



TREVI Group
Non Financial Information

Consolidated Non-Financial
Statement for the year 2017

Reading guide

The NFS of the Trevi Group

This document constitutes the “Consolidated Non-Financial Statement” 2017 of the Trevi Group, as required by Legislative Decree No.254 dated 30th December 2016 (hereinafter the “Decree”). The Decree represents the transposition into Italian law of the European Directive 2014/95/EU (hereinafter the “Directive”), which entered into force on 6th December 2014, establishing the obligation to disclose non-financial information and diversity policies on the part of large undertakings that are public-interest entities.

Specifically, the Decree requires the publication of a Consolidated non-financial statement (hereinafter “NFS” or “Statement”) which, to the extent necessary for an understanding of the company’s activities, its progress, its results and the impact it produces, provides information on five areas: environment, society, personnel-related issues, respect for human rights and anti-corruption and bribery. With reference to these areas, the Decree requires the description of the main risks, generated and/or suffered, of the policies pursued by the company, of the related performance indicators and of the company management and business model (Art. 3, par. 1).

The Trevi Group (hereinafter also referred to as the “Group”), being a large public interest entity, is subject to the aforementioned Decree for the 2017 reporting year. This NFS was drawn up with the aim of complying with its provisions and - upon the Group’s decision - it is integrated into the 2017 Report on Operations and Ownership.

In accordance with these provisions, the Trevi Group, through a relevance analysis, whose methodology is detailed in the methodological note, has identified a list of material topics that constitute the object of this document and which are summarized in Table 1 in relation to the different areas of reference.



Energy and climate-altering emissions

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

Waste management

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

Water consumption management

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

Protection of biodiversity

Commitment of the Group to the protection of biodiversity and ecosystems in close proximity of company operations.

Table 1: Ambits of the Decree, topics and correspondence with the GRI standards



Impact on local communities

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



Maintenance of employment levels

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

Training and development

Commitment to developing and training employees to improve their technical and managerial skills.

Diversity and equal opportunities

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

Occupational health and safety

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



Compliance and anti-corruption

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



Supply chain management

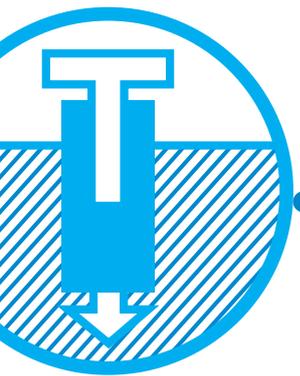
Group's control of its supply chain, ensuring product quality and respect for ethical principles.

Protection of Human Rights

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

The Trevi Group today

Since 1957, when it was established in Cesena, the Trevi Group is one of the most successful and technologically advanced international companies in the field of underground engineering. Through the many acquisitions carried out over the years, today the Trevi Group consists of 86 subsidiaries and is present in over 45 countries.→



The Impresa Palificazione Trevisani, Geom. Davide was founded.

1957 Davide Trevisani decided to create the "Impresa Palificazioni Trevisani Geom. Davide" in Cesena, a benchmark in terms of technology with regard to underground engineering.

1962

The first self-moving equipment for the execution of driven piles.

1969

Soilmec was established.

1967

The first three-roll RT3 rotary is manufactured. The turning point came with the first major international job: the construction of the foundations for the Apapa Road in Lagos, Nigeria.

1981

The extremely complex project for the construction of the Khao-La-em dam in Thailand is another milestone in the Group's history and growth

1971

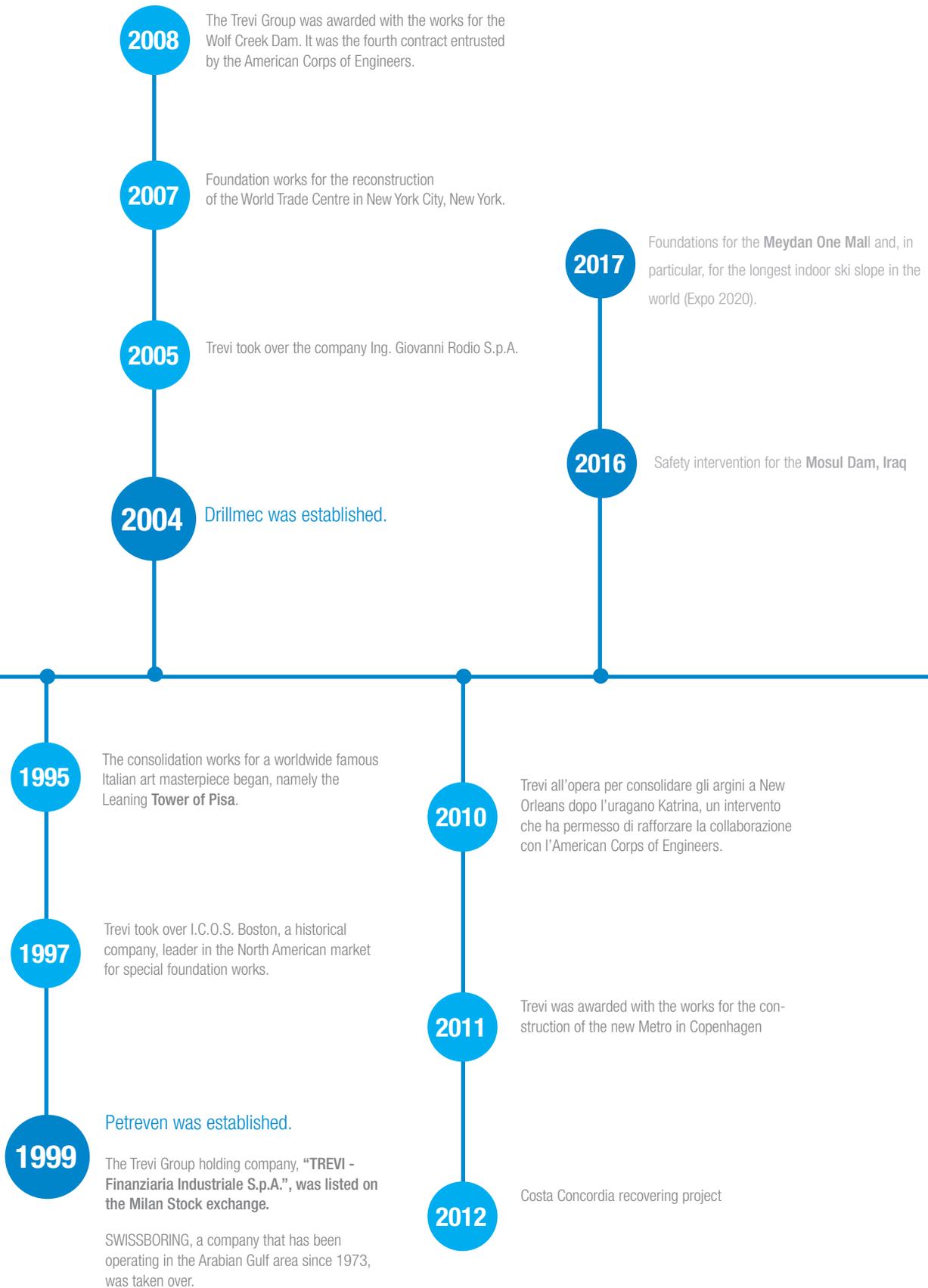
The foundations of the railway bridge on the river Paraná in Argentina marked a new milestone: for the first time piles were driven into water, at a depth of 74 meters.

1976

The contract for the new quays of the Bandar-Abbas port in Iran was another major technological challenge for the Group.

Today, after 60 years, we are facing new and ever-increasing complex challenges with the awareness of having gained significant experience. This was possible thanks to the support of targeted and innovative technologies and to a continuous exchange between technological and process innovation among the companies of the Group. Not to mention the strength that pervades our staff, motivated by strong values, skills and enthusiasm and our team present in every corner of the world and yet united by common principles, identities and passion. We are the result of a long journey which is - at the same time - a new starting point.

This is the essence of our Group.



The Trevi Group today

Business sectors and operating model

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

Trevi is active through the [Trevi and Soilmec](#) divisions in the **Construction & Infrastructure sector** - which includes specialised services in deep foundations and geotechnical works for civil and infrastructural works, as well as mechanical engineering activities for the design, production and assembly of machinery and equipment, used for special foundations works and geotechnical works.

With regard to the **Oil & Gas** world, through the [Petreven and Drillmec](#) divisions, the Group produces and assembles rigs and equipment used for hydrocarbon research and drilling, carries out water research and offers drilling services for the oil and gas extraction.

The four divisions operate at different levels of the value chain and according to distinctive operating models, which provide for an integration in terms of know-how between the engineering services offered by Trevi and Petreven and those for the design and production of Soilmec and Drillmec machinery. Trevi and Petreven mainly operate as sub-contractors on behalf of public and private clients, after having performed the feasibility assessment, the authorization process and having obtained the permits for the construction of works and infrastructures. In most cases, therefore, the two divisions play a strictly executive role, in which the procurement of materials and the management of construction sites and their impacts -

also including aspects such as waste, energy purchase and relations with local communities - are directly managed by the General Contractor, responsible for the execution of the work as a whole.

Drillmec and Soilmec share a working model that starts with the design of the rigs and plants to be developed by the research and development teams that are able to respond in a targeted way to the needs of different customers; then the model covers the procurement of materials - mainly finished products (such as engines, electronic parts, plumbing systems, metal structures, semi-finished products, etc.) - and culminates in the production, together with the assembly of components and small carpentry, which is characterized by a strong focus on quality and safety for the end user. Both divisions deal with the distribution and sale of the equipment through their commercial branches in Italy and abroad and offer rental services, programmed and special maintenance as well as training on the use of the rigs. In most cases the disposal of the equipment at the end of its life and fully amortized does not fall within the scope of responsibility of the Group companies; in fact, for such machinery there are lists of divestment, which provide for their sale to third parties.



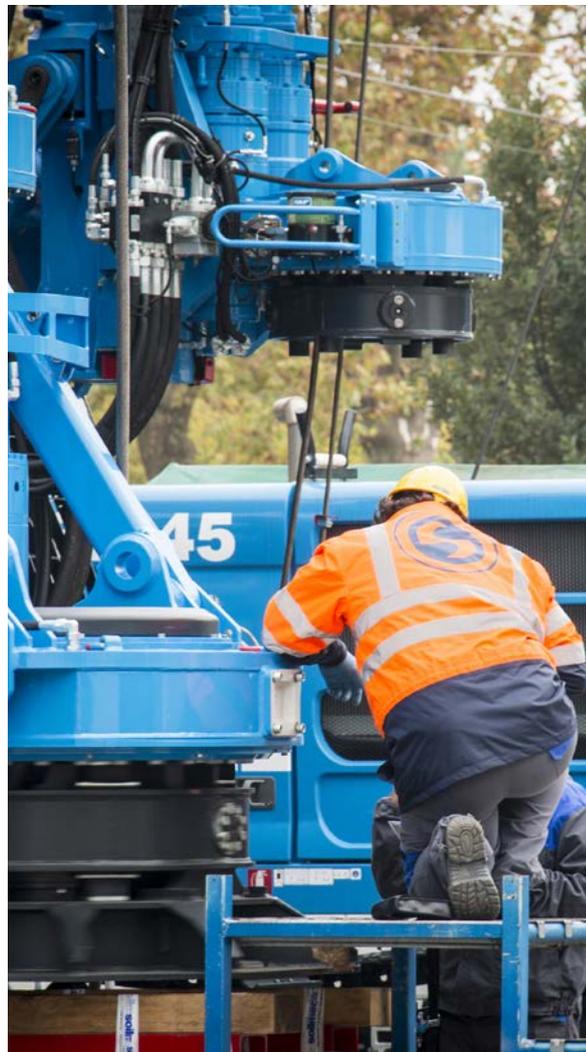
Divisions operating in the Construction & Infrastructure sector



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



It is among the leaders in the design, production and marketing of equipment and services for special foundations works and land consolidation. Soilmec offers a wide and customizable range of systems and supporting equipment suitable to meet any operational and construction needs.



Divisions operating in the Oil & Gas sector



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



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



The Trevi Group today

Innovation and quality for the customer

Technological innovation is a central element in the way all divisions operate, which - through their own research centres and technical offices - are able to respond to the needs expressed from time to time by customers. Thanks to its know-how, over the years the Group has participated in some of the most ambitious and innovative projects in the Construction & Foundations and Oil & Gas sectors, contributing to the execution of works that have made the history of engineering and created social and environmental value all over the world. Among these it is worth mentioning the construction of the Ertan Dam in China, the consolidation of the Tower of Pisa, the construction of the new Library of Alexandria in Egypt, the foundations of the Vasco da Gama Bridge over the Tagus river in Portugal, the foundation works of the new World Trade Centre in New York, the consolidation of the LPV-111 levee of New Orleans destroyed by Hurricane Katrina, the recovery of the Costa Concordia and the securing of the Mosul dam in Iraq.

