



SINELEC



**2024**

**SUSTAINABILITY  
REPORT**

*#movingtothefuture*

Cover: Photovoltaic system installed on the roof of a large hospital building: we convert solar energy into sustainable electricity to ensure the hospital's efficient and continuous operation.

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## LETTER TO STAKEHOLDERS



Dear Stakeholders,

I am very pleased to present the second edition of the Sinelec Group Sustainability Report. This document, drawn up voluntarily, is an important testimony to our ongoing commitment to social, environmental, and governance issues. Sustainability is a core value for us. It guides our strategic and operational choices, aiming to generate a positive and lasting impact on all our stakeholders.

The past year was a period of significant growth for the Sinelec Group, both financially and in terms of sustainability. On the economic side, we recorded a further increase in production and profitability, consolidating our leading role in Italy. On the international front, we set up Sinelec Brasil Ltda, a subsidiary that will enable us to develop new business opportunities and strengthen our presence in the South American market by acquiring projects in line with our core business.

Sustainability is a key principle of our corporate strategy and, in line with the objectives of the ASTM parent company, we have taken concrete measures to strengthen our commitment to three core pillars: ecological transition, enhancement of the geographical areas where we operate, and continuous

improvement of the quality of our services. To make this commitment tangible, we have implemented targeted actions, including the purchase of electricity exclusively from renewable sources, guaranteed by certificates of origin, and the use of HVO biofuel for our next-generation corporate fleet, thus reducing the environmental impact of our operations.

To further strengthen our vision of what a responsible company is, we have expanded and strengthened our certified systems for managing safety, environmental protection, social responsibility, and quality. We have also adopted strict procedures to ensure that our employees and business partners operate in full compliance with the values of fairness, transparency, and responsibility.

The results achieved to date do not represent an end destination, but an incentive to continue our journey towards an increasingly sustainable future. We will continue to work with determination to develop innovative and responsible solutions and to generate value for our Group and all stakeholders we work with.

**Michele Blandino**

Chief Executive Officer

## METHODOLOGICAL NOTE

This document is the second Sustainability Report of the Sinelec Group (hereinafter also "Sinelec").

Instituted to promote transparency towards its stakeholders, the Sustainability Report as of 31 December 2024 describes Sinelec's main sustainability performance achievements during the 2024 financial year (1 January to 31 December).

Sinelec, as a subsidiary of ASTM S.p.A. ("ASTM"), has been contributing for several years now to the preparation of the ASTM Group's sustainability disclosures, first to the Consolidated Non-Financial Disclosure (DNF) prepared pursuant to Legislative Decree 254/2016. Now, starting from this financial year, it shall also contribute to the Sustainability Report included in the Consolidated Report of the ASTM Group prepared pursuant to Legislative Decree 125/2024.

This Sustainability Report is prepared in accordance with the Global Reporting Initiative's (GRI) "GRI Sustainability Reporting Standards 2021", using the "in accordance-with" reporting method. An appendix to the document contains the "GRI Content Index" with details of the indicators reported. As provided by "GRI 3: Material Topics 2021" and in continuation of the previous year's activity, Sinelec carried out an update of the materiality impact analysis in order to identify "material" sustainability topics. The results of this analysis are presented in the section Sinelec and sustainability.

The reporting boundary for the reporting year includes Sinelec S.p.A. and its subsidiaries. For further details, please refer to chapter 1. Sinelec and Sustainability.

The sustainability data and information shown in this document for the companies that entered the reporting scope during the year refer, unless otherwise specified, to the period from the date of acquisition of control of the company.

Where possible, the use of estimates in this document has been limited and if present, estimates are noted. Estimates are based on the best available information.

The Sustainability Report is published annually. This document is available on the Sinelec website at [www.sinelec.it](http://www.sinelec.it), in the "Sustainability" section.

The Sustainability Report was approved by the Board of Directors of Sinelec S.p.A. on 3 March 2025.

This document was subject to a limited assurance engagement, as defined by ISAE 3000 Revised, by PricewaterhouseCoopers S.p.A. The audit was carried out in accordance with the procedures described in the Independent Auditors' Report at the end of the document.

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# 01

## SINELEC AND SUSTAINABILITY

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## ABOUT US

Sinelec is controlled by ASTM S.p.A., a holding company that heads an industrial group active in the areas of motorway network management under licence, design and construction of large infrastructure works, and technology applied to infrastructure.

As part of the ASTM Group operational reorganisation process of the previous financial year, the technology company Sinelec incorporated the plant-engineering company Euroimpianti, also controlled by ASTM, creating a new end-to-end player capable of offering an integrated, broader solution driven by the power of innovation.

Bringing together technological and plant engineering expertise, Sinelec develops advanced technological infrastructure systems and installations, driven by the power of innovation. Specialising in cutting-edge solutions for safe and intelligent traffic management, the company works alongside road operators to meet the challenges of future, more sustainable, and connected mobility. In addition, Sinelec develops and manages high-technology mechanical and electric systems for infrastructure and civil and industrial construction.

Sinelec's solutions are used in about 900 toll collection gates and process more than 200 million transits worth about 3 billion EUR annually; the Sinelec traffic management and control platform manages a road network of more than 1,400 km. In the last two years alone, Sinelec has installed more than 2000 electric panels, more than 1000 km of network and over 30 million kg of piping for heating and cooling installations.

Thanks to its long-standing experience in the development, implementation and maintenance of industry-specific, advanced technological solutions, Sinelec is actively involved in the digital and ecological transformation of transport infrastructure in Italy. Sinelec believes, in line with the ASTM Group's vision, that the creation of a sustainable mobility model is a key requirement for the country's growth and the well-being of its citizens.

### “TECHNOLOGY” SECTOR:

Sinelec has been involved in toll collection for more than 20 years, and today, thanks to its experience gained working closely with motorway licensee companies and its technological know-how, it now stands as one of the leading Italian groups in the sector.

Sinelec designs, produces and installs lane devices, data acquisition systems, station control platforms and financial information processing and reconciliation systems.

Below are the companies that are part of the Group and operate in the “technology” sector:

- Sinelec S.p.A.;
- Safe Roads S.c. a r.l.;
- Sinelec Brasil Ltda;
- Sinelec USA Inc.;
- Sintec S.c.a r.l.;
- Smart Road dei Parchi S.c. a r.l.

### “PLANT” SECTOR:

Sinelec develops and manages high-tech MEP mechanical and electrical systems for infrastructure, and civil and industrial construction, overseeing the design of heating, ventilation and air conditioning (HVAC) systems and the advanced management of plumbing and electrical systems that optimise energy efficiency and reduce environmental impact.

The latest design technologies and methodologies are employed through the use of specialised software, BIM (building information modelling) and state-of-the-art systems management tools (BMS, EMS and CMMS software), enabling highly customised solutions and maximising project effectiveness, while reducing costs and accelerating delivery times.

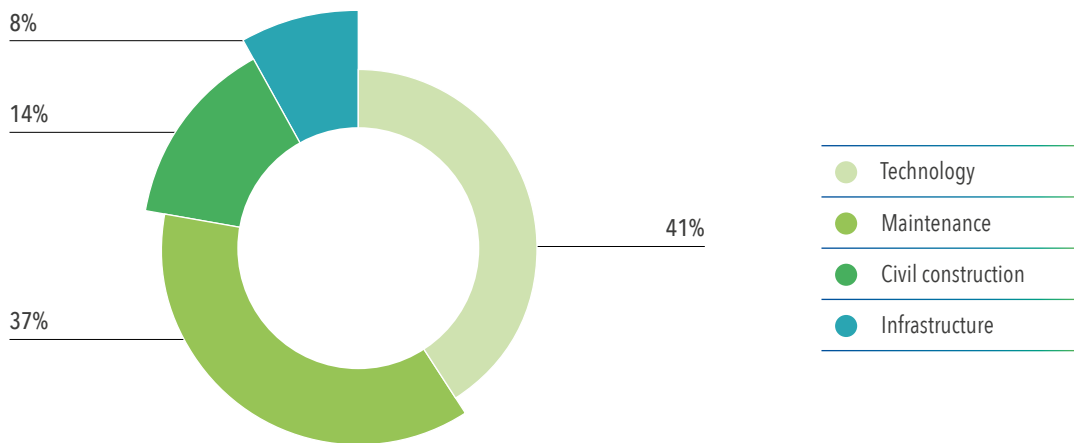
The companies belonging to the Group and operating in the “plant” sector are listed below:

- ECS MEP Contractor I/S;
- CERVIT Impianti Tecnologici Consortile a Responsabilità Limitata (C.I.T. S.c. a r.l.);
- Sinelec Energy S.p.A.

The only change in reporting scope that took place during the year was the establishment of a new company, Sinelec Brasil Ltda, whose objective is to acquire part of the works inherent to the plant-engineering and technological investments that will have to be made in the next few years by Ecorodovias, a holding company that manages 4,800 km of motorways under licence in Brazil and controlled by the ASTM group.

## THE WORKS PORTFOLIO

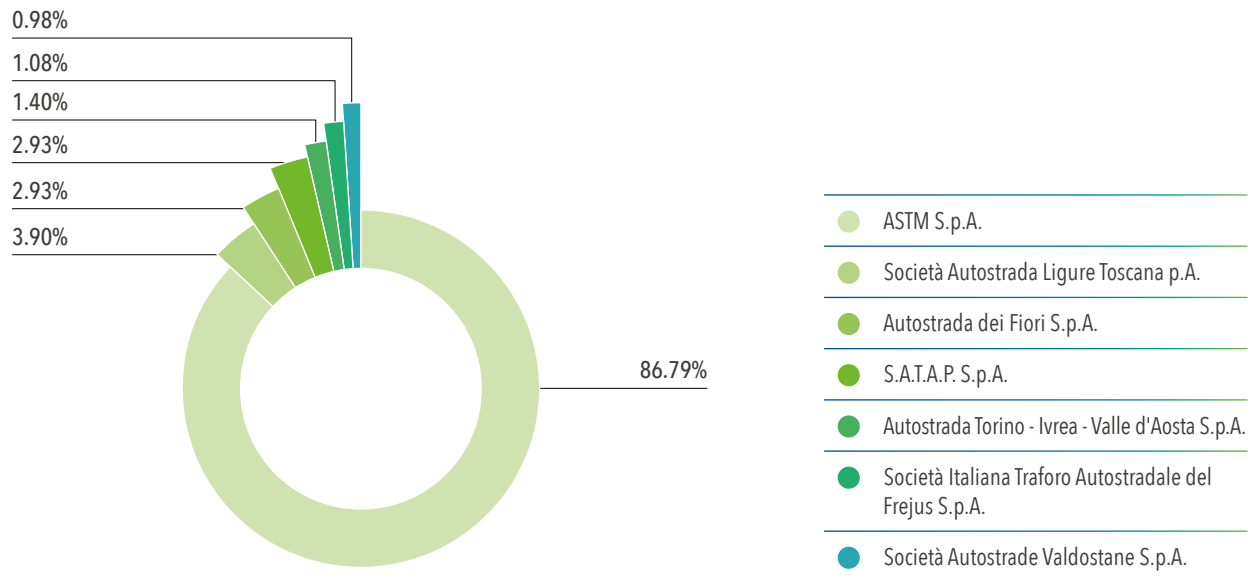
Details of the works portfolio as at 31 December 2024 are given below:



The works in the portfolio mostly concern the Italian market, and the main type of works relate to the technology sector (the total works portfolio amounts to approximately EUR 688.6 million).

## THE SHAREHOLDING STRUCTURE

Details of the shareholders of Sinelec S.p.A. as at 31 December 2024 are shown below:



## SUSTAINABILITY FOR SINELEC

In recent years, Sinelec has embarked on a path of sustainable growth, with the aim of optimising performance, ensuring better quality and safety for employees and respecting the environment.

In line with the ongoing commitment of the ASTM Group, to which Sinelec belongs, specific sustainability policies and strict procedures have been adopted to ensure that employees and partners behave responsibly and correctly on a daily basis. Group companies have also obtained certification for several internationally recognised safety, environmental and quality management systems. For additional information on policies, procedures and management systems, reference is made to the specific chapter on each aspect of sustainability in this document.

