 million in 2022) while the Sustainability Mobility area saw the most growth (51.9 million beneficiaries compared to 46.5 million in 2022). These figures confirm the Group's pivotal role as a major contributor to the sustainable mobility sector's growth in Italy and Europe.

¹¹ Additional information is available in the "Webuild Group" section of the Directors' report.

¹² 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

Webuild's sustainability strategy is set out in its ESG Plan, defined on the basis of the materiality assessment in line with the Strategic Plan. It has three specific short and medium to long-term objectives:

- Accelerate climate transition by developing innovative solutions to improve the environmental sustainability of the Group's projects and operations
- Be the sector benchmark for health and safety, expertise, diversity and inclusion
- Contribute to improving the sector's efficiency, leveraging innovation and digitalisation.

In 2021, based on the above objectives, Webuild drew up its first ESG Plan for the 2021-2023 three-year period focusing on three sustainability "construction sites": Green builders, Safe & inclusive builders and Innovative & smart builders. The plan ended in 2023 with full satisfaction of the objectives, consolidating the Group's sustainability credentials.

The above results representing the completion of the ESG Plan compared to the targets are summarised below.

				
Topics	GHG emissions intensity (scope 1&2)	LTIFR	Women identified for key roles in the succession planning ¹³	Investments in innovative, high impact projects
	2025 vs 2017	2022 vs 2017	2023	2023 vs 2020
Target	-50%	-40%	25%	+€30 m
Results	-67%	-41%	25%	+€57 m

After meeting its targets in full, Webuild defined a new ESP Plan in early 2024 to step up its commitment and satisfy its stakeholders' increasing needs and the global challenges in an increasingly tangible manner.

The Company has once again prioritised combating climate change and promotion of the circular economy, the protection and enhancement of its people and continuous improvement leveraging innovation and digitalisation, focusing in particular on investments in clean technology.

¹³ Successors identified for key/strategic roles within the Group at head office and in the field to guarantee business continuity

The new targets are shown below by sustainability “construction site”:



Material non-financial topics

Webuild defines and regularly revises a list of material topics in line with the methodology proposed by the GRI Universal Standards 2021 based on the impact assessment approach. The assessment provides for the initial identification of the main impacts (positive and negative, current and potential) generated by the Company on the economy, the environment and people, including the impact on their human rights. It subsequently identifies material topics through the assessment, prioritisation and grouping of the mapped impacts.¹⁴

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.

¹⁴ More information is provided in the “Materiality assessment” paragraph of the “Methodology for reporting non-financial information” section.

Social

- A. Occupational health and safety
- B. Human rights
- C. Diversity and inclusion
- D. Attraction, management and development of employees
- E. Contribution to local economies
- F. Supply chain
- G. Stakeholder engagement

Environment

- H. Climate change
- I. Natural resources and circular economy
- J. Biodiversity

Governance

- K. Ethics and integrity
- L. Excellence and innovation
- M. Anti-corruption
- N. Cyber security
- O. Finance for sustainable growth

The analysis showed that the impacts related to the topics of “Occupational health and safety”, “Diversity and inclusion”, “Supply chain” and “Excellence and innovation” were allocated greater 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” and “Supply chain”	“Supply chain”
Combating 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 2023, the Company's Board of Directors had 15 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 for the parts related to 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.

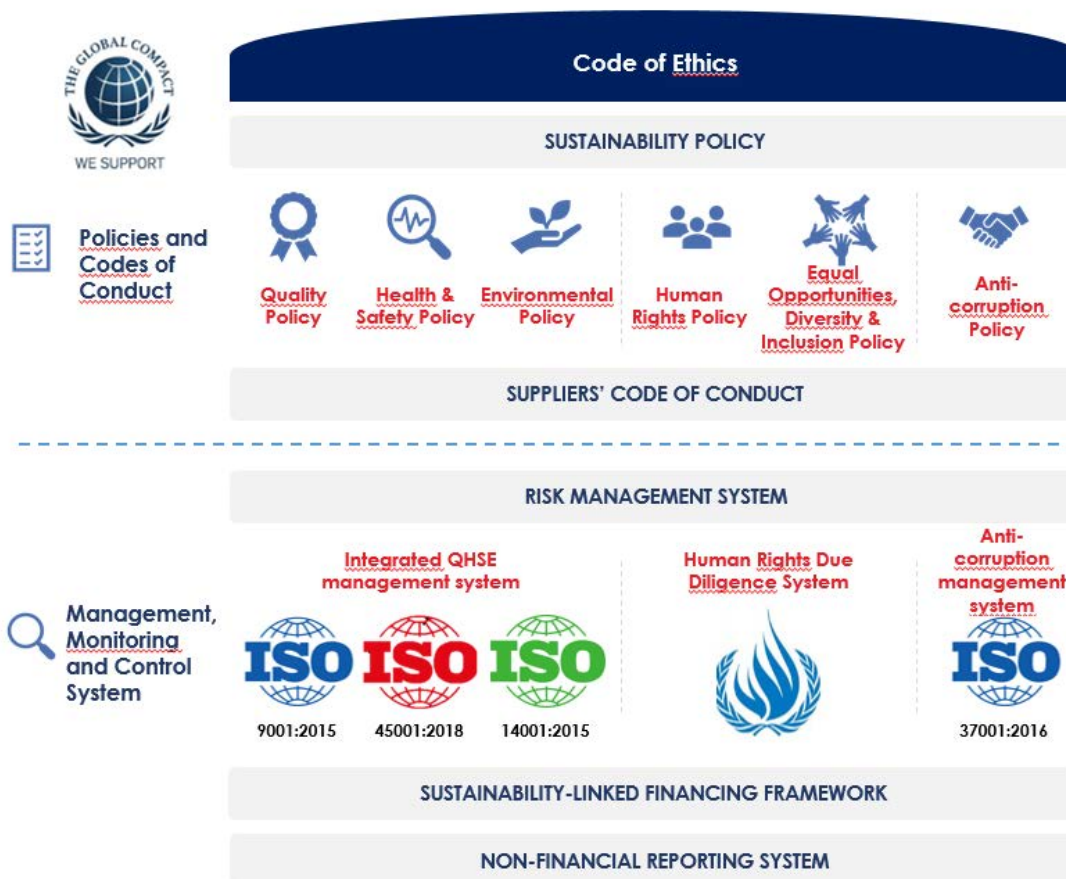
In line with the Group's traditions, the pillars reiterate and reinforce its commitment to sustainable development and its intention to return part of the value generated to society to make a positive contribution to the communities and local areas where it operates.

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 supervise 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 during their daily activities.

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; it sets out the workers' right to intervene when necessary its objective of "zero injuries".

Environmental 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, fair and favourable working conditions and the protection of the human rights of stakeholders affected by its activities.

Equal Opportunities, Diversity & Inclusion Policy: the principles that the Company is committed to complying with to encourage an inclusive work environment that cultivates each individual's potential, developing the Company's 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 Fillea-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.

The Company refreshed its Sustainability Policy at the end of 2023 to give greater emphasis to the identification, mitigation and control of ESG risks and its commitment to combating climate change.

Management, monitoring and control systems

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 and that can be mapped and documented;
- that the allocation and exercise of powers as part of a decision-making process are 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 QEHS 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 ISO 9001 certification also covers the production of prefabricated structures (IAF 16).

Moreover, the quality management system 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 QEHS management system is installed at the Italian head offices (corporate), direct projects, subsidiaries' projects, and projects of joint operations where the Group manages the operating activities or has specific agreements with its partners. Where health and safety management is the responsibility of its partners in joint ventures, compliance with the requirements of ISO 9001, ISO 14001 and ISO 45001 is nonetheless guaranteed. While Lane Construction Corporation, Clough, Webuild Innovations, Cossi, Fisia Italmimpianti and Seli Overseas have independent certifications which comply with the applicable ISO standards, they also comply with the Company's procedures and guidance.

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**, confirmed 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 SA8000¹⁵, UNI/PdR 125 gender equality certification, a road traffic safety management system certified in accordance with ISO 39001 and are being assessed for ISO 30415 diversity and inclusion certification.

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

¹⁵ At the end of 2023, Webuild Italia S.p.A., Cossi S.p.A. and NBI S.p.A. were SA8000 certified.

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 coordinated and align with 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. Reports 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 system complies with Law no. 179/2017, Legislative decree no. 24/2023, Confindustria’s (General Confederation of Italian Industry) guidelines for the set-up of organisational, management and control models (2021) and ANAC’s (Italian National Anti-corruption Authority) guidelines (2023).

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 climate transition globally.

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 sets 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 the 2017 baseline.

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;

- ongoing 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 disposal 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.

Physical security and employee safety

Physical security activities include:

- Travel security which, depending on the security risk level, may consist of:
 - information about the risks in the geographical area they will be travelling to using resources from open sources or restricted-access sources accessible by the relevant employees;
 - training about the behaviour to be adopted in riskier areas to minimise the exposure to security risks;
 - implementing physical security measures to contain security risks triggered by employees' presence in non-permissive environments.
- Physical security of assets: activities to protect the Group's assets designed to prevent, minimise, manage and overcome the consequences of illicit and violent acts directed against the Group's people and tangible assets:
 - the direct or indirect deployment of qualified personnel;
 - document management system.

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

The security personnel may be employees and/or personnel supplied by private companies, who are usually unarmed and/or by personnel supplied by the army or local police departments through 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 supplied by 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 supplied by private companies act in accordance with operating procedures approved by Webuild's security units and/or those of their companies, 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 & 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 resulting 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 info-sharing 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 & Digital Systems 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 or 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 GDPR 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 response to the Group's continuous growth, both in its order backlog and new acquisitions, the corporate departments underwent an organisational overhaul during 2023, resulting in greater oversight of those subsidiaries requiring consistent coordination and support (methodological and operational) from head office. The extension of the Group's organisational protocols for governance, process and application tools to subsidiaries picked up pace during the year and Webuild also launched initiatives to facilitate the subsidiaries' adoption of such protocols. Specifically, it:

- launched a review of Lane's corporate and work site organisational models to more closely align roles, responsibilities and governance with the Group's model and encouraged full compliance with its procedures;
- introduced an integrated organisational model for the Australian subsidiary Clough, which included the set-up of a local unit to oversee procedural compliance;
- aligned the organisational, procedural, governance structures and application tools of the subsidiaries Cossi, Fisia, Seli, CSC and NBI on the basis of the 2022 gap analysis. The alignment was carried out according to an agenda, which considered the different priorities of the subsidiaries and was determined based on the Group's business plan and in close collaboration with the Corporate Development Unit and the units coordinating the subsidiaries set up in 2023 (Subsidiaries Business Coordination, Risk Methodologies and Subsidiaries, Commercial Coordination Domestic Market and Subsidiaries).

The main organisational reshuffles at the Company's headquarters were as follows:

- a new Corporate Development Department reporting to the General Manager Corporate and Finance-Group CFO. This department liaises with the competent departments (Operations, AFC, Contract, Commercial, Bidding, Engineering, HR, Supply Chain, etc.) to make the Company's matrix organisational structure more effective and efficient. It will supervise implementation of the corporate processes by the subsidiaries and concession operators and will also be in charge of M&A transactions;
- a new Design Quantities Management Unit reporting to the Engineering Unit, to introduce and manage a quantity identification and monitoring model to ensure quantities are initially determined correctly when the bid is prepared and their monitoring over the executive design stages;
- reorganisation of the Group HR, Organisation and Systems Department, and specifically:
 - the Health and Organisation Units transferred under the umbrella of the Human Resources and Organisation Department in order to pursue synergies in the HR Management, Industrial Relations and Organisation area, streamline the Group's organisational development and monitor occupational health matters (head office and work sites);
 - a new Learning and Development Unit to oversee one of the Group's strategic areas (training and development of technical expertise) in response to the scarcity of resources and skills available on the labour market and to develop the expertise needed for the Group's future growth;

- a new Financial Relationships Development Unit reporting directly to the CFO, which will work closely and liaise with the Finance Department to maximise the procurement of financial resources through the development and consolidation of relationships with banks and institutions at national and international level;
- a new unit reporting directly to the CEO, to monitor the Group's real estate and urban regeneration projects;
- the expansion of the Controlling and Accounting Department to include an International Operations and Risk Controlling role, a new organisational layer to strengthen coordination and supervision of the Operations & Risk Control Area;
- a new Subsidiaries Business Coordination Unit reporting to the Corporate Development Department, to assist the subsidiaries adopt the operating tools and models necessary to implement their business plans in line with the Group's strategies and to ensure procedural compliance with group standards;
- reorganisation of the Group Commercial Department to incorporate a new Commercial Coordination Domestic Market and Subsidiaries position. The role involves liaising with the relevant units at corporate and the subsidiaries to coordinate the Group's commercial activities in Italy with a view to achieving its order, backlog and turnover objectives;
- a new Risk Methodologies and Subsidiaries Unit reporting to the Risk Management Department to develop the Group's risk management methods, align controls and promote and implement such methods at all the subsidiaries;
- succession plans and optimisation projects were also put in place for the following group structures:
 - *Global Operations General Manager*
 - *Total Rewards and Mobility Policies*
 - *Plant and Equipment*
 - *Procurement*
 - *Safety, Environment and Quality*
 - *Budgeting and Planning*
 - *Corporate Identity, Communication and Institutional Affairs*
 - *Security.*

Continuous communication and transparency with all stakeholders

Full transparency was a hallmark of the Group's engagement with its Italian and foreign internal and external stakeholders in 2023, with a continuous flow of information to an increasingly niche audience during this time of surging infrastructure investments.

The Group's acquisition of the Perth-based Australian construction company, Clough, presented new communication challenges, requiring the Group to step up its engagement with stakeholders in that continent.

In 2023, the Group conceived and launched more than 20 strategic communication plans, published more than 170 press releases/notes, produced over 340 videos and podcasts and 380 infographics to provide transparency about its business and to present and explain complicated technical information. Senior management also participated in 45 events/meetings with major stakeholders during the year.

Webuild decided to again use art to promote an understanding of the Group's sector and activities, organising two large exhibitions ("Costruire il Futuro" held in the Triennale di Milano and "Roma Silenziosa Bellezza" held in the VIVE, Vittoriano e Palazzo Venezia). It also showcased a preview of its immersive multi-media Leonardo da Vinci exhibit at THE LUME in Melbourne (opening in March 2024).

One of the Company's key objectives is to provide user-friendly information in real time about the key milestones of its projects underway and completed. In 2023, dedicated communication plans shone a light on the laying of the first stone of the Genoa Breakwater and the commencement of work at Venezia Station on Line C of the

Rome Metro and completion of Eni's iconic new headquarters, the opening of the San Babila and Tricolore Stations on the M4 Line of the Milan Metro and the Braila Bridge in Romania were similarly showcased.

To broaden and diversify the reader base, the Group has bolstered the output of its We Build Value newsletter, whose reach has extended significantly in 2023 in Italy, the US and Australia, all countries of great strategic interest.

Delivery capacity, innovation, employment, training and young talents are some of the fundamental issues underpinning the Group's journey in 2023. It held the second edition of the Alberto Giovannini Award (dedicated to the economist who passed in 2019 and who was a former chairman of the Group) and it launched its new Cantiere Lavoro Italia project to train and bring up the new generation of tomorrow's builders. Webuild also signed two protocols covering training and employment with the Sicily and Calabria Regions, and launched a communication campaign targeting young talents and unemployed people.

The Group's innovation activities included the opening of the first robotic factory, Roboplant, in Belpasso, Catania. This environmentally-friendly and safe factory will produce tunnel segments for the railway lines under construction in Sicily.

Innovation and transparency are also hallmarks of Webuild's work sites in Italy, where the "Cantieri Trasparenti" digital communication project rolled out in 2022 continues to attract growing interest. The www.cantieritrasparenti.com platform has 36 active webcams (20 in 2022) streaming the construction of large Webuild infrastructure projects and includes two new sites added in 2023: the Piazza Venezia site for the new Metro C in Rome and Lot 2 of the new high-capacity Messina- Catania line.

Webuild communicates constantly with its stakeholders on digital media, which includes nine sites and five social media channels for a total of 9.2 million interactions in 2023.

With respect to digital research and development, the Group completely overhauled all its websites in 2023 launching a new portal www.webuildgroup.com, an innovative platform designed to provide increasingly transparent and accessible information with more than 5,000 pages. The portal confirmed its role as one of the Group's main ambassadors with a 36% increase in visits compared to 2022 and an average time spent on the website of more than three minutes.

The Group's online brand presence is strengthened by its five social media channels. Thanks to its continuous output and an extensive communications plan with 3,000 posts a year and an average of eight posts a day seven days a week, these digital touchpoints collected 47 million impressions with an engagement rate of above 15%.

Webuild also focused on its strategic plan and internal communication activities in 2023. This included strengthening the Group's identity in response to its fast-paced growth to create a shared culture among all its people at the headquarters, subsidiaries and work sites. The three main concepts underpinning this strategy during the year were: proximity and inclusion, facilitating access to work tools and to communication tools in order to bridge distances; consistency and reach in initiatives, to ensure alignment on business objectives and the changes underway; and engagement and listening to encourage and respond to feedback.

During the year, the Company launched its new intranet, webe, which was the result of a co-design project to create a digital workplace involving around 4,000 people from throughout the Group through focus groups, online surveys and test sessions. The new digital hub saw a 380% increase in users compared to 2019: a considerable jump in technological terms with respect to its functionalities and communication strategy. Webuild plans to steadily extend access to the platform in Italy and abroad.

Research and innovation activities involving digital technologies for internal communication purposes led to the development of the Webbuilders app for the Group's employees. This app was launched at some Italian websites and the headquarters at the end of 2022.

The Group extended and diversified the Brand Advocacy project, which involves employees as ambassadors to promote the Group's activities in the countries most important to it. The platform was expanded in 2023 to include Instagram, which joins LinkedIn and Facebook, and a dedicated app was developed for the ambassadors. Webuild also launched the Webbuilders project as part of its drive to co-create content with employees on its


digital platforms as well. For the first time, the ambassadors have become content creators (photos, videos and stories) that are shared on Webuild's official profiles.

Webuild actively promoted its internal Safety, Environment, Health and Inclusion & Diversity communication campaigns during the year, linking its activities to the World Days dedicated to these topics to organise initiatives that directly involve its employees and meetings at all its work sites and offices.

An internal communication campaign was carried out at all the Italian work sites to support Webuild's recruiting plan through recommendations from its personnel and dedicated campaigns to promote development, training and mentoring initiatives.

Innovation, research and development

Strategic for the Group's sustainable growth and competitive edge



€165m
Investments in innovation
2019-2023



≈480
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 designed thanks to 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 corporate level.

At project level, in addition to researching new 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. Webuild's technical teams partner with the best experts and professionals in the market, universities and research centres right from day one to develop tailored solutions able to meet clients' requirements while protecting the local environment and communities.

In 2023, the Group opened its first Innovation Centre aimed at promoting innovation for both its work sites and external stakeholders. This new centre will deploy disruptive technologies to design and develop an array of complex solutions, also from a sustainability and safety viewpoint, with the objective of improving the Group's construction products and processes and narrowing the technological gap that has traditionally affected the construction sector.

The innovation Centre will also allow the Group to teach and foster new expertise, generating greater employment and enhancing territorial resources by creating virtuous collaboration mechanisms both with the academic world and with research organisations and local counterparts. This shared physical and digital centre will cultivate innovation, and develop and optimise methodologies and technologies for the construction sector.

During the 2019-2023 five-year period, the Company invested on average around €33 million in innovation, research and development projects for a grand total of over €165 million. These projects have involved an average of around 480 group specialised resources¹⁶ each year.

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 study and development of a system to collect, integrate and manage large quantities of data about contracts in order to process and structure 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.

Webuild wrapped up the first pilot application of the Robotic Process Automation (RPA) technology to automate, standardise and streamline certain repetitive work site activities that require a high level of manual dexterity. The success of this pilot paved the way for a specific project to be carried out at the Innovation Centre.

New research projects launched in 2023 included:

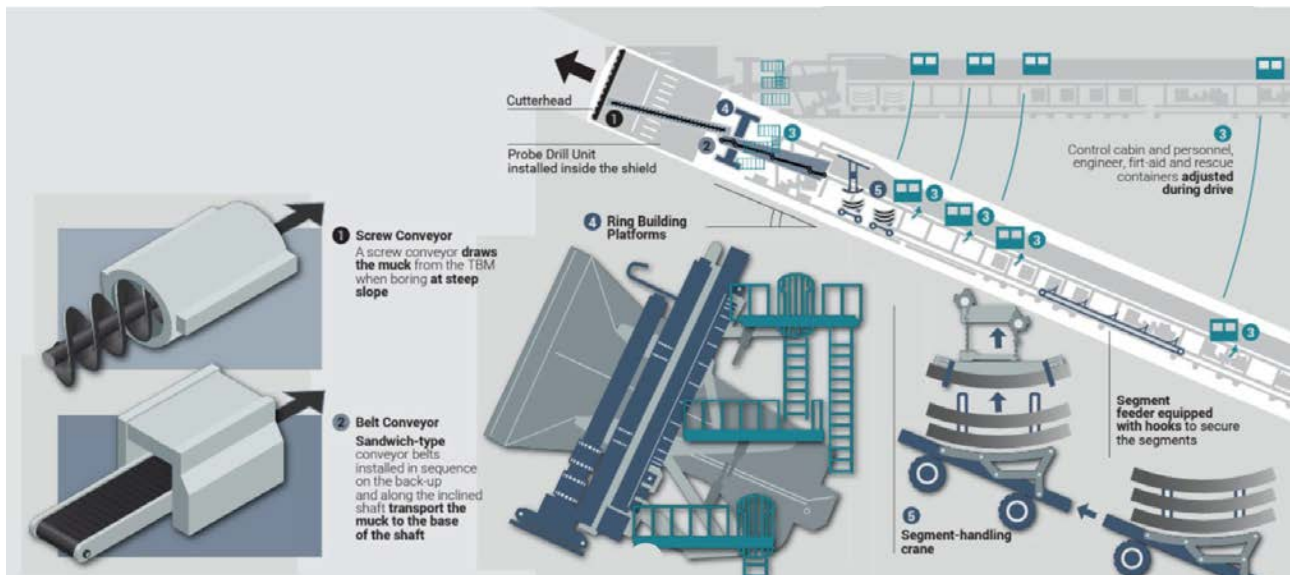
- a study into *new procedures for the seismic analysis of elevated viaduct structures*, to assess the overestimations resulting from the existing methodology and identify an analysis procedure more accurate than the current one but still compatible with the timeframes available for the development of the definitive and executive designs;
- the *definition of innovative criteria for the optimised design of pile foundations* includes the formulation of new mathematical models that take into account the complex actual load conditions the infrastructure is subject to, which are also calibrated using numerical analyses of the finite elements. Validation will be carried out using data available in the literature referring to real scale elements and also through experimentation on a physical model.