Quality, understood as the safety and reliability of the product, is also an essential element of the Group approach and is managed through specific operational bodies and guidelines. In the light of this, twelve companies are certified ISO 9001: 2015, including all the subsidiaries of Petreven, Trevi S.p.A., Soilmec S.p.A., PSM S.p.A., Soilmec Foundations, Drillmec S.p.A. and OJSC Seismo-tekhnika in Belarus. Drillmec Inc. (USA) is certified with the equivalent API 4F, which establishes the quality requirements for steel structures suitable for drilling and well construction in the oil industry.

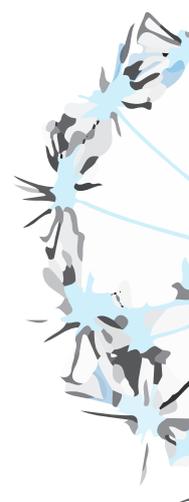
Corporate governance

TREVI – Finanziaria Industriale S.p.A. (TreviFin) is organised according to the traditional administration and control model referred to in articles 2380-bis and following of the Civil Code. The governance system adopted is in line with the criteria and application principles formulated by the Corporate Governance Code of Borsa Italiana [the Italian Stock Exchange] for listed companies, to which the Group has adhered on a voluntary basis.

The Board of Directors (BoD) plays a central role in guiding and managing the Group, making the most important economic and strategic decisions. The Board of Statutory Auditors supervises compliance with the law and the articles of association and also with the principles of proper administration, especially with regard to the adequacy of the organizational, administrative and accounting structure adopted by the company and to its operation. The statutory audit of the annual and consolidated financial statements is entrusted to the auditing company KPMG SpA, pursuant to Legislative Decree 39/2010 for the nine-year period 2017-2025. The Shareholders' Meeting represents the universality of the Shareholders of TREVI - Finanziaria Industriale S.p.A., and its functioning is governed by the Italian legislation in force and by the Articles of Association.

At the date of this Statement, the Group's Board of Directors is composed of 12 members, including 5 independent directors.

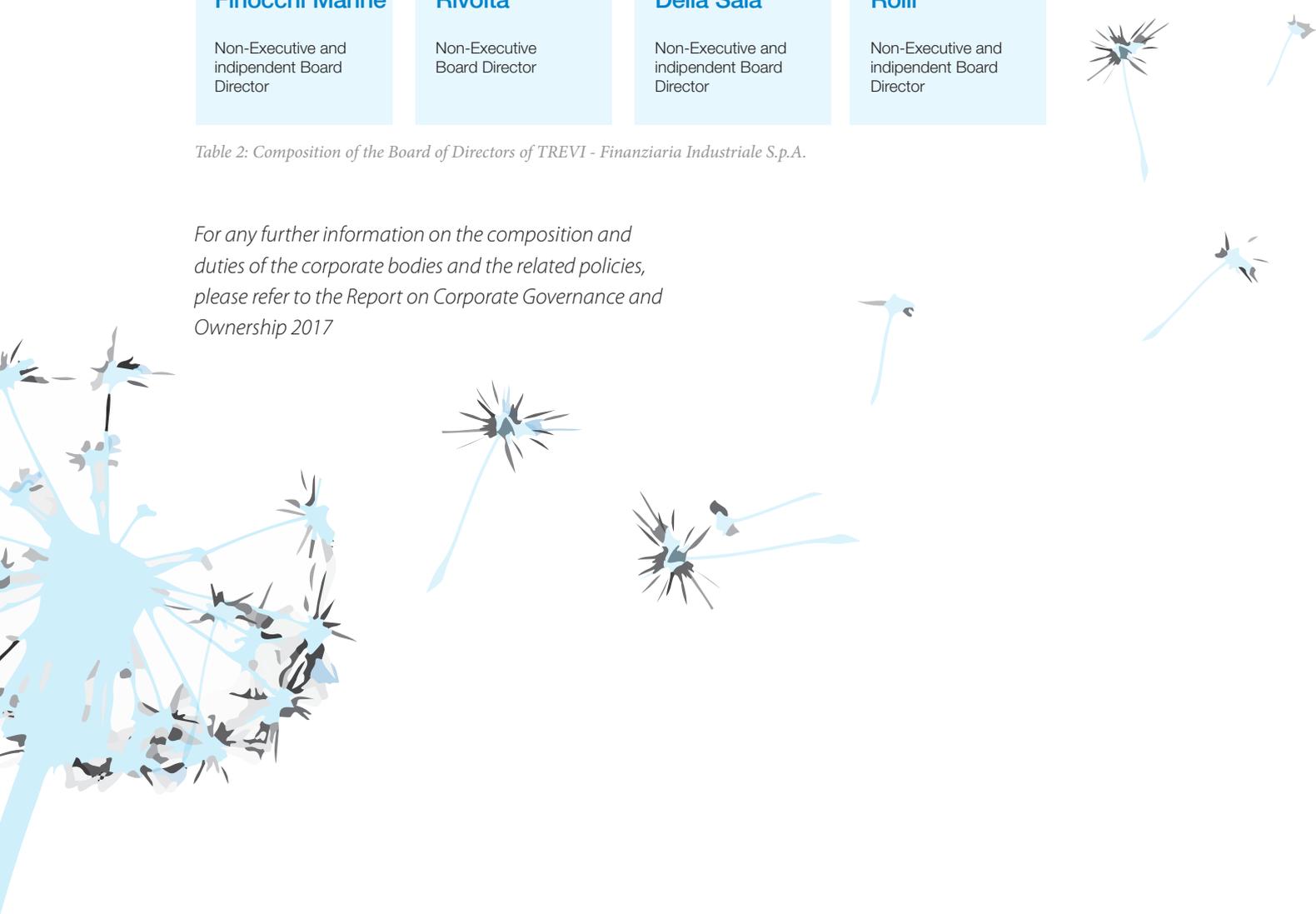
The average age of the directors in office at the date of this Statement is 60 years, with 2 Directors in the age group 30-50 years and 10 in the age group over 50 years. Women represent 33% of the members of the Board of Directors.



<p>Davide Trevisani</p> <p>Board Director and Chairman of the BoD</p>	<p>Cesare Trevisani</p> <p>Board Director and Vice Chairman of the BoD</p>	<p>Gianluigi Trevisani</p> <p>Board Director and Vice Executive Chairman of the BoD</p>	<p>Stefano Trevisani</p> <p>Board Director and Chief Executive Officer</p>
<p>Simone Trevisani</p> <p>Executive Board Director</p>	<p>Sergio Iasi</p> <p>Board Director and Chief Executive Officer</p>	<p>Marta Dassù</p> <p>Non-Executive and independent Board Director</p>	<p>Monica Mondardini</p> <p>Non-Executive and independent Board Director</p>
<p>Cristina Finocchi Manhe</p> <p>Non-Executive and independent Board Director</p>	<p>Guido Rivolta</p> <p>Non-Executive Board Director</p>	<p>Umberto Della Sala</p> <p>Non-Executive and independent Board Director</p>	<p>Rita Rolli</p> <p>Non-Executive and independent Board Director</p>

Table 2: Composition of the Board of Directors of TREVI - Finanziaria Industriale S.p.A.

For any further information on the composition and duties of the corporate bodies and the related policies, please refer to the Report on Corporate Governance and Ownership 2017



Risk management

The Risk Management function has been established aiming at ensuring an organic and effective management of the main business risks that may have an impact on the objectives of the Trevi Group and Trevi Finanziaria Industriale S.p.A., namely the parent company and Holding.

In 2017, this function worked to define, structure and develop risk management activities, with different levels of application in the Divisions, mainly focused on three areas:

1. Project

Identification and management of risks with potential impact on the project/contract objectives.

The Project Risk Management (PRM), conceived to be applied both in the Commercial Phase for the definition of the opportunity and in the Execution Phase of the projects, is composed - in compliance with the features of the business - of homogeneous methodologies and instruments among the Divisions.

The proposed approach consists of a bottom-up and qualitative-quantitative risk analysis, developed for each Division on the basis of the project's operational objectives and on possible cross-cutting themes at the project portfolio level and also at the level of the single Legal Entity. Activities will be carried out according to the commercial and operational timing of the projects/orders.

2. Process

Identification and management of cross-cutting risks (Enterprise) with potential impact on Division and Group objectives and on the guarantee of valuable products and services for Customers.

The proposed approach consists in a bottom-up and

qualitative-quantitative risk analysis, developed for each Division based on operational and strategic objectives. Activities will take place annually based on the timing of the planning process.

3. Strategic Plan

Identification and management of Top Risks with potential impact on EBIT provided by the Business Plan.

The proposed approach consists in a top-down and quantitative Risk Analysis starting from the strategic objectives and the areas of risk identified within a unique Risk Model based and compared with the objectives of the Business Plan.

The activities will take place annually based on the timing of the planning process.

Trevi, Drillmec and Petreven Divisions have a Risk Committee and a Project Risk Management system whose model includes risks related to the areas identified by the Decree 254/2016.

The Drillmec Division (which will be followed by the Trevi Division by 2018) has adopted a Risk Management system to monitor and manage risks at the Enterprise level and those related to business processes, including the ones of non-financial nature. The main risks affecting the Group's activities will be thoroughly analysed in the chapters dedicated to the individual areas of the Decree 254/2016 of this Statement.

The set of functional requirements for implementing the features of the Risk Management activities developed on a specific information system - whose release is scheduled for 2018 - to be integrated with the Treasury and Consolidated Financial Statements functions was also defined for the purpose of further development of processes and wider dissemination among all the entities that make up the Group.





Compliance and anti-corruption

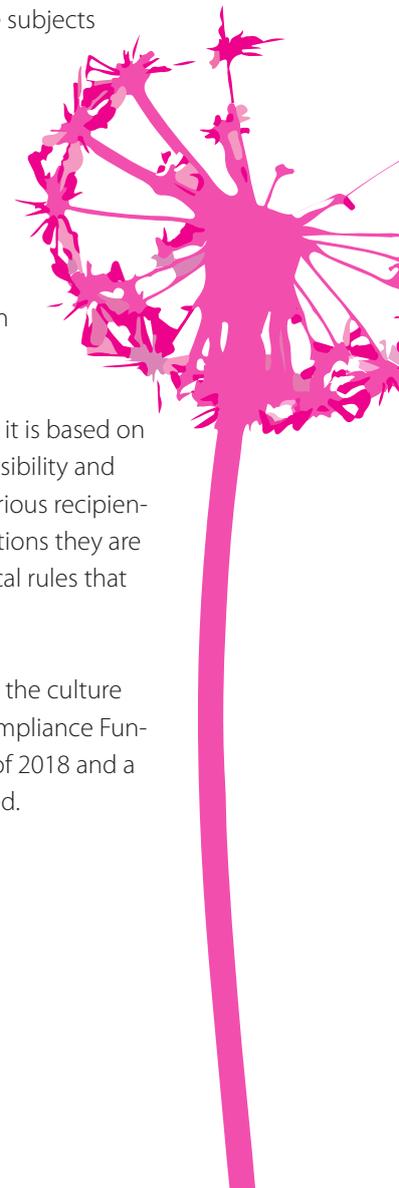
Since it works at international level with a multiplicity of public and private entities, the Trevi Group is exposed to a number of risks in terms of compliance, including the commission of corruption and bribery offences. These risks are mainly related to an inadequate selection of business partners, an ineffective definition and management of partnership and joint venture models, the infringement of intellectual property of third parties and the non-compliance with Group policies, procedures and standards. The occurrence of these risks may result in penalties, loss of profit and opportunities for developing trade relations, damage to the image and ability to maintain competitiveness. In this context, the Code of Ethics is the document that, since 2011, outlines the commitments and responsibilities in the business conduct and activities undertaken by TreviFin collaborators, directors and employees and its subsidiaries, directly or indirectly. The Code identifies the general principles that inspire relationships with stakeholders and reference values such as legality, morality, dignity, equality and professionalism. It clarifies the methods for managing relations with stakeholders and provides guidelines and rules to which Group collaborators are required to comply with in order to prevent the risk of unethical behaviour. The system is based on the identification of the mechanisms of implementation and control regarding the observance of the Code of Ethics and is based on continual improvement. The document, published on the company's website (www.trevifin.com), is shared with all new employees jointly with the 231 Model for acknowledgement, in order to reduce the risk of committing crimes in the performance of their activities.

