



TREVI Group
Non Financial Statement

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Reading guide

The NFS of the Trevi Group

This document constitutes the “Consolidated non-financial statement” 2019 of the Trevi Group (hereinafter also “the Group”), as required by the Italian Legislative Decree No. 254 dated 30 December 2016 (hereinafter the “Decree”) transposing the European Directive 2014/95/EU (hereinafter the “Directive”), and - upon decision of the Group - this declaration constitutes a separate report with respect to the 2019 Report on Operations and Ownership.

NFS offers a concise but exhaustive picture of the Group’s strategy in the integrated management of economic, social, environmental and governance issues, through the reporting of its performance and policies in relation to a set of material issues identified among the various areas of reference of the Decree and considered more relevant and appropriate for the organization and its reference stakeholders. The Group’s planning, reporting and communication of sustainability must be progressively directed to said issues.

In addition, the Decree requires the description of the main risks, generated and/or suffered, of the policies applied by the company.

This Statement intends to ensure an understanding of the company’s activities, its performance, its results and the impact it produces with reference to the year 2019.

A Fight against corruption

Compliance and anti-corruption

Promotion of compliance and commitment in the anti-corruption and bribery through policies, procedures and mechanisms for reporting potential irregularities or illegal behaviour.

The material issues of the Trevi Group

B Environmental features

Energy and climate change emissions

Commitment to contain energy consumption and emissions deriving from the various activities of the business.

Waste management

Attention to the correct management of the waste produced by the Group, at the registered, operational and construction sites (*if managed as a General Contractor*).

Water consumption management

Commitment to contain the Group’s water consumption at the registered, operational and construction sites (*if managed as a General Contractor*).

Protection of biodiversity

Group’s commitment to protect biodiversity and ecosystems near company operations.

C Aspects related to personnel management

Maintenance of employment levels

Personnel management according to a worker protection approach, regulatory compliance and dialogue with the social partners.

Training and development

Commitment to develop and train employees to improve their technical and managerial skills.

Diversity and equal opportunities

Group’s commitment to guarantee the same opportunities for all workers, in terms of remuneration and contractual treatment, based purely on criteria such as meritocracy and skills.

Occupational health and safety

Health and safety promotion for all resources that take part, directly or indirectly, in the Group’s activities with an approach aimed at continuous improvement and risk mitigation.

D Social aspects

Impact on local communities

Commitment with local communities in managing the impact deriving from the Group’s activities and promotion of development programs.

E Protection of Human Rights

Supply chain management

Group’s control of its supply chain, ensuring product quality and respect for ethical principles.

Protection of Human Rights

Commitment to ensure suitable working practices and conditions aimed at guaranteeing the protection of human rights by the Group and its suppliers.

Table 1: Areas of the Decree, themes and correspondence with GRI standards

The Trevi Group today

Mission

We design, manufacture, offer innovative technologies and services for ground engineering works

Vision

Be the solution provider for any kind of ground engineering and drilling works

Values

- Integrity
- Respect
- Transparency
- Passion
- Knowledge

The Trevi Group was founded in Cesena in 1957.

In over 60 years of activity, the Group has become one of the most successful and technologically advanced international companies in the foundation-engineering sector.

Its expertise is acknowledged thanks to the special foundation and soil consolidation works for major infrastructural interventions, such as metros, bridges, overpasses, dams, ports and docks, railway and highway lines, industrial and civil buildings and for the safety of polluted sites.

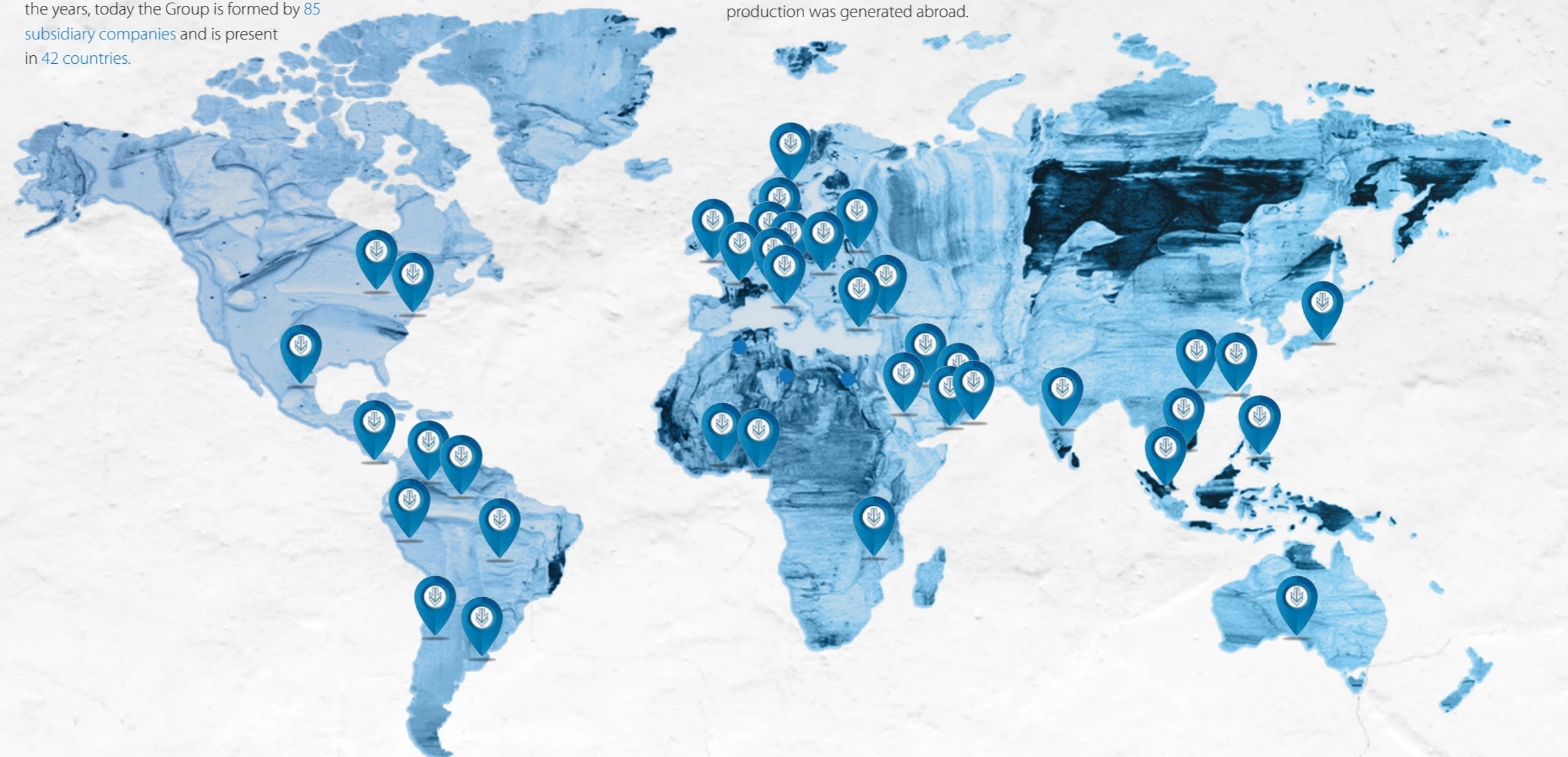
Thanks to the acquisitions that have taken place over the years, today the Group is formed by 85 subsidiary companies and is present in 42 countries.

“ We are the result of a long journey in which the goals achieved are nothing but new starting points for continuing to innovate and grow, humanly and professionally. This is the essence of our Group. ”

In fact, the Group operates in Italy, Germany, Austria, France, the United Kingdom, the Netherlands, Denmark, Norway, Belarus, Russia, India, the Philippines, Hong Kong, Singapore, Thailand, China, Japan, Australia, the United States, Canada, Mexico, Colombia, Venezuela, Chile, Argentina, Peru, Brazil, the Republic of Panama, Iraq, Saudi Arabia, UAE, Oman, Qatar, Kuwait, Egypt, Turkey, Nigeria, Algeria, Mozambique, Angola and Libya.

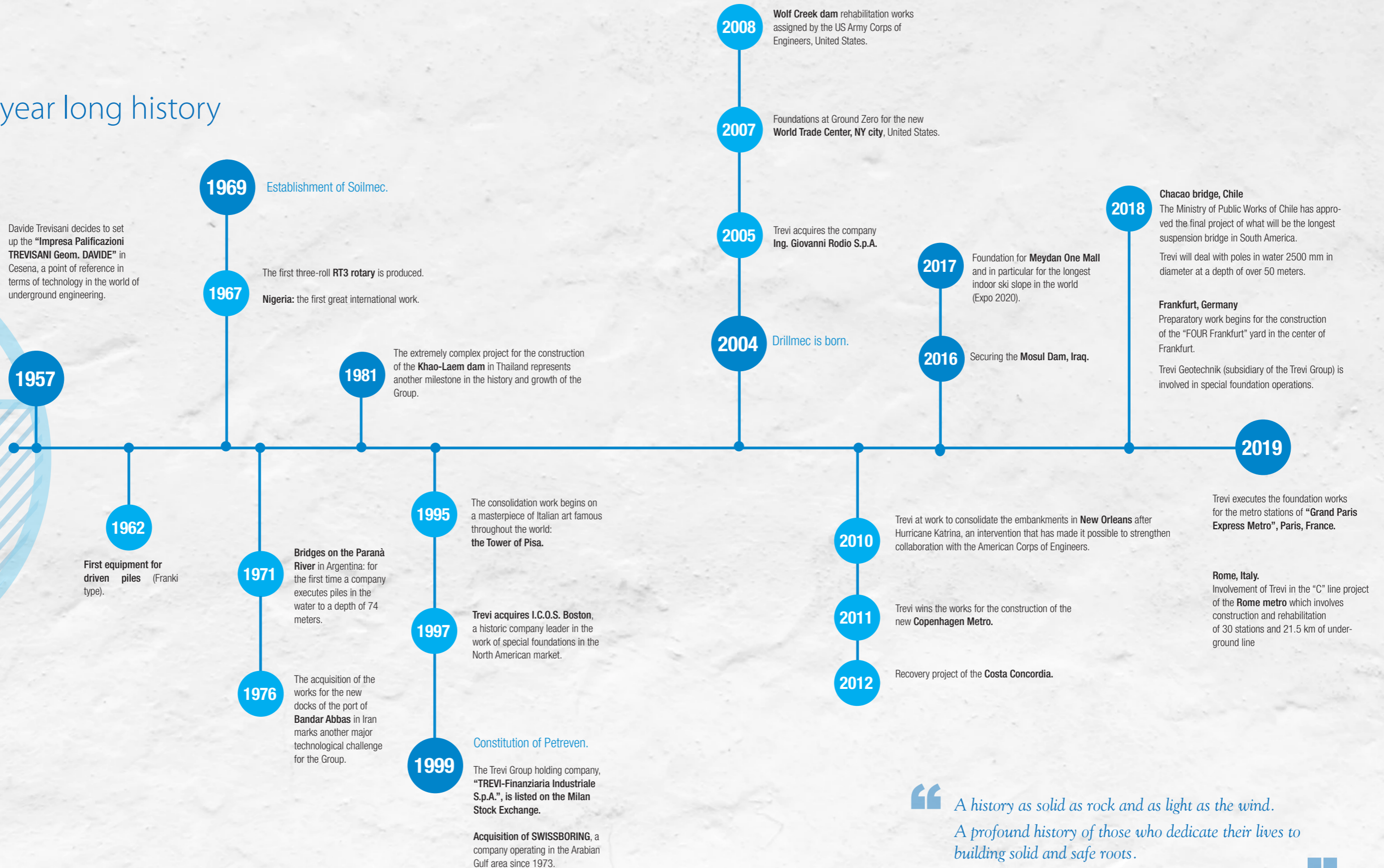
Since its establishment, the internationalization of the activities has always been a distinctive feature of the Trevi Group, so much so that even in 2019, the majority share of revenues (approximately 93%) from production was generated abroad.

Over the years, the Trevi Group has contributed to the construction of many remarkable works worldwide, such as the [Ertan Dam](#) in China, the consolidation of the [Tower of Pisa](#), the construction of the [new Library of Alexandria](#) in Egypt, the foundations of [Ponte Vasco da Gama](#) on the Tagus River in Portugal, the foundation works of the [new World Trade Center](#) in New York, the remediation of the [Wolf Creek Dam](#) in the USA, the consolidation of the New Orleans [LPV-111](#) embankment destroyed by Hurricane Katrina, the recovery of the [Costa Concordia](#), the safety works for the [Mosul Dam](#) in Iraq and the [Herbert Hoover Dam](#) in the USA.



A 60-year long history

Davide Trevisani decides to set up the "Impresa Palificazioni **TREVISANI Geom. DAVIDE**" in Cesena, a point of reference in terms of technology in the world of underground engineering.



“ A history as solid as rock and as light as the wind.
A profound history of those who dedicate their lives to building solid and safe roots. ”

The Trevi Group today

Operating Divisions and business sectors

The Group operates through four Divisions under the strategic guidance and coordination of TREVI-Finanziaria Industriale S.p.A. (TreviFin), the Holding company that has been listed on the Italian Stock Exchange since 1999, with registered office in Via Larga, 201, Cesena.

The four Divisions operate at different levels of the value chain and according to distinctive operating models that provide for an integration, in terms of know-how, between the engineering services - developed by Trevi and Petreven - and the design and production of rigs by Soilmec and Drillmec: a business model, which thanks to the continuous exchange between technological and process innovation, strengthens its leadership in the reference sectors, develops innovations and creates a competitive advantage.

The Trevi Group is active in the **Construction & Infrastructure sector**, through the Trevi and Soilmec Divisions, and deals with specialized services in deep foundations and geotechnical works for civil and infrastructural constructions, both public and private, as well as mechanical engineering activities for the design, production and assembly of machinery and equipment used for special foundation and geotechnical works.

With regard to the **Oil&Gas sector**, the Group operates through the Petreven and Drillmec Divisions. The Petreven Division offers drilling services for the extraction of oil and gas, especially in South America (Argentina, Peru and Venezuela). The Drillmec Division produces and assembles machinery and equipment used for the research and drilling of water, gas and hydrocarbons in Italy, the United States and Belarus.

Trevi and Petreven mainly operate as sub-contractors on behalf of public and private clients, after having performed the feasibility assessment, the authorization process and having obtained the authorisations for the construction of works and infrastructures. In most cases, therefore, the two Divisions take on purely executive roles and actions such as the procurement of materials, the management of construction sites and their impacts, also with regard to aspects such as waste, the purchase of energy and the relations with local communities, are managed directly by the General Contractor, responsible for the execution of the work as a whole.

Drillmec and Soilmec share an operational model that starts with the design, continues with the procurement of materials, mainly finished products (such as engines, electronic parts, hydraulic systems, metal structures, semi-finished products, etc.) and culminates in the production, i.e., a set of component assembly activities and small carpentry, which is characterized by a strong focus on quality and the safety for the end user.

The design phase of machinery and systems, carried out by a research and development team, works to respond in a targeted manner to the needs of the various customers - including Trevi and Petreven in the first place - to facilitate the carrying out of the subsequent phases and to guarantee its correct progress.

Both Divisions deal with the distribution and sale of the equipment through their commercial subsidiaries in Italy and abroad and, in addition, they offer rental services, scheduled and extraordinary maintenance and training on the use of the rigs. In most cases the disposal of the equipment at the



Consolidation works for "Four Frankfurt" project - Germany

end of its life and fully amortized does not fall within the scope of responsibility of the Group companies; in fact, for such machinery, there are lists of divestment providing for their sale to third parties.

Trevi and Soilmec: Membership in Associations

During 2019, the **Trevi Division** was registered nationally with ANCE (National Association of Building Contractors), AIF (Association of Foundations Companies), and internationally with EFFC (European Federation of Foundation Contractors) and DFI (Deep Foundation Institute), an international non-profit association of contractors, engineers, manufacturers, suppliers, academics and owners in the deep foundations sector. The **Soilmec Division** has renewed its participation at national level in UNACEA (National Union of Construction Equipment and Attachment Companies), in ANIMA, the industry organization of the Confindustria system that represents mechanical engineering companies, in UNI (Italian National Body of Unification), AIF (Association of Foundations Companies), CONFINDUSTRIA ROMAGNA and Romagna Tech, the Consortium Association for the promotion of economic development, entrepreneurship, industrial research

and innovation in its various expressions, acting as a meeting point between public institutions, private initiatives and research bodies. At international level, it participates in the DFI (Deep Foundation Institute), an international non-profit association of contractors, engineers, manufacturers, suppliers, academics and owners in the sector of deep foundations.

Drillmec and Petreven: Membership in Associations

In 2019, the **Drillmec Division** joined Confindustria Piacenza, Assomineraria (Mining Association for the Mining and Oil Industry), Assoservizi, the IACD (International Association Drilling Contractors) and UNSIDER (Italian Steel Unification Body). During 2019, the **Petreven Division** joined Assomineraria (Mining Association for the Mining and Oil Industry) of Confindustria and, internationally, the IACD (International Association of Drilling Contractors), a non-profit organization dedicated to the promotion of innovative technologies and safe drilling practices that make oil and gas available to consumers worldwide.

“ For us, consolidating means strengthening, recompacting and preparing the soil for new projects that improve people’s lives. ”

The Divisions operating in the Construction & Infrastructure sector



It carries out special foundation and soil consolidation works for major infrastructural interventions (metros, dams, ports and docks, bridges, railway and highway lines, industrial and civil buildings), secures polluted sites, and builds and manages underground and automated car parks. Thanks to the innovation and quality of execution of its services, Trevi is acknowledged as a technological partner of reference in the field of foundation engineering works worldwide.



