



ENAV GROUP

2019 SUSTAINABILITY REPORT

**Consolidated Statement of Non-Financial Information pursuant
to Legislative Decree 254/2016**

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LETTER TO STAKEHOLDERS¹

Sustainability and the evolution of all issues related are now sparking a real revolution in society and in the business world and there is no doubt that now, at all levels - individual, institutional and corporate - it is a path that must be pursued and must be done so responsibly.

A responsibility that can also represent a great opportunity.

At the corporate level, our customers, our colleagues, our shareholders, all expect sustainable behaviour from us; transparent behaviours, which safeguard the environment and which are based on tolerance and mutual respect.

To do so, however, a change is necessary: a cultural transformation first and foremost, which pushes us to get involved by leaving our comfort zones to get moving, to head towards lands still unexplored, to develop new ideas and new projects, to increasingly put our knowledge and skills, not just at the service of our country, but to the whole planet as well.

At ENAV we believe that we have charted a very important course in this direction.

In 2019, Aireon, the provider of the world's first global air traffic surveillance system and of which ENAV is a shareholder, came into operation. Thanks to Aireon, it has been possible to extend aerial surveillance in large areas of the planet not reached by radar - in 2018 equal to 70% of the global airspace - with consequent advantages ranging from safety to the optimization of the routes, and significant benefits in terms of saving time and costs and reducing the environmental impact. Airlines that use this service will significantly decrease their fuel consumption costs and will also be able to gain 20 minutes on their routes. Projecting ten years ahead, airlines will be able to cut their emissions by 14.3 billion kg of CO₂ and save 4.8 billion kg in fuel. At an average fuel price of €0.74, airlines will save around €3.5 billion on fuel.²

Returning to Italy, in 2019 thanks to Free Route, a revolutionary project undertaken by ENAV that enables overflight aircraft to plan shorter flight paths, it has been possible to help airlines save 53 million kg in fuel with 167 million kg less CO₂ emissions. Since 8 December 2016, the date on which ENAV activated this procedure, 128 million kg of fuel has been saved, equal to about 400 million kg of CO₂ in lower emissions.

ENAV's approach to sustainability is not focused just on environmental initiatives. Our Sustainability Report, for which we recently received the award for the best report in the medium-large enterprises category from the University of Pavia, contains, among other things, the 2018-2020 Sustainability Plan, setting out all the projects we plan to pursue over the next three years. Before the previous planning cycle was even concluded, the Plan was updated this year with new and challenging initiatives: the launch of electric mobility projects, the carbon neutrality project, the plastic-free project and the strengthening of our commitment to energy efficiency, through an increasing use of renewable energies, which will allow us to reduce, and in some cases eliminate, our direct impacts on the environment. The project on the supply chain and on a new code of conduct for suppliers based on ESG criteria will then represent a further turning point which will certify our commitment, not just regarding our conduct, but also of those we choose as our suppliers. Welfare and reconciling private life and work will also be at the centre of our commitment with greater use of smart working, the development of the platform for converting performance bonuses into welfare tools, the launch of the diversity and inclusion project on the front lines and the approval of the Group's human rights

¹ In the letter to stakeholders, references to ENAV regard all Group companies.

² Data from a study conducted in December 2026 by Purdue University School of Aeronautics and Astronautics, entitled "Environmental Benefits of Space-based ADS-B".

policy. And obviously we will not forget our commitment to the weakest through a series of social responsibility projects.

As is now our tradition, we will return again this year for Sustainability Day, an event in which we have the opportunity not only to talk about the good things that we have done for ourselves and for the planet but even more so to ask ourselves, with the help of sector experts, what we can do better.

We are aware of the fact that we must continue to push ourselves ever further and that sustainability is an opportunity that we can seize with the same dedication that has allowed us to become who we are, a leading company in the field of air traffic control, which not only wants to continue to be so but also wants to conquer new challenges, seek new accomplishments and set new goals.

And one of these, perhaps the most important in the historical period in which we live, is linked to sustainability.

The Chief Executive Officer

Roberta Neri

The Chairman

Nicola Maione

NOTE ON METHODOLOGY

The ENAV Group has prepared the Consolidated Non-Financial Statement (hereinafter also referred to as “Statement”, “Sustainability Report” or “Report”) in accordance with the provisions of Article 5(3)(b) of Legislative Decree 254/2016 (hereinafter “Decree”), as amended. The document constitutes a separate report from the Report on Operations.

The Statement, prepared pursuant to Articles 3 and 4 of the Decree, in accordance with the Decree, contains information on the Company’s impact on five thematic areas, namely the environment, personnel management, social impacts, human rights and the fight against corruption and bribery. The vast reporting boundary as well the quality of the reporting reflects the principle of relevance (or “materiality”), the element envisaged by the reference legislation and which characterises the GRI (Global Reporting Initiative) Sustainability Reporting Standards. The GRI standards require the Company to provide information based on the materiality analysis to identify relevant and priority topics to “the extent necessary for an understanding of the Company, its performance, its results and the impact produced” or which is able to substantially influence the assessments and decisions of stakeholders (see section the “Stakeholder engagement and the new materiality matrix”).

The Statement was drawn up in accordance with the GRI Standards published in 2016 by the Global Reporting Initiatives (“GRI Standards - GRI-core”), the independent authoritative body which provides models for non-financial reporting. The disclosures and the indicators contained in the text are reported in the “GRI Content Index” (page. 128).

It should be noted that where the Group considered it unnecessary to adopt policies related to the areas referred to in Legislative Decree 254/2016, this is linked to the existence of effective corporate practices which do not require it to adopt specific policies on the abovementioned areas. For this reason it should be noted that the term “Policy” refers to formalised documents, while the term “internal practices” applies to practices and praxes.

This document was approved by ENAV Board of Directors on 12 March 2020.

This Statement was subject to a limited assurance as established by the International Standard on Assurance Engagements (ISAE 3000 Revised) principle. The assurance was carried out by EY S.p.A.

The 2019 Consolidated Statement of Non-Financial Information, as well as that for 2018 and 2017, are available on the Group's website (www.enav.it).

Scope of reporting

The qualitative and quantitative information contained in the Consolidated Non-Financial Statement refers to the performances of the ENAV Group (hereinafter also referred to as “the Group”) for the year ended on 31 December 2019. In addition, to help the reader better compare and contextualise the information herein, the data for the years 2018 and 2017 have been included and appropriately indicated.

This non-financial statement includes data and information referring to the “the ENAV Group”, namely the set of companies composed of the Parent Company, ENAV S.p.A. and its subsidiaries, consolidated on a line-by-line basis: Techno Sky S.r.l., ENAV Asia Pacific SDN BHD and ENAV North Atlantic LLC. In line with past practice, D-Flight was excluded from the scope of this report, despite being fully consolidated, given that the company only began operations at the end of 2019 and will begin to conduct business in 2020. In addition, IDS AirNav, formed following the acquisition of the Air Navigation Division of IDS - Ingegneria dei Sistemi S.p.A., is also not included since the acquisition occurred on 18 July 2019.³

Please note that the terms “ENAV” and “the Company” refer exclusively to the Parent Company ENAV S.p.A.

Any limitations in the reporting scope are indicated in the “Scope of identified material issues” table (page 12). In any case, these limitations do not impair the comprehension of the performance and representativeness of the information.

³ As in the 2018 Sustainability Report, the SICTA Consortium is not included within the reporting scope since it was placed in liquidation in 2017.

1. OUR PATH TO VALUE CREATION

The ENAV Group's path in the world of sustainability began following Legislative Decree 254/2016 when, in order to comply with the legislation, we jumped into non-financial reporting.

The first step was to develop a “materiality matrix”, i.e., a list of all those corporate issues that management and stakeholders consider most significant for the Company. It was the first time that management was asked about certain issues and the idea of ranking all our priorities, such as safety, security, technological innovation or quality of service for a company engaged in air traffic control, and it was a process of gaining awareness and maturity for the entire Company.

Together with work on the materiality matrix, we began to study the reporting standard we have adopted, the Global Reporting Initiative (GRI), a complex system of qualitative and quantitative indicators that, for the most part, have never been calculated in our Company and for which we had to find the information we need, which was already in our possession but never before collated in organised form. This required us to survey all the Company units holding the actual data.

To ensure that all the units involved had the opportunity and time to learn about and understand how to calculate the new qualitative and quantitative indicators that we would require from them, in May 2017 we decided to create an edition zero of the non-financial statement, for internal use only. With edition zero we were able to emphasize a series of critical issues (in terms of the process) in time to be able to resolve them (including through the development of ERP systems for data processing), to understand the amount of work that would be required to process all the data and to prepare the units for the work that would be asked of them.



The document highlighted some interesting aspects, first of all the fact that for ENAV, as a company that offers a service that is strategic for the country and that guarantees flight safety not only to all airlines but also to all passengers, a positive approach to sustainability was already an intrinsic part of our mission. Indeed, ENAV is a company that provides an essential public service for the country, placing safety and service quality before any other business objective.

Starting from these assumptions, in April 2018, following the approval of the first Consolidated Non-Financial Statement, we understood that, if we wanted to develop sustainability in all its aspects

within the Company, we would have to quickly design a path that would no longer be aimed at just regulatory compliance but at a broader, virtuous and challenging concept: the creation of value for the Company and the community in all aspects relating to sustainability.

One of the first initiatives we undertook concerned **stakeholder engagement**. We immediately involved all our stakeholders, both in defining the materiality matrix and in organising a roundtable with airlines, airport operators, institutions, suppliers, shareholders and employees. The roundtable provided us with very useful indications on how interest in sustainability issues was growing, in the air transport sector too, and also helped us understand the priorities they expected ENAV to focus on: no longer just safety, efficiency in service and the ongoing training and professional development of our employees, but also further emphasis on the environment, social issues, diversity and all non-financial risks. On this latter point, following the stakeholder engagement process, the Company, with the input of the Board of Directors and the contribution of the main company departments affected, worked with the Enterprise Risk Management unit on integrating non-financial risks (defined in the Non-Financial Statement) in the corporate risk monitoring system.

The establishment, in June 2018, of the **Sustainability Committee**, instead allowed us not only to address sustainability issues on an ongoing basis within the Board of Directors but also represented a major commitment, creating the conditions for working on engaging our people through communication initiatives such as the new sustainability logo, an emotional video on our most important contribution to the community, namely flight safety, a web channel (<http://sustainability.enav.it>) dedicated to sustainability where it is possible to understand, in increasing level of detail, our approach to CSR, with increasing levels of depth, our approach to CSR, the creation of a LinkedIn page entirely dedicated to sustainability and other internal initiatives aimed at informing, but above all to stimulating involvement and forging a common identity around to the issues of the environment, people, communities and social responsibility.

In line with these objectives, we have introduced the **Sustainability Ambassadors**, a group of about thirty professionals from all the Group's corporate structures and companies, chosen mostly from among the non-management personnel who had collaborated the most in the preparation of the non-financial statement data and whose objective was not just to propose new ideas and new projects but also to act as a megaphone for the whole Company.

Corporate giving, the set of social initiatives, which until that point were treated as stand-alone initiatives, not connected to each other by a common thread, also changed shape. We therefore decided that our social responsibility initiatives would be guided by certain SDGs (chosen from among the 17 identified by the UN) and that we would directly involve ENAV people in developing corporate volunteer projects supported by the Company.

If on the one hand we had acted on the levers of involvement and participation, on the other it was still necessary to set more binding and measurable objectives and commitments and so we developed the **Three-Year Sustainability Plan (2018-2020)**, an action plan involving all the corporate structures and containing over forty projects covering five macro-areas: have been included: Strategy and Governance, Technological Innovation, Policies, Reporting and Communication, and Corporate Culture. The Plan, which was incorporated in this Sustainability Report and in the 2018 Sustainability Report, was submitted to the Board of Directors for approval. To make achieving the plan's objectives even more binding for each of us, **ESG KPIs have been included in the MBOs of the CEO and of management**. There is no doubt, in fact, that although the drive for change must be motivated by ethics, including ESG objectives in the management assessment significantly increases the level of attention and participation; in addition, setting ESG objectives for the CEO and all top management means indirectly setting them for the entire Company.

In November 2018, we then launched the first ENAV Group **Sustainability Day**, an event that involved all management and in which the entire Company participated via streaming. The Sustainability Day was undoubtedly a watershed, a time when, thanks in part to the decisive commitment of the CEO and the Chairman of ENAV, the entire Company was made aware of the growing importance of sustainability in the world.

The path crafted in 2018 allowed us, in March 2019, to expand our reporting with a greater focus on our commitments for the future, and with the transition from the “GRI-Referenced” Option to the more advanced “GRI Core” Option.

If 2018 was a launch year, 2019 was the year of consolidation and development. In addition to revisiting all the initiatives started the previous year to try to make them more effective, 2019 saw us engaged in pursuing the projects set out in the Plan and in analysing new projects.

The new projects identified provided stimulus to update the Sustainability Plan with new objectives for 2020 and above all to proceed with definitively **integrating sustainability in the Business Plan**.