Construction techniques

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

¹⁶ Personnel involved in long-term projects are included for each year of the project. The figures for 2023 include Lane's figures based on conservative estimates considering the information available that could be verified at the date of preparation of this Statement.

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 metres 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 TBM (Tunnel Boring Machines) sector. The TBM can operate both in an open mode and closed mode as well if there is naturally occurring asbestos material. In line with previous years, Webuild continued its studies and practical application of these new technologies in 2023.

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.

Materials

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

With respect to the reuse of excavation materials, the WeCycle research project studied the microstructural, physical and mechanical characteristics of conditioned soils coming from the face of tunnels excavated with TBMs on an experimental basis in 2023. This project was conceived to explore the feasibility of reusing earth and rocks excavated by TBMs as part of a circular economy.

From a circular economy viewpoint, the objective is to integrate the 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 introduced a water treatment technology to break down surfactants in wastewater. The development phase has been completed and it will shortly be trialled at the Forch work site on the Fortezza- Ponte Gardena line.

The Group also invested in the study of innovative materials. It developed numerous solutions including the 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. Laboratory tests were performed on the solution to check its feasibility and actual effectiveness for its intended use.

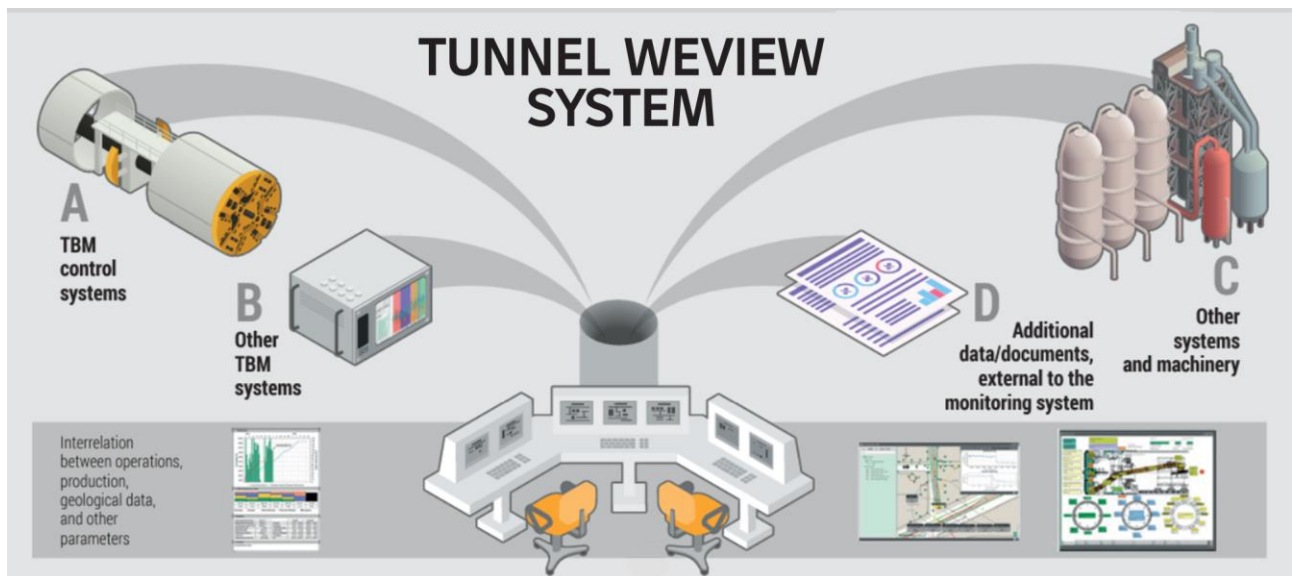
In addition to the above projects, the Group developed an ingenious test method to explore the explosive spalling of the fibre-reinforced tunnel sections in the close-in explosions test using the confined slab spalling test. After completion of the design and development of this technology, in 2023, six confined slab spalling tests were performed for the Fortezza- Ponte Gardena project, confirming the validity of the design which meets the fire resistance design requirements.



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 succinct results available in real time. Digital innovation is essential to Webuild's competitive edge. The main initiatives undertaken are:

- development of a FIELD platform for the 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 using their mobile devices (tablets, smartphones). This solution ensures a better trail, established inputs, and eliminates the need for transcription thereby simplifying the validation process. It improves the quality, granularity and frequency of information collected from the field and simplifies and optimises the data collection and aggregation 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 2023, the Group activated WeView at the Snowy 2.0, Paris and Apice Hirpinia work sites. It also started to develop a Corporate Tunnel WeView system to extend the platform to a combined solution that connects with the individual company servers for Italian projects;



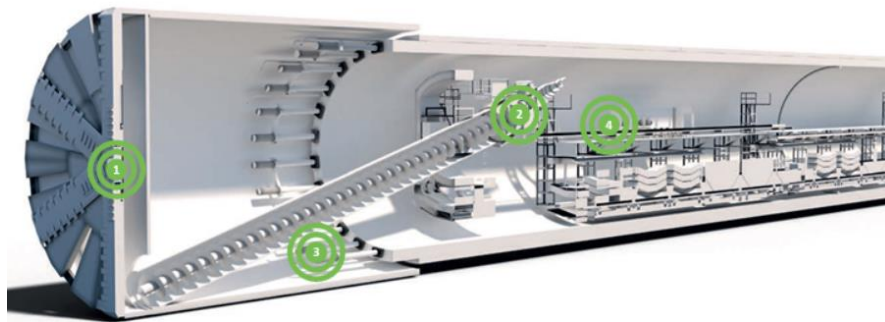
- development of SMILE (TBM & Conveyors AI Maintenance Software), a solution that harnesses all the most recent developments of the digital world (IoT, digital twins, big data, machine learning) to provide a practical and simple solution to schedule daily and extraordinary maintenance, thus drastically reducing the breakdowns that interrupt the TBMs' production process and the tunnel conveyor belt. The study, which began in 2023, includes a preliminary design identifying the main steps for its roll-out;
- knowledge management ecosystem to encourage a new approach to processes and activities to increase productivity, operating efficiency, sustainability, flexibility and traceability. In 2023, the Group continued to develop the platform, which was trialled at selected pilot work sites. The communities continued their work and a new internal community was developed and set up to support a training programme;
- 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 resolves certain limitations inherent in the existing solutions, such as insufficient integration of the data and management aspects or the impossibility to map the entire supply cycle. It also reflects the specific needs of the construction market and Webuild in particular. In 2023, implementation of the platform for Webuild's procurement process was completed;
- 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 data 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. In 2023, development of the system continued as planned to maximize the platform's functionalities.

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. 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; Based on the initial simulations, an environmentally-friendly TBM consumes around 20% less energy

per cubic metre of tunnel bored compared to a traditional TBM. In 2023, the first three Green TBMs were delivered to the Messina- Catania and Naples- Bari railway line work sites;

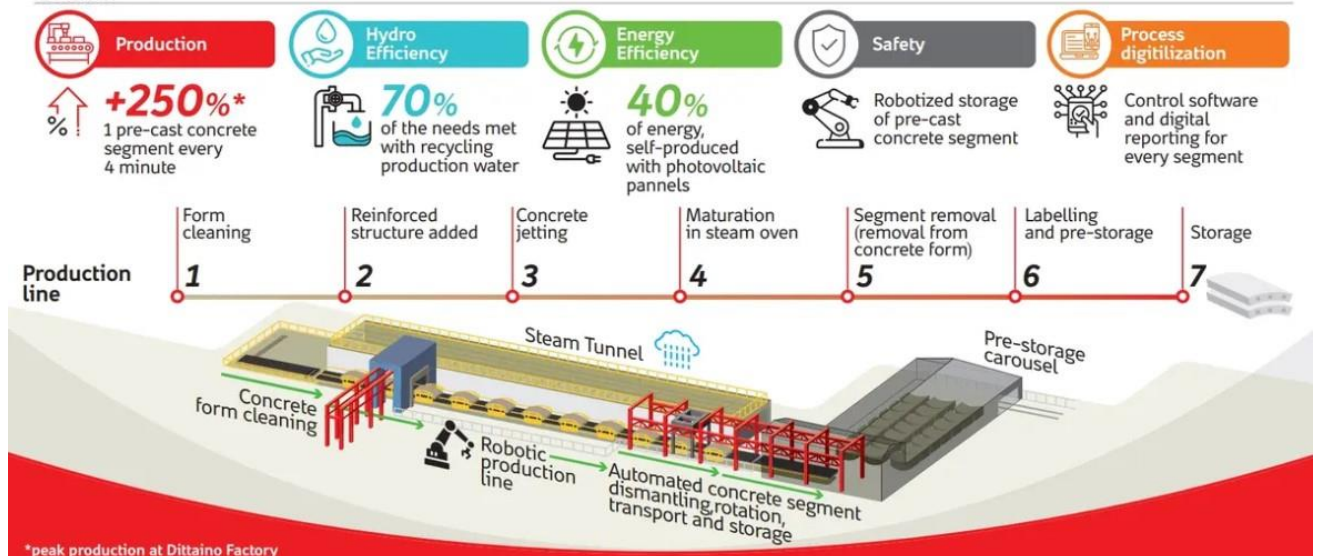


- an innovative system to monitor and manage work sites' water resources, using remote digital systems to maximise water recovery during construction activities. This system (WWE- Webuild Water Efficiency) is ready for deployment at all the Group's projects after its successful testing at a pilot site;
- 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 nearly entirely self-sufficient in terms of its water and energy requirements. In 2023, the first automated environmentally-friendly factory was inaugurated in Catania and the design of a second automated environmentally-friendly factory with 75% more operating capacity is underway;

Roboplant: The Pre-cast Concrete Segment Factory

The environmentally sustainable factory that produces pre-cast concrete segments

Benefits



- environmentally-friendly electrical transformer cabins built using a combination of low environmental impact technologies and materials. In 2023, the analysis was concluded with a positive outcome and Webuild began to gather the documentation required for the EDP (Environmental Product Declaration) certification from its suppliers;
- 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;
- installation of systems which use cameras, sensors and/or AI to improve the management of movement interference risks between machinery, and machinery and workers, on board TBMs and in the pre-cast plants, raising safety standards and reducing the probability of accidents.
- installation of smart tunnel lighting systems to provide a diversified visual indication depending on different safety levels within a tunnel area. The systems are controlled by a PLC system that also connects to multiple environmental monitoring sensors, such as air quality and temperature in the tunnel.

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

Webuild invested additional resources of more than €57 million in the 2021-2023 three-year period to roll out high impact innovative technological and digital projects within its business processes to make them more efficient and sustainable, well in excess of the target set in its 2021-2023 ESG Plan (over €30 million).



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

41%

employees under 35

35% women

at the head office

> 960 thousand 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:

- ensure 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 cultivate 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 to 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 2023, the Group's workforce was as follows:

Direct workforce by category (GRI 2-7)	Unit	2021	2022	2023	% 2023
Managers	no.	477	463	487	1.3%
White collars	no.	8,518	9,830	11,571	30.4%
Blue collars	no.	21,803	25,701	25,937	68.3%
Total	No.	30,798	35,994	37,995	100%
Direct workforce by geographical region (GRI 2-7)	Unit	2021	2022	2023	% 2023
Italy	no.	3,554	4,075	5,276	14%
Africa	no.	11,340	11,679	10,594	28%
Europe (excluding Italy)	no.	2,322	2,305	2,401	6%
Americas	no.	8,084	7,657	6,565	17%
Asia and Oceania	no.	5,498	10,278	13,159	35%
Abroad	no.	27,244	31,919	32,719	86%
Total	no.	30,798	35,994	37,995	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 permanent and temporary employment contracts is 81% and 19%, 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 2023 numbered 79,499.

Direct and indirect workforce by geographical region (GRI 2-7 and 2-8)	Unit	2021	2022	2023	% 2023
Italy	no.	15,779	16,040	16,654	21%
Africa	no.	12,440	12,716	12,105	15%
Europe (excluding Italy)	no.	9,427	5,654	4,841	6%
Americas	no.	25,356	22,422	18,049	23%
Asia and Oceania	no.	11,103	18,682	27,850	35%
Abroad	no.	58,326	59,474	62,845	79%
Total	no.	74,105	75,514	79,499	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 company¹⁷. Considering the workforce engaged in the Group's projects, the total at 31 December 2023 is over 87 thousand direct and indirect resources.

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 2023, the Group hired 8,919 resources, including 2,948 under 30 years of age. Outgoing employees numbered 6,682, and this figure includes the transfers of resources among group sites. The greatest number of incoming resources was seen in the Middle East (mainly Saudi Arabia) and the Americas, while most departures were seen in the Americas and Asia for the main ongoing or newly acquired projects.

Attraction, selection and development

In 2023, Webuild further extended its programmes and initiatives to attract, recruit and develop talents and other employees the Company needs to rise to its business challenges. The aim is to create jobs and foster professional growth in the infrastructure sector, train up the future generations and prepare the builders of tomorrow.

Employer Branding

After the restrictions imposed to deal with the Covid-19 emergency in previous years, 2023 marked the definitive return to in-person working arrangements. Webuild's approach to this "new normal" was to maintain the use of digital tools, which have forever revolutionised day-to-day life for new generations, while also returning to in-person participation at events to engage directly with young talents. To this end, it organised more than 30 events of various kinds during the year, ranging from company testimonials, seminars held by Webuild managers, career orientation meetings, career days and recruitment days, representing a valuable opportunity to engage with the younger generations.

The up-and-coming generations are a fundamental resource to the Group, which renewed and extended its commitment with innovative and engaging initiatives that gave young people the opportunity to get to know the Group and take part in demanding educational challenges organised by Webuild with the main universities.

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.

¹⁷ 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 equity-accounted investees; and (iii) none of the employees are included in the calculation for other companies.

Training and employment programmes and initiatives

WEBUILD
PEOPLE TRAINING
2022-2023

>1,600,000
hours



of which
1,170,000 hours
in Health and Safety

Cantiere lavoro Italia

Employment programme
for 10,000 people of which
2,800 resources to be
included in a technical
training path

South Italy Recruiting

hiring of 100 new
graduates in the
universities of the South
of Italy

Challenge 4 Sud

Competition
for **Engineering Students**
in the South of Italy

Ingenio al femminile

Award for **sustainability** in the
engineering sector



Build up programme
for high school and technical
institutes that engages **1,000 students**

Alberto Giovannini

Award
for **undergraduates**,
graduates and PhDs

UNILAB Research LAB

Innovation
and Digitization
for Sustainable
Mobility

STEM Programmes for Women

Scholarships and Collaborations
with **18 universities**
in Italy and worldwide

webuild 

Main initiatives of 2022 and 2023

<p>Italy</p> <p>In 2023, UniWeLab, the research lab set up by Webuild and Genoa University in 2021, organised a hackathon for undergraduates to brainstorm innovative ideas on how to leverage digital, robotic and automated solutions to streamline the tracking of progress on site and how dangerous work is performed. The winning team proposed a digital ecosystem able to integrate different levels of technology in the work sites.</p> <p>The second edition of the Alberto Giovannini Award, set up in memory of the Group's former chairperson following his untimely passing in 2019, ended in May 2023. Its aim is to make a concrete contribution to the professional growth of young people and to reward innovation. The winners of this edition were awarded an internship within the Group. The PhD bursary for research and innovation in the sector was assigned to the Salerno University.</p>
<p>United States</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. It participated for the very first time in the National Association of Women in Construction (NAWIC), for the first time after years in the National Society of Black Engineers (NSBE) and for the third consecutive year, in the Society for Women Engineers (SWE) conference. 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. Most of the events were held in person.</p> <p>During the year, the group company launched its Field Engineers graduate onboarding programme. The group who joined in June met in Florida to participate in the 20-hour induction programme.</p> <p>Lane's team has also trialled a programme to provide high school students with internships. It has achieved its objective of increasing brand awareness at an earlier stage to stimulate students' interest in the construction industry and help solve the skill shortage in the US.</p>
<p>Australia</p> <p>In 2023, the Group continued to partner with the University of Technology (UTS) in Sydney, sponsoring the "Webuild Tomorrow's Builders 2022" and "Women in Engineering and IT" scholarships. The latter programme promotes female engineers' academic and professional training.</p> <p>Webuild also continued its collaboration with the University of Melbourne and funded a scholarship for a female engineering student in the state of Victoria ("Webuild Women into Engineering Pathway Scholarship").</p> <p>During the year, the recipients of the scholarships for First Nations engineering students started their courses at the University of Queensland. This project speaks to the importance to the Group of developing the young talent in the areas where it operates.</p> <p>In addition to the scholarships and partnerships with the above-mentioned universities, the Australian team is promoting STEM (science, technology, engineering and mathematics) initiatives to develop the key skills essential for the construction industry.</p> <p>These initiatives, targeted at high school students with an additional focus on diversity, equality & inclusion issues, included Open Days, events with the partners of Clough Foundation, such as Stars Academy and Clontarf Academy, the Girls Engineering Tomorrow Program (GET) with Curtin University and the "It Takes a Spark EDU 2023" project. The aim of the latter project is to connect primary school children (4-10 years) and their teachers with industry leaders and educators using a real co-learning and hands-on model.</p>

During the year, the Universum classification of the "Most Attractive Employers Italy 2023" 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.

This prestigious accolade bolsters 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 high school students. Webuild has launched its Build Up project, the PCTO (Pathway for Transversal Skills and Orientation), for students at technical high schools to present the Group, illustrate the career paths in Webuild and incentivise them to work in its work sites once they have finished high school. Roughly 1,000 students will participate in this project in the 2023-2024 academic year in Italy.

Selection and acquisition

The employee selection and acquisition activities are regulated by a defined, standardised procedure (described in the Recruiting procedure section) at corporate level and for the Group's 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) in compliance with the principles of diversity for all positions.

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. In 2023, Webuild started its roll-out of a new dedicated tool for training and hiring opportunities in Italy in order to address the exponential need for workers in the infrastructure sector. This tool will speed up the creation of jobs necessary to meet the targets set in Italy's National Recovery and Resilience Plan, thanks to the shared and centralised management of vacant positions, which will facilitate the more efficient application by candidates across Italy. The project will serve as a pilot for the tool's subsequent implementation throughout the Group.

Alongside the recruiting activities to fill vacant positions, in 2023, the Company continued to use its advanced search tool to create a national and international pool of talent 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 2024 by extending the analyses performed to date. During the year, recruitment activities were extended to younger generations with attraction and professional orientation projects, assisted by the trialling of innovative channels and expansion of the Group's academic partnerships. To fast-track their entry into the workforce, Webuild encouraged students to explore professional opportunities that build on their strengths and interests. Considering the Italian contracts alone, the Group hired more than a hundred young talents, who chose to take their first step on their career path with Webuild, during the year. It will continue its early recruiting project for schools and universities in 2024, given the strategic importance of promoting large infrastructure works as a job opportunity and professional career for the younger generations.

During the year, the Group continued its inclusion-oriented selection programme, launched in 2021 to foster diversity and inclusion as part of Webuild's larger 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 ability described in the leadership model;
- the presentation of blind CVs to managers involved in selection to avoid possible involuntary bias during the selection phase.

In 2023, the programme, already implemented at the head office and branches and shared with third party suppliers that assisted the Group in making the selections, was introduced at the directly managed projects and joint ventures led by Webuild, including through the scouting of supporting digital solutions.

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 Italian and

international recruitment agencies during the year and entered into new partnerships covered by master agreements at advantageous terms for all group entities. It will continue in this direction again in 2024.

Management training and development

Fostering personal development and talents is important to Webuild to build its business. In 2023, it consolidated tools to support and promote career paths. It also introduced new programmes and initiatives to help its people grow and ensure the success 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.

The process is managed via a dedicated application and its main features are:

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

The Group continued to roll out the model during the year, extending it to the foreign group companies' key resources.

Managerial and talent development

In 2023, the Group continued to hone and introduce dedicated tools to identify talents and accelerate their growth paths towards management positions both at corporate and contract 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 academy provides training paths for figures who are already working in key roles or who are rising within the Company and is designed to foster both the development of their managerial and technical skills that are fundamental to the Group's business.

In 2023, the academy provided training to 223 managers from all over the world working in different business areas.

Webuild launched its Early Careers project, which is a new assessment methodology for use in a mapping and identification project in order to create a structured system to identify and manage young talents.

Its aim is to identify the Group's talented resources who will be encouraged to develop their skills through a self-awareness course to become more aware of their strengths, areas that need improvement and career goals, backed up by feedback reports and interviews with their supervisors.

Webuild also defined different pathways to accompany these employees on their journey. They include soft skills training, technical training to fine-tune specialist knowledge, job rotation possibilities and a dedicated academy, which will all be rolled out in 2024.

In order to provide additional encouragement to its key resources, Webuild also continued to use the tools developed in previous years, such as:

- 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.

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.

The platform is continuously refreshed with new content and functionalities. It currently has 120 learning pills and training courses on technical subjects, innovation, leadership, D&I 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 2023, 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 its sector 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 on 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 model initially piloted in two company areas.