È tra i leader nella progettazione, produzione e commercializzazione di attrezzature e servizi per opere di fondazioni speciali e consolidamenti di terreni. Soilmeco offre una gamma ampia e personalizzabile di impianti e attrezzature di supporto in grado di rispondere a qualsiasi esigenza operativa e di cantiere.



The Divisions operating in the Oil & Gas sector



It deals with the design and production of drilling systems for the oil industry and the geothermal sector, managing the production of complete systems and relevant equipment. Automated hydraulic systems ensure high levels of performance, safety and limited environmental impact. Drillmec rigs are used for both onshore and offshore drilling. The main benefit that Drillmec offers is the innovation that allows steady improvement of the quality, safety and sustainability of the services offered.



It specialises in drilling services for oil companies that work in the Oil & Gas sector. Thanks to the skills and know-how offered by its technicians and to the use of automated hydraulic systems (designed and produced by Drillmec), Petreven is able to provide high performance even in complex drilling situations and to guarantee competitive results to its customers, in terms of environmental impact and safety.



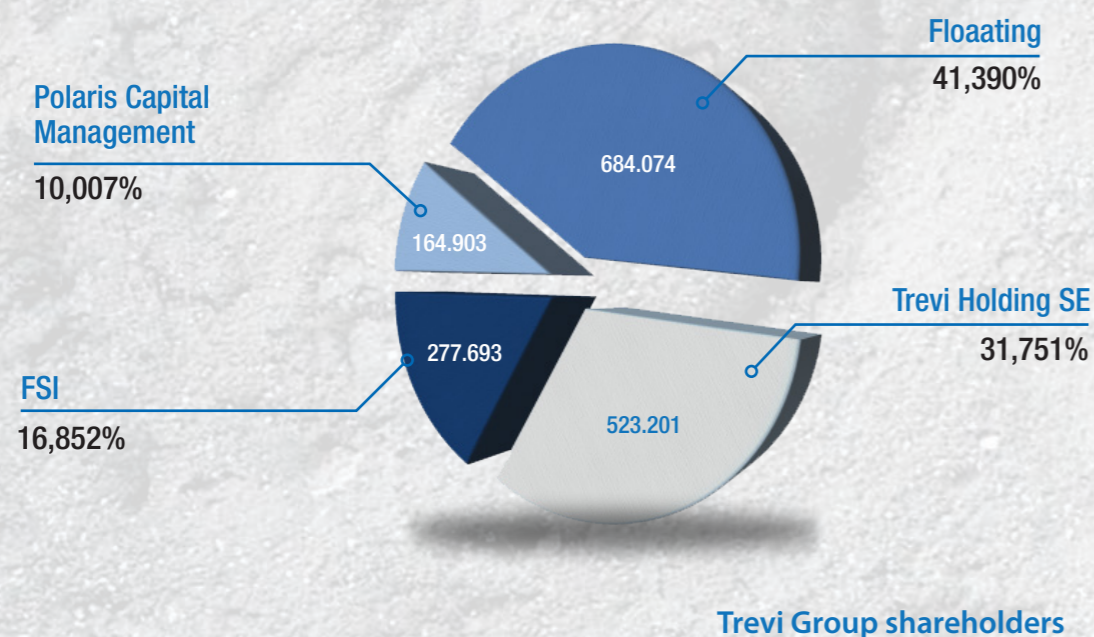
The Trevi Group today Corporate governance

TREVI - Finanziaria Industriale (TreviFin) is a joint-stock company that has been listed on the Milan stock exchange since 1999 and its shareholder base at 31.12.2019, as regards the significant shareholdings, is as follows:

The holding TreviFin is organized according to the traditional administration and control model referred to in Articles 2380-bis and following of the Italian Civil Code.

The governance system adopted is in line with the criteria and application principles formulated by the Borsa Italiana Corporate Governance Code for listed companies. The Board of Directors (BoD) plays a central role in guiding and managing the Group, making

the most important economic and strategic decisions. As of 31 December 2019, the Company established a Related Parties Committee internally, not provided for in the Corporate Governance Code; each committee consists of all non-executive and independent directors. This measure was envisaged by the Corporate Governance Code, the Nomination and Remuneration Committee, the Control, Risks and Sustainability Committee (with the Board of Directors currently in force and appointed on 30 September 2019, the competence of the Committee on the sustainability issues has been added) and, since 2010, following the approval of the first related party procedure.



Luca d'Agnese Director and Chairman of the Board of Directors	Giuseppe Caselli Director and CEO	Sergio Iasi Director and Chief Restructuring Officer	
Luca Caviglia Non-executive Director	Marta Dassù Non-executive independent Director	Cristina Finocchi Manhe Non-executive independent Director	Elisabetta Olivieri Non-executive independent Director
Alessandro Piccioni Non-executive independent Director	Rita Rolli Non-executive independent Director	Cesare Trevisani Director and Vice President of the Board of Directors	Stefano Trevisani Executive Director

Tabella 2: Composition of the Board of Directors of TreviFin S.p.A.

The Board of Statutory Auditors oversees compliance with the law, the bylaws and with the principles of proper administration; in particular, it monitors the adequacy of the organizational, administrative and accounting structure adopted by the company and its operation.

The statutory audit of the annual and consolidated financial statements is entrusted to the auditing company KPMG SpA, pursuant to the Italian Legislative Decree No. 39/2010 for the nine-year period 2017-2025.

The Shareholders' Meeting represents the universality of the Shareholders of TREVI - Finanziaria Industriale S.p.A., and its functioning is governed by the Italian legislation in force and by the Articles of Association.

At 31/12/2019, the Group's Board of Directors is composed of 11 members, including 5 independent directors.

The average age of the directors in office at the date of this Statement is 56 years, with 2 directors in the age group 30-50 years and 9 in the age group over 50 years. Women represent 36% of the members of the Board of Directors.

“ *The Group is a strong idea that unites different situations sharing the same mindset.*

We continue to change.

This is why we stay true to ourselves.

The Trevi Group today

Risk management

The Risk Management Function - set up by Trevi Finanziaria Industriale S.p.A. in the second half of 2016 - aims at guaranteeing an organic and effective management of the main business risks that may have an impact on the objectives of the Trevi Group. In recent years, in particular, this function has launched a project to define, structure and develop risk management activities, achieving some of the planned objectives in 2019, and operating on three different levels, according to the specificities of the Divisions:

1. Project | Order

The process aims at identifying and managing the risks with potential impact on the objectives of the specific project or contract.

The Project Risk Management (PRM) conceived to identify, evaluate and manage major threats and opportunities mainly in the Commercial Phase of the offer, is composed - in compliance with the peculiarities of the business - of methodologies and instruments that are homogeneous among the Divisions.

The proposed approach consists of a bottom-up and qualitative-quantitative Risk Analysis, developed for the single Divisions on the basis of the project's operational objectives and on possible cross-cutting themes at the project portfolio level and also at the level of the single Company.

Activities will be continuous, based on the commercial and operational timing of the projects/orders.

In 2019, the PRM (Project Risk Management) procedure of the Trevi Division was issued with a radical adaptation of the approval thresholds (projects > EUR 5M) and the consequent expansion of the scope of application which included commercial opportunities for a total amount of about EUR 470M (Trevi Division). Moreover, the procedure for the Soilmec Division has

been defined, approved and implemented.

2. ERM

The Enterprise Risk Management intends to identify and manage transversal risks (Enterprise) with potential impact on Division and Group objectives and on guaranteeing valuable products and services to Customers.

The proposed approach consists in a bottom-up and qualitative-quantitative risk analysis, developed for each Division, based on operational and strategic objectives. The activities take place once a year or

based on the timing of the definition of the Business Plan.

In 2019, the Enterprise Risk Analysis was updated for the Trevi Division and completed for the first time for the Soilmec Division, involving the heads of the main Functions and the first reports of the CEO.

3. Strategic Plan

Finally, the Risk Management Function identifies and quantitatively evaluates the Top Risks with a potential impact on the EBIT envisaged by the Business Plan, with a top-down approach, that directly involves

“ We work on every continent. At every latitude.
The world is our horizon. ”

the Top Management of the 2 Group Divisions. To ensure the necessary support, the function has been strengthened by inserting a new dedicated resource with particular focus on quality assessment activities (the Montecarlo simulation).

Activities take place once a year or based on the timing of the definition of the Business Plan.

In relation to the OIL&GAS Business Unit, the main effort for the year 2019 was focused on the sale of the Drillmec and Petreven Divisions to the Meil Group, which was then finalized in Q2/2020.

Risk Management activities have mainly focused on:

- Assessment of the main commercial and order portfolio construction opportunities. The Group supported the potential buyer by providing assistance in the evaluation of the main negotiations.
- Assessment and management of the main risks of the entire M&A operation.



Foundation works for the metro "Grand Paris"
Saint-Denis Pleyel station, Paris_France

The Trevi Group today Innovation and quality for the customer

Technological innovation is a central element in the way all Divisions operate, which - through their own research centres and technical offices - are able to meet, and in some cases to anticipate, the specific needs of the customers.

Thanks to its know-how, over the years, the Group has in fact participated in some of the most ambitious and innovative projects in the Construction&Foundations and in the Oil&Gas sectors, contributing to the execution of works that have made the history of engineering and created social and environmental value all over the world.

The Innovation Award



Since 2008, the Trevi Group has established the **Innovation Award** in which Trevi and Soilmec Divisions participate. Each employee or work team can present an innovative idea and the Evaluation Committee - inside the Group - rewards all those initiatives that are characterized by their innovative scope, technical feasibility and benefit for the company and for the sector as a whole. The Innovation Award also makes it possible to enhance and capitalize on the innovative solutions and best practices used to meet the specific needs that arise from operations at construction sites.

In 2019, Group employees suggested 24 innovative ideas, 14 of which were awarded. Among the winning projects, we point out a rotary

movement stay to allow the self-assembly of a Kelly bar for which a patent has been filed and a universal, propeller cleaner with adjustable pitch and multidiameter, both developed by Soilmec.

The patents covering various technological innovations confirm the continuous commitment of the Group in research and development: active patents are almost one hundred as at 2019.

Trevi, European projects for innovation and more...

In 2019, Trevi participated in three internationally relevant projects, two of which were part of the European Framework Program for Research and Innovation Horizon 2020, and one within the European program LIFE 2014-2020 for the environment and climate action.

As part of the Horizon 2020 program, the project **LIQUEFACT** - carried out in collaboration with 11 partners, including many universities - is aimed at reducing the risk of soil liquefaction in seismic areas, which, under particular soil conditions, could cause buildings and infrastructure to significantly collapse. In 2019, Trevi made its skills available to interpret and process the results from a test field where some innovative technologies were tested and developed, namely, the Induced Partial Saturation and the Subhorizontal micropore drains.



For the **TTMJ (Tension Track Milled Joint)** project which



aims to develop, validate and market a new type of diaphragm joint capable of ensuring structural continuity and significantly increasing the reliability of the



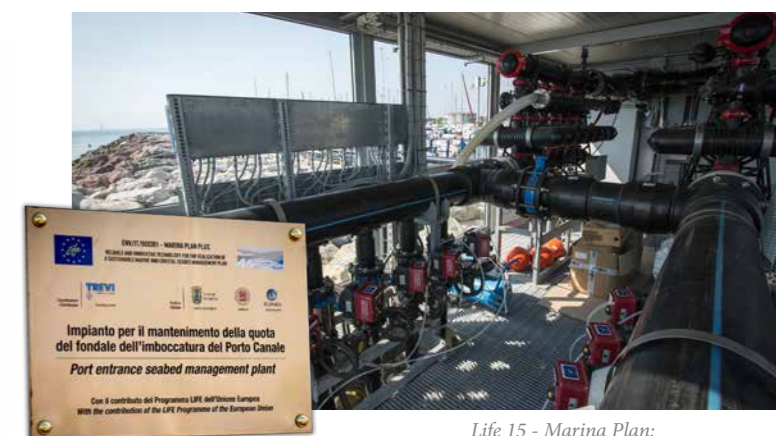
TTMJ: Test field, Cesena, Italy

hydraulic seal, for the excavation walls of underground wells and stations - in 2019 Trevi, which coordinated the project, successfully completed both the setup of the milling element and the milling tests that were carried out inside the Soilmec showroom area.

Finally, as part of the **LIFE15 - MARINA PLAN** Project, Trevi has contributed to the development of an innovative and sustainable technology for managing the

“ Nothing is as grounded and at the same time as mobile as root. Roots evolve, they choose the best route to adapt themselves to the hearth, and faced with an obstacle, don't stop, but look for new life and new directions, and as they moved ahead. ”

seabed of small ports. The results obtained so far with the pilot plant installed in the port of Cervia show



LIFE 15 - Marina Plan: Pilot plant, Port of Cervia, Italy

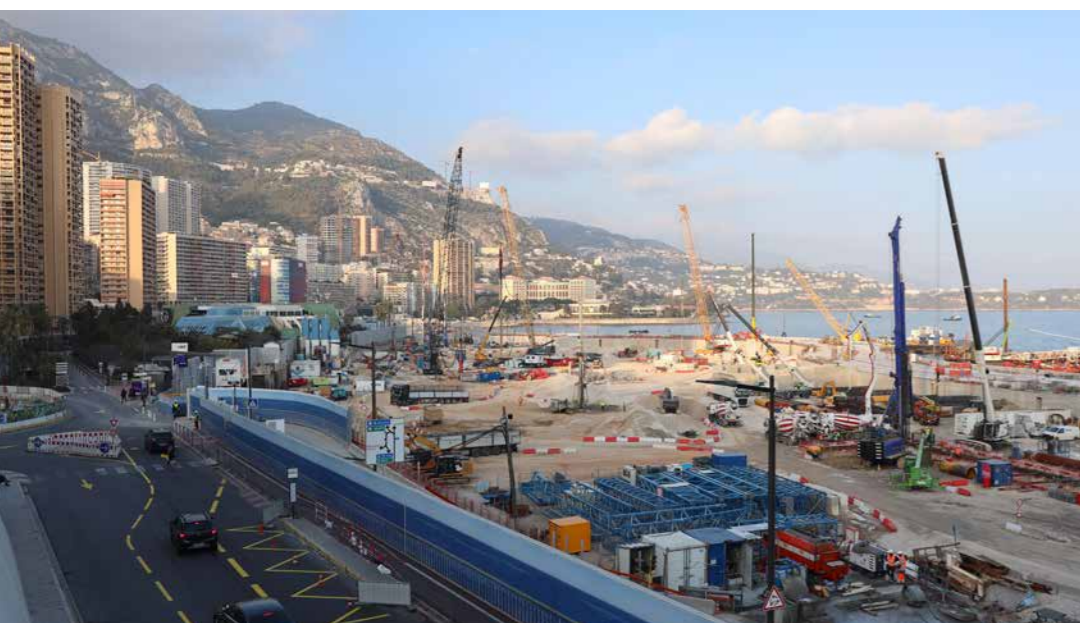
interesting developments that could revolutionize the way ports are managed. It consists in the use of devices capable of aspirating the sediments and removing them in areas that are not an obstacle for navigation, thus avoiding sedimentation at the mouth of the port. A first result was obtained thanks to the networking activity carried out within the project, which led to the sale of a small experimental plant installed in a shipyard in Cattolica, in the Emilia Romagna region.

Besides participating in these projects, aimed at the development of new technologies/equipment, the research, support, optimization and adaptation of the technologies already in use continued, in relation to the current activities and the new construction sites acquired. Known skills and technologies were also transferred to foreign branches where these processes had never been applied before.

Particularly relevant were the job sites of Grand Paris, the new Paris metro line, where diaphragms with 1500

and 1800 mm thicknesses were carried out, and the "Anse du Portier" job site in the Principality of Monaco, where the variant solution proposal, with anti-liquefaction cells to be executed through elliptical jet grouting, favoured the acquisition of the contract.

With regard to the testing of technologies for soil consolidation - which may represent new fields of intervention for various Group companies - the soil consolidation test fields in some areas of Rome were completed, namely, under the Aurelian Walls and at the Colosseum - where the technique of directional drilling was applied in order to obtain high precision drilling and ensure the work quality.



Consolidation works for "Anse du Portier" project, in Montecarlo - Principality of Monaco.

Finally, the active participation in international working groups and committees is worth mentioning, such as the European Federation of Foundation Constructors and the Deep Foundation Institute, for the drafting of the European Injection and Jet Grouting Standards, as well as for the revision of the Guidelines for the

Casting of Deep Foundations with the Tremie Pipe.

Drillmec, innovative solutions

Developing innovative solutions that support customers. With this specific mission, the Drillmec Division has set up a specific R&D team since 2013 that could assist and support the technical office, both at the Piacenza and Houston offices.

Also the research and development activities aimed at introducing innovative solutions to improve HSE standards and performance in drilling activities continued in 2019.

The HoD - Heart of Drilling project, with which Drillmec is today a leader in MPD - Managed Pressure Drilling technology, and in particular in continuous circulation drilling, has had further developments with the design and validation of a new integrated lateral valve configuration in the drilling string sub which allows the circulation of drilling

fluids during the change of the rod, and the introduction of an automatic arm for the movement of the automatic key which performs the opening and closing operations of the valve itself. These enhancers allow to totally eliminate the presence of personnel in the areas at risk, at the core probe level (red zone), meeting the most stringent safety standards that

characterize operations at sea.

With regard to MPD - Managed Pressure Drilling technologies, 2019 saw the start of an ambitious project that involves the construction of a modular MPD ready drilling rig to be installed on a fixed platform for the development of the largest natural gas field in the Caspian Sea.