Among the most significant projects that were started at the end of 2019 or that will start in 2020, it is worth mentioning some that, in our opinion, will more precisely define our commitment to combatting climate change, to improving work-life balance and to creating shared value:

- ***the plastic-free project***
- ***the e-mobility project***
- ***the energy efficiency project***
- ***increased use of renewable energy resources***
- ***carbon neutrality***
- ***reinforcement of smart working***
- ***the development of the platform for converting performance bonuses into welfare tools***
- ***the publication of the new human rights policy***
- ***the project for the ESG supply chain and the new code of conduct for suppliers***

Sustainability Day, which took place at the end of 2019, also displayed the Company’s greater awareness: the Sustainability Ambassadors, in person and via streaming, explained the Company’s main projects and initiatives regarding sustainability issues such as diversity, technological innovation, energy efficiency, welfare and the environment.

In December 2019, we received the first, important sign of appreciation for the work carried out from external institutions: the University of Pavia recognized ENAV’s Sustainability Report as **the best Italian report in the medium/large-sized company category**, with the following accolade: “The ENAV report offers an excellent balance in the criteria analysed and, in particular, demonstrates a strong strategic orientation and a sound quantitative approach.”

We are well aware that this does not mean that our journey has come to an end, but the award confirmed that we are on the right path and that the initiatives we have undertaken have been set out clearly in the Sustainability Report.

1.1. STAKEHOLDER ENGAGEMENT AND THE NEW MATERIALITY MATRIX

In its broadest sense, stakeholder engagement means a systematic process of dialogue and involvement of all the stakeholders of a company, which starts with understanding their needs and is intended to meet their expectations.

For ENAV, stakeholder engagement is also a tool for listening, dialogue and involvement vis-à-vis our stakeholders in the spirit of respective collaboration and responsibility and contributes to making

corporate decision-making more sustainable through ongoing alignment of social and environmental performance with business strategies.

Stakeholder Engagement



Stakeholder engagement in 2019 was conducted in two stages: the first was done by sending out a survey, by e-mail or through a questionnaire, consisting of 19 questions on relevant topics identified and assessed using a scoring system of 1 to 5; the second involved the organisation of a multi-stakeholder roundtable to spark a direct dialogue with each of them to understand their needs and to meet their expectations in the future.

The results of the questionnaire and the roundtable enabled us to develop the new materiality matrix and allowed us to define the most important areas to be addressed in the initiatives characterising the three-year Sustainability Plan.

Safety, security and service quality issues were confirmed as priorities. A particularly significant step was the inclusion of **technological innovation** in the matrix (4th place) and the reworking of the “environmental impacts” theme with more detail on **waste management** and **climate change**. The latter has gained importance by virtue of increased sensitivity to environmental problems both among the stakeholders and within the Company. Also of note is the widespread participation in the roundtable featuring representatives of all categories of stakeholders (airlines, airport operators, institutions, employees, suppliers and shareholders).

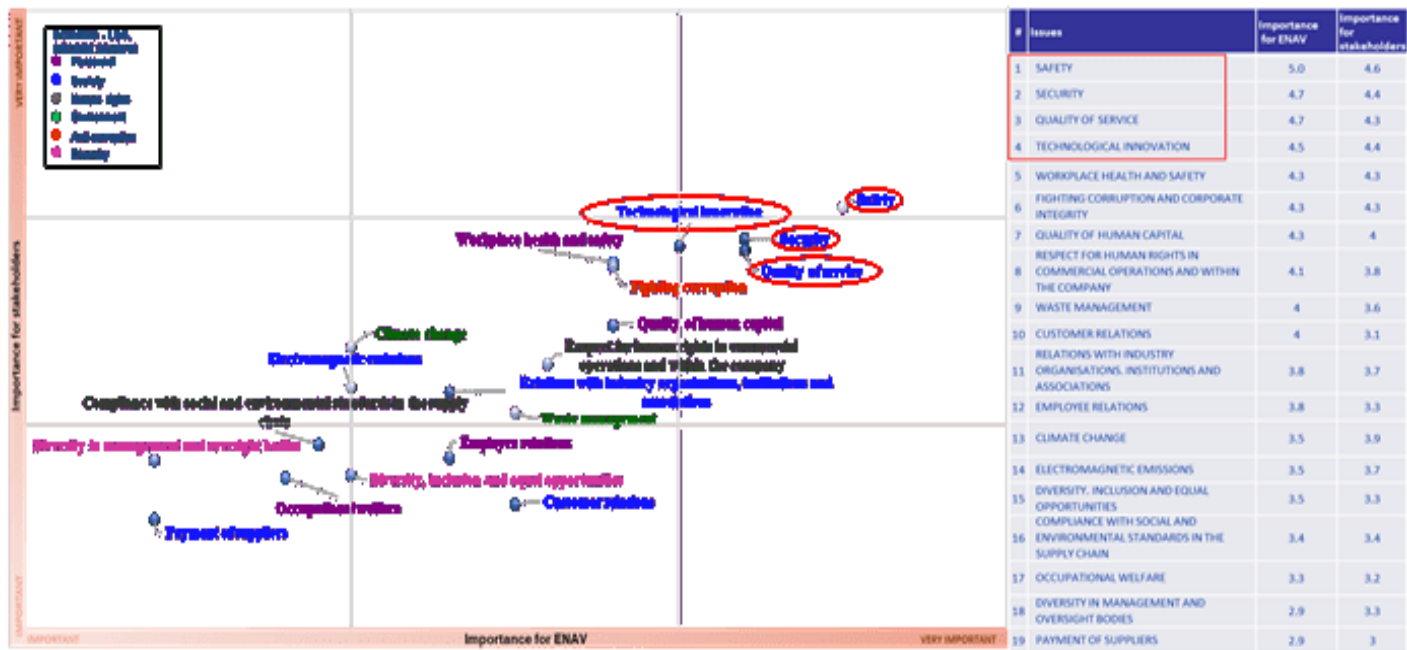


Table: Perimeter of the material issues identified

Domain of Legislative Decree 254/2016	No.	Topic	Boundary	GRI area
Society	1	Electromagnetic emissions	ENAV S.p.A. Techno Sky	GRI 413: Local communities
	2	Payment of suppliers	ENAV Group	
	3	Quality of service	ENAV Group	GRI 416: Customer Health and Safety
	4	Customer relations	ENAV Group	GRI 102-43 Approach to stakeholder engagement
	5	Relations with industry organisations, institutions and associations	ENAV Group	GRI 102-43 Approach to stakeholder engagement
	6	Compliance with social and environmental standards in the supply chain and commercial operations	ENAV Group	GRI 308: Supplier environmental assessment
				GRI 414: Supplier social assessment
	7	Safety	ENAV S.p.A. Techno Sky	GRI 416: Customer Health and Safety
	8	Security	ENAV S.p.A. Techno Sky	GRI 416: Customer Health and Safety
	9	Technological innovation	ENAV S.p.A.	-
Personnel	10	Quality of human capital	ENAV Group	GRI 404: Training and education
	11	Diversity and equal opportunities	ENAV Group	GRI 405: Diversity and equal opportunity
			ENAV Group	GRI 401: Employment
	12	Employee relations	ENAV Group	GRI 402: Labour/management relations
	13	Health and safety of employees	ENAV Group	GRI 403: Occupational Health and Safety
	14	Corporate welfare	ENAV Group	GRI 401: Employment
Diversity in the management and oversight bodies	15	Diversity in the management and oversight bodies	ENAV S.p.A. Techno Sky	GRI 405: Diversity and equal opportunity

Domain of Legislative Decree 254/2016	No .	Topic	Boundary	GRI area
Anti-Corruption	16	Anti-corruption and corporate integrity	ENAV Group	GRI 205: Anti-corruption GRI 419: Socioeconomic compliance GRI 307: Environmental compliance
Human rights	17	Respect for human rights in the Company and in commercial operations	ENAV Group	GRI 406: Non-discrimination
			ENAV Group	GRI 412: Human Rights assessment
Environment ⁴	18	Climate change	ENAV Group	GRI 302: Energy
				GRI 305: Emissions
				GRI 102: General Disclosure
	19	Waste management	ENAV Group	GRI 306: Effluents and waste

1.2. CLIMATE CHANGE

Climate change has now been on the agendas of world organisations for a number of years now. From the United Nations Framework Convention on Climate Change, through the Paris Agreements and the Kyoto Protocol, the commitment to reduce greenhouse gas emissions is considered by many, but not yet by all, to be the main global problem to be faced in the coming years.

In the air transport sector, the importance of the issue has increased considerably in the last year, owing in part to the birth of a new opinion movement called “flight shame”. Although, according to Eurostat statistics from 2017, air traffic is responsible for only 3% of the CO₂ emissions in the atmosphere of the 28 EU countries, the idea is spreading, especially among the youngest, that, at least for short routes, it is preferable to use alternative modes of transportation to flying.

Although they have paid careful attention to reducing fuel consumption (and therefore CO₂ emissions) in the past, airlines all around the world have reinforced their efforts to find solutions that reduce or offset their emissions and this is one of the reasons why, in the last stakeholder engagement conducted by ENAV, the topic was one of particular importance in the materiality matrix.

While we can always do better, focus on the environment has long been a priority for ENAV, and the battle against climate change is increasingly a central and essential driver in the Company's development strategies. In the air traffic sector, ENAV is a “low impact” company, i.e. with no particularly significant CO₂ emissions, our commitment to making our direct consumption more efficient is a constant one, and our ability to develop new technologies and design increasingly direct routes to enable airlines that fly over our skies to consume less fuel has made ENAV even more a point of reference in the panorama of European and world air navigation service providers (ANSPs). Among the most significant projects is Free Route: a true revolution in the world of air traffic which, as explained in detail in the following chapters, has allowed airlines, since 2016 until the present day, to cut their CO₂ emissions by about 400 million kg.

⁴ In this domain, ENAV Asia Pacific, in view of the characteristics of the company (2 employees and 1 office), is not considered material with regard to environmental impact.

Although, as mentioned, the volumes of direct emissions generated by ENAV are not particularly significant, in 2020 the Company started on a path that will lead it, through a strategy that is focused on reducing consumption, increasing the use of energy renewable sources and electric cars, and eliminating disposable plastics, to be carbon neutral by 2022 (including through the possible purchase of carbon credits).

1.3. TECHNOLOGICAL INNOVATION

Research and technological innovation are among the main drivers of a country's economic development. The capacity of an economic system to exploit new technologies and to adapt to services and scenarios undergoing rapid transformation is considered essential to ensure that people have the chance for improved living standards.

Aviation is definitely a sector in which technology plays a key role, given the complexity of an aircraft, a radar sensor or an air traffic control system. We are living at a time when innovations are making profound changes to aeronautics, and flight management systems, drones, satellites and sub-orbital flights illustrate the breadth of the numerous initiatives under way. Finding solutions to these challenges requires new, effective, inexpensive, fast and flexible production processes. New technologies play a fundamental role in this journey towards the future, in which we will see new ways to set up and manage flights, electric engines, digitalised earth/air/earth communications, satellite technology for innovative navigation, communication and surveillance, cloud computing, remote and digitalised control towers, drones as important new aircraft operating in airspace and sub-orbital flights with spaceports and much more besides.

For these reasons and with the specific intention of providing air traffic users with an increasingly efficient set of services with safety standards that meet the needs and keep up with the pace of economic growth, ENAV has put investment in technological innovation and a new generation of digital technology in pride of place in its strategic development plans, in line with the regulatory and developmental framework defined by the Single European Sky.

At the same time, through investment in technological innovation, ENAV seeks to:

- ensure the planning of the project envisaged within the framework of the European ATM Master Plan, the Deployment Program and national planning programmes (Local Single Sky Implementation Plan - LSSIP, the Company's Investment Plan);
- participate in the most important international initiatives on research and innovation (e.g. SESAR, Horizon2020) to ensure that innovative operating concepts that benefit the Group and users of the air navigation services are tested;
- participate in alliances and international groups to define trends and innovation targets in the areas of communication, navigation and surveillance (CNS) and air traffic management (ATM).

These innovations as a whole will have a highly positive impact in terms of sustainability and making the best use of human capital, allowing ENAV to consolidate its position of leadership compared with the other European service providers, driving the technological evolution of air traffic management.

A significant amount of investment in technology is envisaged in the Plan: about €620 million in the next five years.

The main projects include in particular:

- the 4-Flight system, the new software and hardware platform for ACCs able to provide operating personnel with real-time information on the position and trajectory of aircraft, together with tools to support separation and avoid dangerous situations, through a

continuous exchange of data and continuous automation with the systems of the other ACCs, the tower systems, the EUROCONTROL Network Manager and the military;

- the remote-control towers, where activity involves the installation of the necessary hardware and software for the video cameras with the relative infrastructures, the video acquisition and transmission systems, presentation and processing for the remote-control centres;
- the Arrival Manager (AMAN), which provides automatic support to air traffic controllers in sequencing traffic approaching a specific airport. In particular, AMAN allows the continuous calculation of arrival sequences and flight times taking into account all the relevant parameters such as the capacity of the airport, the necessary separation between aircraft, etc.;
- the new tower automation system, which provides for the development of the new system for processing and presenting operational data to air traffic controllers in the 19 major towers that do not use remote control. Specifically, these are flight data in the form of electronic strips, monitoring data, meteorological data, and data on the status of radio aid, depending on the configuration of the airport;
- the new E-NET 2 network with Multiprotocol Label Switching technology, which can make data transmission faster and more secure. This infrastructure is also preparatory to the implementation of remote-control towers;
- the new central technical monitoring and management (TOC) system for controlling maintenance processes on a national scale;
- the evolution of Data Link, which enables ground/air/ground communications such as digital messaging without the need for traditional verbal communications via radio, was implemented in 2018 at all the control centres and will continue to be enhanced over the next few years as traffic increases, based on new technologies.

