



**REMUNERATION REPORT  
OF THE  
BOARD OF DIRECTORS  
(PREPARED PURSUANT TO ARTICLES 123-TER OF THE TUF AND 84-QUATER  
OF THE ISSUER'S REGULATION)**

**APPROVED BY THE BOARD OF DIRECTORS OF ENAV S.P.A.  
ON 12 MARCH 2018**

**[WWW.ENAV.IT](http://WWW.ENAV.IT)**

## Summary

LETTER FROM THE CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE.....	3
SUMMARY REPORT ON THE REMUNERATION POLICY 2018.....	6
INTRODUCTION.....	10
SECTION I: REMUNERATION POLICY FOR 2018 .....	11
1.1. Governance of the process of defining the remuneration policy.....	11
(i) the Shareholders' Meeting .....	11
(ii) the Board of Directors .....	11
(iii) the Remuneration and Appointments Committee .....	11
(iv) the Board of Statutory Auditors .....	11
2. Objectives of the Remuneration Policy and underlying principles.....	15
3. Description of the policies on fixed and variable components of remuneration, with particular reference to the indication of the relative weight within the overall remuneration and distinguishing between short and medium-long term variable components.....	15
4. Policy on non-monetary benefits.....	18
5. Variable remuneration components, description of the performance targets on the basis of which they are allocated, distinguishing between short-term and medium/long-term variable components, and information on the connection between the variation in results and the variation in remuneration .....	19
6. Criteria used to evaluate the performance objectives underlying the allocation of shares, options, other financial instruments or other variable remuneration components and information aimed at highlighting the consistency of the Remuneration Policy with the pursuit of the Company's long-term interests and with the risk management policy .....	23
7. Vesting terms, deferred payments, deferral periods and criteria and ex-post correction mechanisms.....	24
8. Severance policy in the event of termination of office, termination of employment or absence of renewal .....	25
9. Information on the presence of insurance coverage, i.e., social security or pension schemes, other than those that are mandatory.....	26
10. Remuneration policy with regard to: (i) independent directors, (ii) participation in committees and (iii) the performance of particular tasks.....	26
11. Indications concerning the possible use, by way of reference, of the remuneration policies of other companies .....	27
SECTION II: REMUNERATION RECEIVED IN 2017 BY THE MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS, BY THE GENERAL MANAGER AND OTHER DIRECTORS WITH STRATEGIC RESPONSIBILITIES	
29	

<b>PART ONE - ITEMS FORMING PART OF THE REMUNERATION .....</b>	<b>28</b>
<b>1.1 Board of Directors .....</b>	<b>28</b>
1.1.1 Chief Executive Officer.....	28
1.1.2. Chairman of the Board of Directors.....	30
1.1.3 Other members of the Board of Directors.....	31
1.1.4 Members of the Board of Directors' Internal Committees.....	32
<b>1.2 Executives with Strategic Responsibilities.....</b>	<b>33</b>
1.2.1 The General Manager.....	28
1.2.2 Other Managers with Strategic Responsibilities .....	40
<b>1.3 Board of Statutory Auditors .....</b>	<b>36</b>
<b>1.4 Other managerial figures .....</b>	<b>36</b>
<b>2. Agreements that provide for indemnity in the event of early termination of the relationship and effects of termination of the relationship on the rights assigned as part of incentive plans.....</b>	<b>36</b>
<b>PART TWO - TABLES .....</b>	<b>37</b>
<b>GLOSSARY .....</b>	<b>44</b>
<b>ANALYTICAL INDEX BY SUBJECT .....</b>	<b>46</b>
<b>DRAFT RESOLUTION.....</b>	<b>48</b>

## LETTER FROM THE CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE



Dear Shareholders,

As Chairman of the Remuneration and Appointments Committee of ENAV, also composed by the Directors Giuseppe Acierno, Maria Teresa Di Matteo and Fabiola Mascardi, I am pleased to present the Annual Remuneration Report, which highlights the initiatives taken during 2017 regarding the remuneration policy of ENAV's Senior Management, in accordance with the provisions of the Corporate Governance Code for listed companies, as well as with market best practices, with the aim of aligning the interests of senior executives and management with those of shareholders, albeit from a perspective of sobriety and institutional responsibility.

With a view to seeking the highest levels of disclosure, also through the graphical and tabular representation of the new or consolidated practices, the Report intends to provide the market and investors with

comprehensive information on the policies introduced for 2018 (section I) and on the components of remuneration payable to the management for 2017 (section II).

Since its establishment, the Committee operated in continuity, by proposing remuneration policies aimed at achieving an adequate balance between the overall remuneration components for senior executives of the Company, and for management, through a combination of fixed remuneration and short and long term incentive plans and through an optimal alignment between objectives and the main economics of company profitability, carefully calibrating the measurement parameters of short and long-term performance.

Taking into account the regulated nature of ENAV's business and the drivers of provision of services to the unregulated market, the Committee considered that the economic

objectives of the Senior Executives and of the management were achievable through attention to costs, enhancement of the efficiency of typical processes - also with a view to environmental sustainability - and the development of new market initiatives capable of consolidating the Company's positioning while supporting the expansion of its business model.

During the course of 2017 and in the first months of 2018, in addition to carrying out all ordinary activities entrusted to it, integrating, where necessary, the Company's existing remuneration policy (cf. Sect. I., par. I. (iii)), the Committee ensured the constant monitoring of the application of the policies in place, in close coordination with the Board of Directors. In this context, during 2017 the Company remuneration policy was integrated with the following elements:

- the adoption of the Regulation implementing the 'Performance Share' long-term Incentive plan and the launch of the first cycle with the 2017-2019 three-year vesting;
- the definition of the remuneration policy for Managers with Strategic Responsibilities;

- the introduction of specific claw-back and lock-up clauses, with reference to the variable part of remuneration;
- the introduction of severance profiles for the Chief Executive Officer.

In addition, a policy was developed to attract, retain and motivate high-quality professional resources, recognise the responsibilities of managers and reward performance, also through the direct involvement in business results and to promote value creation over the medium to long term.

Our efforts in the preparation of this report were aimed at providing comprehensive, transparent and immediately usable information on all policies adopted and concerning the reasons that have supported their identification and introduction, with a constant focus on improving Company performance and an increase in value for shareholders.

Thanking you in advance for your attention to our work and for any suggestions you may provide us with, we are pleased to renew our utmost commitment also for future activities.

**The Chair of the Remuneration and Appointments Committee.**

Carlo Paris

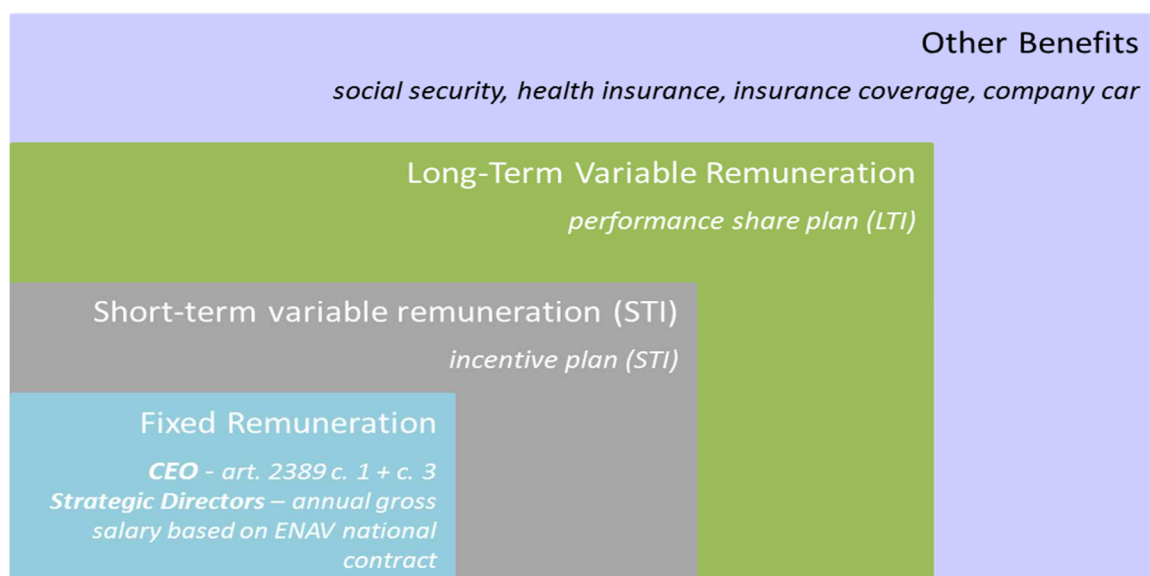
## SUMMARY REPORT ON THE REMUNERATION POLICY 2018

Members	Features	Implementation	Weighting*	Values
Fixed remuneration	Aimed at rewarding skills and professionalism, this is paid monthly and is linked to the nature and extent of the powers granted.	Not subject to conditions	<b>Chairman 100%</b> <b>CEO: 43 %</b> <b>Strategic Managers: 59 %</b>	<b>Chairman €150,000</b> per year gross (€50,000 as resolved by the Shareholders' Meeting pursuant to Article 2389 - paragraph 1 of the Italian Civil Code and €100,000 as approved by the Board of Directors pursuant to Article 2389 paragraph 3 of the Italian Civil Code) <b>Chief Executive Officer €440,000</b> annual gross (€30,000 as approved by the Shareholders' Meeting pursuant to Article 2389, paragraph 1, of the Italian Civil Code and €410,000 as approved by the Board of Directors pursuant to Article 2389 paragraph 3 of the Italian Civil Code) <b>Strategic Managers:</b> commensurate with the position held and relative market benchmarks
Short-term variable remuneration (STI)	Aimed at motivating and guiding management action in the short term, in line with the corporate budget objectives. The amount of the STI is commensurate with corporate and individual performance results, as applicable.	<b>CEO objectives:</b> <ul style="list-style-type: none"> <li>• <b>Group EBITDA (50%)</b></li> <li>• Group Net Income (20%)</li> <li>• Operating performance (20%)</li> <li>• Revenue from non-regulated activities (10%)</li> </ul> <b>Strategic Managers objectives:</b> financial and operating performance objectives coinciding with those of the Chief Executive Officer (performance gate) and individual objectives differentiated for each Strategic Manager, depending on the responsibilities assigned. <b>Objectives - Other Managers:</b> individual objectives of an economic, operational and planning	<b>CEO: 22 %</b> <b>Strategic Managers: 18 %</b>	Incentives paid on the basis of the results achieved in the previous year and valued according to a performance scale of 95/110, with a minimum incentive threshold corresponding to a performance of less than 95 (access threshold). <b>CEO: 50%</b> of the fixed remuneration for results of the company profile equal to the target (score = 100); <b>75%</b> of fixed remuneration for results equal to max (score = 110); <b>25%</b> of fixed remuneration for results equal to min (score = 95). <b>Strategic Managers: 30%</b> of fixed remuneration for performance results equal to the target (score = 100); <b>40%</b> of fixed remuneration for results equal to max (score = 110); <b>15%</b> of fixed