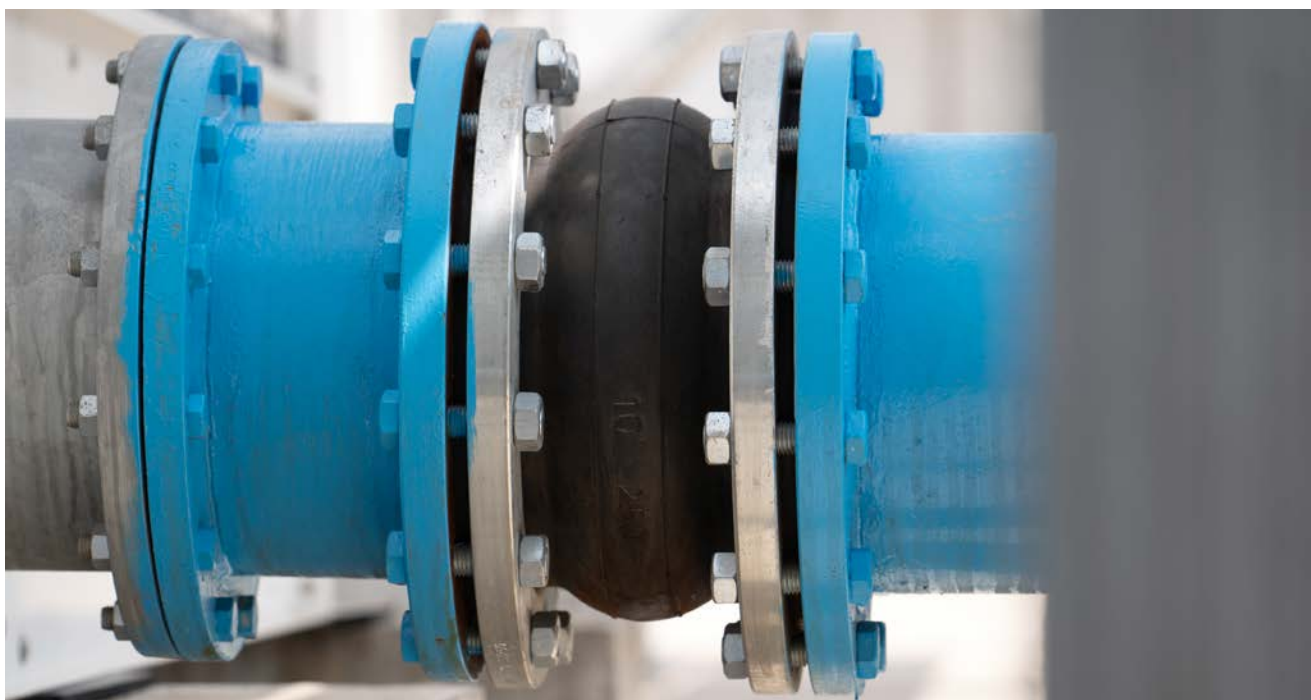
Through its initiatives, Sinelec also contributes to achieving the objectives of ASTM's 2022-2026 Sustainability Plan, approved by the Parent Company's Board of Directors and updated in November 2024.

In particular, Sinelec will implement initiatives to achieve the greenhouse gas emission reduction tar-

gets defined by the parent company ASTM and validated by the Science Based Targets initiative (SBTi) in line with the 1.5°C reduction trajectory set by the Paris Agreement.

In order to strengthen the management of sustainability topics, the "Integrated Management Systems and Risk Management" and "Sustainability" corporate functions were established, reporting directly to the Chief Executive Officer. They are in charge of identifying, quantifying, and monitoring impacts, risks, and opportunities related to environmental, social, and governance (ESG) issues, as well as identifying, planning, and guiding specific projects related to these issues. They also collect and process the data required to prepare the Sustainability Report, and promote and disseminate the culture of sustainability within Sinelec.

Furthermore, Sinelec has introduced a Social Performance Team, comprising representatives from management and workers, to promote and ensure compliance with all the prerequisites of social responsibility in terms of Standard SA8000, and guide their integration within the Group's business.



## THE STAKEHOLDER MAP

As part of its sustainability improvement journey, Sinelec manages its business in a balanced and conscious manner, leading to improved performance while meeting the expectations of all its stakeholders.

Engaging in an open and ongoing dialogue with key stakeholders enables Sinelec to effectively identify potential and actual impacts, market trends, and expectations, with recognition of the importance of interacting with stakeholders in varied ways, including through structured and informal interactions.

To this end, Sinelec uses diverse communication channels to keep all stakeholders informed about the company's actions, initiatives, and decisions. Examples are an intranet page for internal stakeholders, its own website and social media channels for external stakeholders, and the publication of the Sustainability Report. This approach ensures that all interested parties have access to the most up-to-date information on the company, its operations, and its projects.

Sinelec's main stakeholders are listed below.



# MATERIALITY ANALYSIS

Sinelec has updated its Materiality Analysis to identify material sustainability topics in line with its strategic priorities. The process consisted of the following five main steps:

- understanding the external and internal sustainability context by benchmarking the published sustainability documents of major competitors/peers and by analysing the company's own internal documentation. This was done to identify sustainability topics potentially relevant to Sinelec. During this activity, the Company also took into account the main issues addressed in the SASB (Sustainability Accounting Standards Board) standards, with reference to the Software & IT Services and Engineering & Construction Services sectors;
- identification of a list of impacts (potential/effective and positive/negative) associated with each sustainability topic potentially relevant to Sinelec. According to the Global Reporting Initiative (GRI), impacts are defined as all effects the organisation has or could have on the economy, the environment, and people (including their human rights), which in turn can indicate the relative contribution (negative or positive) to sustainable development;
- assessing the significance of impacts through "Stakeholder Engagement". This task involved the preparation and dissemination of an online survey to create a scale-based assessment of the severity/magnitude and likelihood of occurrence of the impacts identified by Sinelec. The survey was addressed to the following stakeholders: customers and consumer associations, institutions, public administration and trade associations, shareholders and lenders, universities and research centres, suppliers, subcontractors and contractors, media and trade union associations, and employee representatives;
- identification of the most significant impacts on the basis of a well-defined materiality threshold;
- prioritisation of impacts on the basis of relative significance;
- identification of Sinelec's material topics on the basis of the significance attributed to their associated impacts.

Below is a list of the material topics identified as a result of the process described:

NO.	SCOPE	MATERIAL TOPIC
1	Own workforce	Equal treatment and opportunities for all
2	Own workforce	Attracting and developing human capital
3	Own workforce	Occupational health and safety
4	Climate change	Climate change mitigation
5	Circular economy	Waste management
6	Business conduct	Ethics and integrity
7	Workers in the value chain	Responsible supply chain management
8	Affected communities	Relations with the local community
9	Sector specific	Innovation and sustainable mobility

## DOUBLE MATERIALITY

In 2024, Sinelec carried out the double materiality exercise in line with the procedure of the parent company ASTM as well as taking into account the provisions of Delegated Regulation (EU) 2023/2772 on sustainability reporting principles<sup>1</sup> and the EFRAG "EFRAG IG 1 guidelines: *Materiality Assessment Implementation Guidance*"<sup>2</sup>.

Sinelec then carried out its own double materiality analysis through a structured process in which the following elements were identified:

- actual and potential positive and negative impacts generated on the economy, environment, people, and human rights, in order to develop the "impact materiality" assessment;
- sustainability risks and opportunities that affect or may significantly affect the company's future cash flows, including possible repercussions on its development, performance, and positioning in the short, medium, or long term, in order to develop the "financial materiality" assessment.

The process was carried out through five main steps:

- **Step 1 - context analysis:** a preliminary list of potential sustainability topics was identified based on an analysis of heterogeneous sources (e.g. benchmarking activities and sector studies).
- **Step 2 - topic identification:** based on the previous step's findings, potentially relevant sustainability topics were validated and updated for the double materiality analysis process.

- **Step 3 - Identification of Impacts, Risks and Opportunities (IROs) along the entire Sinelec Group value chain looking at the short-<sup>3</sup>, medium-<sup>4</sup> and long-term<sup>5</sup> horizons:** for each potentially relevant issue that emerged in the previous step, the following were identified:
  - negative and positive, actual and potential impacts through an inside-out approach, i.e., by examining how company operations and policies can affect the environment and society;
  - risks and opportunities through an outside-in approach, i.e., by assessing how ESG factors could influence Sinelec's financial and operational stability.
- **Step 4 - assessment of IROs:** in this step, impacts, risks, and opportunities were assessed according to severity/magnitude and probability. This assessment was carried out through a Stakeholder Engagement process and allowed the significance of IROs to be defined.
- **Step 5 - prioritisation of IROs:** in order to determine a threshold for the identification of relevant impacts, risks and opportunities, Sinelec considered as a starting point the thresholds already in use in the Enterprise Risk Management process, which were instrumental in determining the most appropriate risk response strategy in relation to the risk rating. Through this process, it was possible to identify relevant IROs and prioritise the most significant ones.

<sup>1</sup> [https://eur-lex.europa.eu/legal-content/IT/TXT/HTML/?uri=OJ:L\\_202302772](https://eur-lex.europa.eu/legal-content/IT/TXT/HTML/?uri=OJ:L_202302772)

<sup>2</sup> [https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment\\_final.pdf](https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf)

<sup>3</sup> Short-term horizons are defined as a time span of up to one year.

<sup>4</sup> Medium-term horizons are defined as up to five years.

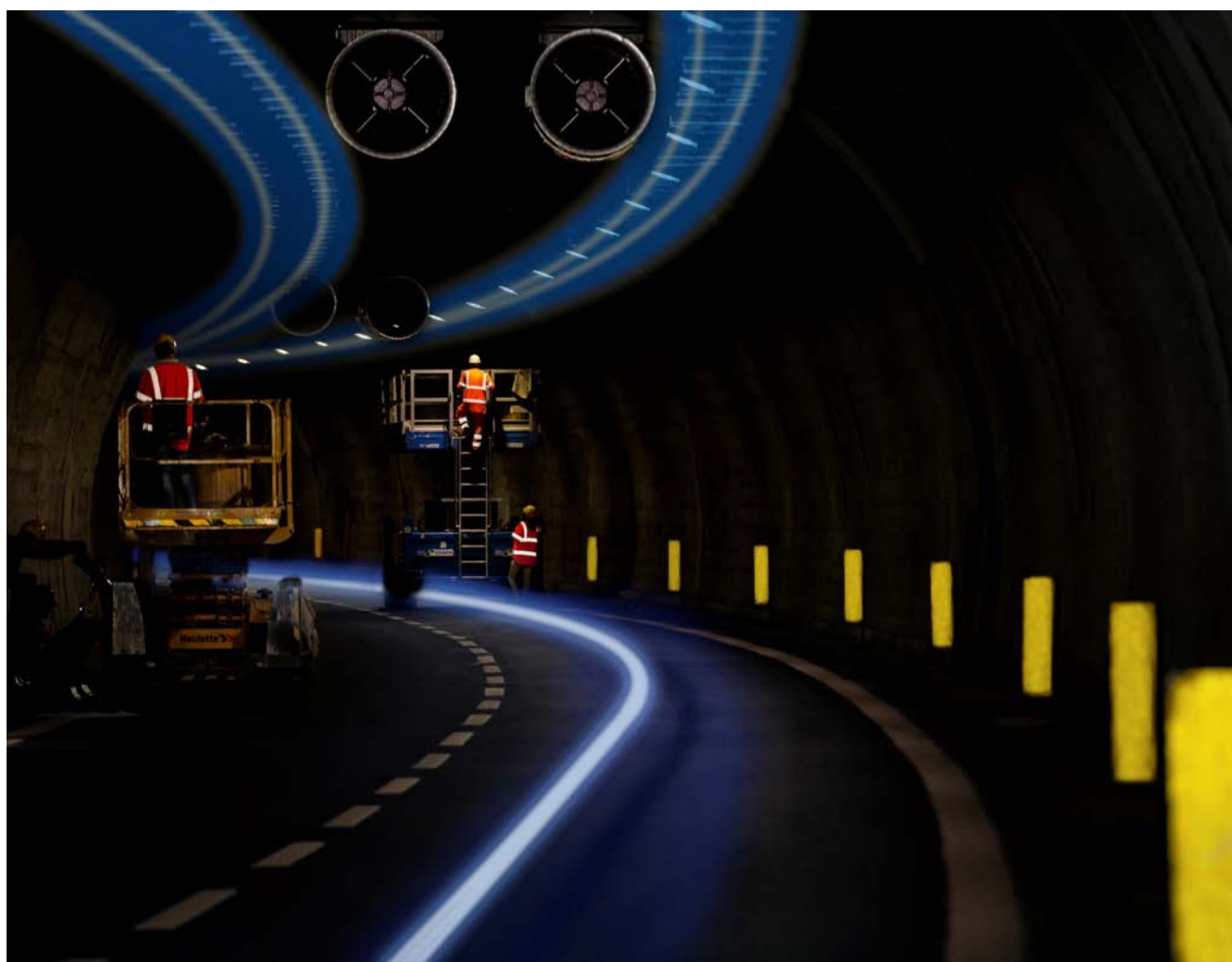
<sup>5</sup> Long-term horizons mean a time span of more than five years.