Alongside these, ENAV participates in the most important international research programs, including the European Commission's SESAR programme, which is undoubtedly one of the most significant. The programme started with SESAR 1 (2009-2016) and was subsequently extended to a second phase called SESAR 2020 (2017-2022).

Through our participation, and our recognized experience in air traffic management, the ENAV Group is now able to guide change at an international level and to orient its strategic objectives in line with the development of the future European ATM system, creating innovation as well through:

- participation in international programmes and projects to enhance the efficiency of ATM technologies and systems, defined based European planning, ongoing international partnerships and national operational needs;
- coordination of the main research and innovation activities carried out nationally and internationally, in particular in the context of the SESAR Joint Undertaking;
- participation in drafting and updating the European ATM Master Plan and the European Deployment Project;
- planning, development and monitoring of projects included in the European SESAR Deployment/ATM Master Plan and connected to the Company's Investment Plan;
- development of innovative initiatives in the field of satellite technologies.

Participation in research and innovation projects is regulated at international and European level through the Group companies' membership in framework programmes and the signing of grant agreements, which regulate relations between the parties, any disbursement of Community financing and in general define the rules for participation in the various research programs.

In addition, in order to assess the effectiveness of the policies and activities put in place, ENAV employs a series of verification mechanisms. In particular:

- **introduction of measurement systems:** the head of the structures involved in research and innovation is also evaluated on the basis of the objectives achieved in the initiatives developed in the different domains;
- **external assessment of performance/assessment by stakeholders:** the SESAR Joint Undertaking, which is the body that monitors research activities, assesses the quality of the activities carried out and on how the results match up with the expected objectives and manage the interactions between the various partners in research and innovation activities.

Today ENAV is therefore a leading participant in the innovation of the current European ATM system, as it has been over the last few decades, working to realise and implement new generation technologies and operating procedures, in order to guarantee services to an increasing number of flights in an efficient and safe way, at the same time respecting the environment.

1.4. 2018-2020 SUSTAINABILITY PLAN

The 2018-2020 Sustainability Plan was developed to better pursue the objectives defined in the United Nations' 17 SDGs and was drawn up by taking into consideration the issues that arose during the materiality analysis, the suggestions that emerged during stakeholder engagement and the best practices in the area of sustainability.



The Plan is based on 5 assets:

1. **Strategy and governance:** develop a set of initiatives for integrating sustainability within the Group through corporate strategies and the regulatory and management system;
2. **Policies:** plan a set of actions covering specific ESG topics in different areas of the ENAV Group's operations;
3. **Technological innovation:** establish a set of projects to achieve some of the ENAV Group's strategic objectives through technological innovation;

4. **Reporting and communication** refers to a set of actions chosen to strengthen the non-financial reporting and external communication process for conveying information on the principles that guide the ENAV Group's sustainability strategy and its performance;
5. **Corporate culture and dedicated projects**: the purpose of these is to spread within the organisation a culture, both individual and cross-company, based on sustainability principles.

The projects envisaged for 2018 and 2019 were all implemented, with the exception of one that has been delayed by a technical problem.⁵



⁵ The renovation of a lighting system.

Strategy and Governance



Strategy and Governance



- ☒ INTRODUCE A **INCENTIVE MECHANISM** WITHIN THE REMUNERATION SYSTEM BASED ON THE HANDLING AND ACHIEVEMENT OF SPECIFIC ESG TARGETS FOR GROUP MANAGEMENT AND EMPLOYEES;
- ☒ ENSURE THAT THE **GOVERNANCE DOCUMENTS APPROVED BY THE BoD** AS THEY RELATE TO RISK MANAGEMENT POLICIES (E.G. RISK APPETITE, RISK POLICIES) ARE ALIGNED WITH THE KEY ASPECTS OF THE SUSTAINABILITY PLAN
- ☒ CONTINUE TO HAVE THE BOARD OF DIRECTORS AND ITS COMMITTEES PERFORM **SELF-ASSESSMENTS OF THEIR OPERATIONS** AS WELL AS INDEPENDENT THIRD-PARTY ASSESSMENTS REGARDING THE PRINCIPLES SET OUT IN THE CORPORATE GOVERNANCE CODE THAT ENAV HAS ADOPTED (TAKING INTO ACCOUNT, AMONG OTHER THINGS, THE RECOMMENDED DIVERSITY CRITERIA);
- ☒ FORMALIZE THE **PROCESS FOR GENERATING THE DATA** FOR EACH NON-FINANCIAL STATEMENT IN THE SUSTAINABILITY REPORT INDICATING ANY CRITICAL ISSUES
- ☒ DEFINE A SET OF **QUALITATIVE AND QUANTITATIVE TARGETS** AND THE SCHEDULE FOR ACHIEVING TARGETS CONNECTED TO SUSTAINABILITY ISSUES THAT ARE IMPORTANT FOR THE GROUP (CONTAINED IN THE MATERIALITY INDEX);

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Policies

Policies



2



- ☒ FORMALIZE AND PUBLISH AN **ENVIRONMENTAL POLICY** TO SET THE GUIDELINES, COMMITMENTS AND OBJECTIVES THAT TOP MANAGEMENT PLANS TO PROMOTE, ENSURING LEGISLATIVE COMPLIANCE AND IMPROVEMENT IN ENVIRONMENTAL PERFORMANCE, PURSUING SUSTAINABLE DEVELOPMENT TARGETS;
- ☐ INTRODUCE AN **ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)** BASED ON INTERNATIONAL STANDARDS FOR THE SECTOR (E.G. ISO 14001) AND THAT IS SUBJECT TO INTERNAL AUDITING;
Target: by 2020
- ☒ FORMALIZE AND PUBLISH A **HUMAN RIGHTS POLICY** BASED ON COMMON INTERNATIONAL PRINCIPLES (E.G. UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS) FOR THE GROUP, ITS SUPPLIERS AND PARTNER COMPANIES IN COMMERCIAL TRANSACTIONS. THE OBJECTIVE OF THIS POLICY IS TO ESTABLISH THE PRINCIPLES FOR EVALUATING AND MONITORING RESPECT FOR HUMAN RIGHTS;
- ☒ FORMALIZE AND PUBLISH A **DIVERSITY AND EQUAL OPPORTUNITY POLICY** IN ORDER TO PROTECT GENDER DIVERSITY WITHIN THE GROUP AND RESPECT FOR EQUAL OPPORTUNITY THROUGH THE VARIOUS STAGES OF THE PROFESSIONAL DEVELOPMENT PROCESS FOR EMPLOYEES;

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Policies



- ☒ FORMALIZE AND PUBLISH AN **ANTI-CORRUPTION POLICY** (CODE OF CONDUCT TO COMBAT CORRUPTION) THAT GOVERNS, AMONG OTHER THINGS, SPONSORSHIPS AND DONATIONS, HANDLING COMMERCIAL RELATIONSHIPS AND ANY DIRECT AND INDIRECT POLITICAL CONTRIBUTIONS;
- ☒ INTRODUCE A GROUP **ANTI-CORRUPTION MANAGEMENT SYSTEM** BASED ON INTERNATIONAL STANDARDS (E.G. ISO 37001);
- ☒ ADOPT A **WHISTLEBLOWING REGULATION**;

☐ Actions to be started/started
☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Technological innovation



DIGITALISATION AND AUTOMATION

- ☒ 4 ACC DATA LINK SYSTEM (DIGITALISATION OF VOICE MESSAGING)
- ☐ NEW TWR DIGITISATION SYSTEM, BASED ON ELECTRONIC FLIGHT STRIPS AT MALPENSA (1 IN ITALY), LINATE AND FIUMICINO
Target: 2020
- ☒ 4 ACC MEDIUM-TERM CONFLICT DETECTION SYSTEMS (AUTOMATION OF CONFLICT DETECTION PROCESS)
- ☐ INTRODUCTION OF NEW REMOTE MAINTENANCE MANAGEMENT SYSTEM (TOC/HAL) (DIGITALISATION OF MAINTENANCE PROCESSES)
Target: digitalisation of maintenance processes, first phase by end of 2020

☐ Actions to be started/started
☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Technological innovation



Technological innovation



SURVEILLANCE INNOVATION

- ☐ COMPLETION OF GROUND SURVEILLANCE UPGRADING AT FCO, MXP, TO, BG, LIN WITH UPGRADES TO SURFACE MOVEMENT RADAR (SMR) AND MULTILATERATION SYSTEMS (2018-2020)

Target: 2020

INFRASTRUCTURE INNOVATION

- ☒ DEVELOPMENT OF PRIVATE CLOUD FOR TEST ATM SYSTEMS
- ☐ DEVELOPMENT OF PRIVATE CLOUD FOR OPERATIONAL ATM SYSTEMS

Target 2020

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Reporting and communication



Reporting and communication



- ☒ PUBLISH A **SUSTAINABILITY REPORT "IN ACCORDANCE WITH GRI"** INCLUDING THE NON-FINANCIAL STATEMENT (LEG. DECREE 254/2016);
- ☒ PROVIDE **TRAINING** ON NON-FINANCIAL REPORTING AND THE USE OF THE NEW IT SYSTEM;
- ☒ STRENGTHEN **EXTERNAL COMMUNICATION** ON SUSTAINABILITY ISSUES WITH THE DEVELOPMENT OF A **DEDICATED WEB PORTAL AND A SOCIAL MEDIA PRESENCE**

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Reporting and communication



Reporting and communication



- ☑ BROADEN **COMMUNICATION WITH INVESTORS**, DEVOTING MORE ATTENTION TO GROUP NON-FINANCIAL INFORMATION DURING TRADITIONAL OCCASIONS FOR MEETING AND, WHEN POSSIBLE, ORGANIZING/PARTICIPATING IN MEETINGS WITH "ETHICAL/RESPONSIBLE" INVESTORS

- ☑ PARTICIPATE IN **EXTERNAL INITIATIVES** ON SUSTAINABILITY PROPOSED BY THIRD PARTIES (E.G. ASVIS, CSR MANAGEMENT NETWORK, CSR EUROPE, NEDCOMMUNITY) AND ROUND TABLES FOCUSING ON SUSTAINABILITY ISSUES (E.G. DIVERSITY, HUMAN RIGHTS, ENVIRONMENT), BOTH IN THE ROLE OF SPEAKER AND OF AUDIENCE;

- ☑ ENGAGE IN PERIODIC **STAKEHOLDER ENGAGEMENT** ACTIVITIES IN ORDER TO DISCUSS THE PATH TO SUSTAINABILITY THAT THE COMPANY HAS TAKEN AND ON SIGNIFICANT SUSTAINABILITY ISSUES SO AS TO SHARE POSSIBLE DEVELOPMENT AND PROJECT SCENARIOS TO CREATE SHARED VALUE WITH THE VARIOUS CATEGORIES OF STAKEHOLDERS.

- ☐ Action to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Corporate culture and dedicated projects



Corporate culture and dedicated projects



- ☑ DEVELOP AND **INTERNAL COMMUNICATION PLAN** ON SUSTAINABILITY TO CREATE THE CULTURE OF SUSTAINABILITY AND RAISE EMPLOYEE AWARENESS OF THE POSITIVE SOCIAL AND ENVIRONMENTAL IMPACT OF SMALL DAILY ACTIONS TO FORM AWARENESS AND TO PROACTIVELY ENGAGE THE CORPORATE COMMUNITY

- ☑ PLAN FURTHER OCCASIONS FOR **MEETINGS** BETWEEN PILOTS AND AIR TRAFFIC CONTROLLERS TO INCREASE THE RECIPROCAL UNDERSTANDING OF THE TOOLS AND SERVICES EACH PROVIDES AND TO IMPROVE THE CONNECTION AND THE FLUIDITY OF COMMUNICATION DURING THE VARIOUS STAGES OF FLIGHT;

- ☑ DEFINE SPECIFIC INITIATIVES TO **DEVELOPMENT HUMAN CAPITAL** THROUGH : *(Referente: Baldetti)*
 Tools for assessing technical/managerial skills with respect to business objectives and related development programmes.
Begin project to develop specific tool for analysing and assessing people satisfaction.

