

<b>Annex to the guarantee request from</b> <b>Sustainability Proofing Summary<sup>1</sup></b>	
<p>The summary<sup>2</sup> is in line with the sustainability proofing guidance and should be presented only for direct financing.</p>	
<b>Identification of the project</b>	
<b>Overview</b>	<p><b>Project promoter:</b> The project promoter is RFI – Rete Ferroviaria Italiana S.p.A., which will assign the execution of the works to Webuild S.p.A..</p> <p><b>Country:</b> Italy</p> <p><b>Project description:</b> The project involves the doubling of the Cosenza-Paola/S. Lucido (Galleria Santomarco) section, identified as closely related to the construction of the new Salerno-Reggio Calabria high-speed line and aimed at enhancing passenger and freight traffic capacity. This specific section is part of a larger initiative, referred to as the "Global Project", which includes:</p> <ul style="list-style-type: none"> <li>- Lot 1a: Battipaglia-Romagnano;</li> <li>- Lot 1b and 1c: Romagnano-Praia;</li> <li>- <b>Doubling of Cosenza-Paola/S. Lucido (Galleria Santomarco);</b></li> <li>- Commercial speed enhancement interventions on the Battipaglia-Potenza-Metaponto-Taranto line.</li> </ul> <p>The main part of the project for the doubling of the existing Cosenza - Paola railway line is the new twin bored tunnel named "Galleria Santomarco (GN01)". The tunnel, whose total length is approximately 15,8 km, consists of a 15,3 km bored tunnel and of a 0,5 km cut and cover tunnel. The project includes two overground sections as well, before and after the tunnel.</p> <p>The other works included in the project are:</p> <ul style="list-style-type: none"> <li>- 7 viaducts;</li> <li>- 3 bored tunnels;</li> <li>- 8 cut and cover tunnels, one of which is the GA01;</li> <li>- The new Rende Railway Station.</li> </ul> <p>According to the Sustainability Proofing guidelines (Annex 3 of the "Technical guidance on sustainability proofing for the InvestEU Fund – 2021/C 280/01") an analysis was carried out to evaluate the impact on the climate dimension, environmental dimension (air, water, land and soil, biodiversity, noise and odour) and social dimension.</p> <p>The entity assessed under the social dimension is Webuild.</p> <p>The screening analysis was carried out based on the type of interventions, available documentation, professional judgment and expertise.</p>
<b>Project total cost (exclusive of VAT):</b>	<input type="checkbox"/> below EUR 10 million <input checked="" type="checkbox"/> equal to or higher than EUR 10 million

<sup>1</sup> In line with Article 8 (5) of the InvestEU Regulation and the sustainability proofing guidance ([C\(201\)2632 final](#)).

<sup>2</sup> In line with section 3.2 of the Investment Guidelines, the sustainability proofing summary shall be made public after the Investment Committee has approved the use of the EU Guarantee for a specific operation (with due regard to rules and practices regarding confidential and commercially sensitive information)

Based on the threshold, the project is not exempted from screening/proofing.	
EIA Directive	
	<p>2014 EIA Directive applicable  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Annex I projects (EIA required)  <input type="checkbox"/> Annex II projects (screening)  <input type="checkbox"/> EIA required (project screened in)  <input type="checkbox"/> EIA not required (project screened out)</p>
	<p>The project is listed within the Annex I of the EIA Directive, as it involves the "Construction of railway lines for long-distance traffic" (art. 7.a, Annex I, EIA Directive). In accordance with article 6, paragraph 7 of Legislative Decree 152/06, the project falls under annex 2 of part 2, "state-competence projects" for which the EIA is mandatory.</p> <p>With <b>Decree No. 442 of 04/05/2023</b> the Ministry of Environment and Energy Security (MASE), in agreement with the Ministry of Culture (MIC), expressed a positive opinion on the Environmental Impact Assessment (EIA), as stated in the Opinion no. 170 of the PNRR-PNIEC Technical Commission dated 16/06/2023 and the Opinion protocol no. 13451-p of the Ministry of Culture dated 05/07/2023. The EIA was positively re-evaluated through <b>Decree No.282 of 17/09/2024</b>, following project modifications. The new conditions replace the previous ones and are outlined in Opinion No. 358 of the PNRR-PNIEC Technical Commission dated 22/07/2024 and in MIC Opinion protocol no. 23630 dated 12/08/2024.</p> <p>A <b>Habitat Assessment</b> (VINCA in Italian, "Valutazione di Incidenza Ambientale") was carried out to verify potential environmental impacts on natural sites and protected areas, as defined by Law No. 394/1991 and the Natura 2000 Network, revealing that the project falls within the following areas:</p> <ul style="list-style-type: none"> <li>- ZSC IT9310056 "Bosco di Mavigliano";</li> <li>- ZSC IT9310057 "Orto Botanico Università della Calabria";</li> <li>- SIN 6 IT9300191 "Bosco Luta".</li> </ul> <p>A <b>Level II phase – Appropriate Assessment</b> – has been carried out, due to direct interference of the project with the Natura 2000 Site ZSC IT9310056 "Bosco di Mavigliano". The interference was related to the construction of a railway section, a portion of the cut and cover tunnel, and the planned establishment, within the natural site, of construction areas, technical zones, and storage areas.</p> <p>According to Opinion no. 170 of the PNRR-PNIEC Technical Commission dated 16/06/2023, based on the pre-construction status, the nature of the works, and their level of interference with the dynamics and functionality of the ecosystems within the Natura 2000 areas, it can be concluded that the project does not cause significant alterations to habitats or species of community interest, nor to the conservation status of the sites. Furthermore, the project is compatible with the conservation objectives of the Natura 2000 sites involved.</p>