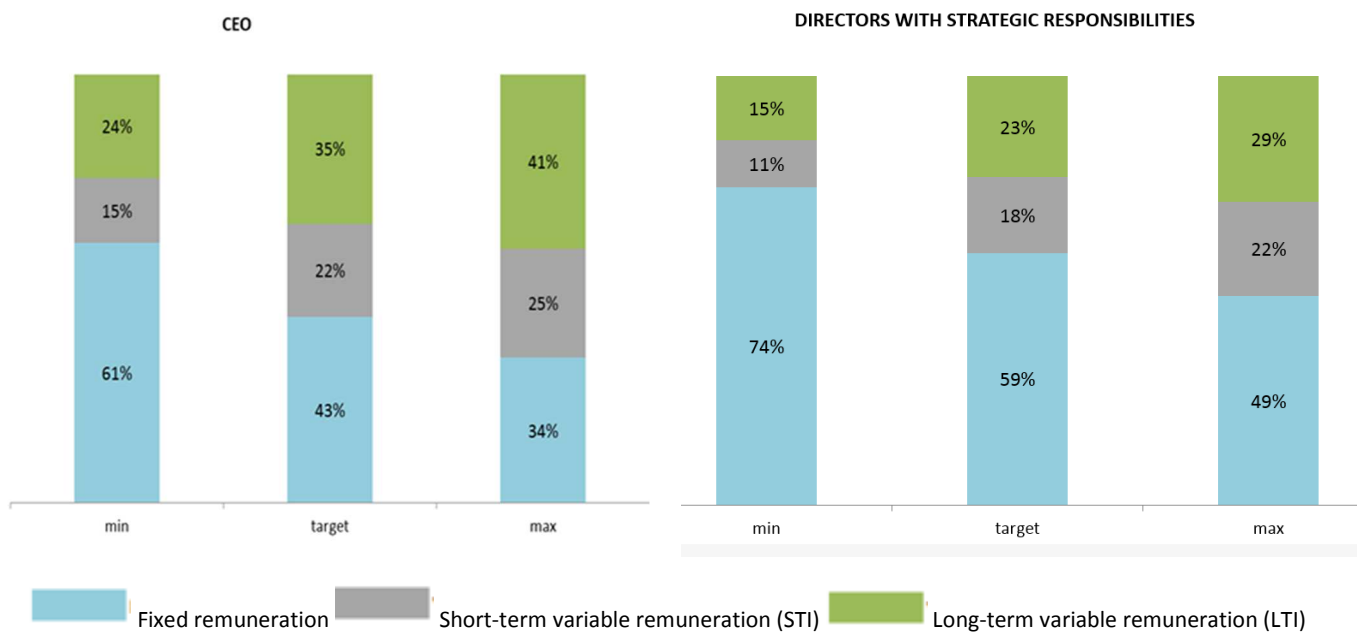
		nature, related to specific functional responsibilities		remuneration for results equal to min (score = 95).  <b>Other Managers:</b> percentages of fixed remuneration differentiated according to the organisational role held.
Long-term variable remuneration (LTI)	The beneficiaries are the CEO, the Strategic Managers and certain other managers with direct responsibility for company results. The system is designed to guarantee the correlation between the creation of value for shareholders and management and to retain the loyalty of beneficiaries in the medium-to-long term.	Plan with a three-year vesting period and annual assignment  <b>Performance indicators:</b> <ul style="list-style-type: none"> <li>• Relative TSR (40%)</li> <li>• Cumulated EBIT (30%)</li> <li>• Cumulated FCF (30%)</li> </ul> <b>Incentive allocation: depending on the role held.</b> The incentive is calculated as a percentage of the total fixed component.	<b>CEO: 35%</b> <b>Strategic Managers: 23%</b>	<b>CEO:</b> the planned incentive is: <b>80%</b> for the achievement of target performance; <b>120%</b> in the case of over-performance; <b>40%</b> in the case of under-performance (for final accounting criteria see Sect. I letter E)  <b>Strategic Managers:</b> the planned incentive is: <b>40%</b> for achievement of target performance; <b>60%</b> in the case of over-performance; <b>20%</b> in the case of under-performance  <b>Other Managers:</b> the planned incentive is: <b>30%</b> for achievement of target performance; <b>15%</b> in the case of over-performance; <b>45%</b> in the case of under-performance
Other compensation and benefits	Integral part of the remuneration package mainly related to welfare and social security	Defined in a manner consistent with the policy adopted in recent years in compliance with the provisions of the National Collective Labour Agreement for the Executive staff of ENAV.	-	For <b>CEO</b> and <b>Strategic Managers:</b> <ul style="list-style-type: none"> <li>• supplementary pension fund</li> <li>• health insurance</li> <li>• forms of insurance coverage of risks of death and permanent disability resulting from occupational and extra-professional accidents, illness due to service and other causes</li> <li>• company car for personal and business use</li> </ul>

\* This is the weight of the single remuneration component compared to the total remuneration. Values are calculated as a percentage of the target values for STI and LTI

## Summary of the remuneration components for CEO and Strategic Managers



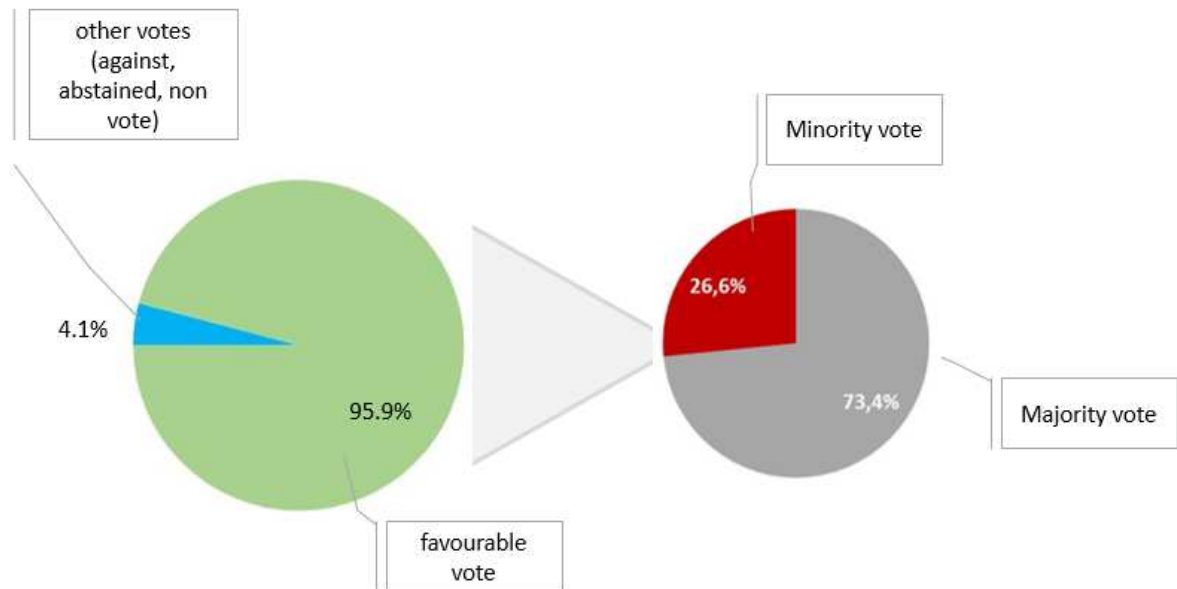
## Variation in the compensation of the Chief Executive Officer and of the Strategic Managers as a result of the achievement of performance targets and relative pay mix





### Shareholders' vote on the first section of the 2017 Remuneration Report

In compliance with applicable regulations, in 2017 the Shareholders' Meeting of ENAV expressed an advisory vote on the first section of the Remuneration Report. The percentage of favourable votes was equal to **95.9%** of the participants, of which 73.4% is the expression of the majority shareholding.



## INTRODUCTION

This remuneration report ('**Report**'), approved on 12 March 2018 by the Board of Directors of ENAV S.p.A. ('**ENAV**', or the '**Company**'), upon the proposal of the Remuneration and Appointments Committee, in compliance with current legal<sup>1</sup> and regulatory provisions and in line with the recommendations of the Corporate Governance Code (the '**Code**') on the subject of remuneration, contains:

- in the first section<sup>2</sup>, the illustration of the Policy adopted for 2018 by ENAV for the remuneration of Directors and Managers with Strategic Responsibilities (the 'Strategic Managers'), indicating the procedures used for the adoption and implementation of this policy;
- in the second section<sup>3</sup>, the indication of the remuneration paid in 2017 to the Directors, to the Statutory Auditors of ENAV and to the General Manager and, in aggregate form, to the other Strategic Managers of ENAV.

This Report is made available to the public at the Company's registered office, on the Company's website (www.enav.it, in the 'Governance' - '2018 Shareholders' Meeting' section) and also in the authorised storage mechanism, 1Info, within 21 days before the date of the Shareholders' Meeting convened to approve the financial statements for financial year 2017 and called upon to give its opinion on the first section of the same Report with a non-binding resolution<sup>4</sup>.

---

<sup>1</sup> Article 123-ter of Legislative Decree no. 58/98 (TUF) and Article 84-(quater of the Consob Issuers' Regulation (Resolution No. 11971/99 and subsequent amendments and additions).

<sup>2</sup> Article 123-ter of the TUF, paragraph 3

*"The first section of the remuneration report illustrates:*

*a) the company's policy on the remuneration of the members of the administrative bodies, general managers and executives with strategic responsibilities with reference at least to the following year;*

*b) the procedures used for the adoption and implementation of this policy. "*

<sup>3</sup> Article 123-ter of the TUF, paragraph 4

*"The second section, for the members of the administrative and control bodies, the general managers and in aggregate form, except for the provisions of the regulation issued pursuant to paragraph 8, for managers with strategic responsibilities:*

*a) provides an adequate representation of each of the items that make up the remuneration, including the severance envisaged in the event of termination of office or termination of employment, highlighting its consistency with the company's remuneration policy approved during the previous financial year;*

*b) analytically illustrates the remuneration paid during the financial year in question for any reason and in any form by the company and by subsidiaries or affiliates, indicating any components of the aforementioned remuneration that refer to activities carried out in the financial years prior to the one in question and moreover highlighting the remuneration to be paid in one or more subsequent financial years against the activity carried out in the financial year in question, possibly indicating an estimate value for the components that cannot be objectively quantified in the financial year in question."*

<sup>4</sup> Article 123-ter of the TUF, paragraph 6

*"Without prejudice to the provisions of Articles 2389 and 2409-terdecies, first paragraph, letter a) of the Italian Civil Code and Article 114-bis, the shareholders' meeting convened pursuant to Article 2364, second paragraph, or Article 2364-bis, second paragraph, either approves or rejects the section of the remuneration report provided for in paragraph 3. The resolution is not binding. The outcome of the vote is made available to the public pursuant to Article 125-quater, paragraph 2."*

## **SECTION I: REMUNERATION POLICY FOR 2018**

### **1.1. Remuneration policy governance process.**

The Company has adopted a governance model aimed at guaranteeing transparency, consistency and adequate control in relation to the remuneration policy and its implementation.

The process of defining ENAV's Remuneration Policy, in accordance with the provisions of the law and of the by-laws, involves, each pursuant to their respective competence:

- (i) the Shareholders' Meeting
- (ii) the Board of Directors
- (iii) the Remuneration and Appointments Committee
- (iv) the Board of Statutory Auditors

#### **(i) The Shareholders' Meeting:**

With regard to remuneration, ENAV's Shareholders' Meeting:

- provides its opinion with a non-binding vote on the first section of the Report;
- defines the remuneration of the members of the Board of Directors at the time of appointment and for the entire duration of their mandate;
- resolves at the proposal of the Board of Directors on compensation plans based on the attribution of financial instruments.

#### **(ii) The Board of Directors**

With regard to remuneration, ENAV's Board of Directors:

- determines, at the proposal of the Remuneration and Appointments Committee, and after hearing the opinion of the Board of Statutory Auditors, the remuneration of the Directors vested with special offices (Chief Executive Officer, Chairman of the Board of Directors, Directors who participate in committees established by the Board of Directors);
- approves the Remuneration Report to be presented to the Shareholders' Meeting;
- implements the remuneration plans based on shares or financial instruments approved by the Shareholders' Meeting, in accordance with the related resolution;
- defines, at the proposal of the Remuneration and Appointments Committee, the policy for the remuneration of the Company's Strategic Managers;
- verifies the effective achievement of the Chief Executive Officer's performance objectives.

(iii) **The Remuneration and Appointments Committee: composition, responsibilities and operating procedures**

On matters concerning remuneration, the Board of Directors is supported by an internal board committee composed of non-executive directors, the majority of which independent, which has the function of submitting proposals and providing advice on this topic, pursuant to the recommendations of the Code and according to the provisions of the regulation of the committee, approved by the Board of Directors.

In the period prior to the Shareholders' Meeting of 28 April 2017, the Remuneration and Appointments Committee was composed by the Directors Stefano Siragusa (independent non-executive Director), exercising the functions of Chairman, Nicola Maione (independent non-executive Director) and Alessandro Tonetti (non-executive Director).