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Corporate culture and dedicated projects

5



Corporate culture and dedicated projects

- ☒ DEVELOPMENT OF WELFARE PROGRAMMES (*Referente Guli*)
 - MONEY AND TIME SAVING
 - Target: develop at least 2 initiatives connected with internal personnel listening surveys
 - FORMS OF FLEXIBLE WORK
 - Target: develop pilot smart working project by end of 2019
 - IMPROVEMENT IN WORK ENVIRONMENT (HEAD OFFICE)
 - Target: at least 1 initiative in 2019
 - MOBILITY AND SHARED SERVICES
 - Target: feasibility study for at least 2 initiatives, of which one with neighbouring company
- ☒ DEVELOPMENT OF STAFF PROTECTION - SECURITY AND HSE PROGRAMMES
 - TRAVEL SECURITY
 - ☐ Target: launch travel security platform and support for personnel travelling abroad (June 2019)

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

Corporate culture and dedicated projects

5



Corporate culture and dedicated projects

- ☐ INITIATIVES TO PROTECT NATURAL CAPITAL THROUGH THE USE OF CONSUMABLES
 - ENERGY EFFICIENCY
 - Target: at least 1 initiative by end of 2019 (renovation of lighting system to save energy and increase efficiency at headquarters). **Owing to a technical issue, the project was delayed and is about to be put to tender**
- ☒ DEVELOPMENT OF ADDITIONAL DIGITAL WORKPLACE TOOLS FOR WORK-LIFE BALANCE
 1. Launch web communities, and thematic areas in general, integrated into the intranet and accessible via mobile devices
 2. Launch web TV to support Ambassadors
- ☒ PARTICIPATION IN THE SCHOOL ORIENTATION PROJECT ENTITLED "DESTINATION FUTURE: THE SCIENCE CONGRESS FOR YOUTH" FOR THE 2018-2019 ACADEMIC YEAR.

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV

1.5. UPDATING THE SUSTAINABILITY PLAN: NEW OBJECTIVES FOR 2020

In light of the increased awareness of a number of important issues, the Group's Three-Year Plan was updated at the end of 2019 to include a new asset (Climate Change) and to introduce new challenging objectives for 2020.

The following are the new objectives added to those already identified in the 2018-2020 Sustainability Plan.





Reporting and communications

- ☐ PRODUCE NEW ENAV SUSTAINABILITY VIDEO
- ☐ ADDITIONAL IMPLEMENTATION OF SOCIAL MEDIA CHANNELS DEVOTED TO SUSTAINABILITY COMMUNICATION

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV



Corporate culture and dedicated projects

- ☐ LAUNCH INTERNAL SUSTAINABILITY COMMUNITY
- ☐ LAUNCH SUSTAINABILITY MANAGEMENT COMMITTEE (SUSTAINABILITY UNIT PARTICIPATION IN ALL MANAGEMENT MEETINGS)
- ☐ DEVELOPMENT OF ADDITIONAL CORPORATE CITIZENSHIP INITIATIVES
- ☐ ASSESSMENT OF MANAGEMENT POSITIONING ON DIVERSITY AND INCLUSION ISSUES
- ☐ FURTHER DEVELOPMENT OF THE SMART WORKING PROJECT (TARGETS BEING DEFINED)
- ☐ DEVELOPMENT OF PLATFORM OF PERFORMANCE BONUS INTO WELFARE INSTRUMENTS

- ☐ Actions to be started/started
- ☒ Actions completed



La Corporate Social Responsibility del Gruppo ENAV



Climate change

- ☐ REDUCE USE OF SINGLE –USE PLASTIC PRODUCTS BY THE COMPANY
- ☐ LAUNCH PROJECT TO REPLACE COMPANY FLEET WITH ELECTRIC VEHICLES AND CONSEQUENT REDUCTION IN CO₂ EMISSIONS
- ☐ ASSESSMENT OF CONSUMPTION WITH VIEW TO CARBON NEUTRALITY OBJECTIVE
- ☐ ENAV/POLIGRAFICO MOBILITY MANAGEMENT INITIATIVE: SHUTTLE FOR EMPLOYEES OF THE TWO COMPANIES TO AND FROM MAJOR LOCAL PUBLIC TRANSPORT HUBS



La Corporate Social Responsibility del Gruppo ENAV

2. ABOUT ENAV

2.1 OVERVIEW

Anyone getting on a plane today assumes that the flight is safe, with safety now taken for granted. It is difficult to image the work and effort that those involved in managing air traffic controllers devote every day to this essential task, but this forms the very basis of ENAV's mission: to guarantee safety and punctuality to the millions of passengers that fly in Italian airspace and to contribute to the growth of national and European air transport through ongoing efficiency, innovation and respect for the environment. All of this makes ENAV a company that places sustainability and social awareness at the heart of its business.

ENAV's controlling shareholder is the Ministry of Economy and Finance, which holds a 53% stake, and it is supervised by the Ministry of Infrastructure and Transport. ENAV is the only operator in Italy that handles civilian air traffic control.

With 4,049 employees, it offers safety and punctuality to over the 2.05 million aircraft that fly through national airspace each year, 24 hours a day, providing all the services involved in air navigation to aircraft that fly in Italy.

From its air traffic control towers at 45 airports, ENAV manages the take-offs, landings and ground movements of aircraft, as well as all en-route traffic. From its 4 area control centres, it provides navigation assistance, whether for overflight or for landing at one of Italy's airports.

Long considered to be among the "Big Five" in Europe for operational performance and innovation, the ENAV Group is a fundamental component of the international Air Traffic Management system (hereinafter, ATM). It participates in research and development in coordination with the national and international control bodies of the sector. It is also one of the main players in the implementation of the Single European Sky programme, the purpose of which is to harmonise air traffic management throughout the European Union with the aim of enhancing the safety and efficiency of continental air transport.

For years the ENAV Group has also been committed to protecting the environment thanks to its constant optimisation of routes to reduce the fuel consumption of aircraft and the use of innovative technologies that improve the efficiency of its own infrastructures.

4 AREA CONTROL CENTRES

45 TRAFFIC CONTROL TOWERS

732,800 KM² OF MANAGED AIRSPACE

2.05 MILLION FLIGHTS HANDLED

PEAK OF 7,300 FLIGHTS MANAGED IN ONE DAY IN 2019

4,049 EMPLOYEES

2.2 THE ACTIVITIES

Air traffic control

ENAV provides air navigation assistance to all aircraft en route, whether for overflight or for landing at one of Italy's airports, through the four Area Control Centres (ACC) of Rome, Milan, Padua and Brindisi, and control towers at 45 Italian civilian airports. Each ACC has jurisdiction over a clearly defined airspace and handles the en-route phase, while control towers handle take-offs, landings and the ground movement of aircraft.

Airspace design

ENAV is responsible for supervising the organisation of the airspace under its control through the design of flight procedures, both conventional and satellite navigational, and the definition of a system of routes appropriate for the fulfilment of the objectives of safety, capacity, environment, flight efficiency and cost containment.

Meteorology

Weather reports and forecasts of meteorological conditions are released in real time on international and telecommunications networks. Airport weather stations issue observational bulletins on an hourly or half-hourly basis and weather messages for the purposes of synoptic meteorology, in accordance with the guidelines of the World Meteorological Organisation (WMO).

Aeronautical information

ENAV provides aeronautical information services to pilots and flight crew by disseminating and updating information over the whole of Italy. Essential aeronautical information for navigators is released through the Integrated Aeronautical Information Package (IAIP), which is also available on ENAV's website: ENAV.it.

Flight inspection

Thanks to its air fleet, ENAV guarantees the continuous monitoring of the national radio aids that provide the pilot with information about the exact position of the aircraft. The continuous verification of the accuracy of the radio electric signals make it possible to fly with the highest levels of safety.

Engineering and maintenance

Planning, implementation and operation of the entire technological infrastructure necessary for flight assistance. The planning activities are integrated with standardisation and development processes at international level, and with numerous joint projects with other service providers. Techno Sky provides services related to the management and maintenance of air traffic control equipment and systems.

Research and innovation

Research and Innovation are centralised at European level within the SESAR programme (Single European Sky ATM Research). In close coordination with the European Commission, ENAV participates in multiple projects aimed at defining and verifying new operational concepts, technologies and systems, with the aim of improving the capacity and performance of the international system of air navigation services.

Training

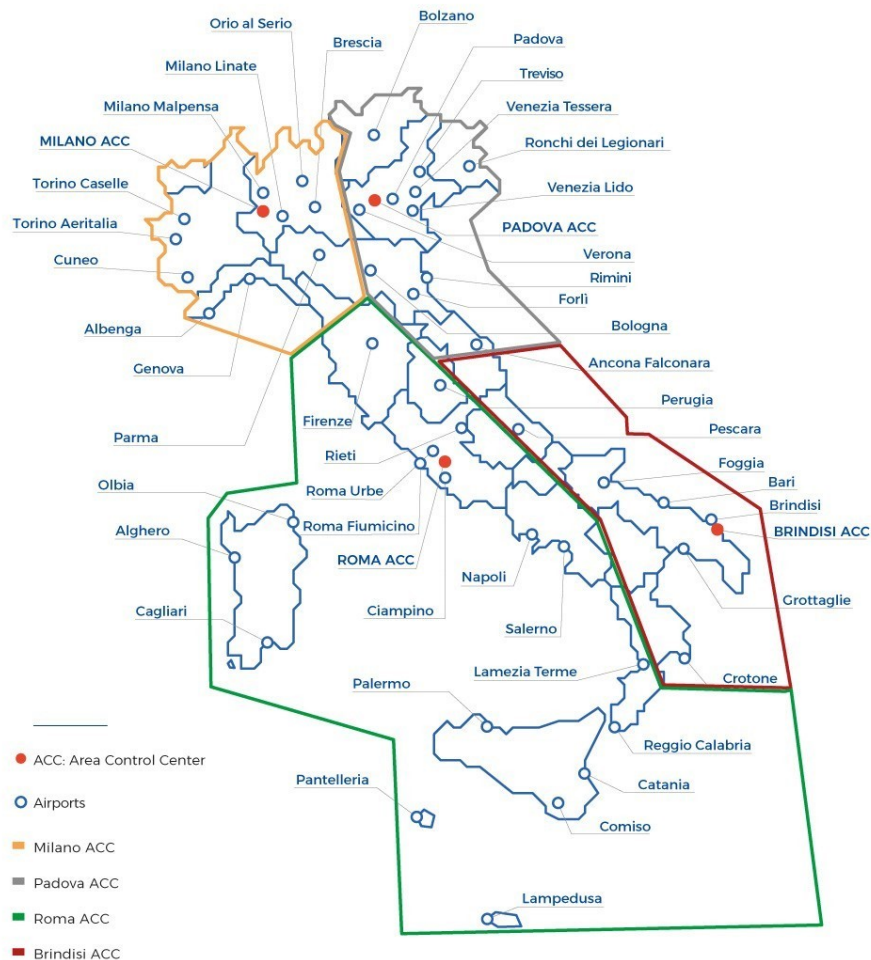
ENAV is the only company in Italy authorised to select, train and update the different professional profiles that operate in the civilian air traffic control services. The Operational & Technical Training

unit ensures a high-level of specialist training, providing both entry-level training and continuing professional education.

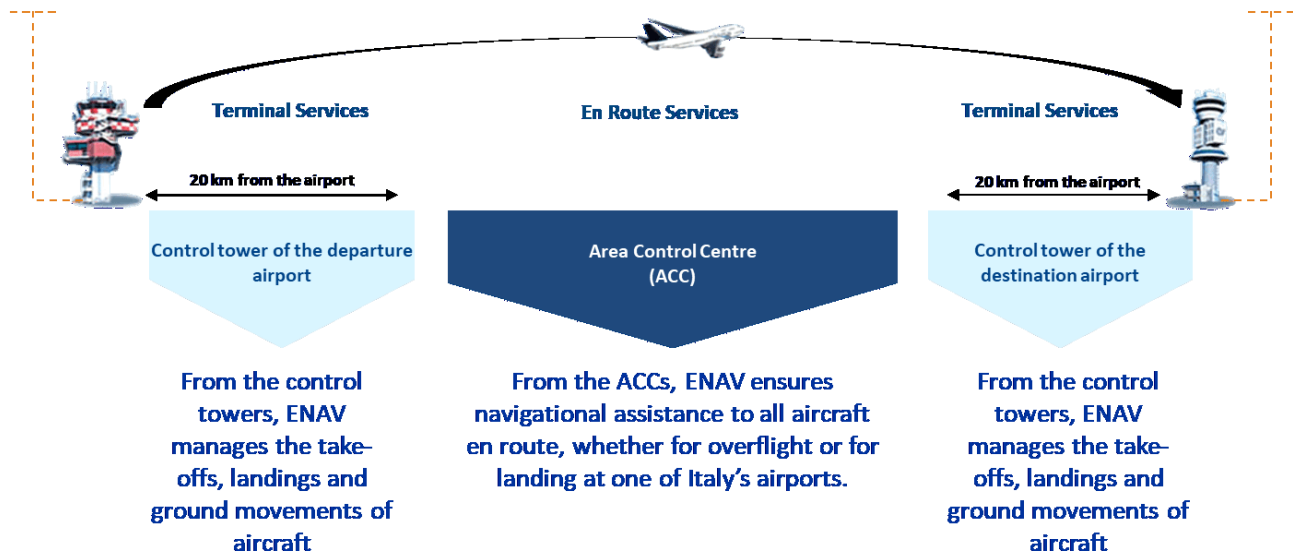
2.3 OPERATING MODEL

ENAV ensures navigational assistance to all aircraft, whether for overflight or for landing at one of Italy's airports, by means of:

- 4 Area Control Centres (ACC) in Rome, Milan, Padua and Brindisi for the en route phase;
- 45 air traffic control towers at 45 civilian airports in Italy for the take-off, landing, and ground movement of aircraft: Fiumicino, Malpensa, Linate, Venice Tesserà, Bari, Bologna, Catania, Ciampino, Naples, Olbia, Orio al Serio, Palermo, Turin Caselle, Verona Villafranca, Alghero, Brindisi, Cagliari, Florence, Genoa, Lamezia Terme, Rimini, Ronchi dei Legionari, Treviso, Parma, Turin Aeronautica, Albenga, Cuneo, Brescia, Bolzano, Padua, Venice Lido, Perugia, Ancona Falconara, Forlì, Rome Urbe, Pescara, Rieti, Salerno, Reggio Calabria, Comiso, Pantelleria, Lampedusa, Grottaglie, Crotona, Foggia.



