



TREVII Group
Non Financial Statement

Consolidated Non-Financial
Statement for the year 2021



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Letter to stakeholders

With the Trevi Group's Non-Financial Statement, we wish to make our stakeholders aware of the daily commitment that the men and women of our organisation have made to integrating social and environmental sustainability into our corporate strategy in a tangible and measurable manner.

Before going any further, we should point out that, following a specific resolution, the Board of Directors of Trevi Finanziaria Industriale S.p.A. has entrusted the Risk and Sustainability Control Committee with the task of supporting, through suitable preliminary activities, the assessments and decisions of the Board of Directors in relation to sustainability issues.

Furthermore, in 2021 we have established and integrated the communication function with the sustainability function, which will have the task of analysing, planning and managing activities related to social, environmental and governance (ESG) issues within the Group.

The current global situation shows how, in order to lay the foundations for stable growth, it is important to consider sustainability from a dual perspective: as an innovation challenge and as a strategic-competitive lever. Furthermore, the goals of the 2030 Agenda for Sustainable Development indicate the increasingly pressing need to move away from the idea that sustainability is solely linked to environmental issues and to assess it in a more global manner, an integrated view of the various dimensions that contribute to development: economy, society, institutions and environment. We need to ask ourselves, each in our own role, what we can do and what contribution we can make to achieving sustainable development.

*But let us be more specific. Every day, for almost 65 years now, the Trevi Group has dedicated itself with commitment and passion to the "design and construction of solid and safe structures and foundations for major infrastructures that improve people's quality of life". Participation in socio-economic development with respect for people, cultures and the environment is written in our DNA and we believe that it represents the only *modus operandi* for ensuring growth, progress and social equity on this Planet over time.*

Today, the Trevi Group is known and renowned throughout the world for its constant ability to find innovative solutions in response to the complex requirements of soil engineering,

for its predisposition to integrate and collaborate with the various local realities, and also for the attention it has always shown towards environmental issues. Within our organisation, a specific team is dedicated to these issues by designing and developing solutions for the safety of polluted sites, the optimisation of production processes to improve the ecological footprint, and seismic risk mitigation interventions related to sand liquefaction.

Not least, our Group has always paid great attention to the health and safety of its employees. We have worked hard to raise the level of safety and to drastically reduce not only the number of accidents but also all those situations that could evolve into dangerous ones, reaping important results as evidenced by the numerous awards that customers have given us.

Although this NFS is about the year 2021, I cannot refrain from dedicating a few words to the advent of Covid-19 at the beginning of 2020. We do this for the sake of the record, but also to highlight the effort made by our entire organisation to ensure the health and safety of our employees at the highest level. We have dedicated a short chapter within the report to talk about the actions taken to mitigate risks and raise the guard level to the highest level.

Before saying goodbye and wishing you good reading, I would like to highlight the contribution that all the people, women and men, young and old, are making to overcoming the new challenges we face. Tough challenges in an increasingly complex and competitive environment that require high-profile skills and attitudes to be overcome. Our people fully meet these requirements and are prepared, passionate and tenacious.

Enjoy reading

Giuseppe Caselli
Chief Executive Officer
Trevi Group



The NFS of the Trevi Group

The “Consolidated Non-Financial Statement” (hereinafter also the “Statement” or “NFS”) of the Trevi Group is drawn up in compliance with Italian Legislative Decree No. 254 dated 30 December 2016 (hereinafter the “Decree”) transposing the European Directive 2014/95/EU (hereinafter the “Directive”).

Upon decision of the Trevi Group this statement, referring to 2021, constitutes a separate report with respect to the 2021 Directors’ Report and the Report on Corporate Governance and Ownership Structure.

The NFS offers a concise but exhaustive picture of the Group’s strategy in the integrated management of environmental, social, economic and governance (ESG) issues, through the reporting of its performance and policies in relation to a set of material topics identified among the various areas of reference of the Decree deemed the most relevant for the organisation and its stakeholders of reference. The Group’s planning, reporting and communication of sustainability shall be progressively directed to these topics.

To complete the Statement pursuant to the Decree, a description of the main risks, generated and/or suffered, including how they are managed, the policies applied by the Company, the relevant performance indicators and the Company’s management and organisational model shall be presented.

Materiality analysis

The Trevi Group’s non-financial reporting focuses on the relevance of the various aspects relating to its activities as well as on the 5 areas envisaged by Italian Legislative Decree No. 254/2016 relating to fight against active and passive corruption, environment, personnel management, social aspects and respect for human rights. Since 2017, the first year in which the Statement was drafted, the Trevi Group has started a Materiality Analysis, aimed at identifying and putting in order of relevance the so-called material topics to be reported, that is, those topics:

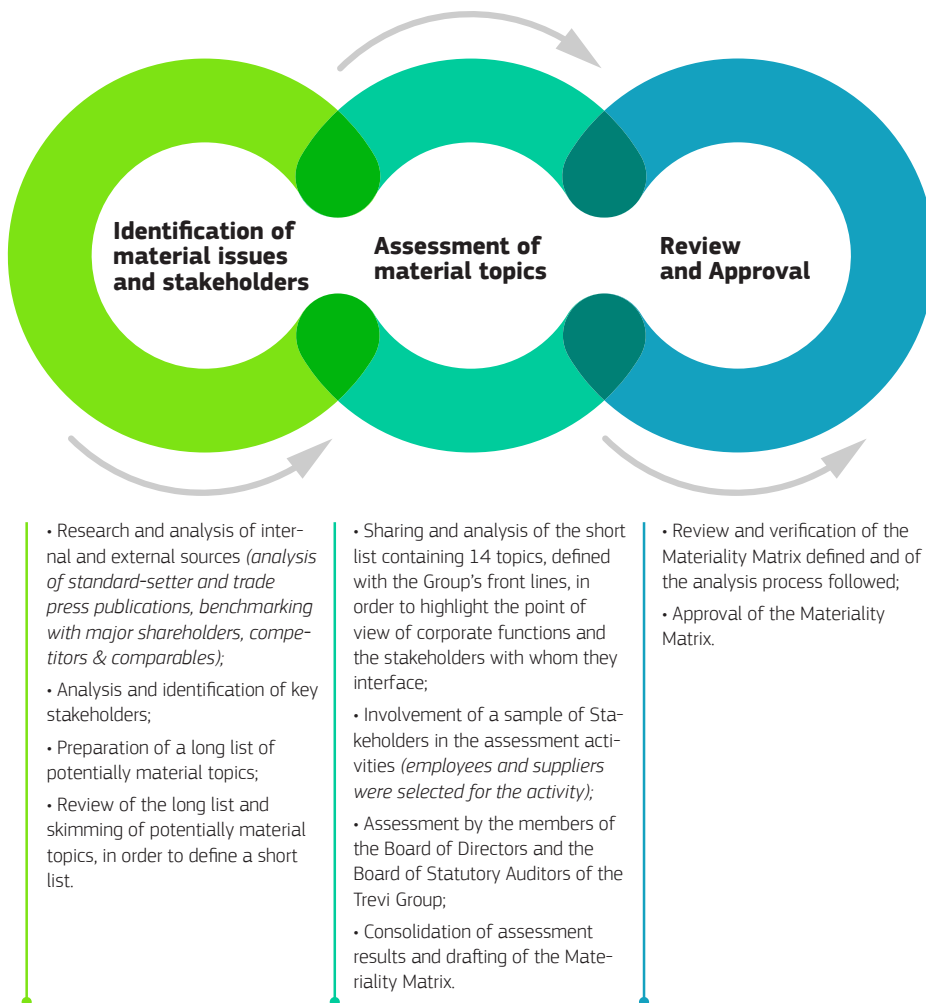
- with significant economic, environmental or social impact for the Group’s business;
- that could substantially influence stakeholders’ assessments and decisions.

Through this process, materiality takes into account not only the organisation's point of view but also that of its stakeholders of reference.

Based on business priorities and on the evolution of the internal and external context, the most relevant topics were identified as defined and represented by the Materiality Matrix. During 2021 the process for assessing material topics was updated and expanded taking into account the GRI (Global Reporting Initiative) sustainability reporting guidelines.

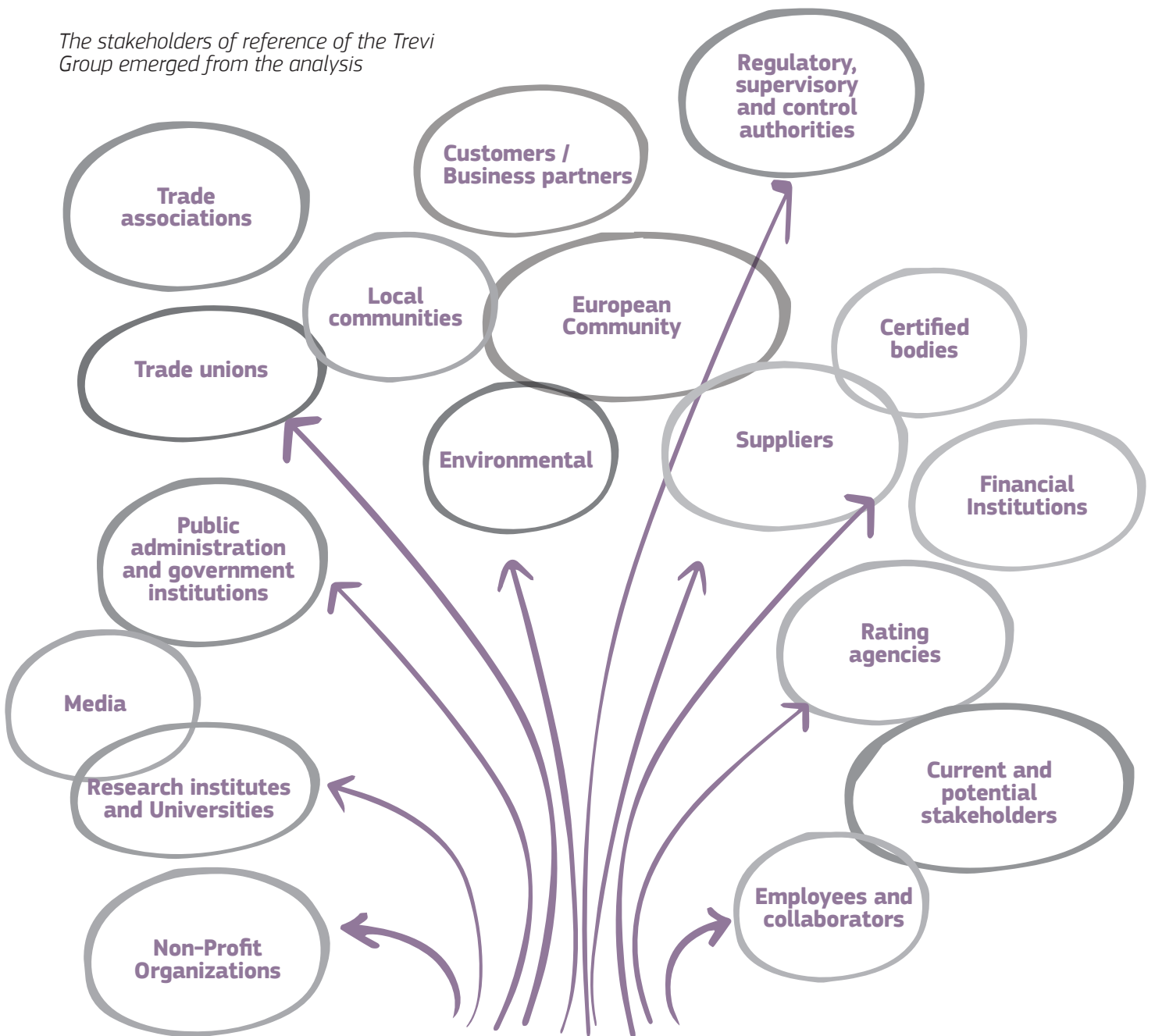
Process for identifying material topics and stakeholders of reference

In detail, the materiality analysis process was structured as follows:



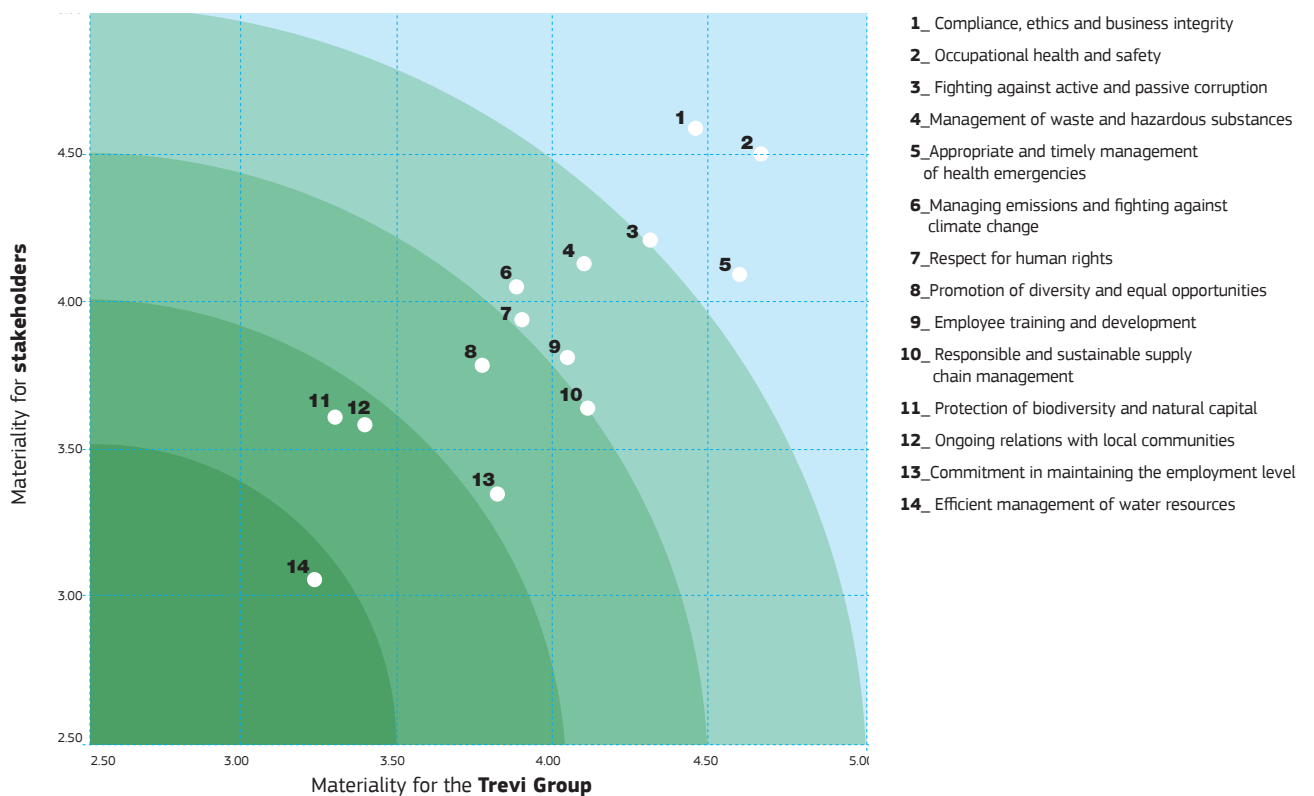
The Group's stakeholders

The stakeholders of reference of the Trevi Group emerged from the analysis



Materiality matrix

The “material” topics identified during the analysis carried out reflect those that are essential to the management of the Trevi Group’s business and the results of the materiality analysis. During 2021, the Materiality Matrix was further updated and supplemented thanks to the assessments expressed by the members of the Trevi Group Board of Directors and Board of Statutory Auditors. In light of the results that have emerged, there is substantial correspondence with the previous assessments, such that the integration has not led to changes in the relevance ranking, but only to contained deviations within the Matrix. Below, the updated Matrix graph:



The materiality matrix is represented in a graph showing the importance attributed to each topic from an internal Group (X axis) and stakeholder (Y axis) point of view: the higher and to the right the topic is placed on the graph, the higher its relevance will be for both parties. This representation makes it possible to assess the relevance and, therefore, the “materiality” of each topic based on their overall positioning with respect to the two axes.

The material topics of the Trevi Group



Anti-corruption

Compliance, ethics and business integrity

This topic refers to the Group's commitment to comply with ethical and moral standards and to disseminate a corporate culture and values in order to support compliance by the entire organisation with the ethical behaviour and regulations applicable in the countries where the Group operates.

The Group observes laws and regulations in its approach to the market and acts in accordance with them.

Fighting against active and passive corruption

This topic refers to the Group's commitment to combating active and passive corruption through policies, procedures and mechanisms for reporting potential irregularities or misconduct.



Environmental aspects

Managing emissions and fighting against climate change

The topic refers to the promotion of strategies to reduce atmospheric emissions and develop renewable energies with the aim for the Group to gradually reduce its dependence on the fossil fuel sector and lessen its impact on the environment.

In addition, it aims to promote the monitoring of emissions and the improvement of its performance in reducing climate-changing emissions and increasing energy efficiency

Efficient management of water resources

This topic refers to the Group's approach to the efficient and responsible management of water resources, with the aim of reducing water losses along the production chain and adopting a sustainable management of the resource itself in a circular perspective.



Protection of biodiversity and natural capital

Protection of biodiversity and natural capital

The Group's commitment to safeguarding the landscape and territorial heritage in the vicinity of corporate operations, also thanks to periodic monitoring and analysis activities aimed at minimising impacts on biodiversity and the ecosystem.

Management of waste and hazardous substances

This topic refers to the attention paid to waste produced by the Group, at its legal and operational offices and at its construction sites (when managed as a General Contractor), as well as to the proper management of hazardous waste disposal by specialised and qualified companies.



Personnel Management

Commitment to maintaining employment levels

The Group has identified human resources as a key factor for the success of the business, given the highly specialised skills required and the abilities needed to provide customer service even in difficult contexts. Therefore, in order to safeguard the maintenance of employment levels, the Group adopts structured processes, provides services for the development of skills and promotes initiatives for systematic dialogue and collaboration between the Company and its employees

Promotion of diversity and equal opportunities

The Group is committed to guaranteeing equal opportunities to all workers in terms of remuneration and contractual treatment based exclusively on criteria such as meritocracy and skills. Furthermore, it is committed to promoting an inclusive environment that respects differences in gender, age, ethnicity, sexual orientation and religion in recruitment, training and personal development policies.

Social aspects



Employee training and development

It is the Group's priority to create development and training paths aimed at enhancing the technical, managerial and organisational skills of employees.

The issue refers to investment in human capital resources through refresher and training courses, as well as seminars and training differentiated according to the role held and the development plan.

Health and safety of employees and collaborators

This topic refers to the prevention and protection from risks inherent to the health and safety of its employees in order to minimise their exposure to said risks.

The safety of its employees and collaborators is one of the essential elements in the Group's daily activities.

Ongoing relations with local communities

Commitment to local communities in managing the impact of Group activities and promoting development programmes. The topic refers to the Group's ability to commit to the creation of long-term value for all its stakeholders, particularly at local level, by identifying common objectives and agreeing together on specific initiatives to promote, support and develop them.

Protection of human rights



Respect for human rights

The topic refers to the compliance with working practices and conditions adequate to ensure the protection of human rights by individuals inside and outside the Company.

Therefore, the Group is committed to ensuring adequate practices and working conditions for the protection of human rights by the Group itself and its suppliers.

Responsible and sustainable supply chain management

Responsible and sustainable supply chain management refers to the importance of production systems and the adoption of policies for selecting suppliers, collaborators and business partners using fair and transparent processes. Furthermore, it involves the integration not only of legality and transparency criteria but also aims at promoting social and environmental responsibility practices (e.g., possession of certifications such as ISO 9001, ISO 14001, EMAS, ISO 45001, SA8000, etc.).

Cross-cutting topics



Appropriate and timely management of health emergencies

The Group responds promptly to reports of health emergencies, fully protecting its employees and collaborators in order to ensure business continuity in the corporate process.

The Company appropriately assesses the creation of specific Teams dedicated to monitoring and analysing the evolution of the health emergency in question, in order to implement appropriate mitigation plans and to minimise the health problems of its employees and collaborators and interruptions to activities.

Impact of the Russia-Ukraine conflict

Description of possible areas of analysis to be considered with reference to the Group's operations.

The Group has no manufacturing activities in Russia or Ukraine.

The Trevi Group today

Mission

We design and build solid and safe structures and foundations for major infrastructures to improve people's quality of life.

Vision

Being the partner of reference in the engineering and realisation of reliable, durable and innovative solutions for subsoil engineering

The Trevi Group was founded in Cesena in 1957

During 65 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.



Internationalisation

Thanks to the acquisitions made over the years, today the Group is formed by **69 subsidiaries** and is present in **39 countries**.

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

The internationalisation of its activities has always been a strong point of the Trevi Group ever since it was established (*the first work abroad was carried out in 1967 in Nigeria*), so much so that even in 2021, the majority of its revenue (*exactly 87 %*) was generated abroad.

Works that have left their mark on the world of underground engineering

Over the years, the Trevi Group has put its signature on a number of projects that have made the history of the sector worldwide: these include the **Ertan Dam** in China, the consolidation of the Leaning **Tower of Pisa** (*which celebrates its twentieth anniversary this year*), the construction of the new **Library of Alexandria** in Egypt, the foundations of the **Vasco da Gama Bridge** over the Tagus River in Portugal, the foundation works for the **new World Trade Center** in New York, the rehabilitation of the **Wolf Creek Dam** in the United States, the consolidation of the **LPV-111 levee** in New Orleans destroyed by Hurricane Katrina, the recovery of the **Costa Concordia** and the securing of the **Mosul Dam** in Iraq. Recent achievements include consolidations for the **Herbert Hoover Dike** in the United States, foundation works for the stations of the new **Grand Paris Express** metro line in France, the **Chacao Bridge** in Chile and the **Drammen high-speed railway tunnel** in Norway.



To us, consolidating means strengthening, recompacting and preparing the soil for new projects that improve people's lives

A history of over 60 years

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.

1957

1962

First equipment for driven piles (Franki type).

1969

Establishment of Soilmec.

1967

The first three-roll RT3 rotary is produced.

Nigeria: the first great international work. **Apapa Road**, Lagos.

1981

The extremely complex project for the construction of the **Khao-Laem dam** in Thailand represents another milestone in the history and growth of the Group.

1995

The consolidation work begins on a masterpiece of Italian art famous throughout the world: the **Tower of Pisa**.

1997

Trevi **acquires I.C.O.S. Boston**, a historic company leader in the work of special foundations in the North American market.

1971

Bridges on the Paranà River in Argentina: for the first time a company executes piles in the water to a depth of 74 meters.

1976

The acquisition of the works for the new docks of the port of **Bandar Abbas** in Iran marks another major technological challenge for the Group.

1999

Constitution of **Petreven**.

The Trevi Group holding company, "**TREVI-Finanziaria Industriale S.p.A.**", is listed on the **Milan Stock Exchange**.

Acquisition of SWISSBORING, a company operating in the Arabian Gulf area since 1973.



*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.*

2008

Rehabilitation works of **Wolf Creek dam** assigned by the US Army Corps of Engineers, United States.

2007

Foundations at Ground Zero for the new **World Trade Center, NY city**, United States.

2005

Trevi acquires the company **Ing. Giovanni Rodio S.p.A.**

2004

Drillmec was born.

2017

Foundation for **Meydan One Mall** and in particular for the longest indoor ski slope in the world (Expo 2020).

2016

Securing the **Mosul Dam, Iraq**.

2019

Trevi executes the foundation works for the metro stations of "**Grand Paris Express Metro**", Paris, France.

Involvement of Trevi in the "**C**" line project of the **Rome metro** which involves construction and rehabilitation of 30 stations and 21.5 km of underground line

2018

The Ministry of Public Works of Chile has approved the final project of what will be the longest suspension bridge in South America, the **Chacao bridge**.

Trevi will deal with poles in water 2500 mm in diameter at a depth of over 50 meters.

Preparatory work begins for the construction of the "**FOUR Frankfurt**" yard in the center of Frankfurt, Germany.

Trevi Geotechnik (subsidiary of the Trevi Group) is involved in special foundation operations.

2010

Trevi at work to consolidate the embankments in **New Orleans** after Hurricane Katrina, an intervention that has made it possible to strengthen collaboration with the American Corps of Engineers.

2011

Trevi wins the works for the construction of the new **Copenhagen Metro**.

2012

Recovery project of the **Costa Concordia**.

Metro Manila Skyway - Stage 3: one of the most important and complex infrastructure projects of the Philippines of the last decade.

Jet grouting work relating to the expansion project of the **Hong Kong International Airport**.

2021

Consolidation work for the **Lonato Tunnel** for the High Speed/Capacity railway line, Brescia east-Verona, Italy.

Veidekke Entreprenør, the largest construction company, in Norway has entrusted S.p.A. with the containment and improvement works of the ground of for the **Drammen tunnel** (cut and cover works).

2020

Antiliquefaction cells for the **Anse Du-Portier** in Montecarlo. A project by Renzo Piano, Principality of Monaco.

The Trevi Group today

Operating Divisions and sectors of activity

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

The Divisions operating in the Construction & Infrastructure segment



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.



It is among the leaders in the design, production and marketing of equipment and services for special foundation works and soil consolidation. Soilmec offers a wide and customisable range of systems and support equipment suitable to meet any operational and construction site needs.

The two Divisions operate at different levels of the value chain and according to distinctive operating models that involve an integration in terms of know-how

between the engineering services - developed by Trevi - and the design and production of rigs by Soilmec: a business model that, thanks to the continuous exchange between technological and process innovation, strengthens its leadership in the reference sectors, develops innovations and creates competitive advantage.

The Trevi Group is active in the **Construction & Infrastructure** segment. The Trevi Division carries out special foundations and special works, soil consolidation for large infrastructure projects (subways, dams, ports and docks, bridges and viaducts, railway and motorway lines, industrial and civil buildings) and secures polluted sites. The Soilmec Division designs, manufactures and markets machinery, plants and services for soil engineering.

Trevi mainly operates as a sub-contractor on behalf of public and private clients, following the feasibility assessment, the authorisation process and the obtaining



7th Ring Road Project | Kuwait



*No two projects are ever the same
and no two soils are identical: each solution
is unique*

of permits for the construction of works and infrastructures. In most cases, therefore, Trevi takes on a purely executive role and actions such as the procurement of materials, the management of construction sites and their impacts, including aspects such as waste, energy procurement and relations with local communities, are managed directly by the General Contractor, which is responsible for the execution of the work as a whole. Only in some very specific areas, such as the securing of dams or embankments or maritime works, Trevi proposes itself as a “General Contractor Specialist” as it is able to influence even the design phase, a feature that has a great technical/economic pay out value.

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

The design phase of the machinery and systems, which is the responsibility of the research and development team, works to respond in a targeted manner to the needs of the various customers - including, first and foremost, Trevi itself - in order to facilitate the development of the subsequent phases and ensure that they run smoothly.

Furthermore, Soilmec deals with the distribution and sale of the equipment through its sales branches in Italy and abroad, and also offers rental services, scheduled and extraordinary maintenance and training on the use of the machines.

Lastly, it should be noted that, in most cases, the disposal of machinery that has reached the end of its useful life and has been fully depreciated does not fall within the scope of responsibility of the Group companies; disposal lists are provided for such machinery, which envisage its sale to third parties.

Trevi and Soilmec: Membership in Associations

During 2021, the Trevi Division was registered nationally with **ANCE** (*National Association of Building Constructors*), **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 organisation 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 Foundations Institute*).

The Trevi Group today

Corporate governance

TREVI - Finanziaria Industriale (TreviFin) is a public limited liability company that has been listed on the Milan stock exchange since 1999 and its body of shareholders at 31 December 2021, as regards significant equity investments, is as follows:

The Parent TreviFin is organised 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 in force from time to time. The Board of Directors (BoD) plays a central role in guiding and managing the Group, making the most important economic and strategic decisions.

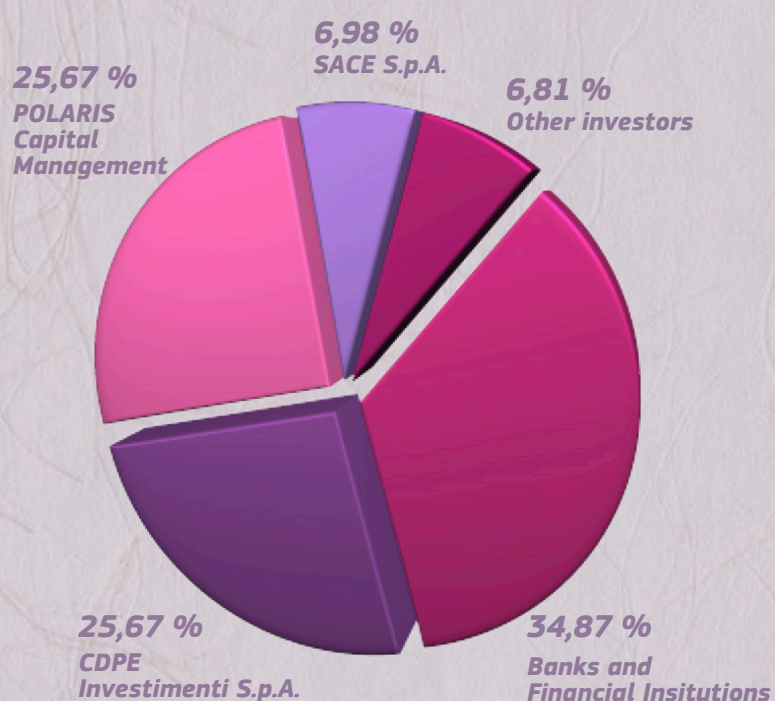
At 31 December 2021, the Company, as provided for in the Corporate Governance Code, is composed of the Appointment and Remuneration Committee, the Control, Risk and Sustainability Committee (with the Board of Directors currently in force and appointed on 30 September 2019, the Committee's competence on sustainability issues was added) and, since 2010, following the approval of the first related party procedure, the Company has set up a Related Party Committee, not provided for in the Corporate Governance Code; each committee is made up of Directors who are all non-executive and independent.

The Board of Statutory Auditors monitors the compliance with the law and the Articles of Association and with the principles of proper administration, in particular the adequacy of the organisational, administrative and accounting structure adopted by the Company and

its operation.