By resolution of 4 May 2017, the Board of Directors established the new Remuneration and Appointments Committee (hereinafter, also referred to as the '**Committee**') as required by the Code and by the applicable legislation, composed by Directors Carlo Paris (independent non-executive Director), exercising the functions of Chairman, Maria Teresa Di Matteo (non-executive Director), Fabiola Mascardi (independent non-executive Director) and Giuseppe Acierno (independent non-executive Director).

The composition, duties and functioning of the Committee are governed in detail by the regulations of the Remuneration and Appointments Committee (the '**Committee Regulation**') approved by the Board of Directors with resolution of 21 June 2016.

With regard to remuneration, the Committee is responsible for assisting the Board of Directors with the preliminary analysis of the topics, formulating proposals and providing advice, pursuant to Article 3 of the Committee Regulations and in line with the provisions of principle 6 of the Code.

In detail, the Committee is assigned the following tasks: [SSR1]

- to submit proposals or to express opinions to the Board of Directors on the remuneration of executive Directors and of other Directors who hold certain offices, as well as on the definition of performance targets related to the variable component of this remuneration;
- to periodically assess the adequacy, overall consistency and concrete application of the remuneration policy for Directors and Strategic Managers, making use of the information provided by the Chief Executive Officer in this latter regard;
- to preliminarily examine the annual remuneration report to be published before the annual Shareholders' Meeting called to approve the financial statements for the period;

- to monitor the application of the decisions adopted by the Board of Directors, verifying, in particular, that the performance targets have actually been reached.

Within the scope of its duties, the Committee prepares, submits to the Board of Directors and monitors the application of incentive schemes aimed at top management (including share-based remuneration plans), intended as instruments for attracting and motivating resources of an appropriate level and experience, developing their sense of loyalty, a sense of belonging and ensuring a constant drive to create value over time.

The Chairman of the Committee reports to the first Board of Directors called after the meetings held by the Committee. Additionally, the Committee reports to shareholders on the procedures for exercising its functions. For this purpose, the Chairman or another member of the Committee attend the annual Shareholders' Meeting.

With regards to its specific duties and responsibilities on remuneration matters, the Committee, during 2017 and in the first months of 2018, performed the following activities:

- putting forward for the approval of the Board of Directors certain minor changes to the remuneration of the Chief Executive Officer, of the Chairman of the Board of Directors and of the members of the Board's committees, aimed at improving the market's appreciation of such remuneration. The changes are described in detail in this Report;
- the overseeing of the drafting of the Regulation for the implementation of the Performance Share Plan, subsequently approved by the Board of Directors on 11 December 2017;
- the preliminary examination concerning the identification of the Strategic Managers (cf. *II, para. 1.2*), as well as the preparation of guidelines for their remuneration policy;
- the preparation and proposal to the Board of Directors of a policy on severance, on welfare and social security and health insurance for the Chief Executive Officer.
- the proposal to the Board of Directors for the approval of the 2018 Remuneration Report, for subsequent presentation to the Shareholders' Meeting of the Company.

No director took part in the meetings of the Committee in which proposals to the Board of Directors concerning their individual remuneration were formulated. The Chairman and/or members of the Board of Statutory Auditors participated in the meetings of the Committee, as well as, upon invitation, certain departments of the Company responsible for the items dealt with.

In preparing the Remuneration Policy, the Committee availed itself of the support of the independent consultant on remuneration topics, Mercer, selected, with the support of the Company, through an open bidding process.

In the exercise of its activities, the Committee was able to access, also through the relevant company departments, all the necessary information in order to perform its duties in a proper way. In addition, the Board of Directors, with resolution of 4 May 2017, having heard the Board of Statutory Auditors, resolved to grant the Committee an annual budget of €50,000 and, with resolution of 9 August 2017, proceeded to replenish the aforementioned budget.

During 2017, the Committee held 15 meetings, of which 5 were held by the committee in its previous composition. In the first months of 2018 and up to the time of this Report, the Committee has met 4 times and has scheduled a further 8 meetings.

The meetings of the Committee, with regard to the related attributions on remuneration pursuant to the Code and to the Committee Regulation, focused on the issues indicated in the table below:

<b>ACTIVITIES OF THE COMMITTEE</b>	
<b>May-June 2017</b>	<ul style="list-style-type: none"> <li>• evaluation of the policies adopted in the previous financial year</li> <li>• analysis of the results of the Shareholders' Meeting vote on the 2017 Remuneration Report</li> </ul>
<b>July - August - September 2017</b>	<ul style="list-style-type: none"> <li>• in-depth analysis of certain compensation topics of particular importance for the shareholders and proxy advisors</li> <li>• proposal concerning the remuneration policy with respect to the variable part of the CEO's compensation</li> <li>• benchmarking and preliminary examination concerning Strategic Managers</li> </ul>
<b>October 2017</b>	proposals concerning: <ul style="list-style-type: none"> <li>• the remuneration of the Chairman of the Board of Directors</li> <li>• the remuneration of non-executive Directors for their participation at Board Committees</li> </ul>
<b>November - December 2017</b>	proposals concerning: <ul style="list-style-type: none"> <li>• the Regulation implementing the long-term incentive plan;</li> <li>• the guidelines on the remuneration policy of Strategic Managers</li> <li>• severance clauses for the Chief Executive Officer</li> <li>• welfare, social security and health insurance package for the Chief Executive Officer</li> </ul>
<b>January 2018</b>	<ul style="list-style-type: none"> <li>• 2018 Remuneration Policy on the short-term variable incentive (STI) for the Chief Executive Officer and for the Strategic Managers</li> </ul>
<b>February-March 2018</b>	<ul style="list-style-type: none"> <li>• Measurement of the short-term variable remuneration (STI) targets of 2017 for the Chief Executive Officer and assessment of the application of the remuneration policy for Strategic Managers</li> <li>• Review of the draft of the 2018 Remuneration Report, prior to submission for approval by the Board of Directors</li> </ul>

#### **(iv) Board of Statutory Auditors**

The Board of Statutory Auditors regularly attends the meetings of the Committee with the presence of the Chairman and/or of one or more standing auditors and expressed the opinions required by the applicable regulations, with reference, in particular, to the remuneration of Directors vested with special duties pursuant to Article 2389, paragraph 3 of the Italian Civil Code, also verifying their consistency with the general guidelines and policies of the Company.

### **2. Objectives of the Remuneration Policy and underlying principles**

The Remuneration Policy described in this Report focuses on the remuneration of the members of the administrative bodies, the General Manager and the other Strategic Managers.

This Policy is aimed at attracting, retaining and motivating resources with the professional qualities required to manage the Company successfully and to facilitate the alignment of management interests with the pursuit of the priority objective of creating value for shareholders and reaching target levels of performance, also through the strategic use of short-term and long-term variable remuneration components.

For non-executive Directors, the Remuneration Policy takes into account the commitment required of each of them as well as their membership in one or more committees, and is not linked to the economic results of the Company.

### **3. Fixed and variable components of remuneration, relative weight within the overall remuneration and short and medium-long term variable components**

In order to reinforce the link between remuneration and the medium-long-term interests of the Company, the Remuneration Policy for the Chief Executive Officer, for the General Manager and for the other Strategic Managers is structured so that:

- the fixed component and the variable component are adequately balanced;
- the fixed component is sufficient to reward performance if the variable component is not achieved;
- an access threshold is envisaged with respect to performance targets
- maximum limits are set for variable components, with significant threshold of overperformance compared to the target

- the performance targets are predetermined, measurable and are linked to the creation of value for shareholders over the medium-long-term;
- the payment of part of the long-term variable remuneration component is deferred for an appropriate period of time after having matured.

With specific reference to the share based LTI Plan - as per the Information Document<sup>5</sup> prepared pursuant to Article 84-*bis* of the Issuers' Regulation and approved by the Shareholders' Meeting held on 28 April 2017 pursuant to Article 114-*bis*, paragraph 1, of Legislative Decree no. 58 of 24 February 1998 -, and the Implementing Regulation thereto - approved, at the Committee's proposal, by the Board of Directors on 11 December 2017 -, the Remuneration Policy of the Chief Executive Officer, of the General Manager and of the other Strategic Managers, as well as of the other managers identified as beneficiaries of the LTI Plan (identified by the Chief Executive Officer) provides that:

- the assignment of shares occurs with a rolling mechanism with an average vesting period of three years, which foresees that the plan is structured over three cycles, linked to the achievement of certain economic and financial objectives;
- the vesting referred to in the previous point is subject to predetermined and measurable performance targets, identified both in terms of relative share price performance, expressed by ENAV's Total Shareholder Return with respect to the Total Shareholder Return of the peer group identified<sup>6</sup>, and in relation to financial and profitability indicators (cumulative FREE CASH FLOW and cumulative EBIT) in order to ensure an adequate balance between objectives linked to the performance of the stock and objectives linked to the economic and financial performance of the Company;
- the beneficiaries of the plan are subject to limitations on a portion of the shares which are subject to specific lock-up clauses;
- specific claw-back clauses are present, in line with the best market practices and with the provisions of the Code;

---

<sup>5</sup> The Information Document is available to the public at the registered office of the Company, on the Company's website at [www.enav.it](http://www.enav.it), in the 'Governance' - '2017 Assembly' section, as well as on the website of the 1INFO authorised storage mechanism managed by Computershare S.p.A. at [www.1info.it](http://www.1info.it).

<sup>6</sup> The Peer Group consists of the following companies; A2A; AENA; ATLANTIA; FRAPORT; INWIT; IREN; ITALGAS; RAIWAY; SNAM; TERNA.



- the overall remuneration is consistent with the applicable references for similar offices or for roles of a similar level of responsibility and complexity, within the framework of peer companies comparable to ENAV, as determined with the support of the consultant.

In line with the above, the Remuneration Policy establishes that the remuneration is composed of:

○ **for the Chairman of the Board of Directors:**

- a fixed salary component consisting of:
  - a gross annual remuneration of €50,000, resolved pursuant to Article 2389, paragraph 1 of the Italian Civil Code by the Ordinary Shareholders' Meeting of 28 April 2017 at the time of appointment and for the position of Chairman of the Board of Directors, and also
  - a gross annual remuneration of €100,000, resolved pursuant to Article 2389, paragraph 3 of the Italian Civil Code by the Board of Directors on 11 October 2017, at the proposal of the Committee and following the favourable opinion of the Board of Statutory Auditors;

○ **for the Chief Executive Officer:**

- a fixed salary component consisting of:
  - a gross annual remuneration of €30,000 approved pursuant to Article 2389, paragraph 1 of the Italian Civil Code by the Ordinary Shareholders' Meeting of 28 April 2017 at the time of appointment for the office of member of the Board of Directors, and also;
  - a gross annual remuneration of €410,000 approved pursuant to Article 2389, paragraph 3 of the Italian Civil Code by the Board of Directors meeting held on 9 August 2017, upon the proposal of the Committee and after hearing the favourable opinion of the Board of Statutory Auditors, for the position of Chief Executive Officer;
- a short-term variable component (STI) consisting of an incentive scheme based on the achievement of the performance targets assigned annually;
- a long-term variable component (LTI) aimed at ensuring the alignment between the creation of shareholder value and management interest, through the assignment of targets related to share price performance, company profitability and financial metrics. For 2018, the Chief Executive Officer is the recipient of the Performance Share Plan based on which a maximum

number of shares will be assigned, on the basis of the performance achieved, with a three-year vesting period.

○ for the **General Manager** and for the other **Strategic Managers**

- a fixed salary component consisting of the fixed gross annual remuneration provided for by each individual contract, in compliance with the provisions of the applicable collective law;
- a short-term variable component (STI) consisting of an incentive scheme based on the achievement of the performance targets assigned annually;
- a long-term variable component (LTI) aimed at ensuring the alignment between the creation of shareholder value and management interest, through the assignment of targets related to share price performance, company profitability and financial metrics. For 2018 these resources are the recipients of the Performance Share Plan based on which a maximum number of shares will be assigned, on the basis of the performance achieved, with a three-year vesting period.