Below is a list of the relevant IROs identified as a result of the process described above:

ESRS TOPIC	RELEVANT IROs	VALUE CHAIN	REFERENCE PROCESS	
ESRS E1 - Climate change	Risk	<b>Business Continuity</b> Temporary suspension or disruption of business and/or company operations due to external events and/or factors affecting the company	Upstream+ Downstream	Procurement, incoming logistics, services
	Opportunities	<b>Competitiveness and resilience</b> Improved safety and efficiency of infrastructures and works, as well as quality of services, resulting in a more efficient use of financial resources and increased competitiveness also through the alignment of economic activities and the Taxonomy Regulation	In house+ Downstream	Operational activities, services
	Negative/actual impact	Increased atmospheric pollution from the use of energy from non-renewable sources in operations (Scope 1 and Scope 2)	In-house	Operational activities
	Negative/actual impact	Generation of GHG emissions from business activity along the value chain (Scope 3)	Upstream+ Downstream	Operational activities
ESRS E5 - Circular Economy	Positive/actual impact	Reduction of waste generated through reuse/recycling	Downstream	Outbound logistics
ESRS G1 - Business conduct	Positive/actual impact	Worker awareness through employee training on Sinelec's policies and procedures that promote ethical behaviour	In-house	Operational activities
	Positive/actual impact	Reduction of conflicts of interest and protection of suppliers through the adoption of procurement practices based on transparency and fairness criteria	In-house	Procurement
	Positive/actual impact	Improved stakeholder relations through the promotion of sound business practices, adoption of ethical principles, values and behaviour	In-house	Operational activities
ESRS S1 - Own workforce	Risk	<b>Cybersecurity</b> Insufficiently adequate IT infrastructure security, internal governance, and cybersecurity management frameworks resulting in possible compromised data integrity, lack of data availability, theft of sensitive and private data, and temporary suspension of operational activities (see Denial of Service) resulting from external attacks (e.g. hacker attacks)	In-house	Infrastructure activities
	Opportunities	<b>Human resources attraction and retention</b> Attraction, loyalty, and retention of personnel with respect to working conditions (reduction of injury rates, better work-life balance) equal treatment and opportunities (staff training, well-being, promotion of diversity and inclusion), and protection of work-related rights (protection of personal data)	In-house	Human resources management
	Positive/actual impact	Creation of a work environment that values human capital and fosters fair gender representation in accordance with meritocratic criteria, correctness of conduct, honesty and trust, as well as promoting an inclusive working environment open to diversity	In-house	Human resources management
	Positive/actual impact	Careful handling of personal/sensitive data in compliance with applicable legislation (e.g. GDPR)	In-house	Human resources management

ESRS TOPIC	RELEVANT IROs	VALUE CHAIN	REFERENCE PROCESS	
ESRS S1 - Own workforce	Negative/potential impact	Increased frequency and severity of employee work-related injuries	In-house	Human resources management
	Positive/actual impact	Creation of a work environment that enhances the skills and professional development of employees through training initiatives and growth paths to help retain key company personnel and young employees	In-house	Human resources management
	Positive/actual impact	Creation of an inclusive working environment embracing disability through the promotion of a model that protects diversity	In-house	Human resources management
	Negative/potential impact	Loss of talent with sector-specific skills	In-house	Human resources management
	Positive/actual impact	Protecting the human rights of employees through the implementation of certified procedures and management systems	In-house	Human resources management
	Positive/actual impact	Protection of employees' working conditions through the adoption of shared ethical principles and rules of conduct	In-house	Human resources management
ESRS S2 - Employees in the value chain	Positive/actual impact	Creation of a work environment that values human capital and fosters fair gender representation in accordance with meritocratic criteria, correctness of conduct, honesty, and trust, while also promoting an inclusive work environment open to diversity (gender equality and equal pay for work of equal value)	In-house	Human resources management
	Negative/potential impact	Increased frequency and severity of work-related injuries of workers along the value chain	Upstream+ Downstream	Procurement, Operations
	Positive/actual impact	Improved working conditions and welfare of workers in the value chain through the adoption of ethical principles and rules of conduct that favour and protect diversity	Upstream+ Downstream	Procurement, Operations
	Positive/actual impact	Improved working conditions and welfare of workers in the value chain through the adoption of ethical principles and rules of conduct that foster equal treatment and opportunities for all	Upstream+ Downstream	Procurement, Operations
	Positive/actual impact	Protection of workers' human rights (with reference to forced labour, child labour, adequate housing, water and sanitation, etc.) in the value chain through the adoption of ethical principles and rules of conduct	Upstream+ Downstream	Procurement, Operations
ESRS S3 - Affected communities	Positive/actual impact	Protecting the working conditions of workers along the value chain through the adoption of shared ethical principles and rules of conduct	Upstream+ Downstream	Procurement, operations
	Negative/potential impact	Reduced safety and efficiency of infrastructure due to ineffective management of emergency events and related responses	Downstream	Operational activities
	Positive/actual impact	Protection of the rights of local communities through the implementation of certified procedures and management systems and ongoing dialogue (civil and political rights of communities)	Upstream+ Downstream	Operational activities
	Positive/actual impact	Economic and employment value (direct, indirect and induced) generated by Sinelec in the local area, with positive impacts on the socio-economic development of local communities	Downstream	Operational activities

ESRS TOPIC	RELEVANT IROs	VALUE CHAIN	REFERENCE PROCESS
ESRS S4 - Consumers and end-users	Negative/potential impact	Reduced safety and efficiency of infrastructure due to ineffective management of emergency events and related responses	Downstream Services
	Positive/actual impact	Safety and efficiency of infrastructures through the implementation of an integrated methodology of monitoring, diagnostics, and definition of necessary works and through the management of emergency events	Downstream Services
Innovation and sustainable mobility	Risk	<b>Innovation and Digitisation</b> Technological innovation and digitalisation processes unaligned with strategic goals; delays in grasping and implementing innovative solutions to reduce environmental impacts and meet market expectations that are increasingly sensitive to climate change aspects, as well as Artificial Intelligence-driven market trends supporting process efficiency and value creation	Upstream+ In house Procurement, technology development, services
	Positive/actual impact	Contribution to the economic and social growth of the local areas where Sinelec operates, through the development of sustainable, innovative and digital infrastructures and services	In-house Operational activities





# 02

## **GOVERNANCE, ETHICS, AND COMPLIANCE**

20 Corporate Governance

21 Ethics and Integrity

# CORPORATE GOVERNANCE

Sinelec's governance is based on the traditional organisational model that envisages bodies such as the Board of Directors and Board of Statutory Auditors, both appointed by the shareholders' meeting.

## THE BOARD OF DIRECTORS

The Board of Directors defines the strategic guidelines with a view to creating value for all stakeholders in the medium to long term. It also approves the Sustainability Report.

## STRUCTURE AND COMPOSITION OF THE BOARD OF DIRECTORS

ROLE	Gender	Executive/ non-executive	Period of office
Chairperson of the Board	Male	Non-executive	3
Chief Executive Officer	Male	Executive	3
Board Director	Male	Non-executive	3

In 2024, the Board of Directors was 100% composed of men, 67% of whom were in the over-50 age group and 33% in the 30-50 age group. The members of the Board of Directors also hold positions in other companies: this does not prevent them from exercising independent judgement, free from any outside influence or conflict of interest. The Chairman of the Board of Directors is a senior manager of the parent company ASTM, but has no operational powers for Sinelec Group companies.

In order to strengthen the management of sustainability topics, the "Integrated Management Systems and Risk Management" and "Sustainability" corporate functions were established, reporting directly to the Chief Executive Officer. The "Sustainability" function is responsible for managing and analysing the data and information set out in the Sustainability Report and for disseminating sustainability principles within Sinelec.

## THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors monitors compliance with the law and the Articles of Association, compliance with the principles of proper administration and, in particular, monitors the adequacy of the Company's organisational, administrative and accounting structure and its practical operation.

In 2024, it was composed of 4 auditors (3 full auditors and 1 alternate), 75% of whom were men in the over-50 age group and 25% women in the 30-50 age group.

# ETHICS AND INTEGRITY

Values like ethics, integrity and transparency are fundamental to Sinelec's conduct in carrying out its activities. Specifically, internally and in its relations with commercial partners, Sinelec promotes ethical conduct, considering integrity as a fundamental criterion underlying all its actions. External relations refer to relations with the Public Administration, so that Sinelec's conduct is always compliant with applicable legislation and there is no risk of non-compliance or sanctions being imposed.

## THE CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct of the ASTM Group, adopted by Sinelec, was approved in its latest version by the Board of Directors on 7 September 2023 and is inspired by the ESG principles and values enshrined in the various sustainability policies adopted. This document summarises all elements underlying the identity and culture of the ASTM Group and is binding for the conduct of all employees and collaborators of ASTM subsidiaries, i.e. all those who, for any reason and regardless of the type of contractual relationship, including members of corporate bodies, contribute to the achievement of corporate goals and objectives. The Code of Ethics is disseminated to all those who have ties and relationships of any kind with the Company, and is available, together with the sustainability policies, on the Company's website ([www.sinelec.it](http://www.sinelec.it)) in the "Governance" section.

## THE ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO FORMER LEGISLATIVE DECREE 231/2001

Mindful of the need to ensure fair and transparent conditions when conducting company activities, Sinelec has further strengthened its control and corporate governance tools by adopting an Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 (OMC).

The Model aims to represent the system of rules and the code of conduct governing the company's activities, as well as additional measures adopted to prevent the crimes and administrative offences set out in Italian Legislative Decree no. 231/2001, in

accordance with corporate governance and the system for allocating functions and delegating powers.

The Company believes that the adoption and consequent updating of the Model can be a valid tool for raising awareness among all those who work for the company and on its behalf. Specifically, the OMC is adopted to pursue the following aims:

- prohibit conduct that may constitute the offences referred to in the Decree;
- spread awareness that breach of the Decree, the provisions of the Model and the principles of the Code of Ethics may result in the application of sanctions (pecuniary and prohibitory) also against the Company;
- enable the Company, through a system of procedures and control measures and the constant monitoring of its proper implementation, to prevent and/or promptly counter the commission of offences referred to in the Decree.

The Organisation, Management and Control Model pursuant to former Legislative Decree 231/2001 is available, together with the Code of Ethics and Conduct and the sustainability policies, on the Company's website ([www.sinelec.it](http://www.sinelec.it)) in the "Governance" section.

In order to supervise the functioning of the Organisation, Management and Control Model pursuant to former Legislative Decree 231/2001 and its effective capacity to prevent the commission of the offences referred to in the Decree, a Supervisory Board was appointed by the Board of Directors.

## THE WHISTLEBLOWING PROCEDURE

In order to promote the culture of legality based both on zero tolerance of behaviour contrary to the ethical principles adopted by the Company and on compliance with the rules and regulations in force, Sinelec has adopted a Whistleblowing procedure and a system for managing reports.

This reporting management system invites all Stakeholders to report alleged or known breaches of company rules, laws, procedures and policies or of the values of the Code of Ethics. Reports can be

made anonymously. This reporting management system is in line with the provisions of Legislative Decree No. 24/2023, which transposes EU Directive 2019/1937 on the "Protection of persons who report breaches of EU law".

Sinelec has established several reporting channels to ensure maximum protection and confidentiality of both the whistleblowers and the subject of the reports. They are:

- the digital platform;
- ordinary or registered letter;
- in person, through a meeting with the Recipient.

The digital platform is managed by a specialised and independent third party, and is accessible through the Company's website. Sinelec does not tolerate any detrimental consequences for the whistleblower in disciplinary matters, and shall protect the person in the event of "direct or indirect discriminatory measures affecting working conditions, for reasons directly or indirectly linked to the whistleblowing".

All reports, under the Procedure, are handled confidentially and transparently through a pre-defined process.

For more information about the reporting methods, please refer to the Company's website at the following address: <https://www.sinelec.it/whistleblowing/>.

It is noted that no reports were received in 2023 and 2024.

## ANTI-CORRUPTION POLICY

Sinelec has adopted its own Anti-corruption Policy with the aim of preventing any form of corrupt behaviour by enhancing and strengthening its existing organisational structure and control structures. This Policy was prepared taking into account the principles set out in the Code of Ethics and Conduct and in the Organisation, Management and Control Model pursuant to former Italian Legislative Decree 231/2001, the Anti-corruption Compliance Programme best practices and the international standard ISO 37001:2016.

The recipients of this Policy are the members of the Board of Directors and Control Bodies, Executives, employees, and all those who have ties and relationships with them in any capacity, such as collaborators, consultants, suppliers, contractors, and business partners.

No reports were received regarding alleged or proven cases of corruption in 2023 and 2024.

Note that the digital platform, mentioned above for the purpose of the reporting system, is also used to report alleged or actual cases of corruption.