Air traffic control is guaranteed on a seamless basis starting from when the aircraft starts its engines to when it turns them off. The task of the air traffic controller, regardless of whether he or she operates from an air traffic control tower or from an area control centre, is that of guaranteeing a minimum horizontal separation between aircraft of at least 5 miles and a vertical separation of 1,000 feet.



3. PERFORMANCE IN 2019

ENAV IN NUMBERS

- 45 Traffic Control Towers
- 4 Area Control Centres
- 4,049 employees
- 2.05 million flights handled annually
- Peak of 7,300 flights handled in one day
- 732,800 km² of managed airspace

2019 FINANCIAL DATA

- €902.9 million of revenues (+1.5% on 2018)
- €118.4 million of profit pertaining to shareholders of the Parent Company (+3.5% on 2018)
- €302.87 of EBITDA (+1.8% on 2018)

2019 COMMUNITY HIGHLIGHTS

- Leader among the main ANSPs in Europe in punctuality with 0.021 minutes of AFTM delay assigned en route⁶
- More than 92,300 hours of technical operational training
- About €110 million of investment in infrastructure out of €116.3 million in total investment.
- Some 1,800 flights hours by Flight Inspection and Validation aircraft

2019 ENVIROMENT HIGHLIGHTS

- 167 million of kg less CO₂ produced due to the Free Route project
- 142 thousand kg less CO₂ produced thanks to the generation of renewable energy

2019 PEOPLE HIGHLIGHTS

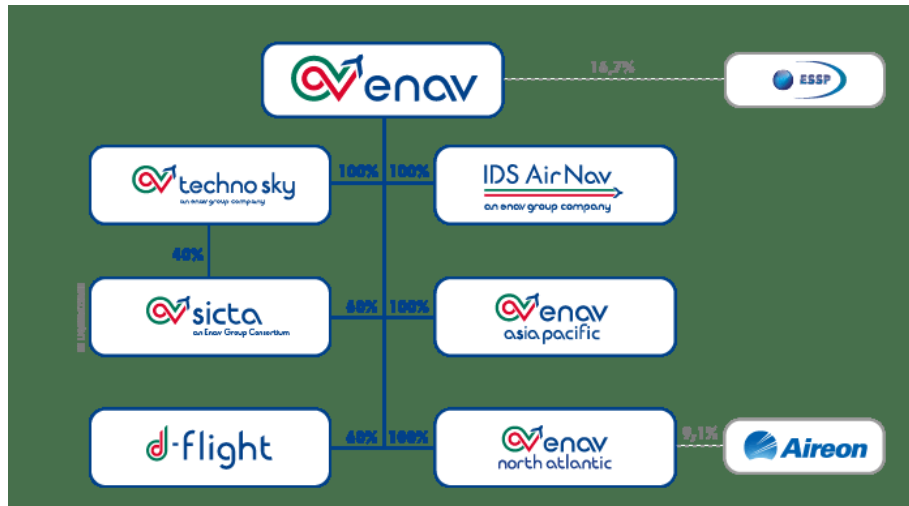
- 100% of employees on permanent contract
- 6% staff turnover rate
- More than 138,700 hours of classroom training and e-learning
- About 108,550 hours of continuation training and operational unit training

⁶ The main ANSPs in Europe are: Germany; France, the United Kingdom, Spain and Italy.

4. THE ENAV GROUP

4.1 GROUP PROFILE

Safety and quality of service are the key words that inspire the ENAV culture, resulting in ENAV being recognised as one of the best service providers at international level. Its increasingly customer-oriented and environmentally aware approach is also aimed at developing a strategy capable of generating constant value to the growth of air transport.



The ENAV Group also includes the subsidiaries Techno Sky Sr.I., ENAV Asia Pacific SDN BHD and ENAV North Atlantic LLC. Thanks to these, in addition to providing air navigation services pursuant to law and the articles of association, the Company is able to guarantee the installation, maintenance and constant monitoring of flight assistance systems and related hardware and software, to develop and test new technologies, and to be present abroad with business consultancy activities and the provision of services on international markets.

Specifically, Techno Sky, the logistics and maintenance company of the ENAV Group, ensures full, seamless operating efficiency and the availability of Italy's ATC (Air Traffic Control) installations, systems and software products. It manages and maintains:

4 AREA CONTROL CENTRES

45 AIRPORTS

44 RADAR SYSTEMS

121 TELECOMMUNICATION CENTRES

68 METEO SYSTEMS

239 NAVIGATIONAL AID SYSTEMS

**28 SOFTWARE SYSTEMS FOR A TOTAL NUMBER OF 30,493 AIR TRAFFIC MANAGEMENT
(ATM) APPLICATIONS IN OPERATION**

Techno Sky operates through its network present throughout Italy in order to meet each technical, implementation and management requirement in an effective and prompt manner.

As ENAV's mission critical systems integrator, Techno Sky controls the full value chain, i.e. research and development, system engineering, design, ATM software development, weather system development, installation, integration, training, logistics, maintenance, calibration of measurement instruments, spare part management and repair management.

Techno Sky has a wealth of knowledge, technologies and expertise gained over more than forty years of activity as a market leader in ATM systems at ENAV's service. This has also been made possible through its partnerships with major global ATM, ICT, meteorological and security system manufacturers. It markets its own services and is also involved in the development of projects on behalf of Italian and international organisations (ATM providers, agencies, institutions and airport managing authorities).

ENAV Asia Pacific (EAP) is wholly-owned by ENAV. It was established as a private company limited by shares with a head office in Kuala Lumpur, Malaysia, in March 2013. ENAV Asia Pacific provides air traffic control management and consultancy services, as part of its marketing and sales activity, as well as other essential air navigation services. ENAV's committed presence in the region makes it a reliable partner for all local companies, organisations and institutions. ENAV Asia Pacific aims to build long-term relationships with its clients by meeting all their needs in a structured, efficient and effective manner.

ENAV North Atlantic, also wholly-owned by ENAV, was established on 29 January 2014 as a limited liability company under US law. Its main objective is to manage ENAV's investment in the share capital of Aireon LLC, a limited liability company established under US law whose corporate purpose is the provision of instrumental services for the surveillance of air navigation through a global satellite surveillance system.

ENAV is one of Aireon's shareholders, holding a stake of about 9.1% (which will rise to 11.1% following exercise of the redemption clause, with no additional cost to the Company), along with the service providers for Canada, Great Britain, Ireland and Denmark and its industrial partner, Iridium, owner of the satellite constellation. Note that ENAV North Atlantic, due to the activity it carries out, has no employees.

ENAV also has a significant stake (16.7%) in the French company ESSP s.a.s. which provides the GPS satellite signal enhancement service called EGNOS. Together with ENAV, ESSP's shareholders are six other major European air navigation service providers: DFS, DGAC-DSNA, ENAIRE, NATS, NAV-Portugal and Skyguide.

4.2 GOVERNANCE

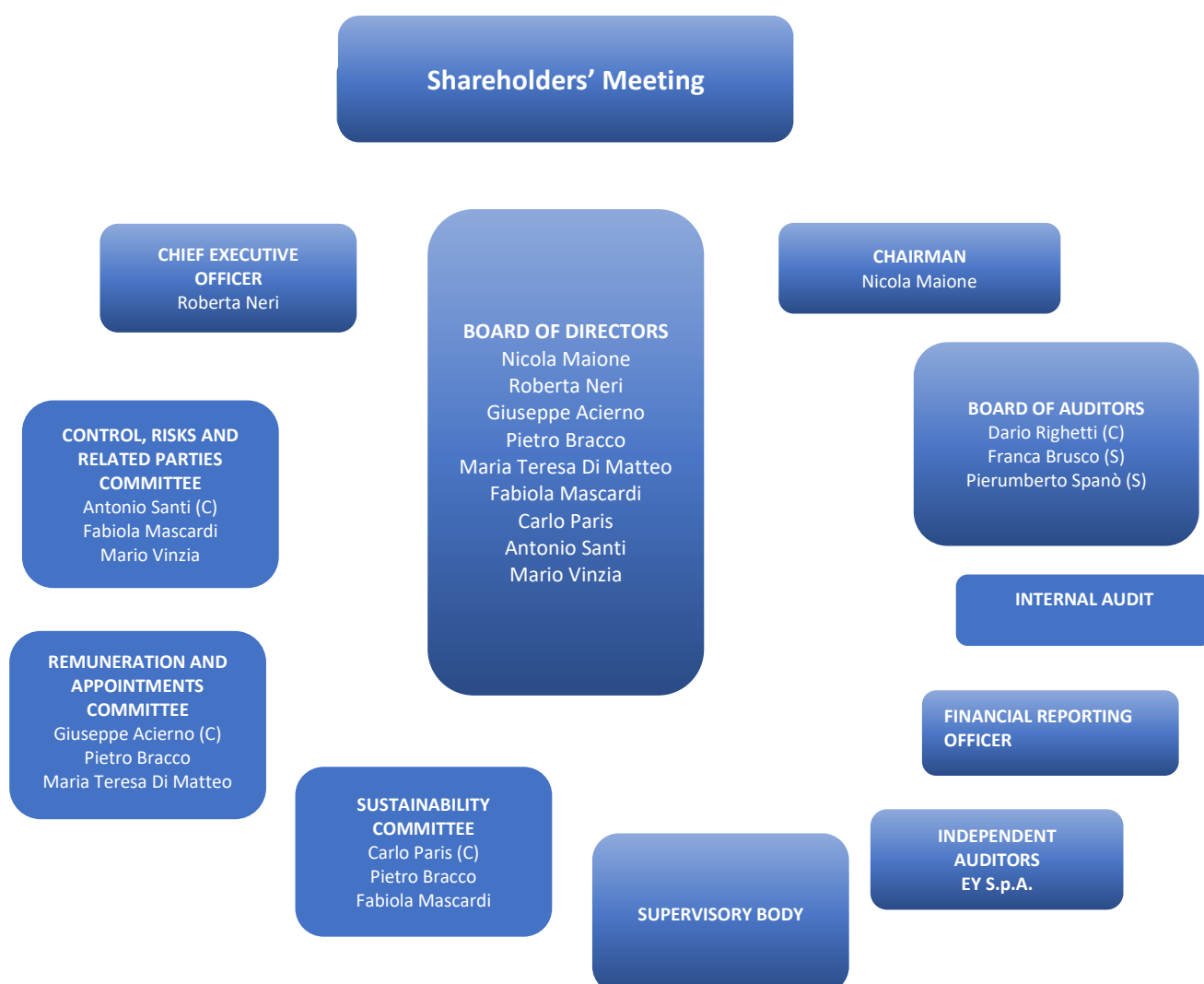
The governance system

ENAV's corporate governance system, which is composed of a series of bodies, principles, rules and procedures that comply with the principles set out in the Corporate Governance Code for Italian Listed Companies, promoted by the Committee for Corporate Governance established by Borsa Italiana S.p.A., with the recommendations formulated by Consob on this subject and, more generally, with international best practices. ENAV's corporate governance system, also taking into account the social significance of the Company's operations, pursues the main objective of creating value for its shareholders over the medium to long term and adequately balancing and fostering all relevant interests.

ENAV's corporate governance system is structured according to the traditional Italian model and consists of the Shareholders' Meeting, the Board of Directors and the Board of Auditors.

With regard to the composition and responsibilities of the governance and control bodies, please see the detailed description contained in the Report on Corporate Governance and Ownership Structure found in the 'Governance' section of ENAV's website: www.enav.it.

Governance



Diversity policy for the appointment of members of the governance bodies

With regard to the diversity criteria applied to the composition of the Board of Directors, ENAV applies the general appointment and selection criteria for members of the management body as described in detail in the Report on Corporate Governance and Ownership Structure. As an overview, pursuant to Article 11-bis of ENAV's Articles of Association, directors must be chosen according to criteria of professionalism and competence from among persons who have experience of at least three years in activities involving administration or control or management within companies, professional activities or the teaching of legal, economic, financial or technical-scientific subjects at university level, or other subjects that are relevant or in any case functional to the operations of the Company, or managerial functions in public entities or public administrations, operating in sectors which are related to the Company's sector, or entities or public administrations that are not related to the aforementioned sectors provided the functions involve the management of economic and financial resources. Moreover, with regard to gender representation in the Board of Directors, Article 11-bis.3 of ENAV's Articles of Association requires that the composition of the administrative body complies with the current regulations regarding gender balance. The substitution and integration mechanisms of the Board of Directors are consistent with such criteria.

