

SUSTAINABILITY REPORT



2018





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LETTER TO STAKEHOLDERS

Dear reader,

It is a great pleasure for me to present the first edition of the Sustainability Report for Itinera, a large subsidiary of the ASTM Group.

Itinera is one of the biggest construction companies in Italy and a global player in large-scale transport infrastructure and civil engineering, with a backlog worth around 5 billion dollars, 65% of it outside Italy.

We were very keen to write the first Sustainability Report in order to show all our Stakeholders and global clients our daily commitment to matching financial and industrial performance with respect for people, the environment and the places we work.

We operate in the world of large construction projects. Our work affects the lives of millions of people, from the biggest cities in Europe, the United States, the Middle East and Latin America to large areas in Africa.

Our projects improve people's lives and make the world safer and more modern.

This is why we feel we have a duty - even though there is no legislation requiring us to do so - to present our report to the public and describe our activities in relation to the environment, safety at work, protection of local areas and ethics.

That is just our starting point.

We want to make a commitment along with all our Stakeholders, to constantly improve our performance and make responsible conduct a key factor in our success in world markets.

The report extensively covers all Group activity carried out over the year. I would like to highlight some subjects that I feel are of particular importance in demonstrating our path to sustainability.

We defined and adopted the Anti-corruption Policy, Suppliers' Code of Conduct and Diversity and Inclusion Policy.

Within the report, you will read about Halmar International, the American company that became part of the Group in July 2017. Halmar is one of the largest companies in the metropolitan area of New York. Among the most significant projects the company has carried out in New York over the years are expanding JFK International Airport (Terminal 4 arrivals and the new British Airways terminal) and building the Times Square underground station and Yankee Stadium. Some of its work has received important awards, including ASCE Project of the Year for the Alexander Hamilton Bridge in 2014, 1st Best Value Selection in NYSDOT History for the Patroon Island Bridge in 2013, and ABCD Project of the Year for the Cross-Westchester Expressway in 1998.

Investing in people and workers is fundamental to sustainability. With this in mind, the Group has begun an important initiative of Stakeholder engagement with its employees. This is unique in the sector and aims to understand employees' needs and expectations as part of the period of serious change management the Group has undergone in the last few years. As a result, sustainability - with its different interpretations and actions - enables us to promote a new process of building our identity and takes on a central role in the Company's organisational model.

We want to keep investing in our most important resource - people. And we are always on the hunt for new talent, using specific methods. We want to attract recent graduates and this is why we have signed important agreements with some of Italy's top universities.

On the subject of universities, I would also like to highlight our close ties to university sports, through our sponsorship of CUS Rugby Torino. Just like young rugby players, we love a challenge and that is why we decided so enthusiastically to join them in the championship, certain that together we would achieve impressive results.

Rugby is a team sport, just like being in a company. It is a game of sacrifice, determination and loyalty. Those same values guide the way we do business in Italy and the wider world.

I hope you enjoy reading this Report.

Massimo Malvagna
Chief Executive Officer



METHODOLOGICAL NOTE

This document is the first Sustainability Report (hereafter also "Report") for Itinera S.p.A. (hereafter "Itinera" or the "Company") and fully consolidated companies ("Itinera Group" or the "Group") within the consolidated financial statements for the Itinera Group on 31 December 2018.

In order to foster transparency towards Stakeholders, this report describes the main results achieved by the Itinera Group in terms of sustainability performance over the financial year 2018 (1 January to 31 December).

Itinera, fully consolidated within ASTM S.p.A. (hereafter "ASTM") is a company listed on Borsa Italiana S.p.A.'s electronic stock exchange, the MTA. It has already been contributing for three years to ASTM's Sustainability Report, or consolidated non-financial declaration pursuant to Legislative Decree 254/2016 following the year ending on 31 December 2017.

The 2018 Sustainability Report has been prepared in accordance with the GRI Sustainability Reporting Standards (hereafter "GRI Standards") defined in 2016 by the Global Reporting Initiative, using the "in accordance-core" option. The "GRI Content Index" is annexed to this document, with details on its content. The topics covered in the Report are selected based on the results of a materiality analysis in 2018, which identified material topics for the Group and its Stakeholders. The results of this analysis are contained in this document under "Materiality matrix".

For the preparation of the Sustainability Report, reference was made to the "Ten Principles" of the United Nations Global Compact (UNGC) and the ISO 26000:2010 guidelines. In light of the data and non-financial information contributed by the Itinera Group to ASTM's reporting model, this report has been prepared in accordance with the best practice for reporting set out in Directive 2014/95/EU, concerning communication of non-financial information and information on diversity - implemented in Italy through Legislative Decree 254/2016 - as well as the European Commission's

"Guidance on non-financial reporting".

The scope of the data and the financial, social and environmental information for the year 2018 includes Itinera S.p.A. and its subsidiaries consolidated on a line-by-line basis in the consolidated financial statements for the Itinera Group at 31 December 2018. More information is provided in the "Itinera Group" section of this document.

With regards to the main changes to the scope of consolidation compared with the previous year, it should be noted that:

- from 1 January 2018, non-financial information on the Halmar Group is included in this document and the Itinera S.p.A. data includes the information on non-Italian subsidiaries in Botswana, Romania, Sweden and Abu Dhabi.
- on 25 June 2018, Itinera S.p.A. purchased an additional 44% of the share capital in Impresa Costruzioni Milano S.c.a r.l. - ICOM in liquidation, reaching a total stake of 93% in the share capital.
- in July 2018, Itinera S.p.A. purchased all shares of Interstrade S.p.A.. on 1 December 2018, the company Interstrade S.p.A. was merged by absorption with Itinera S.p.A.
- on 4 July 2018, the company Itinera S.p.A. purchased the entire share capital of SEA Segnaletica Stradale S.p.A.
- on 31 December 2018, the company Itinera S.p.A. subscribed 100% of the share capital of the newly established Società Attività Marittime S.p.A.
- since 2018, the joint operations Consortium Baixada Santista, Alcas da Ponte Consortium, MG-135 Consortium, Odense Hospital Project Team, Køge Hospital Project Team, 3RD Track Constructors and Consórcio Binário Porto de Santos have been included in the scope of consolidation.

With regards to the entire scope of consolidation of the Itinera Group, data on joint operations is reported in full, without taking into consideration the percentage interest held. This document also does not contain data from the joint operation Arge H51, which became operative in 2018. Any exceptions



or ways of presenting quantitative data that differs from what is set out above are stated promptly within the document.

To compare data and information over time and assess the trend of Group operations, a comparison with the previous year has been made, where possible.

In order to ensure correct presentation of performance and reliability of data, estimates were used as little as possible and are indicated as such when they appear.

The Report is published on a yearly basis. This document is available on Itinera's website, www.itinera-spa.it, in the "Sustainability" section.

The Report was approved by the Board of Directors of Itinera S.p.A. on 7 March 2018.

This document was subject to limited assurance, as defined by ISAE 3000 (Revised), by Deloitte & Touche S.p.A. This engagement was carried out according to procedures in the "Report of the Independent Auditors" included at the end of the document.

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www.itinera-spa.it/en/sustainability



 ITINERA



The Itinera Group and sustainability



THE ITINERA GROUP

Itinera S.p.A. is one of the largest construction companies in Italy in terms of its size, revenues and backlog. The Itinera Group is one of the top world players in big infrastructure projects and civil and industrial engineering. It operates in these sectors both as a constructor and as a promoter of new initiatives for greenfield concessions.

Developing technical expertise, organisational abilities and a solid financial structure has allowed the Company to provide outstanding results in its public and private tenders, in terms of the quality of its work, respect for deadlines and care for the environment and local areas. Thanks to its high level of professional expertise and cutting-edge technology, Itinera has begun growing at an international level. It is now a market leader in big projects in Northern Europe, Africa, the Middle East,

Latin America and the United States. In the latter country it is represented by its subsidiary Halmar International.

Today the Company can boast a backlog worth around 5 billion dollars, 65% of it outside Italy. Itinera is a subsidiary of ASTM, one of the most important industrial groups in Italy and active particularly in the motorway and toll management sector, in which it is the third largest operator in the world. It manages a network of around 4,156 km in Italy, Brazil and the United Kingdom.

Roads, motorways, railways, underground railways, bridges, viaducts, dams and civil and industrial building works are all sectors in which the Company operates throughout the world, delivering technologically advanced solutions to its customers.



BUSINESS SEGMENTS

INFRASTRUCTURE ROADS AND RAILWAYS



RAILWAY AND UNDERGROUND STATIONS



AIRPORTS

HOSPITALS



PUBLIC AND INDUSTRIAL BUILDINGS



VISION

It is one of the biggest infrastructure companies in Italy and the world, famous for developing solutions of excellence (Infrastructure 4.0) for the world market. It guarantees its clients innovative solutions with respect for time and quality.



MISSION

Itinera has always pursued ambitious goals, in synergy with the ASTM Group, whose collective technical and professional expertise allows the Company to provide its clients with outstanding results in terms of quality of work and respect for deadlines. Itinera is aware that its work contributes to developing the mobility of people and goods and to improving the daily life of everyone.



APPLYING BUILDING INFORMATION MANAGEMENT (BIM) WITHIN ITINERA

In order to excel in the increasingly dynamic and competitive sector it operates in, Itinera stands out by developing and implementing new technologies. It believes strongly in investing in research and development as determining factors for growth, thereby providing innovative services for its clients.

With this in mind, BIM technology creates integrated 3D models of various operations throughout the lifecycle of built infrastructure, from design to construction to maintenance.

It constructs accurate, digital virtual models of projects to

help with all stages of construction, providing more efficient analysis and checks than traditional processes.

In particular, the Group has advanced systems that allow it to oversee and manage all stages of progress in line with the Building Information Management (BIM) model. The main aim of implementing BIM is to provide the final client with a reliable tool for assessing the project's sustainability (6D Sustainability) and maintaining the infrastructure over the years (7D Facility Management). This allows for greater control of every single element of the project, at all stages of design and construction, keeping up a continuous assessment of the links between separate disciplines (3D Shape: architecture, structure, installations, topography, infrastructure), planning (4D Scheduling) and cost control (5D Estimating) connected in real time using shared models.



Itinera is currently using BIM for at least nine of its tenders in Italy and other countries:

- building a new surgical and emergency centre at the San Raffaele Hospital in Milano
- building the Reem Mall in Abu Dhabi, UAE
- building a university hospital in Køge, Denmark
- building a university hospital in Odense, Denmark
- building a new logistics centre for DHL at Milano Malpensa airport
- redeveloping Venezia Marco Polo airport: stage 2, batch 2 of upgrading flight infrastructure
- executive design and construction of the Torino railway junction and connecting the Torino-Ceres line with the RFI network along the line in Corso Grosseto, Torino
- executive design and construction of the RFI Napoli-Bari railway line along the Napoli-Cancello and Cancello-Frasso Telesino stretches
- building the Skurusundet Bridge in Sweden

The Company's structure uses ideal software for the design and construction phase, along with professionals from the sector, to assess whether the models produced conform with client and legislative demands (code checking), whether different models are consistent and whether they interfere with project plans (clash detection).

Itinera is currently working to integrate time planning (4D) and cost control (5D) using software that communicates between the two.

The Company's vision envisages a strong technical office at the headquarters that could work not only to develop new initiatives but to provide support above all to technical structure for building sites. This is why training on information modelling for resources is a fundamental part of the Company's vision.



GROUP STRUCTURE

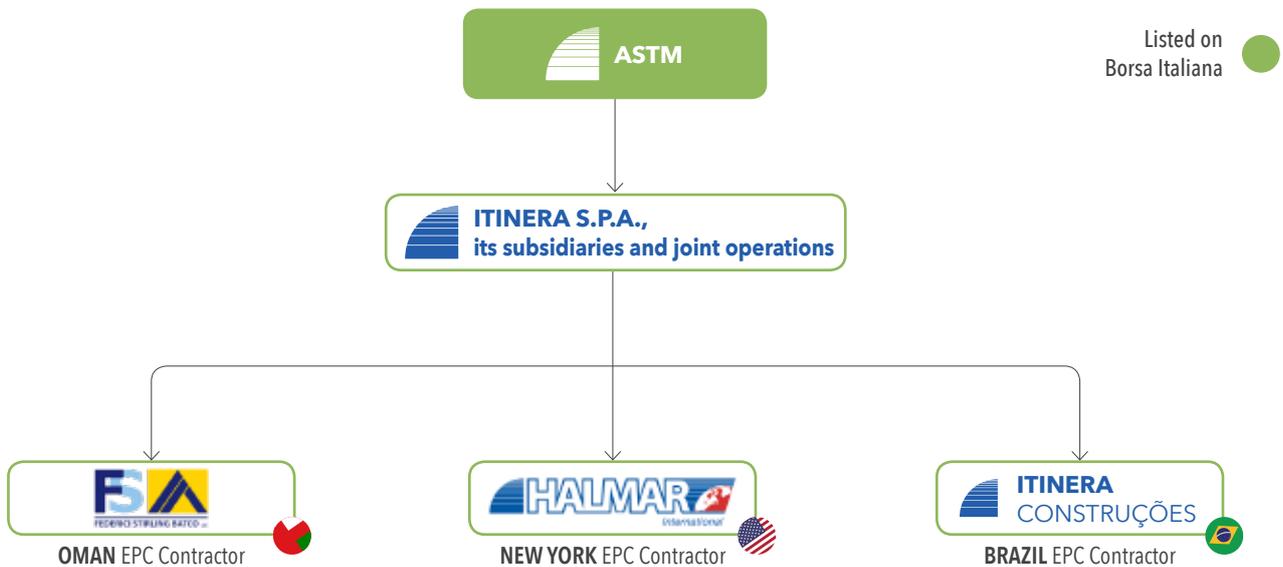
at 31 December 2018

Below is a list of the 49 companies fully integrated within the consolidated financial statements for the Itinera Group.

Subsidiaries of Itinera S.p.A.: Argo Costruzioni Infrastrutture S.c.p.a., Agognate S.c.a r.l. (*in liquidation*), A 7 barriere S.c.a r.l. (*in liquidation*), Biandrate S.c.a r.l. (*in liquidation*), Brescia Milano Impianti S.c.a r.l. (*in liquidation*), Carisio S.c.a r.l. (*in liquidation*), CERVIT S.c.a r.l., Cornigliano 2009 S.c.a r.l., Crispi S.c.a r.l. (*sole shareholder, in liquidation*), CRZ01 S.c.a r.l. (*in liquidation*), Diga Alto Cedrino S.c.a r.l., Impresa Costruzioni Milano S.c.a r.l. (*in liquidation*), Lambro S.c.a r.l., Malpensa 2011 S.c.a r.l. (*in liquidation*), Marcallo S.c.a r.l., Mazze' S.c.a r.l., Mortara S.c.a r.l. (*in liquidation*), Ponte Meier S.c.a r.l., Ramonti S.c.a r.l. (*in liquidation*), SGC S.c.a r.l. (*in liqui-*

ation), SEA Segnalatica Stradale S.p.A., Sinergie S.c.a r.l. (*in liquidation*), Società Attività Marittime S.p.A., Storstrøm Bridge, Taranto Logistica S.p.A., Torre di Isola S.c.a r.l., Urbantech S.r.l., Itinera Construções LTDA, Itinera USA CORP, Halmar International LLC and its subsidiaries (HIC Insurance Company Inc., Halmar Transportation System LLC, Adelaide Crystal Holdings LLC, Halmar A Servidone - B Anthony LLC, Bishop/Halmar, Atlantic Coast Foundations LLC, Halmar International - LB Electric LLC, Halmar International Trucking Inc, Potomac Yard Constructors).

Joint operations in which Itinera S.p.A. is taking part: Itinera/Cimolai, Consortium Baixada Santista, Alças da Ponte Consortium, MG-135 Consortium, Odense Hospital Project Team, Køge Hospital Project Team, Itinera/Ghantoot, 3RD Track Constructors, Arge H51, Consórcio Binário Porto de Santos.



2018 HIGHLIGHTS



over €630 MN
VALUE OF PRODUCTION



1,000+ km
ROADS AND RAILWAYS BUILT SO FAR



5,585
EMPLOYEES AND OTHER COLLABORATORS



>100 km
TUNNELS BUILT SO FAR



€233 MN
SHAREHOLDERS' EQUITY



€3.2 BN
PIPELINES



over 40,000
HOURS OF TRAINING FOR EMPLOYEES
AND OTHER COLLABORATORS



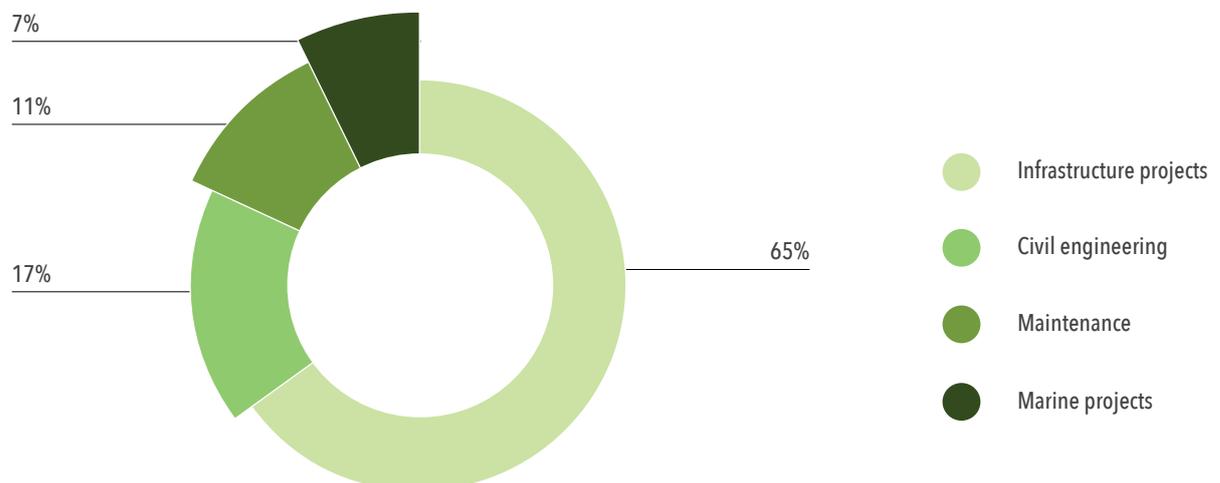
€4.9 BN
BACKLOG AT 31 DECEMBER 2018
OF WHICH 65% IS OUTSIDE ITALY

BACKLOG

The Group boasts a backlog worth EUR 4.9 billion, of which 65% is outside of Italy (United States 20%, Europe 27%, Middle East 10%, Africa 7%, Brazil 1%). The main type of work in the portfolio (65%) is infrastructure projects.