## CONFLICTS OF INTEREST

The Code of Ethics and Conduct and the Anti-corruption Policy clearly express Sinelec's commitment to implement all necessary measures to prevent and avoid corruption and conflicts of interest. The management of such conflicts or potential conflicts is regulated in particular with reference to relations with customers and suppliers. It invites employees with such relations to report their existence or occurrence.

In addition, Sinelec is subject to the application of the Related Party Transaction Procedure of the parent company ASTM, approved on 18 January 2024 by the Board of Directors.

This procedure identifies the rules governing the approval and management of transactions with related parties implemented by the ASTM Group directly or through subsidiaries, in order to ensure the transparency and substantial and procedural correctness of such transactions. The procedure is available on ASTM's website [www.astm.it/en](http://www.astm.it/en) in the section "Governance".

## HUMAN RIGHTS POLICY AND HUMAN RIGHTS FRAMEWORK

In carrying out its activities, Sinelec aims to avoid any behaviour, act or decision that may cause, or contribute to causing, negative impacts on human rights.

In this regard, the company updated its Human Rights Policy on 31 October 2023 and adopted the Human Rights Framework prepared by the Parent Company and approved by the ASTM Board of Directors on 29 November 2024.

By adopting the above documents, Sinelec and the entire ASTM Group undertakes to respect, protect, and promote human rights in the conduct of its business activities, with the aim of contributing to the creation of a fair, safe, and discrimination-free work environment. In carrying out its activities, the company aims to avoid any behaviour, act, or decision that may cause, or contribute to causing, negative impacts on human rights. It also promotes respect for these rights in relations with employees, contractors, business partners, and suppliers. Particular attention is paid to the contexts that present the greatest risks, ensuring that anyone dealing with the company adheres to the principles protected by the Group.

The Human Rights Policy and the Human Rights Framework define the framework for raising awareness and reinforcing Sinelec's upholding of human rights within its sphere of influence in order to implement processes that comply with the main international human rights standards, such as the United Nations Guiding Principles on Business and Human Rights (hereinafter "UNGPs"), the Universal Declaration of Human Rights, the ILO conventions and the European Directive on Corporate Sustainability Due Diligence (hereinafter "CSDD"). This framework reiterates and integrates the principles set out in the Code of Ethics and Conduct, the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, the SA8000:2014 Social Accountability Management Manual, as well as current company policies and procedures.

## PRIVACY AND INFORMATION SECURITY

The Company continues to focus on protecting the personal data of its Stakeholders, aware that protecting the privacy of natural persons is a fundamental right, also recognised by the Charter of Fundamental Rights of the European Union.

Furthermore, in compliance with the provisions of EU Regulation 2016/679 ("GDPR"), the Company has implemented a data protection organisational model with the definition of roles and responsibilities for full regulatory compliance. Sinelec has also appointed a voluntary Data Protection Officer (DPO) as a founding element of the Company's accountability. Their function is to observe and evaluate the management of personal data processing within the Company and to interface with the supervisory authority. Through its Data Protection Contact Person, the company actively participates in the activities, coordinated by the Data Protection Officer, of the ASTM Group active working groups on various privacy and information security issues. Over the past year, the Company has confirmed its commitment to the precise application of Italian and EU protection data personal regulations, seeking to increase the skills and awareness of its employees and collaborators on the subject.

Sinelec has also assigned to Function Managers, reporting directly to the Chief Executive Officer, the role of Data Manager. Their task is to supervise the performance of data processing operations carried out within their area of competence.

Sinelec's Data Managers have specific roles in the privacy organisation chart for the management of related fulfilments. They have participated in tutorials on specific issues of personal data management and protection. Courses have also been held for internal system administrators on the topics of information security, cybersecurity, and privacy protection.

Note that during the two years, no complaints were received concerning cases of breaches of privacy for customers or employees.

Sinelec works to ensure the security of systems and information for the entire ASTM Group; its commitment in this area has been reinforced by the renewal of the ISO/IEC 27001:2022 Certification - Informa-

tion Security. During 2024, a number of initiatives related to cybersecurity and information protection were carried out:

- activities related to preventive and proactive perimeter protection, guaranteed by three essential components:
  - the SOC (Security Operation Centre) service, which enables the evaluation and prevention of attacks from outside and at the same time monitors suspicious events detected in the Group's data centres;
  - definition of a structure that deploys security devices, such as firewalls and load balancers (which distribute network traffic), to ensure that only authorised accesses can interact with applications;
  - Vulnerability Assessment and Management to continuously assess vulnerabilities in company systems and to recommend the necessary corrective actions.
- Extension of the Multi Factor Authentication solution to all company functions to prevent unwanted access as a result of stolen credentials.
- Adoption of the Network Access Control (NAC) solution: it was initially applied with the aim of identifying all devices connected to the company network by analysing authorised devices. The "Enforcement" mode was then applied to inhibit access to the company network by devices that had not been surveyed and authorised.

In 2024, as in 2023, there were no critical disruptions from cyber attacks.

## THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control and Risk Management system is integrated into the organisational, administrative, and accounting structure and, more generally, corporate governance.

The Board of Directors is responsible for the Internal Audit and Risk Management System, defines guidelines and regularly assesses whether it is adequate and functioning effectively, ensuring that the main risks are identified and managed consistently with defined strategic objectives. The Risk Management System adopted by Sinelec is in line with the best practices defined by the COSO Enterprise Risk Management Integrated Framework and ISO 31000:2018.

Sinelec has a Risk Management Function that is responsible for monitoring and coordinating the Group's risk management activities, providing methodological support to ensure a common approach to risk management, and supervising the implementation of the model itself. The Risk Manager is also in charge of evaluating the information received from company functions concerning the risk management process. It also implements mitigation actions and prepares a periodic report for Top Management, in relation to the Risk Assessment activities performed and, more generally, the Internal Control and Risk Management System.



Sinelec's Risk Management model identifies and monitors the main risks associated with the company's activities, including those related to sustainability issues.

These risks are monitored through a series of economic and financial KPIs.

Below is a list of the main risks associated with the sustainability topics of Sinelec and its subsidiaries:

- Supply chain and subcontracting;
- Data management and privacy;
- Management of human capital;
- Compliance with environmental legislation and safety at work;
- Innovation and digitalisation;

- Cybersecurity;
- Ethical conduct;
- Business continuity.

Sinelec has an Internal Audit Department, which is responsible for verifying that the Internal Control and Risk Management System is functional, adequate and consistent with the guidelines defined by the Board of Directors.

The Internal Audit Function's 2024 control activities, in accordance with the Annual Plan approved by the Board of Directors, made it possible to verify the effectiveness of the Internal Control and Risk Management System and to identify opportunities for improvement. The Internal Audit Function also cooperated in spreading the principles of the aforementioned Control System.



# 03

## OUR RESPONSIBILITY TOWARDS LOCAL AREAS

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# INNOVATION AND SUSTAINABLE MOBILITY

The motorway infrastructure is a core element for the socio-economic development and quality of life of citizens. Sinelec is committed to enhancing sustainable mobility through the design and construction of high-tech plant and systems.

Sinelec has maintained its efforts over the years to ensure safe, efficient, and sustainable infrastructure. In this regard the Company has:

- obtained ISO 39001:2016 Certification - Road Safety Management System and ISO 9001:2015 Certification - Quality Management Systems;
- made significant investments in developing innovative solutions for traffic control, rules enforcement, infrastructure monitoring, and correlation of all this data to generate strategic insights for asset management optimisation. During 2023 and 2024, it invested EUR 1,096,756 and EUR 2,628,562, respectively, in high-tech projects.

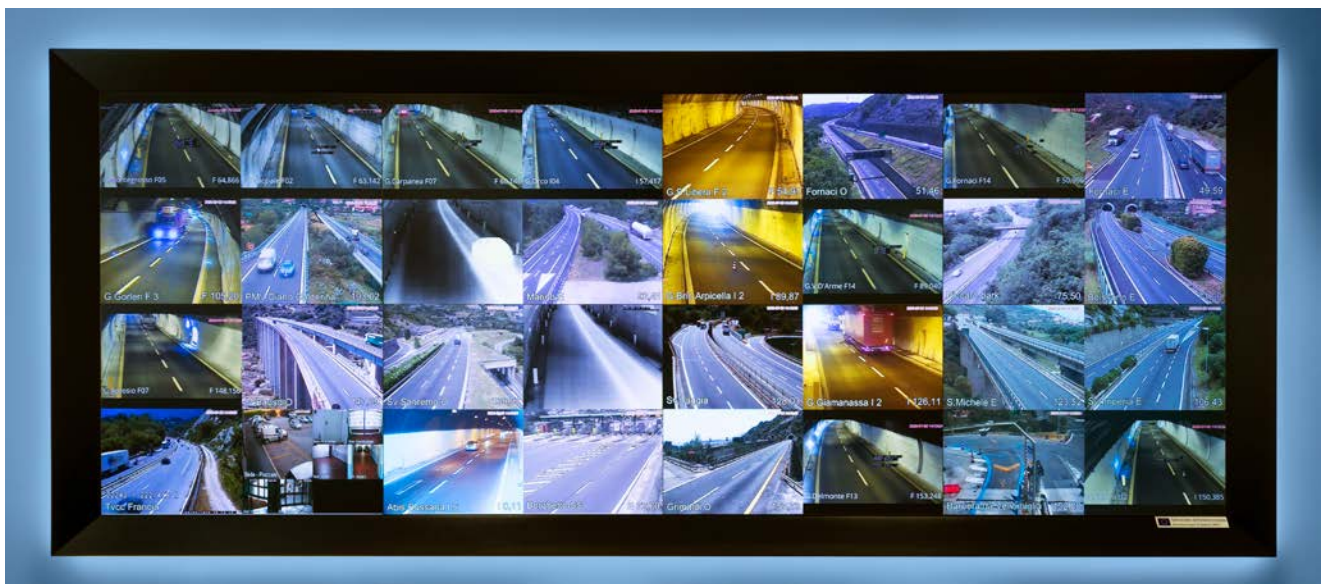
The main technology solutions applied to Sinelec's mobility and transport infrastructure are outlined below.

## TOLLING & ACCESS MANAGEMENT

For over 20 years, Sinelec has been designing, producing and installing lane devices, data acquisition systems, station control platforms and financial information processing and reconciliation systems. Sinelec's solutions underpin around 900 toll booths and several dozen toll collection portals in Multi-Lane Free Flow mode, as well as numerous data processing systems in Italy and abroad. They also process around EUR 3 billion in economic transactions for more than 200 million transits each year.

## OPERATIONS & TRAFFIC MANAGEMENT

Sustainable growth cannot be achieved without a strategic model in which information, management, and traffic control work together in synergy. Smart Roads and Cooperative Intelligent Transport Systems (C-ITS) enable mobility problems to be tackled efficiently and cost-effectively, compared to investments in new infrastructure.



Having the right information allows infrastructure managers to make the right decisions in good time and to quickly and effectively turn those decisions into action. Road operators need to do this properly and safely in order to control a complex ecosystem such as a motorway.

Managing transport infrastructure and its users involves multiple challenges:

- ensuring that an adequate level of services is maintained under any conditions;
- promptly react to events, like road accidents, coordinating all parties involved to restore conditions to normal as quickly as possible;
- keep users informed by predicting in advance the impact of disruptive events, such as road-works, on traffic flows.

Thanks to its significant experience in managing a 1,400 km motorway network, Sinelec has developed a modular operations and traffic management platform to support road operators in the integrated management of their control centre activities.

## SAFETY & SECURITY

Ensuring a safe journey is one of the priorities of motorway operators, and today, they are supported by technological innovation that can support them in achieving this objective. Below are the key elements that are guiding its achievement.

The installation of systems that identify infringements that would activate the implementation of the new regulations issued by the Transport Authorities, has significantly reduced fatal accidents.

The adoption of Automatic Accident Identification and Prevention systems, based on video analyses carried out using Machine Learning algorithms has increased the reactivity rate of operators.

The adoption of technologies for monitoring the transport of dangerous goods is crucial for road safety. Integrated monitoring systems enable real-time tracking of hazardous goods vehicles and detect abnormal situations, allowing prompt activation of emergency protocols. This preventive approach significantly reduces the risks associated with the transport of hazardous substances.

Dynamic weighing systems (WIM) allow the weight of moving vehicles to be checked, thus marking a qualitative leap forward in road safety management.



In addition to the enforcement function, these systems provide valuable data for statistical analysis and preventive infrastructure maintenance, thereby contributing to more efficient and safer road network management.

The implementation of IoT networks for structural monitoring of road infrastructure (bridges and viaducts) marks the transition from reactive to predictive maintenance. The continuous analysis of structural parameters by advanced sensors, combined with analytics platforms, allows for the early identification of potential issues, also allowing for optimised maintenance interventions and ensuring greater safety for users.