<b>Sustainability proofing process</b>	<input checked="" type="checkbox"/> <b>Climate</b> <input type="checkbox"/> <b>Environmental</b> <input type="checkbox"/> <b>Social</b>
<b>Climate Dimension</b>	
<i>Legal framework</i>	<p>Sustainability proofing ensures that projects and investments align with environmental, social, and governance (ESG) sustainability goals. The legal framework that supports and guides sustainability proofing is reported below.</p> <ol style="list-style-type: none"> <li>1. EU Taxonomy Regulation (Regulation (EU) 2020/852): Criteria for determining whether an economic activity can be considered environmentally sustainable, with a particular focus on climate change mitigation.</li> <li>2. EU Climate Benchmark Regulation (Regulation (EU) 2019/2089): Climate transition benchmarks and Paris-aligned benchmarks.</li> <li>3. EU Green Bond Standard (under development): Criteria for the issuance of green bonds, Climate change mitigation and adaptation.</li> <li>4. Task Force on Climate-related Financial Disclosures (TCFD) Guidelines: Recommendations for the disclosure of climate-related financial information. Voluntarily adopted by companies and financial institutions to improve transparency and the management of climate risks.</li> <li>5. European Commission's Sustainable Finance Action Plan: Measures adopted by the European Commission to direct capital flows towards sustainable investments, manage financial risks stemming from climate change, and promote transparency and long-termism in economic and financial activities.</li> </ol> <p>The above legislation has been enshrined into Italian Law through the following acts:</p> <ol style="list-style-type: none"> <li>1. Legislative Decree No. 254/2016: Implementing the EU Non-Financial Reporting Directive (Directive 2014/95/EU);</li> <li>2. National Integrated Energy and Climate Plan (PNIEC): Outlining the country's strategies and measures to meet its energy and climate targets for 2030;</li> <li>3. "Decreto Clima": identifying measures to contrast climate change and promote environmental sustainability;</li> <li>4. "Decreto Rilancio": Response to the COVID-19 pandemic that includes measures to support green investments and promote economic recovery through sustainable development;</li> </ol> <p>National Recovery and Resilience Plan (PNRR): Renewable energy, energy efficiency, sustainable mobility, and biodiversity protection, aligning with the EU's Green Deal objectives.</p>
<i>Climate dimension (screening)</i>	<p><b>Adaptation:</b></p> <p><b>Mitigation:</b></p> <p>Is the project recommended to undergo Carbon footprint as per Chapter 2.2 of the sustainability proofing guidance?</p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	<p>In line with the technical guidance on sustainability proofing for the InvestEU Fund, a screening of the operation regarding greenhouse gases (GHG) emissions has been conducted to identify if the proposed Project has to undergo a carbon footprint assessment.</p> <p>The project falls into the <b>“Road and Rail infrastructure, urban transport”</b> category, for which a carbon footprint assessment is required.</p> <p>According to the Guidance, the second phase of the climate proofing process includes:</p> <ol style="list-style-type: none"> <li>1. The quantification of annual operational emissions and comparison with defined thresholds for absolute and relative emissions;</li> <li>2. The monetisation of emissions and an assessment of alignment with a credible pathway toward 2030 and 2050 climate targets, if the threshold of <b>20.000 tonnes of CO2e/year</b> is exceeded.</li> </ol>
<p><i>Climate adaptation (proofing), as applicable</i></p>	<p>A Climate Change Vulnerability and Risk Assessment (CCVRA) of the project was carried out by CDP Risk Management, in collaboration with an independent advisor, related to the climate resilience/adaptation dimension analysis, within the European Commission’s Technical Guidance on Climate-Proofing of Infrastructure Projects for the Period 2021–2027 for the construction of the new Santomarco Tunnel on the Cosenza–Paola/San Lucido line, which forms part of the future High-Speed/High-Capacity (HS/HC) connection between Salerno and Reggio Calabria.</p> <p>In accordance with this guidance, the process was divided into two phases:</p> <ul style="list-style-type: none"> <li>• Screening (Phase 1): aimed at assessing the vulnerability of the project to climate change;</li> <li>• Risk Assessment (Phase 2): focused on evaluating risks identified as medium, high, or extreme and on determining suitable adaptation measures.</li> </ul> <p>Within this framework, the new Santomarco section has been structured into the following interventions:</p> <ul style="list-style-type: none"> <li>• <b>Intervention 1:</b> Embankments, Trenches, and Railway Superstructure – Construction and stabilization of railway embankments and trenches, together with the installation of the track superstructure.</li> <li>• <b>Intervention 2:</b> Construction of Two New Viaducts – Two viaducts will be constructed in parallel with the existing ones: <ul style="list-style-type: none"> <li>• Viaduct VI01B: 350 m in length, designed as a steel lattice girder with 5 spans of 70 m each, crossing the A3 motorway.</li> <li>• Viaduct VI02B: 204.7 m in length, designed as a composite steel/concrete structure (except for the crossing span), consisting of 4 spans (45.0 + 69.7 + 2×45.0 m), crossing the Settimo stream.</li> </ul> </li> </ul>