As already highlighted in the previous chapters of the Consolidated Financial Statements, the Code of Ethics is an integral part of the Organization,

Management and Control Model pursuant to the Legislative Decree dated 8th June 2001, No.231 (hereinafter 231 Model) adopted by TreviFin and its Italian subsidiaries, in order to prevent the commission of crimes that fall within the scope of reference of the aforementioned Decree. The Model, approved in 2011, provides a structured system of procedures and control activities, for the prevention of crimes, corruption and bribery and is, at the date of preparation of this Statement, being updated for all Italian Divisions of the Group.

Employees are required to comply with the provisions contained in the Model and Companies are called to ensure proper disclosure of the contents and principles of the same within and outside their organization. These principles also concern the subjects who, although not holding the formal qualification as an employee, operate - even occasionally - for the achievement of the Company's objectives by virtue of contractual relationships. The communication and training activity is therefore diversified according to the target audience, with particular attention to employees working in specific areas of risk, the Supervisory Body and those in charge of internal control. In any case, it is based on principles of completeness, clarity, accessibility and continuity in order to ensure that the various recipients are fully aware of the company regulations they are required to comply with and of the ethical rules that must inspire their behaviour.

In order to promote the supervision and the culture of legality in a cross-cutting way, the Compliance Function was established at the beginning of 2018 and a Group Compliance Officer was appointed.



The range of action of the new Function is defined by the Compliance Framework, now in the approval phase, which will be applicable to the entire Group and whose guiding principle is the development of preventive activities for the management of compliance risks. Among the objectives of the Function, there is also the carrying out of a risk assessment for the analysis of compliance risks on all divisions, aimed at strengthening the management of compliance activities at Group level.

Beyond the aforementioned controls, the Group has not currently formalised guidelines on Bribery & Corruption. With regard to Italy, the management of this type of crime is included in the current internal control system and, specifically, in the actions carried out for the purposes of Model 231/2001, Model 262/2005 and other verifications of the Internal Audit function. To date, the planned and general audit activities relating to the 231 system, which can be indirectly linked to this aspect, are defined through a risk model and a risk assessment process that does not take into strict account the aspects of Bribery & Corruption. This area will be addressed to in the course of 2018 with the definition of the Group Bribery & Corruption plan in the context of the activities envisaged in the work program of the Compliance function.

In 2016 and 2017, no cases of corruption were detected in the companies of the Group, nor were legal proceedings initiated due to corruption. This statement is provided based on the information held by the Company and the contents of the control activities reported in the reports of the internal audit and of the supervisory body, pursuant to Legislative Decree 231/01 for the referenced years.

Annulment of the drilling contract in Bolivia

In the month of April 2017, TreviFin announced that Drillmec S.p.A. received, without prior notice, a "notice of annulment" of the contract for the supply of three drilling rigs in Bolivia by the client, Yacimientos Petroliferos Fiscales Bolivianos ("YPFB"), a subsidiary of the Bolivian Government, which declared the annulment of the contract by claiming the occurrence of a "force majeure", without however providing any further elements to support this decision.

Drillmec SpA, on the basis of this news - that was acknowledged after having received the formal and official assignment and subsequent signature of the contract - while considering that the unexpected action of YPFB has no legal and/or factual basis, has evaluated not to start a dispute with the counterpart, since it should have been carried out in Bolivia, given the uncertainty of the local political conditions and the high costs that launching the arbitration procedure would have entailed. Furthermore, this strategy allows the company to be able to assess the participation in the new call for tenders for the contract that, at the current date, must still be announced.

Finally, during the month of September 2017, YPFB returned to Drillmec S.p.A. the two guarantees (for a total value of about 40 million dollars) that had been previously issued in order to fulfil the contractual obligations and that, under the contract signed, could have been retained and enforced also in the event that the supplier had carried out corruptive actions.

Moreover, in 2017, the Trevi Group did not incur in significant penalties with regard to the environmental field.

Environmental protection

The approach to environmental management

Trevi is aware of the potential negative impacts and environmental risks of its activities, mainly in areas such as energy consumption and related climate-altering emissions, management of discharges, spills and wastes, management of water resources and bio-diversity. Conscious of the extent of these impacts, the Group has always placed environmental protection at the top of its priorities, devoting great attention to complying with current environmental regulations given the risk associated with the international nature of the Group's business.

With regard to job orders, the management of risks relating to potential negative effects in the environment, together with the development and implementation of appropriate safety measures, are aspects that fall under the responsibility of the General Contractor and, therefore, they are outside the discretion of the Group, which can only carry out conformity checks. Despite this, however, as proof of the attention dedicated to the reduction of environmental impacts, and of a transparency-oriented approach, the Group decided to extend the reporting in the environmental field, where the data were available, also to the main orders of Trevi and Petreven divisions that were active in 2016 and 2017. The reference perimeter is specified in correspondence of each indicator.

The belief that the environment is a primary asset to be safeguarded inspires the Group's work starting from the Code of Ethics that commits the company to mitigate the main environmental impacts of its activities and to contribute to environmental protection and safeguard of environment resources, through investments in research and development on products and services.

In compliance with this principle, all Group divisions and companies, with the exception of minor commercial companies, have a health, safety and environmental function - which often monitors also quality management - and have specific management policies and systems as shown below.

- Trevi

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

Furthermore, the Division has implemented an Environmental Action Plan (EAP): a policy aimed at minimizing the impact of all its subsidiaries on the environment and at ensuring the environmental compliance for all activities carried out by them, in accordance with the current national and international laws and with customer requests. The EAP describes the risk management processes having an environmental, monitoring and reporting nature as far as orders are concerned. Per each area of potential impact, the EAP describes the main identified risks, the necessary requirements and the mitigation measures envisaged by the System Environmental Management, the prevention procedures undertaken and contingency plans.

- Petreven

All companies of the Division have obtained the ISO 14001 certification. Therefore, the following companies are covered by the certification: the Legal and Management offices of Cesena, the operational offices and the main offices of the companies abroad (Petre-



ven S.A.0 – Argentina, Petreven Chile S.p.A., Petreven Peru S.A., Petreven Servicios and Perforaciones Petroleras C.A. Sucursal Venezuela).

- Drillmec

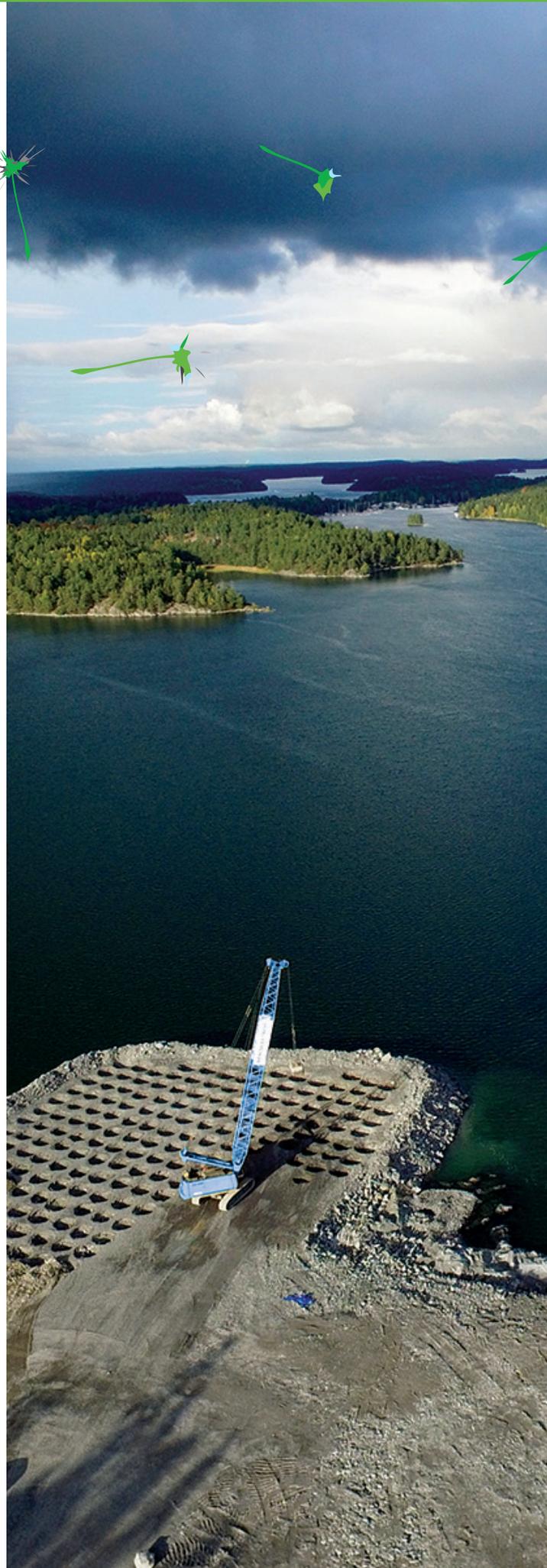
Drillmec S.p.A. and OJSC Seismotekhnika have obtained the ISO 14001 certification, while Drillmec Inc. is not currently certified at environmental level. All other Drillmec subsidiaries are small commercial companies with limited environmental impacts.

- Soilmec

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

Moreover, some Group companies (Trevi and Soilmec S.p.A. divisions) have an annual internal audit plan, aimed at monitoring the compliance with environmental and safety issues.

Consolidation works for the future dock in Norvik, Sweden



When innovation helps the environment: Some examples from the Trevi World

Environment work in the port of Palermo: innovative treatment of contaminated sediments

6V (a collaboration between Trevi and 3V Green Eagle) has completed the Sediment Washing (SW) project for the Port Authority of Palermo at the 150,000 tons gross capacity Dry Dock. The plant is an assembly made of five technological structures whose aim is to cover the entire waste management process to be treated and consists of different treatment sections: feeding, washing and grain-size separation, physico-chemical treatment of the process wastewater, thickening of the fine fraction, water filtering and complete treatment. The aim of the "sediment washing" process is to recover material and, subsequently, to reduce the amount of waste to be disposed.

At the end of the campaign, about 111,000 tons of waste were treated, hence recovering 41,400 tons of sand, 15,200 tons of gravel and delivering 25,400 tons of fine fraction contaminated to an external plant.



Cerro Pabellón: the contribution of the Trevi Group to a "Guinness" geothermal plant

Today, in Cerro Pabellón, there is the first geothermal plant of South America, as well as the highest "binary" system in the world, located at 4,600 meters above sea level in the Atacama desert (Chile). Petreven participated in the project by managing drilling works and the maintenance of the H2O2 Extreme drilling rig (HH220 Drillmec) for the execution of wells.

The most important difficulty was the temperature, ranging between -25 and +18°C, as well as the challenges linked to the construction of the plant in one of the most pristine ecosystems on the planet.





Mosul Dam:
a strategic intervention for the reconstruction of Iraq

The Iraqi Ministry of Water Resources awarded Trevi with the Mosul Dam project in March 2016. Trevi has immediately started working closely with USACE (US Army Corps of Engineers), in charge of the construction management. The safety conditions of the Mosul dam were very critical, mainly due to the poor conditions of the foundations, consisting of layers of gypsum and highly fractured rocks, for which a conti-

nuous high-tech maintenance is required. The Mosul Dam is a major facility in Iraq, since it is the most important reservoir for the supply of electricity, irrigation and drinking water for large cities along the Tigris.

Environmental protection

Energy consumptions and emissions

In accordance with the commitments declared in the environmental management systems, the Group pays particular attention to the management and containment of its energy consumption, as the climate-altering emissions deriving from it are perceived among the most significant environmental impacts that the Group's activities may have on the environment.↔ This takes place not only at the production plants and offices, but also at the construction sites that are usually under the responsibility of the General Contractor. A further example of the attention dedicated to the sustainability of energy supplies is the installation at Soilmec S.p.A. and Trevi S.p.A. in Cesena - two sites with a significant production in terms of consumption - of two photovoltaic plants, 189 kW and 198.45 kW respectively, and of a geothermal plant.↔

Starting from 2017, the Trevi division has activated a pilot project on the three major job orders in terms of environmental impact (one in Hong Kong and two in the United Arab Emirates), in collaboration with EFFC (European Federation of Foundation Contractors) and DFI (Deep Foundation Institute - Sustainability Committee).↔ This initiative aims at measuring the atmospheric emissions of activities in foundations and geotechnical engineering and is based on an instrument that allows the measurement of emissions due to: materials, energy and fuel used and waste produced at construction sites. The goal is to extend this project to all countries where the Division operates by 2019, in order to have a figure that measures performance and commitment in environmental matters, in addition to providing a system for monitoring energy consumption and emissions into the atmosphere.

Table 3 shows the energy consumption of all Group companies for the year 2017.