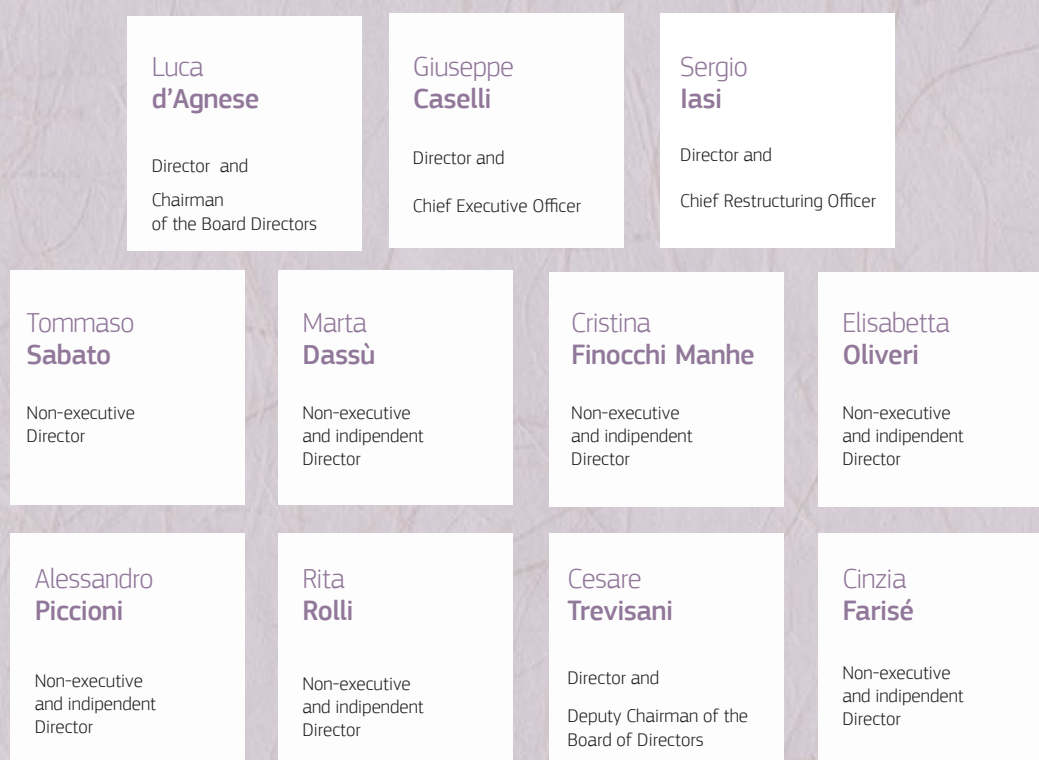
In 2021, in view of the continuation of the COVID-19 pandemic, the corporate bodies and, specifically, the Control, Risk and Sustainability Committee, kept paying special attention, with dedicated sessions, to the effects of the pandemic on the activities of the Company and the Group, as well as the actions undertaken to deal with the pandemic emergency.

In 2020 the long-term incentive plan (LTI) was launched and approved by the Shareholders' Meeting on 30 December of the same year - including a Sustainability objective that consisted in drafting a Supplier Code of Conduct based on ESG - with the aim of reaching in 2021 at least 25% of the Group's purchasing volume with suppliers who formally accepted the said Code. Also in 2021, this percentage was raised to 50% for 2022.



Shareholding of the Trevi Group

The above table details investments higher than the 5% threshold.



Composition of the Board of Directors of Trevi- Finanziaria Industriale S.p.A. in carica al 31/12/2021

The statutory audit of the separate and consolidated financial statements is entrusted to the auditing firm KPMG S.p.A., pursuant to the Italian Law Decree 39/2010 for the nine-year period 2017-2025.

The Shareholders' Meeting represents all the shareholders of TREVI - Finanziaria Industriale S.p.A. and its operation is governed by the current Italian legislation and the Articles of Association.

On 3 March 2021, the Board of Directors resolved on the co-option of Tommaso Sabato as non-independent and non-executive director of the Company pursuant to Article 2386 of Italian Civil Code, to replace Luca Caviglia who resigned from his positions within the Trevi Group due to new professional commitments. At 31 December 2021, the Board of Directors of the Group was composed of 11 members, 6 of whom were independent directors. The average age of the Directors in office at the date of the Statement is 57.8 years, with 2 Directors in the 30-50 age bracket and 9

in the over 50 age bracket. Women represent 45% of the members of the Board of Directors.

With reference to the appointment and selection of the Board of Directors, namely the highest governance body,

the appointment process is thoroughly illustrated in the Articles of association of TREVI - Finanziaria Industriale S.p.A. under Art. 26.

This article regulates the appointment and replacement of the Board of Directors by means of "list voting".

Directors are appointed by the Ordinary Shareholders' Meeting, in accordance with procedures and criteria set out in the Articles of Association. The appointment is made in compliance with the criterion of distribution of the directors to be elected provided for by the regulations on gender balance applicable from time to time.

The appointment of the office of Director is subject to the possession of the requirements provided for by the laws and regulations in force.

The Trevi Group today

Risk management

The Risk Management Function aims at guaranteeing an organic and transparent management of the main risks and opportunities that may impact on the value creation of the Trevi Group.

In line with the objectives set by the new Chief Executive Officer and the Board of Directors, the essentially integrated approach of the process to manage uncertainty with consistent methodologies and homogeneous tools is confirmed, while respecting the necessary specificity of the Divisions.

Job order Objectives

The aim of this area is to support top management and individual risk owners, right from the business development and commercial negotiation phase, by ensuring bottom-up and qualitative-quantitative analysis to identify and manage events with potential impact on the performance of contracts and the Division's portfolio, such as revenue, operating margin, EBITDA, etc.

Below is a summary of the Risk Committee's activities for the year 2021.

784M €	of business opportunities assessed
n. 28	projects ¹
27,9M €	average value of projects
30,3%	% of award

¹ Opportunities with value > €5M.

Divisional objectives

This area includes events with a potential impact on the objectives of the Divisions (not specifically on job orders) and on the guarantee of valuable products and services for customers, with particular attention to the KPIs (Key Performance Indicators) of the main Departments.

Periodic reporting is aligned with that of the (interim) Consolidated Financial Statements, while monitoring and mitigation actions are carried out on a continuous basis, according to specific planned deadlines.

Below the events and trends of the 2 Divisions in 2021:

	Trevi	Soilmec
Events closed compared to 2020 (No.)	42	17
Average severity of events (1 → 16) ²	7,8	6,1
Average severity % trend (compared to 2020)	-1,3%	-4,7%
Origin of events (external internal)	80% 20%	71% 29%
% trend by origin of events ³	+3% esterna	+1% esterna
Top risks (No.)	6	5

² Severity is the product of probability and impact of occurrence of the identified risk event.

³ The increase in risk events with external origin is mainly due to the Covid-19 pandemic event.

Business Plan objectives

This area includes the management of events with potential impact on the targets defined in the Business Plan, with particular attention to the turnover and the creation of an appropriate order backlog for the year of reference.

The Risk Management Function, with a bottom-down approach based on the data made available and updated by the companies of the Group and working alongside with the business managers of the Divisions, defines some risk and opportunity scenarios to support top management in strategic assessments.



South Station Tower | Boston, U.S.A.

The Trevi Group today

Taxes

Approach to tax

The Trevi Group carries out civil engineering works all over the world, following the award of public or private tenders in Joint Ventures or on the basis of subcontracts, therefore both in high tax countries and in countries with privileged tax regimes.

The Group acts according to criteria of honesty and integrity in the management of its tax business, in the knowledge that tax revenue from taxes paid constitute the main source of development of local communities in the countries in which it operates.

The main fiscal commitment made is to comply with the tax regulations set by the Countries in which the Group operates. This is firstly done by interpreting rules, through the collaboration with leading tax and corporate firms, the submission of petitions and appeals aimed at knowing in advance the orientation of Tax Authorities on complex matters, the stipulation of prior agreements and, secondly, through the punctual application of these rules and the consequent payment of the taxes due.

The tax management referred to above is defined by the CFO, who, in making strategic decisions, is assisted by the Tax Manager, the Tax Department, the AFC team and leading Italian and foreign tax consultants.

The Group's fiscal strategy has always been oriented toward the adoption of the general values and principles of the Group's Code of Ethics with particular reference to fairness in institutional relations, application of and compliance with the law, transparency in market communications and protection of the company's assets through the creation of shareholder value.

Tax management and related decisions are implemented when bids are submitted to participate in tenders and are monitored and validated when the financial results are approved on a quarterly basis.

As the Group operates on a global scale, it is subject to European and non-European Union regulations governing the cross-border mechanisms adopted. In this sense, two regulations are the most relevant:

a) (EU) Directive 2018/822 of 25 May 2018 (*the so-called "DAC6" acronym for "Directive on Administrative Co-operation"*), which introduced the obligation for intermediaries and taxpayers to communicate to the Financial Administrations of the EU States the cross-border mechanisms that could potentially be used for the purposes of aggressive tax planning, with the aim of contributing to the creation of a fair taxation environment in the internal market.

b) adoption of correct transfer pricing policies and preparation of the CBCR (*Country by Country Reporting*) report. In 2021, the Group prepared all the documentation required for transfer pricing purposes for the Italian companies and transmitted the Masterfile in English and the CBCR report to all the foreign companies of the Group

The tax approach, always oriented towards compliance with tax rules and regulations, is closely linked to the organisation's business strategy and sustainable development.

In this regard, the main business policies adopted by the group are represented by:

a) compliance with legal and regulatory obligations on environmental matters, optimising the use of energy resources and marketing products that comply with environmental standards;

b) technical planning of workplaces, equipment and processes that must be marked by the highest level of compliance with current regulations on safety and hygiene at work;

c) respect for social and moral obligations aiming at contributing, with the same, to the enrichment of the economic, intellectual and social heritage of each country and community in which it carries out its activities.

Tax governance, control and risk management

The physiological tax risks associated with the business can be essentially divided into compliance risks, i.e., related to the correct and timely execution of tax obligations, and interpretation risks, related to uncertainty about the scope of application of the rules.

These risks are mitigated: **(i)** for routine operations, through the adoption and dissemination of adequate procedures for the management of administrative and tax aspects related to the business, as well as with training and updating activities for the corporate functions involved; **(ii)** for non-recurring operations, or new initiatives, through the preliminary analysis of tax issues, by dedicated work teams, integrated with the specific skills of external consultants.

As far as tax management is concerned, the Group takes the final decision on its implementation through

the coordination between the CFO, the Tax Manager and the AFCs of the companies concerned, after consulting and obtaining the opinions of tax consultants.

The management of tax issues takes place through the exchange of information and participation in working groups made up of AFC teams, controllers, CFOs and tax managers. Information on tax updates is provided in Italy by the Tax Department to AFC teams on a weekly basis, while abroad this activity is carried out by local tax consultants, through periodic communications and newsletters.

Tax risks are monitored by the Tax Department, which collects information from the AFC, through Area Controllers, on the presence of any tax inspections and disputes in the various countries in which it operates. In the presence of disputes, tax consultants are contacted, with reference to foreign companies, to share the findings and make a correct estimate of the amounts to be set aside in the financial statements on a quarterly basis. In Italy, this activity is carried out directly by the Tax Department, which directly manages both tax audits on the basis of specific powers of attorney issued by the Chief Executive Officer, and any litigation in close cooperation with external consultants.

Compliance with governance and fiscal risk control model is periodically subject to a verification by the Board of Statutory Auditors and the Control, Risk and Sustainability Committee.

On the other hand, with reference to the Assurance description relating to tax information, there is no specific report to date.

Stakeholder engagement and management of concerns related to tax

The approach to relations with the tax authorities takes place, with reference to issues of particular importance and criticality, through the submission of petitions and appeals aimed at guiding the conduct adopted by the Group so as to minimise the risk of tax disputes. In the context of the awarding of public and private contracts, the tax position of Group companies is always subject to the attention of stakeholders represented by financial institutions, suppliers, subcontractors, customers, local and government authorities and it is the practice, upon request, to transmit certificates of tax regularity or pending proceedings. Therefore, the Group pays the utmost attention to compliance with tax regulations and the adoption of rigorous and transparent tax policies that enable it to obtain tax regularity certificates, which are often essential requirements for the awarding of tenders.

The Group does not carry out any Advocacy activities in tax matters.

Lastly, it should be noted that interaction with stakeholders such as customers, suppliers, banks, subcontractors in the tax area has taken place during the execution of civil engineering works in which the tax position of group companies is an essential element and a prerequisite for being able to proceed with the correct execution of the job orders; normally, the request for information is met by the production of certificates of pending charges and/or tax regularity or by the request for specific information that can be deduced from income tax or VAT declarations.



List of Countries / Company	Revenue from sales to third-parties	Intragroup revenue	Total revenue	Profit/Loss (-) before taxes	Taxes on a cash basis	Taxes on an accrual basis	Tangible assets other than cash & cash equivalents	Number of employees	Main activity
UNITED ARAB EMIRATES	14.254.428,00	4.578.612,00	18.833.040,00	-4.341.399,00	-	-	12.109.677,00	-	Execution of foundations and underground engineering works; support services
ANGOLA	-	-	-	6.421,00	-	-	-	-	Execution of foundations and underground engineering works
ARGENTINA	4.491.502,00	112.613,00	4.604.115,00	-4.400.213,00	-	-	2.395.240,00	151	Execution of foundations and underground engineering works; Oil & Gas and Drilling services
AUSTRIA	3.404.080,00	1.220.703,00	4.624.783,00	-1.420.558,00	-	-	800.282,00	19	Execution of foundations and underground engineering works
AUSTRALIA	12.419.039,00	296.108,00	12.715.147,00	416.190,00	-	-189.402,00	1.730.659,00	11	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
BRAZIL	81.526,00	-	81.526,00	-375.512,00	-	-3,00	111.610,00	-	Distribution of underground engineering equipment and after-sale services
CANADA	120.953,00	-	120.953,00	-658.400,00	-33.000,00	-	-	-	Execution of foundations and underground engineering works
SWITZERLAND	-	-	-	-614.570,00	-	-	-	235	Execution of foundations and underground engineering works
CHILE	1.924.389,00	1.100.828,00	3.025.217,00	-1.580.017,00	-	-	2.238.190,00	1	Execution of foundations and underground engineering works
CHINA	5.074.502,00	1.570.236,00	6.644.738,00	-1.476.925,00	-	-	94.227,00	23	Distribution of underground engineering equipment and after-sale services
COLOMBIA	4.319.576,00	2.593.794,00	6.913.370,00	-1.774.908,00	-	-58.832,00	1.825.485,00	9	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
GERMANY	6.624.219,00	1.375.068,00	7.999.287,00	-3.509.269,00	-	-	97.419,00	16	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
DENMARK	15.210,00	28.076,00	43.286,00	-734.133,00	-	-	-	-	Execution of foundations and underground engineering works
ALGERIA	20.257.621,00	2.184.818,00	22.442.439,00	7.499.036,00	-1.064.359,00	-2.142.556,00	313.250,00	230	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
EGYPT	-	-	-	-423.849,00	-	-23.874,00	-	-	Execution of foundations and underground engineering works
FRANCE	15.302.653,00	3.221.681,00	18.524.334,00	-1.430.317,00	-97.000,00	-58.364,00	4.990.610,00	22	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
GREAT BRITAIN	18.706.634,00	228.795,00	18.935.429,00	3.250.995,00	-	-617.689,00	7.142.707,00	16	Distribution of underground engineering equipment and after-sale services
HONG KONG	31.841.535,00	2.079.636,00	33.921.171,00	3.264.200,00	-374.000,00	-883.218,00	6.145.038,00	92	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
INDIA	952.262,00	121.082,00	1.073.344,00	156.863,00	-	-	950.631,00	29	Distribution of underground engineering equipment and after-sale services
IRAQ	2.036,00	-	2.036,00	-1.368.156,00	-	-	-	-	Execution of foundations and underground engineering works
ITALY	100.874.706,00	88.507.924,00	189.382.630,00	-44.309.113,00	-818.437,00	-541.175,00	64.250.498,00	862	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
JAPAN	5.149.870,00	-	5.149.870,00	928.615,00	-168.000,00	-340.209,00	529.925,00	12	Production and Distribution of underground engineering equipment and after-sale services
KUWAIT	6.573.837,00	20.418,00	6.594.255,00	715.962,00	-	-	92.200,00	57	Execution of foundations and underground engineering works
MOZAMBIQUE	85.860,00	371.698,00	457.558,00	744.720,00	-	-	265.388,00	-	Execution of foundations and underground engineering works
NIGERIA	15.847.943,00	-	15.847.943,00	3.180.090,00	-1.212.000,00	-	687.847,00	263	Execution of foundations and underground engineering works
THE NETHERLANDS	-	228.466,00	228.466,00	964.788,00	-	-	-	-	Sub-holding
NORWAY	28.909.843,00	-	28.909.843,00	13.393.577,00	-407.270,00	-2.938.177,00	-	4	Execution of foundations and underground engineering works
NEW ZEALAND	-	-	-	10.130,00	-	-	-	-	Execution of foundations and underground engineering works
OMAN	11.291.550,00	112.851,00	11.404.401,00	867.060,00	-	-	1.008.218,00	132	Execution of foundations and underground engineering works
PANAMA	2.515.341,00	-	2.515.341,00	-9.911.951,00	-	-	5.309.986,00	63	Execution of foundations and underground engineering works
PERU	129,00	306.413,00	306.542,00	310.662,00	-	-	609,00	11	Execution of foundations and underground engineering works
PHILIPPINES	30.068.650,00	-	30.068.650,00	1.319.887,00	-491.000,00	-330.248,00	5.664.540,00	648	Execution of foundations and underground engineering works
PARAGUAY	193.880,00	-	193.880,00	-235.267,00	-	-	-	-	Execution of foundations and underground engineering works
QATAR	6.373,00	-	6.373,00	-133.476,00	-	-	-	-	Execution of foundations and underground engineering works
SAUDI ARABIA	22.221.492,00	147.714,00	22.369.206,00	1.620.317,00	-	-	12.117.301,00	161	Execution of foundations and underground engineering works
SINGAPORE	3.157.347,00	2.426.865,00	5.584.212,00	-1.248.993,00	-	-	170.140,00	9	Execution of foundations and underground engineering works
THAILAND	-	-	-	-3.815,00	-	-	-	-	Execution of foundations and underground engineering works
TURKEY	76.859,00	19.725,00	96.584,00	-805.934,00	-	-	1.165,00	5	Execution of foundations and underground engineering works
UNITED STATES	108.601.031,00	8.643.331,00	117.244.362,00	38.208.022,00	-125.000,00	-2.656.864,00	15.628.982,00	103	Execution of foundations and underground engineering works; distribution of underground engineering equipment and after-sale services
URUGUAY	2.452.187,00	-	2.452.187,00	-178.242,00	-	-	1.175.374,00	30	Execution of foundations and underground engineering works
VENEZUELA	99.034,00	-	99.034,00	-1.712.676,00	-	-	1.601.570,00	4	Execution of foundations and underground engineering works
Overall total	477.918.097,00	121.497.455,00	599.415.552,00	-5.790.158,00	-4.790.066,00	-10.780.611,00	149.448.768,00	3.218	

Table 1 - Country-by-country reporting.

The Trevi Group today

Innovation and quality for the customer

The Group has always regarded technological innovation as a key and strategic element, so much so that it is the basis of its actions. Both Divisions of the Group have constantly invested in and developed their Research and Development Centres in the firm belief that the foundations industry needs to always find and formulate new solutions to the problems that the subsoil poses. The ability to meet, and in some cases anticipate, the specific requirements of customers enabled the Trevi Group to be recognised over the years as a reference leader in geotechnical work and to sign some of the projects that made the history of engineering around the world.

Innovation Award

Since 2008, the Group has established the Innovation Award in which the Trevi and Soilmec Divisions participate. Any employee or work team can submit an innovative idea and the Evaluation Committee - within the Group - rewards all those initiatives that stand out for their innovative scope, technical feasibility and added value for the Company and the sector as a whole. In 2021, Group employees reported 19 innovative ideas, 15 of which were awarded while three of them are currently being assessed for patentability analysis.

TREVI DIVISION

In 2021, significant research and development activities were planned for the dissemination and field application of the two European projects that ended last year (TTMJ: a new type of diaphragm joint and MARINA PLAN PLUS: an innovative and sustainable technology for

the management of seabed in small harbours). Unfortunately, the spread and continuation of the Covid-19 pandemic led to the cancellation and/or rescheduling of funding, and consequently to a major slowdown in planned activities.

New technology development activities

R&D activities therefore focused more on supporting, optimising and adapting technologies that are traditionally part of the company's know-how, both for "current" technical and commercial activities, and for newly acquired construction sites.

Drammen construction site in Norway High Speed Tunnel

A great deal of effort, for example, was required to support the Drammen construction site in Norway, where mono and bi-fluid jet grouting technology was used for the construction of a ring of consolidated soil around a high-speed railway tunnel.

Together with the construction site management, design and technological solutions were identified that made it possible to respect the timetable agreed upon with the client, while maintaining the high quality required for the construction of a tunnel in an urban environment, with low overburden and below the water table. The correct execution and three-dimensional position envisaged for all the jet grouting columns executed, required in-process controls that allowed the implementation of a 3D model on which to report the actual position and size of each column performed, in order to immediately identify and correct any defects. The first excavation phases of the tunnel, which began at the end of the year, are

confirming the excellent results obtained from the preliminary control tests.

Lonato construction site in Italy

High-speed railway tunnel

Following the positive experience gained in the field of grouting works for the repair of the Mosul Dam, as far as soil consolidation is concerned that represents an important area of intervention for several Group companies, drilling and grouting technologies were optimised for the construction of a tunnel for the Milan-Venice high-speed railway line, which underpasses the A4 motorway near Lonato (BS), aiming at solving the logistical difficulties involved in keeping the motorway in operation. Thanks to the solution implemented, a preliminary consolidation of the ground under the motorway and under some buildings was carried out, making it possible to obtain the required homogenisation of the mechanical characteristics of the soils, thus reducing the risks associated with the passage of the TBM and causing minimal disturbance to the works on the surface.

Environmental protection projects

In 2021, the first phase of sealing a polluted area with in the industrial site of Cairo Montenotte (SV) was also carried out. The project involved the use of jet grouting technology and cement grouting. The initial phase of fine-tuning the mixtures, parameters and execution methods, as well as the problems related to the start of site activities, required continuous research and development assistance.

Still in the area of sustainability and environmental re-development, in the last few months of the year, exper-

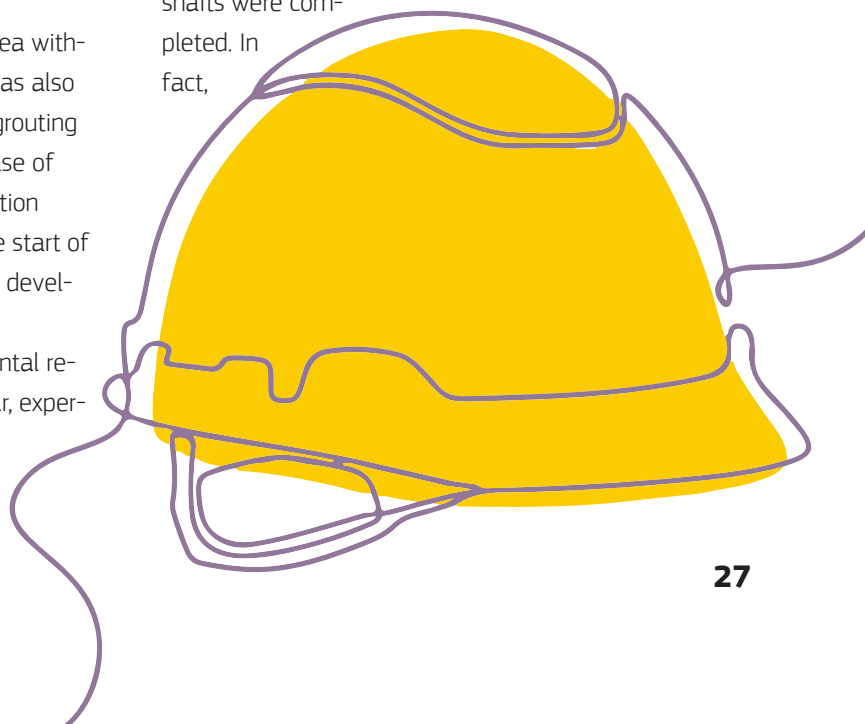
imental activities began for the fine-tuning of mixtures to be used for the execution of a plastic diaphragm wall to be built inside the Ravenna petrochemical complex for the sealing of a polluted area.

Technology transfer

As usual, during this year, efforts were made to transfer skills and company know-how to foreign subsidiaries where, in some cases, these technologies had never been applied before in those countries.

For example, in Germany, for the Alte Akademie site in **Munich**, the redevelopment of the historical building includes sub-excavation works that require the support of existing structures with high-capacity micropiles connected by pylons and the execution of ground support works performed with bi-fluid jet grouting columns installed from inside the building. The difficult logistical and technical conditions of the site require continuous project and technological assistance.

Support activities also continued for the construction sites with hydromill in **Paris**, where several service shafts were completed. In fact,



the logistical situations associated with working in the city required special care in the management of equipment and the study of the sequence and working methods, in order to minimise the impact on the urban environment.

With regard to business support, a number of important projects in the USA and Nigeria were acquired thanks to the solutions identified and developed by the head office R&D department.

In **Florida**, where the presence of a paleo-dolina increased the risk of uncontrolled subsidence underneath a mining waste deposit, subsidence reduction

was achieved by the construction of large-diameter jet grouting columns, driven up to a depth of 50 metres.

In **North Carolina**, where, on the other hand, a slag deposit is to be consolidated to improve its stability, laboratory tests and preliminary considerations for optimising the design and timing of the work are underway.

Finally, in **Nigeria**, for the construction of a harbour quay for the development of the new LNG plant at Bonny Island, design optimisations were identified for the insertion of piles offshore and the construction of the civil works, which enabled the acquisition of the project that includes an EPC contract.



Second River Niger | Lagos, Nigeria

SOILMEC DIVISION INNOVATIVE SOLUTIONS

Cloud Services, Health Monitor and DMS On Board Operator Interface

In the area of cloud services, DMS Manager 4.0 has become increasingly popular, for which the notification system has been expanded. The user pages were enriched with new functions, aimed at increasing the information useful for monitoring the efficiency, correct execution and costs of foundation works. A new database to collect telemetry data via a cloud platform was also analysed.

An initial test phase was completed on a new voice assistant for foundation rigs.

The development of the Health Monitor functionality continued, with analysis on new artificial intelligence algorithms, which will see the implementation of a new set of functions during 2022. The current version was provided in pre-test mode to Soilmec subsidiaries and selected customers, to get feedback from them on the functionality included in the existing modules.

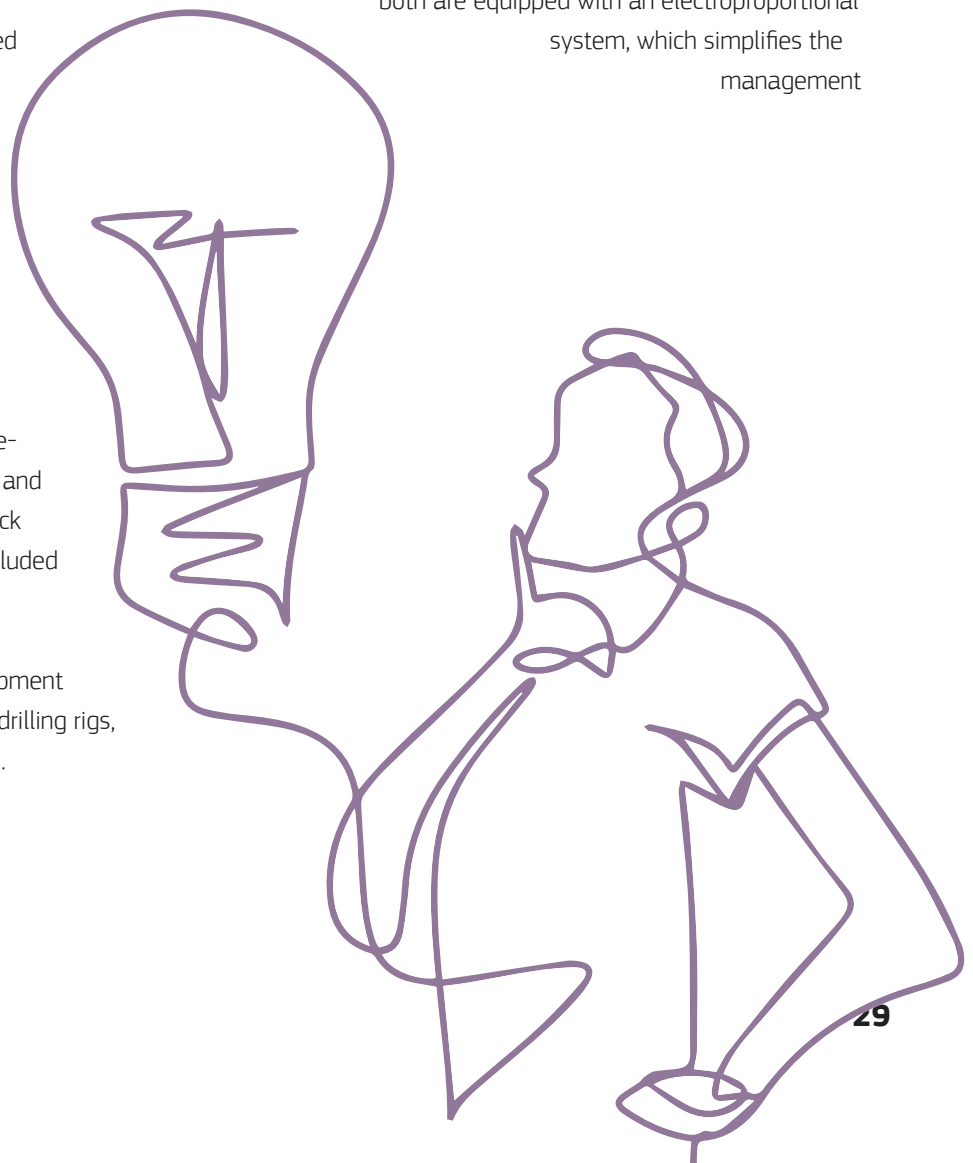
Having completed the first development phase of DMS On Board on small drilling rigs, its introduction is planned in 2022.