○ for **non-executive Directors**

- a fixed component, consisting of the compensation approved by the Ordinary Shareholders' Meeting of 28 April 2017, at the time of appointment as member of the Board of Directors, equal to a gross annual remuneration of €30,000, and of the remuneration, approved by the Board of Directors on 4 May 2017 and 11 October 2017, for participation in the internal committees of the Board of Directors (see paragraph 10 of Section I of this Report).

#### **4. Policy on non-monetary benefits**

The Chief Executive Officer, the General Manager and the other Strategic Managers are provided with: (i) a company car for business and personal use comprehensive of fuel card ; (ii) insurance policies to cover risks of death and permanent disability resulting from an accident, work-related illness and other causes; (iii) a supplementary pension contribution plan with a defined contribution; (iv) health insurance coverage.

**5. Variable remuneration components, description of the performance targets on the basis of which they are allocated, distinguishing between short-term and medium/long-term variable components, and information on the connection between the variation in results and the variation in remuneration**

**1) Short-term incentives - STI**

The short-term incentive plan is applied to the Chief Executive Officer, the Strategic Managers and the company management, and allows for the monitoring and measurement of the performance of ENAV and of the beneficiaries, guiding the actions of management towards strategic guidelines coherent with the business priorities.

The Board of Directors, at the proposal of the Committee, defines the short-term objectives of the Chief Executive Officer, focused on the measurement of the Group's economic, financial and operational performance.

For the year 2018, the Board of Directors defined the following objectives:

- Group EBITDA: weight of 50%
- Group Net Income: weight of 20%
- Operating performance on delays: weight of 20% (of which 75% for *en-route* traffic and 25% for performance with respect to terminal traffic)
- Revenue from non-regulated activities: weight of 10%.

These objectives are independent of each other and the incentive linked to them is calculated individually.

Regarding the incentive scheme of the Chief Executive Officer, a performance scale has been defined which envisages a minimum level (access threshold) below which no incentive is paid, a target value and a maximum value with linear interpolation, as per market practice. Based on this, the incentive levels are set as follows:

- an incentive equal to 50% of the total fixed remuneration, to be paid upon the achievement of the target performance levels;
- an incentive equal to 75% of the total fixed remuneration (maximum incentive in the case of *overperformance*) to be paid upon the achievement of +10% compared to the target performance levels;
- an incentive equal to 25% of the total fixed remuneration (minimum incentive in the case of

*underperformance*), to be paid upon the achievement of -5% compared to the target performance levels.

These guidelines therefore define both an access threshold, as no incentive is due if the performance level is below -5% compared to the target, and a maximum incentive value. The payment of the remuneration linked to the short-term incentive is subject to verification of the achievement of the aforementioned performance targets.

With a resolution passed on 16 January 2018 the Board of Directors, upon proposal of the Committee, recommended to the Chief Executive Officer to consider the guidelines for the short-term remuneration of the Strategic Managers, deemed adequate and consistent with the remuneration policy of the Company.

With regard to company performance objectives and related weightings, in line with the provisions of the Chief Executive Officer, the assignment of the following objectives has been proposed:

- Group EBITDA: weight of 50%
- Group Net Income: weight of 20%
- Operating performance on delays: weight of 20% (of which 75% for *en-route* traffic and 25% for performance with respect to terminal traffic)
- Revenue from non-regulated activities: weight of 10%.

The above objectives are independent of each other and the relative bonus is calculated individually by linear interpolation in line with the performance criteria indicated for the Chief Executive Officer.

The incentive levels recognised for the Strategic Managers are as follows:

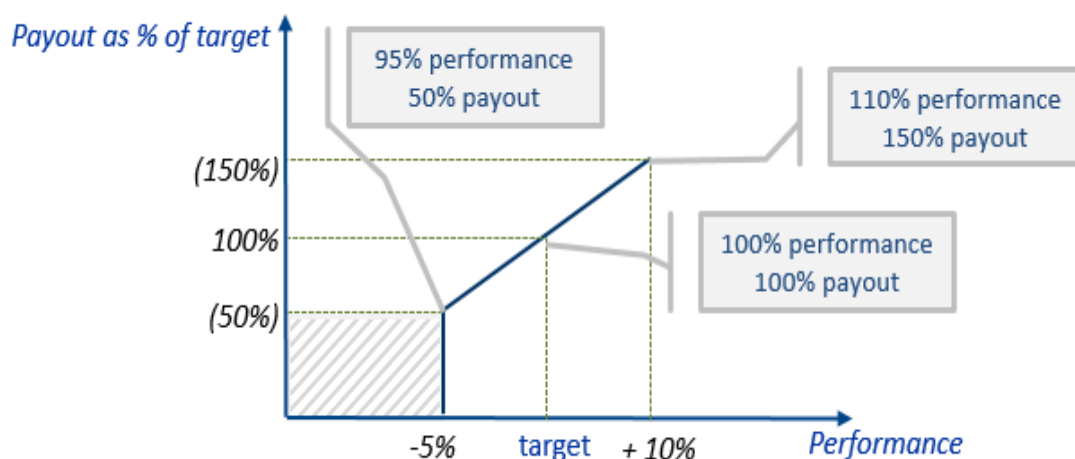
- an incentive equal to 30% of the total fixed remuneration, to be paid upon the achievement of the target performance levels;
- an incentive equal to 40% of the total fixed remuneration (maximum incentive in the case of overperformance) to be recognised upon reaching a performance of +10% with respect to the target levels;
- an incentive equal to 15% of the total fixed remuneration (minimum incentive in the case of underperformance) to be recognised upon achieving a performance of -5% with respect to the target levels.

No incentive is due for a performance level (threshold) below -5% with respect to the target.

The achievement of the above corporate performance objectives for the Strategic Managers acts as an access 'gate' for the short-term variable component of their remuneration, which also includes other individual objectives assigned by the Chief Executive Officer, in relation to the managerial

position held within the organisation.

### Performance curve for the short-term incentive of the CEO



### Comparison of the 2017 and 2018 objectives of the CEO

2017 *		2018	
Group EBITDA	50%	Group EBITDA	50%
Group Net Income	30%	Group Net Income	20%
Operational Performance	20%	Operational Performance	20%
		Revenue from non-regulated activities	10%

\* The short-term variable incentive system for the year 2017 is subject to two on/off gateway objectives with respect to application of the overperformance conditions (cf. Sect. II par. 1.1.1)

## 2) Long-term variable component - LTI

With regard to the long-term variable component of the remuneration, based on the LTI Plan, the following policy was approved for the Chief Executive Officer for the three-year period 2017-2019:

- an incentive equal to 80% of the total fixed remuneration, to be paid upon achievement of the target performance levels;
- an incentive equal to 120% of the total fixed remuneration (maximum incentive in the case of overperformance) to be paid upon achievement of +15% with respect to the target performance levels;
- an incentive equal to 40% of the total fixed remuneration (minimum incentive in the case of underperformance), to be paid upon achieving a performance of -5% with respect to the target performance levels;
- no incentive is due for performance levels below -5% (threshold) with respect to the target.

For the Strategic Managers the following policy has been approved:

- an incentive equal to 40% of the fixed remuneration, to be paid upon the achievement of the target performance levels;
- an incentive equal to 60% of the fixed remuneration (maximum incentive in the case of *overperformance*) to be paid upon achievement of +15% compared to the target performance levels;
- an incentive equal to 20% of the fixed remuneration (minimum incentive in the case of underperformance), to be paid upon achieving a performance of -5% compared to the target levels;
- no incentive is due for performance levels below -5% (threshold) with respect to the target.

For the other managers identified by the Chief Executive Officer as beneficiaries of LTI Plan, the following policy has been approved:

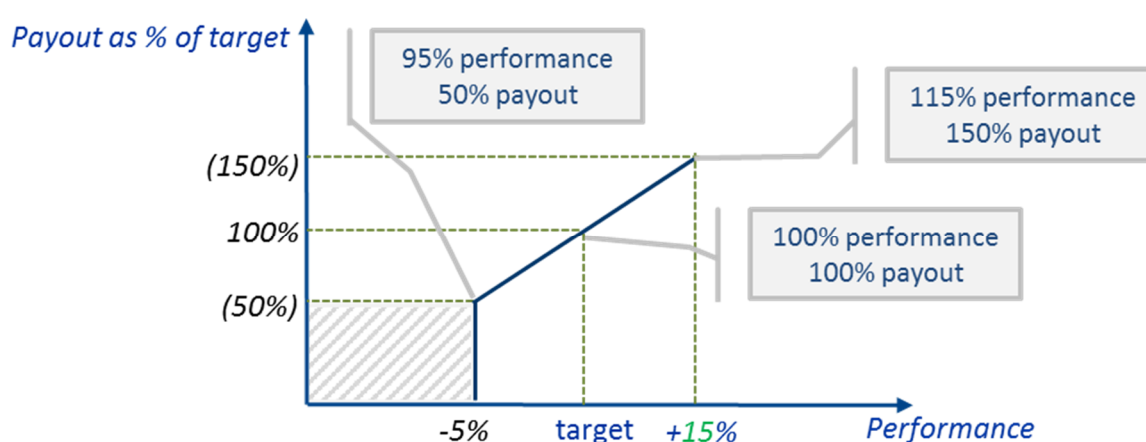
- an incentive equal to 30% of fixed remuneration, to be paid upon the achievement of the target performance levels;
- an incentive equal to 45% of fixed remuneration (maximum incentive in the case of overperformance) to be paid upon achievement of +15% with respect to the target performance levels;
- an incentive equal to 15% of the fixed remuneration (minimum incentive in the case of overperformance), to be paid upon achieving a performance of -5% with respect to the target levels;
- no incentive is due for performance levels below -5% (threshold) with respect to the target.

The following scheme highlights the details of the performance objectives:

Target	Method of Measurement	Incentive			
		Threshold	Minimum	Target	Maximum
<b>Relative TSR</b>	Positioning of Enav TSR with respect to TSR of the peer group	TSR ENAV > 0	1st quartile < TSR ENAV < median	median ≤ TSR ENAV < 3rd quartile	<b>TSR ENAV &gt; 3rd quartile</b>
<b>Cumulated EBIT</b>	Deviation between: sum of the three-year EBIT actual values (for each allocation) and the Business Plan target for the same period	perf. ≥ target -5%	target -5% ≤ perf. < target	perf. = target	target < perf. ≤ target + 15%
<b>Cumulated FCF</b>	Deviation between: sum of the actual FCF of the three years (for each allocation) and the Business Plan target for the same period	perf. ≥ target -5%	target -5% ≤ perf. < target	perf. = target	target < perf. ≤ target + 15%

Following the measurement of the actual performance levels compared to the targets, the resulting incentives will be calculated through a linear interpolation and the number of shares to be assigned will be determined accordingly.

**Performance curve for long-term incentives**



**6. Criteria used to evaluate the performance objectives underlying the allocation of shares, options, other financial instruments or other variable remuneration components and information aimed at highlighting the consistency of the Remuneration Policy with the pursuit of the Company's long-term interests and its risk management policy**

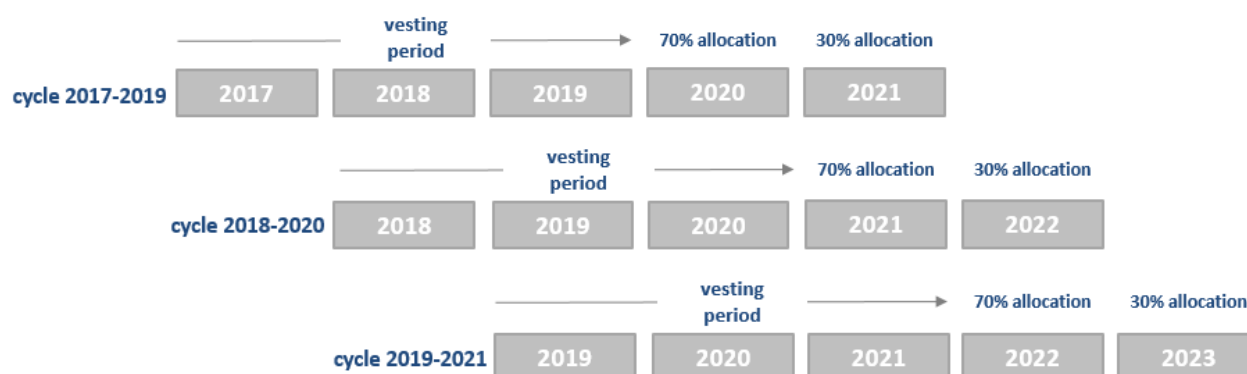
The objectives and the target values are defined in light of the specific business in which ENAV operates and are consistent with the risk management policy adopted by the Company, as they must take into account the risks it assumes and the capital and liquidity requirements of the business.