Consumption is reported in a uniform unit of measure (GJ).uniforme (GJ).

Energy consumption of the Trevi Group 2017 [GJ]

Total energy consumption	1.161.015
<i>Total energy consumption, of which:</i>	
– Diesel	1.006.057
– Natural Gas	34.026
– LPG	304
– Petrol	3.390
<i>Total indirect energy consumption</i>	
Total indirect energy consumption	113.303
– Electricity absorbed by the network of which from a renewable resource	106.830 502
– Thermal energy	5.971
<i>Total renewable energy self-produced and consumed</i>	
Total renewable energy self-produced and consumed	3.934
<i>Renewable energy self-produced and sold</i>	
Renewable energy self-produced and sold	212

Tabella 3: Energy consumption of the Group

2017. The data for Trevi ICOS CORP, Trevi ICOS SOUTH, Trevi Cimentaciones, Trevi Hong Kong, Trevi Austria, Profuro LDA and Soilmec France are not available.

The Group energy consumption for the year 2017 amounted to 1,161,015 GJ, 87% of which deriving from diesel consumption, 9% from electricity consumption and 3% from natural gas consumption. The high diesel consumption is justified by the use of drilling rigs and generators for the production of electricity at construction sites not connected to the national network. This consumption item is monitored, optimized and reported even if not directly attributable to the Group.



About 18% of energy consumption is, instead, due to a consumption of electricity and heat coming from the national distribution network. There is also a share of consumption (1%) due to energy from self-produced renewable sources coming entirely from the photovoltaic and geothermal systems of Cesena. 12% of the energy produced by the photovoltaic plants was sold in the GSE exchange account.

Given the nature of Trevi's business and activities, the significant atmospheric emissions are only linked to the greenhouse gases due to energy consumption, managed by the Group in terms of monitoring and containment of the environmental impact. No significant risks related to other emissions that are harmful to the environment are identified. The emissions of the Group's activities are calculated, in terms of tonnes of CO₂ equivalent, by reporting direct and indirect emissions:

- direct emissions (Scope 1): deriving from the operation of the plants and machinery owned or managed by the Group, for example the rigs used in the diesel-fuelled job orders;
- indirect emissions (Scope 2): deriving from the energy consumption of all the sites owned or managed by the Group connected to the local electricity network, net of production and supply from renewable sources plants (photovoltaic and geothermal plants).

Table 4 shows the direct and indirect emissions generated by all Group companies for the year 2017. Emissions are reported in tons of CO₂ equivalent (ton CO₂).

Scope 2 emissions have been calculated in accordance with the Location-based method envisaged in the "GHG Protocol Scope 2 Guidance - An Amendment to the GHG Protocol Corporate Standard" (2015). Consistently with the energy consumption described in the previous paragraph, emissions related to the use of fossil fuels are mainly derived from the use of diesel.

Direct and indirect emissions 2017 [ton CO₂]

Total emissions	89.439
<i>Total direct emissions (Scope 1), of which:</i>	
- Diesel	73.931
- Natural Gas	1.812
- LPG	20
- Petrol	238
<i>Total indirect emissions (Scope 2), of which:</i>	
- Electricity	13.438

Table 4: Direct and indirect emissions 2017.
With regard to the reporting scope, please refer to Table 3.

CO₂

Environmental protection

Waste and water resources management

Waste: management and disposal

Waste management was material only for the offices and facilities of the Soilmec and Drillmec divisions, and for the offices of Trevi and Petreven divisions. Given the Group's attention to environmental impacts, the data on waste management are however monitored and included in the reporting also for the Trevi job orders active in the year of reference on the Italian territory. As regards offices and factories, the main risks relate to the correct disposal of waste, regulated by the Group companies through the procedures established by the existing Environmental Management Systems. → Special attention is paid to the procedures for the classification, collection and storage of hazardous wastes, including the control of suppliers who deal with their disposal.

Table 5 and Table 6 show the total weight of hazardous and non-hazardous waste produced by the Group during 2016 and 2017, divided by disposal method.

Hazardous waste produced [tons]	2016	2017
<i>Hazardous waste produced, of which:</i>	236	207
- Sent for re-use	61	34
- Sent to recycling	13	16
- Sent to be recovered including energetic recovery	68	63
- Disposed in a landfill site	92	61
- Sent to a temporary warehouse	2	0.3
- Other	0.3	33

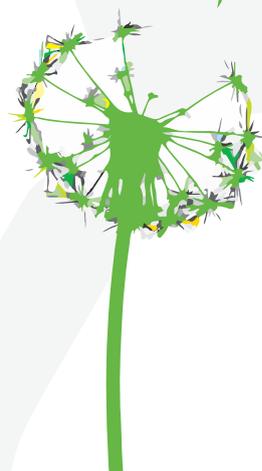
Tabella 5: Rifiuti pericolosi prodotti nel 2017 per modalità smaltimento. Sono inclusi i dati relativi a Trevi S.p.A., Drillmec S.p.A., Drillmec Inc., Seismotekhnika, Soilmec S.p.A., PSM S.p.A., Soilmec India, Soilmec North America, Soilmec U.K. Ltd., Watson Inc. e Soilmec Wujiang (per il 2016 e 2017).

Non-hazardous waste produced [tons]

	2016	2017
<i>Non-hazardous waste produced, of which:</i>	1.634	1.135
- Sent for re-use	4	4
- Sent to recycling	401	381
- Sent to be recovered including energetic recovery	941	508
- Disposed in a landfill site	287	232
- Sent to a temporary warehouse	1	0.04
- Other	0	10

Table 5: Non-hazardous waste produced in 2017 divided by disposal method. This includes data relating to Trevi S.p.A., Drillmec S.p.A., Drillmec Inc., Seismotekhnika, Soilmec S.p.A., PSM S.p.A., Soilmec India, Soilmec North America, Soilmec U.K. Ltd. Watson Inc. and Soilmec Wujiang (for 2016 and 2017). Data of Soilmec S.p.A. for 2016 and 2017 derive from an estimate of the supplier of disposal services.

The Group's hazardous waste production was equal to 236 tons in 2016 and 207 tons in 2017. This decrease (-12%), is mainly due to a drop in the waste sent for temporary storage and materials sent for re-use. A similar trend is also observed for the production of non-hazardous waste (-30%), which shows a sharp decline from 2016 to 2017, going from more than 1,633 tons to 1,135 tons.



Spillage: prevention and recovery procedures

The spillage of liquids and hydraulic oils contained within the machinery produced and used is a risk that mainly concerns Drillmec and Petreven, the divisions operating in the Oil & Gas sector, due to the size of the rigs and the quantities of oil that they contain (up to 5,000 litres per rig). With regard to the rigs respectively produced and used by Soilmec and Trevi, the risk is much less significant (the quantity of oil contained in the rig is two orders of a smaller size). To minimize the risk of spillage, the Group has equipped itself with specific equipment and procedures in the various divisions of reference, including the management of emergencies. In particular, Petreven has an anti-spill procedure; the topic is dealt within the Environmental Action Plan of Trevi, Drillmec and Soilmec and is managed and monitored through the Environmental Management Systems. The risk of spills can mainly occur during the testing phase of rigs and their use on site. In the first case, in order to minimize beforehand the possibility of leaks, the aforementioned procedures provide for the flooring of the testing area, in order to contain the impacts by collecting the leaking oils. Said oils can then be disposed of as hazardous waste according to the procedures established by the existing Environmental Management System. In the second case, the area surrounding the rig is waterproofed during the drilling phases: the procedure requires that the oils are collected in suitable grease-separators and conveyed to a purifier, to be then disposed in compliance with the procedures provided by the

site Contractor. In view to limit the damage caused by minor spills in relation to the Soilmec rigs, a spill-kit for the collection of oils and the cleaning of the affected area by employees was also developed, being the staff especially trained on the procedures to be followed.

Furthermore, at the design stage, all Soilmec and Drillmec rigs are equipped with oversized containment basis to retain oils in the event of leaks.

Thanks to all these prevention practices, no spills were recorded in the 2016 and 2017 financial years at Group level.¹

¹ Despite the spill risk is considered not too relevant, the Soilmec division oversees this issue. The division was however excluded from the reporting of the indicator associated with them.



Water consumption

Similarly to what happens for the other monitored environmental parameters, the water supply is also material for the offices and factories of the Soilmec and Drillmec divisions and for the offices of the Trevi and Petreven divisions.

Water consumption saw an overall increase of about 5% between 2016 and 2017, due to the increase in the use of water from the waterworks, mainly linked to the shipbuilding activities of the Trevi division, which increased during the two-year period. Consumption from groundwater and rainwater drainage remains stable; said water is used in production facilities such as Soilmec S.p.A., Drillmec S.p.A. and PSM S.p.A. The consumption of wastewater from other organizations is attributable to Soilmec India, which recovers this resource and makes it drinkable.

Water consumption by type of water source	[m³]	2016	2017
Water and waterworks		435.842	460.594
Surface waters (such as rivers, lakes or oceans)		0	0
Water from Groundwater Aquifer		31.915	30.291
Waste water from other organizations		20	20
Rainwaters directly collected		0	0
Municipal wastewater of rainwater		16.908	16.908
Total		484.685	507.813

Table 7: Water consumption by type of drawing source - 2017. In addition to the companies excluded from the environmental data reporting scope (see Table 17), also the water consumption of Watson (for 2016), Petreven SpA, Trevi Foundations Nigeria, Foundations Construction Nigeria, Trevi ICOS Corp. Trevi ICOS South, Trevi ICOS South, Trevi Cimentaciones, Trevi Hong Kong, Trevi Austria, Profuro LDA and Soilmec France (for 2016 and 2017) was excluded.



Protection of biodiversity

With regard to the protection of biodiversity, the Group's approach is consistent with the statements made in the certified Environmental Management Systems policies, according to which the respect for the environment, the protection of ecosystems and the efficient and sustainable use of natural resources constitute an essential requirement when planning business activities.

The divisions mostly affected by this type of risk are Trevi and Petreven, with regard to the performance of drilling and foundation activities. In order to reduce the risk of causing negative impacts on the environment in areas of high biodiversity, and in addition to the environmental impact assessment carried out by the General Contractor, both divisions undertake to carry out specific analyses during the start-up phase of each contract. Furthermore, whenever their activities are in areas with high biodiversity or protected areas, specific mitigation plans are developed for the places where the divisions operate.

With regard to 2016 and 2017, the Trevi Group did not operate in sites with high biodiversity value.







Personnel management

Risks and policies

The main risks identified in relation to personnel management concern the maintenance of employment in a business context marked by a significant discontinuity, the loss of key personnel due to the growing competition in the labour market for the most qualified resources and the compliance with labour regulations, which is also linked to the strong geographical differentiation of the Group companies.

Personnel management is carried out by companies with the coordination and direction of the Corporate Human Resources Department. The Code of Ethics is the main instrument for formalising corporate commitments on this regard and defines human resources as the core of the company strategy. It also identifies the protection of equal opportunities, the promotion of merit and talent and the creation of a serene, stimulating and rewarding work environment as key elements in all the Trevi companies in the world. In order to manage relations with employees and workers in a systematic way, the Group has adopted specific procedures that regulate aspects such as personnel search and selection, recruitment, training, remuneration of employees and management of any disputes.

The health and safety aspects are directly managed by each division and company that, as explained later in this chapter, have developed management systems and specific policies.

Work in the Trevi Group

As at 31 December 2017, the employees of the Trevi Group amounted to 6,560. Most of the employees were principally based in Asia (in 2017 corresponding to 29.5% of the total), followed by America (27.1%), Italy (18.23%), Africa (15.4%), Europe (9.6%) and Oceania (0.17%), as evidence of the presence of the Group worldwide.

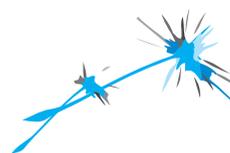
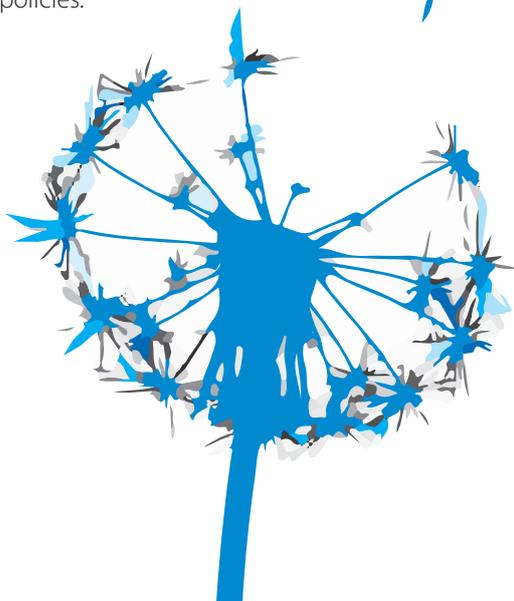
	2016			2017		
	Permanent	Fixed-term	TOTAL	Permanent	Fixed-term	TOTAL
Italy	1.297	105	1.402	1.082	114	1.196
Europe	332	16	348	598	32	630
Africa	470	730	1.200	373	637	1.010
Asia	1.517	319	1.836	1.479	456	1.935
Oceania	8	1	9	9	2	11
America	1.532	49	1.581	1.550	228	1.778
Total of employees			6.376			6.560

Table 8: Total of employees divided by geographic region and type of contract. The figures shown above include both employees directly employed by Trevi and those recruited by temp agencies.