- **Intervention 3:** Construction of the New Santomarco Tunnel (GN01) – Development of a natural tunnel comprising two single-track tubes, each approximately 15.3 km long, interconnected by cross-passages at 500 m intervals to guarantee safety and accessibility.
- **Intervention 4:** Signaling and Telecommunications – Deployment of advanced signaling and telecommunications systems to ensure operational reliability and centralized monitoring across the railway network.
- **Intervention 5:** Electric Traction, Overhead Line, and Substations – Design and installation of electric traction systems (TE), including overhead contact lines and substations (SSE) equipped with SCADA-based remote monitoring and diagnostics. The TE and SSE systems are intended to maximize operational reliability through centralized control, supervision, and network reconfiguration. In tunnels, additional safety is provided by a sectioning and grounding system (STES) designed to SIL4 standard.

**Phase 1 (Screening):** as part of the climate risk screening process, Phase 1 of the assessment focused on identifying climate-related hazards that may affect the long-term viability and resilience of the proposed intervention. The screening was conducted in accordance with the Delegated Regulation (EU) 2021/2139, Annex 1, Appendix A, which outlines material climate hazards under the EU Taxonomy framework.

The objective of the vulnerability assessment was to determine the relevance and materiality of climate risks specific to the nature and geographic context of the project. This was achieved by evaluating two key parameters:

- **Sensitivity:** the intrinsic susceptibility of the project’s physical assets, particularly the tunnel, bridges and viaducts, to climate-related stresses (e.g., high temperatures, landslides, flooding and wildfire);
- **Exposure:** the probability of occurrence and intensity of the identified hazards at the site locations, both under current and projected future climate conditions.

To support the assessment, climate data were sourced following the methodological framework provided by the Intergovernmental Panel on Climate Change (IPCC). Current and future climate trends were analyzed using the World Bank’s Climate Change Knowledge Portal (CCKP). Additional datasets included the NASA Sea Level Projection Tool (to evaluate potential flood exposure) and the World Resources Institute’s Aqueduct platform, which provided spatially explicit projections of Water Stress indices.

**Phase 2 (Risk Assessment)** further assessed the findings of Phase 1 by assigning both a likelihood score and an impact score to each identified hazard. Impacts were considered across multiple dimensions, including

physical damage to assets, operational disruption, environmental degradation, social and labour implications, financial exposure, and reputational risk. The combination of these factors allowed for the classification of each hazard in terms of overall risk level (e.g., Low, Medium, High, or Extreme), thereby informing the prioritization of adaptation and resilience measures for the different sites involved in the project.

The assessment results highlight that Intervention 1 (Embarkments, Trenches, Railway Superstructures), Intervention 2 (Bridges and Viaducts) and Intervention 3 (Tunnels) report a high level of risk with regards to wildfires, floods and landslides.

The Santomarco Tunnel project integrates a comprehensive set of climate change adaptation measures in compliance with Italian regulations and the National Strategy for Climate Change Adaptation (SNAC). Adaptation measures are categorized as:

- *Grey* (structural/engineering): reinforced structures, drainage systems, thermal-resilient materials.
- *Green* (ecosystem-based): bioengineering solutions, vegetation management for slope and flood protection.
- *Soft* (management/non-structural): monitoring, operational adjustments, maintenance procedures.

Design and construction follow the 2018 Technical Standards for Construction (NTC2018), which provide criteria for extreme weather events, including heavy rainfall, snow, and temperature fluctuations, using a semi-probabilistic approach with partial safety factors.