In 2018, to meet the specific needs of the shale gas market, Drillmec developed the Striker Rig 800, characterized by a compact and slim design, and which allows drilling on clusters, thus managing to drill more wells at the same time in the same area. In 2019, development continued in this direction with the Striker Rig 1000 and with the engineering of an innovative robotic system, called Stinger, which allows the offline packaging and handling of drilling rods, drill collars and casings, through semi-automatic and automatic sequences, improving safety and operating performance, eliminating non-production times for the packaging and handling of tubular elements.

Stinger technology is the place where industrial robotics meets experience and excellence in innovation. With the development of the Stinger, whose further development in 2019 was aimed at making this solution integrable on Drillmec systems for land and sea applications, Drillmec confirms its role as a pioneer and leader in the development and implementation of solutions for the automation of the repetitive activities carried out at the core probe level, further expanding its portfolio of automatic and semi-automatic solutions.

Lastly, 2019 also saw the development of a new driller control cabin, equipped with a driller cyber chair ai-



med at guaranteeing high physical ergonomics, in the controls and commands. This new configuration integrates a multi-biometric access control (BAC) system, voice control technology (VCS - Voice Control System) and a monitoring and control device for the activities carried out by the driller (HAST - Human Active Safety Traking).

The development of solutions for the remote support of operations within the Drilling Mate System (DMS) 4.0 platform has also continued. It is an electronic system developed by Drillmec, which allows the operator, using a touchscreen in the cabin, to control all the rig functions and parameters relating to the activity on site, which can be transferred through the iCloud technology to a remote control centre in real time.

The processing of these data, and the subsequent statistics, allow the technicians and the research and development units solving the problems that could arise on the site and to design special improvements to the rigs. These technologies have been joined by the technology ARAS - Augmented Reality Assistant Service, a system of smart glasses with which technicians on site can connect in real time to a database of information (drawings, diagrams, and manuals) projected directly on the lens of the smart glasses, interfacing with the support centre operator if necessary, in order to drastically reduce intervention times and consequently machine downtime.

Soilmec, Solution provider

Among the main innovative solutions of Soilmec, the implementations of the Drilling Mate System 4.0 ought to be considered and which consist of the implementation of notification systems to and from the

drilling rigs, the implementation of the KPI of drilling methodology, the implementation of the Standard Maintenance module and the start of the study on the implementation of the Health Monitor system with the aim of identifying possible malfunctions in advance and suggesting maintenance checks and possible repairs in advance. The latter development will also continue during 2020.

In 2019, the **Blue Tech trademark** was registered; it identifies the entire SR drilling rig series conceived and designed for Multifunctionality and Efficiency. These rigs, easy to convert, environmentally compatible and simplified in the circuits and controls, offer maximum efficiency and at the same time improved reliability.

Thanks to the new system philosophy, it has been possible to obtain a substantial decrease in consumption due to a significant improvement in the efficiency of the system.

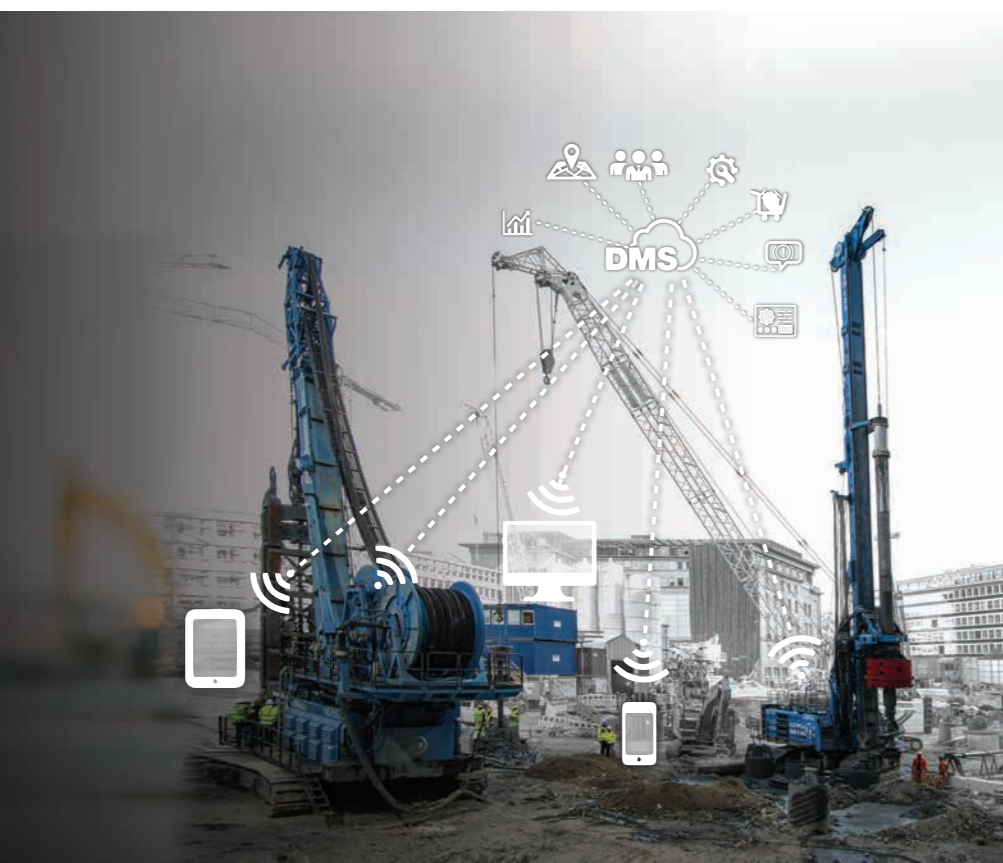
This line of Blue Tech products, identified today by the new SR-75 already produced in 4 rigs, will be enriched with two new models during 2020, namely, the SR-65 and SR-95. All Bluetech rigs are equipped with a new cab that was previewed at Bauma 2019. In the low end of the range, the SR-35 project was marketed as an upgrade of the well-known SR-30.

In the Crane & Hydromill sector, the SC130 platform has been enriched with the Cougar model, which joins the Tiger model, already introduced the previous year.

In addition, the completion of this platform has been launched with the various fittings for the Hydraulic Rope Excavator version, a completion that will take place in 2020, together with that of the GH-20 bucket project that aims at a general increase in performance compared to the current buckets available in the range.

Quality

Quality, understood as the safety and reliability of the product, is also an essential element of the Group ap-



Drilling Mate System - DMS 4.0



The first SR-75 Blue Tech Line in action, Ravenna, Italy

proach and is managed through specific operational bodies and guidelines.

Twelve companies are in fact certified in compliance with the latest version of the international standard for the development of ISO 9001:2015 quality management models, in particular all the subsidiaries of Petreven, Trevi SpA, Soilmec SpA, PSM SpA, Soilmec Foundations, Drillmec SpA and OJSC Seismotekhnika in Belarus. Drillmec Inc. (USA) is certified with the API Q1 equivalent, which establishes the quality requirements for the steel structures suitable for drilling and well construction in the oil industry.



Compliance and anti-corruption

Risks and policies

The Trevi Group works at international level and is subject to a plurality of compliance risks that are constantly renewed in relation to the development of international laws and regulations. The most relevant issues relate both to the subjective liability of the legal entities within the Group and to the reputational dimension as a whole. There are several risk topics and among these we can find, albeit in a non-exhaustive form: active and passive corruption, work safety, trade compliance, counterparty risk and non-compliance with the Group's procedural standards. The occurrence of these risks can result in penalties, loss of profit and opportunities for developing trade relations, damage to image and less competitiveness.

In this context, the Code of Ethics is the document that, since 2011, has been outlining the commitments and responsibilities in the conduct of business and business activities undertaken by collaborators, directors and employees of TREVI – Finanziaria Industriale Spa and its Divisions.

The Code identifies the general principles that inspire relationships with stakeholders and reference values - legality, morality, dignity, equality and professionalism - clarifying the methods for managing relations with stakeholders and providing guidelines and rules with which Group collaborators are required to comply to prevent the risk of unethical behaviour. In general, it identifies the implementation and control mechanisms for the compliance with its provisions and its continuous improvement. The document, published on the Internet website of the Parent Company (www.trevifin.com) and of the Divisions is delivered to all new employees together with the Organization, Management

and Control Model pursuant to the Italian Legislative Decree dated 8 June 2001, No. 231 (Model 231).

Management model, initiatives and key numbers 2019

As already highlighted in the previous chapters, the Code of Ethics is an integral part of Model 231 adopted by Finanziaria Industriale Spa and its Italian divisional subsidiaries, in order to prevent the commission of the crimes that fall within its reference scope. The Model, approved in 2011, provides a structured system of control activities for the prevention of crimes concerning the liability of legal persons, including active and passive corruption. The Model was updated in 2019 and its approval process was also completed. The updating of the Model was carried out with a document structure articulated for business processes and not for predicate offenses. This configuration has been implemented to facilitate better definition and subsequent management of control protocols.

Employees are required to observe the protocols and principles contained in the Model and the companies are called upon to ensure their correct disclosure within and outside their organization. These principles also concern those subjects who, although not holding the formal qualification as an employee, operate - even occasionally - for the achievement of the Company's objectives by virtue of contractual relationships.

The communication and training activity is therefore diversified according to the target audience, with

particular attention to employees working in specific areas of risk and those in charge of internal control. In any case, said activities are based on principles of completeness, clarity, accessibility and continuity in order to ensure that the various recipients are fully aware of the company regulations and the ethical rules with which they are required to comply.

To promote the supervision and culture of legality across the board, at the beginning of 2018 a new Group Compliance Officer was appointed who chairs the Compliance Function, established in July 2017. Among the objectives of the new function is the publication of a policy (compliance framework) applicable to all companies and compliant with the laws and standards in force in the various countries. The guiding principle of the framework is continuous improvement, based on the internal control system. The policy is currently being approved and will allow the definition of a first organizational structure of the Function.

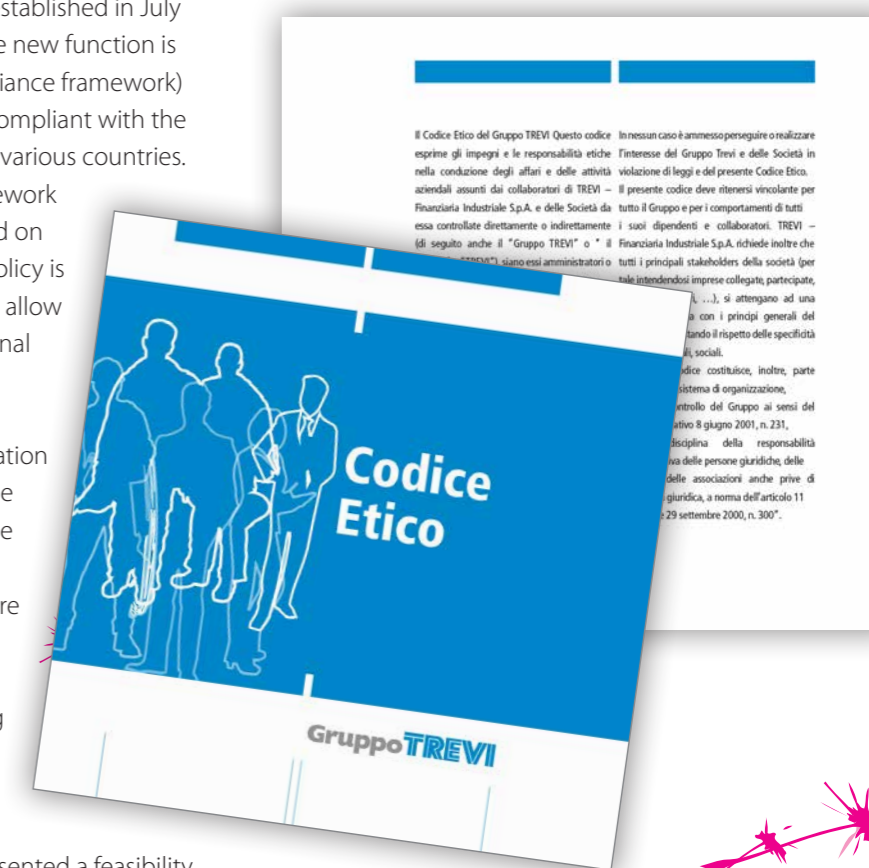
In relation to the Group's capitalization process, the implementation of the bribery & corruption project will be developed during 2020. To date, control activities on these issues are related to Model 231.

Likewise, the Group's restructuring process affected the implementation of a project relating to the Export Control system for which the Compliance Function had presented a feasibility plan. Its implementation is scheduled for 2020.

“ Every project which brings value needs solid foundations and certainty. ”

During 2019, the project on the Whistleblowing system was completed with the approval of the policies, the issuing of operating procedures and the activation of the system at Group level.

In the year 2019, as in the previous two years, the Compliance Function received no reports regarding 231/2001. → Furthermore, in 2019, there were no reports of Bribery & Corruption.



Mitigation of environmental impacts

Risks and policies

The main environmental risk related to the Group's activity - a result that is scarcely likely but with a high potential impact - is related to the drilling and foundation activities. Drilling activities, from the planning to the operational phase, have the potential to affect the environment directly. → Trevi and Petreven are the divisions most affected by this type of risk: in order to reduce the risk of causing negative impacts on the environment in areas with high biodiversity, in addition to the environmental impact assessment carried out by the General Contractor, both divisions undertake to carry out specific analyses at the start of each job order. → Furthermore, whenever their activities are in areas of high biodiversity or protected areas, specific mitigation plans are developed for the contexts in which the divisions operate.

Other environmental impacts are attributable to energy consumption and consequent climate-changing emissions, as well as water consumption at the plants and offices of the Soilmec and Drillmec divisions and - to a lesser extent - the offices of the Trevi and Petreven divisions. No significant risks related to other emissions harmful to the environment are identified, nor is water consumption at construction sites significant. As regards offices and factories, the main risks relate to the correct disposal of waste, regulated by the Group companies through the procedures established by the existing Environmental Management Systems. → Special attention is paid to the procedures for the classification, collection and storage of hazardous wastes, including the control of suppliers who deal with their disposal.

Waste management was material only for the offices and facilities of the Soilmec and Drillmec divisions, and

for the offices of Trevi Spa. Given the Group's attention to the environmental impacts, the data on waste management are however monitored and included in the reporting also for the Trevi job orders that are active in the year of reference on the Italian territory.

Finally, with particular reference to the Drillmec and Petreven divisions, there is a risk related to the spillage of liquids and hydraulic oils contained in the machinery produced and used. To minimize the risk of spillage, the Group has equipped itself with specific equipment and procedures in the various divisions of reference, including the management of emergencies. In particular, Petreven has an anti-spill procedure; the topic is dealt within the Environmental Action Plan of Trevi, Drillmec and Soilmec and it is managed and monitored through the Environmental Management Systems.

As indicated in the Code of Ethics, the Group is committed to both mitigating the main environmental impacts of company activities and to contributing to the environmental protection and safeguarding resources through investments in research and development on products and services. Whereas there are Environmental Management Systems certified in compliance with ISO 14001, there are also specific environmental policies aimed at promoting respect for the environment and the efficient and sustainable use of natural resources in the planning of company activities.

“ Trevi Group works together with and for the benefit of the environment, in harmony with the local people and in unison with their culture. ”

Spill prevention

The spills of dangerous and polluting substances is among the most significant aspects of the Trevi Group operations. The risk of spills can occur mainly during the rig-testing phase and during their use on site. In the first case, in order to minimize beforehand the possibility of leaks, the aforementioned procedures provide for the flooring of the testing area, in order to contain the impacts by collecting the leaking oils, which can then be disposed of as hazardous waste, according to the procedures established by the existing Environmental Management System. In the second case, the area surrounding the rig is waterproofed during the drilling phases: the procedure requires that oils are collected in suitable grease-separators and conveyed to a purifier to be then disposed according to the procedures envisaged by the job site Contractor. To limit the damage caused by minor spills with regard to the Soilmec rigs, a spill-kit for the collection of oils and the cleaning of the affected area by employees was also prepared, being the staff especially trained on the procedures to be followed. Furthermore, at the design stage, all Soilmec and Drillmec rigs are equipped with oversized containment basins to retain oil in the event of leaks.



Freezing technology for the new "Metro C" station in Piazza Venezia, Rome, Italy

Management Model

Aware of the potential negative impacts and environmental risks of its activities, the Group has always placed environmental protection at the top of its priorities, devoting great attention to acting in compliance with the current environmental regulations, considering the risk linked to the international nature of the Group business.

The Group monitors and implements initiatives to mitigate its environmental impact through a health, safety and environmental function present in all divisions and companies of the Group, excluding minor commercial companies. Some Group companies also have specific management systems - and related formalized policies - as shown below.

- Trevi

Trevi S.p.A. Trevi S.p.A. has obtained the ISO 14001 certification, which covers the Legal and Operative offices of Cesena.

Furthermore, the Division implemented an Environmental Action Plan (EAP): a policy aimed at minimizing the impact of all its subsidiaries on the environment, ensuring their respect for the environmental compliance in all the activities they perform, in accordance with the laws in force at national and international level and with the customer's requests. The EAP describes the management processes of the environmental risk, by monitoring and reporting at job order level. For each area of potential impact, the EAP describes the major risks identified, the necessary requirements and the mitigation measures envisaged by the Environmental Management System, the prevention procedures undertaken and the emergency plans.

Since 2014, Trevi has acquired an innovative software that shows how many tons of CO2 equivalent the division produces; it was developed in collaboration with

EFFC (European Federation of Foundation Contractors) and the sustainability committee of DFI (Deep Foundation Institute). Given the experience acquired, Trevi can meet the specific needs of customers and other stakeholders in terms of reporting emissions, making it more competitive on the market and in tenders where this type of information and knowledge is required.