Development activities in large-diameter drilling rigs

The sector of large-diameter drilling rigs underwent further developments in both the high and low end of the range.

Development activities in the high-end range were particularly focused on the gradual extension of electroproportional Blue Tech systems with high efficiency, low consumption and high multifunctionality. In the first months of the year, the prototype of the **SR-95 Blue Tech** was completed, followed later by the completion of the prototype of the **SR-105**. As mentioned,

both are equipped with an electroproportional system, which simplifies the management



of equipment variants with a view to better managing the multifunctionality of the product. In addition, this type of system significantly improves machine responsiveness and movement control. Both the **SR-95** and **SR-105** are equipped with the new **BT Cab**, which has been improved in terms of ergonomics, comfort and visibility.

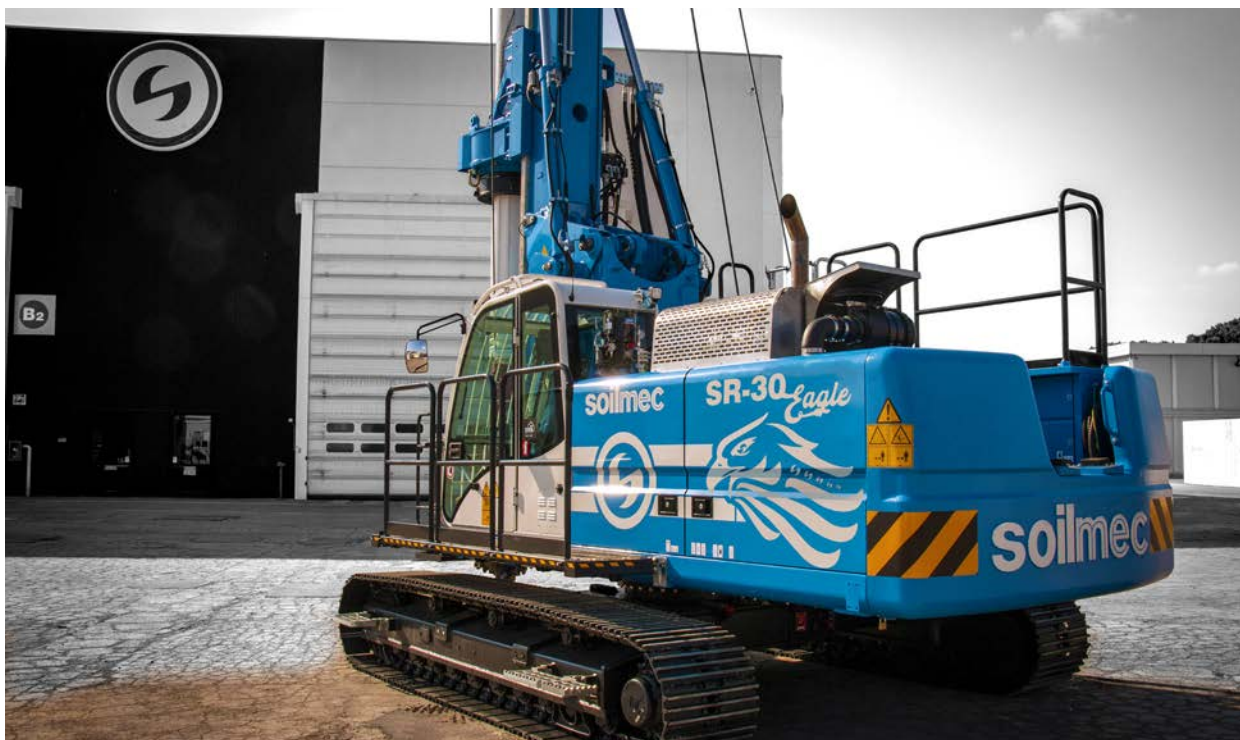
Furthermore, design work on the **SR-125 Blue Tech** took place during 2021, that also featured new equipment and a new BT Cab, whose prototype will be completed in the first half of 2022.

The lower end of the range, on the other hand, saw the commercial launch of the two versions available for the **SR-30 Eagle** model, also by means of a webinar presentation initiative on a digital platform, a practice that had begun during the previous year.

ESG topics

Following the special project for a British reference customer (Cementation Skanska), which had commissioned Soilmec to carry out the first carbon footprint study on the SR-125 to be delivered towards the end of 2020, work continued on improving and monitoring environmental quality during the rig's operation.

During 2021, new functionalities were integrated on the DMS Manager capable of monitoring production data and thus enabling in-depth analyses of equipment performance. These include the introduction of new KPIs, one of which measures the CO2 produced per volume of soil excavated. This parameter will allow our customers to compare excavation performances carried out with the same rig by changing tool, technology or operator and determine which is the most efficient combi-



New SR-30 "Eagle" | SOILMEC

nation in environmental terms. Last but not least, it will make it possible to compare data from the same site and correlate them with different technologies in use to determine which of these has the lowest impact as an operational carbon footprint and thus generate rankings that will help in the selection of the types of excavation to be adopted on subsequent sites to consider the minimisation of CO2 produced.

Soilmec Innovation

2021 was a year of reorganisation. During the first quarter, a new organisational structure came into being and the responsibilities of all front lines were changed. This renewal brought great enthusiasm to the entire structure by freeing up fresh and dynamic resources for new tasks and responsibilities. A new service was set up on a staff basis with the Executive Board, called "Innovation". The streamlined structure consisting of just under a dozen resources, with multidisciplinary experience and decades of knowledge in the foundation segment and soil rig design, worked during 2021 on topics of primary interest for the medium to long term. Environmental issues related to sustainability, electrification of machines, the use of alternative fuels (*from HVO Hydrogenated Vegetable Oils to Natural Gas*), and issues related to the application of new enabling technologies, such as artificial Intelligence and virtual reality, formed the basis for in-depth assess-

Impact of the pandemic on Technical Area activities

As a result of the Covid-19 pandemic that broke out in 2020, all technical and IT tools were adopted to enable remote work throughout 2021.

The offices were equipped with separators and air treatment systems, which helped to increase the quota of people working in open space.

Remote work was effectively managed for the whole of 2021 with the percentage of use being reduced during the year. This made it possible to adhere to the pre-set project timetables and facilitated a partial return to "normality", fostering progressive interaction between employees and colleagues in other departments as well as the indispensable proximity to the production area and the designed machines.

The pandemic also had an impact on the activities of the Technical Area, particularly with regard to the management of supply shortages of strategic components, especially in the plant engineering area. This led to the study of modular solutions to enable diversification in the use of hydraulic and electronic components.



ment and verification of applicability. Solutions were then examined, and possible strategic projects analysed, which, having a medium-term impact, will be completed in the three-year period 2021-2023. The main projects were analysed according to value metrics and were only approved after gathering all the necessary data for their complete evaluation in terms of time, cost, performance and expected profitability. They will be launched at the next Bauma 2022 in October.

Patents

Soilmec filed one new patent application in 2021, plus 7 new international extension filings. There are currently 74 active Soilmec patent families.

It is also worth mentioning that Soilmec was nominated as a finalist for the **Ground Engineering Award in 2021** in the "Equipment Innovation" sector, the only manufacturer to be on the short list with its innovative DMS-managed "CSP Automatic drilling" system. This control device, developed on Cementation Skanska's SR-125 and already replicated in other UK sales, not only helps the operator, but also optimises the excavation process by keeping all the parameters to be optimised and that influence drilling under the constant control of the DMS on board, freeing the operator from these routine actions and thus allowing him to supervise the execution of operations and keep the excavation area and machine monitored, which is also to the benefit of safety. This control system complements the one already launched a few years ago, relating to automatic CFA excavation, and much appreciated by customers, because it helps young operators at their first experience in this complex sector to learn the correct excavation methods.

Innovative activities in the micro-pile sector

The micropile sector saw the consolidation in the range of the **SM-15**, **SM-15HD** and **SM-11** models, launched during the previous year, as part of the renewal of the 10-20-ton segment.

The design of the **SR-45 MP**, a small drilling rig derived from the SR-45 for large diameters, is also being finalised, and the prototype will be completed and launched in 2022.

The crane and hydromill line

In the cranes and hydromill sector, the design of the new **SH-35** milling module and the new HH-2 excavator motors was completed. The prototype of the new module with the new type of motors is already in the field test phase.



2021 also saw the consolidation in the range of the **SC-130 rig** in the **Cougar version**, dedicated to diaphragm excavation technology with a hydromill, which joins the other pre-existing versions of the SC-130, a multifunctional machine suitable both for diaphragm excavation with a cutter, and for other technologies, such as diaphragms with a bucket, or dynamic compaction technology.

The year also saw the start-up of the project for the **new SC-135**, a machine dedicated to hydromill applications equipped with new electro-proportional systems, a Stage V motor and a new BT Cab, the prototype of which will be built and tested during 2022.

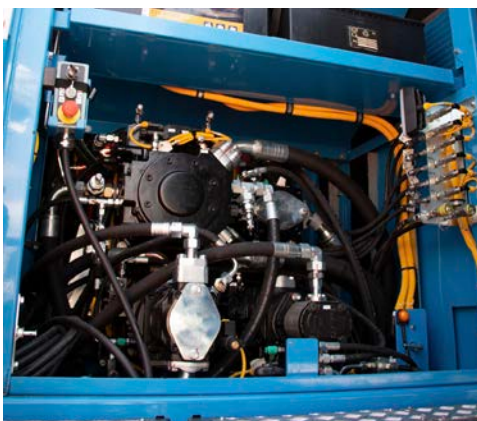
Application of the Principle of Precaution

Soilmec, in addition to complying with the requirements of the European Union Product Directives on health and safety, refers to the Principle of Precaution, with regard to risks relating to environmental impact and the health of people and living beings.

Particularly noteworthy is the information provided to users on the disposal of materials with a high environmental impact, such as lead batteries, for which instructions are provided to minimise pollution risks.

Another issue related to environmental risks is that of gaseous emissions. The rigs manufactured by Soilmec adopt motors that are compatible with the most stringent emission regulations in force in the destination countries.

Some applications and current studies are also underway regarding the application of biodegradable oils to replace common mineral-based ones. It is expected that in the future this type of lubricant will also be increasingly used on Soilmec foundation rigs.



Testing and sound level measurements | SOILMEC



Compliance, ethics and business integrity

Compliance represents a relatively young discipline that operates in the common space between ethics and risk management. The Trevi Group has embarked on a process to develop this subject with the aim of improving the management of external and internal risks with reference to potential violations of laws, regulations, corporate and social standards. On this basis, from a model mainly based on the regulations and control procedures of the 231/2001 system, risk-based management methods will be introduced with a progressive extension of the perimeter of predicate offences to more far-reaching risk factors (*e.g., conflict of interest, lack of adequate levels of transparency, improper or distorted use of discretion, manipulation or improper use of information or documentation, etc.*).

The Group's complex geographic structure and the dynamics relating to compliance with ethical and regulatory behaviours in the various countries in which it operates mean that Management must pay particular attention to integrating and developing an adequate compliance management system. The best management of risks is, therefore, a challenge to be managed through a multidisciplinary approach and not only from the legal perspective of each single local reality. In this light, compliance, ethics and business integrity issues are relevant to all the Group companies.

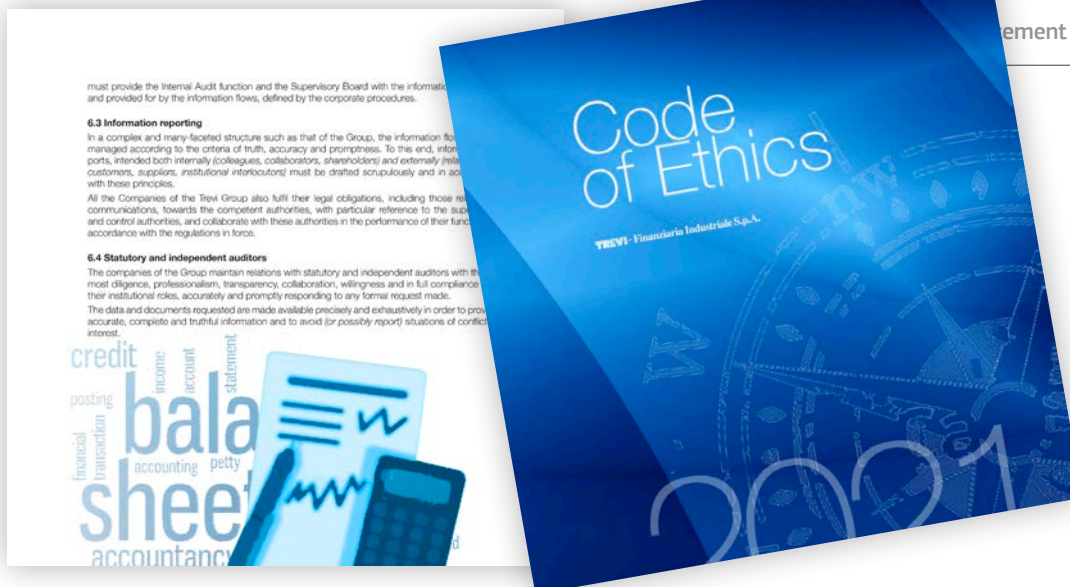
Fighting against active and passive corruption

The topic of active and passive corruption is increasingly central to the management and development policies of the Group. The management model is based on the regulations and control procedures of the 231/2001 system, with the aim of introducing risk-based management methods with an extension to more far-reaching risk factors.

On this basis, the objectives are to map all the risk areas, with respect to the mandatory ones, and to identify risk level assessment indices (impact and probability) that will allow to improve the risk management process on Compliance. Similarly, also through integration with other internal control mechanisms, the aim is to measure the assessment of the status of implementation and effectiveness of the measures to respond to the corruption risk and the monitoring of risk exposure. The topic of active and passive corruption is relevant to all Group companies. With specific reference to active and passive corruption, the 231/2001 system includes among the predicate offences and across the board some types of offence that are attributable to these risk factors.

In particular, there are two families of offences to be considered:

- offences against the public administration (*arts. 24 and 25*);
- corporate offences (see Legislative Decree of 11 April 2002, No. 61, which, as part of the reform of company law, provided for the extension of the system of administrative liability of entities to certain corporate offences).



This involves considering the following offences: extortion (*art. 317 of the Italian Criminal Code*) as amended by Italian Law 69/2015, corruption for an official act (now Corruption for the exercise of the function) and corruption for an act contrary to official duties (*arts. 318 and 319, as amended by Italian Law 69/2015*), in addition to *art. 319-bis* of the Italian Criminal Code for aggravating circumstances, corruption in judicial acts (*art. 319-ter of the Italian Criminal Code*) as amended by Italian Law 69/2015, corruption of a person in charge of a public service (*art. 320 of the Italian Criminal Code*), crimes of the corruptor (*art. 321 of the Italian Criminal Code*), incitement to corruption (*art. 322 of the Italian Criminal Code*), extortion, corruption and incitement to corruption of members of bodies of the European Communities and officials of the European Communities and foreign states (*art. 322-bis of the Italian Criminal Code*) and finally undue induction to give or promise benefits (*art. 319-quater of the Italian Criminal Code*) as amended by Italian Law 69/2015, the offence of corruption among private individuals (*art. 2635 of the Italian Civil Code*), subsequently amended by Italian Legislative Decree 38/2017, and the inclusion of the offence of incitement to corruption among private individuals (*art. 2635-bis*).

With reference to the assessment of how these issues are managed, a decisive role is played by the Supervisory Board and the Group Internal Audit function, which operate with an annual programme of checks and controls.

Risks

The Trevi Group operates at an international level and is subject to a variety of compliance risks that are constantly updated in relation to the development of international laws and regulations. The most relevant issues relate both to the subjective liability of legal entities and to the reputational dimension as a whole. The occurrence of such risks may result in the application of sanctions, loss of profit, missed development opportunities, compromised business relationships, damage to image and reduced competitiveness.

The policies:

Code of Ethics and Management Model

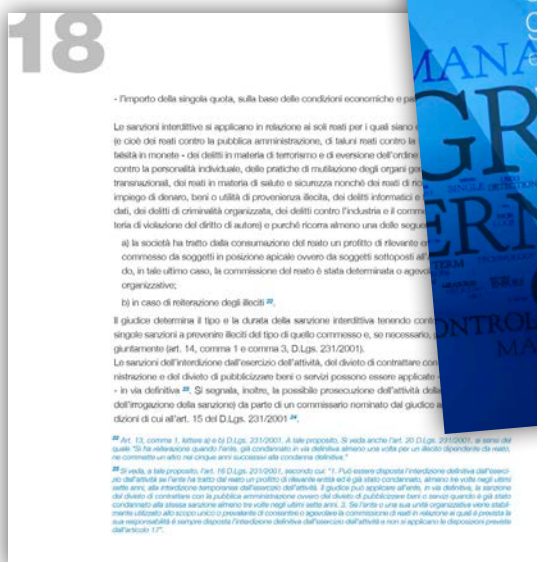
The Code of Ethics is the document that, since 2011, has expressed the commitments and responsibilities in the conduct of business and company activities undertaken by the collaborators, directors and employees of TREVI - Finanziaria Industriale S.p.A. and its Divisions. The Code identifies the general principles that inspire relations with stakeholders and the reference values - legality, morality, dignity, equality and professionalism - clarifying the way in which relations with stakeholders are managed and providing the guidelines and standards that Group employees are required to adhere to in order to prevent the risk of unethical behaviour. In general, it identifies the implementation and control mechanisms for compliance with its provisions and its continuous improvement.

The document was updated during 2021 with regard to



certain aspects of corporate and sustainability policies, privacy and the whistleblowing system.

As already highlighted in the previous chapters, the Code of Ethics is an integral part of the 231 Model adopted by TREVI - Finanziaria Industriale S.p.A. and its Italian divisional subsidiaries in order to prevent the commission of offences that fall within its scope of reference. During 2020, the process of updating the 231



Training on anti-corruption	2021	2020
Number of governance bodies that have received training on anti-corruption	0	-
Number of employees that have received training on anti-corruption	593	27
- of which Executives	38	3
- of which Middle Managers	119	7
- of which White-collar Workers	206	14
- of which Blue-collar Workers	230	3
Total members of governance bodies	11	11
Total number of employees	3.218	3.704
- of which Executives	77	108
- of which Middle Managers	218	247
- of which White-collar Workers	1.004	1.252
- of which Blue-collar Workers	1.919	2.097
Percentage of governance body members that have received training on anti-corruption	0%	-
Percentage of employees that have received training on anti-corruption	18%	1%
- of which Executives	49%	3%
- of which Middle Managers	55%	3%
- of which White-collar Workers	20,52%	1%
- of which Blue-collar Workers	11,99%	0,2%

Table 2 - Training on anti-corruption.

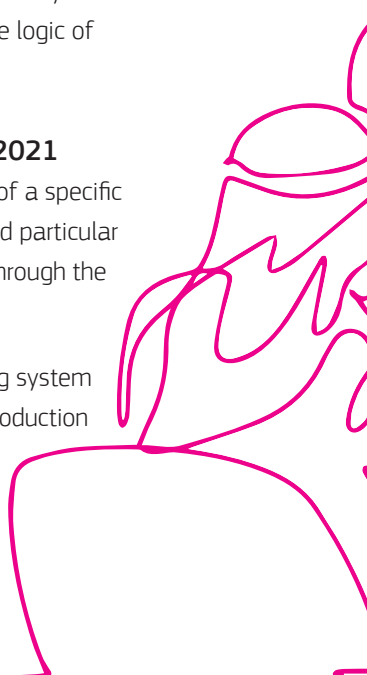
Model began in relation to the issuance of the new Tax Crimes and Customs Smuggling, also following the transposition of the EU “PIF” Directive. The revision of the Model is under approval.

A relevant element to take into account is communication and training activities, which were significantly increased during 2021 through the use of the e-learning platform. The development of these activities involved the 231 Model, but also the evolution of the compliance system from the control logic of the 231/2001 system to the ESG/NFS system based on the logic of sustainable value creation.

Initiatives and key figures in 2021

The Company, even in the absence of a specific regulatory provision, has always paid particular attention to the issue of reporting through the use of information flows.

In recent years, the Group’s reporting system has been strengthened with the introduction of Whistleblowing that supports the compliance and internal control



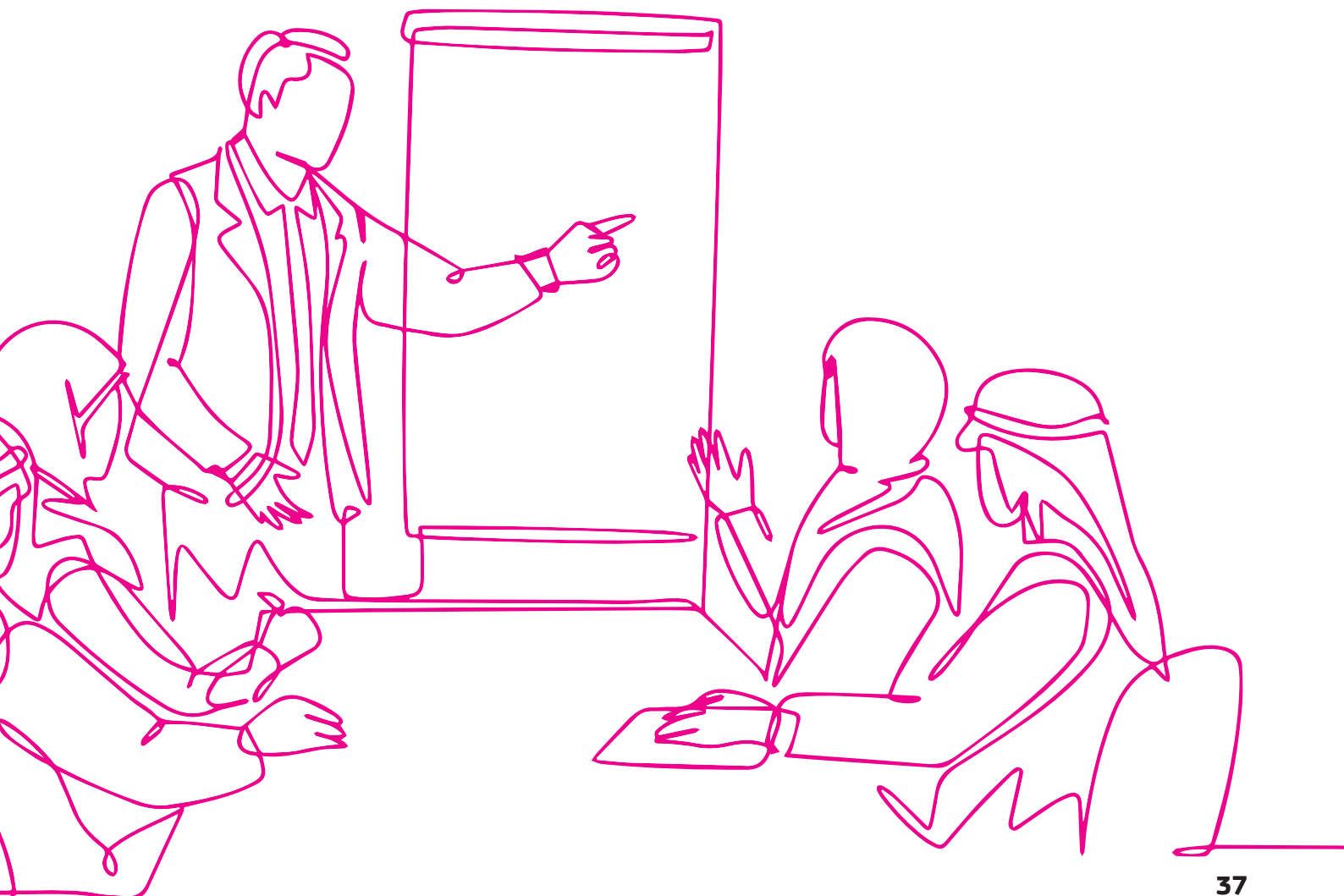
systems of the Group. The System is accessible both from the Intranet and from the corporate websites and is supported by dedicated policies and procedures. These procedural documents are defined with the aim of informing employees of the existence of specific communication channels that allow them to submit any reports, based on precise and agreed factual elements, guaranteeing the confidentiality of the identity of the person making the report, including by computer.

With reference to the issue of anti-corruption, in

addition to the control and monitoring aspects that are integrated within the 231 Model, the Group has prepared a Group Policy to encourage the adoption of homogeneous behaviour, also for all companies outside the scope of the 231 Model. The Policy is in the process of being approved.

During 2021, no reports were received concerning any offences or potential risk events in the area of anti-corruption.

In 2021, no reports were received by the Compliance Function.





Managing emissions and fighting against climate change



As indicated in the Code of Ethics, the Group is committed both to mitigating the main environmental impacts of corporate activities and to contributing to environmental protection and the safeguarding of resources through investments in research and development on products and services. This commitment is expressed:

- Exercising the environmental leadership at all levels of the organisation.
- Clearly defining environmental responsibilities and authorities.
- Applying a systematic approach to the management of significant environmental aspects, to achieve continuous improvement in environmental performance.
- Encouraging the reduction of the environmental impact of activities, with particular emphasis on the efficient use of resources, waste minimisation and pollution prevention.
- Continuously monitoring all the processes with a potential environmental impact.
- Providing training and development to enable people to fully understand their role and the operating environment of reference.
- Observing compliance with applicable requirements, standards, regulations and laws.
- Tending toward the environmental results expected and continuous improvement.
- Promoting a culture in which all people in the Trevi Group share this commitment.

In so doing, the Trevi Group aims at achieving an environmental performance it can be proud of, generating

satisfaction from stakeholders and ensuring sustainable growth of its business.

Environmental aspects

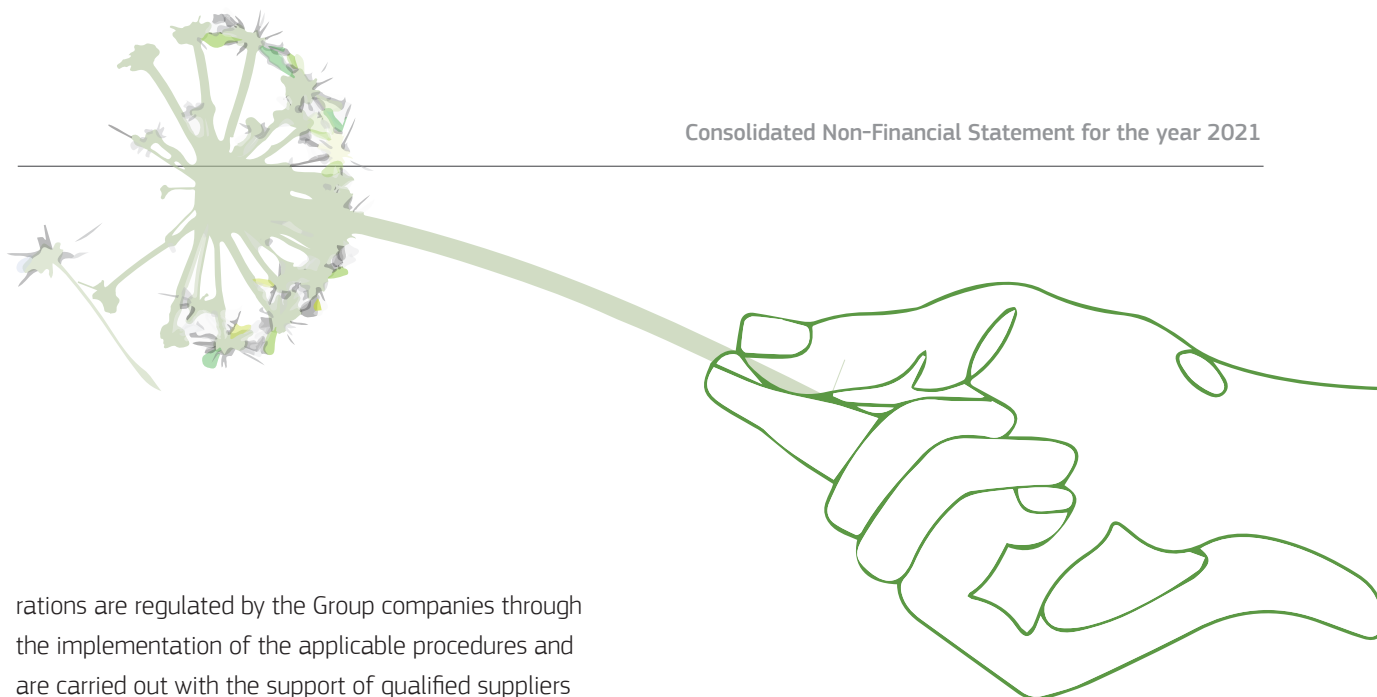
The main environmental aspect associated with the activities of the Trevi Group - which is not very likely but with a high potential impact - is related to the drilling and foundation activities of the Trevi Division. In order to reduce the significance of this potential impact, specific environmental analyses are carried out prior to the start of work, and periodic checks are made during operations.

Other environmental impacts concern CO₂ emissions deriving from internal combustion engines of operating rigs controlled through their correct use and maintenance. Furthermore, since 2014, Trevi has been using innovative software, capable of verifying how many tonnes of CO₂ equivalent are



produced for the projects subject to analysis, developed in collaboration with **EFFC** (*European Federation of Foundation Contractors*) and the sustainability committee of the **DFI** (*Deep Foundation Institute*). Given its experience in its use, Trevi is able to respond to certain customer and other stakeholder needs in terms of emissions analysis and reporting, making it more competitive in the market and in tenders where this type of information and knowledge is required.

With reference to waste management, the main environmental aspects concern the correct temporary storage and subsequent treatment process. These ope-



rations are regulated by the Group companies through the implementation of the applicable procedures and are carried out with the support of qualified suppliers for disposal.

The implementation of such systems has enabled companies to prevent significant environmental impacts and penalties from supervisory bodies in 2021.

Initiatives and key figures 2021

Energy consumption

The Group's energy consumption for the year 2021 amounts to a total of 710,977 GJ. A large part of this, 92.4% comes from diesel consumption, 3.9% from electricity consumption and 2.4% from natural gas consumption.

The high consumption of diesel is justified by the use of drilling equipment and generators to generate electricity at construction sites not connected to the national grid. This consumption item is monitored, optimised and reported even though it is not the direct responsibility of the Group.