Considering the results of the risk assessment, a thorough analysis of the technical documents provided by the project client was conducted. Additionally, questionnaires were distributed to the client's technical team to gather insights into the adaptation measures incorporated into the project.

The key takeaways are summarized below:

**Flood Risk:**

- Design incorporates climate projections (ISPRA, 2015), accounting for up to 17–18% increase in maximum daily rainfall.
- Hydraulic checks applied to bridges, viaducts, culverts, and drainage systems.
- Protection measures include: riverbed and bank stabilization, pier protection with loose or grouted boulders, and regulation of watercourses, particularly for 200-year return period events.
- Tunnel portals equipped with reinforced drainage, additional gullies, and backflow prevention; longitudinal drains and grouting prevent internal water ingress.

	<p><b>Landslide Risk:</b></p> <ul style="list-style-type: none"> <li>• Stabilization measures include lightweight embankments, geogrids, lime-treated fills, jet-grouting, drainage trenches, wells, capping beams, and retaining walls.</li> <li>• Portal slopes are reprofiled, anchored, and reinforced with bioengineering solutions; drainage systems reduce pore water pressure.</li> </ul> <p><b>High Temperatures and Heat Stress:</b></p> <ul style="list-style-type: none"> <li>• Tracks use continuously welded rails (CWR) fixed at a “neutral temperature” to minimize thermal deformation, adjustable over the track’s service life.</li> <li>• Operational measures include train speed reductions when rail temperatures exceed thresholds.</li> <li>• Tunnel ventilation systems are enhanced to manage heat accumulation, including additional or reversible fans.</li> <li>• Innovative thermally activated tunnel linings with heat-exchange pipes allow heat recovery for control buildings, reducing energy consumption.</li> </ul> <p><b>Key Takeaways for Bridges, Viaducts, and Tunnels:</b></p> <ul style="list-style-type: none"> <li>• Floods and heavy rainfall are addressed through reinforced drainage, pier protection, and slope stabilization.</li> <li>• Landslide-prone areas are stabilized with structural and bioengineering measures, supplemented by drainage systems.</li> <li>• Heat stress is mitigated through thermally resilient materials, CWR management, ventilation improvements, and operational safety procedures.</li> </ul> <p>Overall, the adaptation strategy ensures that the Santomarco Tunnel project remains resilient to future climate conditions, enhances operational safety, and integrates sustainable, long-term infrastructure management.</p> <p>Furthermore, based on the specific questionnaires sent to the counterparty, it is recommended to ensure and monitor specific measures, such as drainage improvements, continuous slope monitoring with sensors (e.g., inclinometers) and bioengineering solutions (e.g., vegetated reinforcements), where feasible.</p> <p><b>The implemented adaptation measures, combined with the suggested ones, are considered sufficient, and the residual climate-related risks are deemed acceptable. Nevertheless, the alignment with the indicated regulatory compliance can already be considered proof that the interventions are only subject to residual climate-related risks, which are deemed acceptable.</b></p>
<p><i>Climate mitigation (proofing), as applicable</i></p>	<p><b>Carbon footprint assessment – Methodology</b></p> <p>The methodology for estimating the carbon footprint has been defined in accordance with the "Technical Guidance on the climate proofing of</p>

infrastructure in the period 2021-2027", which indicates the European Investment Bank's methodology as the main reference for assessing greenhouse gas emissions.

The analysis conducted in the Environmental Impact Assessment (EIA) and the Cost-Benefit Analysis (CBA) evaluated the emissions related to the "Global Project", which includes the doubling of Cosenza-Paola/S.Lucido (Galleria Santomarco) section among several strategic interventions.

The calculation compares a "reference scenario", which does not include the interventions of the Global Project, and a "project scenario", which includes the implementation of all the works of the Global Project for the reference year 2035, when the full effects, including induced traffic demand, are expected to be fully realized.

Traffic simulation models quantified the modal shift (passengers and goods) from road, air, and sea to the new, more efficient railway infrastructure, resulting in increased rail traffic and decreased traffic on other modes.

The calculation of avoided emissions, based on the Transport Study data, such as the reduction in kilometres travelled by cars, buses, and heavy-duty vehicles, and the reduction in air and sea traffic, has been performed as follows:

- For **road transport**, greenhouse gas emissions have been estimated based on SINAnet–ISPRA parameters and converted to CO<sub>2</sub> equivalent (using GWP parameters), by multiplying the average emission factors (g/vehicle\*km) by the avoided vehicle\*km;
- For **air transport**, avoided emissions have been calculated using the performance coefficients from the "EMEP/EEA Air Pollutant Emission Inventory Guidebook 2019" document;
- For **sea transport**, avoided emissions have been calculated through simulations with the "EcoTransIT World" application.