- Petreven

All companies of the Division have obtained the ISO 14001 certification. Therefore, the following are covered by the certification: the Legal and Management offices of Cesena, the operational headquarters and the main offices of the companies abroad (Petreven S.A. - Argentina, Petreven Chile S.p.A., Petreven Peru S.A., Petreven Servicios y Perforaciones Petroleras C.A. Sucursal Venezuela).

- Drillmec

Drillmec S.p.A. and OJSC Seismotekhnika have obtained the ISO 14001 certification, while Drillmec Inc. is not currently certified, environmentally speaking. All other Drillmec subsidiaries are small commercial companies with limited environmental impacts.

- Soilmec

In Italy, Soilmec S.p.A. has obtained the ISO 14001 certification; Soilmec UK has implemented a section dedicated to environmental management within its HSE policy; Soilmec Foundations (India) does not have an environmental policy, but complies with the national regulations issued by the governing body in charge; Watson Inc. (USA), in collaboration with external consultants, monitors that the activities carried out comply with the current legislation monthly. All other

Soilmec subsidiaries are small commercial companies with limited environmental impacts.

Some Group companies (Trevi and Soilmec divisions)

also have an annual internal audit plan, aimed at monitoring their compliance with environmental and safety issues.



New line "Metro C", station of "Fori Imperiali", Rome, Italy

Mitigation of environmental impacts

Initiatives and key numbers 2019

The Group's energy consumption for the year 2019 amounts to 1,150,968 GJ, 90.8% of which derives from diesel consumption, 4.3% from electricity consumption and 3.9% from the consumption of natural gas. The high diesel consumption is justified by the use of drilling rigs and generators for the production of electricity in the construction sites not connected to the national network. This consumption item is monitored, optimized and reported even if not directly attributable to the Group. About 3.7% of the energy consumption is, instead, due to a consumption of electricity and heat coming from the national distribution network. There is also a share of consumption (0.4%) due to energy from self-produced renewable sources coming entirely from the photovoltaic and geothermal systems of Cesena. 4.7% of the energy produced by the photovoltaic plants was sold in the GSE exchange account.

Total energy consumption (GJ)	2017	2018	2019
	1.161.015	1.327.827	1.150.968
<i>Total direct energy consumption, of which:</i>	1.043.777	1.223.188	1.096.496
- Diesel	1.006.057	1.181.801	1.046.108
- Natural Gas	34.026	35.379	45.659
- LPG	304	378	330
- Petrol	3.390	5.630	4.398
<i>Total indirect energy consumption, of which:</i>	113.303	100.394	49.651
- Electricity absorbed by the network of which from a renewable source	106.830	90.608	42.612
- Thermal energy	5.971	9.224	6.485
<i>Total renewable energy that is self-produced and consumed</i>	3.934	4.070	4.602
<i>Self-produced renewable energy that is sold</i>	212	175	219

Table 2: Energy consumptions 2018-2019
Data of Trevilcos Corp., Trevilcos South and Trevi Foundation Canada are not available.

The emissions of the Group's activities are calculated, in terms of tonnes of CO2 equivalent, by reporting direct and indirect emissions:

- direct emissions (Goal 1): deriving from the operation of the plants and rigs owned or managed by the Group, for example the rigs used in job contracts that are powered by diesel fuel;
- indirect emissions (Goal 2): deriving from the energy consumption of all sites owned or managed by the Group connected to the local electricity network, net of production and supplied from renewable source plants (photovoltaic and geothermal plants).

Consistently with the energy consumption described in the previous paragraph, emissions related to the use of fossil fuels are mainly derived from the use of diesel.

Total emissions [tons CO ₂]	2017	2018	2019
Total emissions	76.001	89.377	80.832
<i>Total direct emissions (Goal 1), of which:</i>	76.001	89.377	80.832
- Diesel	73.931	86.960	77.202
- Natural Gas	1.812	1.979	3.286
- LPG	20	25	21
- Petrol	238	413	322
<i>Total indirect emissions (Goal 2), of which:</i>	13.438	11.192	4.626
- Electric Power	13.438	11.192	4.626

Table 3: Direct and indirect emissions 2018-2019
With regard to the reporting scope, please refer to Table 2.



Table 4 and Table 5 show the total weight of wastes, respectively hazardous and non-hazardous waste, produced by the Group in 2018 and 2019 and broken down by disposal methods.

Hazardous waste produced [tons]	2017	2018	2019
<i>Hazardous waste produced, of which:</i>	207	265	313
- Sent for re-use	34	100	104
- Sent to recycling	16	26	23
- Sent to composting	0	14	71
- Sent to recovery, including energetic recovery	63	8	4
- Disposed of in landfills	61	56	105
- Sent to a temporary warehousing	0.3	38	0
- Other	33	23	5

Table 4: Hazardous waste produced in 2018 - 2019.
Data of Trevilcos Corp., Trevilcos South, Trevi Foundation Canada and Trevi Chile are not available.

Non-hazardous waste produced [tons]	2017	2018	2019
<i>Non-hazardous waste produced, of which:</i>	1.135	1.425	3.034
- Sent for re-use	4	11	259
- Sent to recycling	381	754	2.479
- Sent to composting	0	0	0
- Sent to recovery, including energetic recovery	508	362	80
- Disposed of in landfills	232	251	178
- Sent to a temporary warehousing	0,04	15	0
- Others	10	32	39

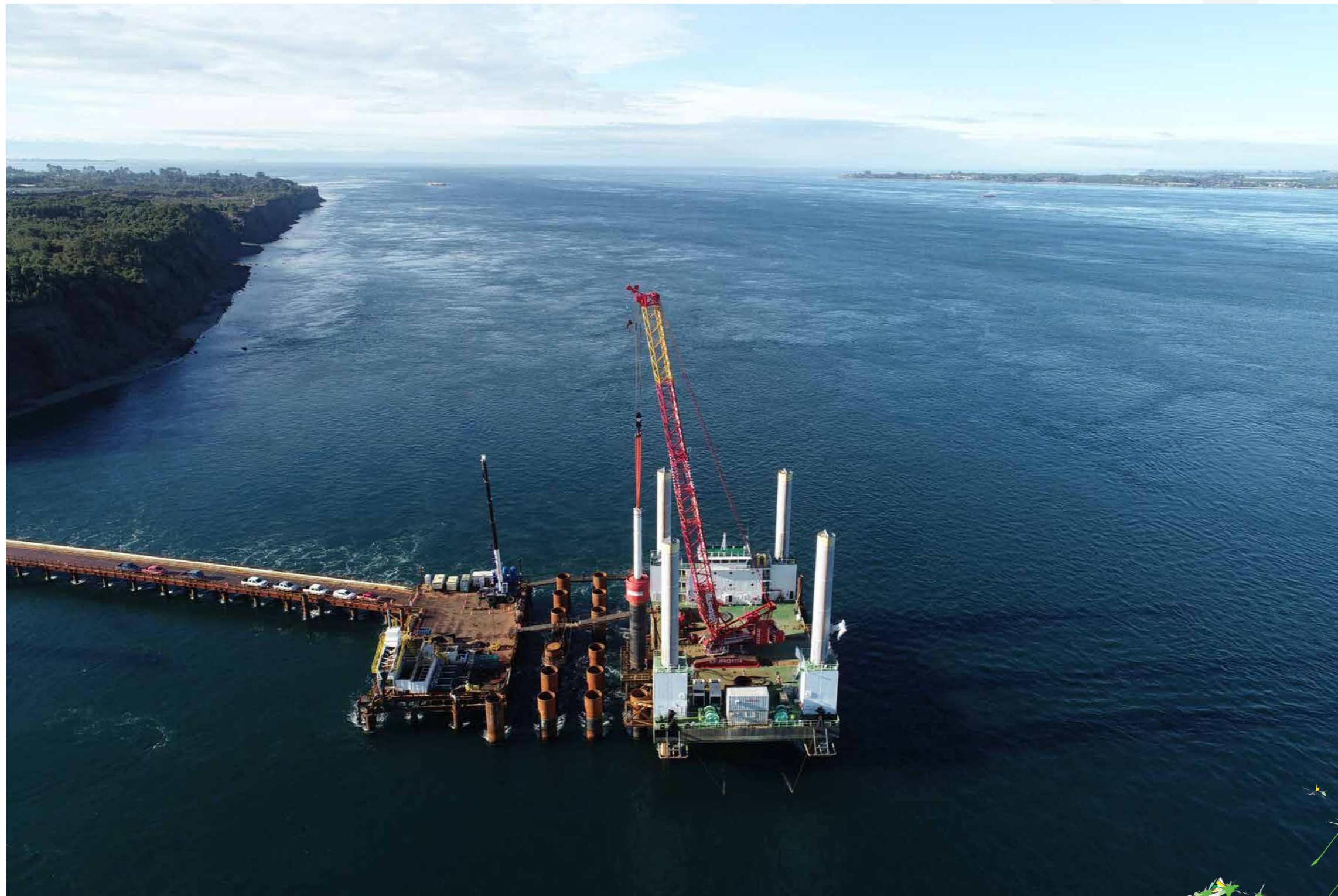
Table 5: Non-hazardous waste produced in 2018 - 2019.
Data of Trevilcos Corp., Trevilcos South, Trevi Foundation Canada and Trevi Chile are not available.

The Group's hazardous waste production was equal to 265 tons in 2018 and 313 tons in 2019. This increase (+ 18%) is mainly linked to landfill disposal. There is also a strong growth trend for the production of non-hazardous waste (+ 113%), which shows an increase from 2018 to 2019, from 1,425 tons to 3,034 tons.

Water consumption saw a decrease of about 44.2% between 2018 and 2019, due to a reduced use of water from the aqueduct and above all to the closure of the Mosul Dam construction site in Iraq. The consumption from the aquifer and the consumption of wastewater are also reduced.

Water consumption subdivision by sources [m ³]	2017	2018	2019
Aqueduct waters	460.594	456.605	247.013
Surface waters (such as rivers, lakes or oceans)	0	0	0
Water from underground aquifers	30.291	31.894	25.839
Waste water from other organizations	20	20.2	0
Rainwater collected directly	0	0	0
Municipal disposal of rainwater	16.908	0	0
Total	507.813	488.520	272.852

Table 6: Water consumption by type of withdrawal source 2018-2019.
In addition to the companies excluded from the environmental data reporting scope (see Table 19), also the water consumption of Trevi ICOS Corp., Trevi ICOS South, Trevi Foundation Canada, Trevi Chile and Trevi Fondations Speciales SAS was excluded.



The urban drainage of rainwater is not reported in 2018. As regards the 2018 financial year, the Trevi Group, through Trevi Chile, carried out the foundation works for the Chacao Bridge that will join the island of Chiloé with Chile - in a marine environment, near the Chiloé National Park.

At Group level, no spills were recorded during the years 2017, 2018 and 2019 that involved sanctions. With regard to indicator 307-1, the Trevi Group has not received any non-compliance and/or economic sanction for not having complied with environmental laws and regulations.

Mitigation of environmental impacts

Soilmec's initiatives

As in 2018, also in 2019 Soilmec maintained and implemented semi-automatic washing systems replacing the use of solvents, with water-based detergents that are not classified as dangerous and do not require the monitoring of VOC emissions. In addition, in 2019, a special campaign was launched to raise staff's awareness with regard to correct behaviours, in order to reduce all forms of environmental impact, in particular by trying to optimize the use of energy resources, avoiding waste.

Opere di fondazioni per il Ponte di Chacao, Cile



People development and growth

Risks and policies

The staff of the Trevi Group, with their highly specialized skills and personal aptitude to carry out their work in often difficult contexts, both for the organizational and cultural context and for the climatic and operational conditions, have represented and will increasingly represent the main success factor.

It is therefore clear that, in a Global market such as the one in which the Trevi Group operates, in the area of personnel management, the main risks concern the possible loss of key personnel and the scarce availability of resources with adequate skills on the market. With the aim of mitigating the resignation risk and retaining key personnel, the Group, also in 2019, continued to provide both Managerial and Technical training plans and to develop career plans, aimed at ensuring maximum attractiveness towards key personnel in force and, at the same time, capable of adequately developing specific skills for junior or growing staff. Moreover, structured processes such as the Performance Evaluation Process make it possible to give uniformity and transparency to the assessments of individuals and at the same time guarantee the training processes to be implemented for the growth of resources and correct performance remuneration policies.

Continuous attention to the labour market and careful and continuous recruitment processes also make it possible to access qualified resources from the market, depending on the specific needs and business development plans.

Compliance with labour regulations for each project is ensured through the timely verification of the regulatory and contractual requirements by the competent HR department of the company, which is then valida-

ted at the division level.

The Code of Ethics, the main instrument for formalising company commitments on these issues, defines human resources as a central element of the corporate strategy, identifying as key elements for all the Trevi Group companies the protection of equal opportunities, the promotion of merit and talent, and the creation of a working environment that is serene, stimulating and rewarding.

Management Model

The various companies, with the coordination and direction of the Corporate Human Resources Department, carry out the personnel management. In order to manage relations with employees and workers in a systematic way, the Group has adopted specific procedures that regulate the main aspects relating to the personnel management, such as personnel search and selection, recruitment, training, remuneration of employees, the management of any disputes and the performance management system (PMS).

The company also launched a project to digitize HR activities in 2019 that will use the Oracle HCM system as support.

The introduction of this tool will allow all HR processes to be managed with greater punctuality and precision, integrating them with each other and allowing the Corporate to have real-time information available to support staff management and development. As highlighted above, the Trevi Group needs to keep key competences alive internally and therefore has a marked propensity towards employee growth; the Group uses a management-oriented approach by objectives, which allows to highlight the individual

contribution of the person in relation to the goals of the company as a whole, enhancing the skills and development capabilities of each individual. The definition, communication and evaluation of objectives are carried out by means of the Performance Management System (PMS). On the basis of the skills and results achieved by each employee, the manager formulates the performance evaluation, also indicating any development and training actions to be taken to enhance his/her skills. This becomes the crucial point for the preparation of individual development plans, career paths and vocational training activities.

The creation of skills in the sectors in which the Group operates requires many years and the training, tutoring and on-the-job training are all activities promoted and practiced, being aware of the positive and unavoidable relationship existing between the company performance and the employees' know-how.

The Trevi Group Academies

"We put the man at the centre and his training in the forefront in order to face an ever-changing world".

The Trevi Group Academy represents the natural approach to a constant commitment for attaining growth, development and innovation by training human resources. The Trevi Group Academies provide a complete service, which includes both hard and soft skills development activities. In continuity with the past, with the experiences of the Foundations Technology Academy (FTA), dedicated to the technical training for the foundations sector and active since 2006, and of the Drillmec Technology Academy (DTA), dedicated to the technical training in the drilling sector, in

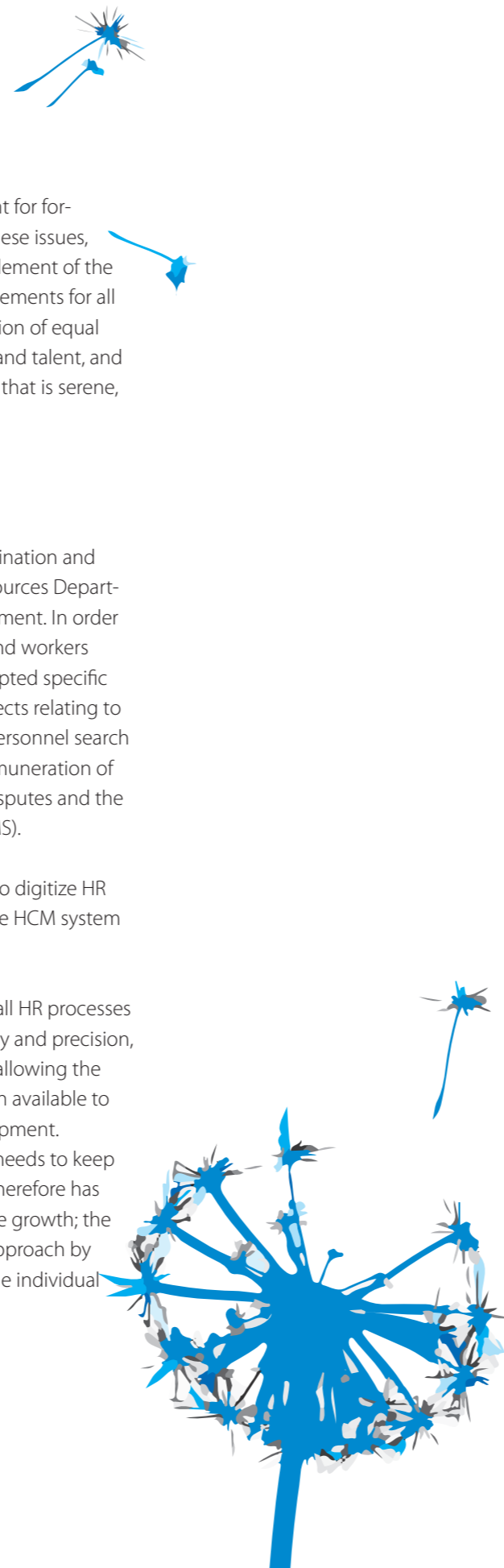
"The strength of our roots comes from the value placed on the individual, on team spirit, in our involvement, in facing a challenge, and in the determination to build something that will leave its mark."

2016, also the Trevi Group Academy was created. This Academy is dedicated to supporting and directing all the managerial and organizational training of the Group's human resources. Finally, the Trevi Group relies on external suppliers for training services such as language courses, IT and professional updating.