In 2023, the model was extended to the selected pilot work sites. The Innovation Community also continued its activities to share internal know-how about innovative topics, as did the IT & DS Community of employees specialised in Information Technologies and Digital Systems to consult about problems, share solutions and ideas and to make their daily work more efficient. Webuild also conceived and introduced a new community, Skills up, to support a training programme on innovation and environmental sustainability expertise (more information is available in the next section). 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 is expected to undergo 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 high demand 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 labourers in the infrastructure sector. The school continued to provide courses in 2023 with on-site experience offered by the Sirjo SS 106 (Calabria) and the Hirpinia AV (Campania) work sites.

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 are mentored in the work sites by more senior resources who have been provided with dedicated 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 experience critical conditions in a controlled environment.

The school’s key objectives are to:

- 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;
- instil 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 form the workers of the future while continuing to invest in Webuild people and continuously ramp up its own internal expertise.

The school’s involvement in three projects continued in 2023:

- the students completed their training at 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 saw the arrival and training of new resources in the second half of the year as well as the training of additional master builders to act as tutors during each work shift;
- new master builders were involved in the training of trainers on the Hirpinia- Orsara section of the high-speed Naples- Bari railway line project in the first half of the year and additional new hires specialised in mechanised excavation were provided with training.

In the first half of the year, in order to increase training capacity and extend the project to the Group’s professional staff and managers, Webuild started and completed the blue print of an in-house 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 achieve internal upskilling and provide training to the local communities. This project, CANTIERE LAVORO ITALIA, is described in the relevant section.

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 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 economia circolare". Three editions were provided: two for Italian work site personnel and one for the USA and Australia areas.

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. A stripped-down version of the course was provided to a larger swathe of the workforce to raise awareness about environmental sustainability as well as training. It was short-listed for the CIBSE Building Performance Awards 2024 in the training initiatives category for environmental sustainability courses provided in the period from 2020 to 31 August 2023.

SKILLSUP

For Webuild Group, the growth of its people represents a key element in supporting the enhancement of skills and business development.

Training is one of the most effective tools to ensure this growth which is why Webuild has launched an intensive management and technical training programme called SKILLSUP focused on two macro-areas essential to the Group's sector, namely sustainability and digital innovation.

The programme consists of weekly deep dives prepared with the assistance of training bodies, universities, lecturers and company trainers. For example, sessions have covered the digital mindset, disruptive technologies in the construction sector, sustainability in the construction sector and the leadership skills required for all levels to ensure environmental sustainability.

More than 2,500 employees from 16 group companies have attended the sessions for a total of more than 74,000 hours of training.

Training (classroom and on-site) provided in 2023 formed of a broader project and covered many aspects (health and safety, the environment, quality, technical/specialist, compliance, management, etc.) for a total of 712,089 hours (730,734 hours in 2022). 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 2023, the Group carried out roughly 206 thousand Tool Box Talks (178 thousand in 2022)- short meetings on health and safety-related aspects and the environment held at the start of work shifts- at its work sites. Overall, Tool Box Talks on health and safety-related aspects numbered approximately 187 thousand (131 thousand in 2022) which, including those on the environment, brought the average to more than 560 a day (480 in 2022).

In addition to training given to group personnel, the staff of the Group's subcontractors attended courses on QEHS subjects totalling 252,140 hours in 2023.

A total of 964,229 hours of training were provided in 2023 to direct and indirect personnel (997,081 in 2022).

Average per capita training hours (GRI 404-1)	Unit	2021	2022	2023
Managers and white collars	hours	10	19	19
Blue collars	hours	14	21	19
Total	hours	13	20	19

Cantiere Lavoro Italia

For years, the Group has invested in the training of people in the large infrastructure sector and to attract young people to create the new generation of future builders, “Tomorrow’s Builders”.

Cantiere Lavoro Italia is Webuild’s new training and employment programme for young and unemployed people. It has been conceived to attract new resources, raise the standard of basic skills and professional expertise in the construction world, train and ensure a steady flow of the most sought-after technical profiles and to systematise the sector’s know-how.

Infrastructure is set to grow exponentially in Italy in the coming years, making up for the slowdown of recent years. Therefore, it is essential to train new resources to meet the increased demand for skilled personnel that are currently hard to find.

The strict timeline for the completion of the works included in the National Recovery and Resilience Plan mean that all stakeholders have to work together to find and train the resources necessary to allow Italy to meet its commitments and strengthen the construction sector’s competitive edge abroad.

Webuild intends to play its part by developing and launching a training programme in 2023 to supplement the other initiatives it has had in place for many years. The intention is to attract new resources to the sector and ensure professional quality by offering them paid specialist training, a regular employment contract, room and board and a skills attestation system.

This programme will allow Webuild to train and subsequently hire a variety of professionals, both skilled labourers (including excavator operators, electricians and plant engineers) and staff positions (including buyers, job accountants and TBM engineers).

Its ambition is to develop the future cohort of workers, providing them with exclusive know-how and professional development paths that meld their classroom learning with on-site experience.

Cantiere Lavoro Italia develops pathways for different skills through experiential learning, on-the-job training or shadowing, as well as training in transversal and safety skills, essential for working on construction sites and to raising quality standards in the sector.

Webuild’s programme has three schools aimed at different external resources, and a school for its own employees to provide continuous training.

The three schools set up for external resources have a two-phased training system and offer:

- general basic training for the sector with a pre-employment formula, organised with the main employment agencies in Italy;
- specialist training in the work sites (on the job) for staff positions and in the advanced training centres for blue collar workers, where they can learn to use site equipment and machinery.

The three schools are structured as follows:

a territorial school:

for young and unemployed people with no work experience. This school is run in collaboration with the Adecco and Randstad employment agencies and provides basic pre-employment training, with separate courses of approximately two to three weeks for work site workers and white collars designed by company experts (around 11,000 hours of training was provided in 2023). Through these courses, the community school also aims to combat school dropout and the NEETs- Not in Education, Employment or Training- phenomenon by stimulating

work awareness and the development of technical construction skills. In 2023, an additional approximate 12,000 thousand hours were provided to a potential pool of young workers;

a trade school:

for skilled labourers and specialised technicians (e.g., excavator miners, TBM multi-function operators, electricians and mechanics). The courses are tailored to the different roles with specialist classroom learning and practical training using machinery and simulators using programs prepared by company experts (approximately two to three weeks);

a professions school:

for work site white collars (buyers, BIM specialists, job accountants, TBM engineers, planners and environmental staff). The courses are tailored to the different roles with specialist classroom learning and on-the-job training provided by expert personnel (approximately three to four weeks).

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 scrupulously complies with 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-designed 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, verify that remuneration is commensurate with 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; incentivise 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 financial performance in line with that of senior management or the individual group company. The second is individual performance while the third refers to the skills required 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.

During the year, the Company defined a new long-term incentive plan, the LTI 2023-2025 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 2023-2025 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 is part of this. In 2023, it continued to provide a number of services to draw attention to the importance of work/life balance.

Another important aspect of this issue relates to the journey to and 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. It designed a home-work travel plan for 2023, which sets out initiatives and solutions to improve and make the commute more sustainable. The plan provides for the possibility to work from home and reflects the needs communicated by its employees.

Equal opportunities, diversity and inclusion

The Group is committed to maintaining a work environment that fosters inclusion, recognition and enhancement 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.

Webuild continued its awareness-raising, communication, employer branding, recruiting and training initiatives and actions to proactively foster an inclusive culture which supports diversity in 2023.

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 2023, 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.

Webuild also introduced training and development projects for inclusive leadership and to promote the professional growth of young people and women.

Its head office continued the mentoring project with two initiatives focused heavily on the enhancement of diversity & 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;
- a mentoring project for female leadership to encourage the development of women in managerial roles and/or towards roles with greater responsibility at head office and the work sites.

Webuild's training initiatives include online courses on diversity & inclusion such as a course on unconscious bias, another course on SDG 5 Gender Equality and a course designed to deep dive the topic of harassment and gender-based violence, accompanied by targeted communication and awareness-raising actions.

The Group's commitment to fostering a diversity & inclusion culture was demonstrated with Webuild Italia's certification pursuant to UNI PDR 125:2022 Gender Equality and confirmation of its ISO 30415: Diversity and Inclusion certification. These achievements confirm the Group's work to develop internal processes characterised by greater inclusiveness and sustainability and the promotion of equal opportunities.

The Group has employees of more than 100 nationalities, 72% of the workforce is local, increasing to 99% in Italy, 95% in Africa and 93% 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 team includes international managers from non-construction companies who contribute their different perspectives and outlooks. International resources cover 22% 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 group (GRI 405-1)	Unit	2021	2022	2023
< 30 years	%	24%	25%	22%
30-50 years	%	58%	58%	59%
> 50 years	%	18%	17%	19%

Considering employees under 35 years old, the percentage of this age group increases to 41%.

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	2021	2022	2023
Men	%	88%	88%	89%
Women	%	12%	12%	11%

At group level, women make up 9% of the management team, 21% of white collars and 7% of the blue collars, while at functional level, they represent 6% of the technical and production staff and 32% 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 2023, the Group continued to develop its gender pay gap analysis methodology. 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.

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, Webuild achieved its 25% target for women set for the end of 2023, confirming its focus on promoting career paths for women towards management roles. It will continue this policy in the next few years by dedicating new tools, programmes and initiatives to talented female resources.

Health and safety in the workplace

A 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 were updated in 2021 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 be increasingly responsive to management's objectives:

- ensuring coordination of the HSE management system activities to support the 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 the Company 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 the risks associated with each position;
- identification of control measures to reduce the risks;
- 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 must 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 workers 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 evaluation, 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 workers, checking that they comply with the legal and internal rules and the use of collective and personal protection equipment.

Workers, Officers/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 Talk, 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 concern 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 and 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

Activities to implement the Safety Builders Program took place during the year. 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 safety communication and training strategy, Valyou- Our Health and Safety Way".

Thanks in part to careful planning, 91 workshops and 230 safety intervention (s.a.f.e.r.) training courses were held in 2023, with the participation of 5,958 managers, supervisors and workers for a total of over 18,800 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:

- supplement the cultural change process commenced with the Safety Builders Program;
- foster workers' active involvement;
- strengthen the sense of belonging to the Group;
- systematise conduct;
- promote the conscious 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 2023. In line with the theme promoted by the International Labour Organisation (ILO) "A safe and healthy working environment as a fundamental principle and right at work", the Group focused on encouraging the participation and contribution of everyone to strengthening and maintaining a healthy and safe workplace. The turnout was very satisfactory with more than 20 Italian and foreign work sites and over 16,500 participants celebrating the WSD and actively involving managers and workers in Safety Management Walkabouts and Toolbox Talks to promote the near miss report and the user of the right to intervene (the s.a.f.e.r. 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 part in December 2023 with the awarding of the trophy by the CEO Pietro Salini to the Ruta del Sol work site in Colombia.

The objective of the activities carried out in the work sites as part of the ValYou project, the Safety Builders Program, the Your Lifesaving 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 cultural 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 work sites, 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 worked¹⁸.

¹⁸ More information about injuries recorded during 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.

Injury rates- Direct workforce (GRI 403-9)	Unit	2021	2022	2023
Hours worked	hours	89,844,575	96,203,020	121,828,095
Lost Time Injury Frequency Rate	LTIFR	2.727	2.204	1.551
Total Recordable Frequency rate	TRFR	6.70	6.00	3.18

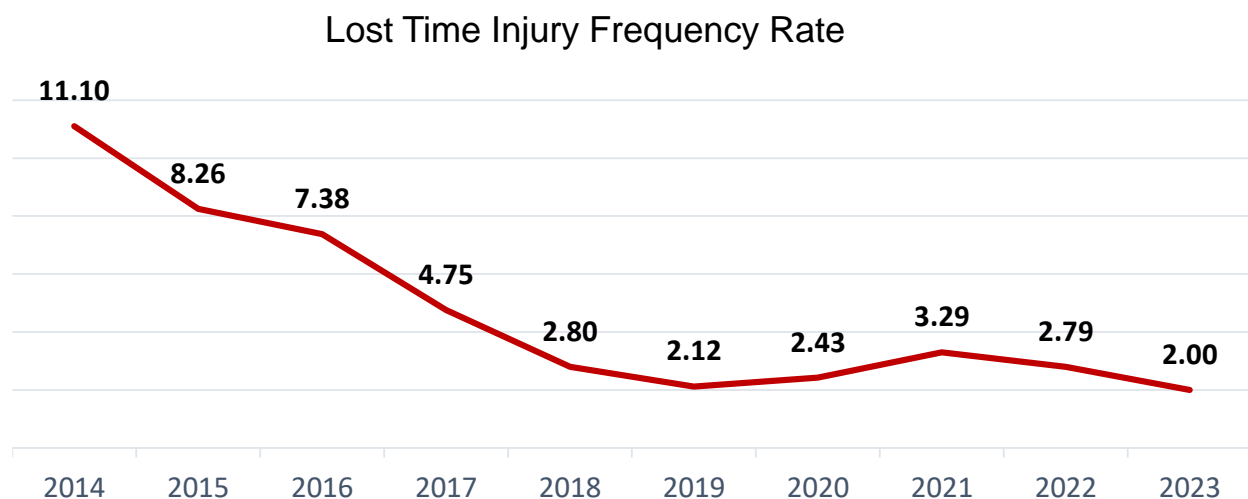
Injury rates- Subcontractors' workforce (GRI 403-9)	Unit	2021	2022	2023
Hours worked	hours	57,384,422	44,898,290	55,815,304
Lost Time Injury Frequency Rate	LTIFR	4.182	4.054	2.992
Total Recordable Frequency rate	TRFR	4.97	5.43	4.03

Total injury rates (GRI 403-9)	Unit	2021	2022	2023
Hours worked	hours	147,228,997	141,101,310	177,643,399
Lost Time Injury Frequency Rate	LTIFR	3.294	2.792	2.004
Total Recordable Frequency rate	TRFR	6.02	5.82	3.45

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.



The ratio improved again in 2023 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 met its objective of a 40% reduction by 2022 compared to the 2017 LTIFR (which predated the introduction of the ValYou programme).

Webuild 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.

In April 2022, INAIL (the National Institute for Insurance against Accidents at Work) and Gruppo FS per Sicurezza nelle Grandi Opere signed a memorandum of understanding for their structured collaboration in adopting health and safety initiatives to foster a culture of prevention of work-related injuries and ill health.

This agreement is applicable to the work sites set up under projects covered by the National Recovery and Resilience Plan due to the scope of the works and the short timeline for their completion.

It covers inter alia:

- joint initiatives to disseminate and promote a health and safety culture;
- the development of training courses for all positions and personnel;
- research and trialling of innovative technological solutions;
- the study and analysis of information about work-related injuries and ill health.

In 2023, Italferr requested personnel from the Orsara Bovino work site to collaborate in the following four work groups:

- Line 1 Reports and exchanges of information: reporting on incidents and near misses;
- Line 2 Organisational management: raising awareness on the reporting and analysis of near misses, implementation of incentive schemes linked to on-site proactivity indicators (safety observations, tool box talks, etc.);
- Line 3 Technology and workers: Trialling technologies developed by INAIL to monitor specific risks (worker and “man down” sensors and detectors embedded in the workers’ clothes, work climate investigations for heat stress, elevating work platform simulator, etc.);
- Line 4 Technology and equipment management: on-site testing of equipment management technologies (smart labels, photoelectric barriers, etc.).

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 checks of the work sites to check the 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;
- campaigns to promote healthier life styles with better nutrition and increased exercise;
- psychological support for stress management and problem resolving 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.

The Italian group companies offer remote work for their office staff, ensuring full performance of their duties.

Webuild is committed to ensuring, on a daily basis, a healthy and balanced diet for all its staff in more than 100 work sites and all its offices in Italy and in the rest of the world, which is also respectful of the expectations and customs of the different nationalities.

It has set up a centralised internal health management unit to achieve this. Assisted by expert nutritionists, the unit coordinates initiatives related to healthy eating and the health of Webuild’s people.

Encouraging people involved in complex and demanding jobs, who are often exposed to heat stress and/or who work in harsh climates, to look after their health and to eat healthily includes motivating them to do so for themselves. Webuild celebrates World Health Day promoted by the World Health Organisation every year as an event dedicated to “health” as a universal right and collective duty, so that everyone can live in a peaceful, fulfilling and sustainable manner.

To celebrate the 2023 World Health Day, Webuild launched a healthy eating campaign as well as an initiative to promote it in the workplace. Work sites were invited to participate by devising and preparing a “healthy dish” that creatively employs seasonal food, with a focus on local produce and ethnic cuisine as an example of a healthy and balanced meal.



Human rights

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

80% of direct workers

included in the human rights risk assessment

Agreement with the international trade union BWI

in place since 2014

Range of whistleblowing channels

to meet the needs of our various locations

>80% of suppliers¹⁹

based in countries with “very low” and “medium low” human rights risks

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 Code of Ethics, the Suppliers Code of Conduct, the (recently updated) Sustainability Policy and the Human Rights Policy testify to Webuild’s commitment. They set out principles for protection of workers and stakeholders and rules of conduct that everyone who works with Webuild around the world is required to comply with.

These principles cover health and safety, child labour, forced labour, freedom of association and collective bargaining, diversity and inclusion and working conditions in general, as well as the rights of local communities and indigenous peoples.

Mindful of its leadership role in the value chain, Webuild actively encourages respect for human rights, including by non-group operators, through dedicated initiatives and measures, such as the vetting systems which include social criteria, application of the Suppliers Code of Conduct and its whistleblowing and monitoring systems.

Specifically, the Suppliers’ Code of Conduct encompasses Webuild’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 the Group expects of its suppliers.

In this respect, in 2014, Webuild 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, employee benefits and employment relationships.

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

¹⁹ Suppliers other than subcontractors

Main risks and management methods

The construction sector has always encountered a plethora of challenges linked to human rights, some of which are closely tied to the UN's SDGs, such as for example, the need to ensure access to energy, clean water and sanitation, proper levels of health and safety, fair and decent working conditions and protection of communities and local areas.

In 2017, Webuild carried out a due diligence in line with the UN Guiding Principles for Business and Human Rights to identify the potential impact of its operations on human rights.

Accordingly, Webuild analysed:

- human rights enshrined in international law applicable to it;
- 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 impacts on human rights most relevant to it.

The content of Webuild'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.

Country- and commodity-specific risk identification and assessment process

The Group carries out regular human rights risk assessments on the activities carried out by its direct workers and/or via subcontractors at its work sites as well as for the rest of its supply chain.

This assessment firstly considers specific risk indicators for the countries²⁰ in which the in-scope projects are based²¹. Based on the country-specific factors summarised by these indicators, the Group proceeds with additional assessments of projects in countries with a medium or high risk. It considers the following six risk categories:

- child labour;
- forced labour;
- freedom of association and collective bargaining;
- non-discrimination;
- working conditions;
- rights of local communities.

The project's management team identifies one or more specific risks for each category, assessing them both from an initial and residual risk perspective²², i.e., following the adoption of appropriate mitigation measures by the operating units.

The purpose of the supply chain assessment is to identify any suppliers based in countries at risk and/or the supply of goods at risk (based on the production country)²³.

²⁰ Specifically, as recommended by the principal regulations on human rights (e.g., Australia's Modern Slavery Act), Webuild referred to the most recent vulnerability measures and the government responses supplied by the Global Slavery Index (www.globallslaveryindex.org).

²¹ Fully operational entities as defined in the "Scope of the Statement" paragraph of the "Methodology for reporting non-financial information" section of this report.

²² As indicated in the UN's Guiding Principles for Business and Human Rights, the assessment method considers the seriousness of the identified impacts (i.e., the specific risks) and the related probability of occurrence.

²³ The assessment does not include subcontractors as the related risks are covered by the assessments of the contract activities, which consider the Global Slavery Index indicators for country risk as well as the lists of the U.S. Department of Labor's Bureau of International Labor Affairs to assess commodity risk.

The 2023 assessment of project activities covered roughly 80% of the direct workforce. With respect to the Group's direct workers, over one third of the Group's 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 workers are engaged in working on a few large projects in countries where the Group has had a strong foothold for several years. 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.

The Group's commercial strategy is revisited each year to increasingly mitigate country risk. In fact, around 82% of its current order backlog is based in quite low risk countries such as the EU states (mainly Italy), North America and Oceania. In addition, nearly all the new orders of 2023 were acquired in the same areas.

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

- over 80% of the Group's suppliers are based in countries with risks that are either "very low" or "medium to low";
- none of the assessed suppliers are based in countries classified as "high" or "very high" risk;
- no goods at risk were purchased from significant suppliers²⁴ during the year.

Webuild has issued internal guidelines for its operating units to be incorporated into their internal processes 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 and migrant workers

The Group operates in geographical areas where the specific characteristics of the labour markets and regulatory framework and/or practices do not comply with international conventions and best practices. This could give rise to risks of forced or compulsory labour.

Specifically, in the Persian Gulf area, where the local labour force is insufficient and/or inadequate for the Group's needs, significant resort to migrant workers (mostly from South-East Asia) is necessary to carry out the projects. This category of workers is particularly vulnerable and is exposed to forced or compulsory labour practices. 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, as well as limitations on holiday arrangements, the possibility of leaving the country, 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

²⁴ A significant supplier is a supplier with contracts over €100 thousand. Below this threshold, the only purchases of goods that could be considered risky were the purchases of work clothes and foodstuffs, equal to 0.01% of the contracts (excluding subcontracting contracts).

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 age and conditions

The potential risk of hiring people under the minimum working age established by the applicable local regulations is minimal and tied to the risk of false identity documents (e.g., in some Sub-Saharan countries).

The Group's policy is to only agree employment contracts with people who are at least 18 years old irrespective of the local regulations. It has special procedures in place to check the authenticity of the candidates' identity documents (including by involving the local authorities) and, when necessary, implements on-site monitoring procedures for subcontractors.

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.

Some countries' regulations (e.g., certain Persian Gulf countries) include significant restrictions on freedom of association and collective bargaining, which could lead to the risk that workers are unable to effectively and efficiently exercise their rights. The Group has introduced practices to allow its employees access to "alternative systems" for dialogue, such as workers committees, work site committees and grievance mechanisms. The Group ensures open communication with workers and management's availability to discuss any issues that may arise with individual employees.