Since the analysis refers to the entire Global Project, a proportional criterion has been adopted to isolate the specific contribution of the Cosenza-Paola/S.Lucido section. The proportion is based on the growth in **actual traffic volume**, measured in train-kilometres per year, rather than a simple route length. The ratio between the increase in train\*km on the Cosenza-Paola section and the total increase for the Global Project has been calculated. This proportion has been applied to estimate both the increase in direct emissions (due to the higher number of trains running on the section), and the reduction in emissions (resulting from the lower use of road vehicles, airplanes and ships for passengers and goods). Moreover, to verify the robustness of the method, a simpler allocation based on section length (km) has also been performed.

As mentioned above, the calculation also includes avoided emissions from air and sea transport, using the same proportional allocation. However, it should be noted that these benefits are a systemic effect of the Global Project. The choice of preferring the train over the plane or ship depends on the overall performance of the high-speed line, which makes the rail a competitive alternative on a national and international scale. The Cosenza-Paola section acts as a key enabler

for this potential, but these systemic benefits cannot be attributed exclusively to this single section.

#### **Carbon footprint assessment - Results**

As part of the assessment, annual GHG emissions of the project have been calculated for a typical year of operation (2035).

It has been estimated that, for the Global Project, the avoided emissions (relative emissions) from road, air, and sea transport in the reference year (2035) equate to 90.196 tonnes of CO<sub>2</sub>e/year, while the increase in emissions related to the greater use of trains results in an emission of 49.288 tonnes of CO<sub>2</sub>e/year. The result is a total net benefit of 40.908 tonnes of CO<sub>2</sub>e/year avoided. Of this net benefit, it is estimated that the specific contribution of the Doubling of Cosenza-Paola/S. Lucido (Galleria Santomarco) project is:

- **8.089 tonnes of CO<sub>2</sub>e/year avoided**, using a proportional allocation method based on the increase in actual traffic (train\*km);
- **3.140 tonnes of CO<sub>2</sub>e/year avoided**, using a proportional allocation method based solely on the length of the section (km).

The significant difference observed in the results highlights the strategic importance of the doubling of Cosenza-Paola/S. Lucido (Galleria Santomarco) project. This crucial intervention removes a major bottleneck, enabling new freight services (Gioia Tauro to Adriatic) and new High-Speed passenger services (to Cosenza/Crotone). For this reason, the calculation **method based on train\*km is more representative** of the project's actual impact. Despite the section's limited length, its functional role in facilitating increased traffic volume means the train\*km approach provides a more accurate assessment.

Moreover, the **analysis favoured relative rather than absolute emissions**. This choice is motivated by the project's alignment with EU strategic objectives to promote and increase rail transport (passengers and freight), recognizing its efficiency and sustainability. Railway enhancement is part of national and European policies for modal rebalancing, such as the European Commission's "Strategy for a Sustainable and Smart Mobility" (aiming at increasing rail freight by 50% by 2030 and 100% by 2050) and the Italian DEF 2021 (targeting a 17% national rail freight modal share by 2030). Traffic studies assumed a consistent road-to-rail modal shift, which is fully achievable precisely because the doubling of Cosenza-Paola/S. Lucido (Galleria Santomarco) section resolves current capacity limitations. The project contributes to broader objectives as well, justifying the differential benefit approach. Specifically, it supports [the European Green Deal](#) as a concrete action towards reducing transport emissions by 90% by 2050 and shifting freight to rail. It is also aligned to the objectives of the [National Recovery and Resilience Plan \(PNRR\)](#), improving high-speed connections to the South to address territorial imbalances, as well as to the [EU Cohesion Policy 2021-2027](#) supporting "a more connected Europe", as time savings and increased users strengthen cohesion.

***In conclusion, the estimated impact does not exceed the threshold of 20.000 tonCO<sub>2</sub>e/year. Consequently, a mitigation plan is not necessary.***

	As a result, it is not necessary to proceed to the monetisation of the emissions using the shadow cost of carbon and to the assessment of the project's alignment with a credible pathway toward achieving the 2030 and 2050 GHG emission reduction targets.
<i>Voluntary measures (Positive checklist) agenda</i>	Although a positive agenda has not been drawn up, the Doubling of Cosenza-Paola/S.Lucido (Galleria Santomarco) section has the potential to generate positive climate impacts. While operational benefits arise from modal shift, significant reductions also occur during the construction phase, through the planned reuse of excavated material. This practice minimizes off-site material transport, reducing the need for new materials from quarries and the volume of excess material for disposal. Consequently, traffic flows related to material handling are contained. For the Galleria Santomarco section specifically, this reuse strategy achieves an estimated saving of 16.598,8 tonnes of CO <sub>2</sub> e. This represents a significant 14% reduction compared to the total emissions that would have been generated for complete external management of excavated material.