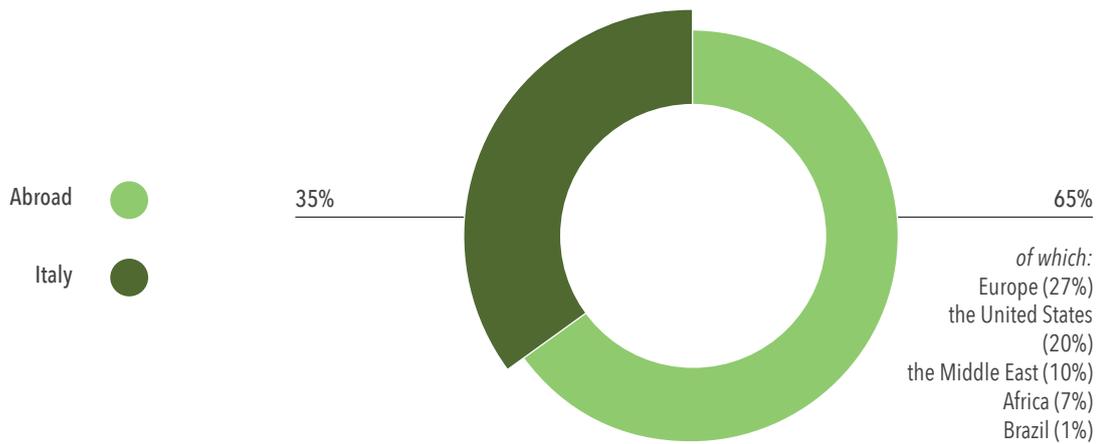
Pipelines resulting from Company activity, including prequalifications and tenders in the drafting stage or awaiting confirmation, are worth a total of around EUR 3.2 billion, about 12% of which is for projects in the United States, 12% Eastern Europe, 31% Italy and 45% the Middle East.

TYPE OF PROJECT





BACKLOG BY GEOGRAPHICAL LOCATION



CORPORATE OWNERSHIP AT 31 DECEMBER 2018

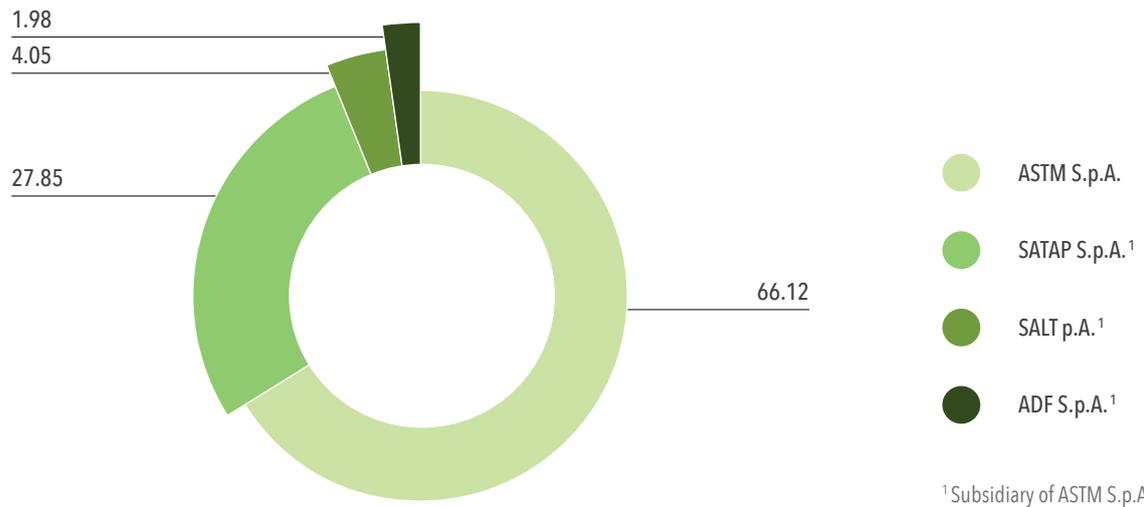
Itinera S.p.A. is a limited company whose capital is held entirely, directly and indirectly, by ASTM S.p.A., a society listed on Borsa Italiana S.p.A.'s electronic stock exchange, the MTA.

Below are the details of the Shareholders at 31 December 2018:

ASTM S.p.A.	66.12%
SATAP S.p.A. ¹	27.85%
Autostrada dei Fiori S.p.A. ¹	1.98%
Società Autostrada Ligure Toscana p.A. ¹	4.05%
Total²	100.00%

¹Subsidiary of ASTM S.p.A.

²An additional share is held by Finanziaria di Partecipazioni e Investimenti S.p.A.





ECONOMIC VALUE GENERATED AND DISTRIBUTED

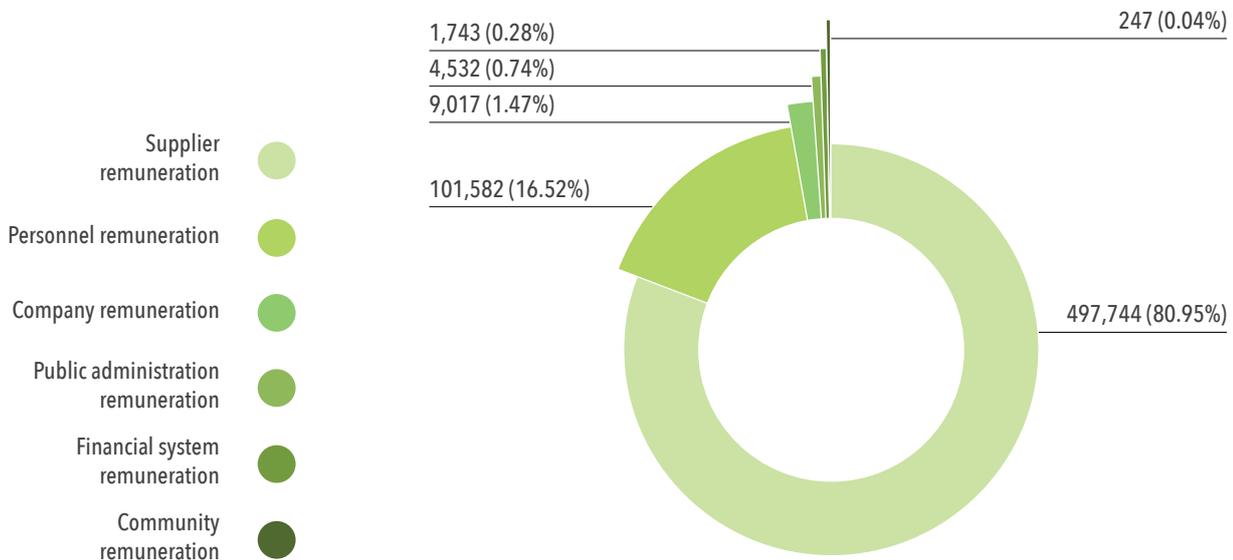
The statement of added value of the Itinera Group was produced by reclassifying the items in the income statement from the consolidated financial statements for Itinera at 31 December 2018.

In 2018, net global added value was around EUR 615 million. Most of this value, specifically 80.95%, was redistributed to suppliers. This item is mostly made up of costs for ser-

vices and raw materials. This is followed by "Employee remuneration" (16.52%), which mainly includes salaries and social security contributions. "Financial system remuneration" accounts for 0.28% and is mostly made up of interest expense. "Public administration remuneration" accounts for 0.74% of global net added value and includes current and other taxes. Group grants from donations and sponsorships account for around 0.04% of global net added value. "Company remuneration", which accounts for 1.47% of the total, includes the value retained by Itinera for the Group's future development.

DISTRIBUTION OF ECONOMIC VALUE

(thousands of EUR)



RESPONSIBLE VALUE CREATION

Itinera has taken a sustainable path, aiming to run its business in a balanced and aware manner, and improving its performance with respect to the expectations of all its Stakeholders.

In line with the ASTM Group's approach to sustainability, Itinera's sustainability model is based on an integrated approach that embraces sustainability governance, care and respect for people and human rights, awareness of environmental and social topics, and sustainable management of the supply chain.

Specifically, in 2018 Itinera implemented and spread its **Anti-corruption Policy**, **Specific Diversity and Inclusion Policy** and **Suppliers' Code of Conduct**, all of which are available on the Company's website, the Company intranet #agorà and the employee portal.

GOVERNANCE STRUCTURE

Itinera's governance structure is based on a traditional organisational model that includes bodies like the Board of Directors, responsible for administration, and the Board of Statutory Auditors, responsible for assessing administration. Both Boards are elected by the Shareholders.

ASTM's Board of Directors establishes strategic guidelines with a view to creating value for all Stakeholders in the medium to long term, monitors that business activities comply with the Code of Ethics and Sustainability Policy, and approves the Sustainability Report. At 31 December 2018, the Board of Directors of the Itinera Group is made up of five administrators, all of them men in the over-50 age group.

For the Sustainability function, a head was chosen who reports directly to the Chief Executive Officer.

ETHICS AND INTEGRITY

Values like ethics, legality, honesty, integrity and transparency are fundamental to the Group's conduct in carrying out its activities. Itinera has promoted and adopted internally a policy to raise awareness of ethics in conduct and work activities when carrying out the latter, taking integrity into account in external and internal relations as a fundamental criterion underlying all its actions.

Itinera has created a Code of Ethics and Conduct (hereafter the "Code of Ethics"), updated on 9 March 2018, in order to clearly and transparently define the values that guide the Company. It has adopted internal ethical principles of conduct that guide all its activities, preparing an organic system of procedures and assessment formalised in the Organisational, Management and Control Model, pursuant to Legislative Decree 231/01 (hereafter "Model 231"), adopted in 2004. The aim of Model 231 is to create an assessment system that prevents, as far as possible, different kinds of offence covered in the Decree, by identifying areas at risk and formalisation of these activities and assessment. The Supervisory Body must be promptly informed of any violation or suspected violation of the Code. This body has independent powers of action and assessment and is an internal part of the Company, pursuant to Legislative Decree 231/01.

The Code of Ethics is distributed to all individuals and entities that do business and interact with the Company, in any capacity, and is available along with the sustainability policies on the Company's intranet #agorà and on its website www.itinera-spa.it in the "Sustainability" section.



"ONE COMPANY"

SUSTAINABILITY

INNOVATION

**SAFETY AND
SERVICE QUALITY**

INTEGRITY

RESPONSIBILITY

TRANSPARENCY

**GROUP
VALUES**

**CREATING LONG-
TERM VALUE FOR
STAKEHOLDERS**

**RESPECT FOR
PEOPLE**

TEAM WORK

**DEVELOPING
HUMAN RESOURCES**



GENERAL PRINCIPLES IN THE CODE OF ETHICS AND CONDUCT

Itinera S.p.A. carries out its own activities with respect for existing Italian and international legislation. In reaching its goals, it is guided by the following principles:

- compliance with all existing laws and regulations in countries where the Company operates
- compliance with the most stringent rules of behaviour in relations with the Public Administration sector, conforming entirely to institutional functions
- honesty, transparency and reliability
- professionalism, loyalty, fairness and good faith
- identifying potential offences and spreading a culture of lawfulness
- respect for employees and other collaborators, and people in general
- environmental protection and safety, also with reference to the work place
- compliance with procedures for using the IT tools adopted by the Company
- protecting health and the environment

In order to strengthen its commitment to ESG topics, Itinera has adopted policies of anti-corruption, diversity and inclusiveness, and the Suppliers' Code of Conduct.

ANTI-CORRUPTION

In accordance with the principles in the Code of Ethics and Conduct and the Organisational Model pursuant to Legislative Decree 231/2001, and guided by the best practices in the Anti-corruption Compliance Programme and the ISO 37001:2016 internal standard, in 2018 Itinera defined and spread its own Anti-corruption Policy to minimise the risk of behaviour that may be attributable to corrupt practices.

DIVERSITY AND INCLUSION

Itinera recognises the diversity of its employees as a success factor and values their experience, capabilities and qualities, on a daily basis. Diversity, in all its forms, is seen as a strategic advantage that fosters an inclusive working environment characterised by collaboration and creativity.

These principles are set out in the Diversity and Inclusion Policy, which all employees shall comply with in transactions with colleagues, customers, suppliers and all people they come into contact with while carrying out activities.

SUPPLIERS' CODE OF CONDUCT

Itinera's Suppliers' Code of Conduct involves its own suppliers in creating a procurement cycle that is sustainable in social, environmental and economic terms. This code applies along with all existing laws in countries where the Group operates, and complements all the principles in the Code of Ethics and Conduct and in existing company procedures.

PRIVACY

In the course of 2018, the Group stepped up its commitment to protecting the personal data of all its Stakeholders, in the knowledge that protecting the privacy of legal persons is a fundamental right recognised by the Charter of Fundamental Rights of the European Union.

A data organisational and management model was therefore adopted, conforming to provisions in Regulation (EU) 2016/679 (GDPR), which became effective on 25 May 2018.

The financial year 2018 saw no complaints from public administration or any parties outside the organisation. There were no cases of loss or theft of client data.

WHISTLEBLOWING

At an Italian and international level, whistleblowing is becoming one of the most effective ways to tackle unlawful actions such as bribery, fraud, abuse of power and other serious offences. The whistle-blower is the person who raises the alarm, alerting attention to potentially hazardous situations by reporting a circumstance.

Itinera also sees whistleblowing as a form of collaboration between Companies and reporters, which encourages an atmosphere of transparency and a sense of participation in and belonging to the Group. This helps raise consciousness on the part of employees, who contribute by highlighting dishonest practices.



CONFLICTS OF INTEREST

The Code of Ethics and Conduct clearly expresses Itinera's commitment to adopting all the necessary measures to prevent and avoid corruption and conflicts of interest. Managing these conflicts, including potential ones, is regulated particularly in transactions with clients and suppliers. Employees involved in these transactions are invited to highlight such conflicts, including upcoming ones.

In the Management Report attached to the consolidated financial statements for the Group, information is provided on related-party transactions, which are carried out in normal market conditions on the basis of rules that ensure transparency as well as substantial and procedural integrity. The Board of Statutory Auditors monitors that the rules on related-party transactions are observed.

Itinera is also subject to ASTM's "Procedure for transactions with related parties".

This procedure sets out the rules governing the approval, management and public disclosure of related-party transactions carried out directly by ASTM or through its subsidiaries, in order to guarantee the transparency and procedural and substantive fairness of such transactions. The procedure is available on the Company website www.astm.it in the section "Governance".

Finally, in integrating the above, Itinera follows article 2391 of the Civil Code, concerning "Director's interests".



THE ASTM GROUP'S SUSTAINABILITY PLAN

In 2017, for the first time in its history, the ASTM Group produced a Sustainability Plan, for the 2017-2021 period. The Sustainability Plan, named "Going Global Sustainably", identifies the goals and commitments, translating into practical actions and concrete results, necessary for each aspect of Sustainability that the Group and its Stakeholders consider important. The Plan has been prepared by analysing, integrating and developing a number of factors, such as the "Ten Principles" of the United Nations Global Compact, ISO 26000 Guidelines, the Group's materiality analysis and the 17 Sustainable Development Goals (SDGs) to be reached by 2030 and endorsed by the UN.

The aforementioned plan identifies both multidisciplinary goals applicable to all Group companies and specific goals for each business sector.

Specifically, in the construction sector the Sustainability Plan focuses on improving the process of selecting and assessing suppliers, promoting project for protecting local areas, reducing earth consumption, care for the environment, improving safety at work, and reducing environmental impact. Among its other aims are developing expertise in designing and developing transport infrastructure and civil and industrial engineering with a low environmental impact and a high LEED (Leadership in Energy and Environmental Design) classification.



GREEN BUILDING AND SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The **17 Sustainable Development Goals** set out the priorities and ambitions for sustainable global development for 2030. They look to mobilise global efforts around a common group of specific aims and targets.

The SDGs require action at a global level by **governments, companies and society** to put an end to poverty and provide dignity and opportunity for everyone on earth.

Below are the SDGs on which green building has a direct impact, according to the World Green Building Council.

Specifically, green building can improve the **health and well-being** of people (SDG 3) and make buildings cheaper to run (SDG 7) using **renewable energy**. Building sustainable infrastructure also creates **jobs** and makes **the economy grow** (SDG 8). Green building can stimulate **innovation** and contribute to creating **resilient infrastructure** (SDG 9), as well as providing the fabric for **sustainable communities, towns and cities** (SDG 11). Green building works according to the principle of circularity, in which resources are not wasted (SDG 12). Green infrastructure produces fewer emissions, helping **fight climate change** (SDG 13). They also preserve **biodiversity**, save **water** and help protect **forests** (SDG 15). Finally, green building helps create a strong **global partnership** (SDG 17).

On this topic, when building the Reem Mall, one of the biggest shopping centres in Abu Dhabi, environmental issues were seen as a key factor by the client and the joint opera-

tion that Itinera was part of. A structured system has therefore been adopted to guarantee compliance with legal and contractual requirements and with ISO 14001, given that Itinera has this environmental quality certification.





STAKEHOLDER MAP AND MATERIALITY ANALYSIS

Given the business sector, the Stakeholders' main expectations are the quality of the projects and services provided by the Group, as well as health and safety, business ethics, respect for human rights throughout the value chain, and care for the environment.

The figure below shows the Stakeholder map that Itinera has created as part of analysing the sector and the main impacts that its business activity has and is subject to.



The Itinera Group has always been committed to meeting the expectations of its Stakeholders, with a view to responsibility, transparency and continuous improvement. The main results it has achieved in this area are presented in this document, which was prepared based on a materiality analysis in 2018. The analysis identified the most important material topics for value creation in the Group, taking into account its Stakeholders' expectations and needs in terms of decision-making.

The process of identifying material topics originated in an analysis of the context and of the sector the group belongs to. This analysis identified sustainability topics to be assessed by the top management and Stakeholders drawn from multiple business sectors and company functions.

In order to encourage active participation by Stakeholders, on 21 May 2018 in Tortona, the first internal Stakeholder engagement workshop was organised as part of the Corporate Social Responsibility (CSR) Project. This identified material topics, the Stakeholder map and key sustainability risks.

Specifically, topics were assessed and prioritised with consideration for economic, social and environmental impact that would be important to the Group, considerably influence the Stakeholders' decisions, or guide the Group's sustainability strategy.