Discrimination

The Group is potentially exposed to the risk that discrimination against an individual employee or specific categories of employees may take place in the workplace. In this respect, Webuild'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, Webuild 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 Webuild'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 2023 is available in the "Equal opportunities, diversity and inclusion" paragraph of the "Main risks and management methods" section under "Human resources".

Transparency and engagement with the communities

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).

In 2023, the Group continued to be committed to and to act transparently in relation to human rights with its stakeholders, especially its investors, clients and potential clients, ESG rating agencies and NGOs.

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. More information and data about these activities is available in the "Stakeholder engagement" paragraph of the "Social" section.

The Australian group company Clough has long supported the Aboriginal and Torres Strait Islander Peoples by providing meaningful employment, education, and business opportunities.

In 2020, its commitment to this issue led it to prepare the first Reconciliation Action Plan (RAP) approved by Reconciliation Australia, the independent non-profit body that promotes reconciliation between the Australian community and the Aboriginal and Torres Strait Islander Peoples by building relationships, respect and trust. Clough introduced a second RAP, again validated by Reconciliation Australia, in 2022, confirming its intention to continue this reconciliation journey.

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), Webuild has defined the following approach:

- qualification 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, Webuild has developed initiatives at corporate and work site level covering various topics such as diversity and inclusion, occupational health, safety and well-being and security, as well as to provide a broader understanding of the Group's commitments. In addition to the training about the Code of Ethics and the whistleblowing systems, Webuild has an e-learning programme for its entire workforce available through the E-learning Academy. This course is mandatory for new hires at the head offices.

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, Webuild has introduced alternative systems such as dedicated telephone numbers and/or personnel (grievance officers), mailboxes for the receipt of reports, etc.

Climate change

Decarbonisation and resilience driving increasingly sustainable infrastructure

-67%
GHG emissions intensity reduction target (2023 vs 2017)²⁵

Science Based Target initiative²⁶
reduction targets to 2030
validated

20.4 Mt CO₂
annual emissions avoidable thanks to railway, metro
and hydro projects underway

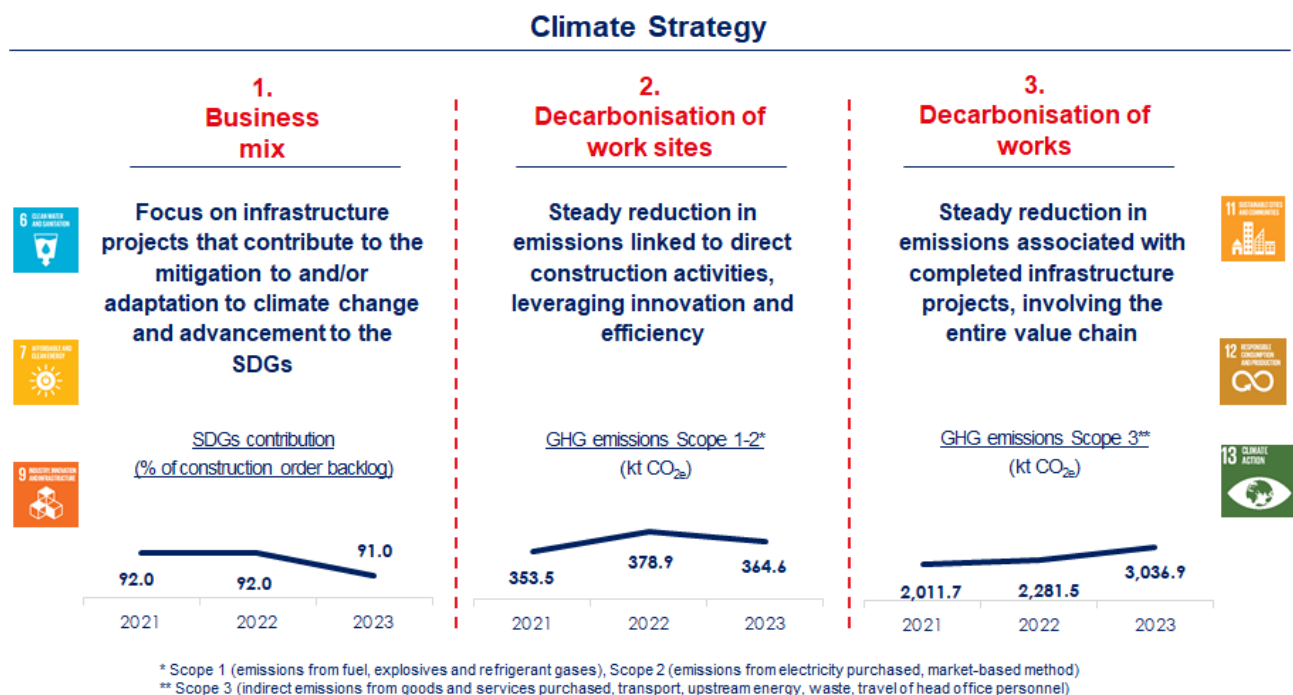
56%
renewable electric energy used by Webuild

Climate Strategy

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

The Group has a transparent, coherent 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:



²⁵ In 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)

²⁶ International 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 approximately 63% of its 2023 revenue (72% of OpEx and 57% of CapEx) is EU-taxonomy eligible (see the dedicated box in this section). Moreover, its absolute GHG emissions (scope 1 & 2)²⁷ have decreased by 4% while the Group's growing and expanding business generated a 23% jump in revenue compared to 2022. The Group's results reflect the steps it has 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 2023" ranking drawn up by Statista with the Financial Times and in the "Aziende più attente al clima 2023" (The most climate-conscious companies of 2023) by the Italian newspaper Corriere della Sera, Pianeta 2030 and Statista.

Business mix

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

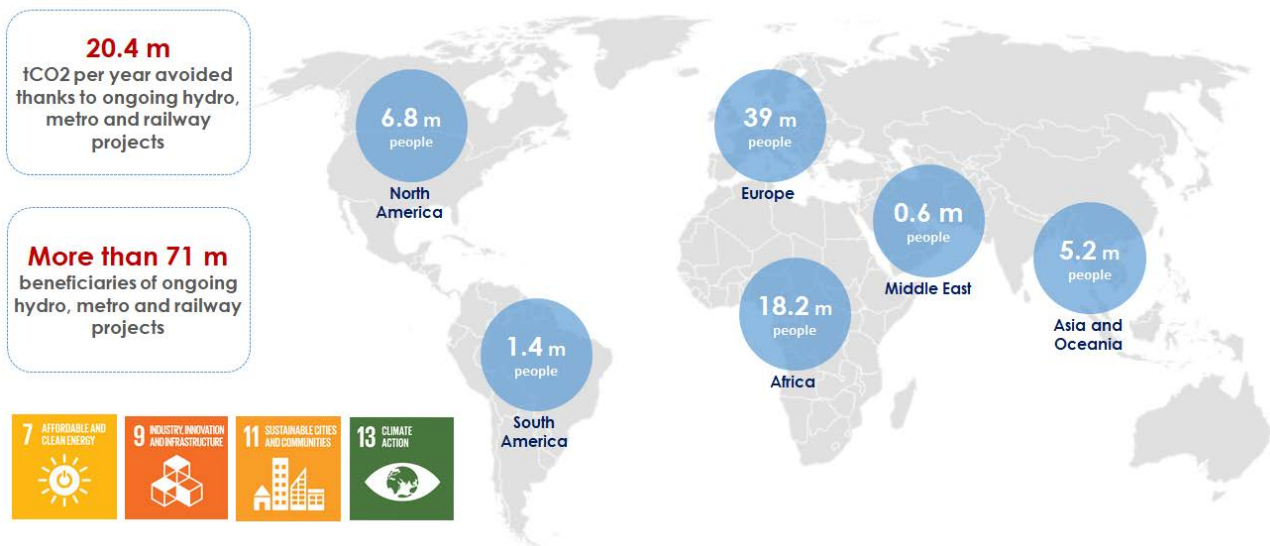
The Group's contribution to climate change mitigation and adaptation



²⁷ Scope 1 (emissions from fuel, explosives and refrigerant gases), Scope 2 (emissions from electricity purchased, market-based method).

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

The hydro energy, railway and metro projects underway will generate very significant benefits in terms of lower emissions and greater numbers of people served, as summarised below²⁸.



Moreover, by improving the resilience of infrastructure, the Group's clean water and sustainable mobility (roads, bridges and tunnels²⁹) projects also contribute to adaptation to climate change, which can be:

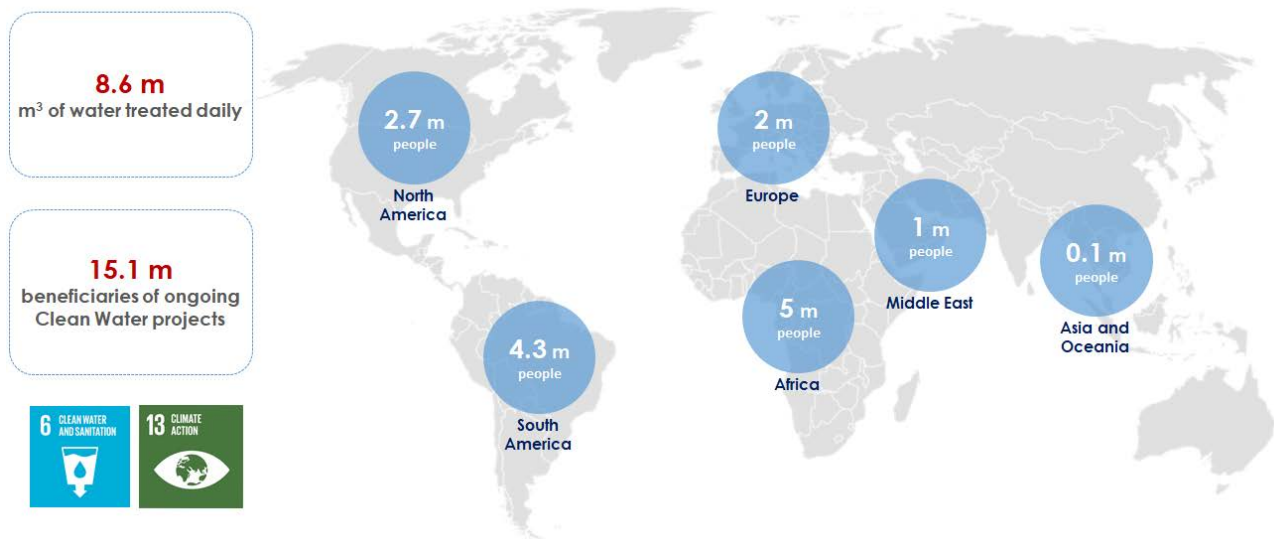
- chronic (e.g., higher temperatures, water scarcity), as in the case of drinking water and water treatment projects, aqueducts and water storage for drinking water and/or irrigation and desalination plants;
- acute (e.g., adverse weather events), such as hydraulic projects in urban areas to reduce flooding and the related water pollution or transport infrastructure projects (to improve 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), 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 below³⁰:

²⁸ More information is available in the Methodology for reporting non-financial information – Calculation method section.

²⁹ Designed according to resilience criteria.

³⁰ 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, especially those 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 the 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 "Taxonomy Regulation"), the first EU-wide classification system designed to objectively and transparently establish the criteria for classification of economic activities as environmentally sustainable in order to protect investors from greenwashing and encourage companies to become more 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 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 Regulation no. 2020/852, 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;

- 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 environmental 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.

In 2023, the European Commission completed its definition of the economic activities and the technical screening criteria for the other four environment objectives that it had not yet fully defined (i.e., the 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)³¹. The Regulation (EU) no. 2020/852 requires that companies shall report the KPIs for the proportion of turnover, capital expenditure (“CapEx”) and operating expenditure (“OpEx”) associated with taxonomy-eligible and non-eligible economic activities for all six objectives in their financial statements at 31 December 2023³², while disclosure of the KPIs related to the aligned economic activities continues to be mandatory only for the first two environmental objectives³³. Starting from the next reporting year, the eligibility and alignment assessment shall be performed for all six objectives.

In 2023, Webuild accordingly updated its analysis to identify the activities that are eligible to include new initiatives and the additional economic activities related to the other four environmental objectives.

Sector	Code	Economic activities	Target
Protection and restoration activities	2.1	Restoration of wetlands	CCM - CCA
Energy	4.5	Electricity generation from hydropower (construction or operation of plant)	CCM - CCA
Water supply, sewerage, waste management and remediation	5.3	Construction, extension and operation of waste water collection and treatment	CCM - CCA
Transport	6.14	Infrastructure for rail transport	CCM - CCA
Transport	6.15	Infrastructure enabling low-carbon road transport and public transport	CCA
Construction	7.1 – 3.1	Construction of new buildings	CCM – CCA (7.1) CE (3.1)
Construction	7.2 – 3.2	Renovation of existing buildings	CCM – CCA (7.2) CE (3.2)
Professional, scientific and technical activities	9.1	Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA

As shown in the previous table³⁴, in 2023, the Group’s activities were eligible for six taxonomy categories and eight economic activities. Specifically, the energy sector plays an important role for the Group, which considered it as eligible within economic activity 4.5 (several projects involving the building of dams and the related power stations, as well as the upgrade of existing power stations to increase their capacity).

With respect to the transport sector, the Group’s projects related to the construction of railway and metro lines and stations, and the design and extension or development of high-speed railway line sections (economic activity

³¹ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023

³² 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.

³³ Commission Delegated Regulation no. 2021/2139 of 4 June 2021 (“Climate Delegated Act”)

³⁴ CCM – Climate Change Mitigation, CCA – Climate Change Adaptation, CE – Circular Economy

6.14) are eligible while projects for the building and expansion of roads and motorways and the design and building of tunnels and bridges fall under economic activity 6.15.

Webuild is also active in the civil and industrial building sectors and has therefore identified building construction and restructuring projects as eligible. They include projects for the construction of new residential buildings such as villas and large-scale housing projects as well as non-residential buildings like underground multi-storey car parks, hospitals and laboratories, and the restructuring of a military naval base and a military air base.

Webuild is a global leader in the water infrastructure sector as it is active throughout the entire water cycle, from drinking water and irrigation supplies to the construction of water recovery and wastewater treatment plants, which are included in economic activity 5.3.

Finally, a project to restore wetlands and contain wastewater is eligible as part of economic activity 2.1, while economic activity 9.1 includes projects to build, raise or restore embankments to avoid flooding of waterways.

The main change compared to the previous year is that, in 2023, economic activity 6.15 was considered eligible for the climate change adaptation objective instead of the mitigation objective like in 2022. This change was made following the interpretation of a FAQ published in October 2023, from which it is clear that in order to identify the activities eligible for the mitigation objective, it is essential that the infrastructures be dedicated to the operation of road vehicles with zero tailpipe CO₂ emissions, or be dedicated to urban public passenger transport³⁵. The group deemed it more appropriate to select the climate change adaptation objective as the description of the activity better represents the Group's projects in this area.

The Group has extended its eligibility assessment to the activities included in the four new objectives which shows that economic activities 3.1 (Construction of new buildings) and 3.2 (Renovation of existing buildings) are eligible for the transition to a circular economy objective. The Group intends to report all those economic activities that have the same description for more than one environmental objective as eligible for several objectives in line with the guidance published by the European Securities and Markets Authority (ESMA)³⁶.

Alignment assessment

The European Taxonomy defines an economic activity as aligned when it complies with all the technical screening criteria and specifically, when it:

- a) contributes substantially to at least one of the environmental objectives;
- b) causes no significant harm (Do No Significant Harm- DNSH) to any of the other environmental objectives;
- c) meets the minimum safeguards.

Webuild assessed its projects' alignment applying the technical screening criteria (defined in the Climate Delegated Act) on an extensive basis, i.e., not limiting the assessment to just the work site/construction activities specifically mentioned in the Delegated Acts but extending it to the design and operating characteristics of the infrastructure. It took this approach to give a better understanding of how environmentally sustainable the projects it participates in are, in addition to those activities closely related to its core business. Webuild drew up a special checklist which complied with all the regulatory requirements and completed it with the involvement of the competent departments and units. The process to assess its projects' alignment also included dedicated meetings and the acquisition of any necessary supporting documentation.

Webuild included the in-scope entities based outside the EU in the assessment to check whether they acted in compliance with EU legislation, the relevant international standard or equivalent national law applied in a third country. This allowed it to comply with the reporting requirements of the Regulation which cover all economic

³⁵ Reference is made to the "Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act establishing technical screening criteria for economic activities that contribute substantially to climate change mitigation or climate change adaptation and do no significant harm to other environmental objective" of 20 October 2023, FAQ no. 101.

³⁶ Section 2 of the European common enforcement priorities for 2023 annual financial reports of 25 October 2023, published by ESMA, setting out the priorities for taxonomy reporting, notes the importance of considering economic activities as eligible for more than one objective when they have the same description.

activities performed by entities subject to the Non-Financial Reporting Directive (NFRD) regardless of their geographical location.

Minimum safeguards

Compliance with the minimum safeguards is mandatory throughout the Group and is assessed by considering the four main topics of human rights, workers' rights, corruption, taxation and fair competition, as identified in the most recent report issued by the 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 included 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 peoples, the value chain and whistleblowing systems. More information is available in the "Human rights" section of this Statement.

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 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 abuse of a dominant position. It prohibits the collection of information about its competitors by illegal or unethical means.

In 2023, Webuild has not received definitive convictions for violations of laws relating to human rights, corruption, competition and taxation. More information on pending disputes is provided in the paragraphs on tax litigation and criminal litigation in the Directors' report. The "Anti-corruption" and "Social" sections of this Statement illustrate the actions taken by the Group to monitor and mitigate these issues.

Calculation of the KPIs

Pursuant to article 8 of the Taxonomy Regulation, supplemented by Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 (the Disclosures Delegated Act) and by Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023, the following tables show the KPIs associated with the eligible and aligned economic activities as per the 2023 taxonomy.

The KPIs are calculated as the ratio of the proportion of turnover, CapEx and OpEx associated with taxonomy-eligible or aligned activities (numerator) and the Group's total revenue, CapEx and OpEx for the period (denominator). 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.

Turnover

The proportion 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 revenue (denominator)³⁷; the Group was able to allocate the aligned turnover as it relates directly to the projects that complied with the technical screening criteria. As required by the Regulation, Webuild identified and excluded intragroup revenue.

CapEx

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 combinations³⁸. The proportion of eligible/aligned CapEx includes capital expenditure related to assets or processes that are associated with Taxonomy-eligible/aligned economic activities (category (a) as per point 1.1.2.2. of Annex I to Delegated Act, article 8). The Group also performed analyses to identify capital expenditure which is part of a plan (“CapEx plan”) to expand the Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned (category (b) as per point 1.1.2.2. of Annex I to Delegated Act, article 8) and capital expenditure related to the purchase of output from Taxonomy-eligible economic activities and individual measures enabling the group activities to become low-carbon or to lead to GHG reductions (category (c) as per point 1.1.2.2. Annex I to Delegated Act, article 8). It did not identify these types of CapEx and was, once again, able to match the CapEx to the contracts without having to make estimates.

OpEx

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 equipment³⁹. The Group did not resort to estimates to identify and allocate OpEx as it can be directly associated with the individual projects.

Overview of results

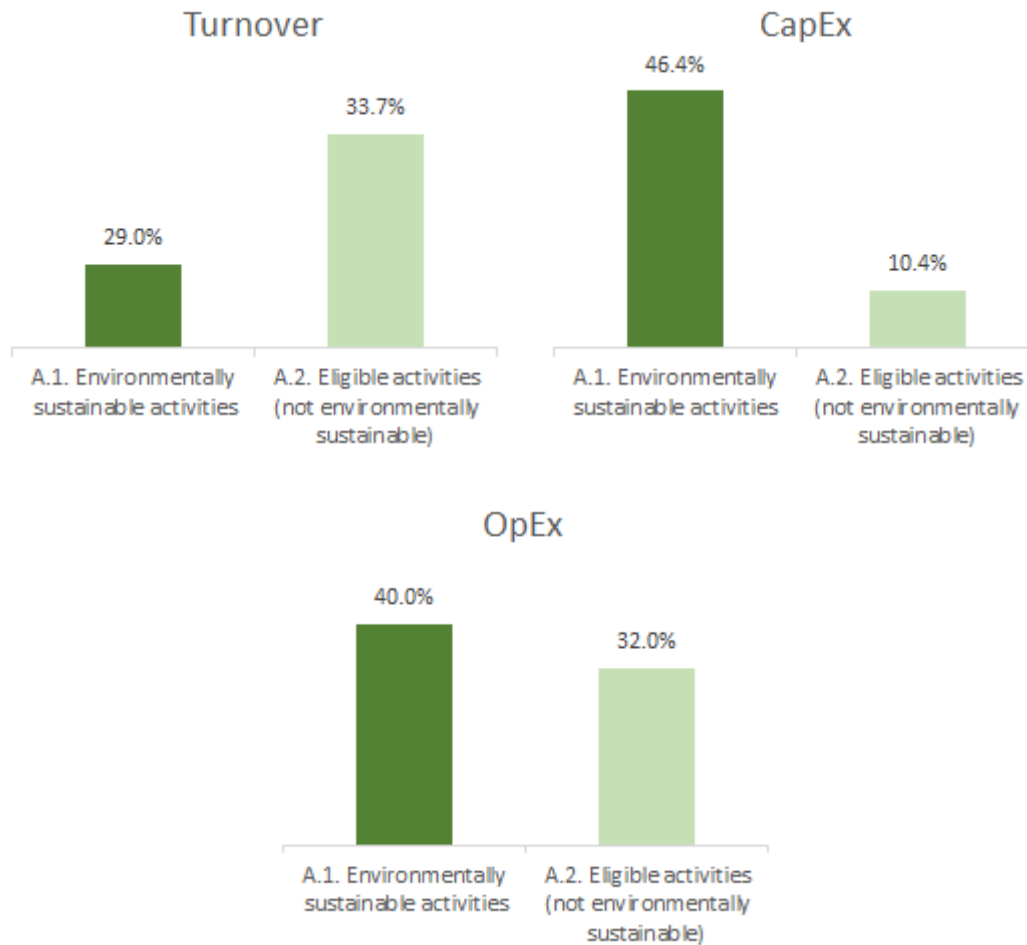
Based on the assessment, the Group calculated the proportion of turnover, CapEx and OpEx recorded in 2023⁴⁰ as follows:

³⁷ 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.