About 3.8% of energy consumption is instead due to the consumption of electrical and thermal energy from the national grid. There is also a share of consumption (0.5 %) due to energy from self-produced renewable sources coming entirely from the photovoltaic and geothermal plants in Cesena.

The 5.7% of the energy produced by the photovoltaic plants has been sold in GSE exchange account.

	2021	2020	2019
Total energy consumption (GJ)	710.977	941.078	1.150.968
Total direct energy consumption, of which:	680.303	911.480	1.096.496
- Diesel	657.052	838.183	1.046.108
- Natural Gas	17.322	17.186	45.659
- LPG	5.929	0	330
- Petrol	0	56.111	4.398
Total direct energy consumption	26.863	26.528	49.651
- Electricity absorbed by the national network	24.474	25.864	42.612
- Electricity from renewable sources	2.389	664	554
- Thermal energy	0	0	6.485
Total renewable energy that is self-produced & consumed	3.762	3.003	4.602
- Electricity from renewable sources that is produced and consumed	2.952	*	*
- Geothermal energy from renewable sources that is produced and consumed	810	*	*
Renewable energy that is self-produced & sold	49	67	219

Table 3 - Energy consumption.

* For the years 2020 and 2019 there is no distinction between electrical and geothermal energy.

Energy intensity:	UdM	2021	2020
Total energy consumed	GJ	702.660	941.078
Tot. No.of hours worked	h	10.751.784	8.310.164
Energy intensity:	GJ/h	0,07	0,1

Table 4 - Energy intensity.



Emissions

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

	2021	2020	2019
Total emissions (ton CO₂)			
Total direct emissions (Scope 1), of which:			
- Diesel	47.524	62.645	80.832
- Natural Gas	978	972	3.286
- LPG	379	0	21
- Petrol	0	2.143	322
Total indirect emissions (Scope 2), of which:			
- Electricity	2.571	2.766	4.626

Table 5 - Direct and indirect emissions.

Intensity of emissions	UdM	2021	2020
Total GHG emissions	tCO ₂	50.095	65.411
Total number of hours worked	h	10.751.784	8.310.164
Energy intensity:	tCO ₂ /N	0,005	0,01

Table 6 - Intensity of emissions.

- direct emissions (*Scope 1*): deriving from the operation of plants and machinery owned or managed by the Group, for example the machinery in use at job orders powered by diesel oil; - indirect emissions (*Scope 2*): deriving from the energy consumption of all sites owned or managed by the Group connected to the local electricity grid, net of production and supply from renewable source plants (*photovoltaic and geothermal plants*).

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

Waste

The Group's waste production largely generates non-hazardous waste for reuse, which is mostly excavated earth and rocks.

The production of hazardous waste remains a minimal percentage of the total produced and amounts to 0.14%, continuing its downward trend.

	2021	2020	2019
Waste produced (ton), of which			
Hazardous waste	174	208	313
Non-hazardous waste	122.294	144.610	3.034
Total weight of waste	122.468	144.818	3.347

Table 7 - Waste generated.

Since 2020, the Group has adopted GRI 306-3 updated 2020.



Water consumption

Recorded water consumption is higher than in 2020. This is the result of the enlargement of the data collection scope to include more significant sites in 2021.

Surface water consumption decreased significantly. Changes are linked to the location of production sites and the types of work carried out.

Water consumption (≤1,000 mg/l of total dissolved solids)	2021	2020	2019
Surface waters	120	89.431	247.013
Groundwater	1.486.417	19.918	25.839
Seawater	252.650	37.201	0
Water produced	0	57.216	0
Third-party water resources	652.115	135.166	0
Total water withdrawn (m³)	2.391.302	338.932	272.852

Table 8 - Water consumption.

Other water types (>1,000 mg/l of total dissolved solids) are not applicable for 2020 water consumption. Since 2018, the Group has adopted GRI 303-3 updated 2018.



Protection of biodiversity

Treviicos, the American subsidiary of the Trevi Group, is involved in 3 different construction sites (*MATOC TO 2 and 4*) in the rehabilitation of the Herbert Hoover Dam, the 143-mile-long levee surrounding the waters of Lake Okeechobee in Florida, the second largest freshwater reservoir (1890 Km²) in the United States.

Due to the high biodiversity content of the area, Trevi commissioned a special environmental biology company (*EnvironMend Inc*) to carry out weekly monitoring and reports within and around the construction site with the aim of safeguarding the local fauna. On more than one occasion during 2021, work was interrupted in the presence of nests or animals, and then resumed only after all dangers had been averted.



Herbert Hoover Dike | FL, U.S.A.



Environmental taxonomy

Subject-matter and scope

One of the objectives set out in the European Union's Action Plan on Sustainable Finance is to steer capital flows towards a more sustainable economy, supported and facilitated by a common and shared classification of what "environmentally sustainable" means. In this context, in June 2020, Regulation 2020/852 was published in the Official Journal of the European Union (henceforth EU) on the establishment of the so-called EU Taxonomy (the classification of economic activities that can be defined as "sustainable" or rather "eco-sustainable"), which came into force on 13 July 2020.

This is an important step in the EU's pursuit of the goals set by the Paris Agreement, including climate neutrality to be achieved by 2050.

The legislation foresees a gradual and simplified entry into force of the taxonomy for non-financial corporations, which translates into the requirement that only the percentage of economic activities eligible for the taxonomy and the percentage of non-eligible ones be reported in the Non-Financial Statement for 2021, without the need to go down to the level of the economic activity. These percentages are to be expressed in relation to three indicators: turnover, capital expenditure (Capex) and operating expenditure (Opex).

As of January 2022, companies will be obliged to disclose the proportion of their turnover, capital expenditure and ordinary operating expenditure that derive from activities qualified as environmentally sustainable. These are activities that contribute to at least one of the six environmental objectives identified by the European Commission:

1. climate change mitigation
2. adaptation to climate change
3. sustainable use and protection of water and marine resources
4. transition to a circular economy, including waste reduction and recycling
5. pollution prevention and control
6. protection of biodiversity and the health of eco-systems

In the near future, the intention is to expand the current taxonomy by adding to the six environmental objectives a set of social objectives and sub-objectives, such as "employee issues, health, human rights, equality and non-discrimination".

Taxonomy analysis in the Trevi Group

In accordance with the Regulation, we started by matching the NACE codes of the companies, i.e., the classification codes of economic activities in the European Community, with those corresponding to the technical screening criteria.

The NACE codes of the two divisions of the Group are respectively the 43.99 for Trevi, with the description "Other specialised construction activities nca [not elsewhere classified]", and the 28.92 for Soilmec, with the description "Manufacture of other machinery for mining, quarrying and construction".

After an in-depth examination of the activities of the Group's two Divisions, for the reporting period, there was no correspondence with the macro-activities identified and listed in the Regulation and its annexes.

In detail, when checking the content of the chapters of

Annex 1 to Regulation 852/2020 and in particular both those relating to infrastructure and construction activities for Trevi, and those relating to manufacturing for Soilmec, no correspondence emerged with the specialised activities of the two Divisions.

Trevi deals with the execution of engineering works in the subsoil, mainly foundation works or ground consolidation, which are not covered by the regulations as they are detailed subcontracting within a complex project or work.

In simplified terms, the execution of foundation or consolidation works is not linked to the way in which the rest of the structure will be built, nor to the destination it will take. Similarly, very often this information is not available when bidding for works contracts, remaining susceptible to changes and variations.

Even an examination of the contracts managed as General Contractor reveals the clear prevalence of specialised works. In other words, these are works that almost exclusively concern a detail of the work to be realised, therefore without being able to play a decision-making role in taxonomy-oriented choices.

The same applies to the Soilmec Division, which produces specialised machinery and equipment not described and dealt with in the documents issued to date by the European Community.

As a further support, according to what is indicated in the explanatory FAQ of the Regulation and its applicability, it is clearly stated that, in the description of the general section, the presence of themes that can be traced back to its own activity does not necessarily include the intermediate activities of the value chain in

those eligible for the taxonomy. Consequently, both the supplier and the subcontractor of an activity eligible for the taxonomy are not automatically included in the scope of those eligible.

Based on these considerations, we can state that almost all of the work carried out by the Group cannot be classified within the taxonomy parameters available today, but we do not exclude the possibility of being included in the future thanks to the progressive expansion and broadening of the monitoring fields of the standard.

For this reason, the Trevi Group is carefully and vigilantly monitoring the evolution of the taxonomy's fields of application, evaluating regulatory advances both to keep abreast of the new features that will be introduced and integrated, and to achieve a better interpretation of what has been established and disclosed to date.





Commitment to maintaining employment levels

The Trevi Group has faced and is still facing a process of strong transformation that requires, on the one hand, a renewed awareness of its roots and competences and, on the other, the identification of new and more effective ways of work as well as a “**new common feeling**”. Only a balance between these two aspects can provide effective answers to business requests, ensuring continuity and innovation.

The personnel management policies implemented in 2021 responded on the one hand to the need for retention and further development of key figures already present in the Group, and on the other hand to the search for new talent to join the Group.

Partly as a result of the pandemic situation, from the point of view of new talent attraction activities, the Group has resorted to new ways of action, adopting increasingly structured and digital methodologies, for example through the use of digital tools during the interview and selection process. This push towards the use of digital has allowed the Group to get even closer to the new generations, ensuring the inclusion of new, young resources from outside the Group, who have brought enthusiasm, innovation and new ways

of approaching work (with a propensity to think digital & smart), and who represent a drive for generational change through succession plans.

In this renewed context, the HR Function aims to act as a mediator between the different generations in the Company, to ensure the development and enhancement of new and old resources, through dedicated retention and development activities. The key concept that accompanies HR activities is support for the people of the Trevi Group, understood as constant support in facing the challenges and changes that permeate the Group's daily operations.

Risks and policies

With regard to the Trevi Group personnel management, risks are exclusively related to the possibility of losing key personnel due to competition; these risks are mitigated through the use of retention systems linked to long-term incentive systems (*LTI*), through the use of non-competition agreements and stability pacts.

In 2021, as in 2020, the main critical issue facing the

Dipendenti per area geografica e tipologia di contratto	2021			2020			2019		
	Permanent	Fixed-term	Total	Permanent	Fixed-term	total	Permanent	Fixed-term	Total
Italy	808	54	862	779	53	832	1.057	81	1.158
Europe	48	1	49	157	42	199	611	19	630
Africa	289	204	493	313	319	632	555	376	931
Asia	1.351	2	1.353	816	637	1.453	1.132	424	1.556
Oceania	92	4	96	14	1	15	10	2	12
America	308	57	365	505	68	573	1.325	311	1.636
Total employees	2.896	322	3.218	2.584	1.120	3.704	4.690	1.213	5.901

Table 9: Employees divided by geographic segment and type of contract.

Trevi Group was the continuing Covid-19 pandemic. The Group was committed to maintaining measures to ensure the health protection of all employees, both in Italy and in the rest of the world, guaranteeing business continuity in all countries.

More details on the management of Covid-19 can be found in the Health Emergency Management section. In this complex framework determined by external factors, the Group continued the in-depth process of change management as well as the introduction of IT tools (*SAP, Oracle HCM*), carrying on the Digital Transformation phase, which has led to substantial changes in the processes involved.

Management Model

The various companies of the Trevi Group are in charge of carrying out the personnel management, with the coordination and direction of the Corporate Human Resources Department.

Consistent with the path taken in previous years, in 2021 the TREVI Group continued its activities to digitise HR processes, through their implementation on the “Oracle HCM (*Human Capital Management*)” management software, which allows the HR Function to set up a management model in which not only HR but also each employee can manage all aspects of his or her company life, through a single tool.

Specifically, during the year 2021, the module dedicated to Recruitment was further perfected, implementing corrective and improvement actions, to make the tool more effective and usable both by HR and Managers and by

external candidates (*through the Group's Career Site*). The module related to meritocratic policies (*Compensation, Salary Review and Management By Objectives -MBO-*) has also been implemented: 2022 will allow the Group to train users on this specific module and verify the effectiveness of the tool, collecting feedback in order to consistently adopt any improvement actions. In this digitalisation process, 2021 also saw the Learning area play a leading role: implementation activities began, which will allow, in 2022, the use of a renewed course catalogue directly on Oracle HCM and direct links through the same tool with other HR processes (*Performance Management, Development, etc.*). Also from the point of view of the PMS (Performance Management System) process, novelties were introduced: the dedicated software was also extended to the white collars of the Group's subsidiaries in the Middle East, Far East and North America. 2021 was also an important year because it witnessed the extension of the Oracle HCM project (for part of its modules) throughout South America, thus enabling the Trevi Group to reach almost all the companies in the world.

The project is making it possible to create common and shared value in the long term, overcoming geographical boundaries, crossing states, oceans and different cultures, united under a single Group.

Potential Enhancement and Retention

Within each organisation, each person is selected, hired and placed to fill a role and perform a task, contributing to the Company through their performance. With a view to continuous personal and corporate improvement, it is



Performance Management System (PMS)

The PMS is now a consolidated practice in the Trevi Group: it has been active since 2016, and over the years its application methods and scope have been strengthened and broadened.

During 2021, the PMS was managed for white-collar workers through the Oracle HCM management system, involving the entire Italian personnel, expatriate Italians and, for the first time, also the white-collar workers of the Group’s subsidiaries in the Middle East, Far East and North America. In these geographical segments the Oracle system has been active and available since January 2021 and staff have been trained on both the new process and the use of the tool. In 2022, Oracle HCM is also expected to be live in South America, so that from next year, the white-collar workers in this geographic segment will also be included in the PMS. In the long term, the goal is to implement Oracle HCM - and consequently the white-collar workers assessment process -

therefore essential to consider performance evaluation as a highly strategic tool, capable of estimating the contribution of people to the Company, by virtue of the objectives achieved, the results obtained and the organisational behaviour performed, and by valuing merit. In this perspective, the Trevi Group considers the “**Performance Management System (PMS)**” to be a crucial element for gathering the information necessary for the correct management of people, identifying their training needs, the need to include them in individual development plans and any compensation or retention measures aimed at ensuring their permanence in the Group.

Only in this way, can the HR department ensure that its people are aligned with the Company’s objectives, that they make the most of their skills and potential and that they continue to develop and enhance the Company’s know-how.

on a global basis. For blue-collar workers, on the other hand, an offline assessment campaign was conducted during 2021 for all Italian personnel, expatriate and non-expatriate. Evaluations are



underway to bring also this evaluation process into the system, creating ad hoc forms for the different types of workers: office workers and site workers. In addition, some evaluations are also being carried out on how to apply the same process in foreign branches.

A novelty that was introduced this year was the inclusion of Behaviours as an object of evaluation, marking the importance, even for technical roles such as those of workers, of adherence to values and the personification of company policy through one's actions.

The PMS assessment forms provide a complete view of a person's performance and their adherence to the values and behavioural methods promoted by the Group. The sections dedicated to reporting training, development and remuneration needs provide the indispensable elements for the launch of human resources manage-

ment policies, capable of guaranteeing full support in the development of the individual, business continuity and ensuring mutual satisfaction between the company and the employee. As a further development for 2022, thanks also to the progressive implementation of new modules of Oracle HCM, the goal is to create a direct link with the applications dedicated to the Learning and Compensation area, so that not only the HR function but also the manager and the people themselves can have integrated tools for the management of their working lives in an all-round way.

Development: career paths, succession & retention plans

The Trevi Group identifies and supports its people not only in the development of their skills, but also looks to the future by investing in their potential.

In 2021, in line with what already introduced in 2020, interventions involving the assessment and evaluation of potential were carried out, with the aim of supporting **key people** in the professional development paths necessary to fill new roles within the Company. In particular, the Trevi Group has launched, and will continue to develop during 2022, a campaign dedicated to the development of "Young Engineers", a target population that represents the future of our Company. The young people, after a series of interviews and assessments aimed at evaluating not only what they have learnt and consolidated so far, but above all what their aspirations are and how the HR function can support them in realising them, have been placed on role development paths, which will accompany them over the next few years with targeted actions until they are fully employed in the agreed profession.

Employees divided by gender & type of contract					2021
	permanent	fixed-term	full-time	part-time	total
- of which men	220	22	232	10	242
- of which women	2.676	300	2.976	-	2.976
Total	2.896	322	3.208	10	3.218
Employees divided by gender & type of contract					2020
	permanent	fixed-term	full-time	part-time	totale
- of which men	201	64	248	17	265
- of which women	2.383	1.056	3.437	2	3.439
Total	2.584	1.120	3.685	19	3.704
Employees divided by gender & type of contract					2019
	permanent	fixed-term	full-time	part-time	total
- of which men	435	58	476	17	493
- of which women	4.255	1.153	5.365	43	5.408
Total	4.690	1.211	5.841	60	5.901

Table 10 - Employees divided by gender and type of contract.



With the same logic, the Trevi Group adopts Succession Plans for its personnel that can guarantee clear and shared personal growth plans, as well as organisational reactivity capable of supporting generational changes, possible personnel departures from the Group and operational continuity. Finally, with the aim of mitigating resignation risk and retaining key personnel, the Group has defined and implemented a Retention Plan, consisting of a set of procedures, benefits and incentives aimed at ensuring profitable continuity of employment.

Compensation & Benefit

During 2021, in addition to the position mapping project carried out in 2020, the digitisation of activities relating to meritocratic policies (*Compensation Plan, Salary Review and Management By Objectives - MBO*) was completed through the implementation of these processes on the Human Capital Management Software adopted by the Group.

The processes were thus revisited in a digital & smart key, through an accurate and consistent analysis of the corporate needs and the refinement of a standardised worldwide process. Reporting tools have also been implemented (*and will be further revised and developed in 2022*) to provide up-to-date data according to common logic and standards.

During 2022, a large number of Trevi Group people will be trained in the use of these forms, enabling the HR to

assess their impact and consider possible corrective and improvement actions.

This activity allows all Group companies to act, according to common guidelines, through a single tool, in compliance with standard and univocal logics and formats.

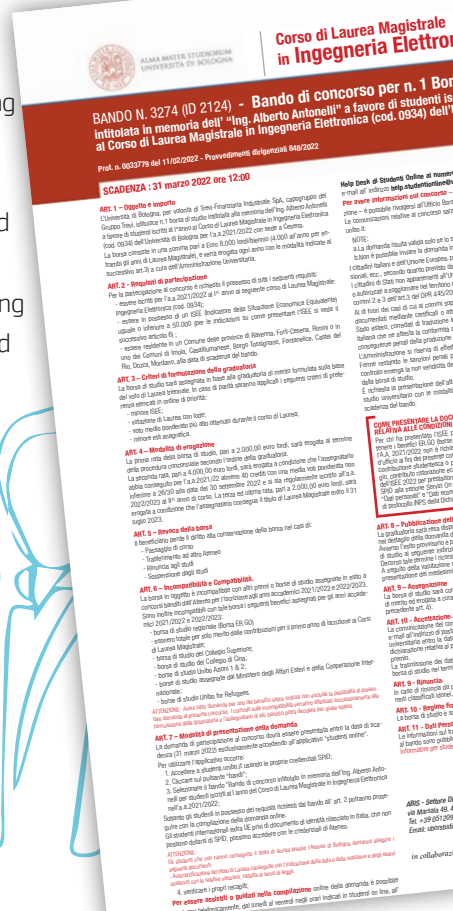
Attracting and welcoming new talent

Also in 2021 the Trevi Group renewed its commitment and interest in collaborating with Italian Schools, Universities and Master's degrees to attract and place the best students.

Thanks to Open Days, workshops, classroom interventions and specific Assessments, in 2021 the Trevi Group was able to meet and support numerous new graduates and undergraduates.

The Group's commitment to attracting new talents and structured Employer Branding activities are (and will be for years to come) fundamental tools to bring the Company closer to the young professionals of the future, strengthening the link between work and school reality.

Moreover, the inclusion of new young recruits is strategic in order to avoid



the risk of excessive average ageing of the corporate population, the failure to transfer corporate know-how in due time, the possibility of loss of enthusiasm and 'vital' energy, and the danger of not taking full advantage of the Digital Transformation taking place globally, for which the new generations can act as crucial levers for the diffusion and acquisition in the Company.

Employer Branding

Precisely thanks to the above-mentioned activities, in 2021 the Trevi Group has also invested in Employer Branding activities, which have the same purpose over the years: to support young students and introduce them to the Group, with an invitation to become part of it and begin a path of growth, made up of challenges and satisfactions that will allow us to be great together, as recalled by the slogan **#GreatTogether** that has accompanied the Group for years.

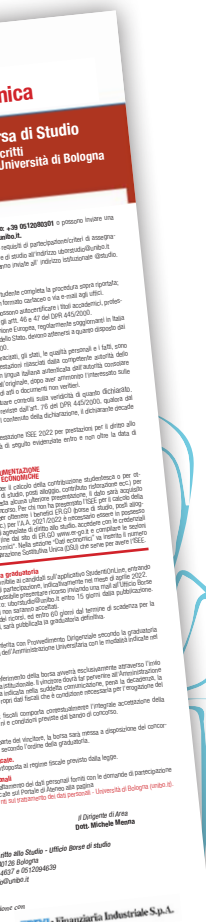
University

An important element in the Employer Branding perspective is the relationship with Universities. In particular, this year, the Trevi Group organised numerous events in digital form with the collaboration of specialised technical colleagues.

Workshops of a technical nature were organised to bring the Group closer to young undergraduates: introducing

Inbound turnover							2021
	ITALY	EUROPE	AFRICA	OCEANIA	ASIA	AMERICA	
Men	<30	34	4	6	1	61	44
	<=30 x >= 50	60	8	18	1	100	78
	> 50	37	1	5	0	7	26
Sub-total	131	13	29	2	168	148	
Women	<30	1	1	4	0	5	4
	<=30 x >= 50	8	0	0	0	4	13
	> 50	0	0	0	0	1	1
Sub-total	9	1	4	0	10	18	
Total	140	14	33	2	178	166	
Turnover rate	16%	29%	7 %	2%	13%	45%	
Inbound turnover							2020
	ITALIA	EUROPA	AFRICA	OCEANIA	ASIA	AMERICA	
Men	<30	18	5	12	0	54	75
	<=30 x >= 50	56	32	46	1	226	133
	> 50	37	6	4	0	10	46
Sub-total	111	43	62	1	290	256	
Women	<30	5	0	2	0	8	14
	<=30 x >= 50	4	4	2	0	2	19
	> 50	0	0	0	0	0	8
Sub-total	9	4	4	0	10	41	
Total	120	47	66	1	300	297	
Turnover rate	14%	24%	10%	7%	21%	52%	
Inbound turnover							2019
	ITALIA	EUROPA	AFRICA	OCEANIA	ASIA	AMERICA	
Men	<30	54	41	42	0	54	127
	<=30 x >= 50	152	135	92	5	72	354
	> 50	49	36	20	2	21	54
Sub-total	255	212	154	7	147	535	
Women	<30	4	10	3	0	4	6
	<=30 x >= 50	12	19	0	2	3	16
	> 50	0	0	0	0	0	2
Sub-total	16	29	3	2	7	24	
Total	271	241	157	9	154	559	
Turnover rate	24%	38%	17%	75%	10%	34%	

Table 11 - Inbound turnover of the Group employees, divided by geographic segments.



them to the world of the Company through the engineering works it designs and builds is in fact the best business card to promote the Company Brand. In these workshops, fellow engineers held technical seminars about the projects of recent years and the technical characteristics of the construction sites, bringing young people closer to the reality of the Group. Some of these young people were then interviewed individually to expand the pool of candidates to be drawn from for the various projects.

Furthermore, in 2021 the Trevi Group set up a scholarship for deserving young people from the Faculty of Electronic Engineering of the University of Bologna. This is a Call for Bursaries established with the University in memory of a colleague and employee of the Trevi Group who unfortunately passed away during the pandemic: the Group decided to choose the course of study in the field of Electronics because it represents the same university and professional training of the person to whom the Call for Bursaries is dedicated. We hope that in 2022 the young person who is awarded this opportunity will then be able to remain as our graduate trainee and subsequently pursue his or her professional future in our Company.

As far as 2022 is concerned, the Recruitment Service has set itself the goal of increasing its participation in Events and Career Days and the organisation of workshops and seminars (digital and/or classroom), consolidating its partnerships with Universities and Masters.

Outbound turnover							2021
		ITALY	EUROPE	AFRICA	OCEANIA	ASIA	AMERICA
Men	<30	12	2	9	1	72	39
	<=30 x >= 50	68	40	73	1	142	128
	> 50	61	17	22	1	42	54
Sub-total		141	59	104	3	256	221
Women	<30	1	2	1	0	3	8
	<=30 x >= 50	6	5	1	1	9	10
	> 50	1	0	0	0	1	8
Sub-total		8	7	2	1	13	26
Total		149	66	106	4	269	247
Turnover rate		17%	135%	22%	4%	20%	68%
Outbound turnover							2020
		ITALY	EUROPE	AFRICA	OCEANIA	ASIA	AMERICA
Men	<30	6	5	26	1	79	74
	<=30 x >= 50	57	44	102	3	172	253
	> 50	49	31	30	2	67	67
Sub-total		112	80	158	6	318	394
Women	<30	0	1	2	0	4	5
	<=30 x >= 50	4	8	8	1	8	22
	> 50	2	3	1	0	0	3
Sub-total		6	12	11	1	12	30
Total		118	92	169	7	330	424
Turnover rate		14%	45%	27%	47%	23%	74%
Outbound turnover							2019
		ITALY	EUROPE	AFRICA	OCEANIA	ASIA	AMERICA
Men	<30	34	33	65	0	188	166
	<=30 x >= 50	81	126	176	1	348	308
	> 50	51	22	80	5	59	60
Sub-total		166	181	321	6	595	534
Women	<30	3	6	4	1	4	12
	<=30 x >= 50	12	17	6	0	5	20
	> 50	4	6	1	0	0	3
Sub-total		19	29	11	1	9	35
Total		185	210	332	7	604	569
Turnover rate		16%	33%	36%	58%	39%	35%

Table 12 - Outbound turnover of the Group employees, divided by geographic segments.

Recruiting in Schools

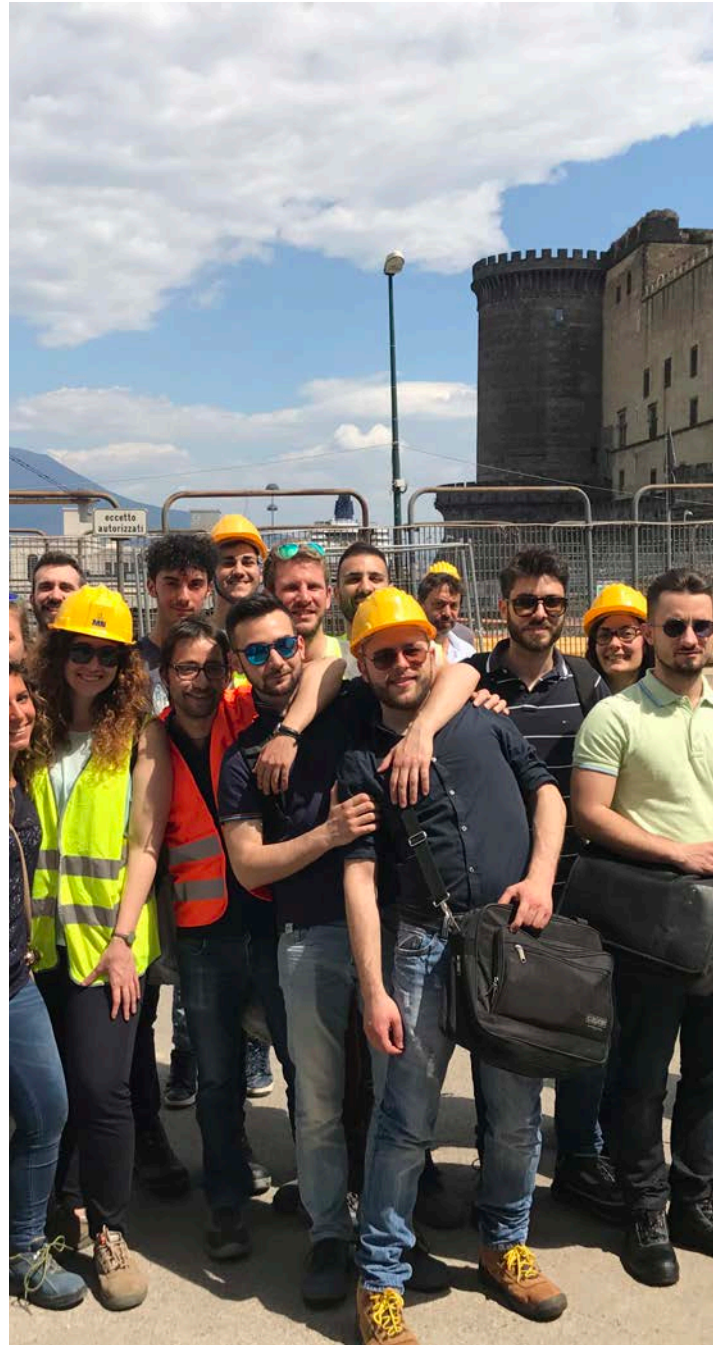
For several years now, the Trevi Group has also been investing in Employer Branding activities through collaboration with Schools and Technical Institutes, in order to promote the company brand among young people entering the working world.

In 2020 we had a positive response to these activities. Therefore, in 2021 we continued to consolidate relations with Technical Institutes in our area and the Veneto Region.

The Recruiting Service held numerous meetings, through digital presentations, for the 5th grade classes only (*due to the Covid situation*) and interviewed the students one by one (again on a digital platform) in order to assess their motivation, interest, and aptitude for our construction site and workshop/assembly work. Subsequently, the young graduates were invited to the Headquarters in Cesena to continue the assessment of the selection process (group interviews and workshops) and visit the plant, in order to get to know the company reality more closely.

At the end of this process, promising and motivated young people (3 per construction site and 1 per workshop) were recruited.

During the first three months, from September 2021 to December 2021, the young new graduates took part in our training courses aimed at preparing them on the technical issues specific to the Trevi Group's business, supported by tutors who are experts in their technical areas. The aim is to train and develop new recruits and new professionals so as to have a larger pool to draw from for the company's future.