The Company has adopted a policy on diversity in the composition of the Board of Directors and the Board of Auditors that is published in the "Governance" section of the website www.enav.it. In accordance with the provisions of applicable legislation and the Articles of Association on the diversity and professional qualifications of ENAV's directors, this policy offers shareholders and the Board of Directors, each within its own sphere of responsibility, a number of guidelines to ensure the broadest and most appropriate diversity of viewpoints within the management body, especially with regard to the training and professional development of the directors, proposing processes for monitoring that development.

Since it is nearing the end of its term this year, the Board of Directors completed the three-year self-assessment, conducted in a sound and structured manner, after which, in accordance with the provisions of the Corporate Governance Code, it prepared advice for shareholders on the management and professional qualifications that it deemed desirable to have represented on the Board, with diversity being among the criteria to be considered. These guidelines include assessments of:

- (i) the adequacy of the Board's size, currently set at nine directors;
- (ii) the mix of expertise necessary to ensure that the Board possesses a suitable range of professional skills;
- (iii) the independence of the directors, with currently five of the nine members of the Board being independent pursuant to the Consolidated Law and the Corporate Governance Code, while the Chairman of the Board of Directors is independent in accordance with the Consolidated Law;
- (iv) respect for gender balance in the composition of the Board of Directors, which is primarily safeguarded by the law and the Articles of Association;
- (v) the commitment of the directors who, in accepting their candidacy, must have carefully considered that they are willing and able to devote sufficient time to diligently perform their duties as directors of ENAV and have ensured the shareholders who nominate them of this availability.

The criteria for appointing the oversight bodies

Pursuant to Article 21 of the Articles of Association, the Shareholders' Meeting appoints the Board of Auditors, which shall be composed of three standing Auditors, amongst which it elects the Chairman, and two alternate auditors. As discussed in detail in the Report on Corporate Governance and Ownership Structure, standing and alternate Auditors shall be appointed by the Shareholders' Meeting based on a slate submitted by the shareholders. The auditors hold office for three financial years, with their term ending on the date of the Shareholders' Meeting convened for the approval of the financial statements for the third year of their term. The members of the Board of Auditors shall be selected from among persons that meet the professionalism and integrity requirements established in applicable laws and regulations. As regards the composition of the Board of Auditors, with reference to the situations of disqualification and the limitations on the number of offices that can be held by the members of the Board of Auditors at any one time, the applicable provisions of law and the regulations shall apply. The composition of the ENAV Board of Auditors must comply with the provisions of the law and regulations regarding gender balance. If during the course of the term, one or more of the standing auditors are no longer available, the alternate auditors will replace them in an order that will ensure compliance with the aforementioned provisions regarding gender balance.

In compliance with the provisions of the regulations and the Articles of Association on gender diversity as well as on the professional requirements of ENAV's auditors, the policy on diversity in the composition of the Board of Directors and the Board of Auditors, published in the "Governance" section of the www.enav.it website, includes guidelines on criteria for ensuring adequate diversity of opinion within the Board of Auditors.

THE SUSTAINABILITY COMMITTEE AND THE OTHER BOARD COMMITTEES

In exercising its prerogatives and responsibilities, the Board of Directors avails itself of the support of committees, set up internally, with powers to both offer proposals and provide advice. Most information on the composition and duties of these committees is provided in the Report on Corporate Governance and Ownership Structure. ENAV's Board of Directors currently seeks the proposals and advice in the course of appropriate information gathering processes, from three Board committees: (i) the Control, Risks and Related Parties Committee, (ii) the Remuneration and Appointments Committee, and (iii) the Sustainability Committee.

Control, Risks and Related Parties Committee

The committee consists of three non-executive directors, the majority of whom are independent, including the Chairman.

Pursuant to its rules, the committee is entrusted with the tasks referred to in Article 7 of the Corporate Governance Code, in addition to those referred to in the Related Party Regulation adopted by Consob with Resolution no. 17221/2010 and the Company's procedure for related-party transactions.

Remuneration and Appointments Committee

The committee is composed of three non-executive directors, the majority of whom are independent, including the Chairman.

Pursuant to its rules, the committee performs information-gathering and proposal-making on behalf of the Directors pursuant to Articles 5 and 6 of the Corporate Governance Code.

Sustainability Committee

The committee consists of three non-executive and independent directors.

The committee is responsible for assisting the CEO, with information-gathering, advisory and proposal-making functions, in areas related to sustainability. Specifically, pursuant to its rules, the committee: (i) oversees the sustainability policies connected with the conduct of business and stakeholder engagement activities; (ii) examines the guidelines for the strategic sustainability plan proposed by the CEO and monitors the progress of the activities and projects contained therein; (iii) promotes the participation of ENAV in relevant sustainability initiatives and events, with a view to bolstering the Company's reputation nationally and internationally; (iv) examines the general layout of the Sustainability Report proposed by the CEO and the organisation of its contents, as well as the completeness and transparency of the information provided through it, issuing a prior opinion to the Board of Directors called to approve it; and (v) expresses, at the request of the Board of Directors or the CEO, opinions on issues relating to sustainability.

4.3 ESG RISK MANAGEMENT AND THE ENTERPRISE RISK MANAGEMENT SYSTEM

The ENAV Group has adopted an Enterprise Risk Management (ERM) system in accordance with the Guidelines of the Internal Control and Risk Management System (ICRMS), for identifying, assessing and monitoring risks, in terms of threats and opportunities, with reference to approximately twenty different areas of a strategic, operational, financial and compliance nature.

ENAV constantly monitors and updates the risks in the ERM in preparation for determining the Group's corporate risk profile and for defining and managing all mitigation actions to contain the level of risks within the risk appetite thresholds approved by the Board of Directors.

The various arrangements (organisational, operational and internal standards and planning) implemented to mitigate risks are accompanied by a constant commitment to spreading the culture of risk and risk-based management throughout the various levels of the Company.

In consideration of the materiality analysis on sustainability issues, the Enterprise Risk Management System identifies and manages non-financial risks related to the following areas:

- social;
- personal;
- environmental;
- climate change;
- governance and compliance;
- human rights.

The main non-financial risks are reported below. The manner in which they are managed will be discussed in more detail in the sections addressing those specific risks.

Risks associated with air navigation services

The Group is constantly committed to guaranteeing the highest level of security in the services it offers by systematic management of safety (flight safety) and security (information security and physical security) and by ensuring a continuous development of innovative technology and infrastructure.

In the provision of air navigation services, ENAV is subject to requirements to ensure safety and security. The international, European and national standards governing safety and security require the Company to establish standards and objectives to mitigate the risk associated with breaches of security and to take measures to restore safety levels.

In view of the foregoing and taking account of the fact that impacts that can be generated by the occurrence of risk events associated with the provision of air navigation services also affect the image and the reputation of the ENAV Group, all the necessary actions for achieving and maintaining the intrinsic level of risk inherent in the nature of the services we provide, in other words the level of risk that cannot be mitigated further through preventive actions, must be considered as a priority.

Furthermore, through its services, which are characterised by the application of the most innovative operating concepts, ENAV aims to meet airlines' needs in terms of flight affordability (punctuality, fuel economy, etc.), cultivating the relationships through its Customer Relationship Management Unit.

Risks associated with personnel

For the ENAV Group, human and organisational capital are one of the key factors for maintaining levels of excellence, in terms of safety, operational capacity and environmental impact, in the provision of regulated and unregulated services, and serve as strategic assets in cementing the Group's status a top performer at international level. The adequacy of human capital is therefore a critical factor to success which is preserved using specific models, processes and tools for assessing and developing personnel that enable the consequent mapping of skills development needs.

In addition to being a must at the operational level under the relevant laws and regulations, compliance with which is regularly verified by external regulatory bodies, the level of knowledge, expertise and technical skills is the subject of continuous improvement programmes and is considered to be key to the planning of the Group's overall growth, including with reference to non-regulated activities and future technological and business challenges.

Workplace health and safety is managed at Group level in compliance with the requirements set out in Legislative Decree 81/2008 as amended, though organisational⁷ and procedural safeguards (e.g. the operational control activities envisioned within the certified SGSSL management systems⁸ of ENAV, Techno Sky and IDS AirNav) that make it possible to adequately manage all the potential risks to which the Group's employees are exposed.

Special emphasis is also placed on measures to ensure the safety of workers operating in countries deemed at risk (travel security). To this end, security and occupational health and safety assessments are carried out for the individual missions, with a focus on the specific risks and health conditions in the relevant country, and specific recommendations are made, subject to evaluation by the person/unit tasked with making decisions about authorising the mission. The planning of each individual mission in non-low-risk countries also includes the development of contingency plans for handling emergencies, as well as any training/information sessions for workers. "Rapid response" services are also guaranteed by specialised external bodies. Travel security is addressed in the commercial guidelines approved in January 2020, which, among other things, set out the principles and rules to help Group companies assess and manage the physical security risks to workers related to the pursuit of commercial activities and business opportunities in foreign countries.

The ENAV Group also manages the risk of union disputes through an organisational unit dedicated to industrial relations. In particular, it employs all the necessary negotiating tools needed to mitigate the possible impacts posed by this risk, including the management of the impacts deriving from any strikes, employing mainly legislative and regulatory tools, as well as coordination with external stakeholders.

Risks associated with environmental protection

The ENAV Group focuses heavily on the issues of environmental impact and compliance with the reference legislation. After defining its Environmental Policy, containing guidelines on environmental issues, the Group began development of its Environmental Management System. Infrastructure owned by the Group undergoes ordinary and extraordinary maintenance and periodic compliance checks. In general, the Group has a system of environmental officers charged with performing employer duties concerning environmental matters as well as officers in charge of managing the waste cycle, who are required to implement any improvement actions identified in the course of the periodic checks of compliance with the provisions of Legislative Decree 152/2006. The Environmental Policy guidelines cover the consolidation of the benefits of reducing the CO₂ emitted

⁷ A unified Group structure for HSE issues was established.

⁸ Compliant with BS OHSAS 18001:2007

into the atmosphere by carriers by using the Flight Efficiency Plan (FEP), the use of green procurement processes by applying minimum environmental criteria in its procurement policies, the rational use of energy and in particular renewables, and the dissemination of the culture of environmental protection among its employees through awareness-raising and staff training projects.

Risks associated with climate change

The potential effects of climate change on the ENAV Group's business are significant in the long term. Currently ENAV, like other European Air Navigation Service Providers, is engaged in information gathering and analysis in order to monitor this emerging risk. Although the impact of climate change cannot be directly estimated in the short term, ENAV plays an active role in reducing fuel consumption and consequently in minimising the environmental impact of airspace users by designing increasingly efficient routes.

Risks associated with governance and compliance issues

The current national and international regulatory landscape offers a particularly complex picture accompanied by a constant and rapid increase in regulation, requiring investments in resources and processes in order to monitor relevant issues. This context envisages a series of obligations and requirements for the directors and managers of companies, including those deriving from Legislative Decree 231/2001 on corporate administrative liability, Regulation (EU) 2017/373 laying down common requirements for providers of air traffic management/air navigation services, Regulation (EU) 2015/340 laying down technical requirements and administrative procedures relating to air traffic controllers' licences and certificates, Legislative Decree 81/2008 on workplace health and safety, Law 262/2005 on the protection of savings and the regulation of financial markets, Legislative Decree 152/2006 on environmental protection, Regulation (EU) 2016/679 on data protection, Legislative Decree 254/2016 on the disclosure of non-financial information, the regulations governing market abuse introduced with Legislative Decree 107/2018 amending the Consolidated Law (Legislative Decree 58/1998), Legislative Decree 105/2019 concerning national cyber security, Legislative Decree 50/2016 on public contracts for works, supplies and services, with regard to the adoption and implementation of an anti-bribery management system.

ENAV constantly monitors developments in the regulatory framework in order to ensure timely and effective compliance with the legislative and regulatory framework, adopting best practices in this field and adjusting responsibilities, processes and organisational, governance and control systems as necessary. To this end the Group maintains a collaborative dialogue with national and European institutions and with the governing and regulatory bodies of the sector.

Moreover the Board of Directors approved the "Code of Conduct for the prevention of corruption" (the Anti-Corruption Code). The implementation of this Code is obligatory for all the companies of the Group and is part of a structured internal body of law consisting of policies, procedures, guidelines and regulations that govern the individual reference areas in more detail and to which internal personnel must comply.

Risks associated with safeguarding human rights

Given the nature of the activities carried out by the Group, there are no particularly significant risks relating to human rights violations, as defined in the United Nations' Universal Declaration of Human Rights of 1948. However, there are other risks which fall within the broader definition of human rights and are typically inherent in business activity (managed according to regulatory requirements or dedicated initiatives). Such risks may concern discrimination in the workplace (addressed under the initiatives of the Equal Opportunities Committee) and the violation of the right to privacy and worker safety of the worker. However, much attention is paid to compliance with social criteria in the supply

chain and in commercial operations, in consideration of the international activities in which the Group is engaged.