³⁸ 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.

³⁹ See note 34.3 “Services” to the consolidated financial statements for information on the denominator.

⁴⁰ 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.



The eligible economic activities account for 62.7% of turnover, 56.8% of CapEx and 72% of OpEx.

Of these, the environmentally sustainable activities (i.e., aligned) account for 29% of turnover, 46.4% of CapEx and 40% of OpEx⁴¹ and relate to three taxonomy sectors and four economic activities:

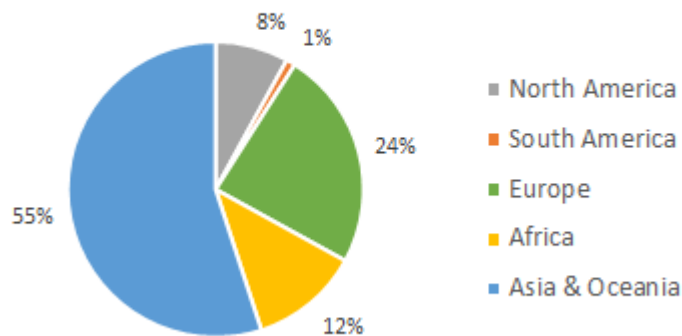
- 2.1 Restoration of wetlands, eligible activity that makes a substantial contribution to the climate change adaptation objective
- 4.5 Electricity generation from hydropower and 6.14 Infrastructure for rail transport that make a substantial contribution to the climate change mitigation objective
- 6.15 Infrastructure enabling low-carbon road transport and public transport that makes a substantial contribution to the climate change mitigation objective which was assessed as aligned solely for CapEx and OpEx purposes⁴².

A breakdown of the taxonomy-aligned turnover by geographical area is provided below: 79% of the Group's environmentally sustainable turnover is generated in Europe and Asia and Oceania (98% of CapEx and 74% of OpEx).

⁴¹ More information is available in the table in the section on the EU taxonomy in the Methodology for reporting non-financial information section prepared in accordance with Annex V of Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 which amends Annexes I, II, III, IV, V, VII, IX and X to Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021.

⁴² 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.

Turnover – Environmentally sustainable activities



The non-eligible activities include activities that are not included in the taxonomy lists (such as mining projects, the building of waste-to-energy plants and corporate activities) as well as some non-core activities⁴³.

The KPI tables are provided in the annexes (specifically Annex 1 to this Statement) and are an integral part of this section.

Decarbonisation of work sites

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

The Group has made and intends to make continuous investments in efficiency actions and measures at its 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

⁴³ 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 projects that are either starting-up or nearing completion, on hold or significantly delayed) or inactive entities (e.g., in liquidation).

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 included various climate change programmes and targets and will continue with the more ambitious new ESG Plan. Moreover, the Group's long-term incentive plan (the 2023-2025 LTI Plan) introduced in 2023 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) team⁴⁴, which scouts, tests and introduces new solutions and technologies to reduce scope 1 & 2 GHG emissions, such as those related to tunnelling activities, which are one of the most energy intensive areas of the large infrastructure sector;
- LCO (Life Cycle Optimization) team⁴⁵, focused on researching, testing and introducing new solutions and technologies to reduce scope 3 GHG emissions, for example, those related to optimising the use of cement and concrete.

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

Integration of climate criteria as an integral way of doing business entails raising awareness and technical expertise about the issue. Accordingly, the Group participated in the World Environment Day celebrated in June again this year. In 2022, it introduced communication and internal training programmes dedicated to ESG issues and a technical training course for group personnel carried out with the Turin Polytechnic. The course (Environmental Sustainability in ConstrAction: eco-design, circular economy and decarbonisation) is one of the

⁴⁴ Comprising the Plant and Equipment (Global Supply chain) and Environment (Group HR, Organization and Systems) units and the Corporate Social Responsibility Department.

⁴⁵ Comprising the Procurement (Global Supply chain) and Environment (Group HR, Organisation and Systems) units and the Bidding & Engineering and Corporate Social Responsibility Departments.

finalists in the Leading and Developing section of the CIBSE Awards 2024 organised by the Chartered Institution of Building Services Engineers⁴⁶.

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:

	Limited reduction in emissions	Large reduction in emissions	Reduction in line with the Paris Agreement objectives
	RCP 6.0 ⁴⁷	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.

Main physical and transition risks

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

⁴⁶ An English professional body, well-known in the academic world, that promotes the art, science and practice of building services engineering. It advances environmental sustainability topics. More information is available on its website <https://www.cibse.org/>.

⁴⁷ 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.

Risk area	Type and description	Potential impact	Assessment and mitigation measures
Physical risks	Acute risks Increase in frequency and severity of extreme weather events (landslides, flooding, storm surges, heat waves, etc.)	<ul style="list-style-type: none"> • Damage to work site buildings and plants • Delays to work schedules <u>Expected risk timeframe:</u> medium to long-term	<u>Low risk</u> <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)
	Chronic risks Increase in temperature and humidity levels, changes in precipitation, rise in sea levels	<ul style="list-style-type: none"> • Less availability of water in areas subject to water stress • Lower productivity due to environmental conditions <u>Expected risk timeframe:</u> medium to long-term	<u>Low risk</u> <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>
Transition risks	Policies, regulations and technology Increase in cost of raw materials due to higher carbon tax Transition from existing plant, machinery and materials to solutions with lower emissions Introduction of new regulations and specific techniques	<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 <u>Expected risk timeframe:</u> short-medium term	<u>Medium risk</u> <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>

	Market and reputation Greater demand from clients for low emission construction solutions Greater interest of the financial community and stakeholders in the Company's decarbonisation plans	<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 plans 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 objectives • Link between emission performances and financing instruments (sustainability-linked bonds) and management's variable remuneration (LTI plan)
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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 European Union, through the REPowerEU plan launched in 2022, plans to invest US\$208 billion to accelerate the energy transition, increasing investments in clean energy and energy saving. More generally, investments in civil, industrial and energy infrastructure will benefit significantly from the funds made available by the NextGenerationEU recovery package.

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 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 Science-Based Target Initiative (SBTi). 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 performed by the Group;
- Scope 2 includes indirect emissions from purchased electricity for directly-performed activities.

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).

GHG emissions (Scope 1 & 2) (GRI 305-1, 305-2, 305-4)	Unit	2021	2022	2023
Scope 1 emissions	t CO _{2e}	311,272	320,851	302,199
Scope 2 emissions (market-based method)	t CO _{2e}	42,212	58,098	62,360
Scope 2 emissions (location-based method)	t CO _{2e}	38,574	55,873	59,354
Total scope 1 & 2 emissions (market-based)	t CO_{2e}	353,484	378,948	364,560
Intensity of scope 1 & 2 emissions	t CO_{2e}/€M	55	47	37

GHG emissions (Scope 3) (GRI 305-3)	Unit	2021	2022	2023
Goods and services acquired	t CO _{2e}	1,552,131	1,941,140	2,491,828
Transportation of materials to the work sites	t CO _{2e}	289,301	176,106	388,966
Use of energy (upstream, not included in scope 1 & 2)	t CO _{2e}	107,213	117,793	103,137
Waste generated	t CO _{2e}	58,347	40,567	45,864
Business trips and home-work commute of employees	t CO _{2e}	4,705	5,863	7,139
Total scope 3 emissions*	t CO_{2e}	2,011,697	2,281,469	3,036,934

Biogenic emissions** (GRI 305-1, 305-3)	Unit	2021	2022	2023
Biodiesel- Scope 1	t CO ₂	-	4,209	3,623
Biodiesel- Scope 3	t CO ₂	-	15,514	1,410
Total biogenic emissions	t CO₂	-	19,722	5,033

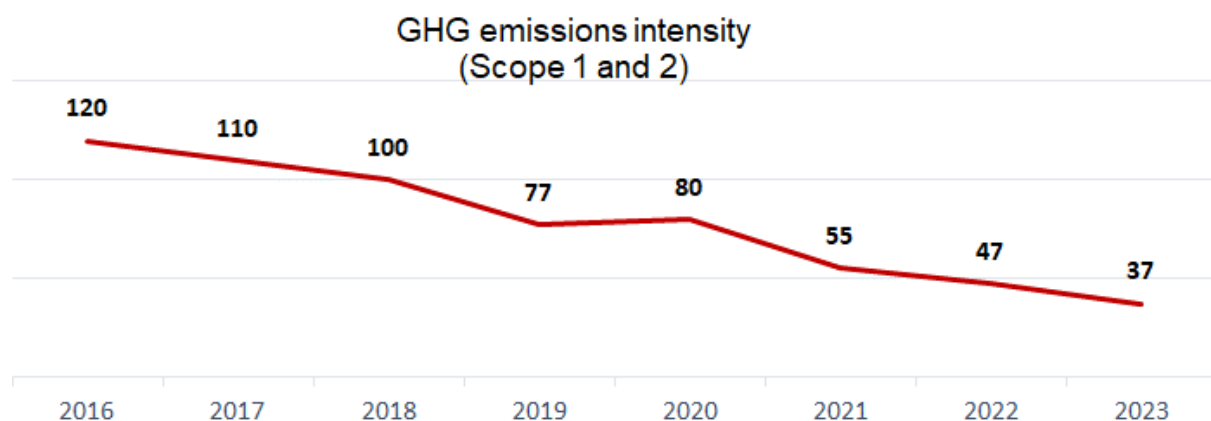
* The 2021 and 2022 figures have been restated and differ from those shown in the 2021 and 2022 Consolidated Non-financial Statements. This restatement became necessary after publication of the Statements due to:

- a change in the information about the excavation waste at the Rogun Dam project in Tajikistan for 2021;
- changes to the calculation of the 2022 figures for Goods and services acquired and Transportation of materials to the work sites.

** Reported since 2022

The 4% reduction in scope 1 & 2 GHG emissions reflects the steady introduction of programmes and initiatives designed by the Group as part of its decarbonisation plan at many work sites (especially those recently set-up). They include the significant increase in the use of energy generated by renewable sources by some projects. Moreover, the different phases of work being performed at the work sites as well as the completion of some projects also affected the Group's emissions.

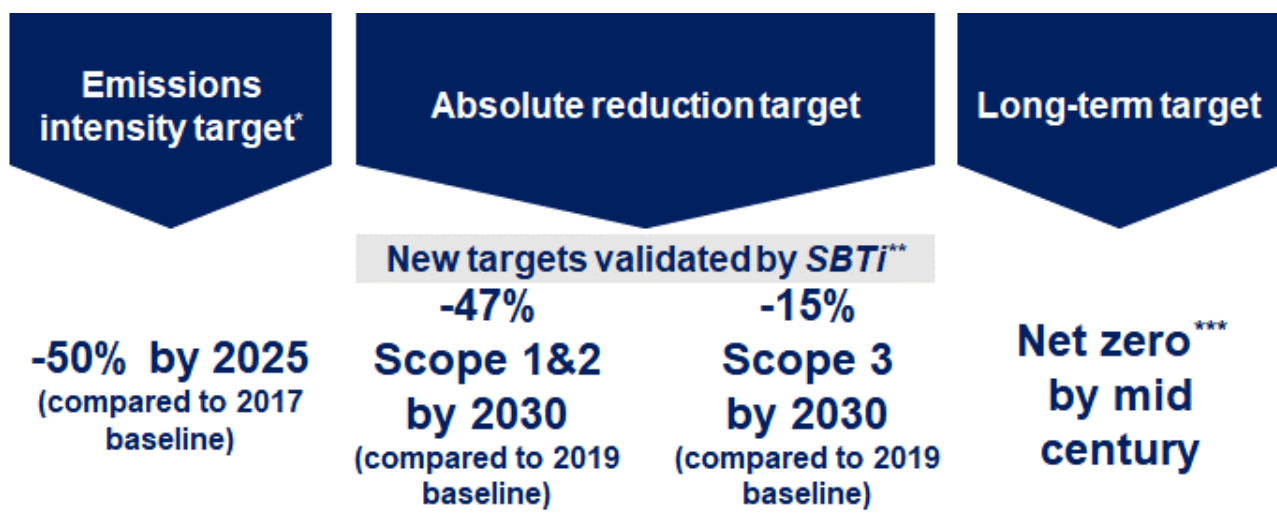
The graph below plots the intensity trend of GHG emissions (t CO_{2e} scope 1&2/€M) and shows how it has improved over the past eight years.



It is important to note that the infrastructures for which the Group generates emissions during their construction in turn generates 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.

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.

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:
 - 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:
 - 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 (93% in 2023), 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 has introduced extensive remote working programmes in recent 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	2021	2022	2023
<i>Non-renewable energy sources</i>				
Diesel	GJ	4,098,364	4,160,241	3,881,603
Petrol	GJ	205,202	267,558	252,654
Kerosene	GJ	2,807	2,942	3,373
Natural gas and LPG	GJ	25,228	73,552	74,011
Electricity	GJ	370,161	393,626	395,128
Total consumption from non-renewable energy sources	GJ	4,701,762	4,897,919	4,606,769
<i>Renewable energy sources</i>				
Biodiesel*	GJ	-	59,044	50,835
Electricity from renewable sources	GJ	196,359	424,683	493,057
Total consumption from renewable energy sources	GJ	196,359	483,727	543,892
Total internal energy consumption	GJ	4,898,121	5,381,646	5,150,662
Energy consumption from non-renewable energy sources	GJ	1,705,414	1,857,408	1,409,131
Energy consumption from renewable energy sources*	GJ	-	217,644	19,778
Energy consumption- subcontractors	GJ	1,705,414	2,075,052	1,428,909
Total	GJ	6,603,536	7,456,698	6,579,571
Energy intensity	GJ/€M	1,029	922	661

*Reported since 2022

Energy consumption from non-renewable sources decreased compared to 2022 due to the Group's greater use of renewable sources, mostly as a result of the connection of the Koysha hydroelectric plant to another hydroelectric plant, Gibe III, built by Webuild in Ethiopia.

The subcontractors' energy consumption shrank considerably following the completion of some projects or less resort to subcontractors for certain projects (such as Ruta del Sol in Argentina and the Nykirke- Barkaker railway line in Norway).

In 2022, 56% of the electricity consumed by the Group came from renewable sources (52% in 2022).

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	2021	2022	2023
Active initiatives	no.	22	17	18
Reduction in GHG emissions	t CO _{2e}	73,704	17,546	86,961

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

56%
low-carbon steel used

68%
reused excavated materials

79%
materials purchased within a 160 km
radius of the work sites

Internal policies

Protection of the environment is a priority for the Group, which formalised a specific Environmental Policy (the “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.

Introduction of an ISO 14001 compliant environmental management system implies application of the Deming cycle to all processes and, hence, the continuous improvement of their efficiency and effectiveness.

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;
- the best sustainable solutions for clients in order to enhance the works and protect the environment;
- 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 improve protection of the environment and prevention of 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 adopting reasonable measures (work methodologies) during the construction phase.

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/landscape 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 project 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 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 projects with potential impacts on the environment, including the subcontractors' employees. They regularly run campaigns to raise employee 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.

When envisaged by local regulations, subcontract contracts include penalty clauses for non-compliance with HSE (Health, Safety and Environmental) issues by the subcontractor, its non-compliant employee and their supervisors.

Project management regularly reviews environmental performances and the management system's strengths and weaknesses. It sets objectives for the subsequent period to ensure ongoing 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, that the use of local raw materials is more efficient and effective and that water resources, materials and recyclable/reusable waste 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 QEHS 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 2023, the Group's work sites included in the scope of this Statement included 35,240 operational sites, of which 96 underground, for a total surface area of 163,143,495 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 / %	22,390,010	0%	0%
Europe	m ² / %	25,294,454	11%	5%
Americas	m ² / %	73,521,545	60%	4%
Asia and Oceania	m ² / %	41,937,486	13%	4%
Total	m² / %	163,143,495	32%	4%

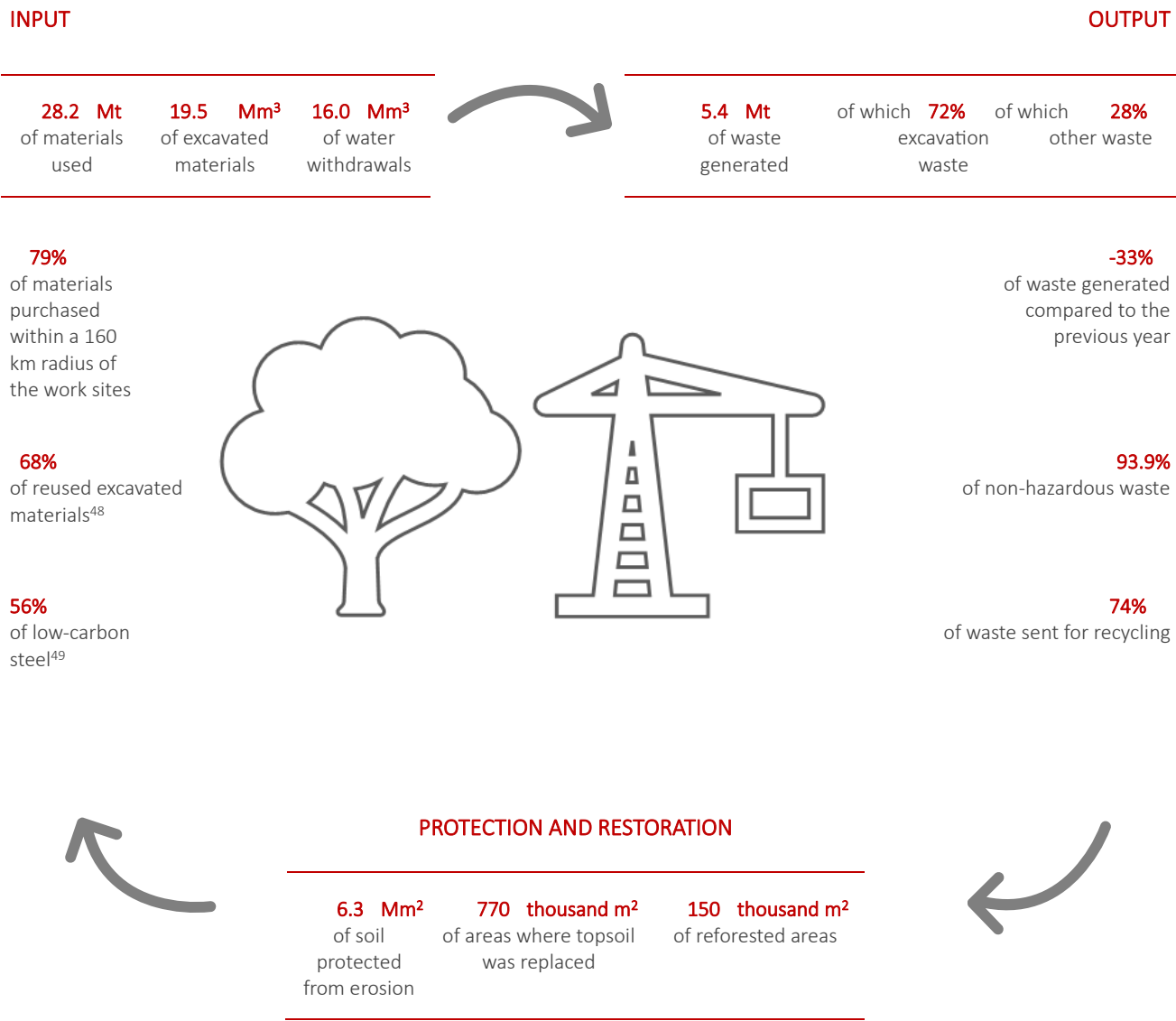
The American continent is the geographical area where the Group has the largest surface areas inside protected areas. This is due mainly to some of Lane's projects. In Europe, the largest surface areas inside protected areas are railway projects in Romania (Curtici - Simeria railway line, Lot 2A and Lot 2B) and Italy (Catania - Messina railway line, Giampileri Fiumefreddo section, Lot 1, Cociv and Line M4 of the Milan Metro).

The figures for projects in protected areas in Asia and Oceania mostly refer to the Snowy 2.0 project 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.

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.

⁴⁸ The materials reused during the year may include excavated materials from previous years.

⁴⁹ Steel with high recycled content (equal to or higher than 90%)

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:

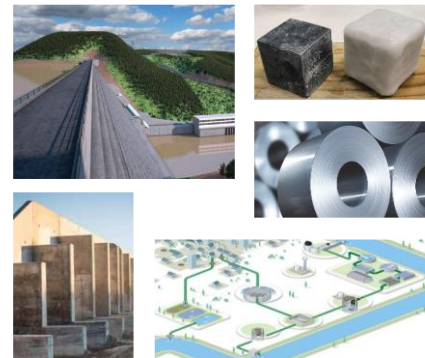
- reusing excavated earth and rocks in other industrial processes such as, for example, the production of aggregates for concrete or the construction of embankments and other earth fills as required by the projects for cost efficiency purposes and in line with circular economy principles in line with 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;
- use of 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 construction 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 consolidated process water recovery systems and long-standing closed-circuit systems in place at its work sites, 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	2021	2022	2023
<i>Principal construction materials</i>				
Bitumen	t	27,844	59,127	68,454
Cement	t	527,145	777,066	803,879
Steel	t	173,681	271,654	332,427
Ready-mixed and pre-cast concrete	t	4,353,389	5,469,775	6,695,980
Ready-mixed asphalt	t	486,530	703,985	696,818
Total construction materials	t	5,568,590	7,281,607	8,597,558
<i>Aggregates</i>				
Aggregates and sand	t	12,584,211	19,959,292	19,608,455
Total aggregates	t	12,584,211	19,959,292	19,608,455

Water withdrawal (GRI 303-3)*	Unit	2021	2022	2023
Wells	m ³	3,467,299	3,397,172	4,645,461
Rivers	m ³	9,562,130	11,941,391	9,891,888
Lakes	m ³	117,865	180,088	255,748
Aqueducts	m ³	1,642,059	1,636,330	1,217,940
Total	m³	14,789,354	17,154,981	16,011,036

*The 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 (18% on 2022) mostly relates to the ready-mixed and pre-cast concrete category due to the significant rise in its use for projects in Italy and Saudi Arabia.