For the short-term incentive plan, the definition of the objectives is linked to the achievement of economic-financial performance targets as defined in the annual budget, as well as operational targets linked to performance in terms of delays in the management of air traffic flows. The measurement of the actual results compared to the assigned objectives determines the extent of the variable component of the payable remuneration.

With regard to the long-term variable component, the definition of targets aims at aligning the creation of value for shareholders and management over the medium-long term, and is therefore linked to the achievement of certain economic-financial performance targets as defined in the business plan, as well certain targets relating to the performance of the shares and the economic return for shareholders in the medium-long term, as measured by the Total Shareholder Return relative to the peer group.

## 7. Vesting period, deferred payment and ex-post correction mechanisms

With reference to the vesting period and to the deferral periods, in addition to the disclosure indicated in paragraph 3 above, the Remuneration Policy provides for a three-year vesting period for each cycle of assignment of the Performance Share Plan, as per the figure below.

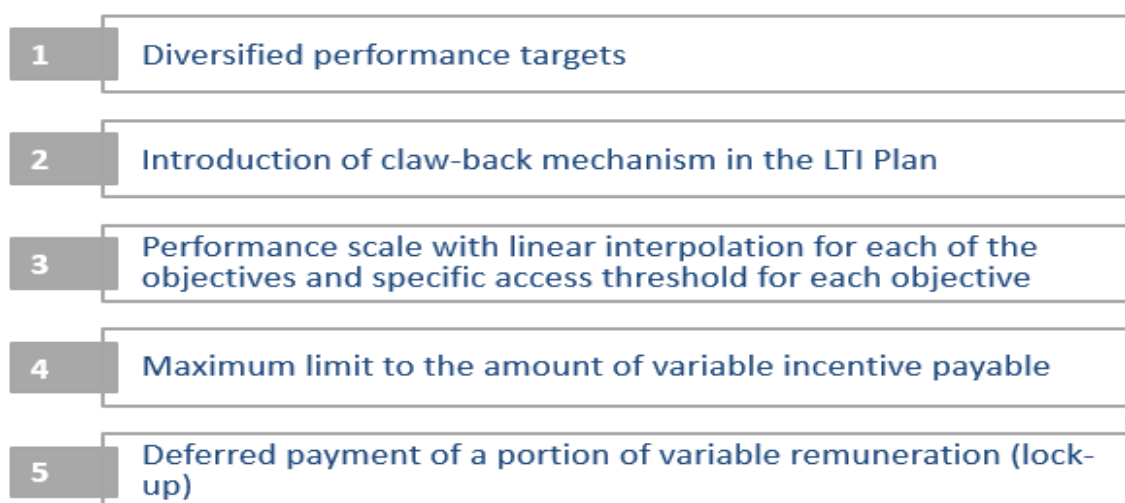


The vesting period and the deferral periods are set in order to align the interests of management with the pursuit of the creation of value for shareholders over the medium-long term, taking into account the specific activity carried out by the Company, which is mainly based on multi-year regulatory plans, including, in particular, the 'Contratto di Programma' stipulated between ENAV and the Ministry of Infrastructure and Transport, in agreement with the Ministry of Economy and Finance, with the Ministry of Defence and ENAC, pursuant to Article 9 of Law No 665 of 21 December 1995,



as well as the five-year Performance Plans set by the European Commission. In relation to the variable remuneration components paid to the Chief Executive Officer, the General Manager and the other Strategic Managers, the remuneration policy provides for a claw-back for both fault and damage and for material error, for a period of 36 months after the approval of the financial statements which present the anomalies that triggered the clause. This provision is also in line with the indications of the Corporate Governance Committee.

The figure below presents a summary of the major risk mitigation factors:



## **8. Severance in the event of termination of office, termination of employment or absence of renewal**

The Remuneration Policy provides the severance treatment for the Chief Executive Officer in the event of early termination of the mandate, in line with best market practices.

In particular, in line with the indications of the Corporate Governance Code, the amount due to the Chief Executive Officer as severance is equal to two years of the fixed remuneration pursuant to Article 2389, paragraph 1 and paragraph 3 of the Italian Civil Code, plus a pro-rata proportion of the long-term variable incentive already accrued at the time of termination. The incentive is only paid for the years in which the performance is achieved and its amount is determined by the Board of Directors subject to the assessment of the actual performance achieved and recalculated only for the years considered. With regard to the short-term incentive, the Board of Directors shall evaluate on a

case-by-case basis, also taking into account the period of the year in which the termination occurs and other contingent circumstances, the amounts accrued and the achievement of the required conditions for the relative payment.

With regard to the General Manager and the other Strategic Managers, in the event of termination of the employment relationship with the Company, no specific indemnity is envisaged, without prejudice to the payment of the indemnity corresponding to the absence of notice, due in the event the employer does not respect the notice period contractually provided for (from 8 to 12 months, depending on length of service), and the payment of a further indemnity (the so-called supplementary indemnity) in the event of an unjustified dismissal, as regulated by the National Collective Labour Agreement for the Managerial Staff of ENAV, plus a pro-rata proportion of the long-term variable incentive accrued at the time of termination. In case of termination on good leavers' terms, a pro-rata proportion of the long-term variable incentive already accrued *ratione temporis* is also payable to the Strategic Managers, in analogy with the policy adopted for the Chief Executive Officer.

#### **9. Insurance coverage, i.e., social security or pension schemes, other than those that are mandatory**

The Company takes out an insurance policy for protection against asset/property losses on the part of Directors, Managers and Statutory Auditors resulting from legal action against them in criminal, regulatory and civil matters.

As indicated in paragraph 4 above, the Remuneration Policy provides for insurance policies for the coverage of risks of death and permanent disability deriving from accidents, work-related illness, death and total permanent disability due to natural causes, defined-contribution health and social security coverage for the Chief Executive Officer, the General Manager and the other Strategic Managers.

#### **10. Remuneration policy with regard to: (i) independent directors, (ii) participation in committees and (iii) the performance of particular tasks**

In line with the recommendations of the Corporate Governance Code, the remuneration of non-executive Directors is not linked to the economic results achieved by the Company and/or the Group.

The Shareholders' Meeting of 28 April 2017 approved a gross annual salary of €30,000 for each Director, other than the Chairman.

At the time of this Report, in addition to the Chief Executive Officer, there are no other executive Directors (i.e., Directors with management delegations within the meaning of the Application Criterion 2.C.1 of the Code of Corporate Governance).

By virtue of the above, all of the Company's independent Directors are non-executive.

The remuneration policy adopted by the Company for these Directors is therefore the same as that for non-executive Directors.

With regard to the remuneration of the Directors who participate in the internal committees of the Board of Directors - the Control and Risks and Related Parties Committee and the Remuneration and Appointments Committee - the Remuneration Policy provides that they receive, for the participation in each committee, an additional compensation determined by the Board of Directors, following a proposal made by the Committee.

On 11 October 2017, the Board of Directors, upon proposal of the Remuneration and Appointments Committee, defined the following compensation:

- (i) for participation in the Remuneration and Appointments Committee, an annual gross compensation of €25,000 for the Chairman and of €20,000 for the other members;
- (ii) for participation in the Control and Risks and Related Parties Committee, an annual gross compensation of €30,000 to the Chairman and of €25,000 for the other members.

The Chairman of the Board of Directors, not holding management powers, qualifies as a non-executive Director of the Company and receives a fixed compensation, consisting of:

- €50,000 gross per annum, as approved, pursuant to Article 2389, paragraph 1 of the Italian Civil Code, by the Shareholders' Meeting of 28 April 2017;
- €100,000 gross per annum, as approved pursuant to Article 2389, paragraph 3, of the Italian Civil Code, by the Board of Directors on 11 October 2017 upon proposal of the Remuneration and Appointments Committee and following the favourable opinion of the Board of Statutory Auditors.

## **11. Indications concerning the possible use, by way of reference, of the remuneration policies of other companies**

The Remuneration Policy was prepared by the Company with the support of the external consultant Mercer, with reference to the remuneration policies adopted by a panel of peer companies comparable to ENAV.

## **SECTION II: REMUNERATION RECEIVED IN 2017 BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGER AND THE OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES**

With reference to the financial year 2017, this section of the Report illustrates the remuneration received by the parties who, during the financial year, have covered - also for a part of the financial year - the office of member of the Board of Directors, member of the Board of Statutory Auditors or the role of Strategic Manager.

\* \* \* \* \*

### ***PART ONE - ITEMS FORMING PART OF THE REMUNERATION***

This part of Section II provides a representation of each of the items that compose the remuneration of the persons who held the position of member of the Board of Directors, member of the Board of Statutory Auditors or the role of Strategic Manager.

These items are indicated in the tables in Part Two of this Section.

#### **1.1 Board of Directors**

##### **1.1.1 Chief Executive Officer**

In 2017, the position of Chief Executive Officer was held by the Director Roberta Neri, appointed as a member of the Board of Directors by the Shareholders' Meeting of 30 June 2015 and as Chief Executive Officer of the Company with the resolution of the Board of Directors on 7 July 2015. Subsequently, Mrs. Neri's appointment as a member of the Board of Directors of ENAV was renewed by the Shareholders' Meeting of 28 April 2017 and as the Chief Executive Officer of the Company was renewed by the resolution of the Board of Directors on 4 May 2017.

Below is a description of each of the items comprised in the remuneration of Mrs. Neri for the financial year 2017.

##### **▪ Fixed component**

The fixed component is composed as follows:

For the period from 1 January 2017 to 27 April 2017:

- an annual gross remuneration of €16,800, approved pursuant to Article 2389, paragraph 1, of the Italian Civil Code for the office of member of the Board of Directors by the Shareholders' Meeting of 30 June 2015;
- an annual gross remuneration of €57,600, as approved pursuant to Article 2389, paragraph 3, of the Italian Civil Code, for the position of Chief Executive Officer by the Board of Directors on 29 March 2016, upon proposal of the Committee and following the favourable opinion of the Board of Statutory Auditors.

For the period from 28 April 2017 to 31 December 2017:

- an annual gross remuneration of €30,000, approved pursuant to Article 2389, paragraph 1, of the Italian Civil Code for the office of member of the Board of Directors by the Shareholders' Meeting of 28 April 2017;
- an annual gross remuneration of €410,000, approved pursuant to Article 2389, paragraph 3, of the Italian Civil Code, for the position of Chief Executive Officer by the Board of Directors on 9 August 2017, at the proposal of the Committee, subject to the opinion of the Board of Statutory Auditors.

The amounts paid during financial year 2017 are shown in table 1.

#### ▪ **Short-term variable component - STI**

A significant part of Mrs. Neri's remuneration is linked to achieving specific Company performance targets relating to: Group EBITDA (50%), Net Profit (30%) and Operating Performance on delays (20%). In 2017, Mrs. Neri was assigned an incentive equal to 50% of the total fixed compensation against the achievement of the target performance, and a maximum incentive equal to 75% of the total fixed compensation against an overperformance with respect to the target. The overperformance thresholds were subject to performance gates related to a total revenue equal to that set in the 2017 budget as well as to the presentation by the Chief Executive Officer to the Board of Directors, and adoption by the latter, by the end of the calendar year 2017, of a three-year strategic plan and the related forecast budget for the development of non-regulated activities.

On 12 March 2018 the Board of Directors, upon proposal of the Committee, measured the results obtained by the Chief Executive Officer, verifying the full achievement of the defined quantitative performance targets (EBITDA, Net Profit, Operating Performance on Delays). As regards the overperformance, the Board verified the achievement of the first of the aforementioned performance gates, relating to the value of total revenues and, due to the non-achievement of the

second performance gate, the Board resolved upon the Chief Executive Officer's reaching of the target objective of 50% of the total fixed remuneration.