Risks associated with COVID-19

Although the event did not concern 2019, it is appropriate to include a reference to the emergence of the coronavirus pandemic (COVID-19) in the early months of 2020.

The spread of the outbreak across the world is producing an ever-changing environment for air traffic, which beginning in February and, mainly, March 2020 has led to the suspension of flights by numerous airlines in almost every part of the globe.

Faced with this scenario, the reduction in air traffic could lead to a contraction in the volumes of traffic handled during the year. Any assessment of the impact of this in terms of revenues is still premature, and it will be necessary to wait for developments in the international situation, which is still very uncertain.

With regard to the impact on the health and safety of all ENAV Group personnel, the measures recommended by the competent bodies (the Ministry of Health and the National Institute of Health) have been adopted, including flexible working and the adoption of minimum spacing measures.

These measures were also implemented to ensure the continuity of air traffic control services in the ACCs and those control towers still operating.

The control towers managed by ENAV are key operational structures in managing the flights, mainly cargo, necessary to quickly move supplies and medical personnel, machinery and medical devices needed to help the public in dealing with this emergency.

4.4 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The “Guidelines of the internal control and risk management system” (ICRMS) of ENAV and of the Group’s subsidiary companies set out the reference principles, the implementation criteria, the roles and the responsibilities as regards the ICRMS.

Specifically, ENAV’s ICRMS comprises a set of tools, organisational structures, standards and corporate rules designed to allow the identification, measurement, management and monitoring of the main risks and a framework for adequate reporting flows designed to guarantee the circulation of information. The ICRMS helps to ensure that the corporate objectives are achieved in terms of:

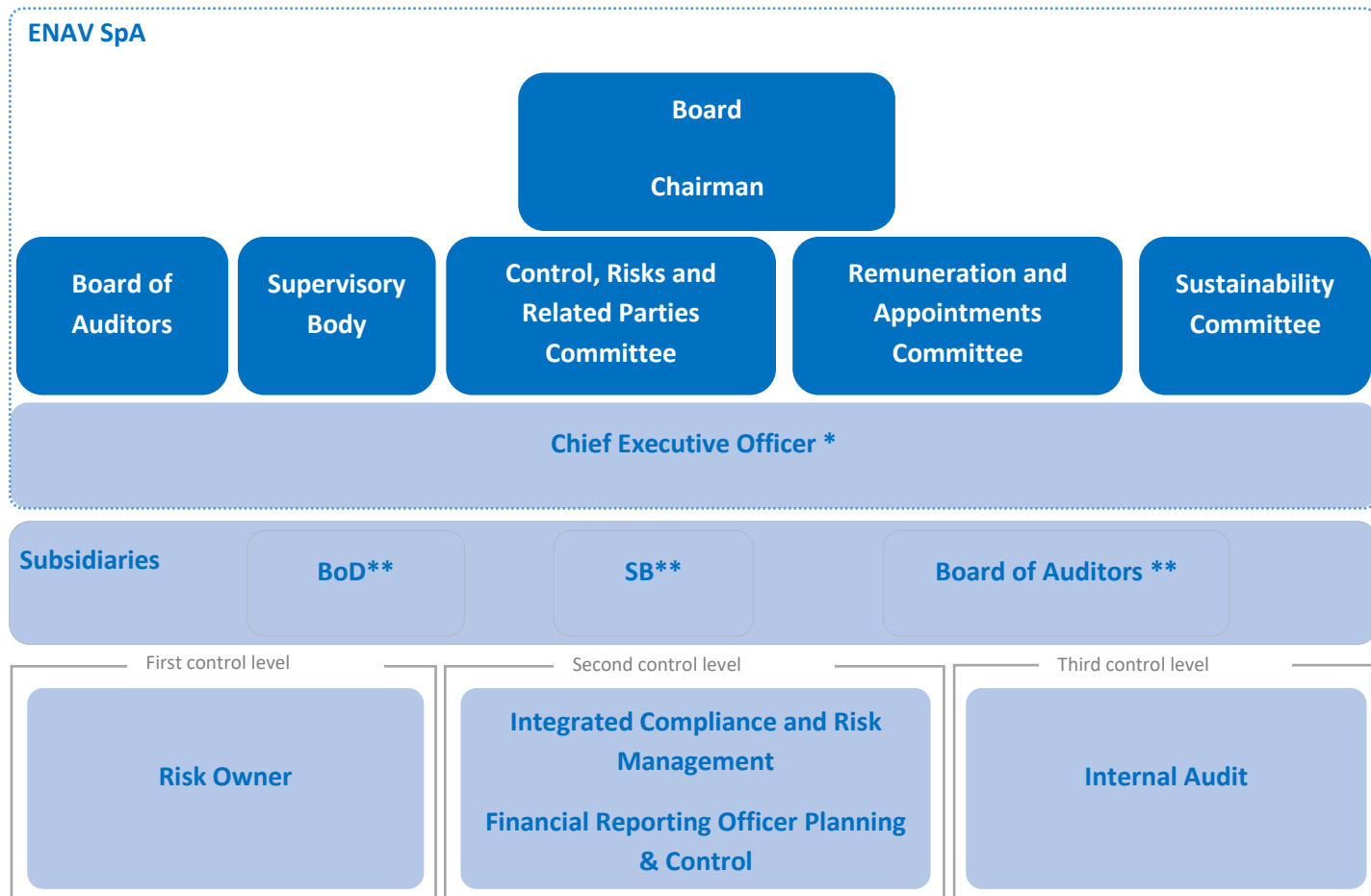
- ✓ preserving corporate assets;
- ✓ implementing effective and efficient corporate processes;
- ✓ ensuring the reliability of financial reporting;
- ✓ complying with the law, regulations, the Articles of Association and internal Company rules.

The ICRMS, which reflects the recommendations of the Corporate Governance Code and takes account of national and international best practice, is divided into three separate levels of internal control:

“first level” or “line controls” (risk ownership)	The set of control activities carried out by risk owners that the individual organisational units of the Group perform for their own processes in order to ensure that operations are conducted correctly. These control activities are carried out under the primary responsibility of management and they are considered an integral part of every corporate process. The heads of the individual organisational units therefore have primary responsibility for the internal control and risk management process. In the course of their daily operations, these heads are required to identify, measure, evaluate, manage, monitor and report the risks arising from ordinary business operations in accordance with applicable law, regulations and internal procedures.
“second level” controls	These are entrusted to units or functions specifically responsible for these duties (such as Integrated Compliance and Risk Management, Planning and Control, the Financial Reporting Officer) which are hierarchically and functionally independent of the “first level” organisational units, with specific control duties and responsibilities for different areas/types of risk. The heads of the individual units monitor the corporate risks pertaining to their specific areas, propose guidelines for the associated control systems, verify their adequacy in order to ensure the efficiency and effectiveness of risk control and management operations and support the integration of the risks related to their specific areas of responsibility. They monitor the business risks of specific relevance, propose guidelines on the relative control systems and verify their adequacy in order to ensure efficiency and effectiveness of the control and risk management operations and support the integration of risks related to specific areas of competence
“third level” controls	These are performed by the Internal Audit unit, which provides independent and objective assurance on the adequacy and actual operation of the first and second level controls and the ICRMS in general. Internal Audit is therefore responsible for verifying the structure and operation of the overall

ICRMS, including through monitoring the line controls and second-level controls, for ENAV and the Group as a whole.

The following chart gives an overview of the players of the SCIGR of the ENAV Group, with evidence of the governance model and the architecture based on the three levels of control.



* Also in the CEO's capacity as director responsible for the ICRMS

** Where applicable

4.5 INTERNAL AUDIT

Internal Audit (which functions pursuant to a mandate approved by the Board of Directors) shall have access to all information required for the performance of its duties and shall prepare periodic reports containing adequate information on its activities, the procedures through which risks are managed and compliance with plans for containing them. The periodic reports will contain an assessment of the appropriateness of the SCIGR, with regard to the audit activities established in the audit plan and any additional verifications that are requested.

Internal Audit is not responsible for any operational area and reports to the Board of Directors (through the coordination of the Chairman of the Board of Directors). It shall prepare timely reports on events of particular significance, transmitting its periodic reports and those on particularly significant events to the Chairmen of the Board of Auditors, the Risk and Related Parties Control Committee, the Board of Directors, the Director in charge of the Internal Control and Risk Management System (SCIGR), and to the Financial Reporting Manager to the degree in which the matter involves his/her responsibility. Moreover, the audit plan will be used to verify the reliability of the Company's information systems, including its accounting systems.

The Internal Audit Officer, who is also an internal member of the Supervisory Body, is responsible, among other things, for verifying that the internal control and risk management system is functioning and adequate; in particular:

- (i) verifying, on an ongoing basis and in relation to specific needs and in compliance with international standards, the operations and appropriateness of the ICRMS, through the audit plan and by conducting specific, unscheduled audits;
- (ii) preparing, at least annually, an audit plan, based on a structured process of analysis and identification of the priorities inherent in the main risks, to be submitted for the approval of the Board of Directors;
- (iii) conducting specific verifications, where deemed appropriate or at the request of the Board of Directors, the Control, Risks and Related Parties Committee, the Director in Charge or the Board of Auditors.

The Internal Audit Officer also ensures that the Group has adequate safeguards in place to prevent corruption and combat fraud, including monitoring reports that arrive through the whistleblowing system and verify the facts reports.

With the entry into force of the General Data Protection Regulation (Regulation (EU) 2016/679), the Internal Audit Officer was made the Data Protection Officer (DPO) for the ENAV Group.

4.6 BUSINESS MANAGEMENT SYSTEM

Starting from the first quality certification obtained in 2007, the scope of the Group's Management Systems has gradually increased over time, now covering almost all of its business processes. In parallel, the description of the procedures became more detailed and in-depth, providing precise descriptions of the dynamics among the various organisational roles within the individual organisational units, envisioning new controls.

The expansion in the number of business processes handled within management systems and their integration makes it possible to view the set of procedures adopted by the ENAV Group as an actual Business Management System, understood as a uniform system of rules and procedures for regulating and guaranteeing the proper performance of the Group's business activities.

The Group management systems

Below is a list of the management systems adopted by the Group:

- ENAV Quality Management System (196 documents, including procedures, guidelines and operating instructions);
- ENAV Security Management System (37 documents, including procedures, guidelines and operating instructions);
- ENAV Safety Management System (18 documents, including procedures and guidelines);
- ENAV Occupational Health and Safety Management System (14 documents, including procedures, guidelines and operating instructions);
- Techno Sky Quality Management System (125 documents, including procedures, guidelines and operating instructions);
- Techno Sky Occupational Health and Safety Management System (14 documents, including procedures, guidelines and operating instructions);
- ENAV Asia Pacific Quality Management System (3 procedures).

Group Certifications

Over the years, ENAV Group companies have obtained numerous certifications in various business areas. Specifically:

- ISO 9001:2015 certification for the ENAV Quality Management System issued by an accredited certification body;
- ISO 9001:2015 certification for the Techno Sky Quality Management System issued by an accredited certification body;
- OHSAS 18001:2007 certification for the ENAV Occupational Health and Safety Management System issued by an accredited certification body;
- OHSAS 18001:2007 certification for the Techno Sky Occupational Health and Safety Management System issued by an accredited certification body;
- ISO/IEC 27001:2014 certification for the ENAV Safety Management System, issued by an accredited certification body for the part relating to information security;
- Certification of ENAV as a provider of air traffic management services and air navigation services ("Service Provider" certification), issued by ENAC pursuant to Regulation (EU) No. 373/2017 for ATS, ATFM, ASM, AIS, MET, CNS services);
- Certification of ENAV as a training organisation for air traffic controllers, issued by ENAC pursuant to Commission Regulation (EU) 2015/340;

- Certification of ENAV as a training organisation for flight information service operators, issued by ENAC under ENAC Regulation 'Flight Information Service Operator License' (FIS);
- Certification of ENAV as a training organisation for personnel providing meteorological services for air navigation, issued by ENAC under ENAC Regulation 'Requirements for personnel in the provision of meteorological services for air navigation';
- Certification of ENAV as an organisation for the planning of instrumental flight procedures, issued by ENAC under ENAC Regulation 'Instrumental Flight Procedures';
- Certification in Capability Maturity Model Integration for Development (CMMI-DEV) for Techno Sky for the development of products and services (maturity level 2 in software development);
- AQAP 2110/160 certification for Techno Sky's Quality Management System, issued by the Ministry of Defence;
- Certificate of Conformity with Regulation (EU) 2015/2067 (F-GAS) for the installation, maintenance, or repair of fixed equipment for refrigeration, air-conditioning and heat pumps containing fluorinated gases with greenhouse effects awarded to Techno Sky;
- Accreditation of Techno Sky's LAT Centre No. 15 as calibration laboratory pursuant to the international standard UNI CEI EN ISO/IEC 17025:2018, issued by Accredia.