The substantial stability in the use of aggregates and sand compared to 2022 is due to the fact that the increase for certain projects, such as the high-speed/capacity Verona- Padua railway line, the high-speed/capacity Naples - Bari railway line (Naples- Cancelli section) and lot 5 of the Sibiu- Pitesti Motorway, was countered by large reductions in this category's use by other projects (Ruta del Sol and GERD).

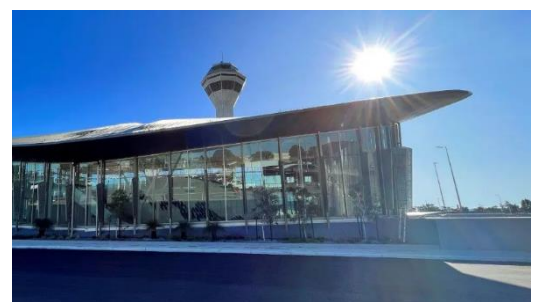
There was a 7% decrease in water resources utilisation in 2023, chiefly due to the smaller withdrawals from rivers for the hydroelectric projects in Ethiopia.

With respect to the circular and green economy, during the year, 79% 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 2023, 56% of the steel used was low-carbon, i.e., with a recycled content of 90% or more. The Group also used 60 thousand tonnes of low carbon cement materials and 2.7 million cubic metres (2.0 million cubic metres in 2022) of water recycled and reused in production processes.

Innovative materials and design for the Forrestfield Airport Link in Perth, Australia

In 2023, the Airport Central Station (Perth) received the Award for Public Architecture (Western Australia Chapter) from the Australian Institute of Architects, acknowledging its excellent design and architecture.

In 2019, Webuild received the Concrete Institute of Australia (WA) award, in the "Excellence in the Technology and Innovation" category, for having designed and produced concrete prefabricated segments used for the Forrestfield Airport Link tunnels.



The metro line is sustainable not only because it reduces road traffic and congestion (2,000 tons of CO₂eq avoided a year, 15,000 cars off the road per day) but also thanks to the construction techniques deployed. A special cement blend was developed containing 65% supplementary cementitious materials, much of which had already been recycled, allowing the work site to avoid approximately 22,000 tons of CO₂ emissions. Concrete reinforced with macro synthetic fibres (instead of steel) was used for the production of the track slabs on which the Airport Line rails are positioned. This helped avoid the use of around 7 million kg of steel, preventing more than 13,000 tons of CO₂ being emitted during production.

One of the line's three stations, High Wycombe, has 626 solar panels on its roof. On summer days, the solar panel system is sufficient to meet the energy requirements of all three stations. In addition, the TBM excavating the tunnel reused the water needed to function by having a plant use a filter press and centrifuge to process and recycle the water, saving 2,740 litres of water.

Webuild Circular

The Webuild Circular project's final output is a system that facilitates the transition of projects from a production system and linear methodology to a circular system, while minimising the resource wastage and optimising their use.

Webuild is developing this system to assess and measure the circular output of a project in terms of the work being built and the work site by performing a qualitative analysis of the level of maturity and dissemination of circular economy principles along the project's entire value chain, considering its lifecycle from its design and planning to the end of its life and a new life. Webuild Circular is being developed in compliance with the main reference standards for a circular economy.



The application of Webuild Circular is central to the adoption of mitigation and reduction measures to improve project performance in both environmental and economic terms, as well as, the entire Group's performance when considering the various projects as a whole.

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).

Projects 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 designed to comply with the applicable legal and contractual provisions, using the best technologies available, 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 quantities of earth to construct embankments, cuttings, tunnels or certain types of dams. In accordance with the policy to reduce waste generation, 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 2023, reused excavated materials⁵⁰ amounted to 13.2 million cubic metres (16.4 million cubic metres in 2022), 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 determined considering the natural elements, the environment and features of the local area. In 2023, areas where measures to protect against erosion have been implemented covered 6.3 million square metres (2022: 4.1 million square metres).

A virtuous example of renaturation of a railway trench with enhanced hydroseeding is the Isarco Underpass project, which forms the southern part of the Brenner Base Railway Tunnel that will connect Fortezza to Innsbruck.



The surface of the embankment, made up of particularly compacted material, could have represented a possible sliding surface for the topsoil layer. In the presence of exceptional rainfall events, this condition could have initially triggered a landslide down towards the railway line, with consequent risks for the operation of the line itself.

Hydroseeding with a special anti-erosive matrix was therefore carried out directly on the existing substrate as an alternative to topsoil, consisting of a special mixture of enhancing natural components,

defined following specific sampling to determine the characteristics of the soil. The mixture was also optimised with the addition of seeds of species with deep root systems to facilitate rooting, organic fertilisers and soil improvers (completely environmentally friendly) to ensure an adequate nutritional reserve available to the herbaceous and pioneer shrubby species, to facilitate root development and establishment, and more vigorous growth. This process made it possible to renature the slope over an area of approximately 15,000 square metres.



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, plant operation and the workshops.

⁵⁰ These materials may include materials excavated in previous years.

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 it is 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 projects. 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 table⁵¹:

Waste by activity (GRI 306-3)	Unit	2021	2022	2023
Construction and demolition waste	t	629,824	974,770	1,266,970
Excavation waste	t	4,735,572	6,938,576	3,887,855
Waste from support activities	t	148,946	115,503	228,518
Total non-hazardous and hazardous waste	t	5,514,343	8,028,849	5,383,343

Waste by type and destination (GRI 306-4, GRI 306-5)	Unit	2021	2022	2023
<i>Non-hazardous waste</i>				
Recovery, reuse and recycling	t	2,448,039	6,131,276	3,947,164
Incineration	t	1,257	1,054	1,827
Landfill	t	2,923,553	1,667,234	1,104,250
Total non-hazardous waste	t	5,372,849	7,799,565	5,053,241
<i>Hazardous waste</i>				
Recovery, reuse and recycling	t	103,238	39,056	55,202
Incineration	t	5	-	4
Landfill	t	38,250	190,228	274,896
Total hazardous waste	t	141,494	229,284	330,102
Total non-hazardous and hazardous waste	t	5,514,343	8,028,849	5,383,343

72% of the waste produced is from excavations, which significantly 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 projects' characteristics and the material's geotechnical characteristics which the Group cannot always influence.

The reduction in waste in 2023 compared to the previous year is mostly due to the progress made on the Ariguani project (Colombia), the Rogun Dam (Tajikistan), Line 16 of the Paris Metro, Lot 2 (France) and the Hurontario light Rail Transit Project (Canada).

The percentage of waste recovered, reused and recycled is 74% 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.

An excellent example is Sant'Agata, the consortium that is building the BicoCCA-Catenanuova section of the high-capacity Palermo- Catania line in Italy: since 2021, it has sent more than 99% of the waste produced every year for recovery. The consortium also engaged in several recovery initiatives using mobile crushers, carried out both

⁵¹The 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 presented in the 2021 Consolidated Non-financial statement.

directly and through subcontractors, which made it possible to recover 61.3% of the demolition and construction waste for internal use in 2023 alone (82.1% in 2021 and 97% in 2022).

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 and covering lorries transporting powdery materials, tyre washing systems at site entrance points and the replacement of ground 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 QEHS 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.

When work site activities are performed with the utmost respect for the stakeholders, especially in very built-up areas, the focus is on citizen well-being and the Group collaborates with the local authorities. The results benefit both the community and the work site itself.

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 and can also disturb the fauna. 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 restorations

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 the impact of human activity 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 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 about 1,150 wild animals. The use of pesticides and herbicides is generally banned in the Group's work sites.

The "linear" work sites (such as those for roads, railways) require the ongoing study of solutions for the resident flora and fauna, 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 a 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 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, with the selection of materials based on their chromatic environmental integration in addition to their technical characteristics.

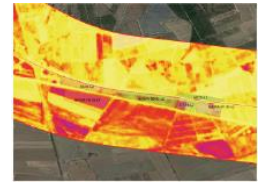
The Group involves external professionals, researchers and local authorities in its procedures to manage operations in protected areas and/or when archaeological artefacts are found.

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 them 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 interaction of wildlife 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 2023, 32% (2022: 34%) of the areas managed by the Group was located in protected areas and 4% (2022: 5%) in areas adjacent to protected areas⁵².

Specifically, 80 work sites (the equivalent of 52.6 square km) were located in protected areas (mostly in the US, followed by Italy, Australia, Sweden, Romania and Poland) and 34 (the equivalent of 6.2 square km) in areas adjacent to protected areas (mostly in the US, followed by Australia, Italy and the United Arab Emirates). Of these sites, 35 are in areas protected by local regulations, ten in areas protected by national regulations, 53 in "Natura 2000" areas, one in a UNESCO world heritage site and 15 in other types of sites. There are 74 work sites located in ecosystems that contain water (e.g., lakes, rivers, wetlands, etc.), 13 in urban ecosystems, eight in agricultural ecosystems, 14 in wood ecosystems and five in mountain ecosystems. 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.

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	2021	2022	2023
Reforested area	m ²	593,973	313,675	150,053
Restored areas	m ²	3,545,662	8,945,837	769,542

The decrease in restoration activities compared to 2021 is mostly due to progress on Lane's projects. The reduction in reforestation activities relates to the completion of projects in the United Arab Emirates and the specific stages of work on the projects in the United States. In 2023, the Group planted 13,744 trees (various species in Canada, Colombia, Ethiopia, Italy and Paraguay).

⁵² 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".

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 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 (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 relates to the Group's participation in tenders called by private bodies, management of partnerships, procurement or subcontracting activities. With respect to the latter activities, potential suppliers/subcontractors could attempt to corrupt a company employee to obtain a 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 2023, 100% of the legal entities making up Webuild Group were included in the anti-corruption risk assessment scope⁵³. 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 Third Parties, which define assessment 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 Policy. 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 programmes⁵⁴.

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.

The Italian group companies that take part in public calls for tenders have adopted anti-corruption compliance systems similar to that of Webuild. They all obtained the ISO 37001 certification in 2023.

Whistleblowing system

Webuild also has a whistleblowing system that can be accessed through an external multilingual 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.

⁵³ More information is available in the "Scope of the Statement" paragraph of the "Methodology for reporting non-financial information" section.

⁵⁴ More information is available in the "Stakeholder engagement" paragraph of the "Social" section.

Starting in 2020, access to the system has been further extended to include sections dedicated to companies and joint ventures led by Webuild with 50 companies having access to the platform by the end of 2022. In January 2024, the platform was adapted to accept voice notifications or phone calls (for the Australian group companies). 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 2023, the Company received 25 notifications through its whistleblowing channels, of which seven 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 alleged 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 never 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 section on "Main risk factors and uncertainties" ("Criminal litigation" paragraph) of the Directors' report for ongoing disputes about corruption.



Supply chain

Quality partnerships and ongoing performance improvement to tackle market challenges together

≈ 19.4 thousand suppliers

working with Webuild in 80 countries

252 thousand hours

HSE training provided to subcontractors' employees

Supplier Development Hub

to activate partnerships with suppliers and partners

Improved vendor rating index⁵⁵

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 the Suppliers Code of Conduct as 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 the corporate information and professional know-how and asks its counterparties to do likewise.

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

Main risks and management methods

In 2023, the Group worked with roughly 19.4 thousand suppliers⁵⁶ from more than 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 strong position vis-à-vis smaller suppliers could potentially expose the Group to various risks, such as compliance, reputation and commercial.

⁵⁵ Internal supplier rating system

⁵⁶ Excluding Clough

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

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 procedure, which involves a number of preliminary checks of the potential supplier's reputation, its expertise and that it is not 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), 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 the Safety, 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 2023, the Corporate Procurement Department checked the accuracy of the information provided by the applicants, that the applicants were not included in the Reference Lists and that there were no compliance risks. The results were positive for 8,482 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 the 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 2023, these assessments involved more than 20 contracts (out of a total of 41 since the assessment procedure was started in 2017) 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 88.6/100 (substantially unchanged from the 88/100 of 2022), 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 QEHS Departments, which mainly cover subcontractors and is designed to check that their activities comply with the Company's quality standards and applicable requirements for the environment, health and safety. Specifically, the local QEHS 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 QEHS training courses (252,140 hours in 2023).

Involvement

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

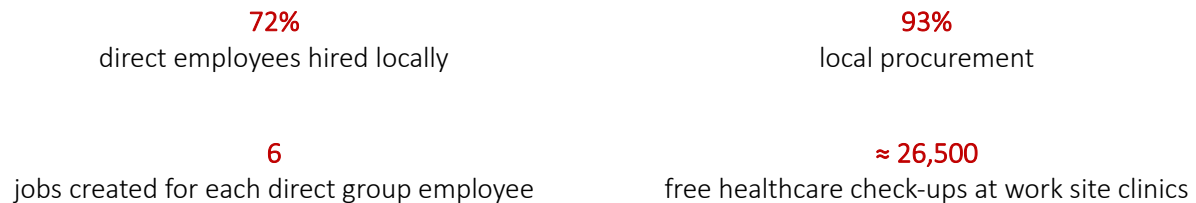
This includes the annual supplier meeting attended by the Group's Italian and international employees and suppliers when the main procurement practices are presented.

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, including through workshops and webinars about these topics.

In addition to the initiatives managed on the Hub, the Group continued to engage with employees to share know-how and experience of new technologies, products, 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



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 can 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 credentials 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 project 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, in 2023, 72% of the 37,995 direct employees had been hired locally.

Direct employees hired locally	Unit	2021	2022	2023
Africa	%	96%	96%	95%
Europe	%	85%	97%	90%
Americas	%	96%	99%	93%
Asia and Oceania	%	42%	70%	33%
Average	%	84%	89%	72%

The percentage for Asia and Oceania mainly reflects large projects underway in the Persian Gulf area (some of which are recent acquisitions), which require a very significant contribution of manpower that is not available locally. Therefore, much greater resort is made to foreign workers compared to the other areas in which the Group operates. Reference should be made to the section on "Human Rights" for information about the management of migrant workers.

In 2023, local managers made up 77% of the total, with peaks of 99% 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 41,504 at 31 December 2023.

Local procurement

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

In 2023, the Group maintained a strong relationship with its local supply chain, working with roughly 19.4 thousand suppliers for an average 93% of its expenditure made with local suppliers.

Local procurement (GRI 204-1)	Unit	2021	2022	2023
Africa	%	28%	37%	50%
Europe	%	94%	100%	96%
Americas	%	100%	99%	100%
Asia and Oceania	%	87%	91%	89%
Average	%	91%	94%	93%

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

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 2022⁵⁷ 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, LR, CD	475	8	26%	-108	-9	11,679	21
Americas	BR, CL, EC, DO, PA, US, AR, CA, CO, PE, VE, CR, SV, GT, HN, MX, NI, PY	2,008	410	25%	-11	-14	7,656	121
Asia and Oceania	AE, KW, QA, OM, JO, KZ, SA, TJ, MY, AU, IN, ID, PK	1,769	369	20%	-3	-2	10,278	310
Europe	AL, CH, RO, PL, GE, GB, CZ, UA, IT, TR, SK, AT, GR, FR, DK, ES, NO, NL, BG, SE	3,953	2,218	19%	-12	-41	6,389	263

€m

Contributions to local economies

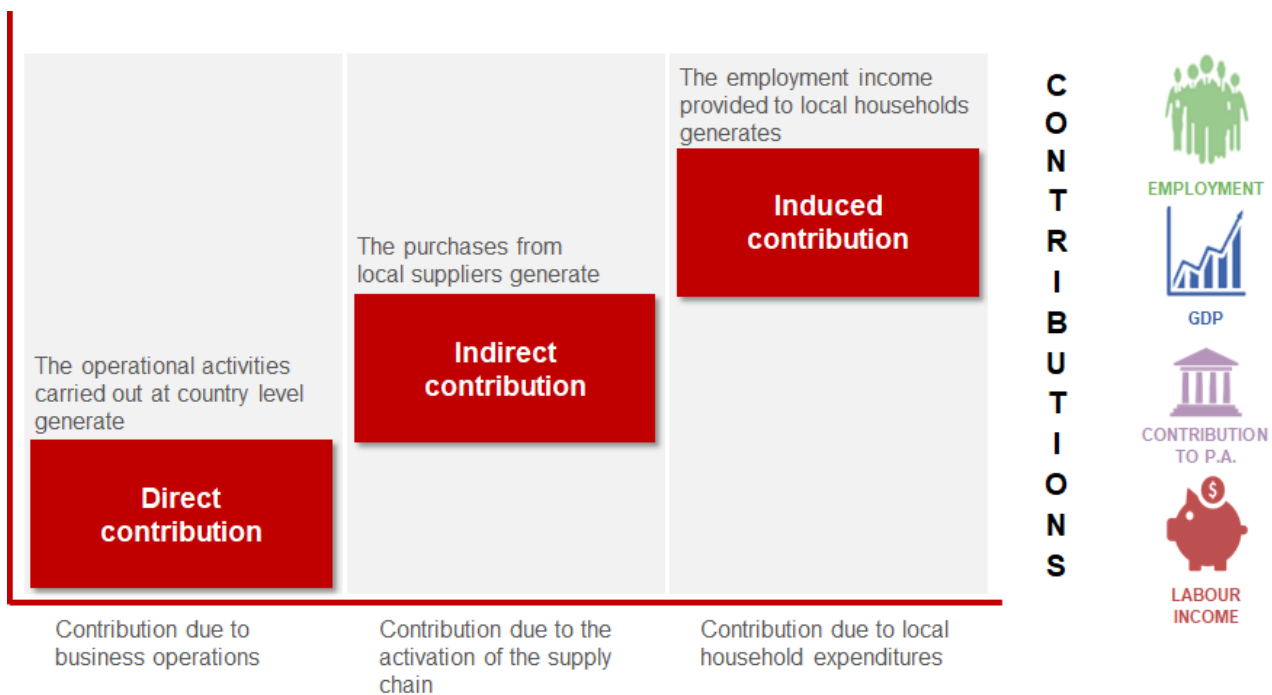
Direct contributions made by Webuild's projects to local economies include employment, the use of local suppliers and taxes paid to the public administrations. They are only part of the benefits as they do not include the additional indirect and induced effect of the Group's activities in the countries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

The Group has developed a proprietary calculation model, the 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 employment income distributed to households⁵⁸.

The following graph presents the SEED model.

⁵⁷ This is the most recent year for which information is available. More details are provided in the GRI Content Index (disclosure 207-4).

⁵⁸ 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.



If just the Group's main markets⁵⁹ are considered, its average contribution to their economies, expressed as a multiple, is as follows:

- six jobs created for each direct Webuild employee;
- €2.8 of employment income distributed for each Euro paid by the Group;
- €2.8 of GDP for each Euro of added value generated by Webuild;
- €10.3 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 employment income received and the opportunity to advance professionally thanks to the training provided.

Many studies⁶⁰ 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 964,229 hours of training to its direct employees and those of its subcontractors in 2023.

⁵⁹ Italy, USA, Australia, Ethiopia and Saudi Arabia.

⁶⁰ 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 68 initiatives in 2023 for €0.8 million (2022: roughly €1.1 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 Koysha), Tajikistan (Rogun Dam) and Saudi Arabia (Riyadh Metro). Specifically, 18,835 medical check-ups (2022: 10,089) were given and 26,490 health interventions (2022: 16,788) were provided in 2023.

Stakeholder engagement

Webuild firmly believes that integrity and transparency in stakeholder engagement is integral to responsible corporate conduct. Given the specific nature of its business and its international footprint, the Group handles thousands of interactions with its stakeholders every day. It therefore regularly maps and analyses its main stakeholder categories, considering the level, frequency and length of engagement, the issues of greatest interest and potential areas of impact, the potential influence on decision-making processes and so on, also with a view to adopting the most appropriate communication channels and to promptly respond to requests.

The following chart lists the stakeholders relevant to the Company, the areas of interest and the key characteristics of the engagement with the Group. They are also considered in the impact assessment performed as part of the materiality assessment.

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	O	O	O		O		O	O		O	O
Shareholders & Investors	O		O	O	O	O	O	O	O		O
Clients & potential clients	O	O	O	O	O	O	O	O	O	O	O
Suppliers, contractors, subcontractors & partners	O	O	O	O	O	O	O	O	O	O	O
Governments & public administrations		O	O	O	O	O	O	O		O	
Trade unions	O	O	O		O		O	O		O	O
Local communities	O	O	O	O	O	O	O	O		O	O
NGOs & Media	O	O	O	O	O	O	O	O		O	O
Sector associations	O	O	O	O	O	O	O	O		O	O

The Group curates its dialogue and engagement approach in response to the various stakeholder characteristics and needs.

At corporate level, key stakeholders include investors, clients, current and potential employees, national and international trade unions, suppliers and 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 abroad⁶¹.

Institutional relations take place in full compliance with the principles of legitimacy, transparency and accountability by suitable 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 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.

⁶¹ 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.

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.

Furthermore, Webuild holds that the Environment- taken to be the entire ecosystem in which it operates, is itself also a stakeholder.

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

<i>Channel</i>	<i>Activity</i>
Face-to-face communication	
Meetings, presentations, focus groups, workshops, interviews, consultations, career days, public events	<p>>17,700 people involved in about 1,500 meetings with the local communities and their representatives</p> <p>>9,300 people visited the Group's projects during roughly 260 open door events</p> <p>>89,400 people were involved in around 1,300 information campaigns about the Group's projects</p> <p>~ 900,000 visitors attended two exhibitions on infrastructure</p>
Digital communication	
Company websites, intranet, magazines, webinars, surveys, social media	<p>2.7 million visits to the Group's website</p> <p>7.4 million interactions through the Group's social media</p> <p>68 million impressions on the Group's digital touchpoints</p> <p>386,000 direct audience contacts on the digital channels</p> <p>800,000 impressions on the corporate intranet</p> <p>> 3,000 employees engaged in periodic cascade/alignment meetings for information purposes and to strengthen a shared group culture</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.).