Visit to the Naples Metro job site by a group of students

Employment path for technical new graduates

After the positive experience of last year's pilot project, we have re-proposed the project for the training and development of technical new graduates with the inclusion of 3 young new graduates from a technical-technological institute in Agordo (*with the role of site assistant*) and 1 new graduate from the technical-industrial institute in Cesena (*with the role of mechatronic maintenance technician*) in a training apprenticeship.

The proposed course had a similar format to the one already proposed in 2021 but, with a view to continuous improvement, some new features were introduced, in particular:

- Roles and the related pathway were redefined: for new graduates, the pathway for Site Assistant and then Site Foreman was defined; for Maintenance Mechanics, we went so far as to define them as Mechatronic Maintenance Technicians (with last year's placements we noticed that it is possible to immediately train new generations with this objective);
- In order to develop the monitoring and awareness of the training course, the "Skill Matrix" introduced last year was extensively revised, which covers all the technical skills to be acquired to cover the role of Site Assistant first and Site Foreman later, so as to highlight - at each site move of the resource - which skills he/she has already mastered, and which are still to be developed and on which to focus on the new construction site of activity;
- The activities and training times in the headquarters services, preparatory to the worksite activity, were better detailed.

Also this year, the four resources passed the training steps of the apprenticeship and were hired as apprentices.

In 2021, we added a structured training path considered strategic for the future of the Company: "Site Engineer" In the first years, the path is similar to those of Site Assistant and Site Foreman, enriched with elements of site design, job acquisition, project management and management control, preparatory to the definition of the target role: typically Project Manager, Technologist and Site Designer or Sales Engineer.

The first operational applications will take place during the year 2022.

Partnership project with local Technical Institute

At the end of 2021, an agreement was made with a vocational technical institute in our city, creating a true partnership. The project, aimed at developing skills growth and bringing school and company closer together, will begin in February 2022 on two 4th classes (*Mechanical and Electrical-Electronics*).

The Company will support the students in specific technical subjects directly from the school desks. Managers and technicians from the Trevi Group will



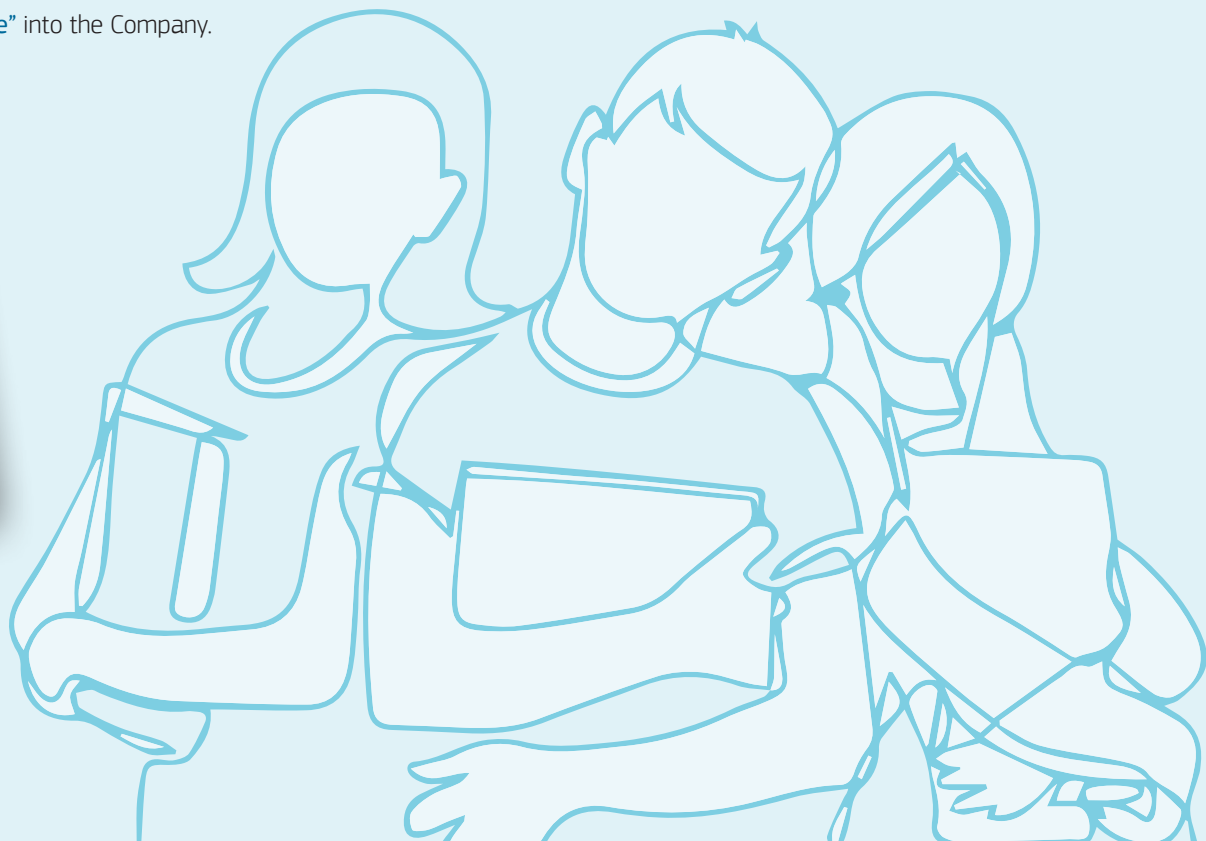
enrich the lessons related to technical school subjects by offering their know-how and technical experience through videos and interactive lessons. At the end of the school year, the Company will host the most motivated young people for a summer internship and school-to-work alternation during the first term of the 5th class. In the Company, the young people will have the opportunity to come into contact with business reality, putting into practice the technical skills acquired in the classroom. This company-school pairing will come to an end at the end of the fifth school year (2023), at the end of which year the young people will be selected for a possible company placement.

The agreement signed represents a further tool to develop the Employer Branding activities of the Trevi Group within the schools and its members, involving young people and families. The Trevi Group hopes to extend similar projects to other Institutes in the years to come, to support and welcome young “professionals of the future” into the Company.

The On-boarding process

In continuity with the Onboarding process started last year, in order to facilitate the integration of new recruits into the Company and help them integrate more easily, this year we focused on testing and monitoring the tools created and/or revised in 2021, in order to assess their validity and effectiveness, with a view to continuous improvement.

Over the next year, we are also planning a complete overhaul of the process with the aim of making it smarter and more useful for welcoming and comprehensively training new recruits. For example, we are working to create Onboarding paths with training pills dedicated to the knowledge of basic processes and tools for Group business.



2nd edition of the “Welcome@TreviGroup” - Headquarters 1st edition of the “Welcome@TreviGroup” - Construction site

As was proposed last year, we committed ourselves to effectively make the “Welcome@TreviGroup” event a “good corporate habit”.

In September 2021, the second edition of the “Welcome@TreviGroup” event was organised for all personnel who had recently joined the Group. Also in this edition, the aim was to share the corporate mission, present the Group’s structure, provide useful information to help them become more aware of the working environment, and learn more about the business and products of the various companies. This was once again a great opportunity to bring new hires closer to the Company, with the goal of making each of them feel part of it.



to at least one of the Company’s 6 pillars: Structure, History, Culture, People, Business & Innovation.

In order to extend this important opportunity also to Italian construction site personnel, who have recently joined the Group, this year the first “Welcome@TreviGroup”- Construction Site Edition was organised. In view of the major logistical and organisational difficulties, as the people were spread across construction sites in Italy and abroad, it was decided to hold the event in the second half of December, close to the Christmas holidays and for the duration of a single day. Some fifteen speakers, representatives of the headquarters services most closely involved with the shipbuilding world, took part.

During the meeting, in addition to presenting the main representatives of Trevi’s headquarters services with whom the young people are used to interfacing



The event took place over 3 days, each lasting 5 hours, and was attended by 10 participants (new employees and trainees). It was also an opportunity to get to know newcomers and help them integrate. There were about 20 speakers, all Group employees, who each presented a project or aspect of the Company, always referring



Employee training and development

Training: Trevi Group's Academies

The Trevi Group's internal Academies - **Foundations Technology Academy (FTA)**, dedicated to technical training, and **Trevi Group Academy (TGA)**, dedicated to managerial training - have been in operation for several years now with the aim of enhancing and preserving the skills of the people who work in the Group, not only by collecting and enhancing best practices and know-how, but also by supporting innovation and the management of continuous change. The Trevi Group also relies on external suppliers for training services such as language, IT and professional training courses. The cost of organising and delivering the training courses offered to its employees is financed in part or in full by interprofessional funds such as Fondimpresa (*for white-collar workers, middle managers and blue-collar workers*) and Fondirigenti (*for executives*).

As hoped last year, in the course of 2021 an effort was made to extend the capillarity of the service, also increasing coverage for the working categories that are more difficult to reach with digital tools (*blue-collar workers*) and strengthening collaboration with local HR functions for ad hoc training managed in the various Legal Entities.

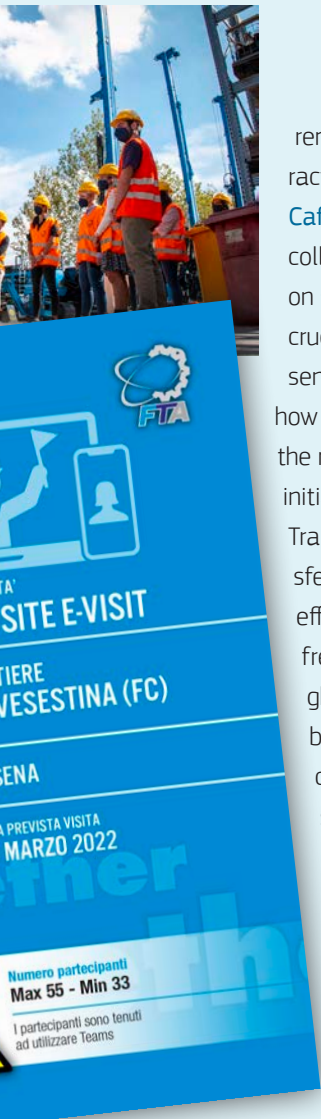
This direction will be pursued also in 2022.

Technical Training

Since 2003, the Trevi Group has had a Technical Academy dedicated to the training of in-house personnel with the aim of training new staff and continuously updating them on technologies and equipment. In this way, the corporate know-how is not lost and the techni-

remotely, we proposed an interactive activity using the “World Café” mode, aimed at collecting colleagues’ cues and suggestions on some issues we consider crucial: how to strengthen their sense of belonging to the Group, how to foster their active role in the management of change, what initiatives we can propose as a Training service to make the transfer of corporate know-how more effective. Their fresh point of view, free of previous influences, brought out interesting indications to be implemented with a view to continuous improvement of our services.

Colleagues will continue their training with E-Learning activities to address the remaining topics usually proposed during the “Welcome”.





cal skills of employees is strengthened, thus promoting the company development.

Also in 2021, the activity was partly held back by Covid in the technical-practical parts, and was therefore mainly focused on the E-learning development of training courses and the redefinition of the training

Hours of training		2021	2020	2019
Executives	MEN	1.355	2.331,4	1.794,0
	WOMEN	13	0,0	
Middle Managers	MEN	3.047	4.846,4	5.349,5
	WOMEN	635	897,0	
White-collar Workers	MEN	6.111	4.205,5	8.923,0
	WOMEN	1.932	2058,9	
Blue-collar Workers	MEN	2.836	1.915,0	5.786,5
	WOMEN	-	0,0	
Total women		13.298,3		
Totale men		2.955,9		
Total men + women		15.928	16.254,2	21.853,0

Table 13 - Even in 2021, the provision of training hours has been affected by the continuation of the Covid-19 pandemic and the related containment measures, particularly for workers who did not have PCs to participate remotely.

offer apparatus. The aim is to ensure continuous and structured training for technical staff within a “LifeLong Learning” framework.

In particular, the initiatives that most characterised technical training in 2021 were:

- 1) the “basic” training course on Trevi Group products and services, entitled “Foundations fundamentals: introduction to Trevi Group technologies and equi-

Number of participants		2021	2020	2019
Executives	MEN	73	417	48
	WOMEN	4	0	
Middle Managers	MEN	188	781	143
	WOMEN	30	123	
White-collar Workers	MEN	814	758	339
	WOMEN	190	403	
Blue-collar Workers	MEN	1.901	132	247
	WOMEN	18	0	
Total women		2.088		
Totale men		526		
Total men + women		3.218	2.614	777

Table 14 - Detail of training participants.

ment”, was further enriched with new courses. This course was delivered in E-learning to newly recruited personnel with technical roles (renamed). In addition, the first courses of the same basic training course in English were developed for non-Italian technical roles. We expect to finish the entire course by the end of the year 2022;

- 2) “advanced” training saw the debut of the “Job Site Experience” project, i.e., the sharing of concrete cases of construction site projects, highlighting successful technical aspects, critical issues detected, problems



Average hours of participants		2021	2020	2019
Executives	h MEN	19	5,5	16
	WOMEN	3	-	
Middle Managers	h MEN	16	6,2	30,6
	WOMEN	21	7,3	
White-collar Workers	h MEN	8	5,6	28,1
	WOMEN	10	5,1	
Blue-collar Workers	h MEN	1	14,5	13,5
	WOMEN	-	-	
Total women			6,4	22,5
Totale men			5,5	
Total men + women		5	6,2	

Table 15: Detail of average hours of training by type of participants.

encountered and their solutions, so that the experience can become the knowledge heritage of the company as a whole. There are two types of seminars:

- “vertical”: analysis of a construction site from start to finish (from a technical point of view), such as the Chacao Bridge Project
- “horizontal”: analysis of several construction sites addressing a specific type of work or technical segment, such as problems and solutions on diaphragm walls

3) the creation of a catalogue of FTA training proposals of a technical nature to accompany technical personnel throughout their professional career at the Trevi Group;

4) technical knowledge management: FTA collects in a series of company texts called “notes” the technical knowledge concretely applied to the company activity.

The objective is to obtain for each technical competence its official company reference text written by authoritative internal personnel precisely in order not to lose the concreteness and specificity of the company (*in continuous evolution and always open to new contributions, hence the name “notes”*).

In 2021, the hours of technical training provided, also thanks to the new methods and initiatives, totalled more than 2100 and involved more than 230 people.

Management training

During 2021, the activities of the Trevi Group Academy, created in 2016 with the aim of promoting managerial and management training for the Group’s personnel, continued, in order to develop all those skills considered strategic for the Company.

There are four main pillars on which the provision of its training activities is based:

People Management, Client Management, Project Management and Finance For Non-Financial People.

This year, the initiatives proposed in the People, Finance, Project Management and Communication areas were particularly interesting.

- 1) **People Management:** in 2021, TGA promoted the training courses dedicated to the **Performance Management System (PMS)** appraiser managers also to the appraisers of foreign branches, offering courses in e-learning mode on the company platform in English, in order to extend training on issues concerning the management and evaluation of employees, beyond the Italian borders.



Training on the Compliance Systems of the Trevi Group: From the 231/01 Model to the ESG/NFS system

In 2021, the Trevi Group strengthened its training activities in the area of Compliance, to ensure that its people are properly informed and can act in full compliance and respect of regulations, codes of conduct, procedures and legal provisions.

In order to apply the regulations correctly, it is important that everyone, employees and company managers, know and apply the provisions that affect their area. For this reason, a dedicated training course “**The Compliance Systems of the Trevi Group: from the 231/01 Model to the ESG/NFS system**” has been prepared, aimed at all Italian white-collar personnel, on the following topics

- Operational aspects for the management of Compliance and the ESG/NFS system
- The Whistleblowing Tool
- Technical and legal aspects of the 231 System

This initiative was considered necessary to protect the Company from risks related to non-compliance and reputational damage and involved approximately 593 people. In addition to this initiative, there have been activities aimed at new recruits and blue-collar workers at Italian headquarters.

The goal for 2022 is to continue with this training campaign, aiming to extend training on these topics abroad as well.

Encouraging change management

The period of strong transformation, reorganisation and evolution that our Group is going through requires that,

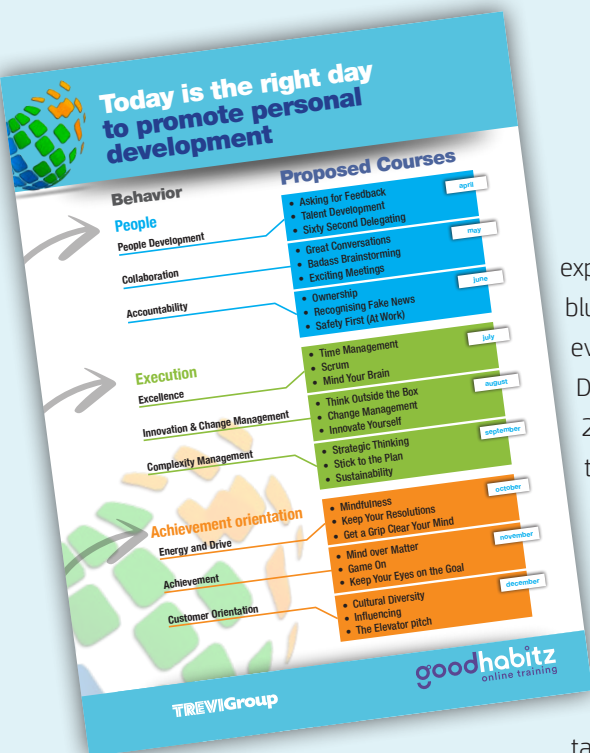
in order to achieve the shared objectives set, common practices be questioned, seeking to adopt cutting-edge tools, operating methods and processes that facilitate exchange, real-time updating and the identification of a common language. What changes are therefore approaches, tools and behaviours and the HR function has a strategic role in facilitating this important transition.

Model of Behaviours

To meet any challenge, a few clear and shared rules must be followed. This is a universal and vital principle that underpins any organisation. It is even more so for our organisation, because it is facing an important, epochal change. In order to support and facilitate this transition, we have defined a Model of Behaviours, that is, a set of clear and shared rules, which acts as a transmission belt between our daily work and the objectives we have to achieve.

The 9 behaviours in total, grouped in 3 clusters, combine the great experience gained in the field with the needs of the near future. With **People, Execution and Achievement Orientation** we lay the foundation for a new language and a new common feeling.

The Model of Behaviours, which was launched in Italy as early as 2020, was introduced during 2021 in the geographic segments covered by Oracle HCM live (*Middle East, Far East and North America*) thanks also to a special communication campaign and various training initiatives. In addition, as previously mentioned, since the PMS20 campaign, it has been included as an object of performance evaluation of Italian and expatriate white-collar workers and since PMS21 in all Italian and



expatriate white and blue-collar workers evaluation reports. During the course of 2022, in addition to the launch and application of this model in the South America segment, in conjunction with the live Oracle HCM, there will be an important new development.

- by the Manager, who, during performance appraisal (PMS) may recommend one or more courses to fill any identified gaps or suggest further enhancement of certain behaviours in view of the new targets to be assigned;
- freely by each employee. Each person will be able to choose, at his/her own discretion, up to 3 courses among those proposed according to his/her personal and professional interest. For the Trevi Group, this aspect also marks a profound change in the conception of training: people are no longer passive parties to whom activities and training are assigned in a "top-down" manner but can become active parties of their own growth and development, directing them through their own choices.

The Trevi Group has started a collaboration with an external E-Learning course provider specialised in the behavioural area (*GoodHabitz*) and will give all employees active on Oracle HCM in the course of 2022 the opportunity to "train" themselves in

the development and application of corporate behaviour thanks to innovative and dedicated training actions. Each proposed course has been linked to a behaviour from the Behaviour Model and can be assigned:

- by HR, to respond to the implementation of training campaigns to ground company policy and strategy;

Corporate Intranet – HR section

In 2021, what had already been started in the previous year was perfected by enhancing the HR page within the corporate Intranet. The Intranet has become an important vehicle for information and change, allowing it to reach almost all Group companies with a single click and a simple publication.

This tool has become indispensable for the HR to communicate information, news, initiatives, organisational communications in a smart, simple and fast way. Each change management activity (*related to changes, the introduction of new processes or tools, etc.*) is supported by (*in*)formative campaigns that find space in the various sub-sections that make up the HR section, guaranteeing greater capillarity and effectiveness in the transmission of communications, videos and newsletters.



Job Catalogue

The year 2021 also witnessed the launch of the project to revise and implement a new Job Catalogue, which will be completed between the end of 2022 and the beginning of 2023. The Job Catalogue represents a fundamental tool for organisational change and analysis and introduces numerous benefits, including:

- Analysis of hard and soft skills related to each role, with a view to identifying gaps and areas for improvement, enabling targeted and consistent interventions in Training & Development;
- Support in Recruitment activities (external and/or internal), thanks to the presence of detailed forms divided by role;
- Alignment between Job Title and Job Mapping activities (*carried out in 2020 in the area of Compensation & Benefits*);
- Standardisation worldwide, through unambiguous nomenclatures.

Supporting the creation of a smart Approach: Digital Transformation

The new challenges that the Trevi Group will have to face and the moment of profound change that characterises 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.

The year 2021 was characterised by numerous milestones and successes linked to processes of digitisation and process efficiency already started in 2020 (*such as “ERP Project” for the implementation of SAP 4/HANA as an integrated management tool, “DrillLean” for the applica-*

tion of Lean Manufacturing in Soilmec, the adoption of “Tagetik” as a tool in the Administrative area and “People 360°” for personnel management), which will accompany the Group in its growth and transformation in the years to come.

The changes brought about through these projects were not merely about learning how to use new IT tools and software, but rather, produced important growth at both methodological and cultural levels.

Many of the Company's processes were analysed, revised and streamlined by adopting an Agile methodology based on sprint reviews. This new way of working and approach, aimed at enhancing work by objectives and the accountability of each person, have undoubtedly enriched our wealth of experience and skills, leaving an indelible imprint that we are sure will continue to accompany us and characterise our next challenges and projects.

Finally, the HR department is supporting the people of the Trevi Group by providing 360° interventions: training in the new skills required, training to familiarise themselves with the new tools and methodologies, opportunities for exchange and discussion to fully understand the new procedures, and finally the facilitation of the cultural and mental change.

In 2021, the Change Management and Digital Transformation support initiatives involved about 560 people, for a total of over 10,200 hours of training provided. These interventions have increased the organisational awareness of each person in the Trevi Group and it is increasingly clear to everyone that each of us has an active role in this transition process.

More specifically, these are the main topics covered in the four dedicated modules: “Setting & Communicating Goals”, “Providing continuous feedback”, “Sharing an effective evaluation” and “Developing people”.

2) Finance & Project Management Area courses: in 2021, courses in these two pillars were included and systematised in all technical role acquisition and development courses, as they are considered useful to develop the basic skills of each person working on site in technical-managerial roles (e.g., Site Manager, Site Engineer, etc.). These courses are therefore offered annually to trainees, in which all those for whom such courses have been requested by their managers also take part, through the PMS forms in Oracle HCM.

3) Communication: during 2021, a training course was also organised on topics in the “People” area, with a specific focus on Communication & Public Speaking, which saw as participants, figures who, due to the role they hold, have to give presentations in public, interact with customers and suppliers, etc. The course involved 11 participants and included a first e-learning part and a second in-person part (2 days) with a TGA lecturer.

In 2021, the hours of managerial training provided, also thanks to the new methods and initiatives, totalled 2000 and involved almost 200 people.

Trevi Group Sport Club, sport joins the Company

Starting from the belief that sport facilitates the creation of a group, strengthens the team, encourages relationships (in football shorts, age and role differences are reduced to zero), develops communication, but is also a useful opportunity for recreation, at the beginning of 2021 the Trevi Group Sport Club was founded precisely to involve the company people in sports activities.

In the first edition, which saw the participation and involvement of over 120 people, padel, beach volleyball and eight-a-side football tournaments were organised.





Promotion of diversity and equal opportunities

The Trevi Group guarantees management that promotes the dignity, health, freedom and equality of all workers, without discrimination based on race, colour, gender, language, religion, ethnic origin, physical or psychological disability, marital status, sexual orientation, political and trade-union opinion and ensures that any form of child labour is not used. It has always endeavoured to ensure a workplace free from harassment, threats or any other form of physical or sexual, psychological or verbal abuse or harassment.

Moreover, in selecting and managing its personnel, the Trevi Group adopts criteria of merit, competence and evaluation of individual skills and potential, aiming at developing the skills and capabilities of each employee. These aspects are set out and regulated by the Trevi Group Code of Ethics, which defines human resources as a central element of the company strategy

Examples of this commitment by the Trevi Group are:

- Commitment to maintain a balance between male and female categories when hiring personnel
- Commitment of the HR function to comply with legal obligations concerning protected categories
- The total current absence for more than 4 years of any type of report of verbal, physical or psychological violence and discrimination of any kind recorded in the workplace both in Italy and in the foreign subsidiaries.

Personnel diversity		2021	2020	2019	
EXECUTIVES	Men	<30	-	0	0
		<=30 x >= 50	30	42	67
		> 50	43	60	74
	Sub-total	73	102	141	
	Women	<30	-	0	0
		<=30 x >= 50	2	3	3
		> 50	2	3	4
	Sub-total	4	6	7	
	Total	77	108	148	
	MIDDLE MANAGERS	Men	<30	-	3
<=30 x >= 50			109	138	263
> 50			79	81	110
Sub-total		188	222	400	
Women		<30	-	0	0
		<=30 x >= 50	22	18	50
		> 50	8	7	12
Sub-total		30	25	68	
Total		218	247	468	
WHITE-COLLAR WORKERS		Men	<30	139	171
	<=30 x >= 50		508	646	1.108
	> 50		167	222	354
	Sub-total	814	1.039	1.752	
	Women	<30	46	52	69
		<=30 x >= 50	115	136	257
		> 50	29	25	61
	Sub-total	190	213	387	
	Total	1.004	1.252	2.139	
	BLUE-COLLAR	Men	<30	231	338
<=30 x >= 50			1.226	1.274	2.070
> 50			444	464	600
Sub-total		1.901	2.076	3.115	
Women		<30	3	3	5
		<=30 x >= 50	13	15	22
		> 50	2	3	4
Sub-total		18	21	31	
Total		1.919	2.097	3.146	
Tot. MEN		2.976	3.439	5.408	
Tot. WOMEN	242	265	493		
Tot. EMPLOYEES	3.218	3.704	5.901		

Table 16 - Total employees divided by professional classification, gender and age class.

Health and safety of employees and collaborators

In the wake of what was done in 2020, 2021 was still characterised by the management of the Covid-19 pandemic, with the aim of safeguarding the health of Trevi Group people and ensuring business continuity, without neglecting the other “traditional” health and safety aspects related to the workplace.

In this situation of “new normalcy”, the most relevant changes related to health and safety processes concerned: the greater digitalisation of training activities, agile working, the management of relations with remote locations through virtual communication systems, and the enhancement of medical services related to Covid-19 (*tests, vaccines, emergency services, etc.*).

Corporate 'Zero Accident' Programme

The goal for 2021 was to decrease the number of accidents and injuries in the Group by increasing the level of awareness around HSE through:

- Direct involvement of Top and Middle management (*CEO, Line of Operations up to Area Managers, Project Managers*);
- Continuous and effective communication of the HSE message, extending it to all Group companies;
- Maintenance of a high level of focus on Covid-19 and control through implementation of the company protocol;
- Alignment of Group HSE(Q) standards through shared procedures and guidelines.

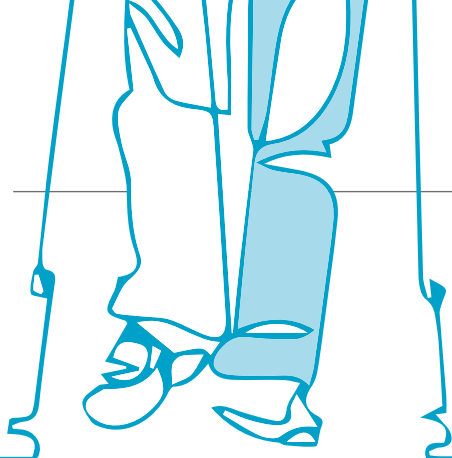
Results

At Group level, 61 recordable accidents, 2 high-risk accidents in Europe, no fatal accidents and no occupational diseases were recorded in 2021. The relevant rates are shown in Table 17.

The total rate of recordable occupational accidents decreased further compared to 2020.

2021 Occupational accidents All employees	Trevi Group	Europe	Africa	America	APAC	Middle East
Number of fatalities due to occupational accidents	0	0	0	0	0	0
Number of occupational accidents with serious consequence (excluding fatalities)	2	2	0	0	0	0
Number of recordable occupational accidents	61	34	3	10	12	2
- commuting accident	0	0	0	0	0	0
- accident at work	61	34	3	10	12	2
Hours worked	8.530.384,42	1.526.485,42	1.519.150,00	1.063.525,00	2.511.380,00	1.909.844,00
Rate of fatalities due to occupational accidents	0	0	0	0	0	0
Rate of occupational accidents with serious consequence (excluding fatalities)	0,05	0,26	0	0	0	0
Rate of recordable occupational accidents	1,43	4,45	0,39	1,88	0,96	0,21

Table 17a - Table 20: Accident indices. Since 2020, the Group has adopted GRI 403-9 updated 2018.



2021 Occupational accidents All non-employed, whose work and/or workplace is under the control of the organisation	Trevi Group	Europa	Africa	America	APAC	Medio Oriente
Number of fatalities due to occupational accidents	0	0	0	0	0	0
<i>Number of occupational accidents with serious consequence (excluding fatalities)</i>	0	0	0	0	0	0
Number of recordable occupational accidents	3	2	0	0	1	0
- commuting accident	0	0	0	0	0	0
- accident at work	3	2	0	0	1	0
Hours worked	2.221.400,00	45.743,00	571.868,00	163.172,00	811.723,00	628.894,00
Rate of fatalities due to occupational accidents	0	0	0	0	0	0
<i>Rate of occupational accidents with serious consequence (excluding fatalities)</i>	0	0	0	0	0	0
Rate of recordable occupational accidents	0,27	8,74	0	0	0,25	0

Table 17b - Table 20: Accident indices. Since 2020, the Group has adopted GRI 403-9 updated 2018.