Note: the cost incurred for organizing and providing training courses offered to the employees is partially or totally financed by the Interprofessional Funds such as Fondimpresa (for white-collar workers, managers and blue-collar workers) and Fondirengenti (for executives).

Training hours	Unit	2017	2018	2019
- Executives	h	272	577,5	1.794,0
- Managers	h	368	857,5	5.349,5
- Employees	h	5.146	11.030,5	8.923,0
- Workers	h	2.369	3.362	5.786,5
Total	h	8.154	15.827,5	21.853,0
No. of participants				
- Executives	n	32	36	48
- Managers	n	17	28	143
- Employees	n	227	392	339
- Workers	n	143	249	247
Total	n	419	705	777
Average hours				
- Executives	h	8,5	16	37,4
- Managers	h	21,6	30,6	37,4
- Employees	h	22,7	28,1	26,3
- Workers	h	16,6	13,5	23,4
Total	h	19,5	22,5	28,1

Table 7: I: In relation to indicator 404-1, point A is not reported, that is, the average hours of training provided to employees during the reporting period by gender. The table does not cover the training hours with regard to Health and Safety.





Technical and technological training

“The best tools aren’t enough by themselves; innovation is not only a question of technology, it is a mental state, a way of being, of seeing and an approach to different situations”

Foundations Technology Academy (FTA) has the ambitious goal of conveying Trevi Group’s enormous wealth of experience and passion for innovation, stimulating business development and improving safety and performance on a global scale. Training is delivered by professionals with direct experience in the field, with a pragmatic approach, innovative teaching tools, practical tests and using simple language. Training activities



supported by the FTA take place in the classroom, on-line and in the field, and are aimed not only at internal staff but also at Division’s customers.

During 2019, special attention was paid to the development of three projects:

- 1 - basic training course on subsoil engineering, which addresses issues related to technologies and equipment, aimed at junior figures engaged in the technical and technological sectors of the Group. From the synthesis of this course, the preparatory orientation training for all new hires was also derived which was introduced at the end of 2019 and will be further implemented in 2020.
- 2 - technical seminars on technologies carried out in-house and webinar broadcast live, with the aim of extending the participation to the Group people regardless of their geographical location, favouring the exchange and relations between colleagues and the global transmission of the corporate know-how.
- 3 - E-Learning training courses for a more widespread delivery of technical and technological contents.

In addition, two further pilot projects have been activated: the first relating to the tracking and monitoring of support (“On-the-Job Training”) and the second is associated with the mapping of the various local training initiatives of the various Trevi branches of the Group.

Drillmec Technology Academy (DTA - www.drillmec.com/en/p/drillmec-academy/) is a training school open to both our customers and Group employees. We want to make sure that our collaborators and those of our customers, thanks to appropriate training, always have control of our equipment and can solve any problem. Our team of experienced instructors offers students both class and field lessons on: operation of the drilling rig (both mechanical and hydraulic drilling), standard maintenance, troubleshooting and

familiarization with the documentation (Operation and Maintenance Manual, Spare parts manual, other catalogues).

Training is not only based on theory; our technical staff visits the work sites to see the rigs at work. This will allow them to develop new solutions in the design of new equipment.

This year, DTA, in collaboration with the Drillmec’s training service, promoted the “Drillmec Technician Training Course” aimed mainly at technical personnel classified as production workers (assemblers and electricians). The courses were held by internal staff (internal teachers of the Technical Office/Department Managers) or qualified external teachers.

Management training

“Man is both our arrival and starting point”

The purpose of the [Trevi Group Academy of Management \(TGA - https://www.trevigroup.com/en/trevi-group-academy\)](https://www.trevigroup.com/en/trevi-group-academy) is to promote training initiatives aimed at developing soft and managerial skills for the whole Group, also through new technologies and new communication tools.

The course offered by the Academy is structured on four Pillars:

- Project Management,
- People Management,
- Client Management,
- Finance for non-Financial People.

Each Pillar is divided into modules: this allows the development of customised plans based on the skills and the development plan of each participant.

The TGA’s activities are based on the so-called “blen-

ded” methodology, which offers a mix of support to qualified people, e-learning training on customised content created ad hoc by external specialists on the basis of case histories and materials of the Trevi Group, virtual team project work and classroom training with exercises and role-playing guided by a trainer at the end of the course. This encourages the involvement of all employees, overcoming geographical distances and meeting the Group’s needs for flexibility and mobility.

New tools and processes to face our next challenges

The roots evolve, choose the best way to conform to the ground and, in the face of an obstacle, they do not stop: they discover the new way and go on, fortify themselves, become better. Good roots do so.

The new challenges the Trevi Group will face and the moment of profound change that characterizes us have led to the need to redefine and enhance some of our work processes and the creation of new tools, with the aim of making them smarter and more digital.

During 2019, for example, two important projects were launched that will be further developed in 2020 and that will have a huge impact on the way we work.

The first initiative concerns the launch of a “[HR Digital Transformation](#)” process, aimed not only at improving the efficiency of HR processes, but above all, at enhancing the strategic role of the function in communicating corporate objectives and in fertilizing the awareness of organizational culture. This will lead to important ideas for staff training and development in the coming years.

The second, on the other hand, consists in the implementation of the “[Lean Manufacturing](#)” method in the Soilmec production process. In 2019, the organizational and procedural analysis process began, while, in 2020, interventions aimed at changing the working

method according to the application of the “Lean” principles will be gradually introduced.

Once again, the HR function will be called upon to support this important change by dedicating itself to the development of the necessary skills and knowledge.

An increasingly effective collaboration between FTA and the various Group companies

In 2019, the collaboration between the training and development services of the various companies and the FTA was strengthened, with the aim of increasing the efficiency and effectiveness of the training services provided, focusing above all on the enhancement of the initiatives of internal training.

The results of this intensified collaboration concern:

Thorough training with regard to the Soilmec technical services where the most expert people in the areas deemed crucial (for example in the field of DMS, hydraulics, electrical systems, safety functions, ...) take on the role of internal teachers, training colleagues from the other services, with whom they collaborate.

- The organization of visits to the Trevi job sites also for the Soilmec staff, to give visibility, knowledge and training on what is our core business.

Activation of a project where the “training on the job” can be traced, monitored and formalized both in the cases of integration of new hires and for people changing task.

The importance of investing in young resources and training them within the company, also considering that the high specificity of the sector in which the Group operates, has led to collaborations with various local technical institutes. In particular, this year, new graduates in electronics were selected and included in a 3-month training course, with specific training within the workshop and in the Soilmec testing area following the training on the maintenance of the rigs/equipment by the Trevi staff.

Therefore, a thorough training, thanks to the close collaboration of both divisions.

Training for People Managers

In 2019, in particular, TGA promoted training courses dedicated to the evaluator managers of the **Performance Management System (PMS)** with the aim of providing operational tools capable of supporting them in the People Management activities.

The path – to be completed in 2020 - has been organized into three modules, each dedicated to a phase of the process:

- Communication and assignment of goals;
- Management of feedback and evaluation;
- Definition of development plans.

This year saw the start of the important challenge aimed at implementing an evaluation system also in the blue-collar world. This innovation was supported by the training project “**Managerial Tools for the Department Heads of Soilmec**”, with the aim of establishing a comparison on how to



Initiatives and key numbers 2019

As at 31 December 2019, the employees of the Trevi Group amounted to 5,901. Most of the employees reside mainly in the Americas (27.7% in 2019), followed by Asia (26.4% of the total), Italy (19.2%), Africa (15.8%), Europe (10.7%) and Oceania (0.2%), hence demonstrating the global presence of the Group.



	2017			2018			2019		
	Permanent	Fixed-term	TOTAL	Permanent	Fixed-term	TOTAL	Permanent	Fixed-term	TOTAL
Italy	1.082	114	1.196	1.018	96	1.114	1.057	81	1.136
Europe	598	32	630	481	153	634	611	19	630
Africa	373	637	1.010	324	685	1.009	555	376	931
Asia	1.479	456	1.935	1.139	836	1.975	1.132	424	1.556
Oceania	9	2	11	8	6	14	10	2	12
America	1.550	228	1.778	1.168	464	1.632	1.325	311	1.636
Total employees	5.091	1.469	6.560	4.138	2.240	6.378	4.690	1.213	5.901

Table 8: Total employees divided by geographic region and type of contract.

At 2019, 79.4% of employees was hired under a permanent employment contract (or similar).

	2018				
	PERMANENT	FIXED-TERM	FULL-TIME	PART-TIME	TOTAL
Women	390	112	474	28	502
Men	3.748	2.128	5.465	411	5.876
Total	4.138	2.240	5.939	439	6.378

	2019				
	PERMANENT	FIXED-TERM	FULL-TIME	PART-TIME	TOTAL
Women	435	58	476	17	493
Men	4.255	1.153	5.365	43	5.408
Total	4.690	1.211	5.841	60	5.901

Tabella 9: Total employees divided by gender and type of contract.

The share of female personnel represents 8.3% of the total in 2019. On the rise compared to 7.9% in 2018 and 6.5% in 2017.

The percentage of women holding a managerial and leading position compared to the total of female workers is 15.2% in 2019.

Furthermore, given the nature of the Group's activities, more than half of the employees, 53% in 2019, is represented by the category of blue-collar workers, followed by the white-collar workers who represent, respectively in 2019 and in 2018, 36.2% and 37%.

Personnel diversity

		2017	2018	2019
Executives	MEN	140	152	141
	WOMEN	17	10	7
Managers	MEN	337	397	400
	WOMEN	47	65	68
White-collar workers	MEN	1.400	1.559	1.752
	WOMEN	335	371	387
Blue-collar workers	MEN	4.152	3.768	3.115
	WOMEN	28	56	31
Women total		427	502	493
Men total		6.029	5.876	5.408

Tabella 10: Total employees divided by professional classification and gender.





Personnel diversity

	ANNI	2018	2019
EXECUTIVES	<30	0	0
	30s x s50	71	67
	>50	81	74
	Totale	152	141
MANAGERS	<30	7	6
	30s x s50	45	50
	>50	13	12
	Totale	65	68
WHITE-COLLARS	<30	328	290
	30s x s50	1.303	1.108
	>50	356	354
	Totale	1.987	1.752
BLUE-COLLARS	<30	69	69
	30s x s50	239	257
	>50	63	61
	Totale	371	387
EXECUTIVES	<30	0	0
	30s x s50	71	67
	>50	81	74
	Totale	152	141
MANAGERS	<30	7	6
	30s x s50	45	50
	>50	13	12
	Totale	65	68
WHITE-COLLARS	<30	328	290
	30s x s50	1.303	1.108
	>50	356	354
	Totale	1.987	1.752
BLUE-COLLARS	<30	69	69
	30s x s50	239	257
	>50	63	61
	Totale	371	387
MEN total		5.876	5.408
WOMEN total		502	493
Total EMPLOYEES		6.378	5.901

Table 11: Total employees divided by professional classification, gender and age.

The figures relating to new recruitments and the total amount of terminations of employment in 2019, divided by geographic area/region, are shown in Table 12 and Table 13, and in compliance with what required by GRI standards.

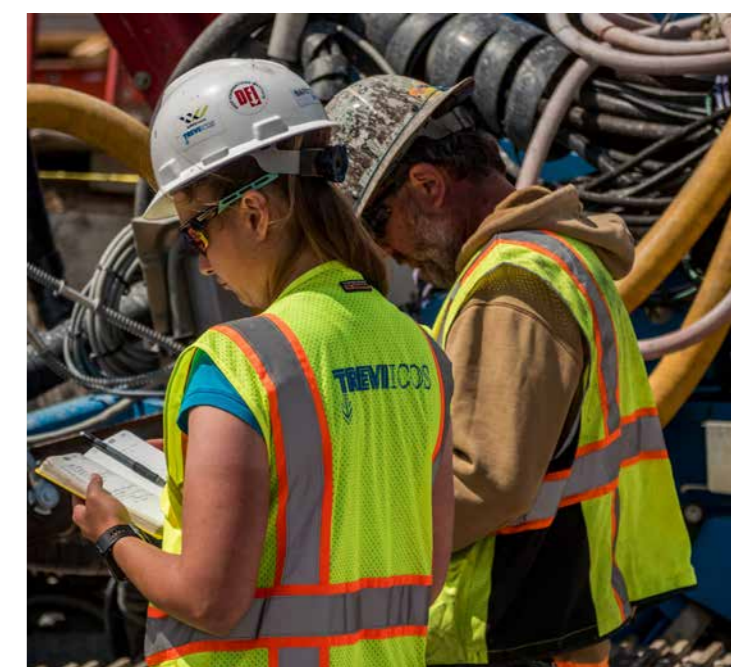
Inbound Turnover

		ITALY	EUROPE	AFRICA	ASIA	OCEANIA	AMERICAS
Men	<30 years	15	44	125	318	0	187
	30s x s50	40	106	128	304	1	390
	>50 years	12	21	14	35	5	63
	Total	67	171	267	657	6	640
Women	<30 years	8	7	2	8	1	15
	30s x s50	9	21	7	6	0	24
	>50 years	3	-95	0	1	0	4
	Total	20	28	9	15	1	43
Total	87	199	276	672	7	683	
Inbound turnover rate	8%	31%	27%	34%	50%	42%	

Inbound Turnover

		ITALY	EUROPE	AFRICA	ASIA	OCEANIA	AMERICAS
Men	<30 years	54	41	42	54	0	127
	30s x s50	152	135	92	72	5	354
	>50 years	49	36	20	21	2	54
	Total	255	212	154	147	7	535
Women	<30 years	4	10	3	4	0	6
	30s x s50	12	19	0	3	2	16
	>50 years	0	0	0	0	0	2
	Total	16	29	3	7	2	24
Total	271	241	157	154	9	559	
Inbound turnover rate	24%	38%	17%	10%	75%	34%	

Table 12: Inbound turnover of the Group employees, divided by geographic regions/areas



Outbound Turnover

		ITALY	EUROPE	AFRICA	ASIA	OCEANIA	AMERICAS
Men	<30 years	11	47	144	76	0	186
	30s x s50	74	91	239	345	3	631
	>50 years	57	18	60	80	1	84
	Total	143	156	443	501	4	901
Women	<30 years	1	4	3	9	0	13
	30s x s50	5	6	5	7	0	28
	>50 years	3	5	3	0	0	3
	Total	9	15	11	16	0	44
Total	151	171	454	517	4	945	
Outbound turnover rate	14%	27%	45%	26%	29%	58%	

Outbound Turnover

		ITALY	EUROPE	AFRICA	ASIA	OCEANIA	AMERICAS
Men	<30 years	34	33	65	188	0	166
	30s x s50	81	126	176	348	1	308
	>50 years	51	22	80	59	5	60
	Total	166	181	321	595	6	534
Women	<30 years	3	6	4	4	1	12
	30s x s50	12	17	6	5	0	20
	>50 years	4	6	1	0	0	3
	Total	19	29	11	9	1	35
Totale	185	210	332	604	7	569	
Outbound turnover rate	16%	33%	36%	39%	58%	35%	

Table 13: Outbound turnover of the Group employees, divided by geographic regions/areas
The fluctuations in the percentages (Africa, Asia, Oceania) are due to the closure or opening of new construction sites.

Our commitment to health and safety

Risks and policies

The Trevi Group considers the health and safety protection of its personnel to be a fundamental requirement. The activities implemented by the company are, for example, the assessment of health and safety risks, health assessments and suitability and above all the monitoring of the sanitary conditions of all workplaces. The safety of our workers is a primary and strategic objective for the Trevi Group. Personal safety is constantly guaranteed and monitored through the integrated management system set up by the Trevi Group and which largely meets all international standards and applicable laws. All companies in the Trevi division and 5 companies in the other divisions (Drillmec S.p.A., OJSC Seismotekhnika, Drillmec Inc., Watson Inc. and Soilmec UK) have adopted a health and safety management system, often integrated with environmental protection. Every year, the Trevi Group defines an improvement and objectives plan at all levels approved by the management. Internal audits are carried out every year on all the companies of the group and all the subsidiaries, focusing on the HSE management system and the compliance with the HSE legislative provisions, including audits on internal processes relating to: safety. Over 50 audits were carried out last year that involved subsidiaries, plants; operational offices and specific projects. The health and safety risks - significant for workers at construction sites and factories - are differentiated according to the tasks performed. The manual nature of many processes, the presence of rigs whose correct use requires specific skills and, finally, the presence of repetitive and/or routine tasks whose danger can be neglected by the worker, are among the most significant risk factors.