The implementation of the "Digital Twin" paradigm enabled by the IoT is exponentially increasing operators' ability to monitor the status of their assets in real time, optimise maintenance processes, and consequently their effectiveness in preventing road accidents.

## CONNECTED MOBILITY

Connecting and managing the devices and technological systems installed along the road, providing a secure and reliable connection to the public and private entities operating on the road, managing the transmission of critical data to Control Centres 24 hours a day, 7 days a week, 365 days a year. This is the challenge faced by motorway operators to ensure a safe, efficient and comfortable journey.

The knowledge and skills developed by working with licensees have allowed the company to build unique expertise in the field of telecommunications for transport infrastructures, rendering it one of the few Italian entities capable of tackling mission-critical connectivity projects in a comprehensive manner.

Moreover, thanks to its advanced 2000 km fibre-optic network, Sinelec is also active in the market for the provision of telecommunications infrastructure.

Sinelec is also already working to help road operators manage the mobility challenges of the future.

The C-ITS platform, developed in-house, integrates dual-mode V2X technologies (DSRC/ITS-G5 and C-V2X), allowing two-way communication between vehicles and infrastructure. This system interfaces with traditional Control Centres, enabling advanced road safety and traffic management services through real-time sharing of critical information between connected vehicles and intelligent infrastructure.

## MECHANICAL ELECTRICAL & PLUMBING

Sinelec's main solutions for the design and construction of high-tech plant and systems are outlined below:

- construction of mechanical and electrical systems for the construction of:
  - roads, motorways, railways and bridges;
  - hospitals, adopting the highest standards set under health construction regulations;
  - airport and port infrastructure with the relevant work needed to realise the projects;
  - logistics terminals, industrial buildings and shopping centres;
- ordinary and extraordinary maintenance of the 1,400-plus kilometre Italian motorway network managed by the ASTM Group and of hospital facilities, aimed at keeping the infrastructure in operation efficiently and safely. Specifically, Sinelec carries out the maintenance of special systems (variable message panels, SOS systems, TVCC video surveillance systems, weather call centres, access control systems), as well as the software maintenance and system maintenance of supervision and remote-control installations;
- restoration of system within commercial, industrial and hospital buildings;
- design, construction, and testing of low voltage electrical switchboards, on-board switchboards, test benches, and test cells, as well as MV/LV distribution and/or transformation cabins.

# RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Sinelec recognises the importance of ensuring a clear procurement process by selecting and managing relationships with its suppliers in accordance with criteria of transparency, fairness and impartiality.

In the context of its activities, Sinelec therefore pays particular attention to issues associated with combating corruption, the quality of materials, respecting human rights and safeguarding health, safety and the environment. The performance and services of suppliers must therefore guarantee not only the necessary quality levels, but also compliance with the best standards with regard to the above-mentioned issues.

Sinelec has adopted a Supplier Code of Conduct (which suppliers must accept in order to do business with the company) and implemented a Supplier Register to ensure sustainable and responsible management of its supply chain.

With regard to payment practices, Sinelec is committed to avoiding late payments to its suppliers by continuously monitoring the timing of project approvals.

The average time taken by the Sinelec Group to pay an invoice is 88 days<sup>6</sup>.

During 2024, there were no court cases currently pending due to late payment.

## SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct defines the standards of conduct to be adopted by suppliers, partners, commercial agents, subcontractors and distributors. It also instructs how to spread, share and apply the standards in building a sustainable supply cycle from a safety, environmental, social and economic point of view.

The document defines the principles that Sinelec suppliers must adhere to, divided into four thematic areas:

- **Ethics:** the supplier is called upon to: respect the principles of integrity also stated in Sinelec's Code of Ethics and Conduct, refrain from any form of active and passive corruption and/or extortion, conduct its business activities respecting the rules of fair and lawful competition, and to comply with current legislation on the protection of personal data by providing its employees with the means and tools to report possible irregularities or potentially unlawful activities in the workplace;
- **Labour:** the supplier is obliged to: ensure the utmost respect for people by complying with applicable labour legislation while refraining from any form of irregular, forced or child labour, guarantee its employees the right to freedom of association and the application of sector-related collective bargaining, guarantee its employees working conditions that respect human dignity with regard to working hours, overtime, training and working conditions compliant with current hygiene and safety requirements, and to promote and enforce fair treatment of all employees, ensuring that no form of discrimination occurs in the workplace;
- **Quality, Health, Safety and Environment:** the supplier undertakes to protect employees and collaborators from risks in the workplace by taking all necessary precautionary measures to ensure their health and safety, promoting/providing training and giving the necessary information to make all employees aware of the risks associated with their work. It is also obliged to comply with the quality principles and requirements of the applicable regulations as well as Sinelec's quality standards.

<sup>6</sup>The average time to pay an invoice was calculated as the arithmetic average across all Sinelec Group Entities of the time from the date the invoice was issued to the date of actual payment.

Finally, it is obliged to: make responsible and efficient use of the resources involved in the production process, use sustainable sources of supply, use energy from renewable sources and reduce negative impacts on the environment and climate through innovative production processes or recycling and reuse of materials;

- **Company Management System:** the supplier must prepare and update the documentation required by law in relation to its production processes, and must implement suitable training to give its employees an adequate level of knowledge of the contents of Sinelec's code. Finally, it is required to improve its sustainability performance.

The aforementioned Code applies in conjunction with all regulations in force in the countries in which Sinelec operates and as a supplement to all the principles set out in the Code of Ethics and Conduct, company policies and procedures in force.

## SCREENING AND SUPPLIER REGISTER

The screening and evaluation of suppliers takes place during registration in the Sinelec Supplier Register and also by monitoring their compliance with applicable legislation and specific require-

ments in the fields of labour law, health, safety and environment, IT security and data protection.

Suppliers are evaluated by the supplier register coordinator through the involvement of project managers and specialist company figures. There is also the option of carrying out special audits at the suppliers' premises.

In the supplier selection and identification phase, a specific assessment is made related to the type of work to be performed. The supplier is asked to share technical and sustainability-related documentation (health and safety, environment, etc.).

If examination of the documentation produced were to show any irregularities compared to the contract, the termination clauses envisaged in each order and contract would be used.

In 2024, 365 new suppliers were added to the register, all of whom were evaluated using social and environmental criteria. The environmental criteria used for the selection and evaluation of suppliers include possession of environmental certifications (UNI EN ISO 14001:2015) and enrolment in registers (e.g. register of environmental managers). To meet Sinelec's social criteria, the supplier is required to share documentation on the possession of policies, procedures and certifications in the areas of anti-corruption, health and safety, privacy management (e.g. SA8000:2014, UNI EN ISO 45001:2024, ISO/IEC 27001:2013).

## RELATIONS WITH AFFECTED COMMUNITIES

Sinelec strongly believes that a relationship with the local area and community, based on cooperation, transparency and mutual respect, is indispensable in order to create shared and lasting value.

### ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED BY SINELEC

In 2024, the value generated was approximately EUR 321.8 million. EUR 215.5 million of this value was redistributed to suppliers. This item consists mainly of costs for services and raw materials. This is followed by "Employee remuneration" (EUR 42.9

million), which mainly includes salaries and social security contributions. The remuneration of the financial system was approximately EUR 0.5 million. Community remuneration was approximately EUR 2 million. Public administration remuneration was recorded at EUR 17.9 million. Finally, the economic value retained by the Company tallies with the profit for 2024, amounting to about EUR 43 million, equal to the difference between the economic value generated and the economic value distributed.

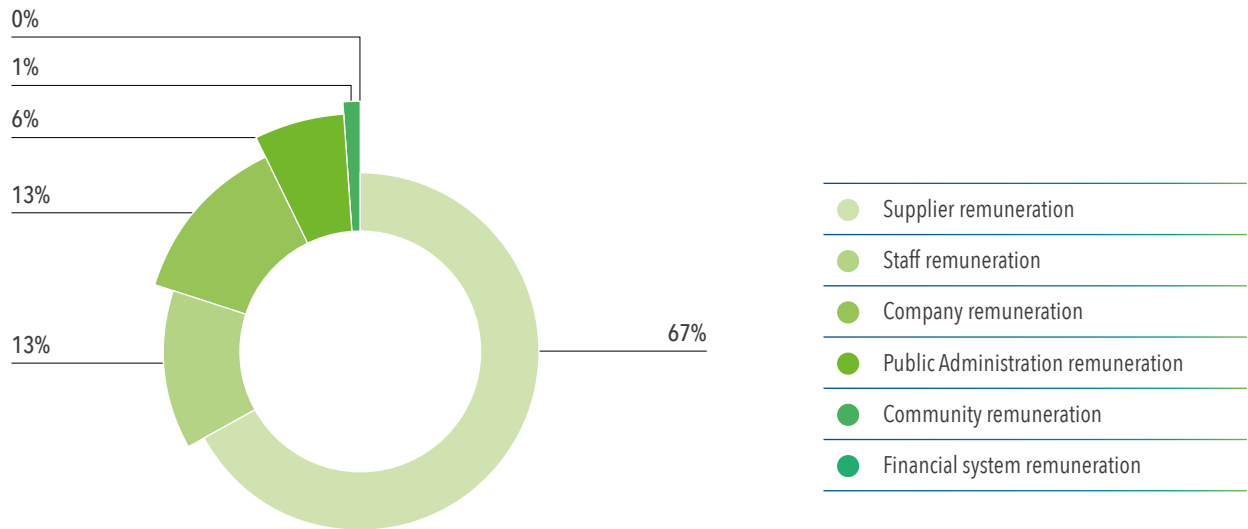
The statement of economic value directly generated and distributed was calculated by reclassifying the items in the Income Statement of Sinelec's financial statements as at 31 December 2024.

### ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED BY SINELEC IN MLN €

DISTRIBUTION OF ADDED VALUE (MLN €)	31/12/2023	31/12/2024
Supplier remuneration	194.4	215.5
Staff remuneration	40.0	42.9
Financial system remuneration	0.7	0.5
Public Administration remuneration	16.6	17.9
Company remuneration	35.2	43.0
Community remuneration	2.0	2.0
<b>Net overall added value (mln €)</b>	<b>288.90<sup>7</sup></b>	<b>321.8</b>

<sup>7</sup>A restatement was made on the figure with reference to FY 2023.

**ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED BY SINELEC IN % TERMS**



**SINELEC PROJECTS AND INITIATIVES FOR THE LOCAL COMMUNITY**

Sinelec and the ASTM Group invest in sport, aware of the role that sporting activity plays in the education of people - particularly the very young - and in the development of local areas.

In 2024, the company teamed up with Derthona Basket, a historic sports club in Tortona, the town where Sinelec has its headquarters.

In the 2021/2022 season, Derthona Basket played in the Italian Serie A championship, a marker excellence at national level. The team is very active in the area and promotes numerous initiatives aimed at involving the community, with a special focus on children. Besides spreading the positive messages typically associated with sport, the team is committed to raising awareness of responsible behaviour in everyday life to promote a healthy lifestyle and build a sustainable and environmentally friendly tomorrow. In 2024, Sinelec made investments in donations and sponsorships worth EUR 2,014,000 million, EUR 1,984,000 million of which went to Derthona Basket.





# 04

## OUR RESPONSIBILITY TOWARDS PEOPLE

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## OUR PEOPLE

Sinelec firmly believes that having motivated, professionally-minded employees is an essential factor for development, growth, and maintaining competitiveness.

This is why the company invests in its people by adopting policies and carrying out specific programmes for their enhancement and to consolidate a general climate of satisfaction.

### THE COMPOSITION OF THE LABOUR FORCE

The Group's overall workforce at 31 December 2024 totalled 672 people, of which 615 were employees and 57 external collaborators (645 employees in 2023, of which 605 employees and 40 external collaborators).

The change in the number of employees, from 605 as at 31 December 2023 to 615 as at 31 December 2024, was due to 65 new hires offset by 55 departures.

### EMPLOYEES AND EXTERNAL COLLABORATORS BY GENDER

TYPE OF EMPLOYEE	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Employees	533	72	605	542	73	615
Other collaborators <sup>8</sup>	29	11	40	34	23	57
<b>Total</b>	<b>562</b>	<b>83</b>	<b>645</b>	<b>576</b>	<b>96</b>	<b>672</b>

### EMPLOYEES BY GENDER AND CONTRACT TYPE (FIXED-TERM AND PERMANENT)

TYPE OF CONTRACT	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Temporary	15	5	20	15	2	17
Permanent	518	67	585	527	71	598
<b>Total</b>	<b>533</b>	<b>72</b>	<b>605</b>	<b>542</b>	<b>73</b>	<b>615</b>

<sup>8</sup>The item "Other collaborators" mainly includes "supply contract workers", temporary workers working in the various business units.