The incentive, equal to a total gross amount of €220,000, will be paid during the 2018 financial year, after the closing of the actual financial results by the Board of Directors, at the proposal of the Committee, and approval of the financial statements for the 2017 financial year by the Shareholders' Meeting.

▪ **Long-term variable component - LTI**

The Chief Executive Officer is the beneficiary of a long-term incentive plan according to the provisions of the LTI Performance Share Plan and the related Implementing Regulations, which provide for a pay opportunity as indicated in paragraph 5 of Section I of this Report.

The first cycle of the LTI Plan for the three-year period 2017-2019 was approved by the Board of Directors on 11 December 2017.

The allocation of the shares for the first assignment cycle will take place at the end of the relevant vesting period upon approval of the financial statements for the financial year 2019 and will provide entitlement for the assignment of 79,444 shares in the case of achievement of all target objectives, 119,166 shares in case of overperformance or 39,722 shares in case of underperformance.

▪ **Non-monetary benefits:** the Chief Executive Officer was also the recipient of certain non-monetary benefits including and the use of a company car for business and personal use and the related fuel card, and a supplementary pension plan with defined contribution.

The remuneration established for the Chief Executive Office for the post as Chair and member of the Board of Directors of the subsidiary company Techno Sky were entirely paid to ENAV.

The Chief Executive Officer is also a member of the Board of Directors of the investee company AIREON LLC, a position for which she does not receive any payment.

**1.1.2. Chairman of the Board of Directors**

The remuneration of the Chairman of the Board of Directors is not linked to the economic results of the Company and, therefore, consists solely of a fixed compensation determined pursuant to Article 2389, paragraph 1, of the Italian Civil Code by the ordinary Shareholders' Meeting for the office of Chairman and by a further fixed compensation determined by the Board of Directors pursuant to Article 2389, paragraph 3, of the Italian Civil Code, at the proposal of the Committee and following

the favourable opinion of the Board of Statutory Auditors, in relation to the additional powers conferred upon the Chairman by resolution of the Board of Directors on 4 May 2017.

During 2017, the office of Chairman of the Board of Directors was first held by Ferdinando Franco Falco Beccalli, appointed as Chairman of the Board of Directors by the Shareholders' Meeting of 30 June 2015, and subsequently by Roberto Scaramella, appointed as Chairman of the Board of Directors by the Shareholders' Meeting of 28 April 2017.

The remuneration paid during financial year 2017 for the office of Chairman of the Board of Directors, to Ferdinando Franco Falco Beccalli and to Roberto Scaramella, respectively, was as follows:

for the period from 1 January to 28 April 2017:

- an annual gross compensation of €33,700, as approved pursuant to Article 2389, paragraph 1 of the Italian Civil Code by the Shareholders' Meeting of 30 June 2015;
- an annual gross compensation of €57,600, as approved, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, by the Board of Directors on 30 September 2015, on the proposal of the Committee and following the favourable opinion of the Board of Statutory Auditors.

for the period from 28 April 2017 to 31 December 2017:

- an annual gross compensation of €50,000, as approved pursuant to Article 2389, paragraph 1 of the Italian Civil Code by the Shareholders' Meeting of 28 April 2017;
- an annual gross compensation of €100,000, as approved pursuant to Article 2389, paragraph 3 of the Italian Civil Code by the Board of Directors on 11 October 2017, at the proposal of the Committee and following the favourable opinion of the Board of Statutory Auditors.

Indemnities are not provided for in the event of termination of this office.

The amounts paid during financial year 2017 are shown in table 1.

### **1.1.3 Other members of the Board of Directors**

During 2017, besides the Directors Roberta Neri, Ferdinando Franco Falco Beccalli and Roberto Scaramella, as mentioned above, the following Directors were appointed as members of the Board of Directors:

- for the period from 1 January 2017 to 28 April 2017: Maria Teresa Di Matteo, Nicola Maione and Alessandro Tonetti, appointed by the Shareholders' Meeting on 19 September 2014, and Stefano Siragusa and Mario Vinzia, appointed by the Shareholders' Meeting on 29 April 2016. The remuneration for the office of member of the Board of Directors amounted, for each of

them, to an annual gross amount of €16,800, as approved by the Shareholders' Meeting on 19 September 2014 and then on 29 April 2016;

- for the period from 28 April 2017 to 31 December 2017: Maria Teresa Di Matteo, Nicola Maione, Antonio Santi, Mario Vinzia, Carlo Paris, Fabiola Mascardi, Giuseppe Acierno, appointed by the Shareholders' Meeting on 28 April 2017. Remuneration for the office of member of the Board of Directors, for each of them, amounted to an annual gross amount of €30,000, as resolved by the Shareholders' Meeting of 28 April 2017.

The remuneration of the above-mentioned members of the Board of Directors, all non-executive, is not linked to the economic results of the Company and is thus solely composed of a fixed part.

The amounts paid during financial year 2017 are shown in table 1.

#### **1.1.4 Members of the Board of Directors' internal Committees**

The members of the internal Committees of the Board of Directors receive an additional remuneration determined, as a fixed amount, by the Board of Directors itself.

On 8 June 2016, as a result of the establishment, on the same date, of the Remuneration and Appointments Committee and of the Audit and Risks and Related Parties Committee, both effective from the first day of trading of the Company's shares on the Mercato Telematico Azionario, at the proposal of the pre-existing Remuneration Committee, the Board of Directors defined the compensation as follows:

- (i) for the Remuneration and Appointments Committee, an annual gross amount of €31,000 to the Chairman and an annual gross amount of €22,000, to the other members;
- (ii) for the Audit and Risks and Related Parties Committee, an annual gross amount of €32,000, to the Chairman and an annual gross amount of €23, 000 to the other members;

Following the appointment of the new Board of Directors by the Shareholders 'Meeting of 28 April 2017 and the reconstitution of the Board of Directors' Committees with resolution of the Board of Directors on 4 May 2017, with the subsequent resolution of 11 October 2017, effective as of 4 May 2017, the Board of Directors, at the proposal of the Committee, and having received the favourable opinion of the Board of Statutory Auditors, set the compensation for the board committees as follows:



- (i) for the Remuneration and Appointments Committee, an annual gross amount of €25,000 to the Chairman and an annual gross amount of €20,000 to the other members;
- (ii) for the Audit and Risks and Related Parties Committee, an annual gross amount of €30,000 to the Chairman and an annual gross amount of €25,000 to the other members.

The amounts paid during financial year 2017 are shown in table 1.

## 1.2 Strategic Managers

During 2017, with resolution of 12 September 2017, the Board of Directors identified the following Strategic Managers: the General Manager (who also holds the position of Chief Executive Officer of the subsidiary Techno Sky); the Human Resources Director; the Chief Financial Officer (who also holds the position of member of the Board of Directors of the subsidiary Techno Sky). The Board of Directors, upon proposal by the Remuneration and Appointments Committee, defined the guidelines for the remuneration policy of the Strategic Managers, as described below:

### 1.2.1 The General Manager

During financial year 2017, the post of General Manager was held by Massimo Bellizzi.

Below is a description of each of the items which formed the remuneration of the General Manager in 2017.

- **Fixed component:** consisting of a gross annual remuneration provided for by the individual contract signed by the General Manager, in compliance with the applicable collective regulations, for a total amount of €311,517 per year.
- **Short-term variable component:** a significant portion of the General Manager's remuneration was linked to the achievement of specific corporate performance targets, as well as individual objectives related to the role and assigned directly by the Chief Executive Officer.

In 2017, Massimo Bellizzi was the recipient of an incentive equal to 30% of the total fixed remuneration, in the target case, and an incentive equal to 40%, in the maximum case (overperformance), of the aforementioned remuneration. The assigned incentive, equal to a total of €130,696, will be paid during the 2018 financial year, coherently with the performance targets assigned to the Chief Executive Officer and with the individual targets assigned, upon

approval of the financial statements relating to financial year 2017 by the Shareholders' Meeting.

- **Long-term variable component:** the General Manager was also the beneficiary of a long-term incentive plan (LTI plan), with a pay-out as reported in paragraph 5 of Section I of this Report.

The first cycle of the LTI Plan for the three-year period 2017-2019 was approved by the Board of Directors on 11 December 2017.

The allocation of the shares for the first assignment cycle will take place at the end of the relative vesting period upon the approval of the financial statements for the financial year 2019, and will provide entitlement to the assignment of 30,414 shares in the case of achievement of all the target objectives, 45,622 shares in case of overperformance or 15,207 in case of underperformance.

- **Non-monetary benefits:** the use of a company car for personal and business use and relative fuel card; insurance policies to cover risks of death and permanent disability resulting from accidents, work-related illness and other causes; health coverage and annual health check-up; supplementary contribution plan with a defined contribution.

The amounts paid to the General Manager during financial year 2017 are shown in further detail in table 1.

The General Manager Massimo Bellizzi also holds the office of Director and Chief Executive Officer of the subsidiary Techno Sky. The remuneration paid for the related offices is entirely paid into the parent company ENAV.

### **1.2.2 Other Managers with Strategic Responsibilities**

The fixed remuneration component and the variable components of the remuneration of the other Strategic Managers are directly related to the role held by such managers in 2017.

Below is a description, at an aggregated level, of each of the items that composed the remuneration of the Human Resources Director and of the Chief Financial Officer during 2017:

- **Fixed component:** consisting of a gross annual remuneration envisaged in the individual contracts signed by the Managers, in compliance with the applicable collective regulations, for a total amount of €478,430.

- **Short-term variable component:** a significant portion of the remuneration of such Managers was linked to the achievement of specific corporate performance objectives, as well as of individual objectives related to the role and assigned directly by the Chief Executive Officer.

In 2017 the aforementioned executives were the recipients of an average incentive equal to 24% of the total fixed remuneration, against the achievement of the target company performance and individual performance, and an average incentive in the maximum case (*overperformance*) equal to 32% of the total fixed payment.

The actual incentive, equal to a total amount of €148,662, will be paid during the 2018 financial year, coherently with the performance targets assigned to the Chief Executive Officer and with the individual targets assigned, upon approval of the financial statements relating to financial year 2017 by the Shareholders' Meeting.

- **Long-term variable component:** The above executives were also the beneficiaries of a long-term incentive plan (LTI plan), with a pay opportunity as indicated in paragraph 5 of Section I of this Report.

The first cycle of the 2017-2019 three-year plan was approved by the Board of Directors on 11 December 2017.

The allocation of the shares for the first allocation cycle will take place at the end of the relevant vesting period upon the approval of the financial statements for the financial year 2019 and will entitle to the allocation of a total of 44,719 shares in the case of achievement of all the target objectives, 67,078 shares in case of overperformance or 22,360 shares in case of underperformance.

- **Non-monetary benefits:** the use of a company car for personal and business use and relative fuel card; insurance policies to cover risks of death and permanent disability resulting from accidents, work-related illness and other causes; health coverage and annual health check-up; supplementary contribution plan with a defined contribution.

The amounts paid to the other Strategic Directors during financial year 2017 are shown in further detail in table 1.

It should also be noted that the Chief Financial Officer is a member of the Board of the subsidiary Techno Sky. The remuneration recognised with respect to the same is entirely paid into the parent company ENAV.

### **1.3 Board of Statutory Auditors**

In 2017, the Board of Statutory Auditors was composed of the following standing auditors:

- Franca Brusco, with the role of Chairman, whose remuneration was approved by the Shareholders' Meeting of 29 April 2016 for a gross annual amount of €27,000 and then restated by the Shareholders' Meeting of 28 April 2017 as a gross annual amount of €40,000;
- Donato Pellegrino, statutory auditor, whose remuneration was approved by the Shareholders' Meeting of 29 April 2016 for a gross annual amount of €18,000 and then restated by the Shareholders' Meeting of 28 April 2017 as a gross annual amount of €25,000;
- Mattia Berti, statutory auditor, whose remuneration was determined by the Shareholders' Meeting of 29 April 2016 for a gross annual amount of €18,000 and then restated by the Shareholders' Meeting of 28 April 2017 as a gross annual amount of €25,000.