The breakdown based on type of contract and type of employment has been made on an assumption relating to Other Workers that were all considered men with a full time fixed-term employment contract.

As at 2017, 77% of employees were hired under a permanent employment contract (or similar), 57% of which were employed in offices and factories and the remaining 43% in jobsites, marking an increase compared to 2016 when this figure totalled 81%. With regard to the type of employment, most employees were hired under a full-time contract (99.4% in 2016 and 99.7% in 2017). Furthermore, part-time contracts were mainly entered into with women (82% in 2016 and 89% in 2017).

The part of female personnel represented 7% of the



total in 2016 and 2017. The percentage of women holding a managerial position with respect to the total of female employees was equal to 4% in 2017. Furthermore, due to the nature of the Group business, most employees, specifically 64% in 2016 and 65% in 2017, were represented by blue-collar workers, followed by white-collar workers who respectively represented 28% and 27% in 2016 and 2017.

The global nature of the Trevi Group business requires different contractual forms according to the Country in which the Group operates. In Italy, all employees are protected by the contractual terms provided for by the National Collective Bargaining Agreement (CCNL) for the industry of reference. Trevifin, Trevi and Petreven abide by the CCNL for the construction industry, whereas Drillmec, Soilmec and PSM refer to the CCNL for the engineering industry. Abroad, the companies establish ongoing relations with local trade unions, where present, which ensure the compliance with current legislation on personnel management and apply national collective agreements or similar contracts. The Group relies on external recruitment agencies, especially when the size of the workforce necessary for implementing and managing jobsites makes the management of the selection and recruitment process too burdensome, or when it is necessary to have work visas in a short time.

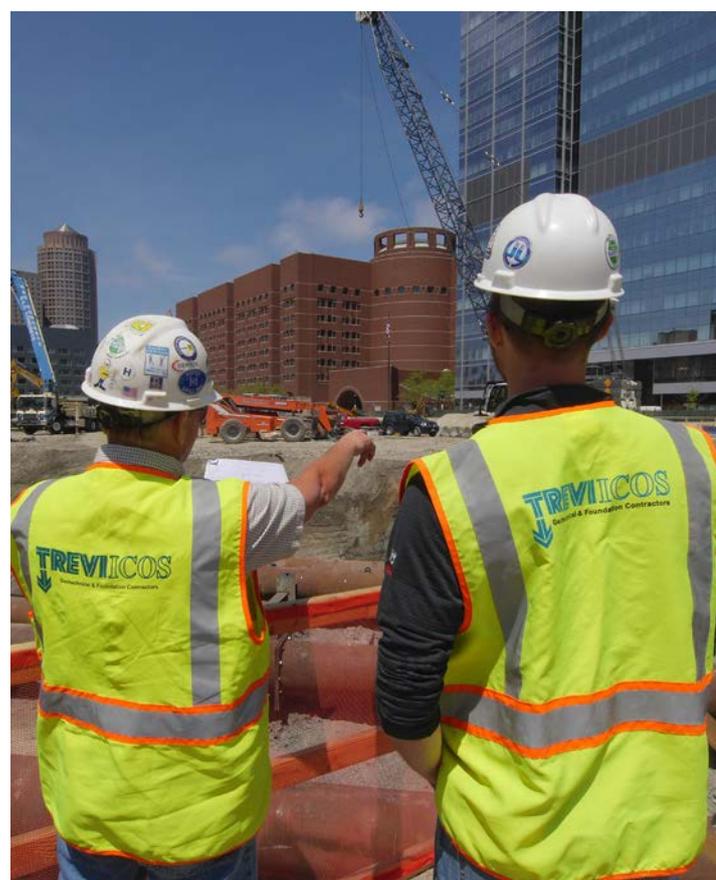
The difficult economic and financial situation marking the last few years has led the Group to activate various laid-off workers mobility procedures starting from 2016, which were managed in close contact with the competent trade unions.

This resulted in a significant turnover growth especially with regard to Drillmec, Trevi and Petreven in Italy and Argentina.

Diversity of employees

		2016	2017
Executives	MEN	129	140
	WOMEN	21	17
Managers	MEN	363	337
	WOMEN	44	47
Employees	MEN	1.590	1.400
	WOMEN	366	335
Workers	MEN	4.358	4.152
	WOMEN	31	28
Women total		462	427
Men total		6.440	6.029

Table 9: Total of employees divided by professional category and gender.





Our commitment to health and safety

The Trevi Group constantly strives to promote health and safety in all the corporate activities carried out in the workplace, providing employees and collaborators, according to their roles, with all the equipment necessary to avoid any risk or danger to their persons. →
Health and safety risks – of major importance for workers engaged in construction sites and factories – are differentiated according to the duties carried out. →
The manual nature of many processes, the presence of machinery whose correct use requires specific skills and, finally, the presence of repetitive and/or routine tasks whose danger can be ignored by the worker, are among the most important risk factors.
Given the international nature of the Group's business, a significant risk relating to the prevention of accidents at work is the implementation of processes and procedures that comply with the applicable local standards.

To tackle and mitigate these risks, all the companies of the Trevi division and 5 companies of the other divisions (Drillmec S.p.A., OJSC Seismotekhnika, Drillmec Inc., Watson Inc. and Soilmec UK) have adopted a health and safety management system, often integrated with environmental protection. To ensure a shared and systematic approach to manage processes, all the Italian companies have obtained the OHSAS 18001 certification (with the exception of Soilmec S.p.A. → - whose implementation of the system is currently ongoing - and Trevifin) while the single divisions have adopted specific controls. Furthermore, the Trevi division carries out an audit plan on an annual basis, aiming at monitoring the compliance with environmental and safety at work requirements.



OHSAS 18001 Certification
Trevi S.p.A. – registered and operational office

HSE Policy
In 2013, the Trevi division approved a HSE policy "Corporate Responsibility Program for Health and Safety", applicable to all the subsidiaries and that provides for an integrated management system for health, safety, environment and quality. →



OHSAS 18001 Certification
Petreven S.p.A. and all its subsidiaries operating in the year 2017

HSE Policy
To date, no HSE Policy is planned.



OHSAS 18001 Certification
Drillmec S.p.A.
The manufacturing site in Belarus managed by OJSC Seismotekhnika is certified by STB 18001 (local equivalent of OHSAS 18001 certification)

HSE Policy
Drillmec S.p.A., OJSC Seismo-tekhnika, and Drillmec Inc. in the Unites States, adopted an "Occupational health and safety policy".



OHSAS 18001 Certification
The implementation of the management system of OHSAS 18001 certification is currently ongoing at Soilmec S.p.A.

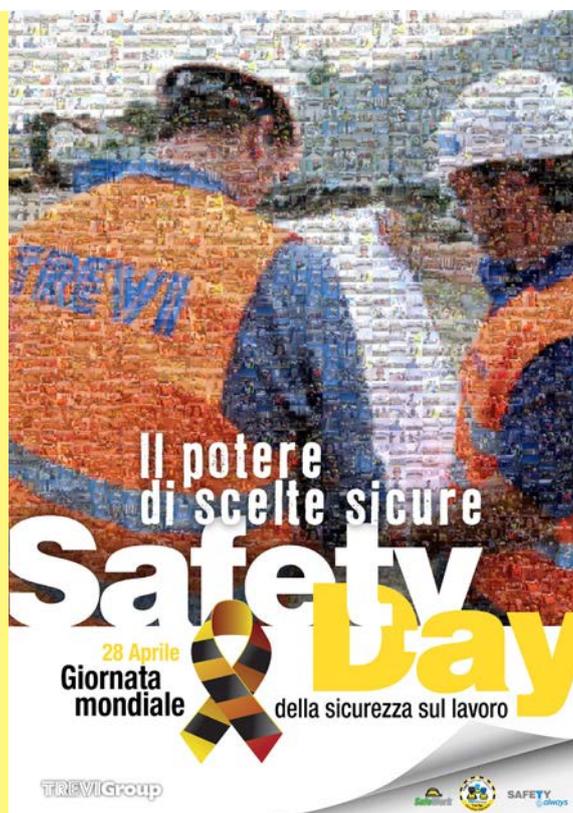
HSE Policy
Soilmec S.p.A. and PSM S.p.A. have decided to adopt the "Zero accidents" target, which defines a constant commitment to ensure a protected working environment for their employees. →
Some subsidiaries have also specific HSE policies to better cover these issues at the local level, such as Watson Inc. (in the United States) or Soilmec UK.

Table 11: HSE policies of the Group divisions



World Day for safety at work

Since 2012, the Trevi Group has been celebrating the “World Day for Safety and Health at Work” on 28th April, in order to promote the prevention of work accidents and occupational diseases. This campaign aims at turning the spotlight on new developments in health and safety issues and to make workers aware of the correct behaviours to be adopted in the workplace. In line with this approach, every year a poster is published and a specific slogan is created. On the occasion of this celebration day, events and dedicated meetings are organized in each construction site, office and workshop. The celebration of the World Safety Day involves more than 4,000 Trevi workers worldwide.



Health and safety training is another fundamental tool, whose importance is recognized by the Code of Ethics. The Trevi Division organises dedicated programmes, such as the “Safety Induction”, a compulsory course for all workers lasting a few hours and held at the start of the construction site with the aim of increasing the awareness of the risks associated with work activities.

The programme is also addressed to workers hired by local employment agencies, a type of collaborator particularly at risk, due to the different level of preparation on these issues.→ The HSE training of the Division also includes orientation sessions for new employees, a basic safety course, a security course for Site Managers and Senior Managers and local training courses organised by third parties for the qualified personnel including, for example, first aid and training courses for the personnel in charge of lifting operations.

Below, Table 12 shows the total training hours on these issues for the entire Group.

		Average hours of training	
		2016	2017
Unit			
Average hours of training	person	23,60	26,94

Table 12: HSE Average hours of training

Tables below show average hours of training on safety issues for each Group division: Table 15 for Trevi division, Table 16 for Petreven division, Table 17 for Soilmec division and Table 18 for Drillmec division. Petreven is the Division that provides the highest number of training hours to its employees (168.62 average hours of training per employee), given the risks incurred by workers operating in the Oil & Gas sector.



aspects concerning the personnel management

TREVI		Average hours of training	
	Unit	2016	2017
Average hours of training	person	6,82	9,67

Table 15: HSE average hours of training for the Trevi division. No breakdown based on type of gender and professional category is available for this division.

Petreven		Average hours of training	
	Unit	2016	2017
Average hours of training	person	156,81	168,62
Genere			
Men	h/persona	161,45	172,02
Women	h/persona	0	0

Table 16: HSE average hours of training for the Petreven division. No breakdown based on type of professional category is available for this division.

soilmec Drilling and Foundation Equipment		Average hours of training	
	Unit	2016	2017
Average hours of training	h/persona	3,87	3,04
Gender			
Men	h/persona	3,85	3,08
Women	h/persona	4,09	2,83
Category			
Executives	h/persona	6,24	6,53
Managers	h/persona	3,55	3,67
Employees	h/persona	2,13	1,59
Workers	h/persona	4,90	3,91

Table 17: HSE average hours of training for the Soilmec division.

DRILLMEC DRILLING TECHNOLOGIES		Average hours of training	
	Unit	2016	2017
Average hours of training	h/persona	7,99	5,97
Gender			
Men	h/persona	9,30	7,01
Women	h/persona	1,13	0,58
Category			
Executives	h/persona	2,22	2,82
Managers	h/persona	12,16	9,47
Employees	h/persona	3,05	0,50
Workers	h/persona	10,94	8,90

Table 18: HSE average hours of training for the Drillmec division. The figure relating to HSE training for the Drillmec Spa company is the result of an estimate: hours data has been obtained through a percentage proportion on the basis of the number of employees and managers.