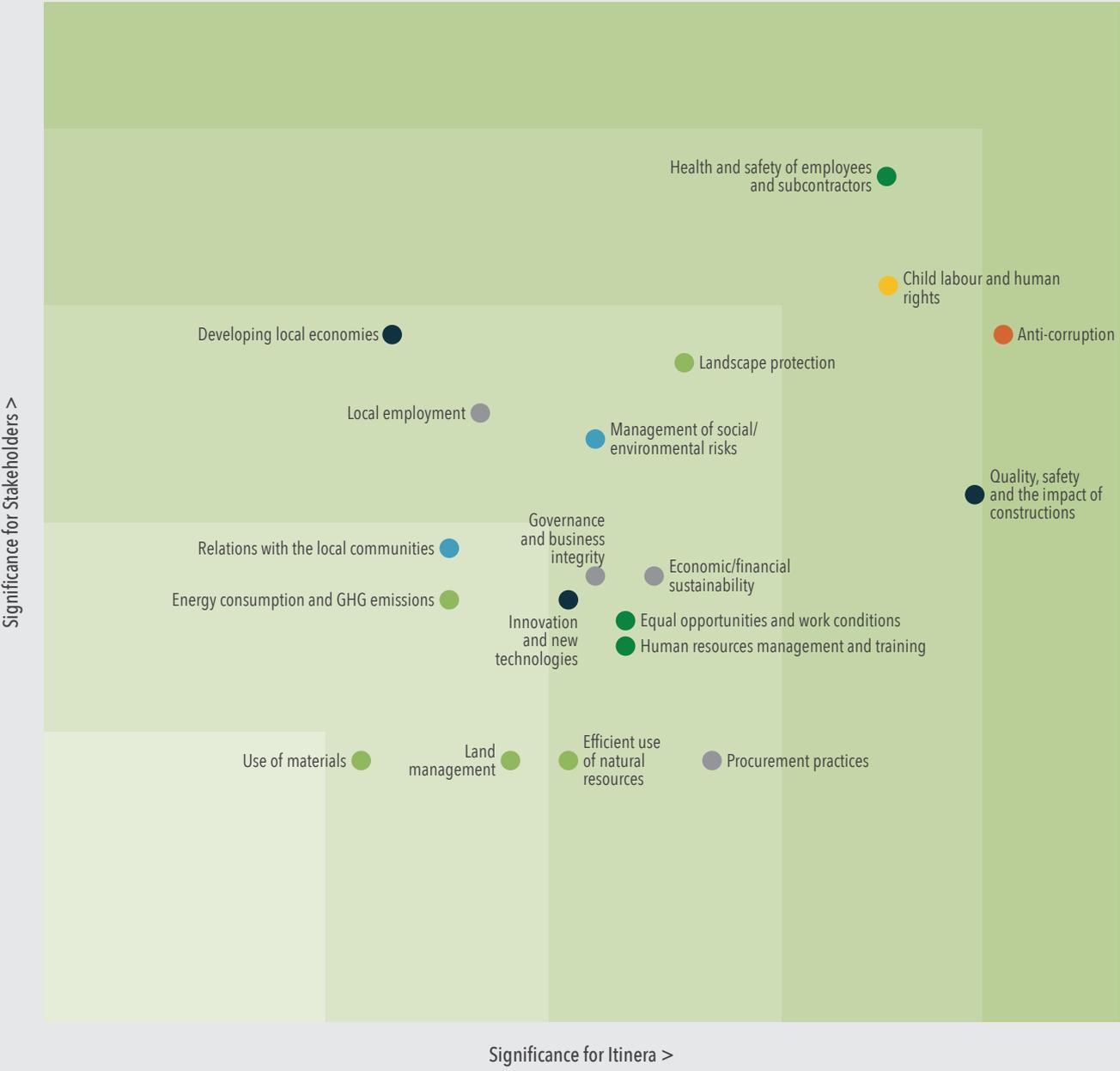
The materiality analysis process ended with the creation of the Group's first materiality matrix. The matrix provides an overall view of the importance of different topics to the Group, in terms of the impact they could have on the Group's ability to create value over the long term, and its Stakeholders, in terms of the influence each topic has on their professional decisions. More specifically:

- every point represents a topic to be assessed;
- the materiality themes correspond to 19 topics
- the topics are divided into seven colour-coded categories (financial and governance, fighting corruption, social, personnel, human rights, sector-specific and environmental)
- in the top right-hand section of the matrix there are the most important topics for the Group, taking into account Stakeholders' expectations and interests

The main results are as follows:

- Financial and governance topics and fighting corruption: The most important topics are those linked to fighting corruption, financial sustainability, and governance and business integrity.
- Social and personnel topics: it is important to manage health and safety for employees and contractors and adopt employee training and management policies, as well as policies preventing child labour and protecting human rights.
- Sector-specific topics: for the Group, the quality, safety and impact of construction linked to its core activity are increasingly important. For Stakeholders, the development of local economies is increasingly important.
- Environmental topics: landscape protection is a particularly important topic that demonstrates the Group's commitment to carry out its activities while safeguarding and protecting the environment and local areas.

THE ITINERA GROUP'S MATERIALITY MATRIX



Key

- Economic and governance
- The fight against corruption
- Social
- Human rights
- Sector-specific
- Environmental
- Personnel

RISK MANAGEMENT

INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

The Internal Audit and Risk Management System is part of the organisational, administrative and accounting structure and the corporate governance structure more generally.

The Board of Directors is responsible for the Internal Audit and Risk Management System. It defines guidelines for it and regularly assesses whether it is adequate and functioning effectively, ensuring that the main risks to the Company are identified and managed consistently with defined strategic objectives.

The Risk Management System adopted by Itinera is in line with the best practices in the COSO Enterprise Risk Management Integrated Framework and ISO 31000:2018, for which Itinera received a declaration of conformity ("Risk management - Principles and guidelines") in 2017, and an updated declaration in December 2018 for that year's version of the legislation.

In line with the model adopted and with support from dedicated internal functions, risk monitoring is guaranteed, including for sustainability topics, and is connected with the strategic objectives defined by the Company and set out in the 2017-2021 Strategic Plan for the ASTM Group.

APPROACH TO RISK MANAGEMENT

CULTURE
Spread a risk management culture within the organisation

GOVERNANCE
Define the Risk Management organisational structure



RISK ASSESSMENT

Identify, monitor and mitigate risks

RISK LIMITS AND STRATEGY

Define and integrate risk limits with strategic objectives

PROCESSES

Integrate risk management in company processes



SUSTAINABILITY RISKS

With specific regard to sustainability risk, in 2018 specific analysis was carried out to identify risks of particular importance to the Group, in a manner consistent with its business model.

Specifically, at a workshop held on 21 May 2018 at Itinera's offices, the main risks connected to the Company's activity, generated or suffered, were discussed and analysed. The workshops involved internal Stakeholders. Their results indicated that particular attention needed to be paid to risks linked to health and safety, care for the environment, human rights and child labour, fighting active and passive corruption, responsible management of the supply chain and subcontracting.

The main risks linked to sustainability issues for Itinera and its subsidiaries are reported on the next page.

RESPONSE TO RISK

Below is a summary of the existing controls for the main risks identified:

- A "Code of Ethics and Conduct" and Organisational, Management and Control Model, pursuant to Legislative Decree 231/01 (hereafter "Model 231"), adopted by Itinera and its main consortium companies, including specific monitoring procedures for fighting corruption and conforming to the "Consolidated Safety and Health at Work Act" (Legislative Decree 81/08) and the "Consolidated law on the environment" (Legislative Decree 152/06).
- A Risk Management System in line with the relevant best practices, that includes management of risks linked to sustainability topics.
- The main policies adopted by Itinera, including in order to mitigate the sustainability risks identified are described in this document, in the section "Responsible value creation", paragraph "Ethics and integrity".
- Management systems for health and safety, the environment and human rights, in line with relevant best practices. Specifically, Itinera has an Integrated Management System for Quality, Environment and Safety compliant with the UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and BS OHSAS 18001:2007 standards, adapting them to the provisions on corporate social responsibility in the SA 8000 ("Social accountability") standard and integrating them pursuant to the UNI ISO 26000 ("Guide to social responsibility") and ISO 31000:2018 ("Risk management - Principles and guidelines") standards.
- Specific health and safety training and prevention programmes, to reduce accidents, guarantee a safe working environment, and promote and encourage virtuous behaviour in the workplace.
- Suppliers' Code of Conduct for the Group, which defines the standards of conduct to be respected when working with suppliers and commercial partners, as well as strict screening on social, environmental and child labour issues linked to suppliers on Itinera's supplier register.

MAIN RISKS CONCERNING SUSTAINABILITY ISSUES

ACTIVE AND PASSIVE CORRUPTION

This risk is due to a lack of integrity among management and employees in Group companies that can lead to unethical, unauthorised, illegal or fraudulent behaviour, particularly active and passive corruption and corruption between private individuals.

HUMAN RIGHTS

Risks linked to potential failure to respect human rights, including with reference to the minimum working age and particularly supply chain activities and subcontracting in defined geographical areas outside Europe.

ETHICAL CONDUCT

Risks related to a lack of integrity of management and employees of Group companies that could result in unethical, unauthorised, unlawful or fraudulent behaviour, with particular reference to active and passive corruption, corruption between individuals and human rights.

COMPLIANCE WITH ENVIRONMENTAL LEGISLATION AND SECURITY AT WORK

Risks related to non-compliance with environmental legislation (environmental harm, noise pollution, risks of interference with contaminated areas, risks connected to construction and excavation, waste disposal and water management), and non-compliance with occupational health and safety, accidents and occupational illnesses.

SUPPLY CHAIN AND SUBCONTRACTING

Risks related to the conduct of suppliers and subcontractors and lack adequacy of assessment processes for supplier practices, with particular reference to occupational health and safety topics, respect for human rights, compliance with environmental regulations and corruption.

HUMAN CAPITAL MANAGEMENT

Risks related to the inadequate management of processes to attract, recruit, develop, motivate and retain key positions within the Group.

Further sustainability risks identified relate to economic, political and social risks in the countries the Group operates in, and to Not In My Back Yard (NIMBY) campaigns, in which local communities or trade associations contest the building of large infrastructure projects.



IMPACT MEASUREMENT

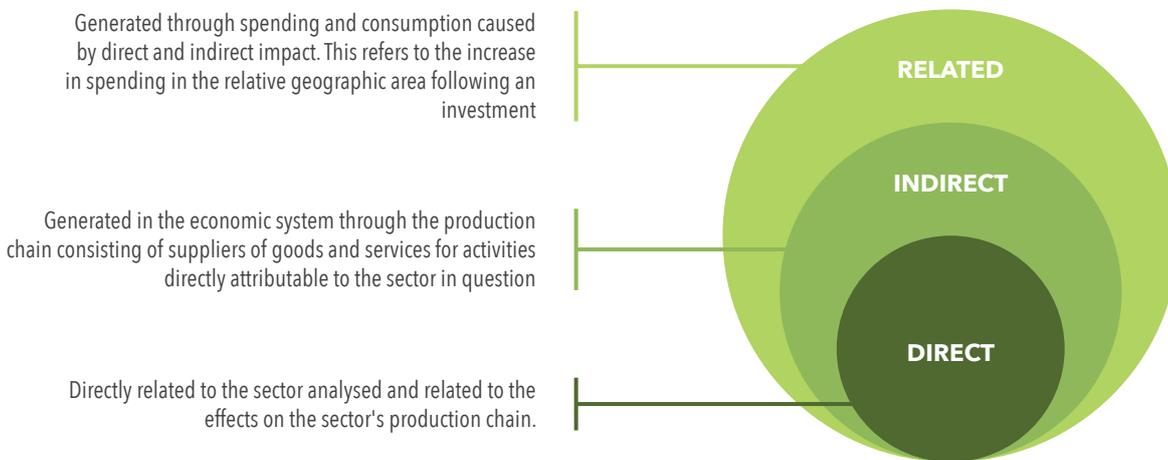
A recent study by the ANCE's (National Association of Building Constructors) Economic Affairs Department and Research Centre reveals the long and complex supply chain in the Italian construction sector and the low rate of imports throughout the production process.

The Italian construction sector buys goods and services from 88% of economic sectors (31 out of 36 economic sectors are construction suppliers). Just 4.2% of purchases are imported, meaning 95.8% are produced domestically.³

This is why the construction sector is the most important in mobilising Italy's economy. With this in mind, the Group has decided to quantify its direct, indirect and related contributions by developing a calculation model.

The estimate of the economic impact makes it possible to measure the incremental wealth generated by an investment in the relative sector and therefore relate the business activity to other economic variables such as GDP and employment.

³ Source: "The construction industry: structure, sector interdependence and economic growth" by the Economic Affairs Department and Research Centre, ANCE



The analysis is based on an input-output model⁴ that, by statistically analysing the interactions between a country's industries, makes it possible to further understand the economic context in which a business operates.

Basically, an input-output model shows all the sector interdependence in an area, and is a two-way matrix representing production of and demand for goods and services in a given economic sector.

By using this model, it is possible to estimate "indirect" multipliers, i.e. the multipliers which make it possible to represent the economic value generated by the Group and distributed to the economic system thanks to interaction with other companies in the local area, as well as the "related" multipliers that reflect the effect generated by the spending of households to whom the Group distributes wealth. As regards the Itinera Group, the analysis shows the in-

⁴ Model developed by the world-famous economist and scientist Leontief, winner of the Nobel Prize in Economics in 1973 and inventor of the input-output system.



direct and related contribution to national GDP and employment,⁵ starting from the economic value generated and distributed in 2018 ("Direct contribution").

The results show how the Itinera Group and its activities make a significant contribution to creating economic value and jobs in the area where it operates.

In particular, with an added value of EUR 615 million (for more information see the section "Economic value generated and

distributed"), an overall contribution of around EUR 2.3 billion is made ("Direct, indirect and related contribution").

The overall effect of indirect and related employment multipliers on creating new jobs was estimated as equivalent to **approximately 42,000 workers**.

This value includes direct employees of the Group and the effect on indirect and related employment generated by the latter.



⁵ As regards activities carried out by the Group in the world, apart from the United States, the multipliers have been estimated using the input-output methodology for tables with data on resources and uses in Italy, prepared by ISTAT for 2010 as amended (<https://www.istat.it/it/archivio/195028>) referring to 63 production sectors (NACE63). As regards activities carried out by the Group in the United States, through the subsidiary Halmar International LLC, the reference multipliers indicated by the International Labour Organization, in the publication "The role of construction as an employment provider: a worldwide input-output analysis", ILO, 2015, were used. The data in this section of the Report is the result of combining these methodologies, to guarantee a more accurate representation of direct, indirect and related impacts of Itinera Group activities and operations around the world.



People

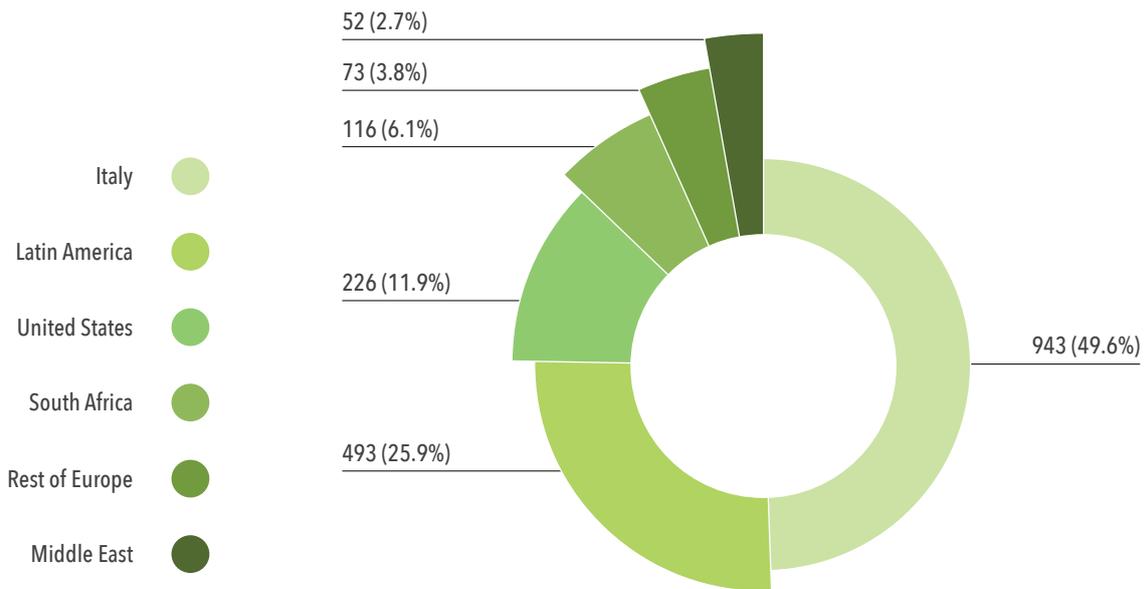


OUR PEOPLE

Itinera ensures that its human resources match the profiles it needs, avoiding nepotism and favouritism of any kind. It pursues a policy that recognises merit, with respect for equal opportunities.

Code of Ethics and Conduct

GROUP EMPLOYEES BY GEOGRAPHIC AREA



Itinera considers people the most important resource for creating value within an organisation, as well as a fundamental factor in its success. It promotes stable and long-lasting working relationships, encouraging part-time and flexible arrangements that may require greater flexibility and dynamism the part of its employees.

The Group ensures that human resources meet profiles which actually match compa-

ny needs, avoiding favouritism of any kind, and pursues a policy that recognises merit and ensures inclusion.

In 2018, 47 employees were on part-time contracts, representing 2% of the total. The number of part-time contracts is lightly weighted in favour of women (62%). The low number of part-time contracts relative to the total can be attributed to the particular nature of the Group's business.

The Group's overall workforce at 31 December 2018 was 5,585 people, of whom 1,903 were employees and 3,682 were other collaborators.

The increase in the number of employees over the previous year is mainly due to changes in the scope of consolidation and, in particular, to the consolidation of data on the Halmar Group (226), joint operations

(621), SEA Segnaletica Stradale S.p.A. (76) and the merger by incorporation of Interstrade S.p.A. (112) with Itinera S.p.A.

The item "Other collaborators" mainly includes temporary workers deployed at operating sites abroad, of whom 98% for the Itinera/Ghantoot joint operation (3,606), set up for the development of the Reem Mall in Abu Dhabi.