The amounts paid during financial year 2017 are shown in table 1.

### **1.4 Other managerial figures**

In 2017, 15 managers of the Group were identified by the Chief Executive Officer as beneficiaries of the long-term incentive plan, in line with the provisions of the Performance Share Plan and the Implementing Regulation.

For these managers, the allocation of shares for the first assignment cycle will take place at the end of the relative vesting period upon the approval of the financial statements for the financial year 2019 and will entitle to an overall allocation of 175,510 shares in the case of achievement of all the target objectives, 263,265 shares in case of overperformance or 87,755 shares in case of underperformance.

## **2. Agreements that provide for indemnity in the event of early termination of the relationship and effects of termination of the relationship on the rights assigned as part of incentive plans**

With regard to the Chief Executive Officer, on 11 December 2017 the Board of Directors resolved that the provision of a non-compete agreement was unnecessary under current market conditions and that, in the event of early termination of the mandate, the Chief Executive Officer should receive two years of the fixed remuneration pursuant to Article 2389, paragraphs 1 and 3 of the Italian Civil Code, in addition to a pro-rata proportion of the long-term variable incentive already accrued at the time

of termination. This pro-rata relating to the long-term incentive is subject to the lock-up and claw-back provisions foreseen in the Implementing Regulation of the LTI Plan.

With regard to the General Manager and the other Strategic Managers, in the event of termination of the employment relationship with the Company no compensation is provided, without prejudice to payment of the substitutive amount for advance notice, due in the event that the employer does not respect the contractual notice period (from 8 to 12 months, depending on length of service) and the payment of a further indemnity (so-called supplementary indemnity) in the event of an unjustified dismissal, as governed by the National Collective Labour Contract for the Management Staff of ENAV S.p.A.

In the event of early termination of the employment relationship of the beneficiaries, including the General Manager and the other Strategic Managers, the LTI Plan Implementing Regulation provides for payment of a proportion of the long-term variable incentive already accrued at the time of termination. This pro-rata relative to the long-term incentive is subject to the lock-up and claw-back provisions introduced in the Implementing Regulation.

Without prejudice to the above, there are no existing agreements which provide for the allocation or maintenance of non-monetary benefits in favour of parties who have left office or for the stipulation of consultancy contracts for a certain period following termination of the relationship.

\* \* \* \* \*

## **PART TWO - TABLES**

The following tables provide an analytical overview of remuneration for the members of the Board of Directors and the Board of Statutory Auditors and also the General Manager and the other Strategic Managers which was paid or to be paid by the Company and by subsidiaries and associates with reference to the financial year 2017.

Rome, 12 March 2018

For the Board of Directors

The Chairman

Roberto Scaramella

**Table 1: Remuneration paid to the members of the Board of Directors and of the Board of Statutory Auditors and also to the General Manager and the other Managers with strategic responsibilities during financial year 2017**

Name and Surname	Office	Period in office	Expiry of the office	Fixed compensation	Compensation for committee participation	Variable non-equity Compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
<b>Ferdinando Franco Falco Beccalli</b>	CHAIRMAN OF THE BOARD	01/01/2017 - 28/04/2017	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 11.046 1a.						€ 11.046		
				€ 18.880 2a.						€ 18.880		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 29.926	€ -	€ -	€ -	€ -	€ -	€ 29.926	€ -	€ -
<b>Roberto Scaramella</b>	CHAIRMAN OF THE BOARD	28/04/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 33.750 (1b)						€ 33.750		
				€ 65.833 (2b)						€ 65.833		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 99.583	€ -	€ -	€ -	€ -	€ -	€ 99.583	€ -	€ -
<b>Roberta Neri</b>	Chief Executive Officer	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.460 1a.						€ 5.460	€ 109.778 (14)	
				€ 20.250 (1b)		€ 220.000 (10)		€ 123.523 (12)		€ 363.773		
				€ 133.250 2a.						€ 133.250		
				€ 269.917 (2b)						€ 269.917		
Compensation in subsidiaries and associated companies				€ 16.956 7a.						€ 16.956		
				€ 39.044 (7b)						€ 39.044		
(III) Total				€ 484.877	€ -	€ 220.000	€ -	€ 12.523	€ -	€ 828.400	€ 109.778	€ -
<b>Alessandro Tonetti</b>	Director, CRN Member	01/01/2017 - 28/04/2017	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.507 1a.	€ 7.211 4a.					€ 12.718		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 5.507	€ 7.211	€ -	€ -	€ -	€ -	€ 12.718	€ -	€ -
<b>Stefano Siragusa</b>	Director, CRN Chair, CCRPC Member	01/01/2017 - 28/04/2017	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.507 1a.	€ 10.161 4a.					€ 15.668		
					€ 7.539 5a.					€ 7.539		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 5.507	€ 17.700	€ -	€ -	€ -	€ -	€ 23.207	€ -	€ -
<b>Maria Teresa Di Matteo</b>	Director, CRN Member	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.460 1a.	€ 13.167 (4b)					€ 18.627		
				€ 20.250 (1b)						€ 20.250		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 25.710	€ 13.167	€ -	€ -	€ -	€ -	€ 38.877	€ -	€ -

Name and Surname	Office	Period in office	Expiry of the office	Fixed compensation	Compensation for committee participation	Variable non-equity Compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
Nicola Maione	Director, CRN Member, CCRPC Chairman	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.507	1a. € 7.211	4a.				€ 12.718		
				€ 20.167	(1b) € 10.489	5a.				€ 30.656		
				€ 19.833 (5b)						€ 19.833		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 25.673	€ 37.533	€ -	€ -	€ -	€ -	€ 63.207	€ -	€ -
Mario Vinzia	Director, CCRPC Member	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.460	1a. € 7.475	5a.				€ 12.935		
				€ 20.250	(1b) € 16.458	(5b)				€ 36.708		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 25.710	€ 23.933	€ -	€ -	€ -	€ -	€ 49.643	€ -	€ -
Giuseppe Acierno	Director, CRN Member	28/04/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 20.250	(1b) € 13.167	(4b)				€ 33.417		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 20.250	€ 13.167	€ -	€ -	€ -	€ -	€ 33.417	€ -	€ -
Fabiola Mascardi	Director, CRN Member	28/04/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 20.250	(1b) € 13.167	(4b)				€ 33.417		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 20.250	€ 13.167	€ -	€ -	€ -	€ -	€ 33.417	€ -	€ -
Carlo Paris	Director, CRN Chairman	28/04/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 20.250	(1b) € 16.458	(4b)				€ 36.708		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 20.250	€ 16.458	€ -	€ -	€ -	€ -	€ 36.708	€ -	€ -
Antonio Santi	Director, CCRPC Member	28/04/2017 - 31/12/2017	Shareholders' meeting to approve the 2019 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 20.167	(1b) € 16.465	(5b)				€ 36.632		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 20.167	€ 16.465	€ -	€ -	€ -	€ -	€ 36.632	€ -	€ -
Franca Brusco	Chair of the Board of Statutory Auditors	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2018 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 8.850	3a.				€ 8.850			
				€ 26.889	(3b)				€ 26.889			
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 35.739	€ -	€ -	€ -	€ -	€ -	€ 35.739	€ -	€ -

Name and Surname	Office	Period in office	Expiry of the office	Fixed compensation	Compensation for committee participation	Variable non-equity Compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
<b>Donato Pellegrino</b>	Standing Statutory Auditor	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2018 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.900	3a.					€ 5.900		
				€ 16.806	(3b)					€ 16.806		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 22.706		€ -	€ -	€ -	€ -	€ 22.706	€ -	€ -
<b>Mattia Berti</b>	Standing Statutory Auditor	01/01/2017 - 31/12/2017	Shareholders' meeting to approve the 2018 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 5.900	3a.					€ 5.900		
				€ 16.805	(3b)					€ 16.805		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 22.705		€ -	€ -	€ -	€ -	€ 22.705	€ -	€ -
<b>Massimo Bellizzi</b>	General Manager	01/01/2017 - 31/12/2017										
(I) Compensation in the company that drafts the financial statements				€ 311.517	(6)	€ 130.696	(11)	€ 21.581	(8)	€ -	€ 463.794	€ 42.027 (14)
										€ -		
Compensation in subsidiaries and associated companies				€ 3.028	8a.					€ 3.028		
				€ 90.639	(9)					€ 90.639		
(III) Total				€ 405.184		€ -	€ 130.696	€ -	€ 21.581	€ -	€ 557.461	€ 42.027 € -
<b>Senior Managers with Strategic Responsibilities</b>	RU Manager, AFC Manager	01/01/2017 - 31/12/2017										
(I) Compensation in the company that drafts the financial statements				€ 478.430	(6)	€ 148.662	(11)	€ 42.536	(8)	€ -	€ 669.628	€ 61.795 (14)
										€ -		
Compensation in subsidiaries and associated companies				€ 6.972	(8b)					€ 6.972		
(III) Total				€ 485.402		€ -	€ 148.662	€ -	€ 42.536	€ -	€ 676.600	€ 61.795 € -

**Notes to Table 1:**

- 1a. Compensation established by the Shareholders' Meeting pursuant to Article 2389 paragraph 1 of the Italian Civil Code, paid *pro rata temporis* from 01/01/2017 to 28/04/2017
- (1b) Compensation established by the Shareholders' Meeting pursuant to Article 2389 paragraph 1 of the Italian Civil Code, paid *pro rata temporis* from 28/04/2017 to 31/12/2017
- 2a. Compensation established by the Board of Directors pursuant to Article 2389 paragraph 3 of the Italian Civil Code, paid *pro rata temporis* from 01/01/2017 to 28/04/2017
- (2b) Compensation established by the Board of Directors pursuant to Article 2389 paragraph 3 of the Italian Civil Code, paid *pro rata temporis* from 04/05/2017 to 31/12/2017
- 3a. Board of Statutory Auditors remuneration paid *pro rata temporis* from 01/01/2017 to 28/04/2017
- (3b) Board of Statutory Auditors remuneration paid *pro rata temporis* from 28/04/2017 to 31/12/2017
- 4a. Remuneration for the office held as part of the Remuneration and Appointments Committee, paid *pro rata temporis* from 01/01/2017 to 28/04/2017
- (4b) Remuneration for the office held as part of the Remuneration and Appointments Committee, paid *pro rata temporis* from 04/05/2017 to 31/12/2017
- 5a. Remuneration for the office held as part of the Audit and Risks and Related Parties Committee, paid *pro rata temporis* from 01/01/2017 to 28/04/2017
- (5b) Remuneration for the office held as part of the Audit and Risks and Related Parties Committee, paid *pro rata temporis* from 04/05/2017 to 31/12/2017
- (6) Fixed gross annual salary as provided for by the individual contract, in compliance with the applicable legislation on collective bargaining
- 7a. Remuneration for holding the office of Chair of the Board of Directors of the subsidiary Techno Sky, paid entirely *pro rata temporis* from 01/01/2017 to 19/04/2017 to ENAV
- (7b) Remuneration for holding the office of Chair of the Board of Directors of the subsidiary Techno Sky, paid entirely *pro rata temporis* from 19/04/2017 to 31/12/2017 to ENAV
- 8a. Remuneration for holding the office of member of the Board of Directors of the subsidiary Techno Sky, paid entirely *pro rata temporis* from 01/01/2017 to 19/04/2017 to ENAV
- (8b) Remuneration due to the AFC Manager for holding the office of member of the Board of Directors of the subsidiary Techno Sky, paid entirely *pro rata temporis* from 19/04/2017 to 31/12/2017 to ENAV
- (9) Remuneration due for holding the office of Chief Executive Officer of the subsidiary Techno Sky, entirely paid *pro rata temporis* from 19/04/2017 to 31/12/2017 to ENAV
- (10) MBO 2017: short-term variable remuneration proportional to the achievement of the Company performance targets, calculated on the basis of the figures of the Draft Financial Statements.
- (11) MBO 2017: short-term variable remuneration proportional to the achievement of the Company and individual performance targets, calculated on the basis of the figures of the Draft Financial Statements.
- (12) Complementary pension scheme, car granted for personal use and a fuel card.
- (13) Complementary pension scheme, car granted for general use and a fuel card, insurance policies, health coverage and an annual medical check-up.
- (14) Assessment of the 2017 share of the 1<sup>st</sup> cycle of the Performance Share plan, carried out based on international accounting standard IFRS 2 with reference to the target value