Another important tool used in job sites for raising awareness is the "Safety Alert", namely an internal notice that includes a detailed explanation of the accidents occurred and that is forwarded on a monthly basis to HSE coordinators. → Among the procedures formalised within the "Corporate Responsibility Program for Health and Safety" of the Trevi division, it is worthy to mention the "Toolbox talk": on a daily or weekly basis a short meeting is held before the start of the working activity where supervisors and/or site managers and workers discuss possible risks, accidents occurred and potential issues relating to the activity carried out. → Lastly, the HQSE Dept. of the division monitors the health and safety data of the various job orders every month, so as to identify any critical elements in a timely manner.

The Petreven division addresses these issues by means of the certified integrated management system in

with the requirements of OHSAS 18001. With regard to risks related to production plants, concerning the Soilmec and Drillmec divisions, the management of these aspects is entrusted to the certified and integrated management system.

At Group level, 63 accidents were recorded in 2017, 5 of which were commuting accidents. The relating rates are shown in Table 19 for 2016 and Table 20 for 2017. The accident count does not take into consideration minor injuries that did not result in lost days for workers (such as accidents resolved through on-site first aid). Furthermore, no cases of occupational disease were recorded both in 2016 and 2017.

In addition to the accidents above, mention is also made to one fatal accident occurred in 2016 and one in 2017.

In 2016 a worker of Galante SA in Colombia was involved in an accident caused by the fall of the crane he was dismantling. In 2017, a Soilmec Hong Kong employee at the Trevi Insaat jobsite in Istanbul (Turkey) was involved in a fatal accident during the repair of a breakdown on a Soilmec rig in operation.

Accident indices, occupational diseases and absenteeism in 2016

INDEX OF:	ITALY		EUROPE		ASIA		AFRICA		OCEANIA		AMERICA	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Severity	0,36	0	0	0	0,02	0	0,02	0	0	0	0,10	0
Frequency	16,25	0	0	0	0,70	0	0,74	0	0	0	2,45	0
RATE OF:												
Absenteesim	5,30%		0,53%		0,66%		7,13%		0,00%		0,70%	

Table 19: Accident indices, occupational diseases and absenteeism in 2016. It is worth mentioning that the Severity rate has been calculated by using worked hours instead of workable hours. In addition to the companies excluded from the HSE data reporting scope, the figure relating to the absenteeism rate of Seismotekhnika and the one relating to the frequency rate of Soilmec UK for Europe were excluded as well.

Accident indices, occupational diseases and absenteeism in 2017

INDEX OF:	ITALY		EUROPE		ASIA		AFRICA		OCEANIA		AMERICA	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Severity	0,28	0	0,03	0	0,00	0	0,02	0	0	0	0,05	0,01
Frequency	7,06	0	7,69	0	0,52	0	0,43	0	0	0	2,29	5,90
RATE OF:												
Absenteesim	4,55%		6,68%		0,69%		6,84%		0,10%		0,57%	

Table 20: Accident indices, occupational diseases and absenteeism in 2017. It is worth mentioning that the Severity rate has been calculated by using worked hours instead of workable hours. In addition to the companies excluded from the HSE data reporting scope, the figure relating to frequency rate of Soilmec UK for Europe was excluded as well.



aspects concerning the personnel management

Drillmec, in particular, initially resorted to social safety nets such as job-security agreements. Once these resources were depleted, the only available option was the effective reduction of the workforce, which involved about 285 persons in two years. In 2017, out of the total number of people involved, 90 were the actual redundancies managed in agreement with trade unions through voluntary mobility of laid-off workers. The remaining part of employment termination is due to the non-renewal of fixed-term contracts, including some cases of voluntary resignations, intra-group

transfers, retirements and re-employment in other companies.

Also Trevi and Petreven were affected by a personnel reduction. In 2017, Trevi started a voluntary mobility process that ended up with the termination of 90 job positions, while Petreven S.A. Argentina was affected by a local personnel reduction of about 110 positions. The figures relating to new recruitments and the total amount of terminations of employment in 2016 and 2017 are shown in Table 10 and Table 11.

		2016						2017							
INBOUND TURNOVER		ITALY	EUROPE	ASIA	AFRICA	AMERICA	OCEANIA	Group	ITALY	EUROPE	ASIA	AFRICA	AMERICA	OCEANIA	Group
Men	Executives	4	2	5	1	2	0	14	8	0	6	0	3	1	18
	Managers	6	0	38	35	10	0	89	1	5	40	11	9	0	66
	White-collar workers	19	5	293	99	104	0	520	21	36	305	65	101	1	529
	Blue-collar workers	13	2	945	444	694	0	2,098	8	41	916	318	553	2	1,838
	Total	42	9	1.281	579	810	0	2.721	38	82	1.267	394	666	4	2.451
Women	Executives	0	1	0	0	0	0	1	0	0	0	0	0	0	0
	Managers	0	0	0	2	3	0	5	1	2	0	2	1	0	6
	White-collar workers	8	5	24	8	33	0	78	4	15	23	6	38	0	86
	Blue-collar workers	0	0	11	5	14	0	30	0	0	11	7	6	0	24
	Total	8	6	35	15	50	0	114	5	17	34	15	45	0	116
Total		50	15	1.316	594	860	0	2835	43	99	1.301	409	711	4	2.524
Turnover rate		4%	4%	72%	50%	54%	0%	44%	4%	16%	67%	40%	40%	36%	39%

Table 10: Inbound turnover of the Group employees

		2016						2017							
OUTBOUND TURNOVER		ITALY	EUROPE	ASIA	AFRICA	AMERICA	OCEANIA	Group	ITALY	EUROPE	ASIA	AFRICA	AMERICA	OCEANIA	Group
Men	Executives	6	0	0	0	2	0	8	5	6	2	2	2	0	17
	Managers	5	12	0	6	7	0	30	5	21	0	11	11	0	48
	White-collar workers	40	36	1	30	89	1	197	55	22	20	55	74	0	226
	Blue-collar workers	56	135	14	340	657	1	1,203	176	138	55	320	700	1	1,390
	Total	107	183	15	376	755	2	1.438	241	187	77	388	787	1	1.681
Women	Executives	0	1	0	0	0	0	1	0	1	1	0	0	0	2
	Managers	0	4	0	0	3	0	7	0	5	0	0	4	0	9
	White-collar workers	4	34	0	6	37	0	81	13	23	7	4	42	0	89
	Blue-collar workers	0	0	0	7	19	0	26	0	0	0	15	14	1	30
	Total	4	39	0	13	59	0	115	13	29	8	19	60	1	130
Total		111	222	15	389	814	2	1.553	254	216	85	407	847	2	1.811
Turnover rate		8%	64%	1%	32%	51%	22%	24%	21%	34%	4%	40%	48%	18%	28%

Table 11: Outbound turnover of the Group employees

Human resources development

Trevi strongly believes that the development of its employees constitutes a major driver for the business. For this particular reason, the Group has implemented a management by objectives approach, which makes it possible to highlight the personal contribution of employees with respect to the objectives of the company as a whole, enhancing their skills and development capacities.

The definition, communication and evaluation of objectives are carried out by means of a Performance Management System (PMS). On the basis of the skills and results achieved by each employee, the relevant manager draws up the performance appraisal, including any possible development and training actions to be undertaken with the aim of strengthening the employee's skills. This becomes a crucial point for conceiving individual development plans, carrier paths and professional training activities. The development of skills in areas in which the Group operates requires many years and activities such as training, tutoring and "training on the job" are supported and carried out, being aware of the positive and essential bond existing between company performance and employees' know-how.

In 2006, the Group inaugurated the **Foundations Technology Academy (FTA)** that manages classroom, on-line and on-site training activities, focused on technical and professional topics for the construction sector and accessible both to internal staff and to divisional clients. A similar initiative, with a technical training plan, has also been launched for the drilling world with the creation of the **Drillmec Academy (DTA)**, open to both employees and clients of the division. With the aim of promoting training

initiatives focused on the development of managerial and soft-skills for the entire Group, also by means of new technologies and new communication tools, the **Trevi Group Academy of Management (TGA)** was founded. The course offered by the Academy consists in four Pillars: Project Management, People Management, Client Management and Finance for non Financial People.

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



TGA activities are founded on the so-called "blended" method that combines e-learning training, virtual team projects and classroom training with an expert at the end of the course. This encourages the involvement of all employees, overcoming geographical distances and meeting any need of flexibility and mobility of the Group.





Attention to local communities

Trevi operates in 45 countries and manages its own activities in close contact with local populations, both in heterogeneous situations from a geographical and cultural point of view and, often, in delicate socio-political scenarios. Especially in countries where the presence of Trevi jobsites is consolidated, the Group covers an active role in local communities, providing a contribution to the socio-economic development of the territory that is not limited to the creation of new jobs but that also involves long-term relationships with communities founded on a mutual support. The most significant examples are the collaborations established with local entities for implementing development programmes in communities, such as "Social Value", a project born to promote and support solidarity initiatives at local, national and international level mainly in favour of children. → During its first years of activities, Social Value has directly supervised more than 50 solidarity projects on the territory. Below are details of the most important projects supported by the Group over 2017.

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

Table 21 shows Trevi investments in initiatives with a social purpose.

Below the most significant collaborations in 2016 and 2017:

- In **Cesena**: support to the Romagna Solidale Foundation, which brings together the main companies of the territory to promote social initiatives. Support to Caritas for providing meals.
- In the **Central Italy**: contributions for the reconstruction of areas hit by the earthquake.

- In **Colombia**: support to Fundacion Las Golondrinas that helps more than 92,000 persons in need of the communities of Bogotá, with a particular focus on children.
- In **Panama**: donation to Casa Esperanza, an association that combats child labour providing medical and educational services to the younger.
- In the **Philippines**, support to different orphanages in the Makary City area, mainly managed by nuns.
- In **Argentina**, collaboration with Jardín Nuestra Señora del Valle for the construction of a new nursery school, the only facility open all day and free of charge in the Bancalari district (Buenos Aires).

Any updates of the initiatives related to the Social Value project are shown in the specific section of the Group Website and the Group Journal, that is published every six months on the website to communicate all the results achieved and the progresses made.

Initiative scope	INVESTMENT	
	Euro	%
Solidarity	214.500	66,06%
Sport	53.500	16,48%
Culture	43.900	13,52%
Other	8.800	2,71%
Research	4.000	1,23%

Table 21: Investment of Trevi in initiatives with social purposes.

Starting over in Erbil

Between 2014 and 2015, Erbil represented one of the main poles of attraction for refugees from all over Iraq and Syria. – Approximately 73% of them live outside the official camps, resulting in a major issue in terms of labour and social integration. In April 2015, the AVSI Foundation opened the nursery school “Casa del Bambino”, located on the outskirts of Erbil. Since 2016, the Trevi Group has been supporting this facility that houses 150 children (7 of which with disabilities), both Christians and Yazidis, who can not only access primary education but also find a safe place where staying together. The school also hired 8 Iraqi refugee teachers, who can now take care of their families and family friends thanks to this job. The Trevi Group has also committed its resources to implementing the activities of a language and professional training centre, which is fundamental for expanding work possibilities of refugees. Thanks to English language courses, this centre aims to overcome language barriers and to promote dialogue between refugees and the host community.



The Romagna Iniziative consortium

The Romagna Iniziative Consortium brings together some of the most important companies on the territory of Cesena and Romagna. Founded in 1996 on the initiative of the Trevi Group, the Romagna Iniziative Consortium is committed to supporting projects of cultural interest and activities that involve young people in almost all sports such as football, basket and rugby but also volleyball, fencing and skating. The purpose of the Consortium is to enhance the territory to which it belongs. Key figures: over 10,000 young people in the Romagna territory who practice sports in companies supported by Romagna Iniziative; more than 40 associations and sport events sponsored by the consortium each year; more than 20 cultural projects implemented each year thanks to the contribution of Romagna Iniziative; about 30 concerts and events hosted by the “Nuovo Teatro Carisport”.



Mosul Dam Project for Social Progress

Trevi played as leader and promoter of the project “Mosul Dam Project for Social Progress” with the aim of restoring some school facilities of various degrees and levels in the area of the Mosul Dam, providing also educational material to students. A charity activity that involves hundreds of children, young people and teachers, called to study and work in dilapidated buildings. The Social Project mainly consists in the renovation of the classrooms, the installation of new air conditioning and heating systems and the reconstruction of the toilets of 5 school buildings. Seventeen classrooms, offices and bathrooms of a primary school attended by about 400 students are currently being completed. In this specific case, for the safety of children, it was also necessary to re-install the electrical systems. The Group was also engaged in the reconstruction of a soccer field for children in the local community.