**EMPLOYEES BY GENDER AND CONTRACT TYPE (FULL-TIME AND PART-TIME)**

TYPE OF CONTRACT	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Full-time	528	65	593	537	65	602
Part-time	5	7	12	5	8	13
<b>Total</b>	<b>533</b>	<b>72</b>	<b>605</b>	<b>542</b>	<b>73</b>	<b>615</b>

Sinelec is committed to stable and ongoing working relationships. In this regard, almost all employees have permanent, full-time contracts.



## INDUSTRIAL RELATIONS

The activities of the Italian companies reporting to Sinelec are covered by various national collective bargaining agreements.

All of Sinelec's employees in Italy are covered by collective bargaining agreements and the most representative ones in terms of employee numbers are: engineering, building industry and their local-level agreements and senior management in industry.

In addition, exclusively for staff performing system support and interchange management activities provided by Sinelec to motorway licensees, the applicable agreement is the: "National collective bargaining agreement for employees of companies engaged in various toll infrastructure activities, related support activities and services, and integrated road systems, dated 18 July 2023 - SPECIAL SECTION: Personal support activities and ancillary user support activities".

Italian Law 300/70 (Workers' Statute), which forms the basis for all labour laws and national and local bargaining agreements, as well as for all trade union negotiations, is the reference legal framework for the Italian subsidiaries of Sinelec to manage industrial relations.

The companies recognise the trade unions that are signatories to the above-mentioned collective bargaining agreements as their "natural" counterparts.

Italian law is fully applied to the employment relationships of employees hired abroad, with comparison to the current local regulations on contracts, remuneration, insurance, and social security, of each country in which Sinelec operates.

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

Under Italian Leg. Decree no. 276/2003 and subsequent supplements, the association was assigned functions of public import, such as the certification of the regularity of contributions for registered companies and the verification of the fairness of labour costs in contracts.

Industrial relations occupy a significant space in human resources management also taking into account Sinelec's activities.

A strategic aspect for achieving work enhancement, professional development, and improved employee satisfaction in the context of current rules, is the involvement of trade union representatives in a system of industrial relations that is increasingly functional to the pursuit of fruitful results for both companies and employees.

In 2024, Sinelec continued negotiations with the trade unions for the signing, planned for early 2025, of a performance bonus agreement (hereinafter PBA). The award evaluation criteria will be based on performance efficiency with a view to improving company results, including work safety standards and ESG parameters.

Since Sinelec also intends to launch employee-enhancing initiatives aimed at improving work-life balance, the topics of parenthood, organisational flexibility, and school rewards will be given ample space in the above-mentioned trade union negotiations.

During 2024, the Company continued to boost the use of individual home-working contracts, where organisationally possible. This was supplemented with a company welfare programme – an important starting point in the search for and sharing of forms of consideration of employees.

## REMUNERATION AND BENEFITS

Sinelec's remuneration system aims to enhance the skills of each individual. Salary policies aim to attract and reward new hires with outstanding professional profiles and talent and are designed to increase employee motivation.

The positions and results of personnel are analysed annually, and work improvement paths are subsequently established, with repercussions on contractual classification levels and, if necessary, salary changes in compliance with the contractual stipulations.

Since 2017, a variable annual MBO (Management By Objectives) incentive system has been in place. This system establishes objectives to be achieved and rewards individual performance, valuing a sense of belonging to Sinelec and the contribution of each person in developing its strategy. As of the current financial year, sustainability targets and measures to foster a culture of prevention and safety at work have been introduced as assigned goals; specifically, 2% of employees are assigned targets that include ESG parameters.

In compliance with the collective bargaining agreements applied by Sinelec companies, there are additional benefits that often predate current welfare regulations and are intended to supplement the benefits recognised by law. These benefits, if offered to employees on both full-time and part-time contracts, include:

- medical expense reimbursement for employees and family members;
- Long Term Care (LTC) benefits;
- policies and schemes in addition to law and employment contracts (e.g., life and accident insurance policies).

## HIRES AND TERMINATIONS

Sinelec's internal policies and procedures establish the responsibilities, criteria, and methods used for the recruitment of staff: from the planning of hirings, to identifying candidate's personal profile for placement in specific operational areas, up to determining the classification level and corresponding remuneration.

These activities are inspired by impartiality, transparency, autonomy and independent judgement criteria. In particular, favouritism and concessions of any kind are prohibited. Instead, a policy for the recognition of skills, abilities, and professionalism is pursued.

### INCOMING EMPLOYEES BY GENDER AND AGE GROUP

GENDER	AGE	31/12/23		31/12/24	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30	5	100%	2	33%
	30-50	12	28%	1	2%
	>50	5	21%	4	16%
<b>Total women</b>		<b>22</b>	<b>31%</b>	<b>7</b>	<b>10%</b>
Men	<30	16	46%	11	27%
	30-50	68	22%	27	9%
	>50	28	15%	20	10%
<b>Total men</b>		<b>112</b>	<b>21%</b>	<b>58</b>	<b>11%</b>

In 2024, 65 new people joined Sinelec: 7 women and 58 men (in 2023 the figure was 134 with 22 women and 112 men): the 51% decrease in the number of hires over 2023 is due to the two extraordinary transactions that occurred in the previous financial year, which led to an increase in Sinelec's workforce.

## OUTGOING EMPLOYEES BY GENDER AND AGE GROUP

GENDER	AGE	31/12/23		31/12/24	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30	1	20%	0	0%
	30-50	9	21%	1	2%
	>50	1	4%	5	20%
<b>Total women</b>		<b>11</b>	<b>15%</b>	<b>6</b>	<b>8%</b>
Men	<30	2	6%	3	7%
	30-50	91	29%	17	6%
	>50	12	6%	29	15%
<b>Total men</b>		<b>105</b>	<b>20%</b>	<b>49</b>	<b>9%</b>

During 2024, a total of 55 people left the company, of which 6 were women and 49 men (116 people in 2023, of which 11 women and 105 men).

## HUMAN CAPITAL MANAGEMENT AND DEVELOPMENT

Investing in training and continuous skills upgrading leads to a highly qualified staff that can improve the operational efficiency of a company.

In this regard, Sinelec is committed to supporting the growth of its people by offering a stimulating work environment that promotes the enhancement of professional skills.

In 2024, Sinelec delivered 10,779 total training hours (6,832 in 2023), as follows:

- 6,454 hours in health and safety (4,889 in 2023).
- 367 hours in privacy and data protection (0 in 2023):
- 1,907 hours of training were provided on other ESG-related topics such as the environment (involving 12.36% of the company population), diversity and inclusion (involving 50.89% of the company population), and sustainability policies (involving 86.67% of the company population).

With particular reference to training in privacy and data protection, 39% of the staff responsible for data management were recipients.

Since 2023, Sinelec has been involved in a scheme launched by the parent company ASTM: the Young Talent Development Center programme. It sets out a development roadmap for the 2023-2026 period, with the objectives of attracting and hiring young talent, retaining them, and fostering their engagement. This is done through initiatives that give them the chance to get to know each other, get to know the company and its more senior staff members, and to enhance their value through training and assessment processes.

Initially, 15 people out of a pool of 83 workers under 35 participated in the project. Over the next two years, the programme will be extended to more young people, with a series of dedicated activities to boost integration and the development of specific career paths, including initiatives to let them express their interests and aspirations.

## TOTAL AND PER CAPITA TRAINING HOURS OF EMPLOYEES BY CLASSIFICATION AND GENDER

ROLE	31/12/23					
	Men		Women		Total	
	Training hours	Per capita	Training hours	Per capita	Training hours	Per capita
Executives	30	3.3	-	0.0	30	3.3
Middle managers	133	3.2	89	14.8	222	4.7
Office workers	3,407	12.2	368	5.5	3,775	11.0
Manual workers	2,805	13.8	-	0.0	2,805	13.8
<b>Total</b>	<b>6,375</b>	<b>12.1</b>	<b>457</b>	<b>6.4</b>	<b>6,832</b>	<b>11.3</b>

ROLE	31/12/24					
	Men		Women		Total	
	Training hours	Per capita	Training hours	Per capita	Training hours	Per capita
Executives	115	10.5	-	0.0	115	10.5
Middle managers	557	13.3	171	21.4	728	14.6
Office workers	5,088	17.9	780	12.0	5,868	16.8
Manual workers	4,068	19.9	-	0.0	4,068	19.9
<b>Total</b>	<b>9,828</b>	<b>18.1</b>	<b>951</b>	<b>13.0</b>	<b>10,779</b>	<b>17.5</b>



## SKILLS DEVELOPMENT IN SINELEC

Sinelec recognises the importance and necessity of providing comprehensive training to its employees, and it is for this reason that it has created a Training Plan for the entire company population. The Plan is aimed at the development of specific skills and consists of the following steps:

- identification of training requirements;
- preparation and provision of courses;
- assessing results and effectiveness.

The Training Plan aims to guarantee and increase the level of integration (interdisciplinary, inter-professional, inter-sectoral) of employees, and to update, enhance and maintain the competence and professional standards of each individual. The company confirms its commitment to the Fondimpresa/Fondirigenti system and considers this approach to be a valid aid in the design and assembly of training courses as well as being an important economic support for training costs.

In order to realise Sinelec's development plans and to create a work environment that fosters the professional growth of each individual, a new platform called ASTM KOALA, for delivering and managing training courses to employees, was implemented in 2024.

Sinelec's first training project, on the subject of "The Administrative Liability of Entities pursuant to Legislative Decree 231/2001", was launched on 21/11/2024 for all company employees.

In 2024, training activities focused on:

- ISO 37001 - Management systems for the prevention of corruption;
- Privacy and ISO 27001 - Information security;
- ISO 39001 - Road traffic safety management systems;
- UNI-PdR 125/2022;
- Sustainability;
- 231 Organisational and management model;
- Code of Ethics and Conduct.

From January 2025, training courses will also be provided in the following areas:

- Privacy and data protection procedures;
- Antitrust guidelines;
- ISO 39001 - Road traffic safety management systems;
- ISO 27001 - Information security;
- ISO 22301 - Business continuity;
- Sustainability.

## EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

Sinelec is committed, at every stage of the employment relationship, to ensuring equal opportunities for all staff, with any form of discrimination eliminated. It is also committed to recognising the diversity of its employees as a success factor and seeks to constantly enhance their experience, skills and qualities. Distributing the value of diversity in the company means encouraging everyone to express themselves freely, to realise their own potential.

A total of 33% of employees are in the manual workers category (34% in 2023), 57% are office workers

(57% in 2023), about 8% are middle managers (7% in 2023) and about 2% are executives (2% in 2023).

In 2024, women represented approximately 12% of employees (12% in 2023), distributed across the following professional categories: 65 are office workers or 89% of the female population (66 in 2023), 8 are middle managers or 11% of the female population (6 in 2023) and none are executives.

Excluding manual workers, the percentage of women in Sinelec amounts to 17.8%.

### EMPLOYEES BY CLASSIFICATION AND GENDER

EMPLOYMENT CATEGORY	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Executives	10	0	10	11	0	11
Middle managers	41	6	47	42	8	50
Office workers	279	66	345	285	65	350
Manual workers	203	0	203	204	0	204
<b>Total</b>	<b>533</b>	<b>72</b>	<b>605</b>	<b>542</b>	<b>73</b>	<b>615</b>

About 56% of employees (58% in 2023) are in the 30-50 age group, about 8% are under 30 (7% in 2023) and around 36% are over 50 (35% in 2023).

At 31 December 2024, the Group had 19 employees in protected categories (19 in 2023), of whom 5 women (6 in 2023) and 14 men (13 in 2023).

### EMPLOYEES BY CLASSIFICATION AND AGE GROUP

EMPLOYMENT CATEGORY	31/12/23				31/12/24			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0	5	5	10	0	4	7	11
Middle managers	0	23	24	47	0	27	23	50
Office workers	12	211	122	345	19	200	131	350
Manual workers	28	114	61	203	28	112	64	204
<b>Total</b>	<b>40</b>	<b>353</b>	<b>212</b>	<b>605</b>	<b>47</b>	<b>343</b>	<b>225</b>	<b>615</b>

Sinelec adopted a Diversity and Inclusion Policy quite some time ago. As provided by with the principles of the Code of Ethics and Conduct, it requires employees to behave in a manner that respects the rights and personalities of colleagues, collaborators and third parties regardless of their hierarchical position within the Group.

In 2024, the parent company ASTM decided to set up a working group to share initiatives aimed at promoting and disseminating the themes of inclusion and equal treatment and opportunities in all Group companies. The working group was named "Ambassadors" to underline the desire to reach out to all company personnel and to promote a company culture increasingly open to welcoming and valuing diversity. Sinelec's participation in the Ambassador team is delivered by a Human Resources function member who will later be joined by additional figures as per objectives to be defined at company and Group level.