**Table 3A - incentive plans based on financial instruments, other than stock options, for members of the management body, general managers and other Strategic Managers**

Name and Surname or Category	Office (to be indicated only for the subjects listed by name)	Plan	Financial instruments assigned in previous years not vested during the financial year		Financial instruments assigned during the financial year					Financial instruments vested during the financial year and not allocated	Financial instruments vested during the financial year and allocated		Financial instruments attributable to the financial year
			Number and type of financial instruments	Vesting period	Number and type of financial instruments (1)	Fair Value at the grant date (2)	Vesting period	Date of assignment (3)	Market price for allocation (4)	Number and type of financial instruments	Number and type of financial instruments	Value at the date of maturation	Fair Value (5)
Roberta Neri	CEO of ENAV S.p.A	LTI 2017-2019; resolution 11/12/2017	-	-	79,444 shares of ENAV S.p.A.	329.333	Triennial, the shares will be made available for approval with respect to the 2019 financial statements	11/12/2017	4,4308	-	-	-	109.778
Massimo Bellizzi	General Manager of ENAV S.p.A	LTI 2017-2019; resolution 11/12/2017	-	-	30,414 shares of ENAV S.p.A.	126.081	Triennial, the shares will be made available for approval with respect to the 2019 financial statements	11/12/2017	4,4308	-	-	-	42.027
Senior Managers with Strategic Responsibilities	-	LTI 2017-2019; resolution 11/12/2017	-	-	44,719 shares of ENAV S.p.A.	185.385	Triennial, the shares will be made available for approval with respect to the 2019 financial statements	11/12/2017	4,4308	-	-	-	61.795
Other Group Managers	-	LTI 2017-2019; resolution 11/12/2017	-	-	175,510 shares of ENAV S.p.A.	727.572	Triennial, the shares will be made available for approval with respect to the 2019 financial statements	11/12/2017	4,4308	-	-	-	242.524

(1) Number of shares that can be assigned upon reaching the target performance

(2) Evaluation of the 1st cycle (2017-2019) of the Performance Share Plan carried out on the basis of the international accounting standard IFRS 2 and with reference to the target performance

(3) Date of resolution of the Board of Directors concerning the assignment of the right to receive shares

(4) The price is calculated as the average value recorded in the month preceding the grant date

(5) Evaluation of the 2017 1st cycle quota (2017-2019) of the Performance Share Plan carried out on the basis of the international accounting standard IFRS 2 with reference to the target value

**SECTION III: INFORMATION ON THE INVESTMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS, AND OF THE GENERAL MANAGER AND OF THE OTHER STRATEGIC MANAGERS (Table 7 ter – Annex 3 A to the Issuers Regulation)**

The following table indicates the shareholdings in ENAV, held where applicable by members of the Board of Directors, of the Board of Statutory Auditors and by Strategic Managers, resulting from the shareholders' register, from communications received and other information acquired from the said persons. The number of ordinary shares is shown in aggregate form. The managers hold shares as property.

**TABLE 1: INTERESTS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS AND GENERAL MANAGERS**

Name and Surname	Position	Company Invested	No. Of shares held at the end of 2016 <sup>[1]</sup>	No. of shares purchased in 2016	No. of shares sold	No. of shares held at end of 2017 <sup>[2]</sup>
Roberto Scaramella	Chairman of Board of Directors	ENAV	-	-	-	-
Roberta Neri	Chief Executive Officer	ENAV	-	-	-	-
Maria Teresa Di Matteo	Director	ENAV	-	-	-	-
Nicola Maione	Director	ENAV	-	-	-	-
Mario Vinzia	Director	ENAV	-	-	-	-
Giuseppe Acierno	Director	ENAV	-	-	-	-
Fabiola Mascardi	Director	ENAV	-	-	-	-
Carlo Paris	Director	ENAV	-	-	-	-
Antonio Santi	Director	ENAV	-	-	-	-
Franca Brusco	Standing Auditor	ENAV	-	-	-	-
Donato Pellegrino	Standing Auditor	ENAV	-	-	-	-
Mattia Berti	Standing Auditor	ENAV	-	-	-	-
Massimo Bellizzi	General Manager	ENAV	-	-	-	-

[1] Shares held as property

[2] Shares held as property

**TABLE 2: INTERESTS HELD BY THE STRATEGIC MANAGERS**

	Investee Company	N. of shares held at the end of the financial year 2016 <sup>[1]</sup>	N. of shares purchased <sup>[2]</sup>	N. of shares sold	N. of shares held at the end of the financial year 2017 <sup>[3]</sup>
Strategic Managers	ENAV	3.000	200	-	3.200

[1] Shares held as property, of which 1000 held by spouses

[2] Shares granted free of charge, as an incentive to purchase shares resulting from participation in the IPO in 2016, of which 50 held by spouses

[3] Shares held as property, of which 1,050 held by spouses

## GLOSSARY

Without prejudice to any further definitions provided in this Report, for the sake of clarity a summary table of the most common definitions is provided below:

<b>ENAV or Company</b>	ENAV S.p.A.
<b>Code of Corporate Governance or Code</b>	The Corporate Governance Code for the listed companies, as last approved, in July 2015, by the Corporate Governance Committee established by Borsa Italiana S.p.A., ABI, Ania, Assonime, Confindustria and Assogestioni.
<b>Remuneration and Appointments Committee or Committee</b>	The Remuneration and Appointments Committee established through the Board of Directors' resolution pursuant to Article 11-bis of the Company's By-Laws, with the recommendations of the Code of Corporate Governance.
<b>Board of Directors</b>	ENAV's Board of Directors
<b>Strategic Managers</b>	The managers referred to in Article 65, paragraph 1-(d), of the Issuers Regulation, as identified by the Company.
<b>Group</b>	ENAV and its subsidiaries pursuant to Article 2359 of the Italian Civil Code and of the Article 93 of the TUF.
<b>Stock Exchange Regulation Instructions</b>	The Regulation Instructions for Markets organised and managed by Borsa Italiana S.p.A.
<b>Long Term Incentive or LTI</b>	A long-term incentive instrument that recognises for the subjects identified as beneficiaries a premium based on the objectives assigned and the performances achieved
<b>Performance Share Plan or LTI Plan</b>	The 2017-2019 performance share plan, referred to in the Information Document prepared pursuant to Article 84- <i>bis</i> of the Issuers' Regulations and approved by the Shareholders' Meeting of 28 April 2017 pursuant to Article 114- <i>bis</i> , paragraph 1, of Legislative Decree No. 58 of 24 February 1998. The Information Document is available to the public at

	the registered office of the Company, on the Company's website at <a href="http://www.enav.it">www.enav.it</a> , in the 'Governance' - 'Assembly 2017' section, and also on the website of the 1INFO authorised storage managed by Computershare S.p.A. at <a href="http://www.1info.it">www.1info.it</a> .
<b>Remuneration Policy or Policy</b>	The Remuneration Policy for the financial year 2018, approved by the Board of Directors and described in Section I of this Report.
<b>Implementation regulation of the LTI Plan or Implementation Regulation</b>	Rules for the implementation of the Performance Share Plan, approved by the Board of Directors of ENAV on 11 December 2017.
<b>Committee Regulation</b>	The Regulations of the Remuneration and Appointments Committee approved by the Board of Directors of ENAV on 21 June 2016.
<b>Issuers' Regulation</b>	The Regulations issued by Consob with resolution No. 11971 of 14 May 1999 concerning issuers, as subsequently amended and supplemented.
<b>Report on Remuneration or Report</b>	This remuneration report prepared pursuant to Articles 123-ter of the TUF and of Article 84-quater) of the Issuers' Regulation.
<b>Short Term Incentive or STI</b>	An incentive instrument that awards to the subjects identified as beneficiaries an annual premium based on the objectives assigned and the performances achieved.
<b>TUF</b>	Legislative Decree No. 58 of 24 February 1998 and subsequent amendments and additions.

## ANALYTICAL INDEX BY SUBJECT

### (ANNEX 3 A TO THE ISSUERS' REGULATIONS - TABLE 7 BIS - REMUNERATION REPORT - SECTION I)

Information requested	Reference
a) the bodies or persons involved in the preparation and approval of the remuneration policy, specifying the respective roles, as well as the bodies or persons responsible for the correct implementation of this policy	<b>Paragraph 1</b>
b) the possible intervention of a remuneration committee or of another committee competent as regards this matter, describing its composition (with the distinction between non-executive and independent directors), areas of competence and operating methods	<b>Paragraph 1 - (iii)</b>
c) the name of the independent experts who may have intervened in the preparation of the remuneration policy	<b>Paragraph 1 - (iii)</b>
d) the purposes pursued with the remuneration policy, its underlying principles and any changes in the remuneration policy compared to the previous financial year	<b>Paragraph 2</b>
e) the description of the policies in relation to fixed and variable remuneration components, with particular reference to the indication of the relative weight within the framework of overall remuneration and distinguishing between short and medium-long term variable components	<b>Paragraph 3</b>
f) the policy followed with regard to non-monetary benefits	<b>Paragraph 4</b>
g) with reference to the variable components, a description of the performance objectives on the basis of which they are assigned, distinguishing between short and medium-long term variable components, and information on the link between the change in results and the change in remuneration	<b>Paragraph 5</b>

h) the criteria used to assess the performance objectives underlying the allocation of shares, options, other financial instruments or other variable remuneration components	<b>Paragraph 6</b>
i) information aimed at highlighting the consistency of the remuneration policy with the pursuit of the company's long-term interests and with the risk management policy, where formalised	<b>Paragraph 6</b>
j) the terms of accrual of the rights (the so-called vesting period), any deferred payment systems, indicating the deferral periods and the criteria used to determine these periods and, if envisaged, the ex post correction mechanisms	<b>Paragraph 7</b>
k) information on the possible provision of clauses for maintaining the financial instruments in the portfolio after their acquisition, with an indication of the retention periods and the criteria used to determine these periods	<b>Paragraph 7</b>
l) the policy regarding the procedures envisaged in the event of termination of office or termination of employment, specifying the circumstances that determine the occurrence of the right and the possible connection between these procedures and the company's performance	<b>Paragraph 8</b>
m) information on the presence of any forms of insurance coverage, or social security or pension schemes, other than mandatory	<b>Paragraph 9</b>
n) the remuneration policy which may be followed, having reference to: (i) the independent directors, (ii) the activity of participation in committees and (iii) the performance of particular tasks (chairman, vice president, etc.)	<b>Paragraph 10</b>
o) if the remuneration policy has been defined using the remuneration policies of other companies as a reference and, if so, the criteria used for the selection of these companies.	<b>Paragraph 11</b>

## PROPOSAL OF RESOLUTION

The foregoing having been stated, we submit the following resolution for your approval:

*"The Ordinary Shareholders' Meeting of ENAV S.p.A.:*

- *having examined and discussed the section of the remuneration report provided for by Article 123-ter, paragraph 3, of Legislative Decree no. 58/98, approved by the Board of Directors at the proposal of the Remuneration and Appointments Committee, containing the illustration of the Company's policy on the remuneration of the members of the administrative bodies, of the general manager and of other executives with strategic responsibilities, and also the procedures used for the adoption and implementation of this policy, and made available to the public in the manner and with the timing established by current legislation;*
- *considering that the aforementioned section of the remuneration report and the policy described in it are compliant with the provisions of the applicable regulations on the remuneration of the members of the board of directors, of the general manager and of other managers with strategic responsibilities,*

### ***hereby resolves***

*in favour of the first section of the remuneration report referred to in the aforementioned Article 123-ter, paragraph 3, of Legislative Decree no. 58/98, approved by the Board of Directors on 12 March 2018 and containing an illustration of the Company's policy on the remuneration of the members of the administrative bodies, of the general manager and of other executives with strategic responsibilities, as well as the procedures used for the adoption and implementation of this policy".*