Respect for human rights

The Trevi Group is aware that respect for human rights is a fundamental issue, especially for companies operating at international level and in close contact with countries characterized by complex socio-political scenarios in which workers rights and management practices of partners are not always regulated by legislations equivalent to Italian ones. To date, the Group has not developed a policy that has been formalized and shared by all divisions for managing its supply chain and protecting human rights. Risks deemed as residual in relation to these issues concern the management of subcontracting relationships - to date not evaluated as material neither in the Division of the Foundations sector nor in the Oil & Gas sector - as well as the employment of workers on the local market, managed through on-site recruitment agencies.

The principles of legality, dignity and equality expressed by the Code of Ethics, as well as the choice of partners of proven reliability with regard to the management of local workers and suppliers, are the elements on which the Group is based for mitigating these risks. The relationship established with its own suppliers is particularly important for Trevi, since it results into certified quality management systems and procedures for selecting and monitoring their performance, managed independently by the various companies. All subsidiaries select partners that share the same quality and reliability values inspiring the business conduct.

Group companies are supplied by 11,676 suppliers, which account for around 60% of the volume of purchases. With regard to purchases falling under their own competence, the Group's companies are supplied locally; the number of suppliers is therefore higher in

correspondence of countries where the most significant orders are located.

In order of relevance they are located in Italy (3,881), United States (3,133), Argentina (1,026), United Arab Emirates (490) and Nigeria (330). During the selection phase of new suppliers, a qualification process is activated, which may include on-site visits and document review, as well as requirements relating to compliance with mandatory regulations on workers' health and safety, labour rights and environmental standards. These companies also have a vendor rating system for measuring supplier performance, which is periodically updated and which involves carrying out audits. To date, companies do not carry out assessments of negative social impacts along the supply chain.

As regards employees and workers, the Trevi Group undertakes to respect personal dignity and create a work environment characterized by the absence of racial, cultural, ideological, sexual, physical, moral, religious or other discrimination and to offer all employees and collaborators equal opportunities on equal terms. All workers are guaranteed the same rights, regardless of the place of employment, and as stated in the Trevi Group's Recruitment Procedure, any form of discrimination is prohibited. It should be noted that in 2016 and 2017 there were no episodes of discrimination. With regard to the risk of violation of human rights by suppliers and subcontractors, to date, the Group doesn't carry out assessments, neither internal nor on suppliers.



Methodological note

The methodology

The Consolidated non-financial statement for the year 2017 of the Trevi Group complies with requirements of the Legislative Decree 254/2016 on the obligation of large entities of public interest to report non-financial information.

The NFS aims to ensure the understanding of the organizational model, the policies, the main risks and the performance indicators of the Group in relation to environment, society, personnel-related issues, respect for human rights and anti-corruption and bribery, which are relevant considering the activities and features of the company.

The NFS has been approved by the Board of Directors of TreviFin and is integrated in the Report on Operations and Ownership. The NFS is prepared in compliance with the requirements of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" drawn up in 2016 by the GRI - Global Reporting Initiative ("GRI Standards"). Specifically, in accordance with the Standard GRI 101: Foundation, paragraph 3, reference was made to the 2016 Reporting Standards in the Content Index ("GRI Standards - GRI-referenced option").

The information and figures reported in this NFS refer to the period 1/1/2017 - 31/12/2017 or to the 2017 financial year.

Furthermore, it was submitted to a limited examination, according to the International Standard on Assurance Engagement (ISAE 3000 Revised) by KPMG SpA.

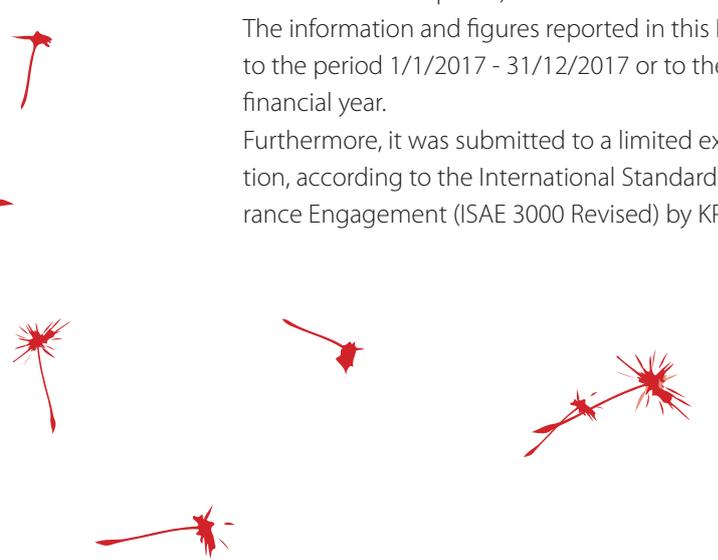
Process for identifying material topics

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

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

Specifically, the analysis carried out to identify the main relevant aspects are as follows:

- **analysis of sector benchmarks** through mapping non-financial aspects marked as relevant for the sectors in which the Group operates. In particular, the sustainability reports published by the Group's main competitors and peers were analysed;
- **analysis of sustainability trends:** the analysis was carried out by taking into consideration the Machinery and Construction sectors, through sources such as SASB Materiality Map, RobecoSAM and supporting documentation published by GRI;
- **analysis of the media** through the search for keywords of articles on the main national and international newspapers that have covered non-financial topics related to the Trevi Group during the year of reference.



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

Scope

The reporting scope of this NFS includes companies of the Trevi Group that have been fully consolidated as mentioned in the Report on Operations as at 31/12/2017. Table 22 shows the criteria for defining the reporting scope of each area of the Decree.

The exclusion of some companies from the scope has been evaluated in accordance with provisions of art. 4 of the Legislative Decree No. 254/2016 that describes the opportunity to exclude from the NFS report those companies that, even though excluded from the accounting reporting scope, are not relevant to the

understanding of activities and impacts of the Group. The socio-economic impacts of these companies are scarcely significant due to their little impact in terms of type of activity (non-productive one), number of employees (less than 15 resources). With regard to the Trevi and Petreven divisions, the companies having active job orders in the year 2017 and, hence, attributable to significant impacts are: TREVI S.p.A., Trevi Insaat Turchia, Trevi Cimentaciones, Foundations Nigeria, Foundations Philippines, Swissboring, Icos Corporation, Icos South, Pilotes Argentina, Galante S.A. Colombia, Trevi Algeria, Arabian Soil Contractors, Kuwait Foundations and Foundation Construction Ltd Nigeria, Petreven S.p.A., Petreven C.A. Venezuela, Petreven Chile, Petreven Perù S.A., Petreven S.A. Argentina.

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

Area	Reporting scope	Scope limitations
Environment	All the companies employing less than 15 persons as at 31/12/2017 are excluded from the report.	302-1; 305-1; 305-2 For the Trevi division, active job orders: - active job orders: Trevi Icos Corp. + Trevi Icos South and Trevi Cimentaciones; - non-active job orders: Trevi Hong Kong, Trevi Austria and Profuro LDA For the Soilmec division: - Soilmec France
		303-1 For the Trevi division, active job orders: - active job orders: Trevi Cimentaciones, Foundations Nigeria and Foundations Construction Ltd. Nigeria, Icos Corp. and Icos South; - non-active job orders: Trevi Hong Kong, Trevi Austria and Profuro LDA For the Petreven division: - Petreven S.p.a.

Area	Reporting scope	Scope limitations	
		303-1	For the Drillmec division: - Watson Inc. (2016 figures) For the Soilmec division: - Soilmec France (2016 and 2017 figures)
		306-2	For the Trevi division: - all the foreign companies For the Petreven division: - all the foreign companies For the Soilmec division: - Soilmec Wujiang and Soilmec France
		306-3	The indicator for the Soilmec division is not reported since it is not relevant indicator.
		304-1	
Compliance and anti-corruption	For the Trevi and Petreven division: - companies with no active job orders in the year 2017	205-3	
	For the Drillmec and Soilmec division: - there are no scope exclusions	307-1	
Social	For the Trevi and Petreven division: - companies with no active job orders in the year 2017 For the Drillmec and Soilmec division: - there are no scope exclusions	413-1	
Human rights	All the companies employing less than 15 persons as at 31/12/2017 are excluded from the report.	406-1	
		412-1	
		414-2	All the foreign companies are excluded from the report.
Personnel	For the Trevi and Petreven division: - companies with no active job orders in the year 2017 For the Drillmec and Soilmec division: - there are no scope exclusions	102-8	For the Drillmec division: - Drillmec Russia
		401-1	For the Drillmec division: - Drillmec Russia
		403-2	For the Drillmec division: - Drillmec Russia The figure relating to the absenteeism rate is not available for the following companies: Soilmec Japan, Watson Inc., Trevi Profuro, Trevi Egitto, Trevi Cile, Trevi Canada, Trevi Australia, Drillmec Inc., Drillmec Colombia
		404-1	For the Trevi division: - all the companies employing less than 15 persons as at 31/12/2017 are excluded from the report. For the Drillmec division: - Drillmec Russia
		405-1	For the Drillmec division: - Drillmec Russia

Table 22: criteria for defining the reporting scope

Method of calculation

The definition of the contents included in the NFS 2017 involved all the relevant corporate departments in charge of the reported information.

Below are details concerning definitions and methods of calculation of rates and indicators of the environmental figures.

- Energy consumptions, which include:

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

These consumptions have been converted into GJ according to the following conversion factors, deriving from the Greenhouse Gas Protocol reporting conversion factors and shown in Table 23.

Energy carrier	Unit of measure used for collecting the data	Conversion factor	Unit of measure conversion factor
Petrol	l/year	0,0327	GJ/l
Diesel	l/year	0,0360	GJ/l
Natural Gas	m ³ /year	0,0369	GJ/m ³
LPG	l/year	0,0236	GJ/l
Electricity	kWh/year	0,0036	GJ/kWh

Table 23: Conversion factors of energetic consumptions in GJ.
Source: Greenhouse Gas Protocol reporting conversion factors, 2017

- Scope 1 emissions:

The consumption of fuels such as petrol, diesel, natural gas and LPG is considered for calculating Scope 1 emissions.

Scope 2 emissions are calculated by multiplying the GJs of energy by the emission factors deriving from the applicable technical literature. Specifically, a table of national standard parameters issued by the Ministry of Environments and based on ISPRA data was used for fossil fuels. The emission factors used are shown in Table 24.

Fuel	Emission factor [ton _{CO2} /m ³]
Petrol	3,140
Diesel	3,155
Natural Gas	1,955
LPG	3,024

Table 24: Conversion factors from cubic meters of fuel consumed into tons of CO2 equivalent emitted. Source: ISPRA

- Scope 1 emissions:

Only CO2 emissions were considered for calculating greenhouse gas emissions. CO2 emissions are calculated by multiplying GJs of electrical and thermal energy acquired from third parties by the national emission factors deriving from the applicable technical literature. In particular, the conversion factors are provided by the Statistical Office of Terna S.p.A., making part of the National Statistical System. This latter has the statutory duty of compiling the official statistics of the whole national electricity sector and is, therefore, also responsible in our Country for issuing official statistical communications to international organizations such as Eurostat, IEA, OECD, UN.

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

- Absenteeism rate

It is calculated as the ratio between the total amount

of days of absence due to illness, accident or unpaid leave and the total amount of workable days.