Furthermore, in 2024 Sinelec strove to strengthen its commitment to the issue and ensure equal treatment and opportunities for all by starting the process for Gender Equality certification (UNI PdR 125/2022), which it successfully completed in July of that year.

Sinelec did not record any incidents of discrimination during 2024.

### WORK-LIFE BALANCE AND SOCIAL PROTECTIONS

Sinelec is aware that ensuring work-life balance is key to the company's business. In compliance with applicable regulations, the company guarantees parental leave and protects the reinstatement of workers at the end of the period.

#### WORK-LIFE BALANCE (LEAVE)

EMPLOYMENT CATEGORY	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Employees entitled to leave for family reasons	533	72	605	542	73	615
Employees who have taken leave for family reasons	50	14	64	58	10	68

Sinelec also provides social protection programmes for the following situations:

- illness;
- unemployment from the moment the self-em-

ployed worker works for the company;

- work-related injury and acquired disability;
- parental leave; and
- retirement.

## HEALTH AND SAFETY

Sinelec also considers it of primary importance to safeguard the health and safety of workers, aiming to comply with applicable legal requirements and continually improve working conditions, too.

In the previous year, Sinelec updated its Integrated Quality, Environment, Safety, Road Traffic Safety, Risk Management, Sustainability, and Social Responsibility Policy. The purpose of the document is to eliminate, minimise or monitor health and safety risks in order to protect its workers and subcontractors, promote their involvement and guarantee them a safe working environment. All processes managed by Sinelec are in accordance with the UNI EN ISO 45001 standard: 2023 - Occupational health and safety; all Sinelec workers are therefore covered by this system.

In addition to promoting a culture of safety among its internal staff, Sinelec is also committed to spreading this culture to those with whom it does business.

Some Sinelec companies belong to the plant sector and are typically involved in construction site work. In this context, the issue of workers' health and safety is particularly relevant and is managed through the internal organisation of construction sites and production units, with clear allocation of roles and responsibilities as required by current legislation and Sinelec's management systems.

All risks to which workers are exposed, depending on the specific role, must be identified and assessed. The findings of the risk assessment form the basis for prevention and protection measures to eliminate or, where this is not possible, to reduce risks. A programme of actions is also defined for the improvement of health and safety conditions.

Activities at the offices are described in the Risk Evaluation Document (RED), while the specific hazards and risks involved in operations on work sites are described in the specific Operational Safety Plans, both of Sinelec and its subcontractors.

During the execution of the works, safety officers are obliged to suspend the works in the event of imminent risk, and workers have the possibility of seeking recourse to whistleblowing.

With regard to accident and near-miss management, the relevant procedure makes it possible to collect useful data for protecting the health and safety of employees and subcontractors.

The data refer to cases of:

- near misses: incidents that have no consequences for persons or property, but which have the potential for an injury to occur;
- first aid: medical intervention that does not require special equipment or training (first-aid officer). In this case, no working days are lost;
- medical treatment: a health issue requiring the intervention of healthcare personnel (doctor, nurse, paramedic);
- injury with serious consequences: an injury from which the worker cannot or is not expected to fully recover to their pre-injury state of health within 6 months.

Every injury, accident or near miss is recorded by the Prevention and Protection Service in the standard form required by the PR20 Management System. The injury is reported by the site manager or job contact person to Sinelec. The HR function makes the report to INAIL within five days, as required by the regulations, while the health and safety managers carry out the necessary in-depth investigation into the event, establishing its causes with the help of the injured person and/or those who witnessed the event and drawing up the appropriate report required by the above-mentioned procedure.

This process enables improvement in methods of collecting and circulating information about incidents involving internal personnel or sub-contractors, reinforcing analysis and assessment of data.

As required by current legislation, Sinelec companies have formally appointed Workers' Safety Representatives. They are responsible for participating in and being informed about risk analysis, accident investigation, and occupational health and safety management activities carried out by the other figures with responsibility for safety (the employer, head of the protection and prevention service, safety officers, and medical officer).

In 2024, a total of 9 injuries were recorded among employees (6 in 2023), 6 of which happened at the workplace and 3 while commuting (1 in 2023). None of them could be classified as having serious consequences (absence from work for a period of more than 180 days). Note that no cases of work-related

ill health were diagnosed and no fatal accidents occurred during the two-year reporting period among both employees and non-employees. The recordable injury rate is 4.95%, expressed as an average of the last three years.

## EMPLOYEE INJURIES AND HEALTH & SAFETY INDICATORS BY GENDER

TYPE	31/12/23			31/12/24		
	Men	Women	Total	Men	Women	Total
Injuries	6	0	6	8	1	9
<i>of which at the workplace</i>	5	0	5	6	0	6
<i>of which while commuting</i>	1	0	1	2	1	3
Hours worked	919,663	107,255	1,026,918	989,730	122,995	1,112,725
Severity index <sup>9 10</sup>	0.25	0.00	0.23	0.14	0.02	0.12
Absenteeism rate <sup>11 12</sup>	2.00	2.72	2.07	2.02	1.74	1.99
Recordable work-related injury rate <sup>13</sup>	5.44	0.00	4.87	6.06	0.00	5.39

<sup>9</sup>The severity index is the ratio of the total number of working days lost due to work-related injuries and ill-health to the total number of hours worked in the same period, multiplied by 1,000 (GRI 403 (2016)).

<sup>10</sup>A restatement was made on the figure with reference to FY 2023.

<sup>11</sup>The absenteeism rate is the ratio of total days of absence to total days worked in the same period, multiplied by 100 (GRI 403-2 (2016)).

<sup>12</sup>A restatement was made on the figure with reference to FY 2023.

<sup>13</sup>The recordable work-related injury rate is the ratio of the number of recordable work-related injuries, excluding commuting injuries for travel not organised by the company, to the number of hours worked, multiplied by 1,000,000 (GRI 403-9).

## **SAFETY ON CONSTRUCTION SITES**

Sinelec, as described above, has developed and implemented an Integrated Management System through which it monitors safety levels in all operational areas (construction sites, locations, warehouses and plants).

Audits are periodically carried out in the operational areas to analyse the state of implementation and application of this Management System, as well as the state of implementation of the treatment of safety, environment, and quality non-conformities. The audits are performed in agreement with the Environment and Safety Department, which carries out operational monitoring visits. The results of these audits are recorded in audit reports and system records, and any findings (non-conformities, observations and comments) are managed through documented action plans.

In Italy during 2024, two internal audits were carried out for Management Systems, at operational units, at head offices, and on site inspections/training meetings. A non-critical nonconformity emerged, and steps have been taken for its resolution.





# 05

## **OUR RESPONSIBILITY TOWARDS THE ENVIRONMENT**

## MANAGEMENT OF ENVIRONMENTAL ISSUES

Sinelec promotes respect for the environment and is committed to a business philosophy based on the correct use of natural resources and the protection of the land.

To this end, the Company has prepared an Environmental Manifesto, defining its forward commitments on the subject, and has developed an Environmental Management System (according to UNI EN ISO 14001:2015 - Environmental Certification) that is part of the Integrated Management System described above. Having such a system in place makes it possible to minimise the possible negative environmental impact of the company's activities and ensures that all applicable safety, health and environmental legal requirements are identified and assessed so that the necessary actions can be taken to ensure legal compliance in all business units.

### CLIMATE CHANGE MITIGATION

As part of energy resource management, Sinelec is committed to improving the energy efficiency of all main business operations.

In this regard, the Company has obtained both ISO 50001:2018 - Energy Management Systems Certification and ESCO 22500<sup>14</sup> Certification, both aimed at improving energy management in terms of efficiency, use and consumption.

Sinelec also realised two important initiatives during this financial year to contribute to the targets set by the parent company ASTM (i.e. to reduce Scope 1 Scope 2 GHG emissions by 54% by 2030). They were:

- the use of HVO biofuel for all new-generation diesel company vehicles. The use of such fuel results in a massive reduction in CO<sub>2</sub> as well as cleaner combustion and allows up to a 90% reduction in the emission of harmful particles. This initiative, begun in June 2024, will yield further benefits in the coming years as the company fleet is renewed;
- the purchase of electricity from a single supplier that only supplies electricity from renewable sources, also issuing guarantee of origin certificates. This initiative was applied to all Sinelec's utilities during this financial year and will allow the use of electricity almost exclusively from renewable sources in 2025.

In general, Sinelec's energy consumption mainly concerns natural gas for heating, and electricity for lighting buildings and for use in operational activities at construction sites. In addition, energy consumption also includes diesel fuel, petrol and LPG used to power the company's operating vehicles and fleet, including employee fringe benefit cars.

In 2024, Sinelec's energy consumption amounted to 51,752 GJ (46,843 GJ in 2023). In particular, the consumption of natural gas recorded in 2024 was 1,964 GJ (1,792 GJ in 2023).

Furthermore, diesel fuel consumption was at 43,805 GJ (40,869 GJ in 2023), petrol consumption was at 2,080 GJ (880 in 2023) and electricity at 3,901 GJ (3,301 in 2023).

<sup>14</sup>ESCO Certification 22500 is a standard that defines requirements and guidelines for the design, implementation, and management of energy efficiency measures.

## ENERGY CONSUMPTION

ENERGY SOURCE	31/12/23	31/12/24
	Total	Total
Electricity purchased (KWh)	916,977	1,083,625
from non-renewable sources (KWh)	916,977	181,820
from renewable sources (KWh)	-	901,805
Natural gas (m <sup>3</sup> )	49,504	54,070
Automotive diesel (l)	1,144,206	1,230,218
of which pure diesel (l)	1,144,206	1,072,784
of which HVO biodiesel (l)	-	157,434
Petrol (l)	26,530	62,501
of which pure petrol (l)	-	62,501
LPG (l)	40	86

The percentage of electricity from renewable sources for 2024 was 83.12% (0% in 2023).

Scope 1 and 2 emissions in 2024 respectively amounted to 2,924.09 tCO<sub>2</sub>e (3,206.05 in 2023) and 91.02 tCO<sub>2</sub>e (419.06 in 2023) (market based<sup>15</sup>) and 341.34 tCO<sub>2</sub>e (288.85 in 2023) (location based<sup>16</sup>).

Despite the increase in consumption during the year (in line with the increase in operating activity), the related emissions were reduced thanks to the Company's initiatives (use of HVO fuel and purchase of electricity from renewable sources), explained in a previous section.

## DIRECT (SCOPE 1) AND INDIRECT (SCOPE 2) EMISSIONS

	31/12/23	31/12/24
Scope 1	3,206.05	2,924.09
Scope 2 Market based	419.06	91.02
<b>Total Scope 1 and Scope 2 (market based)</b>	<b>3,625.11</b>	<b>3,015.11</b>
Scope 2 Location-based	288.85	341.34

It should be noted that Sinelec has obtained F-GAS 21023 certification to improve its performance in terms of fluorinated gas emissions.

<sup>15</sup>The market-based methodology considers emissions from electricity that an organisation has intentionally chosen contractually (or by lack of such a choice). (GRI Standards). Source emission factors used: AIB 2023.

<sup>16</sup>The location-based methodology considers the average GHG emission intensity of the grids on which energy consumption occurs, mainly using data on the grid's average emission levels. (GRI Standards). Source emission factors used: Terna 2020.

## WASTE MANAGEMENT

Sinelec's concern for environmental protection is also reflected in its commitment to the recycling of waste produced and the proper disposal of the remaining non-recyclable part at the most suitable sites, depending on the type of waste. It was possible to assess the qualitative and quantitative aspects of waste produced at registered local units during the year. Waste management, from production to disposal, is carried out according to current legislation and internal procedures based on best practices, to avoid the risk of uncontrolled waste.