**Environmental Dimension**

<i>Legal framework</i>	<p>European Legal Framework for the Environmental Dimension:</p> <ol style="list-style-type: none"> <li>1. Regulation (EU) 2020/852 on the Taxonomy of Sustainable Activities: Criteria for determining which economic activities can be considered environmentally sustainable.</li> <li>2. Regulation (EU) 2019/2088 on Disclosure (SFDR): How financial markets integrate sustainability risks, including environmental risks, into decision-making processes.</li> <li>3. Regulation (EU) 2021/241 on the Recovery and Resilience Facility (RRF): Projects funded by the Recovery and Resilience Facility adhere to the principle of "do no significant harm" (DNSH) to the environmental objectives defined in the Taxonomy Regulation.</li> <li>4. Directive 2014/52/EU on Environmental Impact Assessment (EIA): Amends Directive 2011/92/EU. Assessment of the effects of certain public and private projects on the environment.</li> <li>5. Directive 2008/98/EC on Waste (Waste Framework Directive): This directive measures to protect the environment and human health by preventing and reducing the negative impacts of waste production and management.</li> <li>6. Directive 2000/60/EC on Water (Water Framework Directive): Framework for protecting and improving the quality of water in the EU, ensuring the sustainable use of water resources.</li> <li>7. Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action: Requires Member States to develop Integrated National Energy and Climate Plans (NECPs). Includes measures to achieve the EU's climate and energy objectives.</li> </ol>
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	<p>8. Paris Agreement: It strongly influences EU environmental policies. Reduction of greenhouse gas emissions to limit global temperature increases to well below 2°C above pre-industrial levels.</p> <p>Italian Legal Framework for the Environmental Dimension:</p> <ol style="list-style-type: none"> <li>1. Decreto Legislativo 152/2006 (Codice dell'Ambiente): Principles and rules for environmental protection in Italy. Includes regulations on environmental impact assessment (VIA), strategic environmental assessment (VAS), and integrated pollution prevention and control (IPPC).</li> <li>2. Decreto Legislativo 49/2010 (Attuazione della Direttiva 2008/98/CE sui Rifiuti): Implements the EU Waste Framework Directive. Set measures for the prevention and reduction of waste impacts on the environment and human health.</li> <li>3. Decreto Legislativo 152/2006, Parte Terza (Tutela delle Acque dall'Inquinamento): Focuses specifically on water protection in accordance with the EU Water Framework Directive.</li> <li>4. Decreto Legislativo 49/2014 (Attuazione della Direttiva 2012/19/UE sui Rifiuti di Apparecchiature Elettriche ed Elettroniche - RAEE): Transposes the EU Directive on Waste Electrical and Electronic Equipment (WEEE), promoting the collection, recycling, and recovery of such waste to minimize its environmental impact.</li> <li>5. Decreto Legislativo 46/2014 (Attuazione della Direttiva 2010/75/UE sulle Emissioni Industriali): Implements the EU Industrial Emissions Directive (IED), aiming to reduce harmful industrial emissions into the air, water, and land. Sets out the requirements for integrated pollution prevention and control (IPPC) to ensure high levels of environmental protection.</li> <li>6. Decreto Legislativo 102/2014 (Efficienza Energetica): This decree implements EU Directive 2012/27/EU on energy efficiency, setting out measures to promote energy efficiency and reduce energy consumption.</li> <li>7. Decreto del Presidente della Repubblica 357/1997 (Attuazione della Direttiva 92/43/CEE - Habitat): Implements the EU Habitats Directive, aimed at conserving natural habitats and wild flora and fauna.</li> <li>8. Legge 221/2015 (Collegato Ambientale alla Legge di Stabilità 2016): Introduces various measures to promote green economy and sustainable development.</li> <li>9. Piano Nazionale Integrato per l'Energia e il Clima (PNIEC): Outlines Italy's strategy to achieve its climate and energy targets by 2030.</li> </ol>
<p><i>Environment dimension (screening)</i></p>	<p>The project underwent an in-depth Environmental Impact Assessment (EIA), in accordance with Legislative Decree 104/2017, which implements Directive 2014/52/EU. The analysis covered all phases of the project's lifecycle (construction, operation, and decommissioning), evaluating the impacts on</p>