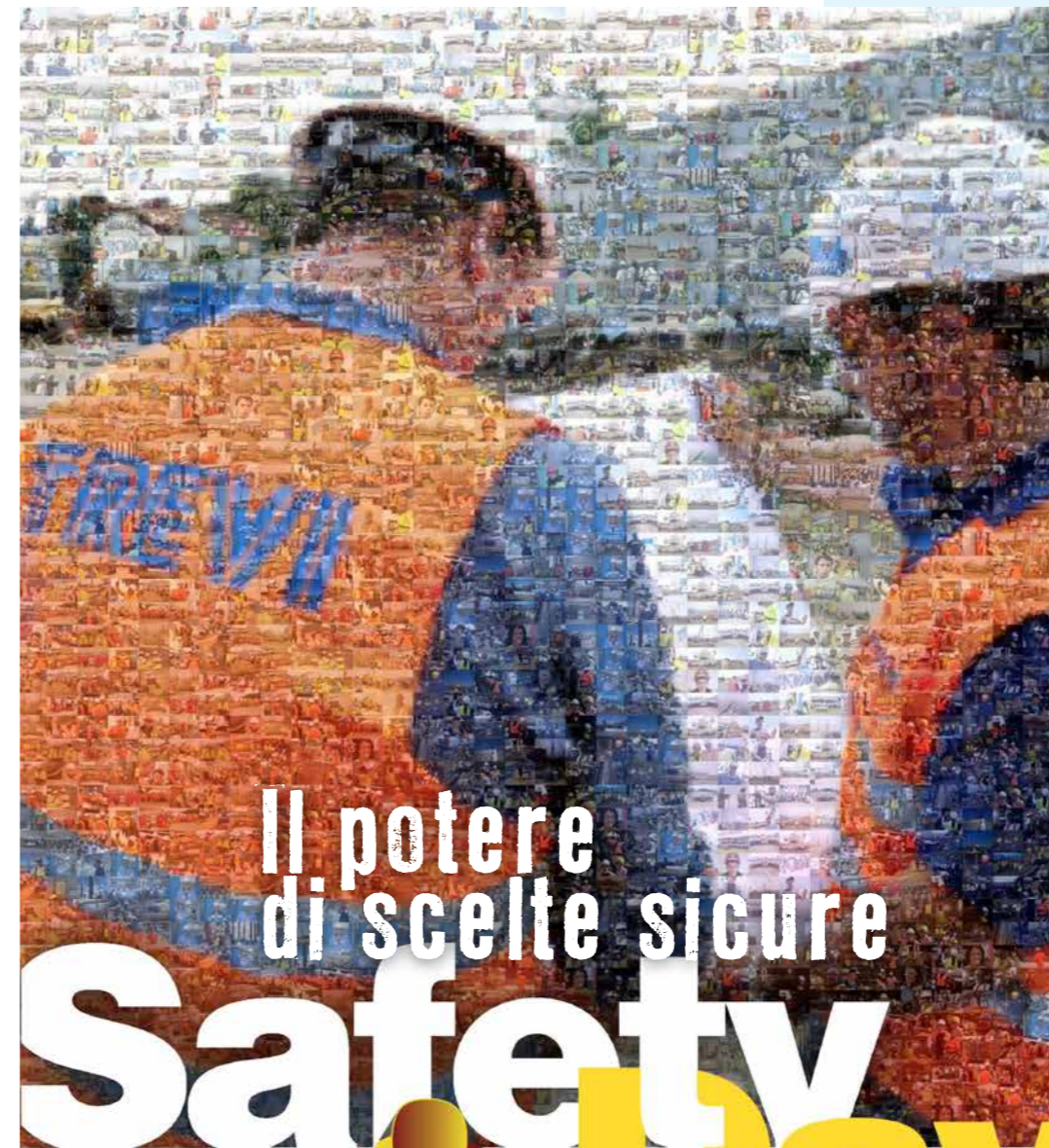
The Trevi Group constantly implements the risk assessment process for all its work activities constantly updating its risk assessments and related risk mitigation and management of the residual risk

HSE Policy

In 2013, the Trevi Division approved an HSE policy applicable to all subsidiaries such as to provide for an integrated management system covering health, safety, environment and quality. In addition, Trevi decided to adopt the "Zero accidents" target, which defines a constant commitment to ensure a protected working environment for its employees.

The Petreven Division approved in 2018 a QHSE policy, "Politica integrada de calidad, seguridad, medio ambiente y salud en el trabajo", valid for Petreven S.p.A and all the foreign offices in South America. Drillmec S.p.A., OJSC Seismotekhnika, and Drillmec Inc. adopted the "Zero accidents" target.

In the United States, an "Occupational health and safety policy" was adopted. Soilmec S.p.A. and PSM S.p.A. have decided to adopt the "Zero accidents" target. Some subsidiaries have also adopted specific HSE policies to better manage these issues locally, such as Watson Inc. (in the United States) or Soilmec UK.



28 Aprile
Giornata
mondiale



della sicurezza sul lavoro

TREVI Group



Safety and Health at Work - World Day

Since 2012, the Trevi Group has been celebrating the "World Day for Safety and Health at Work" in order to promote the prevention of work accidents and occupational diseases.

This campaign aims to put the spotlight on new developments in health and safety and to raise workers' awareness with regard to the correct behaviours in the workplace. In line with this approach, every year, a poster is published and a specific slogan is created. During the day, events, meetings and dedicated gatherings are organized at each construction site, office and workshop.

The celebration of the World Safety Day involves more than 4,000 Trevi workers worldwide. Health and safety training is another fundamental tool, whose importance is recognized by the same Code of Ethics.



Management Model

The health and safety aspects are managed directly by the single divisions and companies that, as illustrated in this chapter, have developed specific management systems and policies. As part of the management of the orders, the divisions monthly monitor health and safety data in order to identify any critical elements promptly.

OHSAS 18001/ISO 45001 certification

- Trevi S.p.A. - registered and operational office
- Petreven S.p.A. and all its subsidiaries operating in the year 2019
- Drillmec S.p.A., and the manufacturing site in Belarus managed by OJSC Seismotekhnika is certified by STB 18001 (local equivalent of the OHSAS 18001 certification)
- Soilmec S.p.A.



Initiatives and key numbers in 2019

Below, Table 14 shows the total hours of HSE training for the entire Group and for the single Divisions. The variability of the training hours can be also ascribed to a variability between the years in the provision of compulsory training in the field of health and safety.

Average hours of training

	Unit	2017	2018	2019
TREVIFIN	h	0	0	2.86
TREVI	h	9.67	8.43	55.83
PETREVEN	h	168.62	14.22	23.10
DRILLMEC	h	5.97	4.31	49.76
SOILMEC	h	3.04	4.73	6.46
GROUP	h	26.94	8.06	45.85

Table 14: Average hours of HSE training

Data for Soilmec Australia Pty Ltd, Soilmec India and Watson Inc. are not available. The average hours of HSE training split by position and gender are not available for the whole Group.

For the Trevi Division, the strong discrepancy between 2018 and 2019 is because all companies have been accounted for, while, in 2018, 5 companies were excluded.

For the Drillmec Division, the difference is due to the increase in hours of HSE training for Drillmec OJSC Seismotekhnika.

At Group level, 89 accidents were recorded in 2019, 12 of which were commuting accidents. The relating rates are shown in Table 15 for 2018 and Table 16 for 2019. The accident count does not take into consideration minor injuries that did not result in lost days for workers (such as accidents resolved through on-site first aid). In 2019, there was no death or fatal accident and only two cases of occupational disease occurred, relating to Soilmec S.p.A and Soilmec France.



Accident indices, occupational diseases and absenteeism 2017

INDEX OF:	ITALY		EUROPE		ASIA		AFRICA		OCEANIA		AMERICA	
	MEN	WOMEN	MEN	WOMEN	UOMINI	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Severity	0,28	0	0,03	0	0	0	0,02	0	0	0	0,05	0,01
Frequency	7,06	0	7,69	0	0,52	0	0,43	0	0	0	2,29	5,90
RATE OF:												
Absenteeism	4,55%		6,68%		0,69%		6,48%		0,10%		0,57%	

Accident indices, occupational diseases and absenteeism 2018

INDEX OF:	ITALY		EUROPE		ASIA		AFRICA		OCEANIA		AMERICA	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Severity	0,23	0,32	0	0	0	0	0	0	0	0	0,05	0
Frequency	9,43	5,95	2,94	0	0,16	0	0	0	0	0	2,76	0
RATE OF:												
RATE OF:	0,19%		0%		0%		0%		0%		0,04%	

Accident indices, occupational diseases and absenteeism 2019

INDEX OF:	ITALIA		EUROPE		ASIA		AFRICA		OCEANIA		AMERICA	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Severity	0,23	0	0,04	0	0	0	0	0	0	n.a.	0,10	0
Frequency	14,47	0	8,84	0	0	0	0,51	0	0	n.a.	6,38	0
RATE OF:												
RATE OF:	0,17%		0,02%		0%		0%		0%		0,08%	

Table 16: Accident indices, occupational diseases and absenteeism in 2017, 2018 (the indicators have been recalculated based on a new applied methodology) and 2019.

It is worth mentioning that the Severity rate and the Absenteeism rate were calculated by using worked hours instead of workable hours.

In addition to the companies excluded from the HSE data reporting scope, also the absenteeism rate, the seriousness rate and the frequency rate for Soilmec Australia Pty Ltd, Soilmec North America, Soilmec Japan, Soilmec Algeria and Soilmec Brazil were excluded.

Trevi Division

The Trevi Division organises dedicated programmes, such as the “Safety Induction”, a compulsory course for all workers before accessing the construction site and lasting a few hours that is held at the start of the job site with the aim of increasing the awareness of the risks associated with work activities. The programme is also addressed to workers hired by local employment agencies, a type of collaborator who is particularly at risk, due to the different level of preparation on these issues.

The HSE training for the division also includes orientation sessions for new employees, a basic safety course, a safety course for Site Managers and Senior Managers and local training courses organized by third parties for the qualified personnel including, for example, first aid and training courses for the personnel in charge of lifting operations.

Soilmec Division

In 2019, the Soilmec division committed itself to improving the training and tutoring quality, especially for

the workers operating in the electric field and at a height. For the latter, in particular, anti-fall systems were purchased, devices that can protect operators who work at a height, offering them high freedom of movement thanks to special trolleys. These systems are also used in a fall simulator that allows younger and inexperienced operators to be more prepared in the case of an emergency.

In 2019, Soilmec also carried out an information and training campaign to raise awareness for employees on behaviours and lifestyles. In the case of the booklet entitled “Training for self-activation: reacting correctly



Trevi Chile, a safety award.

Trevi Chile Spa, the Chilean branch of Trevi Spa, received the “Safety Award” from the “Comité Paritario de faena proyecto” (government body responsible for health and safety controls at work) for “the constant commitment and permanent participation in the care and well-being of its workers” in the foundation works for the new Chacao bridge.

The Chacao bridge, an imposing and strategic work strongly supported by the Chilean government in order to connect the large island of Chiloé to the South American continent bypassing the Chacao canal, will be the longest suspension bridge in South America and among the longest in the world thanks to its 2.6 km length.

The bridge has three reinforced concrete towers (two towers are 179.6 m high and a south tower is 160.77 m high), two main spans which are 1055 m and 1100 long and a suspended span which is 380 m long. It was conceived with two one-way lanes on each side and designed for a 100-year duration, resistant to winds of over 220 km/h and strong sea currents.

Trevi Chile Spa is carrying out the foundation works at sea, bored piles with a 2500 mm diameter at a depth of 75 m, in very complicated conditions due to the winds that blow over 220 km/h.



Chacao Bridge, foundation works for pylon number 1_Chile



Thanks to the great experience gained in over 60 years of work in the field and to the multitude of projects carried out in extremely challenging contexts, Trevi has acquired the ability to successfully face complex challenges from both a technological and environmental point of view, always keeping high the attention and care for the safety of its workers.

This is demonstrated by the awards received recently by USACE for the 5 million hours worked without accidents at the Mosul dam in Iraq and for the one million and five thousand hours worked without accidents at the “Shuaibah III Expansion II Desalination R.O. Plant” in Saudi Arabia.

by default”, the information is aimed at correcting behaviours and avoiding human errors that are the basis of many accidents.

In the case of the booklet entitled “Notes about health. Promotion of healthy lifestyles at work and outside”, the intention is to promote healthy choices that bring benefits first to the person and then to the worker. Both themes are presented and debated on the occasion of compulsory training courses.

II COVID-19

The spread of the epidemiological emergency COVID-19 across the national territory at the beginning of 2020 heavily influenced people's lives and the activities of companies, but, obviously, it had no impact on 2019.

Although domiciled in an area among the mostly affected by the spread of the virus, **the Trevi Group** - considering how it has acknowledged and managed the risk from the beginning of its appearance - **deems to have implemented all those measures necessary to show how its approach to managing the risks related to the health and safety of workers has been efficiently handled.**

A team dedicated to emergencies has been created in order to monitor the progress of the situation on a daily basis, defining and implementing specific actions aimed at protecting the health of people who are part of the organization in Italy and abroad.

From the daily sanitization of all offices to the weekly one of the warehouses dedicated to production, from information/training activities on the correct behaviours aimed at preventing risks, to the widespread distribution of safety devices, from the closure of the canteen and changing rooms to the measuring of the body temperature at the entrance, the results that were obtained confirmed the effectiveness of the actions taken.

These details will be reported in the NFS 2020 when, hopefully, once the emergency is over, it will be possible to gather data and define appropriate reading keys to also represent the impacts on the business system.



The photos show moments of sanitization activities in the Soilmec production plants and some examples of communication dedicated to prevention, with the use of posters and multimedia totems.



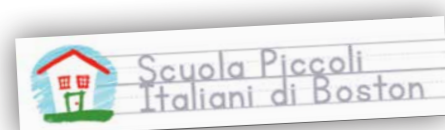
Attention to local communities

Risks and policies

The Trevi Group manages its activities in close contact with local populations, in geographically and culturally heterogeneous situations and often in delicate socio-political scenarios. Especially in countries where the presence of the Trevi Group is consolidated, the subsidiaries play an active role in the local communities, contributing to the socio-economic development of the region that is not limited to job creation but involves long-term relationships with the communities based on mutual support.

Furthermore, the Group is constantly committed to supporting projects with a social purpose through donations to organisations operating on the local, national and international territory.

With the aim of preventing potential errors and unlawful or fraudulent behaviour, thus safeguarding the image of the company and local communities, in 2019 the Group approved the policy "Management of Sponsorships, Gifts and Donations" containing the roles, responsibilities and principles of conduct and management control. In particular, the policy defines donations as sums of money donated to non-profit associations or private individuals, to support initiatives characterised by a humanitarian and social nature, aimed at creating benefit for the society and people.



THE GIVING CIRCLE

Management model, initiatives and key numbers 2019

"Social Value" is the development program of the Trevi Group, promoted by the Communication Department of the Parent Company jointly with the divisions of the Group, and established at the end of 2007, to promote and support local, national and international initiatives regarding solidarity, support and training mainly for children. During its first years of activity, the Social Value has directly supervised over 50 solidarity projects on the national and international territory.

During 2019, the Group - through its Companies - continued to support projects of a social nature despite the fact that the national and international contingency was not very favourable to the sector and the restructuring phase of the Trevi Group imposed a significant reduction in the resources for social and solidarity activities.

The most significant projects that the Group supported during 2019 are shown below:

- In **Italy**: support to the Croce Verde, a non-profit association that carries out medical transport with ambulance, disabled transport with an equipped minibus and civil protection activities.
- In the **United States**: support for the non-profit organization of the Centro per le Attività Scolastiche Italiane di Boston (Centre for Italian School Activities in Boston), to promote the teaching of the Italian language. Contribution to the non-profit organisation Giving Circle that provides financial assistance to workers facing unforeseen personal difficulties.



In every part of the world, on all projects undertaken, Trevi Group works together with and for the benefit of the environment, in harmony with the local people, and in accord with their culture.



- In **Argentina**: financial contribution for the educational activities of the electrotechnical vocational school of Ezeiza, a city in the province of Buenos Aires (Argentina) where the largest airport in the country is located. Restoration works at the school for electrical engineers and mechanics No. 25 in the federal capital. Subsidies for training and updating courses destined to the unemployed in the Falkland Islands (Argentina), with the aim of creating employment opportunities.

- In the **Philippines**: complete support for the hospital expenses required for the hospitalisation, operation and hospital stay of a sick girl who was living in a state of poverty near our CLJV-CCCLEX Project in Cebu. Following Trevi's support, the child is permanently cured.

- In **Oman**: financing for the construction of 2 water wells necessary for watering the camels.

- In **Belarus**: donation to the 7 and 14 secondary schools in Gomel. Donation to the Institute "Centre of Social Services for the Population of the Sovetsky Area of the City of Gomel" for the orphans and children housed by the facility.

- In **Nigeria**: financing for the construction of a water well in Enugu, capital of the Nigerian federal state of the same name and former capital of the Republic of Biafra.

The updates of the main initiatives that are part of the Social Value project are reported in the special section of the Group website.

"Mosul Dam Project for Social Progress" is the project aimed at restoring five school facilities in the

Mosul Dam area and providing educational material to the students. A charitable activity that will provide a place for studying and working that is suitable for hundreds of children, teenagers and teachers, who are now forced to study and work in dilapidated buildings. All the economic investments made in 2017, 2018 and 2019 are reported below: they are mostly attributable to solidarity initiatives in favour of people in difficulty.

Initiative scope 2017	INVESTMENT	
	Euro	%
Solidarity	214.500	66%
Culture	43.900	13,5%
Sport	53.500	16,4%
Various	8.800	2,7%
Risearch	4.000	1,2%

Initiative scope 2018	INVESTMENT	
	Euro	%
Solidariety	62.200	86%
Culture	9.000	12%
Sport and miscellaneous	1.400	2%

Initiative scope 2019	INVESTMENT	
	Euro	%
Solidariety	236.034	91%
Culture	22.300	8,5%
Sport and miscellaneous	600	0,2%

Table 18: Investments of the Group in initiatives with social purposes.



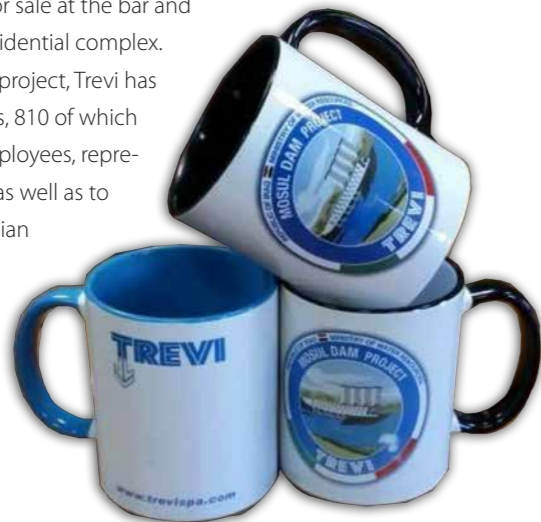
Within Social Value, we also find the activities carried out in Mosul during the almost 3 years of work to secure the dam. Thanks to the **"Mosul Dam Project for Social Progress"** project, Trevi and partners have managed to restore five school structures in the Mosul Dam area and provide teaching materials to students. A charitable activity that will provide a place for studying and working that is suitable for hundreds of children, teenagers and teachers, who are now forced to study and work in dilapidated buildings.