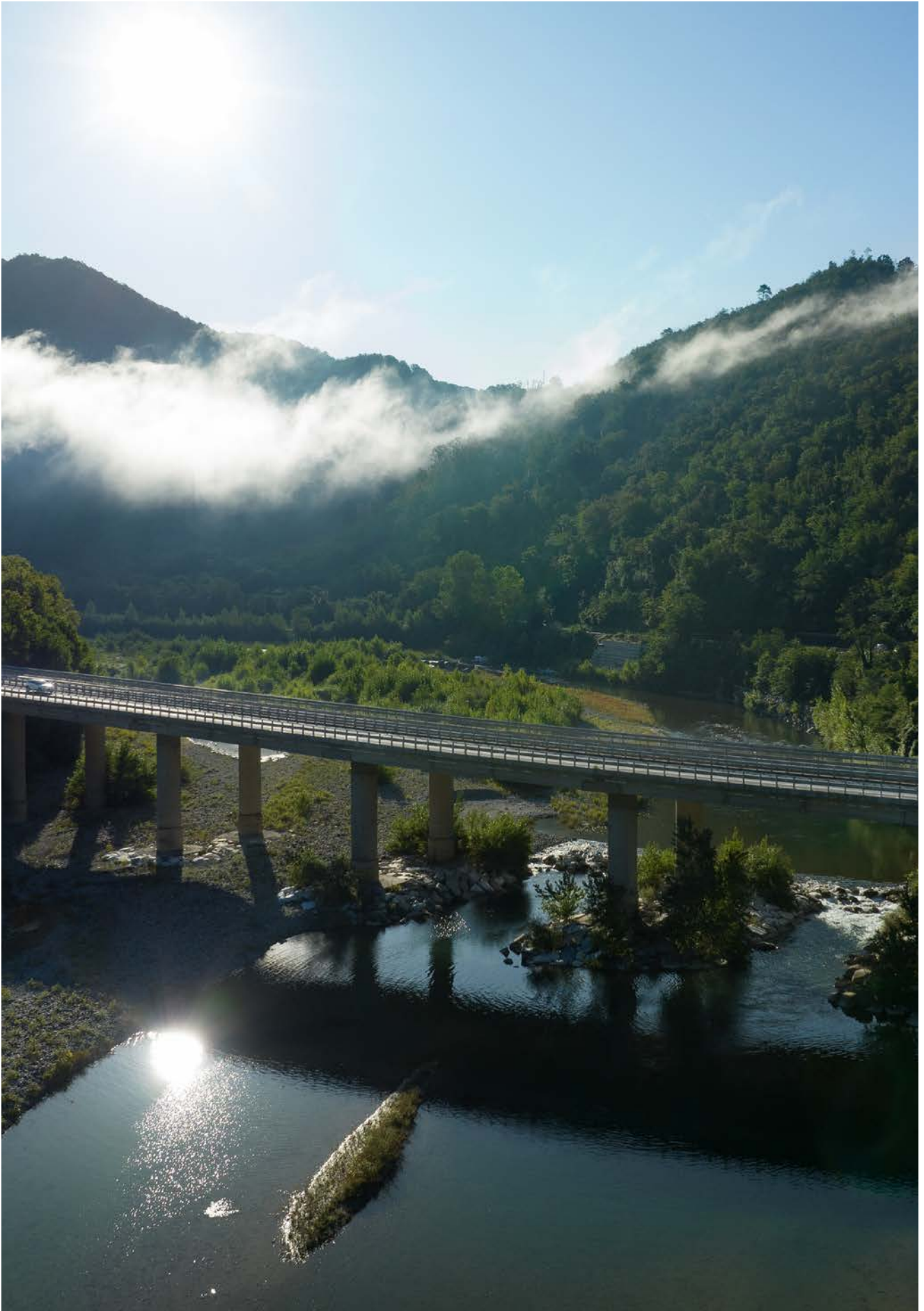
In 2024, Sinelec generated a total of 134,321.17 tonnes of waste (139,470.82 in 2023).

Almost all of the waste (99.98%, as in 2023) falls into the non-hazardous category, and most of it comes from jobs with a predominance of construction work over plant-engineering work. A total 85.72% of this was reused or recycled.

In particular, this waste, as in the previous year, originates from the following construction sites: the ADF construction site - upgrading 18 tunnels and the A32 construction site - Giaglione/Ramat/Serre la Voute tunnels. Most of the waste refers to inert material resulting from operations on site.

## GROUP WASTE BY DISPOSAL METHOD

DISPOSAL METHOD	31/12/23				31/12/24			
	Hazardous	Non-hazardous	Total	Total (%)	Hazardous	Non-hazardous	Total	Total (%)
Recycling [t]	26.97	132,447.32	<b>132,474.29</b>	<b>94.98%</b>	20.90	115,122.38	115,143.28	<b>85.72%</b>
Landfill [t]	0.85	6,995.68	<b>6,996.53</b>	<b>5.02%</b>	0.75	19,177.14	19,177.89	<b>14.28%</b>
<b>Total</b>	<b>27.82</b>	<b>139,443.00</b>	<b>139,470.82</b>	<b>100%</b>	<b>21.65</b>	<b>134,299.52</b>	<b>134,321.17</b>	<b>100.00%</b>





# 06

## ANNEXES

- 60 Content index
- 65 Independent Auditors' Report

# CONTENT INDEX

**Declaration of use** Sinelec prepared a report in accordance with GRI Standards for the period 1 January 2024 - 31 December 2024

**Used GRI 1** GRI 1 - Foundation 2021

**Relevant GRI sector standards** There are no relevant GRI sector standards

GRI Standard 2021	Description	Page	Notes/Omissions
<b>GENERAL INFORMATION</b>			
2-1	Organisational details	-	Sinelec S.p.A. has its registered offices at SP 211 della Lomellina 3/13, Località San Guglielmo
2-2	Entities included in the organisation's sustainability reporting	9	
2-3	Reporting period, frequency and contact information	4	
2-4	Review of information	33 and 49	
2-5	External assurance	4	
2-6	Activities, supply chain and other business relations	8 and 31	
2-7	Employees	38 and 39	
2-8	Workers who are not employees	38	
2-9	Governance structure and composition	20	
2-10	Nomination and selection of the highest governance body	20	
2-11	Chair of the highest governance body	20	
2-12	Role of the highest governance body in overseeing the management of impacts	20	
2-13	Delegation of responsibility for managing impacts	20	
2-14	Role of the highest governance body in sustainability reporting	20	
2-15	Conflicts of interest	22	
2-16	Communication of critical concerns	21	
2-17	Collective knowledge of the highest governance body	-	ESG issues and developments in the reference context were discussed during the presentation.

GRI Standard 2021	Description	Page	Notes/Omissions
2-18	Evaluation of the performance of the highest governance body	-	N/A.
2-19	Remuneration policies	-	Information unavailable due to confidentiality constraints.
2-20	Process to determine remuneration	-	Information unavailable due to confidentiality constraints.
2-21	Annual total compensation ratio	-	The annual total compensation ratio is omitted for confidentiality purposes.
2-22	Statement on sustainable development strategy	2	
2-23	Policy commitment	11, 21, 31, 38, 46, 48 and 54	
2-24	Embedding policy commitments	11, 21, 31, 38, 46, 48 and 54	
2-25	Processes to remediate negative impacts	13	
2-26	Mechanisms for seeking advice and raising concerns	21	
2-27	Compliance with laws and regulations	-	In 2024, the Italian Revenue Agency launched an audit to verify the correct application of regulations in matters of direct and indirect taxes for the tax year 2021 of the company Euroimpianti, now merged into Sinelec. This audit ended with the preparation of the Auditor's Report containing some findings on direct and indirect taxes. The Company paid the amounts due, equal to EUR 152,000, in a single instalment.
2-28	Membership associations	-	Sinelec is registered with Confindustria Alessandria.
2-29	Approach to stakeholder engagement	12	
2-30	Collective bargaining agreements	40	
3-1	Process of determining material topics	13	
3-2	List of material topics	13	

GRI Standard 2021	Description	Page	Notes/Omissions
<b>Equal treatment and opportunities for all</b>			
3-3	Management of material topics	20	
405-1	Diversity of governance bodies and employees	20 and 46	
406-1	Incidents of discrimination and collective actions taken	47	
Non-GRI KPIs	Work-life balance (leave)	47	
Non-GRI KPIs	Social protection	47	
<b>Attracting and developing human capital</b>			
3-3	Management of material topics	38, 42, 43 and 45	
401-1	New employee hires and employee turnover	42 and 43	
404-1	Average hours of training per employee	44	
403-5	Worker training on occupational health and safety	43	
<b>Occupational health and safety</b>			
3-3	Management of material topics	48	
403-1	Occupational health and safety management system	48	
403-2	Hazard identification, risk assessment and incident investigation	48	
403-3	Occupational health services	49	
403-4	Worker participation and consultation on occupational health and safety programmes and relative communications	48	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	48	
403-9	Work-related injuries	49	
<b>Climate change mitigation</b>			
3-3	Management of material topics	54	
302-1	Energy consumption within the organisation	55	
305-1	Direct GHG emissions (Scope 1)	55	
305-2	Energy indirect (Scope 2) GHG emissions	55	

GRI Standard 2021	Description	Page	Notes/Omissions
<b>Waste management</b>			
3-3	Management of material topics	56	
306-3	Waste produced	56	
306-4	Waste not intended for disposal	56	
306-5	Waste intended for disposal	56	
<b>Ethics and integrity</b>			
3-3	Management of material topics	21, 22, and 23	
205-3	Confirmed incidents of corruption and actions taken	22	
418-1	Substantiated complaints concerning customer privacy breaches and data losses	23	
<b>Responsible supply chain management</b>			
3-3	Management of material topics	31	
308-1	New suppliers that were screened using environmental criteria	32	
414-1	New suppliers selected using environmental criteria	32	
Non-GRI KPIs	Payment practices	31	
<b>Relations with the local community</b>			
3-3	Management of material topics	33 and 34	
201-1	Direct economic value generated and distributed	33 and 34	
<b>Innovation and sustainable mobility</b>			
3-3	Management of material topics	28, 29, and 30	
Non-GRI KPIs	Technology projects (EUR mln)	28	

Table linking the Group-identified strategic lines under the Sustainability Plan with the indicators reported by the Sinelec Group:

<b>Group strategic lines</b>	<b>Indicators reported by the Sinelec Group:</b>	<b>Page</b>
<b>Reduction of CO<sub>2</sub> emissions</b>	Scope 1 and 2 emissions (ktCO <sub>2</sub> eq) (see GRI 305-1 and GRI 305-2)	55
	Percentage of electricity from renewable sources	55
<b>Responsible use of resources and circular economy projects</b>	Percentage of non-hazardous waste reused or recycled	56
<b>Promoting diversity and inclusion</b>	Percentage of women in the organisation (excluding manual workers)	46
	Percentage of women in management (see GRI 405-1)	46
	Percentage of employees under 30 (see GRI 405-1)	46
<b>Developing human capital to attract young talent</b>	Percentage of young high-potential employees involved in the Young Talent Development Center (YTDC)	43
	Percentage of employees with annual performance appraisal, including ESG parameters	41
	Average hours of employee training (see GRI 404-1)	44
<b>Health &amp; safety and data protection</b>	Fatal work-related injuries among direct employees (see GRI 403-9)	49
	Lost Time Injury Frequency Rate (LTIFR) among direct employees (averaged over the last three years)	49
	Cyber attacks	24
	Percentage of data processing employees trained in data protection	23
	Keeping all new strategic suppliers assessed under ESG criteria (including H&S issues) (see GRI 308-1 and 414-1)	32
	Fatal accident rate (see GRI 403-9)	49
<b>Contributing to the development of local areas and communities</b>	Annual investments in donations and sponsoring of social impact initiatives (millions of euro)	34
<b>Promoting an ethical corporate culture</b>	Percentage of employees involved in ESG training (including business ethics, human rights)	43



## ***Independent auditor's report on Sustainability Reporting***

To the Board of Directors of Sinelec SpA

We have undertaken a limited assurance engagement on the Sustainability Report of Sinelec SpA and its subsidiaries (hereinafter also the "Sinelec Group" or "Group") for the year ended 31 December 2024.

### ***Responsibilities of the Directors for the Sustainability Report***

The Directors of Sinelec SpA are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological note" section of the Sustainability Report.

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

The Directors are also responsible for defining the sustainability performance targets of Sinelec Group, as well as for identifying its stakeholders and material topics to be reported on.

### ***Auditor's Independence and Quality Management***

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### ***PricewaterhouseCoopers SpA***

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### *Auditor's Responsibilities*

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the Sustainability Report with the requirements of the GRI Standards. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, mainly of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

- 1) analysis of the process of definition of the material topics reported on in the Sustainability Report, with reference to the method applied in the analysis and understanding of the Company's environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;
- 2) understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In detail, we held meetings and interviews with the management personnel of Sinelec SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, aggregation, processing and submission of non-financial information to the function responsible for the preparation of the Sustainability Report.

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

- at Group level
  - a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documentation to verify its consistency with available evidence;



- b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.
- for the Sinelec SpA, which we selected on the basis of its activities and its contribution to performance indicators at a consolidated level, we obtained documentary evidence, on a sample basis, regarding the correct application of the procedures and calculation methods applied for the indicators.

### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Sinelec SpA for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the "Methodological note" section of the Sustainability Report.

Turin, 8 April 2025

PricewaterhouseCoopers SpA

*Signed by*

Nadia Scavuzzo  
(Partner)

*This report has been translated into English from the Italian original solely for the convenience of international readers*



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