EMPLOYEES AND OTHER COLLABORATORS BY GENDER

NO. OF PEOPLE	AT 31 DECEMBER 2017			AT 31 DECEMBER 2018		
	Men	Women	Total	Men	Women	Total
Employees	626	74	700	1,694	209	1,903
<i>of which joint operations</i>	-	-	-	560	61	621
Other collaborators	-	-	-	3,666	16	3,682
<i>of which joint operations</i>	-	-	-	3,665	16	3,681
Total	626	74	700	5,360	225	5,585

GROUP EMPLOYEES BY GENDER AND TYPE OF CONTRACT (FULL-TIME, PART-TIME)

NO. OF PEOPLE	AT 31 DECEMBER 2017			AT 31 DECEMBER 2018		
	Men	Women	Total	Men	Women	Total
Full-time	622	63	685	1,676	180	1,856
Part-time	4	11	15	18	29	47
Total	626	74	700	1,694	209	1,903
<i>of which joint operations</i>	-	-	-	560	61	621

As proof of the Group's commitment to promoting stable, long-lasting working relationships, 89% of employees have a permanent contract.

GROUP EMPLOYEES BY GENDER AND TYPE OF CONTRACT (PERMANENT, TEMPORARY)

NO. OF PEOPLE	AT 31 DECEMBER 2017			AT 31 DECEMBER 2018		
	Men	Women	Total	Men	Women	Total
Temporary	7	1	8	144	58	202
Permanent	619	73	692	1,550	151	1,701
Total	626	74	700	1,694	209	1,903
<i>of which joint operations</i>	-	-	-	560	61	621

The Itinera Group operates in a range of geographical locations. In Italy it has: 906 permanent and 37 temporary employees; In Latin America: 477 permanent and 16 temporary; In the United States: 225 permanent and one temporary; In Europe: 41 permanent and 32 temporary; In South Africa: 116 permanent; In the Middle East: 52 permanent.

With a view to efficient management of human resources, the Group prioritises local candidates from areas where it operates, if they meet the professional profiles necessary for it to achieve its objectives. In doing so, Itinera boosts employment in the areas where it operates.

In 2018, 100% of Group executives were working in their home country.

In 2018, 1,362 people joined the Itinera Group, with a turnover rate (new hires) of 71.57%.

Specifically, in Italy, the number of new hires in 2018 amounted to 326, and was 76 in the Rest of Europe, 552 in Latin America, 66 in the Middle East, 116 in South Africa and 226 in the United States. The turnover rate for new hires at 31 December 2018 was 35% in Italy, 104% in the Rest of Europe, 112% in Latin America, 127% in the Middle East and 100% in the United States and South Africa.

NEW HIRES BY GENDER AND AGE GROUP

GENDER	AGE	2017		2018	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30 years	0	n.a.	37	100.00%
	30-50 years	1	n.a.	83	61.94%
	>50 years	1	n.a.	22	57.89%
Total women		2	2.70%	142	67.94%
Men	<30 years	1	n.a.	232	104.04%
	30-50 years	23	n.a.	658	78.24%
	>50 years	21	n.a.	330	52.38%
Total men		45	7.19%	1,120	72.02%
Total		47	6.71%	1,362	71.57%

The turnover rate (leavers) at 31 December 2018 was equal to 8.36%. During the year, a total of 159 people - 7 women and 152 men - left the company.

Leavers in Italy amounted to 77, in the Rest of Europe 3, in Latin America 65 and in the

Middle East 14.

The outgoing turnover rate at 31 December 2018 amounted to 8% in Italy, 4% in the Rest of Europe, 13% in Latin America and 27% in the Middle East.

LEAVERS BY GENDER AND AGE GROUP

GENDER	AGE	2017		2018	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30	-	n.a.	1	2.70%
	30-50	1	n.a.	3	2.24%
	>50	1	n.a.	3	7.89%
Total women		2	2.70%	7	3.35%
Men	<30	2	n.a.	13	5.83%
	30-50	35	n.a.	84	9.99%
	>50	53	n.a.	55	8.73%
Total men		90	14.38%	152	8.97%
Total		92	13.14%	159	8.36%

DIVERSITY AND INCLUSION

Itinera acknowledges that people are the most important resource for carrying out its operations, and guarantees equal opportunities in each stage of employment, from recruitment to assigning roles, professional growth and the end-of-career phase, avoiding any form of employment discrimination, and recognises the diversity of its employees as a success factor and values their experience, capabilities and qualities, on a daily basis. The value of diversity in the company means encouraging everyone to express themselves freely, to realise their own potential.

Itinera has adopted its own Diversity and

Inclusion Policy. In line with the principles set out in the Code of Ethics and Conduct adopted by the Company, this Policy requires employees to adopt a conduct that respects the rights and individual nature of colleagues, collaborators and third parties, regardless of their hierarchical position within the Group.

54% of employees are manual workers, over 34% office workers, 8% middle managers and 4% executives.

In 2018, 11% of employees were female. This figure is justified by the strong male connotation of the Group's business.

GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND GENDER

NO. OF PEOPLE	AT 31 DECEMBER 2017			AT 31 DECEMBER 2018		
	Men	Women	Total	Men	Women	Total
Executives	39	3	42	76	6	82
Middle managers	48	4	52	136	11	147
Office workers	208	66	274	479	162	641
Manual workers	331	1	332	1,003	30	1,033
Total	626	74	700	1,694	209	1,903
<i>of which joint operations</i>	-	-	-	560	61	621

Over 50% of employees are in the 30-50 age group, 14% in the under-30 group and 35% in the over-50 group.

GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND AGE GROUP

NO. OF PEOPLE	31 DECEMBER 2017				31 DECEMBER 2018			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	-	11	31	42	-	23	59	82
Middle managers	-	26	26	52	1	84	62	147
Office workers	2	176	96	274	109	365	167	641
Manual workers	3	132	197	332	150	503	380	1,033
Total	5	345	350	700	260	975	668	1,903
<i>of which joint operations</i>	-	-	-	-	177	358	86	621

At 31 December 2018, the Group had 22 employees in protected categories, of whom five were women and 17 men.

AGE AND LENGTH OF SERVICE

98% of employees have been with the group for more than 5 years, 66% for more than 10

years, 52% between 10 and 29 years, and 13% for more than 30 years.

These figures confirm the Group's commitment to long-lasting, solid relationships and to investing in human resources.



HUMAN CAPITAL MANAGEMENT AND DEVELOPMENT

Itinera places the utmost attention on ongoing training at all levels, and is committed to providing training programmes to consolidate the professional and managerial skills of its employees.

Itinera's Management Systems Department reviews the quality, environmental and safety training needs of all its personnel on a regular basis (at least every six months). It then prepares the training plan which is approved by the Human Resources and Organisation Department. The training plan is usually issued annually and updated based on new needs. Training may include theoretical, practical, qualification and refresher courses.

As a member of the Fondimpresa training fund, Itinera provided training in 2018,

with classroom sessions and practical tests on "specific operating machines" using the company's fleet of equipment.

In particular, a course on "BIM" (Building

Information Modeling) began in October 2018, involving 12 specialised employees, for a total of 1,152 hours. The goals of the training are to improve the professional expertise of technicians in the field of building and construction industry digitalisation, in an increasingly competitive national and international context.

The training actions included in the Plan, although not mandatory, will focus on building up skills and competencies required in project management, from planning to revision and maintenance in the field of architecture, and structural and plant engineering.

During 2018, the Group provided a total of 40,007 training hours for employees and other collaborators, of which around 90% focussed on specific health and safety training programmes. Training increased considerably compared to the previous year, when a total of 5,594 hours of training were delivered.



HOURS OF TOTAL AND PER CAPITA TRAINING FOR GROUP EMPLOYEES AND OTHER COLLABORATORS BY EMPLOYMENT CATEGORY AND GENDER

	2018					
	MEN		WOMEN		TOTAL	
	Training hours	Per capita	Training hours	Per capita	Training hours	Per capita
Executives	90	1.2	34	5.7	124	1.5
Middle managers	129	0.9	61	5.5	190	1.3
Office workers	1,428	3.0	628	3,9	2,056	3.2
Manual workers	37,376	8.0	261	5.7	37,637	8.0
Total	39,023	7.3	984	4.4	40,007	7.2

IMPLEMENTATION OF BIM SKILLS IN THE COMPANY

Our determination to become even more competitive on the Italian and international market, led to the start of a broad-reaching training programme in 2018 for various company departments on the advanced use of software for architectural and infrastructural modelling and clash detection, on BIM Management and relative regulations.

Starting from a map of company processes and the preparation of a BIM Introduction Plan dedicated to Itinera, a procedure was coded to implement company competencies for the pilot group.

Progress made in training delivered in the classroom and in the field for the actual development of contracts and various projects addressed in studies of new tender procedures, are enabling resources in the technical department and work site technical assistance to gain new skills necessary to adopt the level of company BIM maturity.

So the training not only aims to improve the use of software and transfer this new operating approach to the entire technical structure, but also has a further three goals: producing company BIM guidelines (with templates and best practices), that will be included in company procedures, certifying company employees as BIM Specialists, BIM Coordinators and BIM Managers, and certifying the company itself as a BIM operator.

REMUNERATION AND BENEFITS

Itinera strongly believes in meritocracy as a fundamental criterion of career development and personnel appraisal.

To this end, the Group values the pursuit and attainment of company objectives, with its variable incentive system that rewards individual and group performance connected with its business strategy. This system (MBO) establishes objectives to be achieved and rewards individual performance, valuing a sense of belonging to the Group and the contribution of each person in developing its strategy.

The National Collective Bargaining Agreement for staff of Industrial Construction Companies and Similar require registration with the Construction Workers Fund. This Fund is a joint association bringing together workers' trade unions and employers, set up under collective bargaining for construction industry workers, providing benefits and allowances.

Under Legislative Decree 276/2003 as amended, the Fund has public functions, such as the certification of welfare contributions paid by its member companies.

The remuneration system aims to value competencies and recognise the commitment and merit of each collaborator within the Group. Salary policies, based on fairness and transparency, are intended to attract and value new professional resources, and are configured to increase collaborators' sense of belonging.

The alignment of staff interests with the Group's objectives and strategies, which must coincide with a view to creating sustainable value in the long term, is therefore fundamental.

The ratio between the basic salary of men and women is higher than 1 for middle and executives and just under 1 for office workers and manual workers.

RATIO BETWEEN THE BASIC SALARY OF WOMEN AND MEN BY EMPLOYMENT CATEGORY

AVERAGE BASIC SALARY	AT 31 DECEMBER 2017	AT 31 DECEMBER 2018
	Ratio of women/men	Ratio of women/men
Executives	2.00	0.72
Middle managers	0.96	1.11
Office workers	0.71	0.87
Manual workers	-	0.87
Total	1.76	1.06

The ratio between the remuneration of men and women is under 1 for manual workers, office workers and executives, and above 1 for middle managers.

RATIO BETWEEN THE REMUNERATION OF WOMEN AND MEN BY EMPLOYMENT CATEGORY

REMUNERATION	AT 31 DECEMBER 2018
	Ratio of women/men
Executives	0.91
Middle managers	1.08
Office workers	0.79
Manual workers	0.77
Total	1.02

INDUSTRIAL RELATIONS

Italian Law 300/70 (Workers' Statute) which forms the basis for all labour laws and national and local bargaining agreements, and for all trade union negotiations, is the reference legal framework for Italian companies of the Itinera Group to manage industrial relations. Companies acknowledge that the trade union organisations who are signatories of the national collective bargaining agreement are the "natural" parties to deal and negotiate with as regards financial and legal aspects of redundancy procedures.

Industrial relations therefore play an important role in human resources management, also considering the ramifications at a geographic level of the Group's operations in Italy and other countries.

As part of its strategies, which target growth and the optimisation of work including safety and quality levels in human resources management, Itinera Group companies focus first and foremost on empowering work, professional qualifications and improving employee satisfaction levels as part of provisions established by law and



JOINTLY: SHARED WELFARE

The Group, with the support of Jointly, a company specialising in the welfare sector, in association with Sacro Cuore University, Milano, oversaw an important and unique Stakeholder engagement initiative in 2018 for its employees, to understand their needs and expectations, in support of the profound change management process of the Group in recent years.

The results show that the organisation has experienced the transition in recent years from a consolidated tradition more related to being a "family-run" businesses to having a new managerial approach, increasingly targeting the international business dimension. As a consequence, new standard cultural references to identify with are being pursued.

In this context, initiatives dedicated to employees promote the recognition of an identity anchored to values of safety and quality, delivering benefits to the organisation in terms of productivity and empowering human resources.

Initiatives for employees, which also come under welfare and/or organisational well-being, are strategically important as support for the change management, and represent an opportunity to lever, in this stage accompanying people

through the change.

A survey was conducted addressing three areas: (i) the sense of belonging to the Group (ii) welfare initiative priorities, and (iii) knowledge of the Group's Sustainability Report.

A two-fold approach was used, with a qualitative part, in which three focus groups representing all professional families of the company' workforce were interviewed, and a quantitative survey given to all employees.

The survey was held over 5 months, and important feedback was provided confirming the strong sense of pride and belonging of employees.

In conclusion, investing in people and workers forms the basis of our sustainability project and this project - with its different interpretations and actions - enables us to promote a new process of identity recognition and take on a central role in the company's organisational model. We want to keep investing in our most important resource - people.

by contracts. The involvement of trade unions in an industrial relations system that is more functional to achieving results for both companies and employees is strategic to reach objectives.

This approach includes advance bargaining, which is suitable for works of a considerable commitment and amounts, in order to correctly manage resources during the start-up stages and when completing works at the work site, including the management of temporary resources that cannot be re-allocated to other positions.

Industrial relations also cover all bargaining, which is often shared, for the professional training of resources, involving both trade union representatives and workers in order to maintain high professional standards. The Fondimpresa/Fondirigenti train-

ing fund is a valid tool in preparing training programmes and in providing supplementary funding for training costs.

Within Italian companies in the Group, 100% of employees are covered by collective bargaining agreements.

Regarding staff employed abroad, local regulations concerning industrial relations, salaries, insurance and welfare are complied with in full, in accordance with laws in effect in countries where the Group operates.

HEALTH AND SAFETY

The data in this section include figures for Interstrade S.p.A. with reference to the period from 4 July (data when Itinera S.p.A. gained control) to 31 December 2018.

Itinera also considers it of primary importance to safeguard the health and safety of workers, aiming to comply with applicable legal requirements and continually improve working conditions. Itinera's Occupational Health and Safety Management System, which monitors and manages health and safety aspects of workers, was certified to BS OHSAS 18001:2007. Moreover, Itinera has established an Integrated Quality, Environment, Safety, Risk Management, Sustainability and Social Responsibility Policy as a means of and strategy for pursuing its objectives of minimising or monitoring health and safety risks, in order to protect its workers and sub-suppliers, and guarantee a safe working environment.

Itinera is committed to disseminating a safety culture among its staff, both within the company and with parties it does business with, promoting a responsible conduct and assessing risk and hazard situations.

In the construction sector, workers' health and safety is particularly important and managed through the internal organisation of work sites and production units, with the clear assignment of roles and responsibilities.

During 2018, 29 accidents were reported, mostly occurring in the workplace, which is slightly down on the figure from the previous year, of a total of 30 accidents.

The data below refer to the Itinera Group's entire work force, and therefore include other collaborators such as trainees and outsourcers.

ACCIDENTS AND OCCUPATIONAL DISEASES INVOLVING GROUP EMPLOYEES BY GENDER

NO. OF CASES	2017			2018		
	Men	Women	Total	Men	Women	Total
Occupational diseases	2	-	2	3	-	3
Accidents	30	-	30	29	-	29
of which fatal	-	-	-	1	-	1

With reference to the single fatality reported, the dynamics refer to an accident in which the operator was hit by a vehicle driven by a user, while signalling to vehicles transiting along the route where maintenance works were ongoing.

The reconstruction of the accident seems to exclude any liability for the company's or operator's failure to observe occupational safety regulations. Therefore, it may be reasonably considered that the employee's death is due solely to an external cause, not attributable to incompetence or imprudent behaviour in the workplace.

TYPE OF ACCIDENTS INVOLVING GROUP EMPLOYEES BY GENDER

NO. OF CASES	2017			2018		
	Men	Women	Total	Men	Women	Total
Workplace accidents	24	-	24	25	-	25
Accidents while travelling to and from work	6	-	6	4	-	4
Total	30	-	30	29	-	29
<i>of which joint operations</i>	-	-	-	3	-	3

ABSENCE AND LOST DAYS OF GROUP EMPLOYEES BY GENDER

NO. OF DAYS	2017			2018		
	Men	Women	Total	Men	Women	Total
Absence ⁶	8,047	198	8,245	12,531	494	13,025
Lost days ⁷	902	27	929	971	4	975

⁶ Absence means days when the worker was absent, not only due to illness or an accident. Days of absence do not include agreed on leave such as holidays, study leave, maternity or paternity leave.

⁷ Lost days mean days when work was not carried out due to the worker not being able to carry out his/her usual work because of an accident in the work place or an occupational disease. Resuming work with limited or alternative duties carried out for the same organisation is not considered a lost day.

GROUP EMPLOYEE HEALTH AND SAFETY INDICATORS BY GENDER

	2017			2018		
	Men	Women	Total	Men	Women	Total
Lost day rate ⁸	0.81	0.22	0.76	0.43	0.01	0.38
Occupational disease rate ⁹	0.36	-	0.33	0.27	-	0.24
Absentee rate ¹⁰	5.80	1.34	5.37	4.07	1.33	3.77
Injury rate ¹¹	27.34	-	24.72	13.08	-	11.59
Injury rate of other collaborators ¹¹	-	-	-	0.33	-	0.32
Injury rate of other collaborators ¹¹	27.34	-	24.72	3.65	-	3.52

⁸ The lost day rate for accidents is the ratio between the total number of lost days through accidents and the total number of hours that could be worked in the same period, multiplied by 1,000.

As provided for by the method to calculate the indicator 403-2 (2016), the lost day rate is calculated excluding lost days due to fatal injuries.

⁹ The occupational disease rate is the ratio between the total number of cases of occupational disease and the total of hours worked in the same period, multiplied by 200,000.

¹⁰ The absentee rate is the ratio between the total number of days' absence and the total number of hours that could be worked in the same period, multiplied by 100.

¹¹ The injury rate is the ratio between the total number of accidents and the total number of hours that could be worked in the same period, multiplied by 1,000,000.