- Frequency index of accident

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

- Severity index

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

- Occupational disease rate

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

- Working days lost

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

- Hours worked

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

GRI Standard	Disclosure	Page number	Notes / Omissions
GRI 102: GENERAL DISCLOSURES 2016			
102-1	Name of the organization	9	
102-2	Activities, brands, products, and services	5-9	
102-3	Location of headquarters of the Group	5	
102-8	Information on employees and other workers	25-26	No breakdown based on gender and Permanent/Fixed-term contracts is available for the reporting year under review. The Trevi Group commits itself to including this disclosure in upcoming years.
102-15	Key impacts, risks, and opportunities	11	
102-18	Corporate Governance	9-10	
102-22	Composition of the Board of Directors and its committees	10	
102-23	Chairman of the Board of Directors	10	
102-45	Entities included in the consolidated financial statements		
102-46	Defining report content and topic boundaries	1-2; 36-38	
102-47	List of material topics	1-2	
102-50	Reporting period	1	
102-54	Claims of reporting in accordance with the GRI Standards	36	
102-55	GRI content index	40-44	
102-56	External assurance	45	

GRI Standard	Disclosure	Page number	Notes / Omissions
MATERIAL TOPICS			
ECONOMIC PERFORMANCE INDICATORS			
ANTI-CORRUPTION			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	13-14;38	
103-2	The management approach and its components	13-14	
103-3	Evaluation of the management approach	13-14	
GRI 205: Anti-corruption 2016			
205-3	Confirmed incidents of corruption and actions taken	14	
ENVIRONMENTAL PERFORMANCE INDICATORS			
ENERGY			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	15-20; 37	
103-2	The management approach and its components	15-20	
103-3	Evaluation of the management approach	15-20	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	19	
WATER			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	15-16; 23; 37-38	
103-2	The management approach and its components	15-16; 23	
103-3	Evaluation of the management approach	15-16;23	
GRI 302: Water 2016			
303-1	Water withdrawal by source	23	
BIODIVERSITY			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	15-16; 23; 38	
103-2	The management approach and its components	15-16; 23	
103-3	Evaluation of the management approach	15-16; 23	
GRI 302: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	23	
EMISSIONS			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	15-20; 37	
103-2	The management approach and its components	15-20	
103-3	Evaluation of the management approach	15-20	

GRI Standard	Disclosure	Page number	Notes / Omissions
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	20	
305-2	Energy indirect (Scope 2) GHG emissions	20	
AFFLUENT AND WASTE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	15-16; 21-22; 38	
103-2	The management approach and its components	15-16; 21-22	
103-3	Evaluation of the management approach	15-16; 21-22	
GRI 306: Effluents and Waste 2016			
306-2	Waste by type and disposal method	21	
306-3	Significant spills	22	
ENVIRONMENTAL COMPLIANCE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	13-18; 38	
103-2	The management approach and its components	13-18	
103-3	Evaluation of the management approach	13-18	
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	14	

GRI Standard	Disclosure	Page number	Notes / Omissions
SOCIAL PERFORMANCE INDICATORS			
EMPLOYMENT			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	25-28; 38	
103-2	The management approach and its components	25-28	
103-3	Evaluation of the management approach	25-28; 38	
GRI 401: Employment 2016			
GRI 401-1	New employee hires and employee turnover	26-27	No breakdown based on age bracket is available for the reporting year under review. The Trevi Group commits itself to including this disclosure in upcoming years.→
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	25; 29-32; 38	
103-2	The management approach and its components	25; 29-32	
103-3	Evaluation of the management approach	25; 29-32	

GRI Standard	Disclosure	Page number	Notes / Omissions
GRI 403: Occupational Health and Safety 2016			
GRI 403-2	Hazard identification, risk assessment, and incident investigation	32	The breakdown based on gender in the calculation of the absenteeism rate is not available for the reporting year under review. Furthermore, no information concerning "Other workers" is available for this rate to date. The Trevi Group commits itself to including this disclosure in upcoming years.
TRAINING AND EDUCATION			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	28-31; 38	
103-2	The management approach and its components	28-31	
103-3	Evaluation of the management approach	28-31	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	30-31	For the reporting year under review, the figure relating to the training hours only refer to training focused on occupational health and safety. → Furthermore, the breakdown based on gender is not available for the Trevi division, while the one based on professional category is not available for Trevi and Petreven divisions. The Trevi Group commits itself to including this disclosure in upcoming years.
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	25-26; 38	
103-2	The management approach and its components	25-26	
103-3	Evaluation of the management approach	25-26	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	26	No breakdown based on age bracket of employees is available for the reporting year under review. The Trevi Group commits itself to including this disclosure in upcoming years.
NON-DISCRIMINATION			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	35; 38	
103-2	The management approach and its components	35	
103-3	Evaluation of the management approach	35	
GRI 406: Non-discrimination 2016			
GRI 406-1	Incidents of discrimination and corrective actions taken	35	

GRI Standard	Disclosure	Page number	Notes / Omissions
HUMAN RIGHTS ASSESSMENT			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	35; 38	
103-2	The management approach and its components	35	
103-3	Evaluation of the management approach	35	
GRI 412: Human Rights Assessment 2016			
GRI 412-1	Operations that have been subject to human rights reviews or impact assessments	35	
LOCAL COMMUNITIES			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	33-34;38	
103-2	The management approach and its components	33-34	
103-3	Evaluation of the management approach	33-34	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	33	
SUPPLIER SOCIAL ASSESSMENT			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	35; 38	
103-2	The management approach and its components	35	
103-3	Evaluation of the management approach	35	
GRI 414: Supplier Social Assessment 2016			
414-2	Negative social impacts in the supply chain and actions taken	35	

Improvement plan

Proposal	Timing
<ul style="list-style-type: none"> - Developing and formalising the management policy concerning the Group Compliance; - Developing and formalising the Group policy concerning the purchase of goods and services; 	31/12/2018
<p>Developing and formalising a Bribery and Corruption management system for the Group;</p>	30/06/2019
<ul style="list-style-type: none"> - Implementing a Group management system for human resources, aimed at making it easier to monitor the personnel presence at the jobsites and to define a unique nomenclature in line with health and safety world; - Formalising a Group environmental policy to increase the supervision of environmental impacts, including jobsites; - Planning and carrying out third party audits at offices, jobsites and production plants concerning the environment, social aspects, human rights, health and safety issues; 	31/12/2019
<ul style="list-style-type: none"> - Implementing the environmental management system ISO 14001 for those companies of the Group not yet certified; - Implementing the quality management system ISO 9001 for those companies of the Group not yet certified; - Implementing the health and safety management system OHSAS 18001 for those companies of the Group not yet certified; 	31/12/2020



Trevi Finanziaria Industriale S.p.A.

**Dichiarazione consolidata di carattere non finanziario
al 31 dicembre 2017**

(con relativa relazione della società di revisione)

KPMG S.p.A.

30 agosto 2019



KPMG S.p.A.
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Relazione della società di revisione indipendente sulla dichiarazione consolidata di carattere non finanziario ai sensi dell'art. 3, comma 10, del D.Lgs. 30 dicembre 2016 n. 254 e dell'art. 5 del Regolamento Consob adottato con Delibera n. 20267 del 18 gennaio 2018

*Al Consiglio di Amministrazione della
Trevi Finanziaria Industriale S.p.A.*

Ai sensi dell'art. 3, comma 10, del Decreto Legislativo 30 dicembre 2016 n. 254 (di seguito anche il "Decreto") e dell'art. 5 del Regolamento Consob adottato con Delibera n. 20267 del 18 gennaio 2018, siamo stati incaricati di effettuare l'esame limitato ("*limited assurance engagement*") della dichiarazione consolidata di carattere non finanziario del Gruppo Trevi (di seguito anche il "Gruppo") relativa all'esercizio chiuso al 31 dicembre 2017 predisposta ai sensi dell'art. 4 del Decreto e approvata dal Consiglio di Amministrazione in data 15 luglio 2019 (di seguito anche la "DNF").

Responsabilità degli Amministratori e del Collegio Sindacale della Trevi Finanziaria Industriale S.p.A. per la DNF

Gli Amministratori sono responsabili per la redazione della DNF in conformità a quanto richiesto dagli artt. 3 e 4 del Decreto e ai "*Global Reporting Initiative Sustainability Reporting Standards*" definiti nel 2016 dal GRI - *Global Reporting Initiative* ("GRI Standards"), selezionati come specificato nella "Nota metodologica" ("GRI – Referenced"), da essi individuati come standard di rendicontazione.

Gli Amministratori sono altresì responsabili, nei termini previsti dalla legge, per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di una DNF che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili inoltre per l'individuazione del contenuto della DNF, nell'ambito dei temi menzionati nell'art. 3, comma 1, del Decreto, tenuto conto delle attività e delle caratteristiche del Gruppo e nella misura necessaria ad assicurare la comprensione dell'attività del Gruppo, del suo andamento, dei suoi risultati e dell'impatto dallo stesso prodotti.

Gli Amministratori sono infine responsabili per la definizione del modello aziendale di gestione e organizzazione dell'attività del Gruppo, nonché, con riferimento ai temi

individuati e riportati nella DNF, per le politiche praticate dal Gruppo e per l'individuazione e la gestione dei rischi generati o subiti dallo stesso.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sull'osservanza delle disposizioni stabilite nel Decreto.

Indipendenza della società di revisione e controllo della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza del *Code of Ethics for Professional Accountants* emesso dall'*International Ethics Standards Board for Accountants*, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale. La nostra società di revisione applica l'*International Standard on Quality Control 1 (ISQC Italia 1)* e, di conseguenza, mantiene un sistema di controllo qualità che include direttive e procedure documentate sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e dei regolamenti applicabili.

Responsabilità della società di revisione

E' nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità della DNF rispetto a quanto richiesto dal Decreto e ai GRI – Referenced. Il nostro lavoro è stato svolto secondo quanto previsto dal principio "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (di seguito anche "*ISAE 3000 Revised*"), emanato dall'*International Auditing and Assurance Standards Board* per gli incarichi di *limited assurance*. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che la DNF non contenga errori significativi. Pertanto, il nostro esame ha comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'*ISAE 3000 Revised ("reasonable assurance engagement")* e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sulla DNF si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Trevi Finanziaria Industriale S.p.A. responsabile per la predisposizione delle informazioni presentate nella DNF, nonché analisi di documenti, ricalcoli e altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

- 1 Analisi dei temi rilevanti in relazione alle attività e alle caratteristiche del Gruppo rendicontati nella DNF, al fine di valutare la ragionevolezza del processo di selezione seguito alla luce di quanto previsto dall'art. 3 del Decreto e tenendo presente lo standard di rendicontazione utilizzato.
- 2 Analisi e valutazione dei criteri di identificazione del perimetro di consolidamento, al fine di riscontrarne la conformità a quanto previsto dal Decreto.
- 3 Comparazione tra i dati e le informazioni di carattere economico-finanziario inclusi nella DNF e i dati e le informazioni inclusi nel bilancio consolidato del Gruppo.
- 4 Comprensione dei seguenti aspetti:

- modello aziendale di gestione e organizzazione dell'attività del Gruppo, con riferimento alla gestione dei temi indicati nell'art. 3 del Decreto;
- politiche praticate dall'impresa connesse ai temi indicati nell'art. 3 del Decreto, risultati conseguiti e relativi indicatori fondamentali di prestazione;
- principali rischi, generati o subiti, connessi ai temi indicati nell'art. 3 del Decreto.

Relativamente a tali aspetti sono stati effettuati inoltre i riscontri con le informazioni contenute nella DNF ed effettuate le verifiche descritte nel successivo punto, lettera a).

- 5 Comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nella DNF.

In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione della Trevi Finanziaria Industriale S.p.A. (nel seguito anche "la Capogruppo") e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione della DNF.

Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a livello di capogruppo Trevi Finanziaria Industriale S.p.A. e società controllate:
 - a) con riferimento alle informazioni qualitative contenute nella DNF, e in particolare al modello aziendale, alle politiche praticate e ai principali rischi, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili,
 - b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati;
- per la società Trevi S.p.A., che abbiamo selezionato sulla base della sua attività, del suo contributo agli indicatori di prestazione a livello consolidato e della sua ubicazione, abbiamo effettuato visite in loco nel corso delle quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

Elementi alla base della conclusione con rilievi

Il paragrafo "Piano industriale, principali rischi ed incertezze cui il Gruppo Trevi è esposto e valutazioni sulla continuità aziendale" della DNF include dati e informazioni di carattere economico-finanziario derivanti dal bilancio consolidato del Gruppo Trevi predisposto per l'esercizio chiuso al 31 dicembre 2017.

Su tale bilancio consolidato abbiamo emesso in data odierna una relazione di revisione contenente una dichiarazione di impossibilità di esprimere un giudizio in conseguenza dell'esistenza di significative incertezze che possono far sorgere dubbi



sulla capacità della Capogruppo e del Gruppo di continuare ad operare sulla base del presupposto della continuità aziendale.

Conseguentemente, non siamo stati in grado di concludere sui menzionati dati e informazioni di carattere economico-finanziario tratti dal bilancio consolidato del Gruppo al 31 dicembre 2017.

Conclusioni con rilievi

Sulla base del lavoro svolto, ad eccezione dei possibili effetti di quanto descritto nel paragrafo "Elementi alla base della conclusione con rilievi" della presente relazione, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che la dichiarazione consolidata di carattere non finanziario del Gruppo Trevi Finanziaria Industriale relativa all'esercizio chiuso al 31 dicembre 2017 non sia stata redatta, in tutti gli aspetti significativi, in conformità a quanto richiesto dagli artt. 3 e 4 del Decreto e ai "Global Reporting Initiative Sustainability Reporting Standards" definiti nel 2016 dal GRI - Global Reporting Initiative ("GRI Standards"), selezionati come specificato nella Nota metodologica ("GRI – Referenced").

Altri aspetti

I dati comparativi presentati nella dichiarazione consolidata di carattere non finanziario in relazione all'esercizio chiuso al 31 dicembre 2016 non sono stati sottoposti a verifica.

Bologna, 30 agosto 2019

KPMG S.p.A.

Massimo Tamburini
Socio