	<p>environmental components: soil, surface and groundwater, atmosphere, acoustic climate, biodiversity, agri-food heritage, material and cultural assets, landscape, population and human health, as well as physical agents such as noise, vibrations, and electromagnetic fields.</p> <p>The project was approved by the competent authorities, in particular by the Ministry of the Environment and Energy Security, in agreement with the Ministry of Culture, with environmental requirements and specific conditions defined by the relevant technical bodies and commissions. Approval is subject to compliance with these requirements, which include mitigation, compensation, and environmental monitoring measures, as detailed in the Environmental Monitoring Plan attached to the Environmental Impact Study.</p> <p>In particular, the impact of the project on the various environmental components will be subject to systematic and continuous monitoring throughout all phases of construction and operation. The Environmental Monitoring Plan provides for the control of the following components:</p> <ul style="list-style-type: none"> <li>- surface and groundwater</li> <li>- soil and subsoil</li> <li>- vegetation, flora, fauna, and ecosystems</li> <li>- atmosphere</li> <li>- noise</li> <li>- vibrations</li> <li>- electromagnetic fields</li> <li>- landscape.</li> </ul> <p>For each component, objectives, sampling methods, criteria for locating monitoring points, operational procedures, and parameters to be measured, as well as the timing of activities, are defined. The implementation of monitoring will make it possible to verify the effectiveness of mitigation measures adopted and to act promptly in the event of thresholds being exceeded or the emergence of critical issues.</p> <p>The details of the impact analysis on the environmental dimension, specifically regarding air, water, land and soil, biodiversity, noise, and odour, are provided in the attached document "20251106_Checklist Annex 3_SP_Galleria Santomarco.xlsx" in accordance with the Sustainability Proofing guidelines (Annex 3 of the "Technical guidance on sustainability proofing for the InvestEU Fund – 2021/C 280/01").</p>
<p><i>Environment dimension (proofing), as applicable</i></p>	<p>Not applicable since the findings of the environmental screening process did not require proofing.</p>
<p><i>Voluntary measures (Positive agenda checklist)</i></p>	<p>Although a positive agenda has not been drawn up, the project is capable of generating positive environmental impacts in terms of air emissions. The shift from private road transport to collective rail transport will result in a significant reduction of atmospheric pollutants, particularly:</p> <ul style="list-style-type: none"> <li>• Sulphur dioxide (SO<sub>2</sub>).</li> </ul>

	<ul style="list-style-type: none"> <li>• Nitrogen oxides (NOx).</li> <li>• Fine particulate matter (PM2.5).</li> <li>• Non-methane volatile organic compounds (NMVOCs).</li> </ul>
<b>Social Dimension</b>	
<i>Legal framework</i>	<p>European Legal Framework for the Social Dimension</p> <ol style="list-style-type: none"> <li>1. Regulation (EU) 2019/2088 on Sustainability-Related Disclosures (SFDR): Requires financial market participants and advisers to disclose how they consider principal adverse impacts on sustainability factors, including social aspects such as labour rights, equality, and community impacts.</li> <li>2. Directive 2014/95/EU on Non-Financial Reporting (NFRD): Mandates large companies to report on non-financial information, including social matters like employee conditions, respect for human rights, and anti-corruption measures.</li> <li>3. European Social Charter: Treaty that guarantees social and economic human rights (housing, health, education, employment, and social protection).</li> <li>4. Directive (EU) 2019/1152 on Transparent and Predictable Working Conditions: Aims to improve working conditions by promoting more transparent and predictable employment while ensuring labour rights.</li> <li>5. Directive 2000/78/EC on Equal Treatment in Employment and Occupation: Establishes a general framework for equal treatment in employment and occupation.</li> <li>6. European Pillar of Social Rights: Principles and rights to support fair and well-functioning labour markets and welfare systems.</li> </ol> <p>Italian Legal Framework for the Social Dimension:</p> <ol style="list-style-type: none"> <li>1. Legislative Decree 254/2016 on Non-Financial Reporting: Transposes the EU Non-Financial Reporting Directive (NFRD) into Italian law, requiring large companies to disclose information on social and environmental matters, human rights, and anti-corruption measures.</li> <li>2. Law 68/1999 on Employment of People with Disabilities: Promotes the integration and employment of people with disabilities through job quotas and other support measures.</li> <li>3. Legislative Decree 81/2008 on Health and Safety at Work: This decree sets out comprehensive measures to ensure health and safety in the workplace, protecting workers from accidents and occupational illnesses.</li> <li>4. Law 300/1970 (Statuto dei Lavoratori): Provides fundamental rights for workers, including freedom of association, protection against unfair dismissal, and the right to information and consultation.</li> <li>5. Legislative Decree 198/2006 (Code of Equal Opportunities): Consolidates various laws on gender equality, promoting equal treatment and opportunities for men and women in work and employment.</li> <li>6. Law 38/2009 on Palliative Care and Pain Therapy: Guarantees the right to access palliative care and pain management, ensuring dignity and quality of life for people with serious illnesses.</li> </ol>