In most of the projects, the clients are responsible for engagement with the local communities while the Group provides technical and operating assistance to manage any issues that arise. Matters discussed by contract personnel and the local communities mainly 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 section "The infrastructure sector and Webuild's role", 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

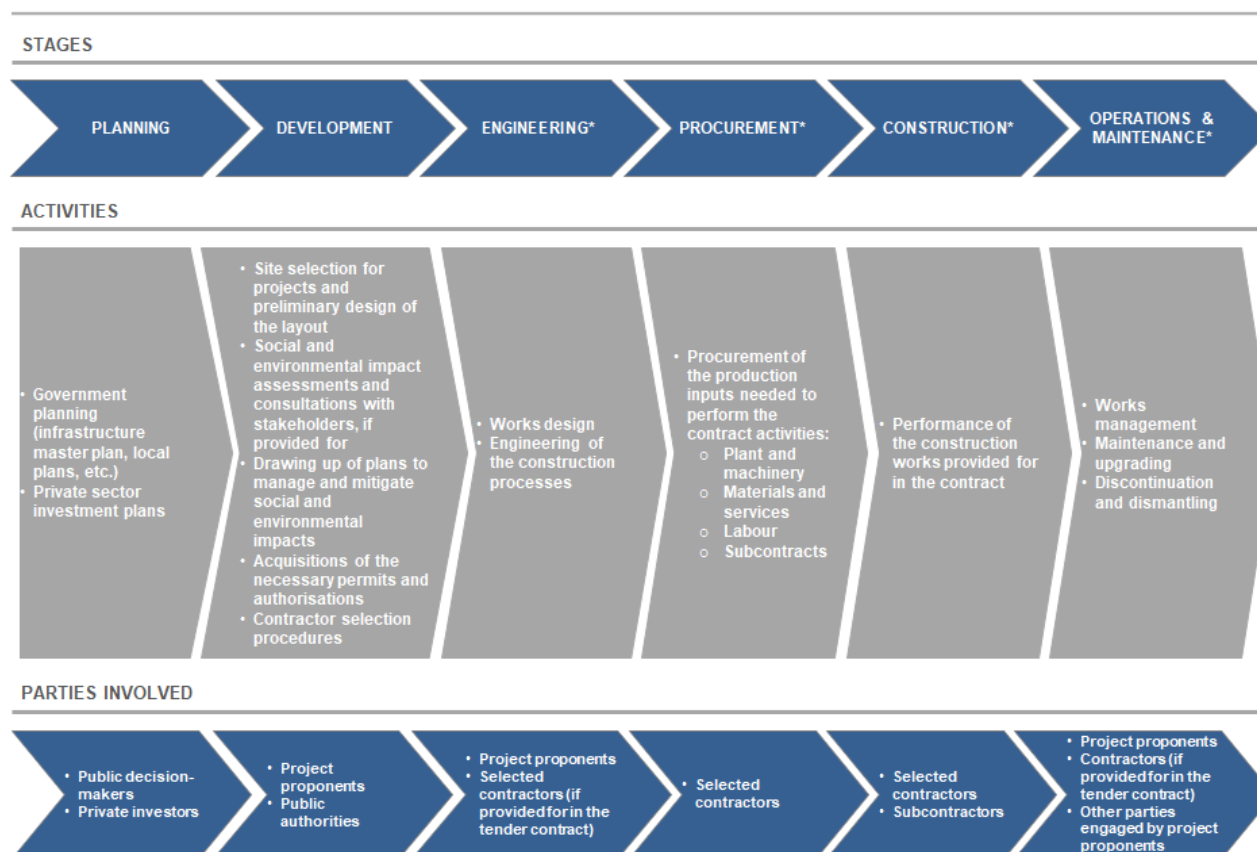
This 2023 Consolidated Non-financial Statement has been prepared in accordance with Legislative decree no. 254/2016 in accordance with the GRI Standards. Pursuant to changes in the reference regulations and best practices identified by the Company, this Consolidated Non-financial Statement is part of 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:

LIFE CYCLE OF AN INFRASTRUCTURE PROJECT



* 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) which 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 project proponent 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, occupational health and safety).

Materiality assessment

The Company performed a materiality assessment as set out in the 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.

It monitors changes in the global and sector situation (megatrends, SDGs, peers, etc.), 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) and 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 defined a universe of positive and negative, current and potential impacts it has on the economy, the environment and society (including the impact on human rights), which it subsequently associated with specific sustainability topics based on the combined review and assessment of the above aspects, the Group's business model, the objectives of its business plan and Sustainability Plan, its risk management model and categories of significant stakeholders.

Group personnel in charge of the processes and activities most closely linked to ESG aspects were involved in the assessment (through interviews). They contributed to the definition of the materiality of each impact using the severity and likelihood model provided by the GRI Standards.

Webuild subsequently asked its stakeholders⁶² to assess the material topics identified as relevant from the Company's perspective in a dedicated survey, to which more than 1,150 replied, to understand their point of view.

The survey results substantially corroborated the materiality assessment of all the topics covered in the survey.

The Control, Risk and Sustainability Committee examined the materiality assessment, its findings and the list of material topics (including changes from the previous year) and subsequently forwarded them to the Board of Directors which approved them when it approved the Group's Consolidated Non-financial Statement.

The material aspects identified by the materiality assessment, grouped by impact scope, and the main impacts⁶³, are listed below.

⁶² The stakeholder categories involved were employers, clients, suppliers, partners, investors, NGOs and ESG experts.

⁶³ The equal opportunities topic is material mostly for the head 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 assessment, 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.

Material topics	Impact scope	Main impacts
A. Occupational health and safety, C. Diversity and inclusion, D. Attraction, management and development of employees, K. Ethics and integrity	Employees	Healthy and safe work environments attentive to people's well-being- Lack of training to prevent injuries- Widespread presence of unconscious bias in decision-making processes- Definition of fair and meritocratic pay levels and treatment- Skills obsolescence
A. Occupational health and safety, B. Human rights, C. Diversity and inclusion, K. Ethics and integrity, O. Finance for sustainable growth	Human rights	Dissemination of a strong culture of risk prevention regarding health and safety at work – Work-related injuries with serious consequences and work-related ill health – Fostering of dialogue mechanisms between workers – Definition of fair and meritocratic pay levels and treatment – Inadequate work conditions
I. Natural resources and circular economy, J. Biodiversity, L. Excellence and innovation, O. Finance for sustainable growth	Environment	Continuous innovation and environmental sustainability of the products and processes developed by the Company – Degradation of the ecosystem, flora, fauna, biological diversity and cultural/landscape and archaeological heritage due to construction activities
H. Climate change, L. Excellence and innovation, O. Finance for sustainable growth	Climate change	Reduction of energy consumption and GHG emissions – Use of energy-intensive machinery and processes – Reduction of energy consumption and emissions – Non-development of innovative and sustainable products and processes
F. Supply chain, K. Ethics and integrity	Supply chain	Fostering good ESG practices in the supply chain – Abuse of position of strength vis-à-vis suppliers – Responsible conduct in business decisions and along the value chain
E. Contribution to local economies, N. Cyber security, G. Stakeholder engagement, K. Ethics and integrity	Social	Creation of direct and indirect contribution to local communities – Loss of confidentiality, integrity and availability of personal and/or company data – Cultivation of quality relationships with local communities – Adoption of suitable whistleblowing tools to report possible violations of the Group's standards and applicable laws – Erroneous management of tax issues in the countries where the Group operates
M. Anti-corruption, K. Ethics and integrity	Anti-corruption	Relations with representatives of the public administration or other bodies to obtain preferential treatment – Attempted corruption of employees by current or potential suppliers/subcontractors to obtain preferential treatment

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, 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 assessment on the list of entities making up the parent and fully consolidated companies considering the level of operations of each entity and the corresponding material information.

The entities may be:

- fully operational (e.g., ongoing projects), to which most of the data included herein refers;
- limited operations (e.g., projects being completed or in a start-up phase), which mostly contribute data related to the number of their employees and their QEHS management systems;
- non-operational (e.g., entity in liquidation), which only contribute information about the number of their employees.

A list of the fully-operational entities for which a non-financial reporting system has been implemented for the purposes of this Statement is provided below. They include joint operations for which the Company manages their operations, such as Civil Works Joint Ventures (Saudi Arabia), Salini Impregilo- NGE Genie Civil (France), Asocierea Astaldi S.p.A.-IHI Infrastructures Systems SO, L.t.d. (Romania), Asocierea Astaldi-FCC-Salcef-Thales, Lot 2^a (Romania), Asocierea Astaldi-FCC-Salcef-Thales, Lot 2^b (Romania), Consorzio Gdansk (Poland), BSS-KSAB JV (Saudi Arabia), Consorcio Ana Cua (Paraguay) and Spark NEL DC Joint Venture (Australia). Their data has been shown at 100% regardless of the Company's percentage of involvement in the joint operation.

Name	Project	Country
Webuild S.p.A. (Algerian branch)	Saida- Tiaret railway line	Algeria
Webuild S.p.A. (Chilean branch)	Normalizacion Hospital Basic de Linares	Chile
	El Teniente- Q3	Chile
Webuild S.p.A. (Ethiopian branch)	Gerd	Ethiopia
	Koysa	Ethiopia
Webuild S.p.A. (Romanian branch)	Sibiu- Pitesti Motorway, Lot 5	Romania
Webuild S.p.A. (Tajikistani branch)	Rogun Hydropower Project	Tajikistan
AGN HAGA AB*	Kvarneberget- Rock Tunnel	Sweden
Ana Cua Consorcio	Brazo Ana Cua hydroelectric power plant	Paraguay
Asocierea Astaldi S.p.A.-IHI Infrastructure Systems SO, Ltd. (Braila)	Braila Bridge	Romania
Asocierea Astaldi-FCC-Salcef-Thales, lot 2°a	Curtici- Simeria railway line, Lot 2A	Romania
Asocierea Astaldi-FCC-Salcef-Thales, lot 2°b	Curtici- Simeria railway line, Lot 2B	Romania
Bovino Orsara AV	High-speed/capacity Naples- Bari railway line (Orsara- Bovino section)	Italy
BSS-KSAB Joint venture	King Salman Air Base	Saudi Arabia
Capodichino AS.M. S.C. a r.l.	Capodichino Station- Naples Metro	Italy
Civil Works Joint Ventures	Riyadh Metro Line 3	Saudi Arabia
Clough	Waitsia Gas Project Stage 2	Australia
	Lombrum Naval Base	Australia
Consorzio Cociv	High-speed/capacity Milan- Genoa railway line- Giovi third railway crossing	Italy
Consorzio Hirpinia AV	High-speed/capacity Naples- Bari railway line (Apice- Hirpinia section)	Italy
Consorzio Iricav Due	High-speed/capacity Verona- Padua railway line	Italy
Constructora Ariguani SAS En Reorganizacion	Ruta del Sol	Colombia
DIRPA 2 S.C. a r.l.	Marche-Umbria road system, Maxi Lot 2	Italy
Gdansk Consorzio	Gdansk waste-to-energy plant	Poland
Infralegrea Progetto S.C.p.A.	Monte Sant'Angelo railway connector	Italy
Messina Catania lotto Nord	Catania- Messina railway line (Giampilieri- Fiumefreddo section lot 2) (Taormina- Giampilieri)	Italy
Messina Catania lotto Sud	Catania- Messina railway line (Giampilieri- Fiumefreddo Lot 1) (Fiumefreddo-Taormina)	Italy
Metro Blu S.C.a.r.l.	Line M4, Milan Metro	Italy
Napoli Cancelli Alta Velocità S.C. a r.l.	High-speed/capacity Naples- Bari railway line (Naples- Cancelli section)	Italy
Nuovo Ospedale Sud Est Barese S.C. a r.l. (NOSEB S.C. a r.l.)	Nuovo Ospedale del Sud Est Barese Monopoli – Fasano	Italy
Partecipazioni Italia	Cumana railway line	Italy

Name	Project	Country
Pergenova Breakwater	New Genoa Breakwater	Italy
S. Agata FS S.C. a r.l.	Palermo- Catania, Bicocca- Catenanuova section	Italy
SA.PI. NOR Salini Impregilo- Pizzarotti Joint venture	Nykirke- Barkaker railway line	Norway
Sailini Impregilo S.p.A.- NGE Genie Civil S.a.s	Paris Metro, Line 16, Lot 2	France
Salini Saudi Arabia Company Ltd.	Diriyah Square Super Basement	Saudi Arabia
	Sang Villas	Saudi Arabia
Seli Overseas S.p.A.	CEPAV 2	Italy
Sirjo S.c.p.A.	SS-106 state road Jonica, Third maxi-lot	Italy
SLC Snowy Hydro Joint ventures	Snowy Hydro 2.0	Australia
Spark NEL DC Joint ventures	North East Link	Australia
Lane Construction	Sundry projects	United States

* The consolidation method has changed during the year; therefore, the data have been included for the period of time the entity was consolidated on a line-by-line basis. More information is available in note 20.7 Share capital and reserves attributable to non-controlling investors to the consolidated financial statements.

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 (solely for data about emissions) the following joint ventures whose operations are managed by the Group⁶⁴:

Name	Project	Country
Dolomiti Webuild Implemia	Fortezza- Verona railway line, Fortezza- Ponte Gardena section	Italy
Fisia Italmimpianti fil. Argentina-Acciona Agua fil. Argentina UTE	Riachuelo Lot 2	Argentina
Mobilinx Hurontario Contractor	Hurontario Light Rail Transit Project	Canada

More information on the in-scope entities is available in the “List of Webuild Group entities” which is attached to the notes to the consolidated financial statements.

The following are exceptions to the above scope:

- 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 labour force relate to the group entities consolidated on a line-by-line basis, that qualify as joint operations and are measured using the equity method. In the latter two cases, the data about just the direct workforce are calculated considering the Group’s involvement;
- data about health and safety of workers (including data about the number of hours worked) and QEHS training include all entities (consolidated on a line-by-line basis, joint operations or measured using the

⁶⁴ Again the data are shown at 100% regardless of the Group’s involvement in the joint venture.

equity method) that are either fully operational or limited operations for which the Group manages their QEHS management systems.

Any specific limitations to the scope are specified in the text or in the GRI Content Index.

Unless otherwise indicated, the 2021 and 2022 corresponding information is taken from the Group's 2022 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 actual figures and, where specified, estimates. The methods used to calculate the main data and indicators are set out below.

Benefits of projects underway

The data in the "Sustainability Strategy" and "Climate change" sections related to the benefits of projects underway, 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 projects underway
 - 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).

Training

Training data include training provided to professionals before they are hired.

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 refer 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 CO2eq.

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, QEHS 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)- Scope 1 and 3;
- CO2 Emissions from Fuel (International Energy Agency)- Scope 2;
- Fourth Assessment Report AR4 (IPCC)- Scope 1;
- Inventory of Carbon and Energy (Bath Inventory of Carbon and Energy – ICE)- Scope 1 and 3;
- SimaPro modelling software- Scope 3.

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 tank trucks) and not measured using water meters are calculated considering the capacity of the withdrawal systems (pump capacity multiplied by the average number of working hours) or the production activity of the period.

Waste

The data refer to waste generated by the in-scope contracts (including waste generated 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 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	Not applicable

Disclosure	Description, page number, reference to other sections of the Report or other documents, related material topics (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 a. Name of the organisation: Webuild S.p.A. b. 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.. c. Location of headquarters: Milan, Italy. d. 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. 216. 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.216. 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. 216.		
2-3	Reporting period, frequency and contact point a. Reporting period: 2023. b. Reporting cycle: Annual. c. Date di publication: April 2024. d. Contact point for questions about the report: sustainability@webuildgroup.com.		
2-4	Restatements of information: The 2021 and 2022 data for scope 3 emissions have been restated and differ from those shown in the 2021 and 2022 Consolidated Non-financial Statements. This restatement became necessary after publication of the Statements due to: - a change in the information about the excavation waste at the Rogun Dam project in Tajikistan for 2021; - changes to the calculation of the 2022 figures for Goods and services acquired and Transportation of materials to the work sites.		
2-5	External assurance: p. 244.		
Activities and workers			
2-6	Activities, value chain and other business relationships a. Activities, brands, products, and services: p. 7. b. Markets served: p. 24. c. Scale of the organisation: p. 63, p. 141. d. Supply chain: p. 201. 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. 141. Permanent contracts account for 95% of the total in Africa, 63% in the Americas, 82% in Europe and 77% in Asia and Oceania. 99.6% of the employees have full-time contracts. Male employees number 4,057 in Italy, 9,229 in Africa, 1,983 in Europe (excluding Italy), 5,754 in the Americas, 9,946 in Asia and 2,194 in Oceania.		6
2-8	Workers who are not employees: p. 141. Data related to workers who are not employees are an average for the month.		

Governance			
2-9	<p>Governance structure and composition</p> <p>a. Governance structure: p. 175.</p> <p>b. Composition of the highest governance body and its committees: p. 4, p.122.</p>		
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: chair of the board of directors Donato Iacovone is not an executive director.		
2-12	<p>Role of the highest governance body in overseeing the management of impacts: Webuild’s board of directors pursues the organisation’s sustainable success by:</p> <ul style="list-style-type: none"> - developing the Group’s strategies to pursue sustainable success and monitoring their 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. <p>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 or the board committees- the ESG strategy and plan, the short and long-term incentive plan, the Consolidated Non-financial Statement, the important projects and initiatives and their progress.</p> <p>With respect to ESG matters, 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).</p>		
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 organisation 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 itself, 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 organisation 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.		
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 6 to 7 and pages 21 to 30 of the 2023 Remuneration Report.		
2-20	Process to determine remuneration: reference is made to pages 12 to 15 of the 2023 Remuneration Report.		
2-21	Annual total compensation ratio: reference is made to page 33 of the 2023 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. Error! Bookmark not defined..		
2-23	Policy commitments: p. 122, 185, 212. Reference is made to the website page that includes the Code of Ethics, the Suppliers Code of Conduct and the Companies' policies.		10
2-24	Embedding policy commitments: reference is made to the Company's policies summarised in the table on p. 120.		
2-25	Processes to remediate negative impacts: p. 153, 161, 186, 198, 205, 221.		
2-26	Mechanisms for seeking advice and raising concerns: p. 153, 161, 186, 198, 205, 221.		
2-27	Compliance with laws and regulations: p. 104, p. 186.		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 ANCE, ASSOCIAZIONE ASSAFRICA & MEDITERRANEO, AGI Associazione Geotecnica Italiana, 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 Chambers of Commerce and Industry in Italy), Centro Studi Americani, 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. It paid membership fees of roughly €323 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 2023 Consolidated Non-financial Statement is not a statement as per the Communication on Progress of the UN Global Compact, which will be made directly on the ad-hoc platform created by the same organisation.		
Stakeholder engagement			
2-29	Approach to stakeholder engagement: p. 161, 185, 201, 208, 214.		

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 2023, this covered 14,047 employees, equal to 37% of the total.		3
GRI 3 Material topics 2021			
Disclosures on material topics			
3-1	Process to determine material topics: p. 214.		
3-2	List of material topics: p. 214.		
GRI 200 Economic			
GRI 201 Economic performance (2016) K. Ethics and integrity			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 122, 104.		
201-1	Direct economic value generated and distributed: the direct economic value generated by the Group in 2023 amounted to €10,009 million, including €9,514 million which was distributed and €495 million which was retained. Specifically, €7,156 million was distributed to suppliers (operating costs), €1,750 million to employees (remuneration and benefits), €422 million to lenders and €185 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 20 May 2024.		
GRI 202 Market Presence (2016) Material topics: E. Contribution to local economies, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 204.		6
202-2	Proportion of management hired from the local community: p. 205. 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: E. Contribution to local economies, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 204		
203-1	Infrastructure investments and services supported: p. 208. The total value of initiatives to assist local areas includes monetary donations (43.4%), sponsorships (55.1%) and contributions in kind (1.5%) (e.g., labour, materials, machinery).		
GRI 204 Procurement Practices (2016) Material topics: E. Contribution to local economies, F. Supply chain, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 204, 201.		
204-1	Proportion of spending on local suppliers: p. 205. 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: M. Anti-corruption			
3-3	Management of material topics: p. 198.		10
205-1	Operations assessed for risks related to corruption: p. 198. 210 companies were included in the assessment scope.		10
GRI 207 Tax (2019) Material topics: G. Stakeholder engagement, K. Ethics and integrity			
3-3	Management of material topics: p. 204.		
207-1	Approach to tax: p. 205.		
207-2	Tax governance, control and risk management: p. 205.		
207-3	Stakeholder engagement and management of concerns related to tax: p. 205.		