2020 Occupational accidents All employees	Trevi Group	Europe	Africa	America	APAC	Middle East
Number of fatalities due to occupational accidents	1	0	1	0	0	0
<i>Number of occupational accidents with serious consequence (excluding fatalities)</i>	0	0	0	0	0	0
Number of recordable occupational accidents	56	35	3	9	3	6
- commuting accident	2	2	0	0	0	0
- accident at work	54	33	3	9	3	6
Hours worked	7.460.614,75	1.347.570,75	1.634.337,00	1.414.986,00	600.889,00	2.462.832,00
Rate of fatalities due to occupational accidents	0,03	0	0,12	0	0	0
<i>Rate of occupational accidents with serious consequence (excluding fatalities)</i>	0	0	0	0	0	0
Rate of recordable occupational accidents	1,50	5,19	0,37	1,27	1	0,49

Table 17c - Table 20: Accident indices. Since 2020, the Group has adopted GRI 403-9 updated 2018.



2020 Occupational accidents All non-employed, whose work and/or workplace is under the control of the organisation	Trevi Group	Europe	Africa	America	APAC	Middle East
Number of fatalities due to occupational accidents	0	0	0	0	0	0
Number of occupational accidents with serious consequence (excluding fatalities)	0	0	0	0	0	0
Number of recordable occupational accidents	8	0	0	0	8	0
- commuting accident	0	0	0	0	0	0
- accident at work	8	0	0	0	8	0
Hours worked	849.549,00	99.060,00	145.126,00	210.469,00	190.604,00	204.290,00
Rate of fatalities due to occupational accidents	0	0	0	0	0	0
Rate of occupational accidents with serious consequence (excluding fatalities)	0	0	0	0	0	0
Rate of recordable occupational accidents	1,88	0	0	0	8,39	0

Table 17d - Table 20: Accident indices. Since 2020, the Group has adopted GRI 403-9 updated 2018.

Severity and frequency index in 2019	Italy		Europe		Africa		Asia		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	na	0,10	0
Frequency	14,47	0	8,84	0	0,51	0	0	0	0	na	6,38	0
- Absenteeism rate	0,17%		0,02%		0%		0%		0%		0,08%	

Table 18 - Accident indices, occupational diseases and absenteeism (the indicators have been recalculated based on a new applied methodology).



Desander equipment in TREVICOS jobsite | U.S.A.



Safety Awards 2021

Trevi Foundations Philippines, within the context of the JG Summit PE3 and the PPX Expansion Project, was awarded:

- a “Certificate of Commendation” from Tecnimont - JGC for the important contribution to the achievement of 6,000,000 LTI accident-free hours worked (31 January 2021).
- a “Certificate of Appreciation” for two drilling operators in relation to their safety attitude (18 March 2021).

In addition, in the context of “Tecnimont Joint ventures on JG Summit PE3 and PPx Stage 1 Expansion Project, Batangas City”, it received:

- an “Award of Recognition” for contributing to the achievement of 8,000,000 LTI injury-free hours worked.

Swissboring Overseas Piling Corporation received:

- an “Award of Recognition” - in the context of Hassyan Clean Coal Power Plants Phase 1 - for contribution to the achievement of 15,000,000 LTI injury-free hours worked.
- an “Award of Recognition” - in the context of Ibri II Solar PV Independent Power Project - for implementing requirements and improving HSE culture.

TREVIICOS TREVIICOS was named among the winners of 2021 ADSC IAFD Award.

The ADSC Safety Award is given to member companies that record Accident Indices below the average recorded in the Construction Industry in the previous year.

Worker participation and consultation

The Trevi Group promotes consultations with the Safety Representatives on safety, health

and wellbeing in the workplace. These consultations take place through meetings with the Employer, the HSE Department and other interested parties (*company doctor, managers, etc.*), with the aim of preventing accidents and illnesses, highlighting problems and identifying solutions to overcome them.



Such consultations are particularly important when changes occur that may generate new risks (e.g. introduction of new technologies, work processes, or new substances). They play an important role in addressing established work practices and risks.

The number of Workers' Safety Representatives is proportional to the total workforce.

Health and safety training

Below are the total HSE training hours for the entire Group and for individual Divisions. The non-linear trend in the number of training hours provided reflects the heterogeneity of workloads, and in 2021 training activity continued to be strongly affected by the constraints imposed by the Covid-19 pandemic.

TREVI GROUP training				2021
	Unit	Uomini	Donne	Totale
Total employees involved	no.	3.336	162	3.498
Total training hours	no.	16.312	612	16.924
Average hours of training	no.	4,9	3,8	4,8

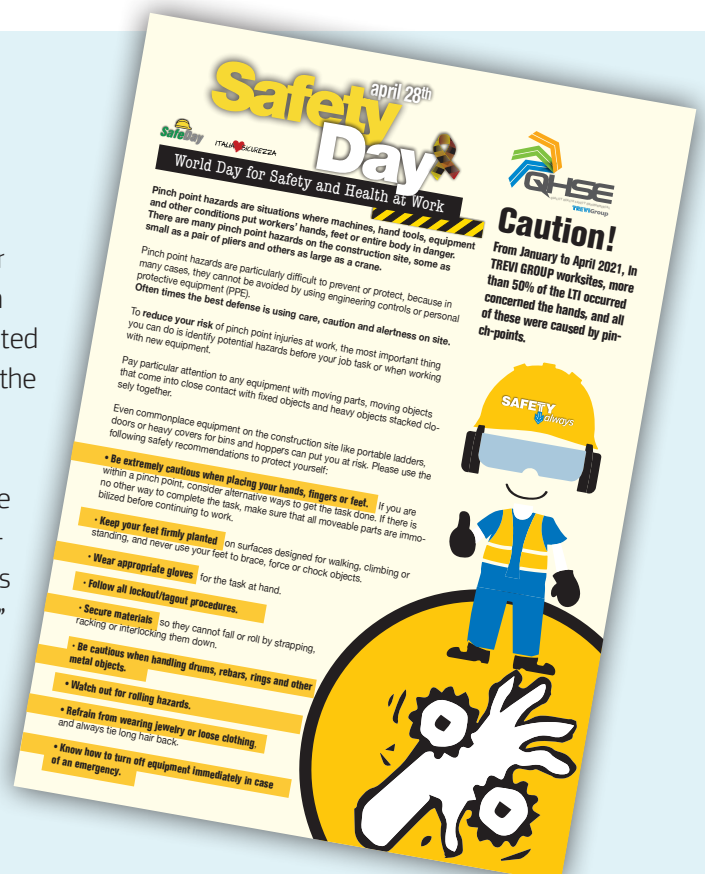
TREVI GROUP training			
	Unit	2020	2019
TREVIFIN	no.	5,35	2,86
TREVI	no.	11,14	55,83
SOILMEC	no.	2,55	-

Table 19 - Average hours of HSE training. Number of employees involved, average hours of TREVI GROUP training.

Safety and Health at Work World Day

Hand and finger injuries continue to be a major concern for our Group and our core business. In response to this, the World Safety Day, celebrated at all Group sites on 28 April 2021, dealt with the topic of pinch-points.

Specifically, awareness-raising campaigns were organised with workers on all continents to improve the identification of hazards on machines and equipment, and the search for “hand-free” solutions.





Ongoing relations with local communities

Risks and policies

“The world is our horizon”. With this slogan, the Trevi Group has defined its range of action. Since 1967, the year of the first major work abroad (Apapa road in Nigeria), the Group has always worked mainly abroad. It currently boasts a stable presence in about 45 countries and manages its activities in close contact with local populations, in geographically and culturally heterogeneous situations and sometimes in delicate socio-political scenarios.

It is undeniable that the presence of a foreign organisation can be seen and perceived, especially in some areas of the world, with some mistrust by local communities, who are worried that the intention is to make the most profit at the expense of businesses and therefore also of local populations. Concrete fears to which the Trevi Group has always opposed an operating method that aims at developing deep and lasting relationships with local communities and carefully assessing the economic and social impacts that its activities may have on them. It is no coincidence that the Trevi Group has had a stable presence for many years now.

That said, it should be specified and considered that in most cases the Group operates as a subcontractor and, therefore, the assessment and management of social impacts as a result of major structural interventions are the responsibility of the General Contractor, who holds the leadership and therefore the liability for the entire project.

In countries where the presence of the Trevi Group is consolidated and when the Group operates as General

Contractor Specialist, 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 local 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 Parent approved the policy “Management of Sponsorships, Gifts and Donations” containing 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 local communities involved.

Management model, initiatives and key numbers 2021

In 2021, the continuation of the Covid-19 pandemic, the unfavourable national and international contingency for the sector, and some of the repercussions of the restructuring process that the Trevi Group launched in 2020 had a considerable impact on activities traditionally aimed at local communities. Thus, compared to past years, the Group, even at the level of individual branches, has seen a drastic reduction in its initiatives in the territory.



“In every part of the world, in all projects undertaken, the Trevi Group works together with and for the benefit of the environment, in harmony with the local people and in unison with their cultures”

“Jardín de Infantiles Nuestra Señora del Valle”, the nursery school located in the Bancalari district | Argentina



Among the most significant projects supported by the Group in 2021 it is worth mentioning:

- In **Italy**: at the behest of the Trevi Group, the University of Bologna has set up a study grant named in memory of Engineer Alberto Antonelli, for many years head of Soilmecc Technical Office and a point of reference for many young designers, who died prematurely in the spring of 2020. The initiative will benefit students enrolled in the first year of the Master's Degree Course in Electronic Engineering at the University of Bologna;
- In **Argentina**, Pilotes Trevi Sacims supports and backs with donations of money and assistance the “Jardín de Infantiles Nuestra Señora del Valle”, the nursery school located in the Bancalari neighbourhood of Don Torcuato and the only full-time day nursery school in the area, which allows the parents of the 150 children, aged between 3 and 5, who attend it, to carry out their respective jobs with the certainty that their children are cared for in a space where they develop both educational and recreational activities.
- in the **Philippines**: the Trevi branch participated in the collection of basic necessities for the people affected by typhoon Odette. The super typhoon Rai (known in the Philippines as “Odette”) hit the south-east of the Philippines with great vehemence, making it the strongest storm in 2021, among the fifteen that ravaged the country.
- In the **United States**: “COVID relief” contribution for the children of St. Martha Paris and school in Philadelphia. Support for the family of a Treviicos employee who died from COVID.

Initiative scope 2021	Euro	%
Solidarity	10.127	49
Culture	8.000	39
Sport and Miscellaneous	2.556	12
Initiative scope 2020	Euro	%
Solidarity	91.131	99,6
Culture	393	0,4
Sport and Miscellaneous	0	0,0
Initiative scope 2019	Euro	%
Solidarity	236.034	91
Culture	22.300	8,5
Sport and Miscellaneous	600	0,2

Table 20 - Investments of the Trevi Group in initiatives with social purpose.

Among the projects and participations that have been affected by the current situation, but which are still waiting for new incentives that can relaunch them, we can mention:

“**Social Value**”, a project created at the end of 2007 at the proposal of the Vice-Presidency in collaboration with the Parent Company's Communication Department and the Group's Divisions, to promote and support at a local, national and international level, solidarity, support and training initiatives mainly in favour of children. During its first years of activity, the Social Value has directly supervised over 50 solidarity projects on the national and international territory.

Romagna Iniziative, a consortium also promoted by the Trevi Group, which brings together a pull of reference companies in the Forlì-Cesena area, committed to enhancing sports activities and projects of artistic and cultural interest, with a special focus on the world of young people;

Romagna Solidale, a foundation also set up by a number of companies to promote and support solidarity projects.



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 characterised by complex socio-political scenarios where the workers' rights and the partners' management practices are not always regulated by legislations equivalent to the Italian ones. Risks deemed as residual in relation to these issues concern the management of subcontracting relationships - to date not evaluated as material in Trevi and Soilmec Divisions - as well as the employment of workers on the local market, managed through on-site recruitment agencies.

The policy aimed at standardising the procurement management methods at Group level was approved in 2019 and the phase for harmonizing the procedures was immediately activated to make the indicated guidelines operational. Based on the new organisational structure of the Group, the existing procurement management Policy is currently being updated to allow a better harmonisation of the procedures of individual local units and will be completed by 2022.

In Soilmec UK, an "Equal opportunities" policy has been applied since 2008 and is periodically approved to promote work activities that embody 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 focuses its attention for mitigating

these risks. The relationship established with its own suppliers is particularly important for the Trevi Group, since it results into certified quality management systems and procedures for selecting and monitoring their performances; the 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.

Responsible and sustainable supply chain management

Management model, initiatives and key numbers 2021

The Trevi Group employed suppliers coming from over 70 countries in 2021, the majority of which is based in Europe, North America and Middle East and in line with the production areas (*Soilmec operational facilities and Trevi construction sites*).

Given the nature of the business, the Group purchases are mainly aimed, on the one hand, at supporting the design, production and marketing of equipment and services for foundation works (Mechanical Engineering Division) mainly located in Italy, and on the other hand to support the construction site activities of the Trevi Division in the various areas and geographical segments in which it operates. For the latter, the main suppliers relate to labour supply, purchase of goods and services, and technical consulting.

The nature of the business leads to a high concentration of suppliers in the country where activities are carried out (manufacturing/construction site) both for logistical and efficiency reasons. At the same time, this choice brings a contribution to local communities both in economic and territorial development terms.

The Trevi Group considers its suppliers an essential component of its business model, establishing an ongoing dialogue with them under the banner of responsibility, sustainable development and creation of value to be shared along the entire supply chain.

Cooperation with the supply chain, in order to guarantee high procurement levels, represents a key element in the Trevi Group's journey towards excellence, as the sharing of know-how, best practices and information is a guarantee of the creation of a common vision.

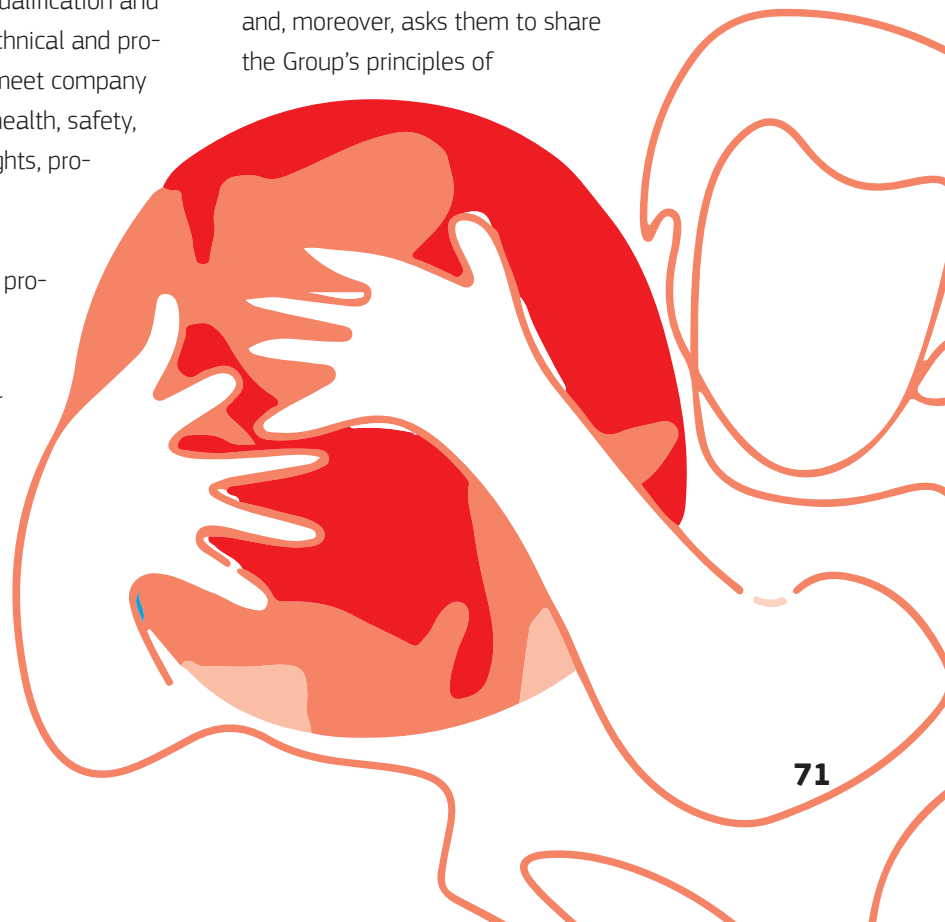
The Trevi Group adopts criteria for the qualification and selection of suppliers to assess their technical and professional suitability and their ability to meet company standards on quality, ethical reliability, health, safety, environmental protection and human rights, promoting its values.

To this purpose, within the Procurement process of Trevi and Soilmec Divisions:

- It submits its main suppliers to qualification processes to assess their professionalism, technical capacity, ethical, economic and financial reliability and to reduce the risks involved in doing business with third parties;

- It requires all suppliers a formal commitment to comply with the principles of its Code of Ethics (*such as protection and promotion of human rights, compliance with safe working standards, protection of the environment, anti-corruption, observance of laws and regulations, ethical integrity and fairness in relations, respect for antitrust rules and fair competition*);
- It monitors the quality of services to ensure that Group suppliers meet qualification requirements over time;
- Should any critical aspect be detected, it requires the implementation of actions for improving the operational models or if they do not meet minimum standards of acceptability it limits or inhibits their inclusion in the suppliers' register.

The Trevi Group encourages its suppliers to apply the same selection criteria when selecting subcontractors and, moreover, asks them to share the Group's principles of



integrity, fairness, reliability and sustainability (*as set out in the Code of Ethics*), with the aim of encouraging and promoting the respect for these principles throughout the supply chain.

Regarding the project to configure and migrate to a new management software that will be progressively adopted by all the Group companies by the end of 2023, the roll-out of the Italian offices was completed in 2021. This process will enable uniform management of relations with the supply chain through continuous communication with the supplier base via the Supplier Portal. Suppliers will be able to access various documents published with the aim of keeping them updated on the processes governing qualification and procurement activities.

In parallel with the implementation of the SAP ERP in the Trevi Group companies globally, the evaluation of suppliers with respect to environmental, social and human rights impacts was initiated.

Furthermore, the contracts considered significant * entered into by the Parent Trevi-Finanziaria Industriale Spa and by the other companies of the Trevi Group include the clause of compliance with the Code of Ethics. Respect for human rights therefore refers to the principles set out in the Code of Ethics:

(i) Dignity and equality: Every Recipient will acknowledge and respect the personal dignity, private space and human rights of all individuals. Every Recipient will be prepared to work with men and women of diverse nationalities, cultures, religions and race. No discrimination, harassment or abuse of a sexual or

any other nature will be tolerated (*reference to point 2.3 of the Code of Ethics*).

(ii) In no case is it permitted to use corporate property, and in particular the computing and electronic network resources, for any purpose that may run contrary to the rules of the law, public order and good practice, nor is it to be used to commit or induce the committing of an offence, or to promote racial hatred, the glorification of violence or the violation of human rights (*reference to point 4.2 of the Code of Ethics*).

Also during 2021, the Trevi Group did not detect any episode of discrimination based on ethnic group, colour, sex, religion, political opinion, national ancestry or social origin as defined by the ILO (*International Labour Organization*).

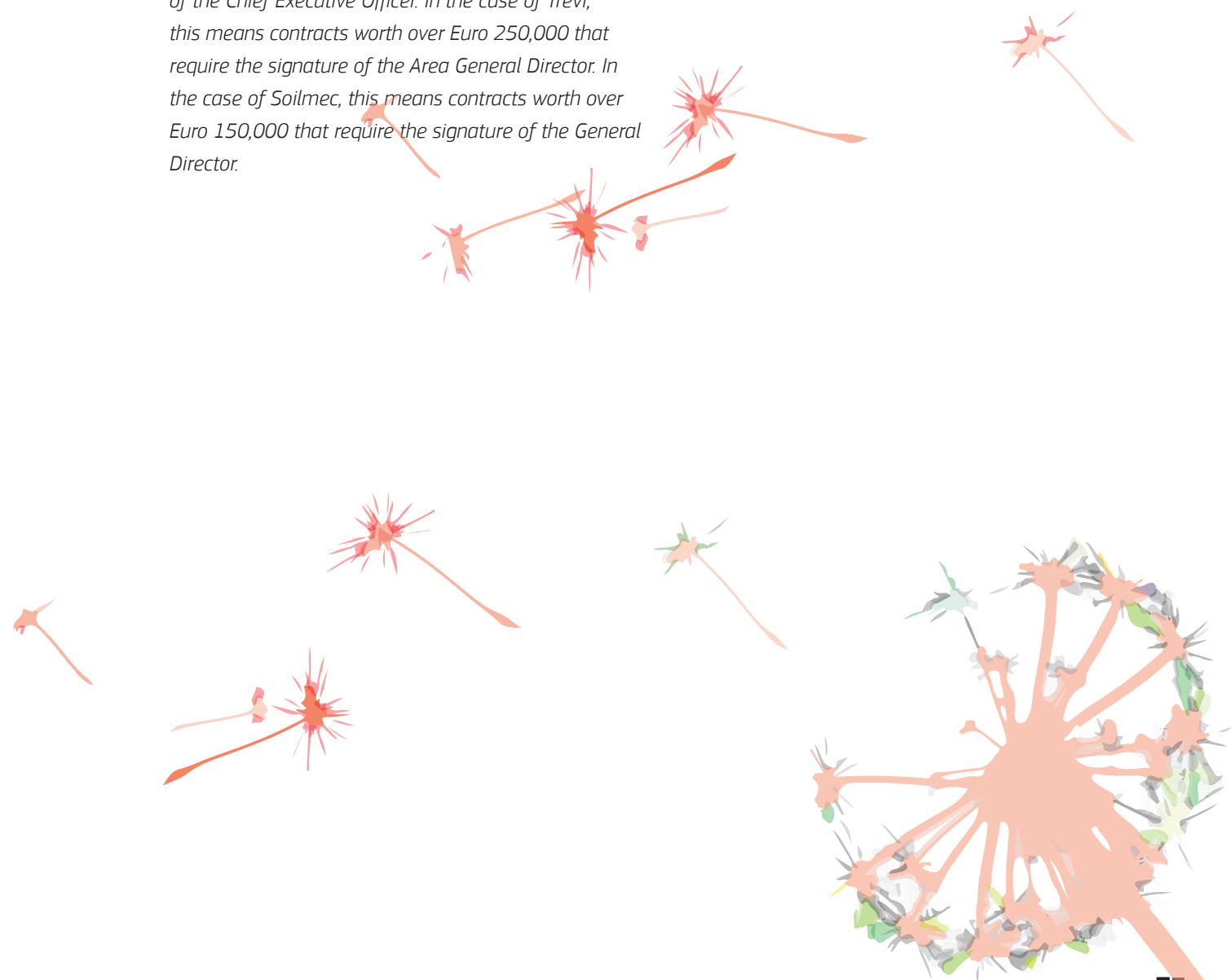
The Coronavirus epidemic (*SARS-COV19*) has led to a global health, social (*lockdown; isolation; work-from-home scheme*) and economic crisis and consequent changes in production activities (*Italian furlough scheme; suspension of construction sites*). The Trevi Group continued aligning its procedures for relations and engagement with the supply world in compliance with the indications of the WHO at a global level and the ISS for the national perimeter, in order to minimise the impact on its personnel.

Also in 2021 activities of Mechanical Engineering and Construction Divisions never stopped.

It was decided to postpone the assessment of suppliers with respect to environmental, social and human rights impacts to the year 2022, as this is an activity that can

be implemented following the gradual adoption of SAP ERP in the Trevi Group companies globally.

** By “significant investment agreements and contracts” we mean those contracts that require a higher level of approval. In the case of TreviFin, this means contracts worth over Euro 100,000 that require the signature of the Chief Executive Officer. In the case of Trevi, this means contracts worth over Euro 250,000 that require the signature of the Area General Director. In the case of Soilmec, this means contracts worth over Euro 150,000 that require the signature of the General Director.*





Appropriate and timely management of health emergencies

The Company's situation related to COVID-19 issues had a major impact on personnel Training and Development and Recruitment & Talent Acquisition activities.

Not all of them have been negative and have prompted the Company to rethink the way it carries out its daily work activities, in a digital and innovative key.

Training

As was the case last year, the Covid-19 impact was particularly significant in practical and in-person training, which allowed time for E-learning and webinars, but limited training for mainly blue-collar staff.

The moderate risk conditions experienced in spring/summer 2021 allowed for the resumption of some in-presence activities, in particular:

- The practical explanation of the operating instructions issued by the Soilmec division, dedicated to shop floor departments;
- The resumption of visits to Trevi construction sites, crucial to fully understand technologies, products and services by seeing them in action;
- Updates to customer support services (*Soilmec*) and construction sites (*Trevi*), which are strategic for building the loyalty of Soilmec customers and ensuring the productivity of Trevi construction sites.

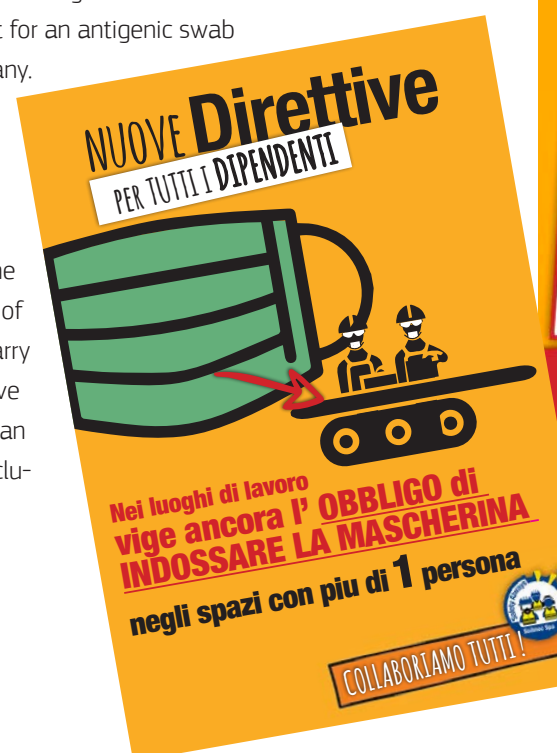
With the arrival of autumn and the increase in contagiousness, practical training opportunities were again interrupted, which we plan to resume as soon as possible during the year 2022.

Recruitment & Talent Acquisition

The business situation related to the Covid-19 issues had a major impact on Italian and international Recruitment activities.

The year 2021 saw the Recruiting Service change its interview methodologies with the use of digital tools. Take, for example, the conduct of individual interviews: whereas before the pandemic emergency these were conducted in person, interviews are now conducted through online applications for both the early stages of the selection process and for the final stages of the process involving managers and HR contact persons, up to and including the presentation of the economic offer. Despite the fact that digital tools represent a valuable support for the selection process, it often happened that some candidates were called in person, at the Company's premises, to carry out the final interview, thus also foreseeing the possibility of having to travel from one region to another: in these cases, the Company always sent an e-mail invitation to be presented in the event of an inspection, and also arranged for the candidate to be given an appointment for an antigenic swab before joining the Company.

During 2021, the Group also began increasingly adopting in-depth tests aimed at investigating the personal/character traits of candidates, in order to carry out a more comprehensive analysis of the person than one based solely and exclu-



sively on online interviews.

In addition, a format was developed to conduct structured interviews to support Managers, who sometimes found themselves interviewing potential candidates alone, without the presence of the Recruiting Service *(the idea, as a preventive measure against Covid-related risks, is not to have more than one person present in a meeting room, besides the candidate).*

The feedback to date is positive *(from both candidates and managers)*, demonstrating the effectiveness of using digital tools, which is essential where, for obvious reasons, “in-person” activities are not possible. Such feedback has certainly further confirmed the Group’s intention to continue adopting these tools and methodologies in the years to come.



Impact of the Russia -Ukraine conflict

The very recent international political events involving Russia and Ukraine require that attention be focused on providing, where possible, the required information on events occurring after the end of the reporting period. The possible areas of analysis to be considered with reference to the Group's operations are described below. The Group has no production activities in Russia or Ukraine, nor has it outsourced the development or use of software and data centres in the areas affected by the conflict. Therefore, there has been no need to move personnel out of the conflict zones, and at the moment it is not believed that other countries impacted to any extent by the conflict generate problems for Trevi Group operations.

Furthermore, it is not believed that the sanction laws implemented by many countries against Russia could have an impact on the Parent's business and could expose the Group's people or production activities to legal risk. However, as far as the supply chain of companies is concerned, the sanctions could lead, given the characteristics of Russian exports, to inflationary pressures on the cost of raw materials and possible difficulties in their procurement (ferroalloys, steel, microchips, etc.), with an impact on normal production flows.

The Group has management control tools to monitor the impact of inflationary pressure on raw material costs and, since it is currently impossible to make forecasts on the evolution of the conflict, it may be necessary to increase the frequency and depth of controls and risk analyses.

With reference to the execution of financial transactions through the banking system, at the reporting date there

are no problems related to the inhibition of certain international payment systems for Russia. The Group has only one supply in progress with a Russian customer in a third country, the amount of which is less than 1% of the Group's total revenue; moreover, the aforesaid supply is covered by advances and guarantees granted by an Italian bank.

No financing difficulties are expected since there are no substantial exposures to Russia and Ukraine. Particularly, the Group's cost of financing is at a fixed rate, as it is crystallised in accordance with the Restructuring Agreement.

Finally, the Group does not believe that there may be any new fraud risk factors related to the current conflict, while as regards the risk of cyber attacks, in recent years a series of initiatives were implemented aimed at increasing the level of security of the entire IT infrastructure.

At the moment, it is not believed that the ongoing conflict, and in general the Russian-Ukrainian geographic segment, is relevant to the going concern.