The injury rate figures have been presented to facilitate understanding, considering the consolidation of data from joint operations, with particular reference to the number of staff, which is significant.

The Group's health and safety indices have improved in general.

During 2018, two accidents occurred among Group collaborators.

WORK SITE SAFETY

Itinera has developed and gradually adopted an Integrated Management system in accordance with ISO 9001, ISO 14001, OHSAS 18001, SA8000 and ISO 31000, with a specific focus on controlling safety at all operating sites (work sites, head offices, warehouses and plants). Further improvements to performance were made, also thanks to experience gained recently including inter-

national contracts with high standards, such as the Reem Mall in Abu-Dhabi and the Storstrøm Bridge in Denmark.

Moreover, the Management Systems Department conducts inspections of operating areas, on a regular basis, in order to analyse the implementation and application status of the Management System, as well as the implementation status of actions to manage non-conformities. These inspections are an important opportunity to benchmark and dialogue with various operating scenarios. The results of these audits are recorded in audit reports and system records, and any findings (non-conformities, observations and comments) are managed through documented action plans.





Environment

ENVIRONMENTAL ISSUES MANAGEMENT

Itinera promotes respect for the environment, considering it as a qualifying and rewarding part of each type of activity and is fully committed to an approach based on the correct use of natural resources and safeguarding the territory.

For this purpose, as part of the management of its operations and with a view to continual improvement, the Company has adopted an Integrated Quality, Environmental and Safety Management System conforming to the international standards ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. The Company's commitment to adopting this Integrated Management System is reflected in its integrated Policy adopted since August 2015; in particular, as part of the management of environmental topics, it considers the following as company priorities, equal with the production process:

- Improving environmental performance, with particular attention to reducing wasted resources, managing waste and terrain and rocks from excavations, assessing the feasibility of environmentally friendly projects and supplies of goods and services that meet sustainability requirements.
- Promoting and disseminating to all Itinera personnel, suppliers and other parties concerned, values geared towards

clear, impartial risk management, social accountability, environmental protection and safeguarding workers' health and safety.

The Integrated Management System therefore makes it possible to minimise the negative impact company operations may have on the environment, and guarantees that all requirements of applicable health, safety and environmental legislation are identified and assessed, and that all necessary actions are taken to guarantee the legal compliance of all operating units.

During 2017, Itinera managed and solved one claim concerning environmental impact due to the incorrect management of sorted waste at its Tortona site.

In 2018, no breaches of laws, regulations or voluntary environmental codes were identified.

The general increase in figures compared to the previous year is due to the start up of numerous work sites during 2018, both in Italy and other countries, and to changes in the scope of consolidation, particularly referring to the consolidation of data from the Halmar Group, joint operations, SEA Segnaletica Stradale S.p.A. and the merger by absorption of Interstrade S.p.A. with Itinera S.p.A.

ENERGY CONSUMPTION

As part of energy resource management, Itinera is committed to improving the energy efficiency of all Group operations.

A company unit dedicated to Energy Use and Procurement has been set up, coordinating the activities of function managers of individual subsidiaries, defining a dedicated work team.

In 2018, the energy use of the Itinera Group totalled 313 thousand GJ, up on figures for 2017.

In particular, natural gas consumption at 31 December 2018 was equal to 46,175 GJ,

up considerably compared to the previous year, due to the acquisition of bituminous mixes of Interstrade, which was merged by absorption with Itinera S.p.A. in November 2018.

In 2018, consumption of LPG (which was zero in 2017), amounted to 19,947 GJ, as an LPG plant of Interstrade (at Borghetto di Vara, in the province of La Spezia) was added to the scope of consolidation.

Moreover heating fuel consumption amounted to 2,962 GJ, diesel fuel to 135,452 GJ, fuel oil 29,972 GJ, petrol 30,724 GJ and electricity to 48,482 GJ.

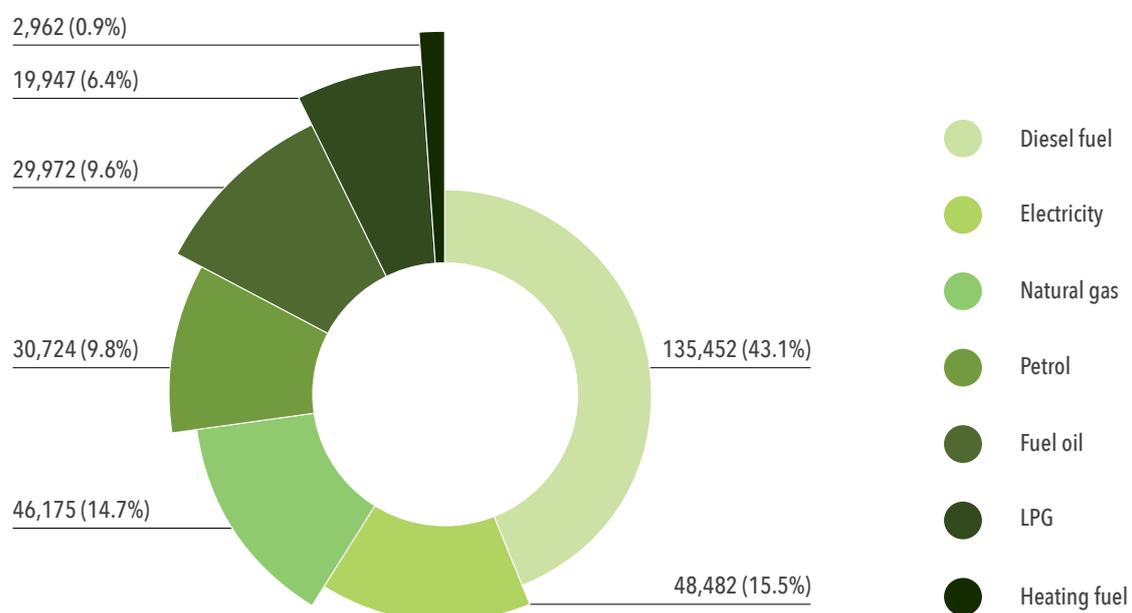
ENERGY CONSUMPTION OF THE ITINERA GROUP

SOURCE	2017	2018
	Total	Total
Natural gas (m ³ /000)	125	1,281
Heating fuel (l/000)	-	81
Diesel fuel (l/000)	2,499	3,852
Fuel oil (l/000)	320	852
Petrol (l/000)	5	938
Electricity (kWh/000)*	2,986	13,467
of which purchased	2,985	9,943
of which from photovoltaics	-	48
LPG (l/000)	-	840

Data on electricity consumption also include self-produced energy; for this reason, the total of electricity is not the result of the sum of "of which".

ENERGY CONSUMPTION OF THE ITINERA GROUP BY SOURCE

(figures in GJ)



EMISSIONS

¹²Scope 1 (direct emissions): this category includes emissions from own sources or sources controlled by the organisation

¹³Scope 2 (indirect emissions): this category includes emissions inferred from electricity use. Scope 2 emissions are expressed in tonnes of CO₂, but the percentage of natural gas and nitrous oxide had a negligible effect on total greenhouse gas emissions (CO₂ equivalent) as may be inferred from the technical literature.

¹⁴Data on emissions for 2017 were restated based on the emission factors used for 2018.

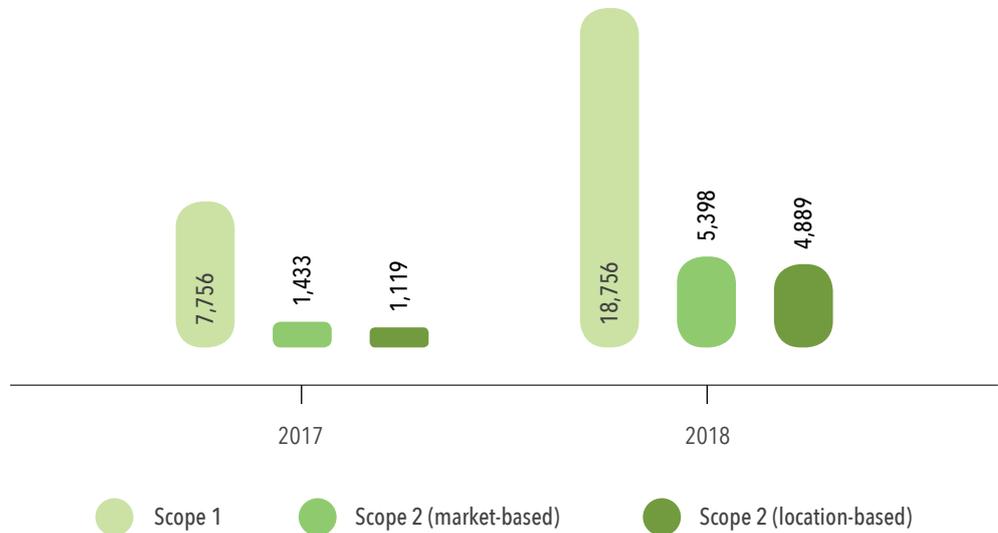
CO₂e emissions are mainly from the consumption of diesel fuel and electricity. However CO₂e emissions from natural gas show a gradual decrease.

Energy consumption figures for countries outside Italy mainly refer to electricity (Botswana).

In 2018, direct emissions (Scope 1 12) were equal to 18,756 tonnes of CO₂e, while indirect emissions (Scope 2 13) were equal to 5,398 tonnes of CO₂ (market based) and 4,889 tonnes of CO₂ (location based).

Emissions were up considerably compared to 2017,¹⁴ following the increase in consumption and purchase of Interstrade vehicles.

TOTAL DIRECT EMISSIONS (SCOPE 1) [CO₂e] AND INDIRECT (SCOPE 2) [tCO₂]



Source of conversion factors used: DEFRA 2018

Source of emission factors used: TERNA 2015 and AIB 2017

WATER CONSUMPTION

The Group recognises the value of natural resources, monitoring its operations with a view to reducing its use of water.

In 2018, Itinera Group companies used approximately 156 thousand m³ of water, of which 36% at the Reem Mall work site in Abu Dhabi, where water is sent by tanker.



WATER CONSUMPTION OF THE ITINERA GROUP

(figures in m³)

	Volume	Volume
	2017	2018
Water mains	15,717	83,071
Withdrawal from rivers	15,000	7,610
Withdrawal from the aquifer	4,320	9,558
Withdrawal from tanks	-	56,456
Total water	35,037	156,695
<i>of which joint operations</i>	-	80,807

WASTE

The importance given by the Group to environmental protection, in line with its statement in the Integrated Policy, is also reflected in its commitment to recycling the waste it produces, where possible, or to correctly disposing of remaining waste at the most suitable sites.

Based on the adoption of the Integrated Management System, it was possible to assess the qualitative and quantitative aspects of waste produced at registered local units, during the year. The results confirm Itinera's continual efforts to reduce the amount of waste year on year, despite an increase in work sites and the inclusion of Interstrade.

In 2018, the Group produced a total of 292,099 tons of waste, a figure down on the previous year (306,757 tons at 31 December 2017). Nearly all waste (99.9%) is non-hazardous, and most hazardous waste (210 tons) is from the work site in Botswana.

As regards the Group's fleet of vehicles, oil leaks due to failure are minimised by a specific, scheduled maintenance programme. A better management of vehicles and equipment also makes it possible to reduce CO₂ emissions.

GROUP WASTE BY DISPOSAL METHOD

(figures in tonnes)

DISPOSAL METHOD	2017				2018			
	Hazardous	Non-hazardous	Total	Total (%)	Hazardous	Non-hazardous	Total	Total (%)
Reuse	-	46,679	46,679	15.2%	5	117,730	117,735	40.3%
Recycling	10	259,774	259,783	84.7%	12	169,771	169,783	58.1%
Incineration	-	-	-	0.0%	0	1,190	1,190	0.4%
Landfill	31	263	294	0.1%	11	2,049	2,060	0.7%
Other	-	-	-	0.0%	210	1,121	1,331	0.5%
Total	41	306,716	306,757	100.0%	238	291,861	292,099	100.0%
<i>of which joint operations</i>	-	-	-	-	214	21,203	21,417	-

NOISE MANAGEMENT

The Group recognises the importance of noise management as regards its own business operations, taking initiatives to reduce noise if there is a risk of disturbing the local community, mainly as regards the work site location.

The main measures taken concern noise abatement, in areas with a greater acoustic

impact, to limit (peak and continual) values of emission to sensitive receptors.

In residential areas, noise abatement plans are produced, with sound level analyses, and if necessary due to the complexity of operations, a specific application for authorisation is made for areas classified as being more sensitive in the acoustic zoning plan.

PROTECTION OF THE LOCAL AREA, REDUCTION IN LAND USE AND PROTECTION OF BIODIVERSITY

As regards environmental protection, the Group is committed to valuing and protecting the territory, which is considered as an asset of society, and to respecting the surrounding environment in all its forms, adopting an ethical, integral approach to its activities to develop motorway infrastructure.

All activities require a risk assessment of the environmental impact (geomorphological, hydraulic, hydro-geological, acoustic, atmospheric). This assessment guides the

planning and definition of projects, as well as environmental monitoring during the construction stage.

During the construction and operating stages, impact on the local area and mitigation actions adopted are controlled, through the environmental monitoring activities planned in Environmental Monitoring Projects, in keeping with the Group's integrated health, safety and environment system.

ITINERA'S PROCEDURE FOR MANAGING NOISE WITH AN EXTERNAL IMPACT

Itinera's Integrated Management System includes an operating procedure for noise management. The aim of this procedure is to establish the operating modes and responsibilities for managing and monitoring sources of noise with an external impact.

The procedure, which applies to fixed and mobile sources of noise at temporary and mobile work sites, governs activities to control noise emissions and ensure that the limits of applicable laws are met, while guaranteeing that environmental objectives and goals are achieved.

In operating terms, a noise survey is the main way to measure acoustic impact at the work site.

This survey is carried out by an expert technician to characterise the work site in terms of noise. Measurements are taken at regular intervals while works are being carried out to ensure compliance with applicable laws and regulations.

Numerous factors have an impact on the sound emissions of a work site (the type of activity, weather conditions, external noise, etc.), and these must be appropriately considered during the survey.



LAND REMEDIATED AND IN NEED OF REMEDIATION FOR THE EXISTING OR INTENDED LAND USE, ACCORDING TO APPLICABLE LAND DESIGNATIONS

During the January-December 2018 reporting period, remediation was recorded, covering an area of 17,320 m² at the TORINO CERVIT site, due to environmental pollution existing previously or caused by a third party.



MANAGEMENT SYSTEMS

As part of its activities, Itinera has adopted an **Integrated Quality, Environmental and Safety Management System, conforming to UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and BS OHSAS 18001:2017**, adapting it to requirements on corporate social accountability in SA 8000 (Social Accountability), and to UNI ISO 26000 (Guidance on social responsibility) and ISO 31000:2018 (Risk management - Principles and guidelines).

The process to adopt the management system is overseen in line with relative certification standards.

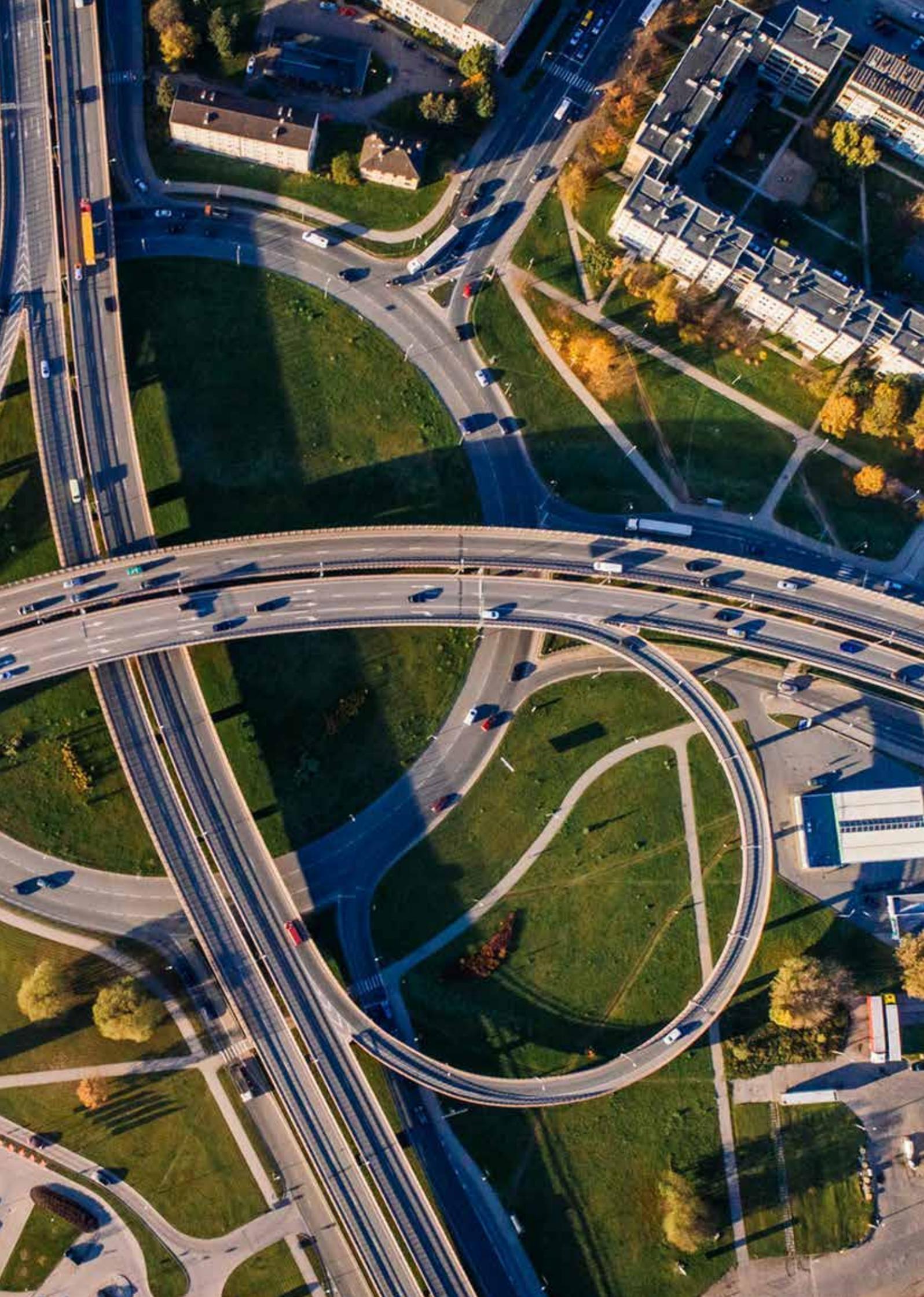
- With the commitment of all its personnel, Itinera has implemented its own **Quality Management System** conforming to **UNI EN ISO 9001:2015** in 2002, which is maintained on an ongoing basis.