In 2019, Trevi has:

- **Repaired and built the entire perimeter wall** of the secondary school for girls in the village of Mosul.
- **Provided medical equipment, furniture, household appliances and air conditioners** to the hospital in the village of Mosul.
- **Continued to support the Alqosh women's orphanage** - at 30 km from the Mosul Dam - by donating money, new personal computers and printers and air conditioners for the rooms.

This project was funded almost entirely by producing and reselling mugs bearing the TREVI Mosul Project Mugs logo.

The mugs were locally manufactured/purchased and offered for sale at the bar and minimarket of the residential complex. Since the start of the project, Trevi has produced 1,000 mugs, 810 of which were sold to Trevi employees, representatives of USACE, as well as to the soldiers of the Italian and American army.



New surrounding wall of the high school for girls in the village of Mosul.



Hospital in the village of Mosul, ceremony for the delivery of medical supplies.



Alqosh women's orphanage, delivery of materials.



“ Our bond with the earth is born with the man for the man. ”

Respect for human rights

Risks and policies

The Trevi Group is aware that the respect for human rights and diversities is a fundamental issue. This is especially true for the companies operating at international level and in close contact with countries characterized by complex socio-political scenarios where the workers' rights and the partners' management practices are not always regulated by legislations equivalent to Italian ones. Risks deemed as residual in relation to these issues concern the management of subcontracting relationships - to date not evaluated as material in the Divisions neither of the Foundation sector nor of the Oil & Gas sector - as well as the employment of workers on the local market, managed through on-site recruitment agencies.

In 2019, the policy aimed at standardizing the procurement management methods at Group level was approved and the phase of harmonization of the procedures was immediately activated to make the

indicated guidelines operational. In Soilmec UK, an "Equal opportunities" policy has been present since 2008 and is periodically approved to promote work characterized by values of dignity and respect.

The principles of legality, dignity and equality expressed by the Code of Ethics, as well as the choice of partners of proven reliability with regard to the management of local workers and suppliers, are the elements on which the Group is based for mitigating these risks.

The relationship established with its own suppliers is particularly important for Trevi, since it results into certified quality management systems and procedures for selecting and monitoring their performances; said procedures are managed independently by the various companies. All subsidiaries select partners that share the same quality and reliability values inspiring the business conduct.



Management model, initiatives and key numbers in 2019

Procurement is managed by the purchasing departments responsible for the individual Divisions and for the Parent Company.

12,269 suppliers provide their products to the Group companies, in line with those of the previous year. With reference to the suppliers' location, their number is higher in the countries where the most significant production sites and/or job sites are located: Italy (3,047), United States (4,471), Saudi Arabia (645), UAE (491) and Austria (377).

The qualification, selection and evaluation phases of the suppliers are carried out according to structured and different procedures for the individual Divisions, in order to suit the specificities of the business and of the relevant commodity category.

Overall, the qualification process includes a document review – including the requirements related to the compliance with mandatory regulations on anti-mafia and corruption, health and safety of workers and labour rights, and includes site visits. Moreover, Divisions have a vendor rating system aimed at periodically measuring the performance of strategic suppliers. Said system is regularly updated and involves carrying out audits.

By 2020, the Trevi Group will introduce specific assessments relating to social impacts and respect for human rights. As regards employees and workers, the Trevi Group undertakes to respect personal dignity and create a work environment characterized by the

absence of racial, cultural, ideological, sexual, physical, moral, religious or other discriminations and it offers all employees and collaborators equal opportunities on equal terms.

All workers are guaranteed the same rights, regardless of their place of employment, and - as stated in the Trevi Group's Recruitment Procedure - any form of discrimination is prohibited. During the reporting period, no specific assessment on human rights were carried out among the Group companies.

During 2017, 2018 and 2019, the Trevi Group did not detect any episode of discrimination based on race, colour, sex, religion, political opinion, national ancestry or social origin as defined by the ILO (International Labour Organization).



“ Man is our point of arrival. And our starting point. ”

Main risks and uncertainties to which the Trevi Group is exposed and assessments of the going concern

The current conditions of the markets in which Trevi Group operates, associated with the complex situation of the Group, fully described in the consolidated financial statements, have required the Parent's management to carry out particularly accurate assessments regarding the assumption of its ability to continue as a going concern.

In particular, when approving the 2019 draft financial statements, the Board of Directors proceeded to carry out all the necessary assessments regarding the existence of the going concern assumption, taking into account, for this purpose, all information available regarding foreseeable future events.

In determining whether the assumption of business continuity is applicable, took into account all information available on the future, at least - but not limited - to twelve months after the reporting date of the consolidated financial statements as at and for the year ended 31 December 2019.

The assessment of the going concern assumption, as well as the analysis of the outlook, are necessarily linked to the implementation of the aforementioned Capital strengthening and restructuring of the Group's debt, as well as the Plan's implementation. In particular, the existence of the going concern assumption led to the analysis of the progress of the following circumstances:

a) the signing of: (i) the Restructuring Agreement by all relevant parties and the filing of the latter at the relevant Court by the applicant companies (i.e., Trevifin, Trevi S.p.A. and Soilmec S.p.A.) to obtain approval pursuant to Article 182 bis of the Italian Finance Act; (ii) of the reorganisation agreement pursuant to Article 67, paragraph 3, lett. d) of the Italian Finance Act between

PSM S.p.A. and the relevant lending banks; (iii) of the Investment Agreement and the undertaking of commitments by Institutional Shareholders; and (iv) the Oil & Gas Divestment Agreements with MEIL, as well as compliance with the commitments undertaken by the relevant counterparties in the agreements referred to in points (i) to (iv);

b) the obtaining by the relevant court of the authorisation pursuant to Article 182 quinquies of the Italian Finance Act, for the purpose of disbursement of new cash and unsecured financing and signing during the period between the filing date of the appeals and the approval of the Restructuring Agreement, as well as the actual disbursement of the latter by the lending banks; and

c) the effectiveness of the agreements described under A, following the occurrence of all the conditions precedent contained in the latter, including: **(i)** the approval of the Restructuring Agreement, as well as of the other agreements for which approval is requested, by decree of the relevant Court in respect of all applicant companies pursuant to Article 182 bis of the Finance Act; **(ii)** the adoption by the Shareholders' Meeting of the resolutions envisaged for implementing the Transaction as explained in the Restructuring Agreement and in the Investment Agreement, including that relating to the appointment of the new Board of Directors, a circumstance that constitutes a condition precedent under the Restructuring Agreement; and **(iii)** the closing, including the actual collection of the agreed fees, of the Oil & Gas Divestment following the fulfilment of the relevant conditions precedent;

d) the achievement of the goals set out in the Plan, as approved by the Board of Directors on 19 December 2018 (see above), and the effective achievement of the financial and equity targets that will endorse the

Group's final reorganisation according to the provisions of the Plan itself, which however also depend on factors that are inherently future, uncertain and not controllable ex ante.

In light of the above, the Board of Directors has duly requested and obtained the information deemed necessary to analyse the above circumstances. As of the date of drafting of this annual report, all circumstances from A. to C. have been positively resolved, as will be explained in detail below, while the only remaining uncertainties that may cast doubt on the ability of the Parent and the Group to continue to operate as a going concern is the achievement of the goals set out in the Plan, which are ultimately the repayment of financial debts in December 2024 or the refinancing of the remaining debts at best market conditions. Based on the analyses carried out, the Parent and the Group deemed it appropriate to use the going concern assumption to draft this annual report.

In particular, the Board of Directors based its conclusions on the following considerations, with reference to each of the elements of uncertainty set out above:

i) With decrees dated 10 January 2020, notified to Trevifin, Trevi S.p.A. and Soilmec S.p.A. on 21 January 2020, the Court of Appeal of Bologna upheld the appeals against the decisions of the Court of Forlì rejecting the approval of the Restructuring Agreement, deeming the reasons put forward by the claimants to be well founded, and therefore approved the Restructuring Agreement itself;

ii) On 31 March 2020, the second part of the Closing was successfully completed for the sale of the Oil & Gas division of Trevi Group to MEIL Global Holdings BV;

iii) On 29 April 2020, CONSOB authorised by means of Note Prot. No. 0393199/20, the publication of the IPO Prospectus relating to the offer of Trevifin shares (the "Notice of Rights") and the admission to trading of newly issued shares and warrants called "Loyalty Warrant Trevi Finanziaria Industriale S.p.A." (the "Warrants") on the Mercato Telematico Azionario (Italian Electronic Stock Exchange), organised and managed by Borsa Italiana S.p.A.

iv) On 29 April 2020, the lending banks party to the Restructuring Agreement, through the agent, confirmed that all the conditions precedent provided for in the Restructuring Agreement had been fulfilled, and that therefore the Agreement must be considered fully effective in all its provisions from that date. In the context of the above notice, the banks have also confirmed that their commitments to subscribe to and release the Capital Increase under the Restructuring Agreement are to be understood as irrevocable and unconditional from that date, as are those under the Investment Agreement;

v) On 18 May 2020 Trevifin announced that the period for exercising rights of first refusal (the "Rights of first refusal") relating to the notice of rights (the "Subscription Period") to shareholders of a total of 13,000,118,907 newly issued ordinary shares of the Parent, with no nominal value, having the same characteristics as the outstanding shares and regular dividend rights (the "Shares on Offer") has ended;

vi) On 29 May 2020, Trevifin announced that the capital increase approved by the Board of Directors on 17 July 2019 and 24 February 2020 had been successfully completed, in which 15,083,921,496 newly issued ordinary shares of the Parent were subscribed, for a total amount of Euro 150,839,214.96;

vii) Finally, concerning the uncertainty factors linked

to the Plan, it must be recalled that the latter was drafted, based on prudential criteria, with the assistance of leading industrial and financial advisers, it was reviewed several times by the Board of Directors and is, ultimately, in the process of being certified by the appointed expert pursuant to Article 182 bis and approved by the court of Bologna.

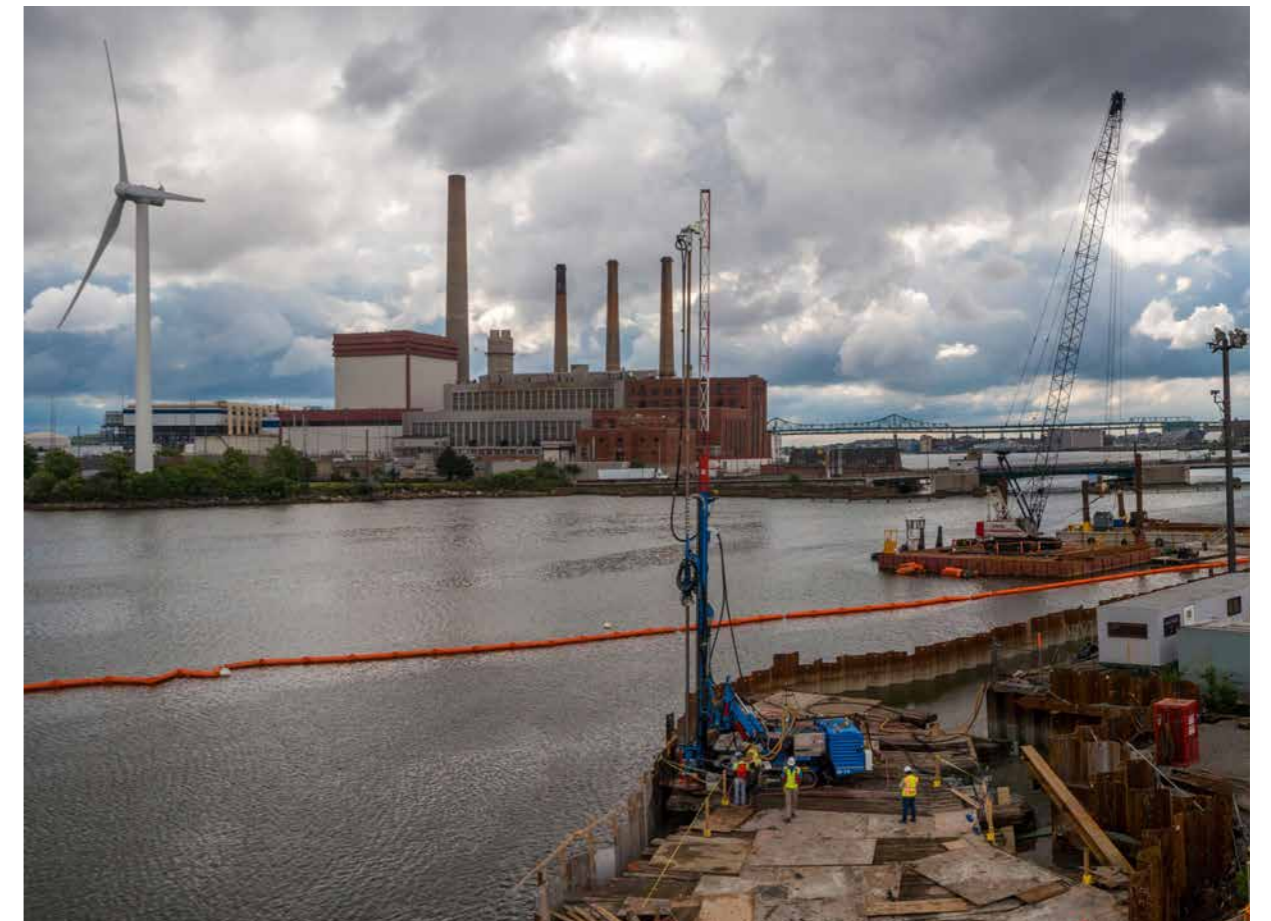
In view of the considerations set out above, the Directors have therefore adopted the assumption of the Group's ability to continue as a going concern in the preparation of the consolidated Financial Statements as at and for the year ended 31 December 2019, as they consider it to be reasonable that the difficult situation that the Group is facing can be overcome through the above actions undertaken and to be undertaken. In summary, during June 2020 the financial manoeuvre will make it possible to obtain a significant capitalisation (totalling around Euro 400 million) connected to the capital increase against consideration of Euro 130 million, to the conversion of a portion of the receivables claimed by the lending banks equal to Euro 284 million and the capital benefit of around Euro 19 million related to the balance and write-off transactions with some financial creditors. In addition, there will be benefits related to the consolidation and rescheduling of the bank debt, which will have final maturity date and relevant bullet repayment as of 31 December 2024, and the amendment of the relevant terms and conditions.

It must be acknowledged that the existence and overcoming of uncertainties regarding the implementation of the Plan depends only in part on variables and internal factors that can be controlled by the Parent's Management, while on the other hand it depends on external factors that have been assessed according to the criteria of reasonableness described above.

Improvement plan

2017 NFS Goals	Timing	Stage of Completion at 31/12/2018 and 2018 NFS goals	Timing of new actions	Stage of completion at 31/12/2019
- Developing and formalising the Compliance Management policy of the Group.	31/12/2018	The policy has been developed. The approval and the sharing of the document with all the companies of the Group are expected by the end of 2019.	31/12/2019	The policy has been developed. The approval and the sharing of the document with all the companies of the Group are expected by the end of 2020.
- Developing and formalising the policy for the purchase of goods and services of the Group.		The policy has been completed and is under approval.	30/06/2019	The Policy has been approved at the parent company level (TreviFin) while the operational procedures at the level of single divisions are still under preparation and are expected to be completed by the end of 2020.
2017 NFS Goals confirmed in 2018				
- Developing and formalising a Bribery & Corruption management system of the Group.	30/06/2019	During 2018, a technical and economic feasibility study of the project was prepared. The approval of the project and the implementation of the system are expected by the end of 2019, even if the project has a multi-year duration.	31/12/2019	With reference to the capitalisation process of the Group, the implementation of a Bribery & Corruption project will be developed during 2020. To date, the control activities on these issues are related to the 231 Model.
Implementing a Group management system for human resources, aimed at facilitating the mapping of personnel presence at the jobsites and the setting of a unique nomenclature in line with the health and safety world.	31/12/2019	The development of a Group Management System for the HR area has been implemented. Its completion is expected during 2019.	31/12/2019	The development of the Group Management System is at an advanced stage of implementation. It is already active for the part of core HR in Italy and, in 2020, all the foreign rollouts are expected to be closed and the structuring/implementation of additional modules will be started.
- Formalising a Group environmental policy to increase the supervision of environmental impacts also on jobsites.		The policy has been developed. The approval and the sharing of the document with all the companies of the Group are expected by the end of 2019.		The policy has been approved and duly notified.
- Planning and carrying out third-party internal audits at offices, jobsites and production plants concerning the environment, social aspects, human rights, health and safety issues.		Within the framework of management system implementation, the start and implementation of audits are confirmed. The protection of human rights will be progressively included among the assessment criteria.		Within the framework of management system implementation, the start and implementation of audits are confirmed. The protection of human rights will be progressively included among the assessment criteria.
- Implementing the ISO 14001 environmental management system for those companies of the Group not yet certified to date.	31/12/2020	The implementation of the ISO 45001 management system (ex OHSAS 18001) for Soilmecc SpA has started.	31/12/2020	The certification of the ISO 45001 management system (ex OHSAS 18001) for Soilmecc SpA has been obtained in 2019.
- Implementing the ISO 9001 quality management system for those companies of the Group not yet certified to date.				The progressive implementation of ISO 14001, ISO 9001 and ISO 45001 management systems is confirmed for the companies of the Group.
- Implementing the OHSAS 18001 health and safety management system for those companies of the Group not yet certified to date.				