Improvement plan

Previous and reconfirmed goals	Timeframe	Stage of Completion at 31 December 2020 and 2020 NFS goals	Timeframe of New actions	Stage of Completion at 31 December 2021
- Developing and formalising the Compliance Management policy of the Group.	31 December 2018	The policy was developed. The approval and the sharing of the document with all the companies of the Group are expected by the end of 2021.	31 December 2022	The policy was developed and is in analysis phase to proceed with the approval. After that, the document will be shared to all the companies of the Group.
- Developing and formalising the policy for the purchase of goods and services of the Group		The policy aimed at standardizing the procurement management methods at the Group level was approved and the phase of harmonization of the procedures was immediately activated to make the indicated guidelines operational. Following the new organisational structure of the Group, the existing procurement management policy will be updated to allow a better harmonisation of the procedures of individual local units by 2021.	30 June 2022	The transition to the new management software slowed down the meeting operations between the purchasing services of the companies. 70% of the editorial staff has been reached and in May 2022 harmonization with services will take place in order to proceed with validation and approval within the following month. The Group Purchasing Policy will be published by 30 June 2022.
- Developing and formalising a Bribery & Corruption management system of the Group.	30 June 2019	With reference to the restructuring process of the Group, the implementation of a Bribery & Corruption project will be developed during 2021. To date, the control activities on these issues are related to the 231 Model. During 2020, a Group Policy concerning anti-corruption was implemented and will be approved and shared to all the companies of the Group by 2021.	30 June 2022	During 2021, the activities failed to register a significant progress. The Group policy is expected to be developed around mid-2022. Subsequently, it will be approved and then shared to all the companies of the Group to start its direct application.
- Implementing a Group management system for human resources, aimed at facilitating the mapping of personnel presence at the construction sites and the setting of a unique nomenclature in line with the health and safety world.	31 December 2019	The implementation of Oracle HCM management system was successfully completed in 2020. Core HR modules were implemented almost all over the world (W1, W2, W3), along with the Onboarding module, the Recruiting module and the Self-Service module. The year 2020 marked also the development of the MBO and Compensation module that will be completed in 2021 along with the remaining part of the Core HR module (W4) and with the structuring of the Learning module.	31 December 2022	During 2021, the MBO and Compensation modules of the Oracle HCM solution have been implemented. In particular, a release plan for the MBO module was defined starting from the 2022 campaign and as regards the Compensation module it was defined to use the system as a pilot only for the HR population for 2021 and 2022. The implementation of the registry with the W4 was completed involving all the companies of Latin America, only the companies in Nigeria and Algeria are currently excluded. The analysis and design of the Learning module took place, which will be progressively released in 2022.

Previous and reconfirmed goals	Timeframe	Stage of Completion at 31 December 2020 and 2020 NFS goals	Timeframe of New actions	Stage of Completion at 31 December 2021
- Planning and carrying out third-party internal audits at offices, construction sites and production plants concerning environment, social aspects, human rights, health and safety issues.	31 December 2019	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.	31 December 2021	Planning and carrying out of internal audits for the QHSE area have been started by integrating the areas of competence. Within the HSE and Security function, where relevant, the aspects of Occupational Health and Safety and Security Practices are verified.
- Implementing the ISO 14001 environmental management system for those companies of the Group not yet certified to date. - Implementing the ISO 9001 environmental management system for those companies of the Group not yet certified to date. - Implementing the OHSAS 18001 health and safety management system for those companies of the Group not yet certified to date.	31 December 2020	In 2020, partly due to the pandemic context generated by Covid-19, the start of implementation of management systems for non certified Group companies slowed down. This initiative will therefore continue in 2021. In 2020, however, the maintenance and renewal of existing certifications of Group companies was ensured.	31 December 2021	In 2021, all existing management systems were maintained and renewed and the areas for the extension of management systems for 2022 were identified. The transition processes for the Health and Safety management system from standard OHSAS 18001 to the new ISO45001: 2018 were also completed, for all the Group companies in possession of this certification. As for 2020, the process was slowed down due to the difficulty of moving related to covid-19 restrictions.
		Completing the implementation of the Project Risk Management process in the Soilmec Division (only partially achieved in 2020).	31 December 2021	Process completed, goal achieved
		Supporting the Compliance Function in the definition of the counterparty risk management process.	31 December 2021	Process completed, goal achieved
		Reviewing the "Divisional Goals" area and achieving a greater specificity of risk units ¹ , with the involvement of the main Group Companies.	31 December 2021	Activities in progress and planned in detail. The completion is linked to the pandemic contest generated by Covid-19 and to the possibility of meeting the foreign companies of the Division
		Identifying senior management figures to form the Trevi Group HSE Leadership Team, with the aim of managing the HSE effort through: • Common vision • Shared definition of objectives and actions • Quarterly analysis of global HSE performances • Developing a mutual leadership	31 December 2021	Process started, goal achieved

Previous and reconfirmed goals	Timeframe	Stage of Completion at 31 December 2020 and 2020 NFS goals	Timeframe of New actions	Stage of Completion at 31 December 2021
		- Identifying groups of HSE Leaders (among Line Managers) with whom carrying out the "cascading" process of addresses defined by the Corporate HSE Leadership Team and covering cross-cutting HSE topics	31 December 2021	Process started, goal achieved
		Promoting QHSE communication through quarterly QHSE reports and development of the QHSE intranet page.	31 December 2021	Process started, goal achieved
		Maintaining a high level of attention to Covid-19 and control through the implementation of a corporate protocol.	31 December 2021	Process maintained, goal achieved
		Aligning (as far as possible) the Group QHSE standards through shared procedures and guidelines.	31 December 2021	Process started, goal achieved
		Developing internal skills and environmental management tools in line with the requirements of the main stakeholders.	31 December 2021	Process started, goal achieved

2022 NFS New	Timeframe	
<ul style="list-style-type: none"> - Develop to the approval phase the first Sustainability Plan of the Trevi Group by the end of 2022 - Completing the implementation of the Project Risk Management process in the Soilmec Division, possibly revising the entry level and the perimeter of competence; - Supporting the Compliance Function in the definition of the counterparty risk management process. - Reviewing the "Divisional Goals" area and achieving a greater specificity of risk units , with the involvement of the main Group Companies. - Achieve at least 25% of the Group's purchasing volume with suppliers that have formally accepted a Supplier Code of Conduct based on ESG criteria, in the 2022 financial year. 	31 December 2022	

¹ The timing of the activities will be defined based on the progress of the Covid-19 pandemic.

Methodological note

The methodology

The NFS was approved by the Board of Directors of Trevifin on 18 May 2022 and constitutes a separate report with respect to the Director's Report and the Report on Corporate Governance and Ownership Structure 2021. The NFS is prepared in compliance with the requirements of the Decree and the GRI - Sustainability Reporting Standards drawn up in 2016 and updated in 2020 (*hereinafter, "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 January 2021 and 31 December 21.

Furthermore, the NFS includes information required by Art. 8 of (EU) Regulation 2020/852 of 18 June 2020 (*the so-called "Taxonomy Regulation"*) and related delegated (EU) Regulations 2021/2178 and 2021/2139.

Furthermore, it was submitted to a limited examination, in accordance with the International Standard on Assurance Engagement (ISAE 3000 Revised) by PricewaterhouseCoopers S.p.A.

The limited examination carried out by the Independent Auditors on the NFS does not cover the information, provided pursuant to the Taxonomy Regulation, included under paragraph "Environmental Taxonomy" at page 42. The report is available on the website www.trevifin.com, in the "Investor relations" section, under "Non-financial statement".

For any information request regarding the report, please write to Franco Cicognani (Corporate Communication Director) at fcicognani@trevispa.com and Lorenzo Ortali (Sustainability Manager) lortali@trevispa.com

Process for identifying material topics and stakeholders of reference

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 and the stakeholders of reference, 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 Italian Legislative Decree 254/2016 (*namely, environment, society, human resources, human rights and anti-corruption*).

Specifically, the analyses carried out to identify the main material topics and the stakeholders of reference are the following:

- analysis of sector benchmarks: through the mapping of non-financial aspects marked as material for the sectors in which the Group operates;
- companies' benchmarks: through the analyses of companies that are competitors, clients or best practices analyses;
- analysis of the media: through the keywords search of articles on the main national and international newspapers of the sector that have covered non-financial top-

ics related to the Trevi Group during the reference year;

- study of industry trends: through the analysis of some global reference documents.

The topics identified have been further assessed according to the specific requirements of the Decree, by analysing some stakeholders of reference and 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 (*and stakeholders*) deemed material (*the so-called Materiality Matrix*) representing the reporting object of this NFS.

Scope

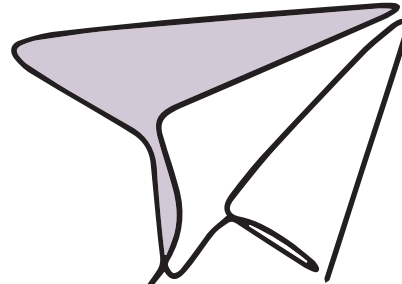
The reporting scope of this NFS includes companies of the Trevi Group that have been fully consolidated as mentioned in the Director's Report at 31 December 2021.

The table below 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 Italian Legislative Decree No. 254/2016 that describes the opportunity to exclude from the NFS those companies that, even though included in the accounting reporting scope, are not relevant to the understanding of the activities and the impacts of the Group.

The socio-economic impacts of these companies are hardly significant due to their little incidence in terms of business type and dimension and number of employees. Any further limitation to said scope is mentioned within the document in correspondence of each indicator. What follows is the list of all the companies fully con-

solidated: Trevi Finanziaria Industriale SpA, Trevi SpA, Trevi Contractors BV (*The Netherlands*), Trevi Construction Co. Ltd (*Hong Kong*), Swissboring Overseas Piling Corp. Ltd (*Dubai*), Pilotes Trevi Sacims (*Argentina*), Treviicos Corporation (*USA*), Trevi Cimentaciones CA (*Venezuela*), Trevi Insaat Ve Muhendislik AS (*Turkey*), Trevi Foundations Nigeria Ltd, Trevi Foundations Philippines Inc, Swissboring & CO. LLC (*Oman*), Trevi Algerie Eurl, RCT Srl, Idt Fzco, Trevi Panamerica SA, Trevi Geotechnik GmbH (*Austria*), Trevi Spezialtiefbau (*Germany*), Foundation Construction Ltd (*Nigeria*), Trevi-Trevi Fin.-Sembenelli UTE (*Bordesecco*), Swissboring Qatar WLL, Treviicos South (*USA*), Trevi Drilling Services Saudi Arabia Co., Treviicos Soletanche JV (*USA*), Trevi Cimentaciones y Consolidaciones SA (*Panama*), Trevi Foundations Saudi Arabia Co. Ltd, Galante Foundation SA (*Panama*), Swissboring Piling Corporation Ltd (*Zurich*), Trevi Galante SA (*Colombia*), Trevi Foundations Kuwait Co. WLL, Galante Cimentaciones SA (*Peru*), Pilotes Uruguay SA, Pilotes Trevi Sacims (*Paraguay*), Trevi Foundations Denmark A/S, Trevi Arabian Soil Contractors Ltd, Trevi Geos Fundacoes Especiais Ltda (*Brazil*), RCT Explore Colombia SAS, Trevi Australia PTY Ltd, Trevi Chile Spa, Trevi Holding USA Corp., Trevi Foundations Canada Inc, Wagner Constructions LLC, Trevi Fondations Speciales SAS (*France*), Profuro International Lda (*Mozambique*), 6V Srl, Trevi ITT JV, Trevi Arabco J.V. (*Egypt*), Soilmec Algerie, Soilmec SpA, Soilmec Ltd (*UK*), Soilmec Japan Co. Ltd, Soilmec H.K. Ltd (*Hong Kong*), PSM SpA, Soilmec Deutschland GmbH, Soilmec France SAS, Soilmec Found. Equipments PVT Ltd (*India*), Soilmec North America Inc, Soilmec Investment PTY Ltd (*Australia*), Soilmec Australia PTY Ltd, IDT LLC, Soilmec do Brasil SA, IDT LLC FZC, Soilmec Wujiang Co. Ltd (*China*), Soilmec Colombia SAS, Soilmec Singapore PTE Ltd, Hyper Servicos de perfuracao SA (*Brazil*), Trevi Energy SpA.



Scope and limitations

Scope	GRI Indicators	Reporting scope	Scope limitations	
			2020	2021
Environmental aspects	302-1 302-3	All the companies that, at 31 December 2021, have a number of employees lower than 5 people are excluded from the reporting scope.	For the Trevi Division: Trevi Insaat Ve Muhendislik AS (Turkey); Trevi Spezialtiefbau (Germany); Pilotes Uruguay SA For the Soilmec Division: Soilmec Japan Co. Ltd; Soilmec Found. Equipments PVT Ltd (India); Soilmec Australia PTY Ltd; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd	For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd For the Trevi Division: Trevi Cimentaciones y Consolidaciones Sa Parcheggi SpA
	303-1 303-2 303-3		For the Trevi Division: Trevi Insaat Ve Muhendislik AS (Turkey); Trevi Spezialtiefbau (Germany); Pilotes Uruguay SA- Trevi Arabian Soil Contractors Ltd For the Soilmec Division: Soilmec Japan Co. Ltd; Soilmec Found. Equipments PVT Ltd (India); Soilmec Australia PTY Ltd; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd	For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd For the Trevi Division: Trevi Cimentaciones y Consolidaciones Sa Parcheggi SpA

Scope	GRI Indicators	Reporting scope	Scope limitations	
			2020	2021
	304-1		<p>For the Trevi Division: Trevi Insaat Ve Muhendislik AS (Turkey); Trevi Spezialtiefbau (Germany); Pilotes Uruguay SA; Trevi Arabian Soil Contractors Ltd</p> <p>For the Soilmec Division: Soilmec Japan Co. Ltd; Soilmec Found. Equipments PVT Ltd (India); Soilmec Australia PTY Ltd; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd</p>	<p>For the Trevi Division: Parcheggi SpA</p>
	305-1 305-2 305-4		<p>For the Trevi Division: all the companies abroad are excluded from the reporting scope since the client is responsible for the waste management at the construction site.</p>	<p>For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd</p> <p>For the Trevi Division: Trevi Cimentaciones y Consolidaciones Sa Parcheggi SpA</p>
	306-1 306-2 306-3		<p>For the Trevi Division: Trevi Construction Co. Ltd (Hong Kong); Trevi Insaat Ve Muhendislik AS (Turkey); Trevi Geotechnik GmbH (Austria); Trevi Spezialtiefbau (Germany); Pilotes Uruguay SA; Trevi Australia PTY Ltd</p> <p>For the Soilmec Division: Soilmec Japan Co. Ltd; Soilmec Found. Equipments PVT Ltd (India); Soilmec Australia PTY Ltd; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd</p>	<p>For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd</p> <p>For the Trevi Division: Trevi Cimentaciones y Consolidaciones Sa Parcheggi SpA</p>
Anti-corruption	307-1	All the companies whose turnover and number of employees are equal to zero at 31 December 2021 are excluded from the reporting scope.		<p>For the Trevi Division: Parcheggi SpA</p>
	205-2 205-3 206-1 419-1			<p>For the Trevi Division: Parcheggi SpA</p>
Taxes	207-1 207-2 207-3 207-4	No scope exclusion		<p>For the Trevi Division: Parcheggi SpA</p>
Social aspects	413-1	All the companies whose turnover and number of employees are equal to zero at 31 December 2021 are excluded from the reporting scope.		<p>For the Trevi Division: Parcheggi SpA</p>
Protection of human rights	406-1 412-3	All the companies whose turnover and number of employees are equal to zero at 31 December 2021 are excluded from the reporting scope.		<p>For the Trevi Division: Parcheggi SpA</p>
Supply chain	102-9 308-1 414-1			<p>For the Trevi Division: Parcheggi SpA</p>

Scope	GRI Indicators	Reporting scope	Scope limitations	
			2020	2021
Personnel Management	102-8 402-1	No scope exclusion		For the Trevi Division: Parcheggi SpA
	401-1			For the Soilmec Division: Soilmec Colombia Sas Soilmec H.K. Ltd Soilmec North America Inc
	405-1			For the Trevi Division: Parcheggi SpA
	403-9			For the Trevi Division: Idt Fzco - Divisione Trevi Trevi Cimentaciones CA Pilotes Trevi Sacims - Paraguay Profuro Intern. Lda Swissboring Qatar WLL Trevi Insaat Ve Muhendislik AS Parcheggi SpA For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd Soilmec H.K. Ltd Soilmec North America Inc
	403-10		For the Trevi Division: Trevi Insaat Ve Muhendislik AS (Turkey); Idt Fzco; Trevi Cimentaciones y Consolidaciones SA (Panama); Pilotes Uruguay SA For the Soilmec Division: Soilmec Deutschland GmbH; Soilmec Found. Equipments PVT Ltd (India); Soilmec North America Inc; Soilmec Australia PTY Ltd; Soilmec do Brasil SA; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd	For the Trevi Division: Idt Fzco - Divisione Trevi Trevi Cimentaciones CA Pilotes Trevi Sacims - Paraguay Profuro Intern. Lda Swissboring Qatar WLL Trevi Insaat Ve Muhendislik AS Parcheggi SpA For the Soilmec Division: Soilmec F. Equipment Pvt. Ltd Soilmec H.K. Ltd Soilmec North America Inc
404-1 (HSE)		For the Trevi Division: Trevi Construction Co. Ltd (Hong Kong); Trevi Insaat Ve Muhendislik AS (Turkey); Idt Fzco; Trevi Spezialtiefbau (Germany); Trevi Cimentaciones y Consolidaciones SA (Panama); Pilotes Uruguay SA For the Soilmec Division: Soilmec Deutschland GmbH; Soilmec Found. Equipments PVT Ltd (India); Soilmec North America Inc; Soilmec Australia PTY Ltd; Soilmec do Brasil SA; Soilmec (Wujiang) Machinery Co. Ltd (China); Soilmec Colombia SAS; Soilmec Singapore PTE Ltd	For the Soilmec Division: Soilmec H.K. Ltd For the Trevi Division: Trevi Cimentaciones CA Pilotes Trevi Sacims - Paraguay Profuro Intern. Lda Swissboring Qatar WLL Trevi Insaat Ve Muhendislik AS Parcheggi SpA	
Cross-cutting topics	403-1	All the companies whose turnover and number of employees are equal to zero at 31 December 2021 are excluded from the reporting scope.		For the Trevi Division: Parcheggi SpA

Tabella 19: Criteria for defining the reporting boundary

Translation and calculation criteria

The definition of the contents included in the NFS 2021 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	0,0326	GJ/l
Diesel	l/year	0,0359	GJ/l
Natural Gas	m ³ /year	0,0288	GJ/m ³
LPG	l/year	0,0243	GJ/l
Electricity	kWh/year	0,0036	GJ/kWh

Table 21 - Conversion factors of energetic consumptions in GJ.
Source: Greenhouse Gas Protocol reporting conversion factors, 2021.

- Scope 1 emissions:

The consumption of fuels such as petrol, diesel, natural gas and LPG is taken into account 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 table of national standard parameters of the Ministry of Environment and based on ISPRA data updated in 2021 was used.

The emission factors used are shown in Table 19:

Fuel	Emission factors	Unit of measure of the conversion factor
Petrol	3,152	ton _{CO2} /ton petrol
Diesel	3,169	ton _{CO2} /ton Diesel
Natural Gas	1,983	ton _{CO2} /1000m ³
LPG	3,026	ton _{CO2} /ton LPG

Table 22 - Conversion factors of fuel consumed in tonnes of CO₂ equivalent emitted.

Source: Ministry of Environment (MATTM) 2021

- Scope 2 emissions:

For the calculation of the greenhouse gas emissions, only CO₂ emissions were considered. Scope 2 emissions were 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 purchased from third parties by the national emission factors deriving from 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.

- Energy intensity:

Energy intensity is calculated by dividing the absolute energy consumption (*the numerator*) by the total number of hours worked in the organisation (*the denominator*);

- Intensity of the GHG emissions

To obtain the organisation's GHG emission intensity rate, the total absolute GHG emissions (*the numerator*) were divided by the total number of hours worked in the organisation (*the denominator*).

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

- occupational accidents with serious consequences

occupational accident resulting in death or disabling injury for a period of not less than 6 months.

- recordable occupational accidents

occupational injury or illness that gives rise to: death, lost work days, restricted work or change of duties, medical treatment, or loss of consciousness; or injury or illness not falling into the above categories, diagnosed by a practitioner.

- rate of fatalities due to accidents at work

$\text{number of fatalities due to accidents at work / hours worked} \times 1,000,000$

- rate of occupational accidents with serious consequences (excluding fatalities)

$\text{(number of occupational accidents with serious consequences (excluding fatalities) / Worked hours)} \times 1,000,000$

- rate of recordable occupational accidents

$\text{(number of recordable occupational accidents / hours worked)} \times 1,000,000$

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

Overview

This section aims at: **(i)** examining the correct application of the going concern assumption to the 2021 financial statements (*separate and consolidated*) of the Parent and the Group (*as defined below*) in the light of the financial position, financial performance and cash flows and other circumstances that may be relevant in this regard; and **(ii)** identifying current uncertainties, including the assessment of their relevance and the probability that they can be overcome, taking into consideration the measures put in place by Management and additional mitigation factors.

At the approval of the Separate and Consolidated Financial Statements at 31 December 2020 and of the Interim Consolidated Financial Statements at 30 June 2021, some going concern risk factors were identified by Management, specifically: **(a)** the risk linked to the failure to comply with the covenants set out in the Restructuring Agreement (as defined below) and the possible consequences arising from this circumstance, also in light of the relationships with the Lending Banks (as defined below); **(b)** the risks, if any, associated with the Group's liquidity for a period of at least 12 months from the reporting date of these financial statements; and **(c)** the risk arising from any failure to achieve the recovery goals, as set out in the New Consolidated Plan (*as defined below*).

In this regard, as widely shown in the notes to these financial statements to which reference should be made, in the context of the Directors' Reports accompanying the 2020 financial statements (*separate and consolidated*) and the Interim Financial Report at 30

June 2021, the Board of Directors after having carefully and exhaustively assessed the risks to which the going concern was exposed, as summarised above, had deemed it appropriate to adopt the going concern basis, although it pointed out that the residual significant uncertainty was the positive conclusion of the negotiations with the Lending Banks in relation to the proposed amendments to the Restructuring Agreement put forward at the time by the Parent (*reference should be made to the accompanying Directors' Reports*). For the purposes of this report, the going concern is assessed based on the above-mentioned circumstances and information available about their development after the date of approval of the Interim Financial Report, to be taken into account up to the date of preparation of these financial statements.

Group recapitalisation and debt restructuring project completed in 2020

- In order to overcome the serious situation of economic and financial tension that affected the Parent and the Group it heads (*the "Trevi Group" or the "Group"*), starting from 2017, the Parent initiated a process of recapitalisation and restructuring of the Group's debt that resulted on 5 August 2019 in the subscription of a restructuring agreement pursuant to Art. 182-bis of the Italian Bankruptcy Law signed, inter alios, by the Parent, Trevi and Soilmec, on the one hand, and by the Lending Banks of the Group (*the "Lending Banks"*) on the other, which was subsequently approved by the Court of Appeal of Bologna on 10 January 2020 (*the "Restructuring Agreement"*).

• This Restructuring Agreement and the related financial manoeuvre were based on a business and financial plan relating to the Trevi Group for the period 2018-2022 (*the “Original Consolidated Plan”*) - drawn up during 2018 and 2019 - which was approved, in its final version, by the Parent’s Board of Directors on 2 August 2019.

• After the approval of the Restructuring Agreement, the Group fully implemented all the main statutory/ non-recurring transactions set out therein, such as, inter alia:

i) a capital increase of Euro 150.8 million (*the “Capital Increase”*), of which, (i) a tranche offered with right of first refusal to shareholders was fully subscribed for Euro 130 million, of which Euro 87.7 million through cash payment (*approximately Euro 77.4 million attributable to CDPE Investimenti S.p.A. and Polaris Capital Management LLC*) and Euro 42.3 million through conversion of bank loans by the main Lending Banks, at a conversion ratio of 4.5:1; and (ii) a tranche reserved to the Lending Banks, with the exclusion of the right of first refusal, was subscribed for Euro 20.8 million by converting bank loans, at the same conversion ratio of 4.5:1;

ii) the divestment occurred on 31 March 2020 of Drillmec S.p.A., Petreven S.p.A. and of all the companies at the time belonging to the Trevi Group and operating in the Oil & Gas segment in favour of the Indian group headed by Megha Engineering & Infrastructures Ltd., a leading Indian operator in the infrastructure segment (*“MEIL”*), among the leaders of the industry. The proceeds of this divestment have been used to repay part of the indebtedness of the companies in the Oil & Gas Division, while

the remaining part of this indebtedness has been taken over by Trevifin and rescheduled consistently with the debt subject to the restructuring;

iii) the disbursement by some Lending Banks of a new loan for a total of Euro 12,878,866.00, of which Euro 12,000,000.00 paid before the approval, by virtue of application of the authorisation of the Court of Forlì pursuant to Article 182-*quinquies* of the Italian Bankruptcy Law, and Euro 878,866.00 paid after the approval, pursuant to Article 182-*quater* of the Italian Bankruptcy Law;

iv) the consolidation and rescheduling of most of the bank debt to 31 December 2024 and the reduction of the related interest rate;

v) the confirmation of the existing lines of credit and the granting of new unsecured lines of credit aimed at allowing the Group to issue the guarantees required by its ordinary business activities, for a total of approximately Euro 200 million, a part of which - corresponding to Euro 14.7 million - disbursed also during the period prior the approval date of the Restructuring Agreement pursuant to the Article 182-*quinquies* of the Italian Bankruptcy Law; and

vi) the rescheduling until 31 December 2024 and the amendment of the related terms and conditions of the bond issue called **“Trevi-Finanziaria Industriale S.p.A. 2014 – 2019”** issued by Trevifin in 2014 for Euro 50 million (*the “Bond Issue”*).

Events subsequent to the restructuring transaction

Following the completion of the transactions provided for in the Restructuring Agreement, summarised in the previous paragraph, the following main events occurred:

- on 31 January 2021, the Parent announced to the market that, based on preliminary information available at that date in relation to the 2020 performance - also affected by the Covid-19 pandemic's effects on the worldwide economy, which conditioned the business of the Group -, it was possible to foresee that, at the time of approval of the Consolidated Financial Statements of the Trevi Group, one of the financial covenants set out in the Restructuring Agreement, namely the ratio of consolidated net financial debt to recurring EBITDA, would not be met;
- on 24 February 2021, Trevifin informed the market about the start of discussions with the Lending Banks aimed at identifying the amendments to the existing agreements necessary to deal with the foreseeable failure to comply with one of the financial covenants set out in the Restructuring Agreement, at the approval of the 2020 Consolidated Financial Statements. The Parent also communicated that, based on the preliminary information available at that date relating to the performance for 2020 and further analyses then underway on the Parent's outlook in the current market context, strongly affected by the spread of the Covid-19 pandemic, a general slowdown emerged in the achievement of the objectives identified in the Original Consolidated Plan, which did not seem to be entirely achievable within the time frame taken into account. In consideration of the above, in the discussions initiated with the Lending Banks, the Parent envisaged both the granting of the usual waivers and changes to the financial covenants originally set in the Restructuring Agreement, as well as the recalculation of some due dates scheduled for the current year relating to some exposures, based on a new business

plan considering the current situation, to be incorporated into a new agreement with the Lending Banks.

Events subsequent to those listed above and further actions taken by Management in the meantime will be dealt with later in this section, with reference to the specific risk areas to which they refer.

Main risks and uncertainties to which the Trevi Group is exposed

The current conditions of the markets in which the Trevi Group operates, related to the Group's complex situation, required Management to carry out particularly accurate assessments on the going concern assumption at the approval of the most recent separate and interim financial statements, with specific reference to some risk areas.

For the purposes of approving the draft of the separate financial statements at 31 December 2020 and the interim financial report at 30 June 2021, the Board of Directors carried out all the necessary assessments relating to the going concern assumption also taking into account, to this end, all the available information referring to foreseeable future events.

In assessing whether the going concern assumption was appropriate or not also with regard to these financial statements, Directors took into account all the available information about the future, relating at least - without limitation - to 12 months following the reporting date of the consolidated financial statements at 31 December 2021. Significant risk indicators that may raise doubts about the ability of the Group to continue to operate on a going concern basis were taken into account. In particular, the Board of Directors took into considera-

tion the assessments that had been carried out when approving the most recent financial statements and interim financial report, paying particular attention to the circumstances that had been identified as possible risk factors at that time, in order to verify their status.

In line with what observed at the approval of the 2020 financial statements and of the interim financial report at 30 June 2021, the risk indicators to be assessed with particular attention in the case of Trevi and the Trevi Group are those falling within the financial area as stated in the introduction of this paragraph and, especially, those related to the possible consequences deriving from the failure to comply with some Restructuring Agreement covenants (*and the plan underlying it*) and to the transactions with Lending Banks.

In order to clear up any misunderstandings, as stated in the previous section and in the Directors' Reports accompanying the 2020 financial statements and the interim financial report at 30 June 2021 and the relating notes, the transactions envisaged in the Restructuring Agreement were carried out in full in accordance with the provisions of the original agreements, and this allowed the Parent and the Trevi Group to immediately rebalance their financial position, financial performance and cash flows with respect to the previous crisis situation that had required the signing of the Restructuring Agreement. This is confirmed by the fact that the Trevi Group, in spite of the significant delays in the approval and, consequently, in the subsequent implementation of the Restructuring Agreement and the underlying plan (*which also led to higher costs for the Parent and lower margins*) and in spite of the subsequent outbreak of the

Covid-19 pandemic right around the time of completion of the Capital Increase (*which, in all likelihood, had a negative impact on its full success*), managed to achieve results consistent with the prudential scenarios that Management had drawn up in order to verify the continued viability of the plan (*included in the prospectus relating to the Capital Increase*), and to comply with the financial covenants set out in the Restructuring Agreement at the verification date of 30 June 2020.

However, the continuation of the pandemic, with the second wave of the spread of the virus, the progressively stricter restrictive measures that states and companies were forced to adopt in the course of 2020 (*restrictions on the movement of people and goods, closure of factories, safety measures, etc.*), the resulting contraction of investments at international level and the significant delays in the acquisition of new orders and in the execution of certain projects underway and/or to be acquired, as well as the occurrence of certain additional events (*such as the cancellation or non-acquisition of certain orders*) negatively affected the Group's results, starting from the second half of 2020, leading to a worsening of all the main indicators (*turnover, EBITDA and Net Financial Debt*) compared to the forecasts of the Original Consolidated Plan for the same period and a lower net cash generation, although with a financial performance in line with the prudential scenarios developed by management and included in the prospectus relating to the Capital Increase. Uncertainties regarding the Trevi Group's ability to continue as a going concern, as well as assessments of the likelihood that they will be overcome, should therefore be framed in this context and analysed in the light of the consequences that

such circumstances have had and/or may have on the recovery process and, in general, on the Trevi Group's business.