- Itinera has been awarded certification for conformity to **BS OHSAS 18001:2007** for its Occupational **Health and Safety** Management System;
- it is certified to **UNI EN ISO 14001:2015** for its **Environmental** Management System.
- it has established a **Social Accountability** System conforming to **SA8000:2014**;
- it has a **Risk Management** System, conforming to **ISO 31000:2018** to consolidate and guide the risk management and decision-making process.

In 2017, Itinera's Abu Dhabi branch also adopted a **Quality, Environmental, Health and Safety Management System** conforming to **ISO 9001:2015, ISO 14001:2015, BS OHSAS 18001:2017 and ISO 31000:2018**.



Supply chain



SUPPLY CHAIN MANAGEMENT

The supply chain has a strategic position in the construction sector.

Supplier selection and management therefore calls for the adoption of procedures and rules to avoid conflicts of interest, even if only potential. In this context, Itinera S.p.A. adopts measures that are consistent with the Group's sustainability policy and principles of being transparent, impartial and fair, in order to establish a sustainable procurement system.

Suppliers' services must guarantee not only necessary quality levels, but also compliance with the best standards regarding human rights, work conditions, workers, ethics and respect for the environment.

Behaviour contrary to these principles which are set out in the Code of Ethics and Conduct, Anti-Corruption Policy, Suppliers' Code of Conduct and Diversity and Inclusion Policy, is considered by the Company

as a serious breach of the supplier's duty based on principles of fairness and good faith in performing the contract, and constitutes just cause for terminating the contract.

In particular, Itinera S.p.A. has recently adopted the Suppliers' Code of Conduct, which sets out the standards of behaviour that suppliers, partners, business agents and distributors shall adopt, as well as the procedures for disseminating the code and recruiting suppliers during the development of a procurement cycle which is sustainable in social, environmental and economic terms.

To promote sustainable procurement during the construction stage, with a particular focus on less waste and the quality of resources, Itinera S.p.A. is committed to replacing, conserving, recycling and reusing materials with a reduced environmental impact, and to using the resources involved in a project's production cycle responsibly and efficiently.

MAIN MATERIALS PURCHASED IN 2018

	UNIT OF MEASUREMENT	QUANTITY
Road barriers	linear metres	17,554
Bitumen	tonnes	3,267
Concrete	cubic metres	34,077
Cement and other binding agents	tonnes	11,100
Chlorides	tonnes	1,826
Bituminous mixes	tonnes	103,681
Iron and steel	kg	13,957,239
Quarry materials	cubic metres	49,632
Prefabricated cement products	cubic metres	1,273
Oil products	litres	23,664,968



OVER 2,700
GROUP SUPPLIERS
ACTIVE IN 2018

During 2018, over 82% of Group purchases were sourced from local suppliers ¹⁵. The chart shows the percentage of local purchases, by geographic area.

¹⁵ As regards so-called Significant Locations of Operations: Italy, Rest of Europe, United States, Latin America, South Africa, Middle East.

LOCAL PURCHASES

(% of expenditure with local suppliers)



SUPPLIER REGISTER

With a view to continually improving company tools, processes and procedures, Itinera S.p.A. has decided to set up an online Supplier Register for the prequalification of its suppliers that provide works and services for a value of more than €10,000.00 per year, as determined by the company.

Itinera S.p.A.'s Supplier Register works based on two separate processes:

- **supplier qualification** by head office personnel (prequalification)
- **monitoring of the qualified supplier** during work site activities, by the Project Manager and relevant Works Directors (direct evaluation - work site feedback) and through specific audits

PREQUALIFICATION

This applies to all procurement processes and all new and customary suppliers of the company, for works and services above the threshold previously indicated, to ensure – through monitoring contractual relations and organisational and technological developments – that the quality required to be an Itinera S.p.A. supplier is maintained.

The decision to set up a qualified Supplier Register meets the need to work with suppliers who are reliable in terms of quality, technical/organisational aspects, and health, safety and environmental protection, who are acceptable for the company based on proven technical/administrative characteristics and who can



guarantee activities and services carried out in compliance with contractual requirements, also thanks to ongoing monitoring that ensures continual improvement of supplier relations.

This activity only concerns companies that provide services of an amount exceeding €10,000 per year.

The aim of the Supplier Register is therefore to provide information and documents that are always up to date and necessary to assess the acceptability of the applicant supplier, constantly monitoring relative information on the supplier's organisation, certification status or conformity of products or services, as well as make comparisons over time with suppliers of similar or equivalent products or services.

For this purpose, all actions to establish a supplier's ability and reliability to provide products or services conforming to contractual and quality requirements, as well as health, safety and environmental criteria, help define the supplier's final qualification.

At the end of each year, a final report is prepared (supplier monitoring report), listing all qualified suppliers.

DIRECT EVALUATION (WORK SITE FEEDBACK)

Supplier evaluation and the monitoring of work site activities were overseen by Work Site Management in 2018, using a hard copy evaluation form compiled and sent by email to the Supplier Register unit, for assessment as indicated in the specific procedure.

Relative feedback was collected in December 2018, following specific training and information initiatives.

During 2019, the process will be digitalised, to update it and make it quicker and easier to use, with the evaluation forms compiled in the software application already used for supplier qualification.

This new procedure for obtaining evaluation forms is considerably better in terms of work quality.

EXTERNAL AUDITS

In 2018, the company carried out six audits on its suppliers (three in Italy and three in other countries), as contractually provided for in a specific company procedure.

The suppliers to audit are selected according to the following criteria:

- the type and critical aspects of the supply;
- work site feedback;
- particular needs, such as the existence of harmful conditions for safety, the environment and quality of supplied products/services or information reported from work sites.

The following types of goods or works are considered as "critical" for the company:

- supplying pre-mixed concrete
- supplying bituminous mixes
- supplying metalwork
- supplying waterproofing systems
- supplying prefabricated items
- hiring operated and unmanned equipment, to supplement services directly provided by the company

The following are also considered "critical":

- international suppliers
- suppliers of works and services of which the contractual amount is over €500,000

The Supplier Register Coordinator - together with the Management Systems Department (USGI) and Technical Department - prepares an annual programme of external audits of suppliers and subcontractors, with the aim of:

- checking the most significant or at-risk suppliers and subcontractors, and suppliers and subcontractors for whom critical aspects have been identified
- effectively and extensively monitoring their supply chain
- promptly identifying and managing risk situations
- mapping suppliers and comparing performance over time

To prepare and conduct external audits, the same rules and procedures for internal audits are adopted (unless otherwise required).

In Italy, the SA8000 procedures, freedom of association and collective bargaining, are adopted, and the specific focus/area of control is included in the Risk Assessment.

EVALUATION OF SUPPLIERS BASED ON SOCIAL AND ENVIRONMENTAL CRITERIA

As regards the construction industry, suppliers are screened - as part of criteria concerning work practices - according to whether activities are to be carried out in Italy/Europe or the rest of the world. For Italy/Europe, documents on personnel to use for activities to carry out are examined beforehand. For non-EU countries, a special focus is also placed

on child labour (as regards subcontractors directly at the work site and external manufacturers of materials which are then used at work sites), and on living conditions at base camps (accommodation, board, leisure and recreational facilities, transport to and from the home country). In the case of suppliers operating at external production units, specific audits may be directly conducted at the units concerned. Lastly, Itinera S.p.A. has adopted a supplier evaluation system based on technical/professional requirements of occupational health and safety laws.

Criteria concerning work practices checked during screening:

Italy/Europe:

- insurance contribution payment records available;
- no previous periods when insurance contribution payments were not paid, and any reasons if applicable;
- any sanctions received pursuant to Law Decree no. 12/2002 as amended by the Jobs Act on undeclared employment;
- any suspension from business activities pursuant to article 14 of Legislative Decree 81/2008; Other countries (in addition):
- observance of the UN convention on the Rights of the Child articles 31 - 40 (for subcontractors directly at the work site and external manufacturers of materials which are then used at work sites)
- an obligation in the contract concerning conditions for personnel at work sites and conditions for personnel working at third-party production units away from the work site



All new suppliers are evaluated based on work practice criteria, with screening based on social security payment records. No payment issues were identified with any new suppliers that were evaluated.

As regards the construction business, Itinera S.p.A. carries out works at work sites for the construction of civil buildings or infrastructure. A considerable number of these sites are managed by third parties in a capacity as subcontractors. When recruiting subcontractors, the characteristics of individual companies in relation to the work to carry out and relevance for environmental issues are normally assessed.

The following, for example, are considered:

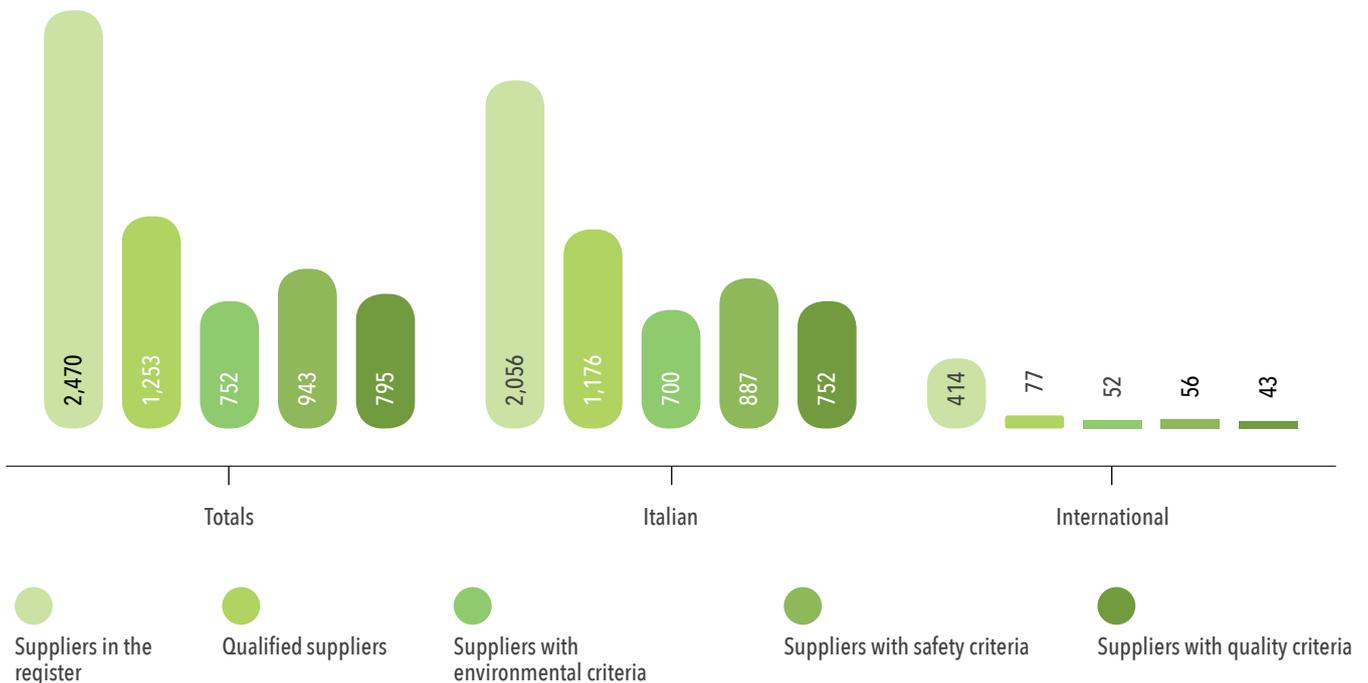
- excavation and earth moving
- environmental clean-ups
- specialist works such as special foundations (piling, jet grouting), waterproofing, road surfacing)

The following environmental criteria are used for screening:

- environmental certification (ISO 14001 or EMAS registration)
- inclusion in registers (e.g. environmental operator register)

Suppliers in the Register, that are qualified and selected according to environmental criteria, i.e. that have ISO 14001 certification or EMAS registration, were assessed.

An overview of Itinera's suppliers for 2018 follows.



SIGNIFICANT ASPECTS CONCERNING WORK IN THE SUPPLY CHAIN AND ACTIONS TAKEN

Itinera S.p.A.'s activities are typically carried out, above all in Italy and Europe, but also in non-European countries, through intensive use of local subcontractors and suppliers. Negative impact, both current and potential, from an improper use of personnel in contracts, but also from the manufacture of materials at third-party production units which are then installed at work sites) is evident and It mainly refers to three areas:

- legal (criminal) and administrative (fines and sanctions) if employees used at the site are not regularly employed
- disturbance at the work site due to possible disorder and/or uprisings
- reputation, in the event that subcontractors using personnel without duly employing them (relations with the client) are discovered, or third-party suppliers exploit the work force (negative publicity)



OPERATIONS AND MAIN SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOUR, FORCED OR COMPULSORY LABOUR

Considering the specific nature of its business and geographic scope of its operations, in the world, the main inherent risks identified for the Itinera Group regarding child and forced labour concern construction sites, with particular reference to the responsible management of the supply chain in Africa and the Middle East. In particular, Itinera requests a statement of compliance with the UN convention on the rights of the child, articles 31-40, in relation to activities and

main suppliers, both Italian and foreign, with a greater risk of the use of child labour. At the Botswana work site, the Human Resources and Health, Safety and Environment departments carry out controls. At the Abu Dhabi work site, work visas are checked before staff can enter the site. As regards activities and main suppliers with a considerable risk of the use of forced or compulsory labour, workers selected on a random basis are interviewed during internal audits on human rights and any unlawful situations, in accordance with requirements of SA8000 and Corporate Social Accountability. Boxes are provided at foreign work sites to post anonymous reporting of any breaches.



OPERATIONS AND SUPPLIERS IN WHICH THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK

Geographic areas considered at risk as regards the right to freedom of association and collective bargaining are located at the Abu Dhabi work sites and at the Botswana bridge (Okavango River, Shakawe). Four audits were conducted at these sites in 2018, in order to check general conditions of the work site conditions and of third-party companies operating there.

At the Abu Dhabi work site, periodic audits are conducted together with the client, at the accommodation sites where the workers of each sub-supplier live, in order to check their living conditions and quality of life, to ensure conformity to

local regulations and adequate standards of hygiene.

In the Reem Mall project in Abu Dhabi, meetings were held at Management level (Agility Fair Labour), together with the client, in order to discuss the following:

- protecting the rights of migrant workers concerning employment
- measures to identify and fight abuse in the workplace, the seizure of passports, the withholding of amounts from salaries
- IT programmes on work ethics
- procedures to report CSR infringements
- control and monitoring systems
- procedures to remedy nonconformities





Human rights



As regards human rights, besides information provided in the section on personnel and the supply chain, Itinera S.p.A. obtained SA8000:2014 certification in 2017 for its activities relative to the construction of buildings, roads and railways.

SA8000 is a social accountability standard which provides a model based on international standards concerning human rights and national labour laws, that protects and helps safeguards all personnel that contribute to activities in a manufacturing company or that provides services for that company, including personnel employed by the company and the personnel of its suppliers/subcontractors, sub-suppliers and home workers. SA8000 is based on International Labour Organization (ILO) conventions, the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child.

It contains nine social requirements related to: child labour; forced labour; occupational health and safety; freedom of association and collective bargaining; discrimination; disciplinary measures; working hours; remuneration; human resources management system.

Itinera recognises and protects the human rights of people along the entire value chain and is continually committed to maintaining a workplace free of any kind of discrimination and that respects the dignity of people.

Itinera adopts policies and actions in compliance with international guidelines such as the Universal Declaration of Human Rights and fundamental conventions of the International Labour Organization (ILO), the ILO Declaration on Fundamental Principles and Rights at Work and subsequent documents, the Guiding Principles on Business and Human Rights of the United Nations, the Principles of the United Nations Global Compact and OECD guidelines for multinationals.

To this end, the Group, in carrying out its operations, avoids any conduct, act or decision that may cause or contribute to causing a negative impact on Human Rights, and promotes the respect of these rights in its relations with employees, contractors, business partners and suppliers. In particular, the Group, its suppliers and lead partners are subject to laws that protect human rights and prohibit the use of child labour and forced labour.



SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACTS THAT INCLUDE CLAUSES ON HUMAN RIGHTS OR THAT ARE SUBJECT TO A RELATIVE ASSESSMENT

Moreover, during 2018, some foreign job orders were

started (for further details, see the section "Focus" in this document), with contracts that have clauses for evaluating the working conditions of staff. In the framework of SA8000 certification, the company guarantees a minimum level as regards employee relations.





Joma



ITINER





Social

DONATIONS AND SPONSORSHIPS

For the Itinera Group, relations with local communities are fundamental for creating value in the long term. This is why the Group promotes initiatives that contribute to the economic, social and cultural development of areas where it operates.

Main activities are carried out involving local communities, based on a relationship of trust and cooperation, contributing directly or indirectly to supporting and/or funding projects and initiatives with a significant impact on the areas where it operates.

The Group's initiatives for the community include:

- Donations: initiatives to occasionally support social, environmental and community organisations through donations (for beneficial purposes and for non-profit associations).
- Community initiatives with a commercial impact: activities carried out by the commercial sector in the local area with a social impact (e.g. events and other activities for the benefit of the community and initiatives supporting scientific research).

commercial sector in the local area with a social impact (e.g. events and other activities for the benefit of the community and initiatives supporting scientific research).

In particular, as regards its international contract, Itinera promoted a number of initiatives to encourage integration at work sites within the relative social context. At the "Reem Mall" work site in Abu-Dhabi, mosques have been built, in respect of the different religious practices of all collaborators. In Denmark, where the Group operates with work sites for the Odense and Koge hospitals, and the new Storstrøm bridge, numerous social activities have been put in place to promote a sense of belonging among staff.

Days have been held involving and engaging with collaborators and their families (for example the "Family Day"). Sports activities have been organised and sport promoted as an educational and social integration facilitator (for example the "Fitness Day").