	<p>National Plan for Social Inclusion: Outlines strategies and measures to address poverty and social exclusion, promoting social integration and equal opportunities for all citizens.</p>
<p><i>Social dimension (screening)</i></p>	<p>The project is specifically aimed at upgrading the Salerno – Reggio Calabria railway line, part of the European TEN-T Scandinavian–Mediterranean Corridor, to High-Speed/High-Capacity (HS/HC) standard, aiming at generating positive impacts on various aspects identified within the social dimension:</p> <ul style="list-style-type: none"> <li>- improving capacity and safety of rail transport;</li> <li>- reducing travel times between Northern and Southern Italy;</li> <li>- promoting freight transport, especially to and from the port of Gioia Tauro;</li> <li>- boosting socio-economic and tourist development of the Calabria region;</li> <li>- bridging the infrastructure gap between Northern and Southern Italy.</li> </ul> <p>In the field of labour and working conditions, there are no issues related to compliance with applicable EU and National laws, also considering that Webuild operates in compliance with its duties with regards to:</p> <ul style="list-style-type: none"> <li>- child and forced labour;</li> <li>- criteria and procedures for staff recruitment, complying with the provisions that establish prohibitions or limitations on the hiring of personnel, containment of contractual charges and of salary or compensation nature;</li> <li>- discrimination;</li> <li>- freedom of association;</li> <li>- other risks of violations of fundamental labour rights.</li> </ul> <p>Webuild has adopted the SA8000 international management system on CSR, the international standards and policies on Gender Equality (UNI PdR 125:2022) and D&amp;I (ISO 30415).</p> <p>Webuild is not expected to generate any adverse impact on vulnerable individuals or specific groups in terms of occupational health, safety, and security. This is ensured by the application of the regulatory requirements outlined in Italian Legislative Decree 81/08 (“Testo Unico sulla Salute e Sicurezza sul Lavoro”) and adherence to ISO 45001 standard, which is implemented across all operational sites, including offices and construction sites. The works related to the doubling and enhancement of operational speed of the Cosenza – S. Lucido/Paola railway section will involve the implementation of targeted regulatory provisions, as well as the adoption of design and organizational strategies, operational procedures, training programs, and preventive and protective measures. These measures will safeguard not only workers and users but also the broader construction site environment.</p> <p>Overall, the project is designed to enhance accessibility, reduce inequalities, and improve the availability and quality of essential services (e.g., education, healthcare).</p> <p>The project does not entail specific gender-related risks or discriminatory social norms, as it incorporates the principles of SA8000, UNI/PdR 125:2022, and</p>

	<p>internal policies on Equal Opportunities, Diversity, and Inclusion. Webuild is committed to fostering an inclusive work environment, attracting and developing young talent through strategic partnerships, promoting continuous learning, and leveraging diversity to enhance innovation and decision-making, while guaranteeing the development of equal opportunities to all personnel. These efforts are supported by fair and merit-based compensation systems aligned to industry best practices.</p> <p>With reference to the Cultural Heritage, the project underwent a national EIA procedure and received the endorsement of the Italian Ministry of Culture, with positive conditions subject to compliance with various prescriptions to be fulfilled, for heritage and landscape protection, mostly before work begins - i.e., in the phase prior to detailed design and, for archaeological protection, in the detailed design phase.</p> <p>An archaeological study, relating to the results of the archaeological survey, has been produced for the project, to undergo prior verification of archaeological interest (it will be the archaeologists' responsibility to prepare technical and scientific documentation - e.g., plans and sections, georeferenced survey positioning, etc.). Any additional documents to the archaeological study, may be supplemented by the Archaeological Superintendency during the course of the activities.</p> <p>Since August 2022, following RFI's EIA application, various stakeholders (including the Municipality of Paola, regional and provincial authorities, citizens, and businesses) have raised concerns about environmental, urban planning, and social impacts of the project. Key issues include land use, tourism disruption, health risks, and access restrictions. The Technical Commission responded to such issues requiring mitigation measures and confirmed the Global Project's compatibility. In case of complaints by local communities, Webuild will perform communication activities and will engage with stakeholders involved to address matters that may arise in the course of the project .</p>
<i>Social dimension (proofing), as applicable</i>	Not applicable since the findings of the social screening process did not require proofing.
<i>Voluntary measures (Positive agenda checklist)</i>	Although a positive agenda has not been drawn up, the implementation of the proposed project can generate several positive social impacts. By increasing the quality and reliability of railway infrastructure, the Global Project will increase the quality of life while bringing substantial advantages to the impacted communities in the project area.
<b>Other sustainability aspects (as applicable)</b>	
	Webuild has demonstrated sound practices with respect to environmental, health and safety and social management. In addition to procedures to meet regulatory requirements (Italian laws "Decreto Legislativo 152/06 (Testo Unico Ambientale)" and "Decreto Legislativo 81/08 (Testo Unico sulla Sicurezza)"), Webuild has implemented several ISO management systems to better manage aspects related to different issues, such as: ISO 9001, ISO 14001, ISO 45001, ISO 37001, ISO 30415 (D&I), ISO 39001, SA8000, UNI/PdR 125:2022.