In particular, the aforementioned deviations from the Original Consolidated Plan, particularly in the second half of 2020, led on the one hand to the failure to meet the financial covenants set out in the Restructuring Agreement and, on the other, to the need to update the objectives of the aforementioned plan - again in accordance with the original strategic guidelines - and to revise the forecasts for the coming years, through the approval by the Parent's Board of Directors on 23 April 2021 of a new business plan for the period 2021-2024. This new plan was subsequently updated, at first, in order to incorporate the accounting data as at 30 June 2021 and, subsequently, in order to extend the relevant time frame to the period 2022-2026 as well as in order to take into account certain aspects, including the performance recorded during the year 2021 and certain prudential elements in the plan years (*the "New Consolidated Plan"*).

This plan envisages lower levels of both revenue and gross operating profit compared to the Original Consolidated Plan, as well as lower cash generation and, consequently, a permanently higher Net Financial Debt. The New Consolidated Plan considers the 2022-2026 period as time frame while the Original Consolidated Plan considered the 2019-2022 period (assuming that, at the end of that period, the Group final recovery objectives would have been achieved). Therefore, the New Consolidated Plan time frame exceeds that of the Original Consolidated Plan. This circumstance clear-

ly implies that the achievement of the Trevi Group's recovery goals, which, under the Original Consolidated Plan, were envisaged for the end of 2022, should be assessed in the context of the New Consolidated Plan over a longer time frame.

More specifically, the deviations observed with respect to the Original Consolidated Plan, and the consequent need to prepare and approve the New Consolidated Plan have the following consequences:

- (i) the non-compliance with certain obligations of the Restructuring Agreement and the need to request the Lending Banks to subscribe a new agreement taking into account the covenants of the New Consolidated Plan. On this point, further details are provided in the following paragraph;
- (ii) a lower cash generation than that of the Original Consolidated Plan and the consequent need to assess if this circumstance could give rise to cash flow issues in the time frame considered that would make it impossible for the Group to operate normally, and
- (iii) the deviations from the Original Consolidated Plan, which led to the need to approve the New Consolidated Plan and the consequent need to assess the Group's continuing ability to rebalance its financial position and financial performance.

These uncertainties can all be traced back to an overall category of "financial risk", which consists of the Parent's ability, given the circumstances described above, to meet its financial commitments as well as to generate and/or raise sufficient resources to meet its financial requirements to support the business, the investment programme and the objectives of the New Consolidated

Plan. The reasonable overcoming of these uncertainties, as explained in the following paragraphs, shall be evaluated in light of the actions undertaken by Management and depends on reaching a new agreement with the Lending Banks regarding a financial manoeuvre to support the Parent's recovery goals.

The following paragraphs set forth the considerations made to determine the correct application of the going concern basis to the draft of the financial statements at 31 December 2021.

Non-compliance with the obligations of the Restructuring Agreement and the requests for amendments made to the Lending Banks

With reference to the Restructuring Agreement, the consequences of the overall situation in which the Trevi Group finds itself as a result of the deviations from the Original Consolidated Plan can be summarised as follows.

A. Breach of financial covenants at 31 December 2020:

based on the results for 2020, as reflected in the relevant consolidated financial statements, the Trevi Group was unable to meet the financial covenants set out in the Restructuring Agreement for the verification date of 31 December 2020. In particular, according to the Restructuring Agreement, at the verification date falling on 31 December 2020, the Proposing Companies should have met the following financial covenants:

- Consolidated Net Financial Debt / EBITDA lower than or equal to 4.5x ("**Leverage Ratio**"); and
- Consolidated Net Financial Debt / Consolidated Equity lower than or equal to 1.8x ("**Debt/Equity Ratio**").

In light of the results of the financial statements at 31 December 2020, these financial covenants were not met and, specifically: **(a)** the Leverage Ratio was 5.37x; and **(b)** the Debt/Equity Ratio was 2.15x. This circumstance implies the following possible consequences, which constitute risks for the Parent's ability to continue as a going concern: **(i)** the formal declaration by the Lending Banks of the occurrence of a "Significant Event" under the Restructuring Agreement, and the consequent implementation of the remedies contractually provided for, including the acceleration clause in relation to the financial debt covered by the Restructuring Agreement, and the request for immediate early repayment of such debt; **(ii)** the interruption by the Lending Banks of the short-term lines of credit in the form of cash and guarantee facilities provided for in the Restructuring Agreement, thereby terminating the necessary financial support to the Group. The foregoing requires a formal undertaking by the Lending Banks not to avail themselves of any of such remedies and a waiver of the exercise thereof as a consequence of such breaches, as well as the commitment of the same Lending Banks to allow using short-term lines of credit, both in the form of cash and guarantee facilities to support the business of the Group, as described in detail below.

B. Need to update the financial covenants for the subsequent verification dates: the forecasts of the New Consolidated Plan indicate that, in all likelihood, the Proposing Companies will not be able to comply with the financial covenants provided for in the Restructuring Agreement also at the subsequent verification dates. The financial covenants that were included in the Restructuring Agreement, and that

the Proposing Companies undertook to meet at each verification date falling on 30 June and 31 December of each year, were based on the forecasts of the Original Consolidated Plan which, as mentioned above, are to be considered outdated in light of the results achieved by the Group, which show a worsening trend compared to the original forecasts. Failure to meet the forecast financial covenants at the subsequent verification dates would constitute a “Significant Event” under the terms of the Restructuring Agreement and would entail the consequences described in paragraph A above, exposing the Parent and the Trevi Group to the related uncertainties regarding the ability to continue as a going concern. This implies the need to provide for financial covenants that are revised and aligned with respect to the provisions of the New Consolidated Plan and, to this end, it was necessary to request the Lending Banks to give their consent to the amendments made to the Restructuring Agreement aimed at: **(a)** acknowledging, on the one hand, the deviations from the Original Consolidated Plan requiring the preparation and approval of the New Consolidated Plan; and **(b)** providing for new financial covenants, modified in order to make them consistent with the New Consolidated Plan;

C. Need to reschedule certain financial due dates:

as mentioned, the deviations from the Original Consolidated Plan, resulting from the consequences of the Covid-19 pandemic, imply a constant decrease in cash and cash equivalents compared to the Original Consolidated Plan during the two-year period 2021-2022. Specifically, the Restructuring Agreement envisages that most of the financial indebtedness towards the Lending Banks is to be repaid via bullet

payments at 31 December 2024 and, furthermore, there are a number of financial due dates over the next 12 months that are not consistent with the Group cash-flow generation as envisaged by the New Consolidated Plan. Obviously, failure to repay these amounts would constitute a “Significant Event” under the Restructuring Agreement and could result in consequences similar to those described in points **(i)** and **(ii)** of Paragraph A. above, and the Lending Banks could exercise the remedies described above. This clearly represents a further element of uncertainty to be taken into account with respect to the ability to continue as a going concern, and made it necessary to ask the Lending Banks, on the one hand, to suspend the aforementioned repayment obligations and, on the other hand, to reschedule them to a date that is consistent with the cash flows provided for in the New Consolidated Plan.

More generally, the circumstances described above required Management to make efforts to prepare and agree with the Lending Banks on a new financial manoeuvre, corrective of the one that had been placed at the basis of the Restructuring Agreement, in order to make the Group's capital and financial structure consistent with the new situation.

As to the circumstances described above, the actions taken in this regard by Management and the status of the same, reference should be made to the considerations made in the following paragraphs, and in particular to what reported with regard to the Standstill Agreement (*as defined below*) and the subsequent discussions, still in progress, with the Lending Banks

aimed at the signing of the New Agreement (*as defined below*).

Risks relating to liquidity trends over the next 12 months

Consistently with assessments made at the approval of the 2020 financial statements and the interim financial report at 30 June 2021, an element that has been assessed with particular attention, in light of the lower cash generation foreseen in the New Consolidated Plan, is the suitability of the cash levels foreseen in the next 12 months to guarantee the ordinary operations of the Group, the financing of the relevant contracts and the regular payment of suppliers. For the sake of clarity, in light of the overall situation, it seems unlikely that the Group would be granted, at least in the short time, new cash lines of credit not provided for in the Original Consolidated Plan. The Group should therefore be able to meet its financial needs exclusively through the use of existing lines of credit for the financing of working capital and through the cash flows deriving from its ordinary activities, with the sole exception of the possible use of lines of credit for the non-recourse factoring of receivables included in the financial debt allowed under the Standing Agreement and the following New Agreement. Obviously, this aspect is central to the evaluation of the going concern assumption, and made it necessary at the approval of the 2020 financial statements and the interim financial report at 30 June 2021 to carefully assess the cash flow forecasts for the next 12 months to ensure that, based on the forecasts prepared by Management, the cash flows deriving from the business were reasonably suitable to support the Group's from time to time without recourse to new lines

of credit, and without causing foreseeable situations of cash flow tension. This verification yielded positive results at the time of the approval of the 2020 financial statements and the interim financial report at 30 June 2021 and was repeated for the approval of the 2021 financial statements. To this end, as will be discussed in more detail below, Management updated the cash flow forecasts that had been made at the time of approval of the interim financial report on the basis of actual data and extended these forecasts until 31 December 2022. The reasonable expectation of a positive cash flow position for the Group emerges from that year, or at least until then, based on the assumption that an agreement will be reached with Lending Banks allowing the implementation of the New Financial Manoeuvre (*ad defined below*) and the use of unsecured lines of credit, necessary within the scope of the job orders to which the Group Companies take part.

Risks raised by deviations from the Original Consolidated Plan and by the possible failure to achieve the objectives of financial rebalancing

Consistently with assessments made at the approval of the 2020 financial statements and the interim financial report at 30 June 2021, one of the elements taken into account in order to evaluate the uncertainties regarding the going concern is whether the forecasts of the New Consolidated Plan, also in light of the latest results regarding the Group's performance, appear anyhow suitable to allow, within the related time frame of reference, a financial rebalancing to be achieved; the possibility of reaching an agreement with the Lending Banks on the financial manoeuvre also depends on this element. Based on the figures at 31 December 2021, the Group's

performance during the year in terms of main indicators (*Revenue, recurring EBITDA and Net Financial Debt*) was substantially in line with the forecasts of the New Consolidated Plan. In this regard, during the year the Group generated cash flows of about Euro 17.6 million, going from a Net Financial Debt of Euro 269.4 million at 31 December 2020 to Euro 251.8 million at 31 December 2021. Furthermore, the backlog growing trend was confirmed during the year thanks to the new orders acquired (*already reported at the approval of the interim financial report at 30 June 2021*). The consolidated figures of the financial statements at 31 December 2021 confirm the recovery trends of the business that emerged at the approval of the interim financial report at 30 June 2021, which are reflected in the New Consolidated Plan whose implementation constitutes a key element for the achievement of the objectives of financial rebalancing.

Analyses carried out on the risks and uncertainties to which the Group is exposed, and the measures implemented by Management in order to deal with them

In light of the above, at the approval of the 2020 financial statements and of the interim financial report at 30 June 2021, the Board of Directors duly requested and obtained the information necessary to analyse the circumstances described above, in order to assess whether such circumstances actually represented elements that could constitute significant uncertainties with respect to the going concern assumption and whether such uncertainties could reasonably be overcome. On that occasion, the directors decided to approve the financial statements on a going concern basis, although they

pointed out a significant residual uncertainty relating to the risk of failure to reach an agreement with the Lending Banks. The Board of Directors therefore deemed it appropriate to request and obtain an update of the information on the circumstances described above in order to assess the correctness of the application of the going concern basis also with reference to the approval of financial statements at 31 December 2021. In this regard, the following should be considered.

The Standstill Agreement, the following discussions with the Lending Banks and the New Agreement

As already illustrated in the Directors' Reports accompanying the 2020 financial statements and the interim financial report at 30 June 2021, with reference to the circumstances described above, relating to the failure to comply with certain provisions of the Restructuring Agreement, discussions were promptly initiated, starting in February 2021, with the Lending Banks (*many of which became shareholders of the Parent in accordance with the Restructuring Agreement*), with the involvement of their respective legal and financial advisors. To date, also due to the large number of parties involved and to not entirely homogeneous positions of banks, the aforementioned discussions have not yet been completed with the signing of a new agreement, but are at an advanced stage as will be better described below. Within the framework of said discussions, the Lending Banks required further information and details from the Parent and its advisors, also in order to complete their own preliminary investigation processes and, subsequently, to initiate their own decision-making processes. Specifically, the Parent and the Lending Banks agreed

of what follows as a form of protection for themselves and all the stakeholders: **(i)** submit the New Consolidated Plan to an independent business review (“**IBR**”) to verify the reasonable validity of the business and market assumptions underlying the New Consolidated Plan; **(ii)** promptly define a comprehensive financial (and, if appropriate, equity) manoeuvre proposal to support the New Consolidated Plan, which includes the above-mentioned requests by the Parent, to be submitted to the Lending Banks for the purposes of signing a new agreement with them (the “**New Agreement**”); and **(iii)** place the new financial manoeuvre and the New Agreement within the framework of one of the instruments provided for by the Italian Bankruptcy Law for the reorganisation of companies in crisis, and therefore to submit the New Consolidated Plan, the new financial manoeuvre and the New Agreement to the examination of an independent expert in order to issue the certifications required by law.

Also in the context of discussions with the Lending Banks, in order to manage the current phase and to allow, in the interests of all parties involved and in general of the stakeholders of the Trevi Group, the continued management of the business while the banks’ investigation and decision-making processes are pending, a moratorium and standstill agreement (the “**Standstill Agreement**”) was signed on 5 August 2021 between the Parent, the Italian subsidiaries Trevi, Soilmec and PSM and the Lending Banks. The Standstill Agreement provided for: **(i)** a general suspension of obligations relating to compliance with financial covenants; **(ii)** the suspension of the obligations to pay the amounts due during 2021; **(iii)** the maintenance of existing lines of credit, both in the form of cash and guarantee facilities,

and **(iv)** the commitment not to avail themselves of the remedies resulting from the occurrence of the “**Significant Events**” relating to the circumstances described above.

In line with the foregoing, on 22 December 2021, within the context of the discussions above, the guidelines of a possible new financial manoeuvre were presented to the Lending Banks (on which reference should be made to the press release of 22 December 2021, available on the Parent’s website) providing for, amongst other things **(i)** a capital strengthening through a cash capital increase of Euro 20 million and a capital increase by converting Euro 60 million of bank loans, **(ii)** the rescheduling of the repayment of medium/long-term lines of credit until 2026, with changes to the relevant financial covenants, **(iii)** the extension to 2026 of the maturity date of the Bond Issue; **(iv)** the confirmation of the unsecured lines of credit granted to the Group, to the extent of 80% of the total ceiling amount granted pursuant to the Restructuring Agreement. Along with the hypothetical manoeuvre, a request was submitted to the Lending Banks to extend the term of the Standstill Agreement from 31 December 2021 to 30 April 2022. Nevertheless, the Lending Banks made the extension of the Standstill Agreement duration conditional on reaching an agreement in principle on the guidelines of the new financial manoeuvre. As a result, on 31 December 2021, the Standstill Agreement expired and was not formally renewed. However, the parties have continued the relevant negotiations in relation to the new financial manoeuvre, and are operating under a “**de facto**” standstill regime, as evidenced by the fact that the Lending Banks not only have not exercised the remedies provided for in the Restructuring Agreement

to date, but in addition to pursuing the aforementioned negotiations on the new manoeuvre hypothesis, they continued to support the Group by not reducing the utilisation of the self-liquidating lines and by allowing the issuance of certain guarantees identified as urgent by the Parent in the context of the projects to which the Group companies are party, and by continuing to make cash lines of credit available.

Concurrently, with the support of advisors, Management continued negotiations both with the Lending Banks and controlling shareholders aimed at defining the new financial manoeuvre. In this regard, on 26 April 2022, the Board of Directors approved a proposal of financial manoeuvre, partially different from the one approved last December, notice of which was given to the market (reference should be made to the press release of 26 April 2022 available on the Parent website). This proposed manoeuvre was later further modified in order to take into account the ongoing interlocutions with the Lending Banks. The latest version of the financial manoeuvre is the one sent to the Lending Banks on 9 June 2022 (the “**New Financial Manoeuvre**”), which provides, in a nutshell:

- (a) its implementation in accordance with an agreement based on a certified recovery plan pursuant to Article 67, paragraph III, lett.(d) of the Italian Bankruptcy Law.
- (b) a cash capital increase with right of first refusal to be offered to shareholders for a total of Euro 25 million (but in no case exceeding the amount of debt subject to conversion), fully guaranteed pro rata by CDPE Investimenti S.p.A. (“**CDPE**”) and Polaris Capital Management LLC (“**Polaris**” and, together with CDPE

the “**Institutional Shareholders**”);

- (c) a capital increase reserved to the Lending Banks, to be subscribed by converting bank loans into ordinary shares of the Parent, for a minimum equivalent amount of loans of Euro 20 million, with the option for the Lending Banks to convert an amount higher than this minimum amount;
- (d) the subordination and deferment of a portion of the bank debt up to a maximum of Euro 40 million, leaving the Lending Banks the choice between conversion and subordination of the related receivables;
- (e) the extension of the final maturity date of the medium/long-term debt up to 31 December 2026, with the introduction of an amortisation plan starting from 2023;
- (f) the granting/confirmation of unsecured lines of credit for the execution of the New Consolidated Plan;
- (g) the extension of the maturity date of the Bond Issue to 2026.

With regard to the ongoing discussions with the Lending Banks and controlling shareholders, the Parent received on 10 May and 17 May 2022, respectively, letters from CDPE and Polaris confirming their commitment, subject to final approval by the relevant decision-making bodies and to certain additional conditions, including reaching an agreement with the Lending Banks, to subscribe pro-rata the above-mentioned capital increase with right of first refusal, and to guarantee, again pro-rata, the subscription of any unexercised rights, up to Euro 20 million. Based on the discussions subsequently carried out by the Parent with the Institutional Shareholders,

* This is a select committee of Lending Banks that was formed at the time of the Standstill Agreement, on the basis of an interbank agreement, with functions of coordinating them, in order to facilitate and streamline the activities of analysis and verification of the transaction, and to simplify negotiations, it being understood that each of the Lending Banks retains full discretion as to whether or not to adhere to the possible new agreement.

the latter have confirmed their commitment up to Euro 25 million, it being understood that the same may not exceed the final amount of the capital increase by conversion subscribed by the Lending Banks. Furthermore, on 17 June 2022, the Parent also received a comfort letter from the advisors of the Lending Banks in which they confirmed - on behalf of the Lending Banks that jointly own a percentage equal to about 75% of all the bank loans in the form of cash and guarantee facilities due from the companies of the Group concerned and that make part of the steering committee - their interest to assess the Group's restructuring transaction and that, subject inter alia to the positive outcome of the ongoing analysis of the documentation provided by the Parent and the reaching of an agreement between the Lending Banks and the Parent on the final content of the New Financial Manoeuvre, they intend to submit to their decision-making bodies said manoeuvre and the New Agreement.

Although this comfort letter was sent on behalf of only some of the Lending Banks, as mentioned above they jointly own a very significant percentage of the amounts due to the banks from the companies of the Group concerned and also make part of the steering committee. Furthermore, discussions with the Lending Banks are still in progress and will continue in the coming weeks, in order to define the more detailed information of the New Financial Manoeuvre (*including the agreement between the banks on the allocation of unsecured lines of credit and the order of priority of payments to be made over the period of the plan*), and in order to take into account the positions of financial lenders different from the Lending Banks on whose behalf the comfort letter was delivered. In light of these elements, although

non-aligned positions among the Lending Banks cannot be ruled out, directors believe that conditions exist to reach a satisfactory meeting point to all parties in the coming weeks.

Also in compliance with what provided for by the Standstill Agreement, the Parent also took and is still taking all the necessary steps to reach the subscription of the New Agreement implementing the content of the New Financial Manoeuvre, specifically:

- (i) appointed Alvarez & Marsal, a leading consulting firm, to carry out an IBR on the New Consolidated Plan, which has been completed and submitted to the Lending Banks;
- (ii) is defining the terms of the New Financial Manoeuvre with the Lending Banks and the controlling shareholders; and
- (iii) appointed Mario Ravaccia, of Studio Spada & Partners, as expert in charge of drawing up the statements necessary for the New Consolidated Plan and the New Financial Manoeuvre, which is currently being finalised.

Obviously, neither the receipt of the above-mentioned comfort letter from the advisors of the Lending Banks and controlling shareholders nor the completion of the activities above allow considering the uncertainty deriving from the Significant Events occurred under the Restructuring Agreement and, in general, from the need to enter into a New Agreement with the Lending Banks aimed at incorporating the contents of the New Financial Manoeuvre to be overcome. Said uncertainty can be definitively deemed to be overcome only after the completion of the activity certifying the New

Consolidated Plan and the positive assessment, by the competent bodies of all the Lending Banks, of the New Financial Manoeuvre and the signing and effectiveness of the New Agreement. Nevertheless, the advanced stage of discussions with Lending Banks on the Financial Manoeuvre along with the comfort letter received from their advisors and from controlling shareholders, although not binding, together with the support that the Lending Banks are willing to continue to provide - albeit with some difficulties - in favour of the Group by allowing the Parent to issue urgent guarantees, are a sign that interlocutions with Banks are significantly progressing, thus making it possible to expect the successful conclusion of negotiations.

Expected liquidity trend over the next 12 months

With reference to the uncertainty mentioned above, related to the risk that, due to the lower cash generation reflected in the forecasts of the New Consolidated Plan, situations of cash flow tension may arise during the 12 months subsequent to the reporting date, the following should be noted.

First of all, the Parent's Management constantly monitors the Group's cash flows, also at the level of the individual Trevi and Soilmec Divisions. In particular, Management prepares a treasury plan until the end of the year on a weekly basis for the first three months and on a monthly basis for the following months, a document that is updated every 4 weeks based on actual available data from all the Group's legal entities. This tool, the results of which are analysed and discussed with the local Management, allows short-term cash flows to be monitored and any shortfalls to be known well in advance, so that the necessary actions can be taken.

This treasury plan was last updated on 22 April 2022, and shows a liquidity trend that, even at peak times, remains positive with a sufficient margin to guarantee the Group's normal operations.

In addition, in accordance with the Standstill Agreement, the Parent keeps providing the Lending Banks with an updated treasury plan, verified by PricewaterhouseCoopers, relating to cash flow forecasts for the following 6 months, based on weekly forecasts for the first 3 months and monthly forecasts for the following 3 months. The latest updated treasury plan was provided to the Lending Banks on 03 May 2022, and based on these forecasts, no critical issues arose in relation to the cash position of the Group and/or the individual divisions in the relevant period. In such respect, these forecasts lay on the assumption that the Lending Banks will continue to support the Group in order to acquire and execute job orders for the entire period subject to analysis, by issuing the guarantees requested.

Management also carried out an in-depth analysis on the expected trend liquidity in the 12 months following the reporting date of 31 December 2021, which was drawn up by collecting all the necessary information from all the legal entities of the Group and examines the expected trend liquidity at 31 December 2022. These analyses confirmed that there were no critical cash flow situations that could compromise the Group's ordinary operations.

The Board of Directors, for the purposes of approving the draft of these financial statements, examined the update of the liquidity analysis at 31 December 2022. Therefore, on the basis of these projections, it is rea-

sonable to expect that the Group's minimum cash will remain to a level such as to allow the Group to continue operating on a going concern basis and to meet its financial needs throughout the period considered. Management's monitoring of the Group's liquidity trend therefore appears adequate to the situation and the results of the analysis carried out do not currently show situations of cash tensions and/or shortfalls until December 2022. Cash forecasts appear to have been drawn up in a prudent manner.

In conclusion, given that **(i)** cash-flow forecasts are prepared with methods consolidated over the years, **(ii)** these forecasts are subject to verification by a third-party and are shared on a periodical basis with the Lending Banks, and **(iii)** at 31 March the Trevis Division acquired orders equal to approximately 92% of the revenue expected to be generated in 2022 and the Soilmec Division acquired orders equal to approximately 69% of the revenue expected to be generated in 2022, without prejudice to the possible consequences, as illustrated above, arising from the failure to meet the covenants set out in the Restructuring Agreement, at present, it is believed that the risk related to cash-flow forecasts is adequately monitored and mitigated.

Achievement of recovery goals

As noted above, the consolidated figures at 31 December 2020 show deviations from the Original Consolidated Plan, due to the significant impacts of the Covid-19 pandemic. The Parent's Management began promptly working in November 2020 to develop updated forecasts based on these baseline results, which are contained in the New Consolidated Plan. To this end, Management has been assisted by leading industrial

and financial advisors.

At the approval of the 2020 Financial Statements and of the Interim Financial Report at 30 June 2021, the Board of Directors assessed with particular attention the risks resulting from the possible failure to implement the plan and deviations from the same and, specifically, the risk that the New Consolidated Plan would not allow the Parent and the Group to achieve the recovery goals originally set and deemed as surmountable (*for details of the relevant considerations, reference should be made to the Directors' reports accompanying the 2020 financial statements and the interim financial report at 30 June 2021*).

In order to update the assessment already carried out by the Board of Directors on this risk factor at the approval of the 2020 Financial Statements and of the Interim Financial Report at 30 June 2021, Directors have herein made the following considerations:

- the deviations observed with respect to the Original Consolidated Plan are mainly attributable to the spread of the Covid-19 pandemic or related to additional one-off non-recurring events;
- the New Consolidated Plan seems to have been drawn up in accordance with reasonable and prudent criteria that include actions aimed at increasing volumes and improving profitability and shows the possibility of having, at the end of the plan, a balanced financial position and performance, and its feasibility is supported by the performance in the first quarter of 2022, whose results - that have not yet been subject to independent review - are in line with the relevant forecasts;
- the feasibility of the New Consolidated Plan is con-

firmed by figures at 31 December 2021 that are in line with the forecast of revenue and recurring EBIDTA for 2021 formulated at the approval of the interim financial report at 30 June 2021, orders acquired in 2021 amounting to approximately Euro 600 million increasing by 41% compared to the same period of the previous year and an order backlog of Euro 454.6 million that was up by 43% with respect to the previous year. This trend continued in the first quarter of 2022, with a decrease of the Net financial debt of 17.6 million that fell from Euro 269.4 million at 31 December 2020 to Euro 251.8 million at 31 December 2021. With reference to considerations regarding potential impacts arising from the Russia-Ukraine conflict and the prolonged health emergency from Covid-19, reference should be made to the sections on **“Impacts of the Russia-Ukraine Conflict”**, **“COVID-19”** and **“Risk Related to Commodity Price Trends”** of this report, respectively;

- the IBR carried out by Alvarez & Marsal on the New Consolidated Plan and shared with the Lending Banks confirmed the reasonableness and feasibility of the same;

- the New Financial Manoeuvre currently under definition, whose content has been subject to comments of both controlling shareholders (*i.e.*, *CDPE and Polaris*) and banks of the steering committee through consultants, would allow, with the capital strengthening transaction, to further strengthen the financial position and performance of the Group, also giving a boost to the business as well as to the achievement of the recovery goals in accordance with the New Consolidated Plan;

Furthermore, the reasonableness and feasibility of

the New Consolidated Plan will be further supported by the fact that it is currently being certified by the appointed expert, Mario Ravaccia, who meets the requirements provided for by the Italian Bankruptcy Law and whose work is in progress, thus representing an additional form of protection for Directors and the other stakeholders involved. In this regard, on 17 May 2022 the expert issued a comfort letter confirming that, on the assumption that the circumstances herein described occur, the New Consolidated Plan can be deemed certifiable pursuant to Art. 67, paragraph 3, letter d) of the Italian Bankruptcy Law based on appropriate arrangements with the Lending Banks.

In conclusion, the Directors observed that, despite the encouraging signals given from the 2021 financial statements figures, the achievement of the objectives set in the New Consolidated Plan depends in any case on the completion of the New Agreement implementing the contents of the New Financial Manoeuvre.

Concluding remarks

In conclusion, as fully explained in the previous paragraphs and in the additional sections expressly referred to therein, there are some uncertainties arising from the Group's exposure to risks which, as mentioned above, have different levels of magnitude and for which consequent measures are in place as form of protection. These risk, among which the successful conclusion of the negotiations with the Lending Banks for the completion of the New Agreement, examined in their entirety, indicate the existence of a significant uncertainty that may cast relevant doubt on the ability of the Parent and the Group to continue operating as a going concern. The Board of Directors, taking into account all

of the circumstances outlined above and in light of the status of the discussions in progress with the Lending Banks and their advisors, deems it appropriate to prepare the separate financial statements of the Parent and the consolidated financial statements of the Trevi Group on a going concern basis.



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

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 n° 254 of 30 December 2016 (hereinafter, the "Decree") and article 5 of CONSOB Regulation n° 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of Trevi – Finanziaria Industriale SpA (hereinafter also the "Company" or "Parent Company") and its subsidiaries (hereinafter, the "Trevi Group" or the "Group") for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree, and approved by the Board of Directors of the Company on 29 June 2022 (hereinafter the "NFS").

Our review does not extend to the information set out in the paragraph "Environmental taxonomy" of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and of the Board of Statutory Auditors 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 and latest versions (hereinafter, *GRI Standards*) as described in the paragraph "Methodological note" of the NFS, identified by them as the reporting standards with reference to a selection of reported *GRI Standards*.

The Directors are also responsible, in the terms prescribed by 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 organisational 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.

The Board of Statutory Auditors of Trevi – Finanziaria Industriale SpA is 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 behaviour. Our audit firm adopts *International Standard on Quality Control 1 (ISQC Italia 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*. We conducted our engagement in accordance with the *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, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, 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 standard 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:
 - a. business and organisational model of the Group, with reference to the management of the matters specified by article 3 of the Decree;
 - b. policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. 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 detail, we held meetings and interviews with the management of Trevi - Finanziaria Industriale SpA and we performed limited analyses 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 a Parent Company level,
 - a) with reference to the qualitative information included in the NFS, and in particular 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, in order to assess, on a sample basis, the accuracy of consolidation of the information;
- for the companies Trevi SpA and Soilmec SpA, 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 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 for the financial year ended 31 December 2021 has not been prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with *GRI Standards*, with reference to a selection of reported *GRI Standards*.

Our conclusions on the NFS of Trevi Group do not extend to the information set out in the paragraph “Environmental taxonomy” of the NSF, required by article 8 of European Regulation 2020/852.

Bologna, 20 July 2022

PricewaterhouseCoopers SpA

signed by

Giuseppe Ermocida

(Partner)

signed by

Paolo Bersani

(Authorised signatory)

This report has been translated to 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 2021 translation.