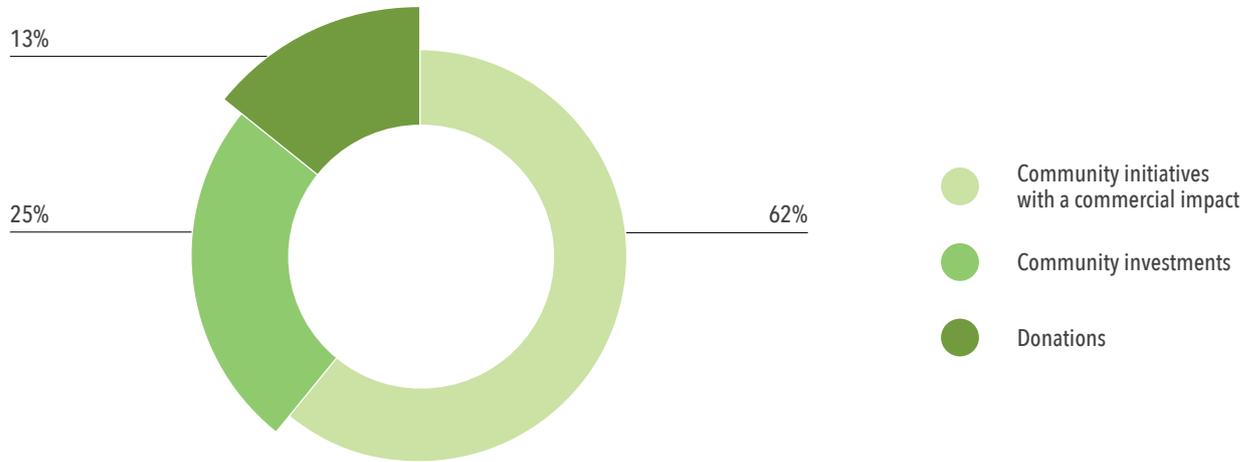


"Building means working with the land, impressing the sense of man on a landscape that will be changed forever; It also contributes to that slow change which makes up the history of cities.

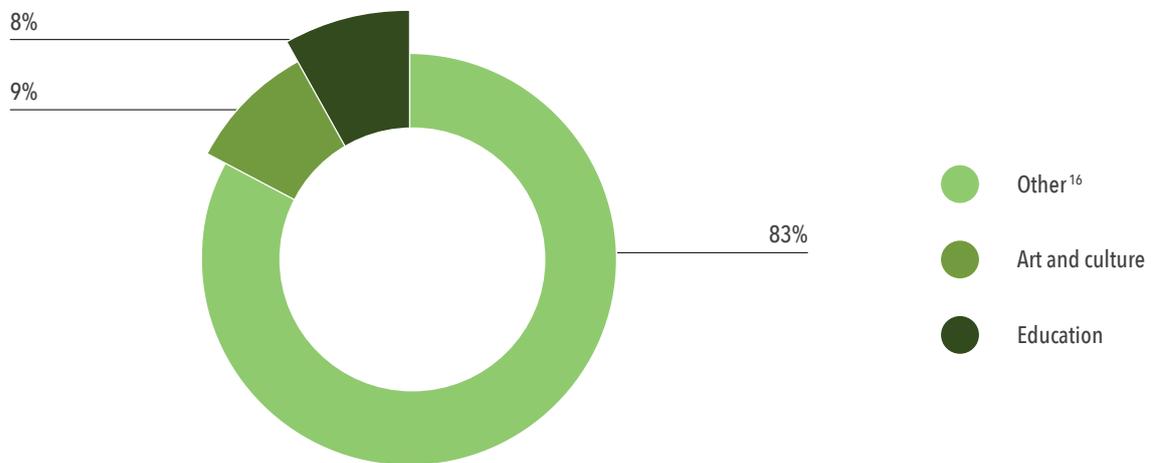
What thought and care to determine the exact site for a bridge, or for a fountain, and to give a mountain road that perfect curve which is at the same time the shortest...!"

**FROM MEMOIRS OF HADRIAN
BY MARGUERITE YOURCENAR**

INITIATIVES



TARGET SECTOR



¹⁶The item Other mainly includes funding for dedicated sports' initiatives.

 The Group considers donations as short-term activities or one-off contributions for non-government and non-profit organisations, such as investments in the community, long-term initiatives to remedy social and economic problems in

the area where the company operates and initiatives for the community with a commercial impact, and initiatives to promote the brand and corporate identity with a social impact.



ITINERA FOR RUGBY

Itinera considers community relations to be a fundamental value for its business and sustainability approach, started together with the parent company ASTM, and has decided to invest in sport as a means of socialising and encouraging robust competition.

In this context, it has become a partner of the Torino University Sports' Centre - CUS Torino, which is the largest, multi-disciplinary facility in Italy for the number of sports played, its continuity and level of activities.

Thanks to its contribution (€50,000), Itinera is currently sponsoring the CUS Torino women's and men's rugby teams, consisting entirely of university students, that are taking part in the Serie A national championship under the name ITINERA CUS Ad Maiora Rugby 1951.

The main aim of the CUS is to give the Torino university system - comprising Torino University and Torino Polytechnic - a sports service to improve the quality of life of each student, and the city of Torino, with the aim of promoting and attracting a growing number of students from other locations and non-Italian students participating in the Erasmus project.

Itinera can also offer more deserving students the chance to join a work placement, which is a unique opportunity to learn about the company at first hand.

This initiative offers a moment of engagement for companies, young people and

local areas, enabling our group - through its sites worldwide - to set up training programmes/the recruitment of recent graduates to train as our managers of the future.

COURSE ON THE ECONOMICS OF CONSTRUCTION FIRMS

Since 2016, the campus of SAA, the former Business Administration School and now the School of Management of Torino University has organised a lecture, held by Professor Filippo Monge, as part of the Course on the Economics of Construction Firms. In 2018, for the first time, a case history lecture was presented by Massimo Malvagna, Chief Executive Officer of Itinera, attended by a hundred or so students.

The chance to listen to an important player of the Italian economic system provided added value for the University students. Each experience has a positive impact on their studies and gives the guest speaker a chance to promote case studies, and also convey a positive message about business. The aim was to bring the world of work closer to students, helping to present a positive image of business, above all in the construction sector.

Massimo Malvagna brought his international experience in the construction sector to the university, connecting it with his managerial skills, which were a great hit with the students, and considering their enthusiasm, the initiative will be proposed again for 2019.



"ITALY FOR SÃO PAULO"

On an international level, Itinera operates in Brazil through its subsidiary Itinera Construções.

In 2017, the Itinera Group started a project in Brazil (the Italy Project for São Paulo) together with the Italian embassy, for the maintenance and redevelopment of Plaza Ramos de Azevedo, a meet-up place loved by locals.

Itinera took part in this project aware of the need to promote the Italian system and at the same time make its mark on São Paulo, which is often called the largest Italian city outside of Italy, proving the strong tangible bond between the two countries.



EUROPEAN INTERNATIONAL CONTRACTORS (EIC)

European International Contractors (EIC) is an association established in 1970 and registered since 1984 as a legally independent business association in Berlin, in accordance with German law.

It is the only industrial association which **represents the interests of European contractors at international level with the EU, international organisations, financial institutions and society in general.**

The association reviews standard FIDIC contract templates, on an ongoing basis, and has published guidelines for EIC members, on different types of standard FIDIC contract templates. The EIC requests multilateral development banks to require the use of these templates at international level.

The EIC's **members include construction industry federations from 15 European countries**, directly or indirectly affiliated with the European Construction Industry Federation in Brussels. The EIC works closely with all international and other organisations whose politics are significant for the international construction trade, for example the European Commission, the European Investment Bank (EIB), the Organisation for Economic Co-operation and Development (OECD) and the World Bank.

Each affiliated federation is entitled to appoint an expert representative at international level to sit on the EIC Board. For the National Association of Construction Contractors, **Gianni Porta from Itinera S.p.A. was appointed to the EIC Board as Director General for international activities.**

The Board establishes EIC's policy as regards main resolutions adopted by the General Meeting.

The EIC's **main duties** are summarised below:

- closely working with EU institutions, international financial institutions, partner federations and civil society, in order to promote the shared interests of its members
- supporting international competition that is fair and contractual conditions that are balanced, procurement based on quality and a price/quality ratio, innovative delivery programmes for projects and sustainable construction methods
- creating new business opportunities for European businesses, promoting public/private partnerships at international level
- offering a single forum for networking that covers all issues relative to the international construction industry
- promoting international contractual conditions that assign risk equally between the parties and facilitate the quick and effective settlement of disputes





Focus



ITALIAN CONTRACTS

THE WORK SITE AT BISAGNO

In October 2016, Itinera opened the work site of the last lot for safety measures for the Torrente Bisagno (Bisagno River).

The works to rehabilitate the covering of the water course concern in particular the last section between Via Santa Zita and the railway bridge of Genova Brignole, for 374.5 metres. These measures will make it possible to prevent new risks and hydrogeological instability in a large area such as the city of Genova, with significant safety benefits for its citizens and businesses.

The Bisagno river is one of the region's main water courses, capable of flooding in the case of sudden overflow. Once the entire work has been completed, the flow rate of the Bisagno will increase considerably, significantly reducing the risk of flooding. The initiative concerns the final lot of works which are part of the **#ItaliaSicura** Programme launched by the Italian Government to prevent hydrogeological instability in the country.

A considerable amount of complexity was involved in the works, due to the context, making the following measures necessary, in particular:

- modifying the hydraulic configuration of existing structures, in order to guarantee a flow capacity of the hydraulic section that can handle the maximum possible flow rates of the Bisagno River
- structural intervention to adjust the existing deck to applicable laws for decks that can withstand accidental loads for category 1 bridges
- guaranteeing the ability to handle current traffic flow, minimising impact, at a point which is highly strategic for Genova city traffic
- managing interference with pre-existing

urban service networks, without interrupting their operation (waterworks, sewers, cableways and gas pipelines)

The work, which started during 2017, entails operational techniques that can minimise impact on the environment (air, water and soil), and on the city's social and manufacturing fabric.

In this regard, important work site mitigation measures were taken, such as reducing and minimising emissions from work site areas, as well as relocating logistics areas and stores. Alternative pedestrian and traffic routes were also set out, to minimise inconvenience, while maintaining existing parking places, as far as possible.

Real-time hydraulic risk alert and monitoring systems were also planned, connected with work site activities, in conjunction with the Civil Defence Unit of the Liguria Region.

Managing communications

With the work site becoming fully operational in November 2017, Itinera began a campaign to inform citizens about activities under way. In particular, a public meeting was held, with technicians from the public administration and work site managers attending, in order to share details of the project and development times. In spring 2018, a website was also launched (www.cantierebisagnolottofinale.it), with updates on traffic diversions based on work site progress. The data are also reported on social networks (Facebook @cantierebisagno2lotto3stralcio and Twitter @cantiereb), further contributing to providing correct information for citizens and the public administration.

Managing work site materials

Materials from work site activities (particularly excavation materials), are specifically

handled for a "reduced impact", and are reused whenever possible. Thanks to specific recycling and recovery systems, most materials can be reused in road works. The soil and rocks from work site excavations will also be used for the Vado Ligure Multifunctional Platform in the province of Savona, and for structural offshore reinforcement works in the Piazzale Kennedy area overlooking the work site.

Managing human resources

In its bid, Itinera stated that it was prepared to involve personnel from "disadvantaged categories": some of the work site manual workers were therefore employed from specific lists, as envisaged by the Decree of the Ministry of Labour and Social Policies of 20/3/2013 (this percentage of workers was equal to 30% of the total in 2018).

SAN RAFFAELE HOSPITAL

In August 2017, Itinera was awarded the contract to develop the new surgery and A&E unit of San Raffaele Hospital in Milano. This is an ambitious and challenging project, which will also meet the company's ambitions in a contract of this type.

The project involves the construction of a new building that will become the heart of the San Raffaele Hospital, a centre of excellence in Northern Italy.

Itinera is working on the building of 10 floors, 2 below ground level, that will house equipment rooms, service areas, changing rooms and the new sterilisation department for the entire hospital. An entire surgery unit will also be built, with 18 operating theatres equipped for every type of surgery - for a single unit at the heart of the hospital for doctors and operators, served by vertical routes joining the various sectors. The A&E

department will be on the ground floor, designed to ensure sufficient space for a rapid, efficient service, and the logistics necessary to optimise user inflows and their distribution to specialist units along dedicated routes. An intensive care unit will be situated on the first floor, with dedicated routes connecting the operating theatre and wards. Wards and specialist units will be located on the second to the seventh floors.

The cutting-edge, futuristic design concept fully reflects the client's requirements. The designer, with his team, named the project the "Iceberg", because of its glass and composite/ceramic material façades, which are mainly white, and shape similar to an iceberg at the very heart of this hospital.

Itinera immediately took up the challenge, organising the contract so as to meet development needs and ensure accreditation of the facility, complying with applicable regional and national legal requirements.

In design terms, the entire work was supplied to the contractor using **BIM (Building Information Modeling)**, an integrated system comprising multiple software applications to organise, plan and control every single work site management activity, from: designs and charts to the monitoring of times based on time schedules and cost control - all information interconnected by the system for an extremely high level of management of the works.

The job order was provided when the contract was signed, using the BIM LOD 200 model, i.e. at the Final Design stage, with Itinera responsible for developing it up to the LOD 500 stage, before the preparation of works' completion, i.e. at an as built level; the intermediate step involves the delivery of LOD 350, a contractual milestone enabling Works Management to check plan-



ning status and confirm the transition from Final Design to Construction.

The customer considers management of the planning process a priority; therefore, a structured system has been put in place to guarantee compliance with requirements.

To achieve expected results, the involvement of all Itinera personnel, who receive regular training, is extremely important. Resources are informed at all times, for areas under their responsibility, to guarantee system management in planning and topographic terms, and to monitor times and manage costs.

The preparation of the job order plan and risk analysis before the start of works were fundamental, and involved the total commitment of all personnel in the field and company employees in charge.

The job order plan comprises three stages:

- Control
- Review
- Validation

In the **Control stage**, information and documents are obtained, through weekly monitoring, with work sessions directly managed by Itinera. Thanks to the assistance of highly specialised consultants, activities are completed with internal personnel preparing coordination reports to filter information and send it in cascade mode, for areas in their responsibility, to start the production chain; this stage concerns every aspect of the work site: design, cost analysis, quality and safety.

In the **Review stage** weekly monitoring takes place, in dedicated meetings held directly with the Works Management, to obtain, verify and approve activities as con-

forming, ending with Works Management preparing a customer/contractor coordination report. At this stage, Itinera personnel make the decisions official, uploading documents to the Project & Safety portal, to inform Itinera production personnel, Works Management, the Customer and consultants/planners.

In the **Validation stage**, final testing is carried out.

Naturally, all personnel are involved and team work is constant, to guarantee required quality standards.

Monitoring is continual, also internal with:

- periodic controls of the job order plan and risks
- periodic internal meetings to check process status

To monitor the work and prepare a database of useful information for the company, for subsequent job orders or tenders, Itinera has also arranged for a Long Term Timelapse video, to take images directly at the work site. At the end of the works, the video will be prepared showing the entire execution during all stages of the new San Raffaele Hospital.



FOREIGN CONTRACTS

¹⁷ *Itinera is certified to ISO 31000:2018.

THE ABU DHABI MALL

In November 2017, Itinera was awarded a contract to build the "Reem Mall" in Abu Dhabi, one of the country's largest retail centres. The project will develop a shopping mall on Reem Island, Abu Dhabi, with a total useful surface of nearly 600,000 m², and will also have a snow park, food areas, cinema and office areas. The mall will have around 400 retail outlets and 6,000 parking spaces.

The project includes, among others, the movement of sub-services and development of transport services such as bridges, access roads, etc.

Environmental management was seen as a key factor by the client and the joint venture that Itinera was part of. A structured system has therefore been adopted to guarantee compliance with legal and contractual requirements and with ISO 14001, given that Itinera has this environmental quality certification.

Monitoring will take place through periodic meetings, before the start of activities at the work site and on a regular basis (weekly) and through Tool Box Talks, which are informal meetings attended by foremen and workers, where each team is informed of the risks they may come up against in the next stage; training will also be provided. The Committee Meeting, which is held monthly with the Client attending, summarises activities.

To achieve expected results, the involvement of all employees, who receive regular training, is extremely important.

In this regard, the HSE Department together with the Project Manager has prepared a programme to inspect work site activities of both the joint venture and subcontractors. To guarantee effective monitoring the work site is independently audited every six months.

Nonconformities are managed using an IT tool called "Yellow Jacket".

Environmental risks are analysed based on a Risk Management method in accordance with requirements in ISO 31000¹⁷. The pur-

pose of the analysis is to protect the project during all stages from the harmful effects of events that could impact it.

The analysis comprises the following stages:

- identify risks
- monitor project development to identify possible new risks
- identify who and what could be damaged by the event
- analyse and assess the risk
- adopt additional control measures to minimise the impact of these events on the project
- establish a priority for taking action
- adopt the measures identified
- monitor the outcome
- if the outcome is not satisfactory, repeat the process.

To guarantee total project control, before the start of any type of works, the Project Manager, Construction Manager and HSEQ Manager prepare a Method Statement concerning how the specific activity must be managed at the work site, in terms of safety. This document sets out the procedures for carrying out activities and actions to take to limit/eliminate risks, including environmental risks (Risk Assessment).

The contents of the Method Statement and Risk Assessment are explained to people involved in activities, including workers. A Work Permit is then prepared, which contains the instructions in the Method Statement.

All waste produced is identified, sorted, collected in areas marked by appropriate signs, also indicating the telephone numbers of emergency services, and emergency procedures to adopt if necessary, and stored in containers specifically for the type of waste. These areas are frequently inspected to guarantee correct storage and handling.

The waste is transported by companies authorised to handle the specific type of waste.

In the case of spills/leaks, specific procedures are put in place, and actions iden-



tified to limit the damage and assist operations, including emergency actions, of specialist third parties. The work sites also have water monitoring stations installed for the previous work site. Monitoring is on a weekly basis.

ODENSE UNIVERSITY HOSPITAL

The city of Odense in Denmark, which takes its name from Odin, the main god in Germanic mythology, will be the site of the new University Hospital Centre currently being built.

The project was awarded to the joint venture Itinera/CMB of Carpi, based on the best bid in terms of the price/quality ratio.

The project value is around €594 million, and the client is the Southern Denmark Region.

The tender had an Early Contractor Involvement (ECI) format, with competitive dialogue held with the Customer before submitting

bids, in order to immediately develop cooperation and comparison among bidders and the client.

After obtaining an agreement for the technical optimisation plans proposed within the offered budget, the EPC (Engineering, Procurement, Construction) contract was signed and is currently under way, including the final and operational design and construction of the hospital.