207-4	Country-by-country reporting: p. 205. The data refer to 2021 as this is the most recent year for which information is available. The list of group companies attached to 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: I. Natural resources and circular economy			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 185.		7, 8
301-1	Materials used by weight or volume: p. 189. 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: H. Climate change			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 165.		7, 8, 9
302-1	Energy consumption within the organisation: p. 179, p. 220.		7, 8, 9
302-2	Energy consumption outside of the organisation: p. 179, p. 220. Significant external energy consumption refers to the Group's subcontractors.		7, 8, 9
302-3	Energy intensity: p. 179, p. 220.		7, 8, 9
GRI 303 Water and effluents (2018) Material topics: I. Natural resources and circular economy			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 185.		7, 8
303-1	Interactions with water as a shared resource: p. 189, p. 221.		7, 8
303-2	Management of water discharge-related impacts: p. 189, p. 221.		7, 8
303-3	Water withdrawal by source: p. 189, p. 221. Water withdrawn from areas with water stress: during the year, water withdrawals of 172,849 cubic metres were made in areas with water stress for the Naples- Bari railway line (Orsara - Bovino section), the Naples - Bari railway line (Naples - Cancello section), SS-106 state road Jonica (third mega lot), the Monte Sant-Angelo railway connector, the Capodichino Station, Naples Metro, Nuovo Ospedale del Sud Est Barese Monopoli - Fasano, the Cumana railway line and the Saida- Tiaret railway line 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: J. Biodiversity			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 185.		8
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas: p.196.		8
GRI 305 Emissions (2016) Material topics: H. Climate change			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 165.		7, 8, 9
305-1	Direct (Scope 1) GHG emissions: p. 179, p. 220.		7, 8, 9

305-2	Energy indirect (Scope 2) GHG emissions: p. 179, p. 220.		7, 8, 9
305-3	Other indirect (Scope 3) GHG emissions: p. 179, p. 220.		7, 8, 9
305-4	GHG emissions intensity: p. 179, p. 220.		7, 8, 9
GRI 306 Waste (2020) Material topics: I. Natural resources and circular economy			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 18585.		8
306-1	Waste generation and significant waste-related impacts: p. 193, p. 221.		8
306-2	Management of significant waste-related impacts: p. 193, p. 221.		8
306-3	Waste generated: p. 193, p. 221.		8
306-4	Waste diverted from disposal: p. 193, p. 221.		8
306-5	Waste directed to disposal: p. 193, p. 221.		8
GRI 308 Supplier Environmental Assessment (2016) Material topics: F. Supply chain, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 201, 204.		8
308-1	New suppliers that were screened using environmental criteria: p. 201. In 2023, 80% of the suppliers with large orders (i.e., >€100 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: D. Attraction, management and development of employees			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 140.		6
401-1	New employee hires and employee turnover: p. 142. Specifically, 8,919 people joined the Group, of whom 8,036 men and 883 women (entry rate of 23%), including 2,948 under 30 years of age (33%), 4,624 between 30 and 50 (52%) and 1,347 over 50 (15%). The geographical distribution of employees is as follows: 1,542 in Africa (17%), 2,087 in the Americas (23%), 2,339 in Europe (26%), and 2,951 in Asia and Oceania (33%). During the year, people that left the Group, including the transfers of resources among group sites, numbered 6,682, of whom 6,068 men and 614 women (exit rate of 18%), including 1,761 under 30 (26%), 3,875 between 30 and 50 (58%) and 1,047 over 50 (16%). The geographical distribution of the leavers is as follows: 1,584 in Africa (24%), 2,163 in the Americas (32%), 843 in Europe (13%) and 2,093 in Asia and Oceania (31%). The turnover rates were calculated using the average employee numbers for the year.		6
GRI 402 Labour/Management Relations (2016) Material topics: B. Human rights, D. Attraction, management and development of employees			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 140, 160.		3
402-1	Minimum notice periods regarding operational changes: The minimum notice period to communicate significant operating operational changes for Webuild is set by collective employment contracts and relevant local laws. It varies from zero to 32 weeks for managers, zero to 12 weeks for office staff and zero to 11 weeks for blue collars.		3
GRI 403 Occupational Health and safety (2018) Material topics: A. Occupational health and safety, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 140, 204.		

403-1	Occupational health and safety management system: p. 156. The Health and Safety Management System is installed at the Italian head offices (corporate), direct projects; contracts subsidiaries' projects, and projects of joint operations where the Group manages the operating activities or has specific agreements with its partners. Where health and safety management is the responsibility of its partners in joint ventures, compliance with the requirements of ISO 45001 is nonetheless guaranteed. While Lane Construction Corporation, Clough, Webuild Innovations, Cossi, Fisia Italimpianti and Seli Overseas have independent certifications which comply with the applicable ISO standards, they also comply with the Company's procedures and guidance.		
403-2	Hazard identification, risk assessment, and incident investigation: p. 153.		
403-3	Occupational health services: p. 153.		
403-4	Worker participation, consultation, and communication on occupational health and safety: p. 153.		
403-5	Worker training on occupational health and safety: p. 153.		
403-6	Promotion of worker health: p. 153.		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships: p. 153.		
403-9	Work-related injuries: p. 153. Despite the stringent assessments of risks and operating controls, two fatal injuries took place in 2023 involving direct employees (0.02%) and three involving employees of subcontractors (0.05%). The serious injuries, calculated in accordance with Italian legislation (sick leave of more than 40 days), involved seven direct employees (0.06%) and six employees of subcontractors (0.11%). The total number of recordable injuries was 387 for the direct employees (3.18%) and 225 for employees of subcontractors (4.03%). The main types of injury were bruises, fractures, wounds and dislocations.		
GRI 404 Training and Education (2016) Material topics: D. Attraction, management and development of employees, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 140, 204.		6
404-1	Average hours of training per year per employee: p. 146, p. 221. In 2023, direct employees received on average 19 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 19 hours. Technical and production employees received an average of 20 hours of training per capita, while office employees received 13 hours. During the year, the per capita training hours provided to corporate employees amounted to 179 for men and 93 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: C. Diversity and inclusion			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		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. 161 (diversity of employees).		6
GRI 406 Non-discrimination (2016) Material topics: C. Diversity and inclusion			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		6
406-1	Incidents of discrimination and corrective actions taken: p. 161. The Group received eight notifications of alleged discrimination from employees at the Snowy Hydro project (Australia) and Kvarneberget-Rock Tunnel project (Sweden), and Lane's (USA) and Clough's (Australia) employees during the year. These notifications were handled in accordance with the relevant internal procedures. At year end, none of the cases had not been investigated.		6
GRI 407 Freedom of Association and Collective Bargaining (2016) Material topics: B. Human rights			

3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 161.		3
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk: p. 161.		3
GRI 408 Child Labour (2016) Material topics: B. Human rights			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		5
408-1	Operations and suppliers at significant risk for incidents of child labour: p. 161.		5
GRI 409 Forced or Compulsory Labour (2016) Material topics: B. Human rights			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		4
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour: p. 161.		4
GRI 410 Security Practices (2016) Material topics: B. Human rights			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		1
410-1	Security personnel trained in human rights or procedures: p. 122. 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: B. Human rights			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 160.		1
411-1	Incidents of violations involving rights of indigenous peoples: p. 161. No instances (e.g., legal action) for the violation of indigenous rights took place in the year.		1
GRI 413 Local Communities (2016) Material topics: E. Contribution to local communities, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 204, 212.		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 80% of its in-scope projects. The clients consulted the local communities for 55% of the projects. A management system is in place to handle complaints from local communities for 49% of the projects (the grievance mechanisms). Development projects assisting the local communities exist for 26% of the projects while workers committees exist for 28% of the projects.		1
GRI 414 Supplier Social Assessment (2016) Material topics: F. Supply chain, G. Stakeholder engagement			
3-3	Management of material topics: p. Error! Bookmark not defined. , 7, 118, 201, 204.		2
414-1	New suppliers that were screened using social criteria: p. 201. In 2023, 80% of the suppliers with large orders (i.e., >€100 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 scope of entities that is larger than the scope of operating entities considered for this Statement.		2
GRI 415 Public Policy (2016) Material Topics: K. Ethics and integrity			
3-3	Management of material topics: p. 7, 104, 122, 221.		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		2023 NFS
GOVERNANCE		
Governance around climate-related risks and opportunities	a) Role of BoD	"Climate change – Governance" section
	b) Role of management	
STRATEGY		
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	

Annex 1

Tables of economic KPIs associated with 2023 EU Taxonomy-eligible and aligned economic activities

Table 1 – Turnover (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do No Significant Harm") criteria (h)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of turnover (year N) (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of turnover (year N-1) (18)	Category (enabling activity) (19)	Category (transition activity) (20)
			%	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Restoration of wetlands	2.1 CCA	€43,994.09	0.47%	No	Yes	N/AM	N/AM	N/AM	N/AM	Yes	-	Yes	Yes	Yes	Yes	Yes	0.00%	A	
Electricity generation from hydropower	4.5 CCM	€1,831,801.72	19.72%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	18%		
Infrastructure for rail transport	6.14 CCM	€816,124.67	8.78%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	20.10%	A	
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	No	No	No	No	No	No	Yes	3.10%		
Construction of new buildings	7.1 CCM	-	-	No	N/AM	N/AM	N/AM	No	N/AM	No	No	No	No	No	No	Yes	0.40%		
Turnover of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		€2,691,920.47	28.98%	28.50 %	0.47 %	0.00 %	0.00 %	0.00 %	0.00 %	Yes	Yes	Yes	Yes	Yes	Yes	Yes	41.60%		
Of which enabling		€860,118.76	9.26%	8.78 %	0.47 %	0.00 %	0.00 %	0.00 %	0.00 %	Yes	Yes	Yes	Yes	Yes	Yes	Yes	20.10%	A	
Of which transitional		€0.00	0.00%	0.00 %						-	-	-	-	-	-	-	0.00%		T
A.2 Taxonomy-eligible but not environmentally-sustainable activities (not Taxonomy-aligned activities) (g)																			
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
Restoration of wetlands	2.1 CCM / CCA	€0.00	0.0%	AM	AM	N/AM	N/AM	N/AM	N/AM								1.90%		
Electricity generation from hydropower	4.5 CCM	€280,796.31	3.02%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								1.80%		
Construction, extension and operation of waste water collection and treatment	5.3 CCM	€112,656.43	1.21%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								3.10%		
Infrastructure for rail transport	6.14 CCM / CCA	€1,943,708.62	20.92%	AM	AM	N/AM	N/AM	N/AM	N/AM								10.60%		

Table 1 – Turnover (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH (“Do No Significant Harm”) criteria (h)																		
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of turnover (year N) (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of turnover (year N-1) (18)	Category (enabling activity) (19)	Category (transition activity) (20)									
Construction of new buildings	7.1 CCM 3.1 CE	€571,431.98	6.15%	AM	N/AM	N/AM	N/AM	AM	N/AM								4.90%											
Renovation of existing buildings	7.2 CCM 3.2 CE	€152,195.57	1.64%	AM	N/AM	N/AM	N/AM	AM	N/AM								-											
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1 CCA	€69,422.09	0.75%	N/AM	AM	N/AM	N/AM	N/AM	N/AM								0.40%											
Construction, extension and operation of water collection, treatment and supply systems	5.1 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.00%											
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM								15.50%											
Infrastructure enabling low carbon water transport	6.16 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.00%											
Data processing, hosting and related activities	8.1 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.80%											
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€3,130,211.00	33.69%	32.95 %	0.75 %	0.00 %	0.00 %	0.00 %	0.00 %								39.10%											
Total (A.1 + A.2)		€5,822,131.47	62.67%	61.45 %	1.22 %	0.00 %	0.00 %	0.00 %	0.00 %								80.70%											
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																												
Turnover of Taxonomy-non-eligible activities		€3,467,986.53	37.33%																									
Total		€9,290,118.00	100.00%																									

	Proportion of turnover/Total turnover	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	28.50%	61.45%
CCA	0.47%	22.14%
WTR		-
CE	0.00%	7.79%
PPC		-
BIO		-

Table 2 – CapEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do No Significant Harm") criteria (h)									
Economic activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of CapEx (year N-1) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€/000	%	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Restoration of wetlands	2.1 CCA	€184.96	0.04%	No	Yes	N/AM	N/AM	N/AM	N/AM	Yes	-	Yes	Yes	Yes	Yes	Yes	2.60%	A	
Electricity generation from hydropower	4.5 CCM	€86,792.57	17.00%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	27.30%		
Infrastructure for rail transport	6.14 CCM	€115,250.82	22.58%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	18.10%	A	
Infrastructure enabling low-carbon road transport and public transport	6.15 CCA	€35,249.89	6.91%	N/AM	Yes	N/AM	N/AM	N/AM	N/AM	Yes	-	Yes	Yes	Yes	Yes	Yes			
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	No	No	No	No	No	No	Yes	4.70%		
CapEx of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		€237,478.25	46.52%	39.58 %	6.94%	0.00%	0.00%	0.00%	0.00%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	52.70%		
Of which enabling		€115,435.78	22.61%	22.58 %	0.04%	0.00%	0.00%	0.00%	0.00%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	20.70%	A	
Of which transitional		€0.00	0.00%	0.00%						-	-	-	-	-	-	-	0.00%		T

Table 2 – CapEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do No Significant Harm") criteria (h)										
Economic activities (1)	Code (a) (2)	CapEx (3)	Proporti on of CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of CapEx (year N-1) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
A.2 Taxonomy-eligible but not environmentally-sustainable activities (not Taxonomy-aligned activities) (g)																				
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)											
Restoration of wetlands	2.1 CCM / CCA	€0.00	0.00%	AM	AM	N/AM	N/AM	N/AM	N/AM											0.00%
Electricity generation from hydropower	4.5 CCM / CCA	€582.99	0.11%	AM	AM	N/AM	N/AM	N/AM	N/AM											0.50%
Construction, extension and operation of waste water collection and treatment	5.3 CCM / CCA	€488.78	0.10%	AM	AM	N/AM	N/AM	N/AM	N/AM											1.00%
Infrastructure for rail transport	6.14 CCM / CCA	€20,963.03	4.11%	AM	AM	N/AM	N/AM	N/AM	N/AM											2.00%
Infrastructure enabling low-carbon road transport and public transport	CCA 6.15	€23,874.56	4.68%	N/AM	AM	N/AM	N/AM	N/AM	N/AM											
Construction of new buildings	7.1 CCM / CCA 3.1 CE	€3,855.61	0.76%	AM	AM	N/AM	N/AM	AM	N/AM											3.10%
Renovation of existing buildings	7.2 CCM / CCA 3.2 CE	€1,118.62	0.22%	AM	AM	N/AM	N/AM	AM	N/AM											
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1 CCA	€2,607.36	0.51%	N/AM	AM	N/AM	N/AM	N/AM	N/AM											1.30%

Table 2 – CapEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH (“Do No Significant Harm”) criteria (h)									
Economic activities (1)	Code (a) (2)	CapEx (3)	Proporti on of CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of CapEx (year N-1) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM							10.70%			
Construction, extension and operation of water collection, treatment and supply systems	5.1 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM							0.01%			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€53,490.95	10.48%	5.29%	5.19%	0.00%	0.00%	0.00%	0.00%							18.60%			
Total (A.1 + A.2)		€290,969.19	57.00%	44.87 %	12.13 %	0.00%	0.00%	0.00%	0.00%							71.20%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		€219,520.81	43%																
Total		€510,490.00	100%																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	39.58%	44.87%
CCA	6.94%	17.42%
WTR		-
CE	0.00%	0.97%
PPC		-
BIO		-

A breakdown of the amounts included in the numerator of the KPI for alignment of the economic activity is provided below⁶⁵:

Table 2.1

€'000

Assets	Increases to property, plant and machinery	Increases to self-generated intangible assets	Increases to right-of-use assets	Total
2.1	167		18	185
4.5	83,499		3,294	86,793
6.14	97,138	117	17,996	115,251
6.15	33,700		1,550	35,250

⁶⁵A breakdown as per the above table is not possible for some projects, making up 0.4% of total aligned CapEx and hence the breakdown was estimated.

Table 3 – OpEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do Not Significant Harm") criteria (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of OpEx (year N-1) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€/000	%	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes; No; N/AM (b) (c)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Restoration of wetlands	2.1 CCA	€9,415.75	2.15%	No	Yes	N/AM	N/AM	N/AM	N/AM	Yes	-	Yes	Yes	Yes	Yes	Yes	3.70%	A	
Electricity generation from hydropower	4.5 CCM	€54,170.42	12.39%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	15.10%		
Infrastructure for rail transport	6.14 CCM	€75,686.16	17.32%	Yes	No	N/AM	N/AM	N/AM	N/AM	-	Yes	Yes	Yes	Yes	Yes	Yes	11.70%	A	
Infrastructure enabling low-carbon road transport and public transport	6.15 CCA	€35,581.23	8.14%	N/AM	Yes	N/AM	N/AM	N/AM	N/AM	Yes	-	Yes	Yes	Yes	Yes	Yes			
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	No	No	No	No	No	No	Yes	4.40%		
Construction of new buildings	7.1 CCM	-	-	No	No	N/AM	N/AM	No	N/AM	No	No	No	No	No	No	Yes	0.50%		
OpEx of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		€174,853.56	40.01%	29.71 %	10.30 %	0.00%	0.00%	0.00%	0.00 %	Yes	Yes	Yes	Yes	Yes	Yes	Yes	35.30%		
Of which enabling		€85,101.90	19.47%	17.32 %	2.15 %	0.00%	0.00%	0.00%	0.00 %	Yes	Yes	Yes	Yes	Yes	Yes	Yes	15.40%	A	
Of which transitional		€0.00	0.00%	0.00%						-	-	-	-	-	-	-	0.00%		T

Table 3 – OpEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do Not Significant Harm") criteria (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of OpEx (year N-1) (18)	Category (enabling activity) (19)	Category (transition activity) (20)
A.2 Taxonomy-eligible but not environmentally-sustainable activities (not Taxonomy-aligned activities) (g)																			
				AM; N/AM (f)	AM; N/A M (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
Electricity generation from hydropower	4.5 CCM / CCA	€1,867.22	0.43%	AM	AM	N/AM	N/AM	N/AM	N/AM								0.50%		
Construction, extension and operation of waste water collection and treatment	5.3 CCM / CCA	€8,022.15	1.84%	AM	AM	N/AM	N/AM	N/AM	N/AM								3.20%		
Infrastructure for rail transport	6.14 CCM / CCA	€53,396.99	12.22%	AM	AM	N/AM	N/AM	N/AM	N/AM								6.90%		
Infrastructure enabling low-carbon road transport and public transport	6.15 CCA	€60,907.56	13.94%	N/AM	AM	N/AM	N/AM	N/AM	N/AM										
Construction of new buildings	7.1 CCM / CCA 3.1 CE	€10,812.78	2.47%	AM	AM	N/AM	N/AM	AM	N/AM								3.00%		
Renovation of existing buildings	7.2 CCM / CCA 3.2 CE	€738.53	0.17%	AM	AM	N/AM	N/AM	AM	N/AM								-		
Engineering activities and related technical consultancy dedicated to adaptation to climate change	9.1 CCA	€4,303.19	0.98%	N/AM	AM	N/AM	N/AM	N/AM	N/AM								0.50%		

Table 3 – OpEx (€'000)

Financial Year N	2023			Substantial contribution criteria						DNSH ("Do Not Significant Harm") criteria (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or eligible (A.2) proportion of OpEx (year N-1) (18)	Category (enabling activity) (19)	Category (transition activity) (20)
Restoration of wetlands	2.1 CCM / CCA	€0.00	0.00%	AM	AM	N/AM	N/AM	N/AM	N/AM								0.00%		
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	-	-	N/AM	N/A M	N/AM	N/AM	N/AM	N/AM								12.20%		
Infrastructure enabling low carbon water transport	6.16 CCM	-	-	N/AM	N/A M	N/AM	N/AM	N/AM	N/AM								0.00%		
Data processing, hosting and related activities	8.1 CCM	-	-	N/AM	N/A M	N/AM	N/AM	N/AM	N/AM								0.00%		
Construction, extension and operation of water collection, treatment and supply systems	5.1 CCM / CCA	-	-	N/AM	N/A M	N/AM	N/AM	N/AM	N/AM								0.00%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€140,048.41	32.04%	17.12 %	14.92 %	0.00%	0.00%	0.00%	0.00 %								26.30%		
Total (A.1 + A.2)		€314,901.97	72.05%	46.83 %	25.22 %	0.00%	0.00%	0.00%	0.00 %								61.60%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		€122,158.03	27.95%																
Total		€437,060.00	100%																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	29.71%	46.83%
CCA	10.30%	42.34%
WTR		-
CE	0.00%	2.64%
PPC		-
BIO		-

A breakdown of the amounts included in the numerator of the KPI for alignment of the economic activity is provided below⁶⁶:

Table 3.1

€'000

OpEx	€'000)
Research and development expenditure	-
Short-term leases	163,313
Maintenance and repairs	11,541
Other direct costs related to the daily maintenance of property, plant and equipment	-
Total	174,854

⁶⁶A breakdown as per the above table is not possible for some projects, making up 6.2% of total aligned OpEx and hence the breakdown was estimated.

Table 4- Nuclear and fossil gas related activities

Line	Nuclear energy activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Report of the auditors



KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(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 2023 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 14 March 2024 (the "non-financial statement").

Our procedures did not cover the information set out in the EU taxonomy for sustainable economic activities section of the non-financial statement 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 non-financial statement

The directors are responsible for the preparation of a non-financial statement 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 a non-financial statement 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 non-financial statement, 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.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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Società per azioni
Capitale sociale
Euro 10.415.500,00 i.v.
Registro Imprese Milano Monza Brianza Lodi
e Codice Fiscale N. 00709600159
R.E.A. Milano N. 512867
Partita IVA 00709600159
VAT number IT00709600159
Sede legale: Via Vittor Pisani, 25
20124 Milano MI ITALIA



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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 non-financial statement, 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) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. During the year covered by this engagement, our company applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained 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 non-financial statement 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 non-financial statement 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 non-financial statement 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 non-financial statement, 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 non-financial statement, 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 non-financial statement with those included in the group's consolidated financial statements.



Webuild Group

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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;
- the entity'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 non-financial statement 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 non-financial statement.

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 non-financial statement.

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 non-financial statement 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 held on-site and/or remote meetings through digital communication tools with the management of the "high-speed/capacity Verona-Padua railway line" and "SS-106 state road - Third maxi-lot" projects in Italy and the "Sibiu-Pitesti motorway, Lot 5" project in Romania, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators;
- through digital 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, including by holding discussions with their management, where necessary.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 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.



Webuild Group

Independent auditors' report

31 December 2023

Our conclusion does not extend to the information set out in the EU taxonomy for sustainable economic activities section of the non-financial statement required by article 8 of Regulation (EU) 852 of 18 June 2020.

Milan, 28 March 2024

KPMG S.p.A.

(signed on the original)

Angelo Pascali
Director of Audit