2018 NFS New Goals	Timing	Stage of completion at 31/12/2019
- Extending the risk management scope and consolidating a structured risk identification, analysis and assessment process, also with reference to non-financial risks.	31/12/2019	The Function has completed the scope of application (Trevi and Soilmecc) both for the PRM (Project Risk Management) and the ERM (Enterprise Risk Management).
- Strengthening the Risk Management Function to maximize the tools implemented and ensuring that the reporting activity supports both the strategic and operational decisions of the Trevi Group.	31/12/2019	Function strengthened through the entry of a new resource from September 2019. Reporting defined and available (PRM + ERM).
- Carrying on the Management Risk process that has been recently implemented, according to an Enterprise approach that includes under a single responsibility the tasks aimed at planning, controlling and managing the risks of the Group. The Risk Manager will be actively involved in the business process (planning, selection and management of risks) in order to ensure a general consistency between the goals set and the results achieved.	31/12/2019	Path undertaken with the first tangible results (see Trevi and Soilmecc ERM reports).
2020 NFS New Goals	Timing	
- Completing and refining the implementation of the Project Risk Management process in the Soilmecc Division. - Carrying on the Management Risk process that has been recently implemented, according to an Enterprise approach that includes under a single responsibility the tasks aimed at planning, controlling and managing the risks of the Group. The Risk Manager will be actively involved in the business process (planning, selection and management of risks) in order to ensure a general consistency between the goals set and the results achieved. - Integrating the process by managing the counterparty risk.	31/12/2020	



MBTA project_Boston_USA

Methodological note

The methodology

The NFS was approved by the Board of Directors of TreviFin on 29 May 2020 and constitutes a separate report with respect to the Report on Operations and Ownership 2019. The NFS is prepared in compliance with the requirements of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" drawn up in 2016 by the GRI - Global Reporting Initiative ("GRI Standards").

Specifically, in accordance with the GRI 101 Standard: Foundation, paragraph 3, reference was made to the 2016 Reporting Standards in the Content Index ("GRI Standards - GRI-referenced option"). The information and figures reported in this NFS refer to the period between 1/1/2019 and 31/12/19. Furthermore, it was submitted to a limited examination, according to the Italian Legislative Decree 254/16 according to the International Standard on Assurance Engagement (ISAE 3000 Revised) by PricewaterhouseCoopers S.p.A.

The report is available on the website www.trevifin.com, in the "Investor relator" section, under "Non-financial report".

For any information request regarding the report, please write to:

[Franco Cicognani](mailto:fcicognani@trevispa.com) (Corporate Communication Director)
fcicognani@trevispa.com

Process for identifying material topics

In compliance with the Italian Legislative Italian 254/2016 and other sources, the Trevi Group has identified the topics ensuring the effective understanding of the company's business, its performance, its results and the impact produced, which are of strategic importance to the Company itself as they could influence the assessment of its stakeholders.

In order to identify the topics defined as material, the Group has carried out some analysis aimed at understanding the main pressures coming from its stakeholders and the company priorities, also in relation to the impacts produced and/or generated by its activities, with reference to the five areas of the Italian Legislative Decree 254/2016 (namely, environment, society, personnel, respect for human rights and fight against active and passive corruption).

- **analysis of sector benchmarks:** through the mapping of non-financial aspects marked as relevant for the sectors in which the Group operates;
- **analysis of the media:** through the keywords search of articles on the main national and international newspapers that have covered non-financial topics related to the Trevi Group during the reference year.

The topics identified have been further assessed according to the specific requirements of the Decree and to the impacts characterising the business model of the various divisions of the Group, which have distinctive operational models. This resulted in a list of topics deemed relevant, representing the reporting object of this NFS.



"Four Frankfurt" project, the Trevi team_ Germany

Scope

The reporting scope of this NFS includes companies of the Trevi Group that have been fully consolidated as mentioned in the Report on Operations as at 31/12/2019.

Table 19 shows the criteria for defining the reporting scope of each area of the Decree.

The exclusion of some companies from the scope has been evaluated in compliance with the provisions of Art. 4 of the Italian Legislative Decree No. 254/2016 that describes the opportunity to exclude from the NFS report those companies that, even though excluded from the accounting reporting scope, are not relevant to the understanding of the activities and the impacts of the Group.

In fact, the environmental and socio-economic impacts of these companies are hardly significant due to their little incidence in terms of: type of activity (non-productive) and number of employees (less than 15 resources).

With regard to the Soilmec and Drillmec Divisions, the following companies fall within the reporting scope:

Soilmec Spa, PSM Spa, Soilmec China, Soilmec India, Soilmec North America, Soilmec UK, Watson Inc., Soilmec Australia, Soilmec Singapore, Soilmec Hong Kong, Soilmec France, Soilmec Algeria, Soilmec Brazil, Soilmec Colombia, Soilmec Germany, Soilmec Japan, Drillmec Spa, Drillmec Inc., Seismotekhnika, Drillmec Russia, Drillmec Mexico, Drillmec Argentina and Drillmec Colombia.

As for the Trevi and Petreven Divisions, the companies having orders active during the 2019 financial year and therefore attributable to significant impacts (with a minimum turnover of over Euro 5 million) are: Trevi S.p.A. (consolidations for the Mosul Dam Project), Trevi Insaat (Turkey), Trevi Foundations (Nigeria), Trevi Foundations (Philippines), Swissboring Gulf (Dubai and Abu Dhabi), Swissboring Oman, Trevilcos Corporation (USA), Trevilcos South (USA), Pilotes Trevi (Argentina), Trevi Galante SA (Colombia), Trevi Cimentaciones C.A. (Venezuela), Trevi Algerie E.U.R.L.(Algeria), Arabian Soil Contractors (Saudi Arabia), Trevi Kuwait Foundations (Kuwait), Trevi Construction Co. Ltd. (Hong Kong), Trevi Geotechnik Ges.m.b.H. (Austria), Trevi Australia Pty Ltd (Australia), Trevi Foundation (Canada), Trevi Chile S.p.A. (Chile), Trevi Fondations Speciales Sas (France), Petreven Spa, Petreven Peru S.A. (Peru), Petreven S.A. Argentina (Argentina).

Any further limitation to said scope is mentioned within the document in correspondence of each indicator.

Table 19: criteria for the fixing the reporting scope

Scope	Reporting scope	Scope limitations		
		2018	2019	2019
Environment	The report includes all the companies that, at the 21/12/2019, have a number of employees exceeding 15 people	302-1 305-1 305-2	For the Trevi Division: - Trevi Foundation Construction (Nigeria), Trevi Fondations Speciales SAS, Trevi Canada. For the Petreven Division: - Petreven Chile.	For the Trevi Division: - Treviicos Corp., Treviicos South, Trevi Foundation Canada Inc.
		303-1	For the Trevi Division: - Trevi Foundations Nigeria, Trevi Icos Corp, Trevi Icos South, Foundations Construction (Nigeria), Trevi Foundation Canada Inc., Trevi Norvegia, Trevi Fondations Speciales SAS. For the Petreven Division: - Petreven Chile	For the Trevi Division: - Treviicos Corp., Treviicos South, Trevi Foundation Canada Inc.
		304-1		
		306-2	For the Trevi Division: The reporting scope does not include all companies abroad, since the disposal of the waste materials from job sites is performed by the customer. For the Petreven Division: The indicator is not reported since it is not relevant.	For the Trevi Division: The reporting scope does not include all companies abroad, since the disposal of the waste materials from job sites is performed by the customer. For the Petreven Division: The indicator is not reported since it is not relevant.
		306-3		
		307-1		
Compliance and anti-corruption	For the Trevi and Petreven Divisions, the companies to which active orders are associated in the reporting year are included. For the Drillmec and Soilmec Division, there are no scope exclusions.	205-3		

Scope	Reporting scope	Scope limitations		
		2018	2019	2019
Society	For the Trevi and Petreven Divisions, the companies to which active orders are associated in the reporting year are included. For the Drillmec and Soilmec Division, there are no scope exclusions.	413-1		Omission of point A (reporting by gender)
Human rights	All the companies that, at 31/12/2019, have a number of employees exceeding 15 people are included in the reporting.	406-1		
		412-1	For the Trevi Division: All the companies abroad are excluded from the reporting scope.	
		414-2	All the companies abroad are excluded from the reporting scope.	All the companies abroad are excluded from the reporting scope.
Personnel	For the Trevi and Petreven Divisions, the companies to which active orders are associated in the reporting year are included. For the Drillmec and Soilmec Division, there are no scope exclusions.	102-8		
		403-2	For the Soilmec Division: - Soilmec Australia, Soilmec Singapore, Soilmec Algeria, Soilmec Colombia, Soilmec Germania, Soilmec Japan.	
		403-2 Absenteeism	For the Trevi Division: - Trevi Cimentaciones Venezuela. For the Petreven Division: - Petreven Spa, Petreven Venezuela, Petreven Chile. For the Soilmec Division: - Soilmec North America, Soilmec Hong Kong, Soilmec Colombia.	For the Soilmec Division: - Soilmec Australia, Soilmec North America, Soilmec Japan, Soilmec Algeria, Soilmec Brasile
		401-1 HSE training	For the Trevi Division: Trevi Finanziaria Industriale, Trevi Foundation Kuwait, Trevi Foundation Nigeria, Trevi Insaat Turchia, Foundations Construction (Nigeria), Trevi Austria, For the Soilmec Division: - PSM Spa, Soilmec North America, Soilmec Australia, Soilmec Hong Kong, Soilmec Francia, Soilmec Algeria, Soilmec Colombia, Soilmec Germania, Soilmec Japan	For the Trevi Division: - Treviicos Corp., Treviicos South, Trevi Foundation Canada Inc. For the Soilmec Division: - Watson Inc., SM India
		405-1		

Method of calculation

The definition of the contents included in the NFS 2019 involved all the relevant corporate departments in charge of the reported information.

The following are the definitions and methods for calculating the rates and indicators relating to the environmental figures.

Energy consumptions, which include:

- Consumption of fossil fuels (petrol, diesel, natural gas and LPG)
- Consumption of renewable energy (wind power, solar energy, biomass, geothermal energy)
- Consumption of electricity from the national network
- Energy from self-produced renewable and non-renewable sources, used on-site

These consumptions have been converted into GJ according to the following conversion factors, deriving from the Greenhouse Gas Protocol reporting conversion factors and shown in Table 20.

Energy vector	Unit of measure used for collecting the data	Conversion factor	Unit of measure of the conversion factor
Petrol	l/year	0,0313	GJ/l
Diesel	l/year	0,0359	GJ/l
Natural Gas	m ³ /year	0,0353	GJ/m ³
LPG	l/year	0,0239	GJ/l
Electricity	kWh/year	0,0036	GJ/kWh

Table 20: Conversion factors of energetic consumptions in GJ. Source: Greenhouse Gas Protocol reporting conversion factors, 2018

Scope 2 emissions:

For the calculation of the greenhouse gas emissions, only CO2 emissions were considered. Scope 2 emissions have been calculated in accordance with the Location-based method envisaged in the "GHG Protocol Scope 2 Guidance - An Amendment to the GHG

Protocol Corporate Standard" (2015).

CO2 emissions are calculated by multiplying GJs of electrical and thermal energy acquired from

Scope 1 emissions:

The consumption of fuels such as petrol, diesel, natural gas and LPG is considered for calculating Scope 1 emissions. CO2 emissions are calculated by multiplying the GJs of energy by the emission factors deriving from the applicable technical literature. Specifically, with regard to fossil fuels, the DEFRA table "Department for Environment Food & Rural Affairs" was used.

The emission factors used are shown in Table 19:

Fuel	Emission factor	Unit of measure of the conversion factor
Petrol	3,135	ton _{co2} /ton petrol
Diesel	3,164	ton _{co2} /ton Diesel
Natural Gas	2,537	ton _{co2} /1000 m ³
LPG	2,933	ton _{co2} /ton LPG

Table 21: Conversion factors of fuel consumed in tonnes of CO2 equivalent emitted. Source: Ministry of Environment (MATTM) 2018.

Scope 2 emissions:

For the calculation of the greenhouse gas emissions, only CO2 emissions were considered. Scope 2 emissions have been calculated in accordance with the Location-based method envisaged in the "GHG Protocol Scope 2 Guidance - An Amendment to the GHG Protocol Corporate Standard" (2015).

CO2 emissions are calculated by multiplying GJs of purchased electrical and thermal energy as per the applicable technical literature. Whereas no national emission factor is available, the average continental emission factor has been used. In particular, the Statistical Office of Terna S.p.A. that is part of the National Statistical System provides the conversion factors. This

latter has the statutory duty of compiling the official statistics of the whole national electricity sector and, in our Country, is also responsible for issuing official statistical communications to international organizations such as Eurostat, IEA, OECD, and UN.

The following are the definitions and methodologies for calculating the rates and indices relating to occupational health and safety data:

- Absenteeism rate

It is calculated as the ratio between the total amount of days of absence due to illness, accident or unpaid leave and the total amount of worked days.

- Frequency index of accidents

It is calculated as the ratio between the total number of accidents with an absence higher than one day and the total number of hours worked, multiplied by 1,000,000; commuting accidents are excluded from the calculation of the accident rate.

- Severity index

It is calculated as the ratio between the total number of days lost due to an accident and the total number of worked hours, multiplied by 1,000.

- Professional illness rate

It is calculated as the ratio between the total number of occupational disease cases and the total number of hours worked, multiplied by 1,000,000.

- Lost work days

They represent the calendar days lost due to accidents starting from the first day of absence at the workplace.

- Worked hours

In case of data unavailability for some employees, an estimate was made based on the hours actually worked by the remaining part of Trevi's workforce.



Foundation work for "Grand Paris Express" project, Paris, France

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Rehabilitation of Herbert Hoover Dike, Florida, USA



Independent auditor's report on the consolidated non-financial statements

pursuant to article 3, paragraph 10 of Legislative Decree no. 254/2016 and article 5 of CONSOB Regulation no. 20267 of January 2018

To the Board of Directors of Trevi - Finanziaria Industriale SpA

Pursuant to article 3, paragraph 10 of Legislative Decree no. 254 of 30 December 2016 (hereinafter, the "Decree") and article 5 of CONSOB Regulation no. 20267/2018, we have performed a limited assurance engagement on the consolidated non-financial statements of Trevi - Finanziaria Industriale SpA (hereinafter also the "Company") and its subsidiaries (hereinafter, the "Trevi Group" or the "Group") for the year ended 31 December 2019, prepared in accordance with article 4 of the Decree, presented in a specific section of the report on operations and approved by the Board of Directors of the Company on 31 May 2020 (hereinafter, the "NFS").

Responsibility of the Directors and of those charged with governance ("Collegio sindacale") for the NFS

The Directors of Trevi - Finanziaria Industriale SpA are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "GRI-Sustainability Reporting Standards" defined in 2016 (hereinafter, the "GRI Standards"), with reference to a selection of GRI Standards, as described in the paragraph "Methodological note" of the NFS, identified by them as the reporting standards.

The Directors are responsible, in accordance with the law, for the implementation of internal controls necessary to ensure that the NFS is free from material misstatement, whether due to fraud or unintentional errors.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1 of the Decree, considering the activities and characteristics of the Trevi Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organizational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated and/or faced by the Group.

Those charged with governance ("Collegio sindacale") of Trevi - Finanziaria Industriale SpA are responsible for overseeing, in the terms prescribed by law, the compliance with the Decree.

PricewaterhouseCoopers SpA

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Auditor's independence and quality control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behavior. Our audit firm adopts International Standard on Quality Control 1 ("ISQC Italy 1") and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and with the GRI Standards, with reference to a selection of GRI Standards. We conducted our engagement in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance engagements other than audits or reviews of historical financial information" (hereinafter, "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board ("IAASB") for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised ("reasonable assurance engagement") and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily with Company's personnel responsible for the preparation of the information presented in the NFS, analysis of documents, recalculations and other procedures designed to obtain evidence considered useful.

In particular, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standards adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. understanding of the following matters:
 - business and organizational model of the Group, with reference to the management of the matters specified by article 3 of the Decree;
 - policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - main risks generated and/or faced by the Group, with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 4 a) below;

4. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS. In particular, we held meetings and interviews with management of Trevi - Finanziaria Industriale SpA and we



performed limited analysis of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at Group level
 - a) with reference to the qualitative information included in the NFS, and in particular with reference to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify their consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests of details, in order to assess, on a sample basis, the accuracy of the information;
- for the Companies Trevi SpA and Swissboring Overseas Corporation Ltd., which were selected on the basis of their activities and contribution to the performance indicators at a consolidated level, we carried out meetings and interviews with management and we gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusions

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of Trevi Group as of 31 December 2019 has not been prepared, in all material respects, in compliance with articles 3 and 4 of the Decree and with the GRI Standards, with reference to a selection of GRI Standards, as described in the paragraph “Methodological note” of the NFS.

Bologna, 8 June 2020

PricewaterhouseCoopers SpA

signed by

Gianni Bendandi
(Partner)

signed by

Paolo Bersani
(Authorised signatory)

“This report has been translated into the English language from the original, which was issued in Italian language, solely for the convenience of international readers. We have not performed any controls on the NFS 2019 translation.”