In particular, the contract includes six lots for a total of 252,000 m², and over 800 hospital beds.

The main units are gynaecology and obstetrics, paediatrics and child psychiatry, cardiology, orthopaedics, geriatrics, oncology, radiology, radiotherapy and infectious diseases.

The central focus on the patient has been at the heart of the design, from the outset, together with principles of modularity and flexibility, to guarantee the hospital can respond to a rapid need for change, which will no doubt be required by technological progress and scientific research in the near future.

The construction technologies proposed reflect Danish customs, with a prefabricated structure in reinforced concrete, that will also reduce development times, while maintaining high quality levels, over time. The architectural style instead connects Danish tradition, maintaining the concept of coloured prefabricated panelling (white, "brick" red) with Italian creativity, choosing the most contemporary materials, such as COR-TEN for the basement ventilated façade, and a wood-effect brise soleil which is highly resistant to atmospheric agents for the inner façades.

The aim behind all technological choices and selection of materials is to comply with the energy reduction conditions in "Building Klasse 2020".

The works are scheduled for completion in 2022.

One of the most innovative aspects of the project is the design and construction of the new Hospital that will be managed using Building Information Modeling (BIM), that will make it possible, in the design stage, to prevent potential pathologies, mitigating the risk of errors during the works, or deviations from contractual and legal requirements.

BIM Management during the development stage will effectively support construction quality controls and the monitoring of

safety measures. Moreover, works' progress is monitored using laser scanning, for reliable, transparent documented evaluations.

To reduce the work site's environmental impact, a specific Environmental Management Plan has been prepared, implementing eco-sustainable strategies for various aspects connected with work site activities.

Specific solutions to **save water** have been adopted, also to guarantee recovery and reuse for compatible purposes; **LED lighting** will be used, for lower maintenance, greater energy saving and a reduced environmental impact.

The work site's impact in terms of **noise, vibration and dust** will be mitigated thanks to specific detection equipment, such as sound level meters, dust measuring equipment and monitoring units.

Work site equipment is selected to minimise emissions of dust and noise. **EEV (energy efficient vehicles) are used for all work site activities and the transport of materials.** When possible, **electric equipment** is used in particular for internal horizontal and vertical handling.

Work site emissions are monitored using a particle counter to **measure atmospheric contamination from particulate matter** in order to analyse work site areas, also providing additional data on air temperature and relative humidity.

The **noise and vibration** monitoring system, which controls emissions **during the entire construction process**, consists of a number of receptors located near the work site area, to measure noise and vibration levels during construction activities.

Data collected are then conveyed by Internet to a server, and are stored for consultation.

If emissions exceed limits, the system will automatically alert work site managers, to enable mitigation measures with additional noise abatement systems, such as mobile barriers.





STORSTRØM BRIDGE

In October 2017, Itinera was awarded the contract, signed in February 2018 with the Danish Road Directorate of the Ministry of Transport, for the design and development of the new Storstrøm Bridge in Denmark.

The new bridge will be 6.5 km long and 24 metres wide, and will have a two-lane road, dual high-speed railway tracks and a pedestrian/cycle lane. Once completed, the new Storstrøm Bridge will be Denmark's third longest bridge.

Itinera will construct the new bridge as leader, with a 99.98% stake in a joint venture with the companies Condotte d'Acqua and Grandi Lavori Fincosit. The new Storstrøm Bridge will connect the islands of Zealand and Falster in the Baltic Sea, replacing the old bridge, situated further east, dating from 1937 and no longer able to withstand current traffic volumes, which will be demolished.

The new bridge, in pre-stressed pre-cast reinforced concrete will be approximately 6.5 km long (including the deck length of 3.8 km and the two access ramps), 24 m wide and will have a two-lane route with expected traffic volumes of approximately 8,000 vehicles/day, two tracks for high-speed passenger and goods' trains (the Copenhagen-Hamburg line), and a pedestrian/cycle lane. The 44 spans of the access viaducts will have an 80 m clearance, while the two guyed central spans will each be 160 m long. The works will be completed in the second half of 2022.

HALMAR GROUP



In July 2017, Itinera acquired a controlling investment in Halmar International LLC, one of the top five companies in the metropolitan area of New York and one of the most respected businesses on the East Coast of the United States. Halmar provides high-quality construction services for a wide range of sectors, including motorway infrastructure, bridges, mass transport, aviation, energy and the environment. It also operates in industrial, institutional and private-sector commercial projects.

In particular, the main business sectors are railways and transport, accounting for 50% of its total business, with aviation accounting for 20% and bridges for 30%.

The acquisition of Halmar has made it possible for the Group to become operative on the US market in the major works sector - with its massive investments for the modernisation of existing roads and bridges and projects for the construction of new infrastructure. In this context, Itinera and Halmar will work as **EPC** (Engineering, Procurement & Construction)

Contractors and as promoters of new PPP (**Private Public Partnerships**) which many US states are launching to support planned infrastructure programmes.

Projects awarded to Halmar between 2017 and 2018 include:

- Planning and construction of a third railway line of approximately 17 km of the **Long Island Rail Road (LIRR)**, which will increase the capacity of the railway service along the corridor connecting Manhattan with the entire island.
- Works of the **"Enhanced Stations Improvements Project"**, to redevelop and complete the six subway stations: White Plains, Port Chester, Riverdale, Harlem 125th, Crestwood and Yonkers. Improvements include the reconstruction of technological plants, including LED lighting, the construction of new platforms, pedestrian walkways and noise abatement barriers.
- The complex project for the underground

railway in Alexandria, Virginia. The **Potomac Yard Metrorail** station will be developed for the yellow and blue metropolitan railway lines, in an area with a considerable commercial and residential development in Alexandria, covering a surface area of approximately 9,000 m² with two 800 m platforms.

- The planning and construction of the **Kew Garden road node** in New York, overseeing 100% of the works. The Kew Garden road node is a very important strategic junction for New York as it connects John F Kennedy International Airport (JFK) and La Guardia Airport (LGA). The road junction, built in 1930 and subsequently remodulated in 1960, will be modernised with improvements to existing operating and structural shortcomings.

Current projects include:

- the demolition and redevelopment of the Harrison station, in New Jersey State
- works on Mill Basin Bridge, in the district of Brooklyn
- the complex project to redevelop the Patroon Island Bridge

The acquisition of the controlling equity in Halmar marks the debut by Itinera - already active today in Europe, the Middle East, Africa and Latin America - on the US infrastructure market, making it possible to create a larger and more structured group capable of responding successfully to the enormous investments envisaged in the USA, especially in the transport sector.







Annexes

TABLE OF THE BOUNDARY OF MATERIAL TOPICS FOR THE ITINERA GROUP

MATERIAL TOPICS	MATERIAL TOPICS GRI STANDARDS	BOUNDARY OF IMPACTS	ROLE OF ITINERA
Economic/financial sustainability	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 201: Economic performance (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Governance and business integrity	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 418: Customer privacy (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Local employment	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 202: Market presence (2016) • GRI 203: Indirect economic impacts (2016) 	<ul style="list-style-type: none"> • Itinera Group • Suppliers 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group • Indirect - Related to Itinera Group activities through business relations
Procurement practices	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 204: Procurement practices (2016) • GRI 308: Supplier environmental assessment • GRI 407: Freedom of association and collective bargaining (2016) • GRI 414: Supplier social assessment (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Anti-corruption	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 205: Anti-corruption (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Use of materials	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 303: Materials (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Energy consumption and GHG emissions	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 302: Energy (2016) • GRI 305: Emissions (2016) 	<ul style="list-style-type: none"> • Itinera Group • Electricity suppliers 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group • Indirect - Related to Itinera Group activities through business relations
Efficient use of natural resources	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 303: Water (2016) • GRI 306: Effluents and waste (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group
Management of social/environmental risks	<ul style="list-style-type: none"> • GRI 103: Management approach (2016) • GRI 307: Environmental compliance (2016) 	<ul style="list-style-type: none"> • Itinera Group 	<ul style="list-style-type: none"> • Direct - Caused by the Itinera Group

MATERIAL TOPICS	MATERIAL TOPICS GRI STANDARDS	BOUNDARY OF IMPACTS	ROLE OF ITINERA
Health and safety of employees and subcontractors	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 403: Occupational health and safety (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Equal opportunities and work conditions	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 402: Labour/management relations (2016) GRI 405: Diversity and equal opportunity (2016) GRI 406: Non-discrimination (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Human resources management and training	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 401: Employment (2016) GRI 404: Training and education (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Child labour and human rights	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 408: Child labour (2016) GRI 409: Forced or compulsory labour (2016) 	<ul style="list-style-type: none"> Itinera Group Suppliers 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group Indirect - Related to Itinera Group activities through business relations
Relations with the local communities	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 413: Local communities (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Quality, safety and the impact of constructions	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Innovation and new technologies	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> Itinera Group Universities and research centres 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group Indirect - Related to Itinera Group activities through business relations
Developing local economies	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Land management	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group
Landscape protection	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> Itinera Group 	<ul style="list-style-type: none"> Direct - Caused by the Itinera Group

GRI Content Index

GRI STANDARD	DESCRIPTION OF GENERAL STANDARD STATEMENTS	PAGE	NOTES
GRI 102: GENERAL DISCLOSURE (2016)			
Organisational profile			
102-1	Name of the organisation	4	
102-2	Main brands, products and/or services	8-9	
102-3	Headquarters	8	
102-4	Geographic areas of operations	8	
102-5	Ownership and legal form	12	
102-6	Markets served	8-12	
102-7	Scale of the organisation	13-16; 33	
102-8	Information on the work force	32-24	
102-9	Supply chain	54-55	
102-10	Significant changes to the organisation and its supply chain	4-5	
102-11	Precautionary principle or approach to risk management	25-27	
102-12	External initiatives	4; 21; 51	
102-13	Membership of associations	69	
Strategy and analysis			
102-14	Statement from senior decision-maker	2-3	
102-15	Key impacts, risks, and opportunities	25-29	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	10; 18	
Corporate governance			
102-18	Governance structure	18	
102-29	Identifying and managing economic, environmental and social impacts	28-29	

GRI STANDARD	DESCRIPTION OF GENERAL STANDARD STATEMENTS	PAGE	NOTES
GRI 102: GENERAL DISCLOSURE (2016)			
Stakeholder engagement			
102-40	List of Stakeholders	22	
102-41	Collective bargaining agreements	41	
102-42	Identifying and selecting Stakeholders	22	
102-43	Approach to Stakeholder engagement	22-24	
102-44	Key topics and concerns raised	23-24	
Reporting practices			
102-45	Entities included in the Consolidated Financial Statements	4; 12	
102-46	Defining report content and topic boundaries	4; 22-24; 84-85	
102-47	List of material topics	24	
102-48	Restatements of information	4	
102-49	Changes in reporting	4	
102-50	Reporting period	4	
102-51	Date of most recent report		This document is the first Sustainability Report of the Itinera Group.
102-52	Reporting period	5	
102-53	Contact point for questions regarding the report	5	
102-54	Claims of reporting in accordance with the GRI Standards	4	
102-55	GRI content index	86-93	
102-56	External assurance	4; 94	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
Economic/financial sustainability			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-85	
GRI 103-2	Management approach and its components	13-16	
GRI 103-3	Evaluation of the management approach	4; 13-16	
GRI 201: Economic performance (2016)			
GRI 201 -1	Direct economic value generated and distributed	16	
Local employment			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	28-29; 34; 66-69	
GRI 103-3	Evaluation of the management approach	4; 28-29; 34	
GRI 202: Market presence (2016)			
GRI 202 -2	Proportion of senior management hired from the local community	34	
GRI 203: Indirect economic impacts (2016)			
GRI 203-2	Significant indirect economic impacts	28-29; 66-69	
Procurement practices			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-85	
GRI 103-2	Management approach and its components	19; 54-59	
GRI 103-3	Evaluation of the management approach	4; 19; 54-59	
GRI 204: Procurement practices (2016)			
GRI 204 -1	Proportion of spending on local suppliers	55	
GRI 308: Supplier environmental assessment (2016)			
GRI 308-1	New suppliers that were screened using environmental criteria	58	
GRI 407: Freedom of association and collective bargaining (2016)			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	59	
GRI 414: Supplier social assessment (2016)			
GRI 414-1	New suppliers that were screened using social criteria	58	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
Anti-corruption			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-85	
GRI 103-2	Management approach and its components	17-19	
GRI 103-3	Evaluation of the management approach	4; 17-19	
GRI 205: Anti-corruption (2016)			
GRI 205-3	Confirmed incidents of corruption and actions taken		During 2018, no cases of corruption were reported concerning companies included in the scope of consolidation of this Report.
Use of materials			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	54-56	
GRI 103-3	Evaluation of the management approach	4; 54-56	
GRI 301: Materials (2016)			
GRI 301-1	Materials used	54	
Energy consumption and GHG emissions			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	46-48; 51	
GRI 103-3	Evaluation of the management approach	4; 46-48; 51	
GRI 302: Energy (2016)			
GRI 302-1	Energy consumption within the organisation	47	
GRI 305: Emissions (2016)			
GRI 305-1	Direct (Scope 1) GHG emissions (GHG)	48	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	48	
Efficient use of natural resources			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	48-50	
GRI 103-3	Evaluation of the management approach	4; 48-50	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
GRI 303: Water (2016)			
GRI 303-1	Water withdrawal by source	49	
GRI 306: Effluents and waste (2016)			
GRI 306-2	Waste by type and disposal method	50	
Management of social/environmental risks			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-85	
GRI 103-2	Management approach and its components	17; 25-27	
GRI 103-3	Evaluation of the management approach	4; 17; 25-27	
GRI 307: Environmental compliance (2016)			
GRI 307-1	Non-compliance with environmental laws and regulations	46	
Human resources management and training			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	32-41	
GRI 103-3	Evaluation of the management approach	4; 32-41	
GRI 401: Employment (2016)			
GRI 401-1	Total number and turnover of employees and new employee hires, divided by age; gender and region	34-35	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39	
GRI 404: Training and education (2016)			
GRI 404-1	Average hours of training per year per employee	38	
Health and safety of employees and subcontractors			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	41-43	
GRI 103-3	Evaluation of the management approach	4; 41-43	
GRI 403: Occupational health and safety (2016)			
GRI 403-2	Type of injury and injury rate, occupational diseases, lost days and absenteeism and number of work-related fatalities	42-43	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
Equal opportunities and work conditions			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-84	
GRI 103-2	Management approach and its components	35-36; 39	
GRI 103-3	Evaluation of the management approach	35-36; 39	
GRI 402: Labour/management relations (2016)			
GRI 402-1	Minimum notice periods regarding operational changes		The minimum notice period for workers and their representatives regarding organisational changes that could significantly impact them is established in compliance with laws applicable in the country where the group operates and, where applicable, with National Collective Bargaining Agreements.
GRI 405: Diversity and equal opportunity (2016)			
GRI 405-1	Diversity of governance bodies and employees	17; 36	
GRI 405-2	Ratio of basic salary and remuneration between women and men	39	
GRI 406: Non-discrimination (2016)			
GRI 406-1	Incidents of discrimination and corrective actions taken		No cases of discrimination were reported in 2018.
Child labour and human rights			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	59; 62	
GRI 103-3	Evaluation of the management approach	4; 59	
GRI 408: Child labour (2016)			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	59	
GRI 409: Forced or compulsory labour (2016)			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	59	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
Relations with the local communities			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	66-69	
GRI 103-3	Evaluation of the management approach	4; 66-69	
GRI 413: Local communities (2016)			
GRI 413-2	Operations with significant actual and potential negative impacts on local communities		No operations related to significant negative impacts on local communities have been identified.
Quality, safety and the impact of constructions			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	10-11; 43; 46; 50-51	
GRI 103-3	Evaluation of the management approach	4; 10-11; 43; 46; 50-51	
Governance and business integrity			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	17; 22-23; 84-85	
GRI 103-2	Management approach and its components	17-20	
GRI 103-3	Evaluation of the management approach	4; 17-20	
GRI 418: Customer privacy (2016)			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	19	
Innovation and new technologies			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	8; 22-23; 84-85	
GRI 103-2	Management approach and its components	10-11; 18; 21; 78	
GRI 103-3	Evaluation of the management approach	4; 10-11; 18; 21; 78	
Developing local economies			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	8; 22-23; 55; 84-85	
GRI 103-2	Management approach and its components	28-29; 55; 66-67	
GRI 103-3	Evaluation of the management approach	4; 28-29; 55; 66-67	

GRI STANDARD	DESCRIPTION SPECIFIC STANDARD STATEMENTS	PAGE	NOTES
Land management			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	50-51	
GRI 103-3	Evaluation of the management approach	4; 50-51	
Landscape protection			
GRI 103: Management approach (2016)			
GRI 103-1	Explanation of the material topic and its boundary	22-23; 84-85	
GRI 103-2	Management approach and its components	50-51; 54; 78	
GRI 103-3	Evaluation of the management approach	4; 50-51; 54; 78	

INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Board of Directors of ITINERA S.p.A.

We have carried out a limited assurance engagement on the Sustainability Report of the ITINERA Group (hereinafter the "Group") as of December 31, 2018.

Responsibility of the Directors for the Sustainability Report

The Directors are responsible for the preparation of the Sustainability Report in accordance with "Global Reporting Initiative Sustainability Reporting Standards" established in 2016 by GRI – Global Reporting Initiative (hereinafter "GRI Standards"), as stated in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to frauds or unintentional behaviours or events.

The Directors are also responsible for the identification of the stakeholders and the significant aspects to report.

Auditor's independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in 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 perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

- Analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the identification and prioritization of material aspects for stakeholders and to the internal validation of the process results.
- Comparison between the financial data and information included in the Sustainability Report with those included in the consolidated financial statements of the Group.
- Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of ITINERA S.p.A. and we carried out limited documentary verifications, in order to gather information about the processes and procedures, which support the collection, aggregation, elaboration and transmittal of data and information to the department responsible for the preparation of the Sustainability Report.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the Sustainability Report we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for ITINERA S.p.A. which we selected based on its activity, its contribution to the performance indicators at the consolidated level, we carried out site visits, during which we have met its management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the ITINERA Group as of December 31, 2018 is not prepared, in all material aspects, in accordance with the GRI Standards, as stated in the paragraph "Methodological note" of the Sustainability Report.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Milan, Italy
April 24, 2019

This report has been translated into the English language solely for the convenience of international readers.





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