Regulatory compliance

The complex governance structure that the ENAV Group has developed over the years involves a considerable amount of effort in terms of organisation and compliance with each of the provisions introduced. This effort is rewarded with the lack of legal actions⁹ against the Group regarding anti-trust and competition matters, as well as the absence of substantial monetary and non-monetary sanctions for legislative and regulatory violations concerning economic, social and environmental matters. The Group decided not to equip itself with a dedicated centralised compliance department. Therefore, the individual organisational units, as first or second reporting departments to the Chief Executive Officer, are directly responsible and organise themselves internally to ensure regulatory compliance, regarded by the Group as being an essential element of its business.

⁹ At least since the sustainability document has been prepared, i.e. at least the last three years.

5. COMMUNITY

The ENAV Group's focus in terms of the community is above all on the core business and on care in guaranteeing maximum safety and on-time performance for the millions of passengers that fly in Italian airspace.

As well as guaranteeing the safety of flights, ENAV is also Europe's leader for punctuality among the main ANSPs¹⁰ (0.021 minutes of ATFM delay allocated en route) and this contributes not only to fuel savings and consequently lower emissions for airlines but also to reducing waiting times for passenger embarkation.

But ENAV's community has expanded: although our direct customers are the airlines, indirectly our customers are all the passengers, the airports, the companies that manage the air transport supply chain and, since 2016, also the private shareholders who have become part of the stakeholders by virtue of the Company's stock market listing.

The community to which ENAV refers is therefore particularly heterogeneous, and the activities developed for the benefit of it, despite having safety as its fulcrum, are delivered through various initiatives that are described in the following sections.

¹⁰ The main ANSPs in Europe are: Germany, France, the United Kingdom, Spain and Italy.

5.1 SAFETY

Safety processes are mainly intended to prevent air safety incidents and accidents, especially those involving the direct/indirect contribution of ATMs, by correcting and controlling the conditions leading up to unwanted events and by reducing the risk factors so as to achieve and maintain an acceptable level of risk exposure.

ENAV considers the operational safety level of air traffic control and air navigation services an essential priority. In pursuing its institutional objectives, it reconciles the interdependencies of the different performance areas with the achievement of the paramount objectives of safety.

Safety Policy

The Safety Policy is the most explicit and clearest demonstration of how ENAV defines the priorities of its core business.

More specifically, the Safety Policy sets out how ENAV expects all of its personnel, especially its management, to implement transparent and responsible actions with regard to safety.

The Policy is a formal statement in which the Company ensures a clear definition of the responsibilities of safety together with making sure that the personnel involved in carrying out safety-related activities have the necessary skills, the required training and a full awareness of their role.

Just Culture Policy

The Just Culture Policy is a further evidence of the priority the Group places on safety. This policy states that human resources are fundamental to ensure the safe management of air traffic and that its skills are the best answer to unforeseen and unforeseeable situations. For this reason, ENAV accepts that an honest error, even when associated with an unintended consequence, should not be sanctioned if connected to human fallibility or when committed honestly.

The policy also states that failure to report an event that jeopardises or may jeopardise safety is unacceptable, and wilful violations and gross negligence that lower the level of safety and/or increase the level of risk will not be tolerated and will be punished.

The active participation of personnel is a critical factor in the successful and effective implementation of the Safety Management System. As a result, ENAV fosters a climate of trust and of information sharing and encourages the reporting of facts and information that are useful in preventing aeronautical incidents and accidents.

In this context, the Just Culture Policy is a fundamental and enabling element of the occurrence reporting system, implemented pursuant to international standards and current regulations, adopting the “no blame” approach.¹¹

¹¹ The “no blame” approach is the non-punitive approach associated with the Just Culture Policy adopted in accordance with Regulation (EU) No. 376/2014. It refers to the manner in which the organisation manages mistakes and sanctions. In contrast to the “blame culture,” the “no blame” approach and the adoption of the principles of the Just Culture Policy support the reporting culture by opting not to punish honest mistakes and by elevating the analysis of individual behaviours to an analysis of systemic and/or organisational fallibility, therefore restricting the scope of sanctionable acts to cases of unacceptable behaviour (i.e. acts that are intentional, malicious and illegal that aim to reduce the level of safety).

Safety management system

ENAV has its own Safety Management Manual (SMM) which complies with all the requirements contained in Commission Implementing Regulation (EU) No. 373/2017.

The Safety Management System comprises the following main elements:

- *policy and objectives;*
- *safety risk management processes;*
- *safety assurance processes;*
- *safety promotion processes.*

2019

46,029 HOURS OF OPERATING UNIT TRAINING¹²

62,518 HOURS OF CONTINUATION TRAINING¹³

Continuous safety monitoring

The essential activities of the Safety Management System include safety monitoring which, by using measuring specific indicators makes it possible to have updated information on safety status and to promptly identify any measures that can be needed to ensure that an acceptable level of safety is maintained.

In accordance with the provisions of Regulation no. 390/2013 and in the subsequent Decisions No. 132 of 2014 and No. 347 of 2015, a number of binding targets have been set for the essential sector of Safety.

1. Effectiveness of Safety Management (EoSM): a measurement of the level of effectiveness of ENAV's Safety Management System. The EoSM assessment process is based on the EUROCONTROL Safety Framework Maturity Survey (SFMS) and assesses the level of implementation and of maturity of five Management Objectives.
2. Level of application of the Risk Analysis Tool (RAT): a measurement of the percentage of RAT Application (namely the percentage of application of the EUROCONTROL Risk Analysis Tool for classifying the severity of the main safety-related events in relation to the ATM contribution), for the analysis of the following events reported in accordance with Regulation No 376/2014:
 - a. Separation Minima Infringement - SMI;
 - b. Runway Incursion - RIN;
 - c. technical events that lead to a deterioration and/or interruption of a service and/or of a function that is instrumental for air traffic management (ATM Specific Occurrence – ASO).
3. Level of presence/absence of Just Culture principles.

¹² The training of operational units refers to the fact that in order to exercise the privileges of his or her license in a specific territorial structure, each Air Traffic Controller must train and reach a minimum level of theoretical and practical knowledge sufficient to operate independently in the operational position for which he or she is trained.

¹³ The activities refer to refresher training aimed at maintaining the skills of all Air Traffic Controllers employed in operational positions and the FISO (Flight Information Service Officers) employed in the AFIU (Airdrome Flight information Unit) or in the FIC (Flight Information Center) of the ACC (Air Control Center).

The performance of these indicators is monitored annually: internally by the Safety office and externally by ENAC (which as the National Supervisory Authority is also responsible for data verification) and by the European Commission which, through the Performance Review Body (PRB), ensures the overall assessment of the Performance Plan and also, therefore, of Safety Performance.

The state of safety within the various organisational units is verified further by means of internal and external audits.

The main safety activities

The number of company activities and projects related to safety is of undoubted importance. This is also due to the fact that the activities aimed at improving services, i.e. those regarding environmental sustainability and improving ENAV's economic efficiency (respectively addressed in the essential performance areas of Capacity, the Environment and Cost-Efficiency) are closely related to the essential performance area of safety. It is now established practice that investment programs that intend to make the most of technological innovations, the modernisation of the ATM/CNS and MET infrastructures, the review of the selection, recruitment, use and verification processes of personnel, as well as changes in organisational and production processes, must take into account the aspects and, above all, the pre-eminent objectives of safety.

In order to provide some quantitative and qualitative evidence, we would like to note that in relation to plans, modifications and/or activities related to the supply of air navigation services deriving from the Business Plan, from the European Convergence Plan (LSSIP), from the need to maintain and modernise the technological infrastructures (rather than from the reorganisation of the delivery methods for operational services and the optimisation of configurations and layouts), in 2019, in accordance with the SMS_P07 procedure 'Safety assessment of changes to the ATM/ANS functional system and to the training activities' of the Safety Management System, a total of 1,230 safety assessments of changes to the ATM/ANS system were performed, each of which supported and characterised the main changes in how air traffic is managed. More specifically:

Type	Operations	Technology	Other	Total	Change 2019 - 2018
					%
Modifications	453	6	4	463	-15.12%
Minor simplified changes	749	5	3	757	14.66%
Minor changes	10	0	0	10	-190.00%
Major changes	0	0	0	0	0.00%
Total	1,212	11	7	1,230	1.71%

Three Safety Moments for the Group's managers were also organised for the purpose of providing information about and addressing safety issues to expand and promote the safety culture, knowledge of the corporate Safety Management System and full awareness of the lessons learned from shared experiences.

5.2 TECHNICAL OPERATIONAL TRAINING AND THE ROLE OF THE TRAINING CENTRE

In order to keep the quality standards of the service at the highest level, ENAV cannot but view investment in training as a priority. As the only company in Italy authorised to select, train and update the various professional profiles operating in civilian air traffic management (air traffic controllers, FIS personnel, meteorologists and flight inspection pilots), over the years ENAV has been able to put operational training more and more at the centre of its strategic choices, reaching the highest levels among the international service providers for quantity and quality of service provided.

The Training Centre is a national and international centre of excellence for training in air traffic management. Its mission is to design and implement learning solutions for the development of technical and managerial skills for air traffic management. It is located in Forlì in the heart of an aeronautical community that includes the University of Bologna (Aerospace and Mechanical Engineering Degree Programmes), the Aviation High School “Francesco Baracca”, and other flight schools and training institutes for aviation maintenance technicians.

The Training Centre offers its participants an environment dedicated to learning, with classrooms that seat up to 30 students, simulators and support services. The following simulators are used for training activities:

- ✓ 1 radar simulator (24 work stations in 12 suites);
- ✓ 5 3D 270° tower simulators;
- ✓ 1 CRJ flight simulator;
- ✓ 1 laboratory for rapid prototyping and scenario validation;
- ✓ 1 meteorology operations room simulator for observatories;
- ✓ 4 part-task trainer work stations.

Internal training of technical and operational personnel

The geometrical figure of reference for an air traffic controller is a parallelepiped. It is inside that space that every airplane in flight must move without ever trespassing another aircraft's space: 1,000 feet on the vertical plane (about 330 metres) and 5 miles on the horizontal plane (about 9 km). It is inside that space that air traffic controllers, seated in front of a monitor full of glowing symbols, demonstrate their ability and their capacity to make sure that the pilots, with whom they are in radio contact, comply with their instructions.

Being an air traffic controller is not a job like any other: it requires taking on great responsibility, the ability to manage stress and a strong teamwork ethic. It is a job that springs from a great passion and for which only the best are chosen.

For these reasons, special focus is placed on developing skills through classroom and on-the-job training, factors that play a decisive role in achieving the objectives and in performing the delicate role that the Company is called to play.

Therefore, the preparation of air traffic controllers by the ENAV Operational & Technical Training unit is essential. The Centre's mission is to oversee the training needed for Company and Group staff, as well as those of external customers, to enable them to provide air navigation services. The Centre adapts its training courses to the educational standards of sector, national and international regulations, especially those relating to the Single European Sky. Because of this, the Training

Centre must design its certificate and non-certificate training programmes to meet certain general requirements, in order to make it of the highest level of quality. ENAV therefore defines specific targets to achieve in developing its training, such as:

- to clearly define the general goals and specific objectives that the training aims to achieve
- to break down the objectives of skills development in terms of knowledge, ability and behaviour
- to define the process conditions and the teaching methods necessary to conduct the training and the system of verification of the objectives.

Each training programme must therefore always provide information on the structure and duration of the training, the methods of delivery, the characteristics and needs of the target population, the teaching objectives and the applicable reference legislation.

Over the year, ab initio training involved the delivery of four Basic APP/ADI/ADIRAD training courses and two ACS courses, characterised by their length and the large number of hours per trainee, which meant a 58% increase in ab initio training hours provided in 2019 compared with 2018. In 2019, the verification and realignment of the existing skills of 52 FISOs (Flight Information Service Officers) was carried out at the Training Centre, most of whom required additional training in meteorological skills. This.

Initial training, characterised by stability in the delivery of long programmes with a stable design over time, therefore gained ground on continuation training, which characterised by short durations, small numbers of participants and the ever-present necessity to design and redesign it to ensure that it fully meets present needs.

During the year, the training provided by the ENAV Training Centre covered various environments, managed by the following structures:

- **En Route Training:** guarantees the process of designing and delivering training for operational personnel involved in providing route and approach services;
- **Airport Training:** guarantees the process of designing and delivering training for operational personnel involved in providing airport services;
- **ATSEP Training:** guarantees the process of designing and delivering training for ATSEP involved in the functioning, maintenance and installation of communications, navigation, surveillance and air traffic control systems;
- **Human Factor Training:** oversees the processes of designing and delivering human factor training and ensures that human factor principles are integrated in operational technical and training processes to improve performance and awareness of safety among line staff.

In 2019, an ASSESSOR/OJTI Refresh programme was provided, renewed in accordance with Regulation 340/2015, which incorporated the human factor dimension into the days of activities intended for on-site operational instructors. In 2019, other courses provided training in Abnormal and Emergency Situations (ABES) in most of the airports (carried out by the OJTI Training Centre staff, as provided for by Regulation 340/2015.

The training programmes are for:

- operational personnel, to obtain their first qualification (e.g. Ab Initio APP Course);
- operational personnel, to obtain a new qualification (e.g. ACS Course);
- operational personnel, to update their operational skills (e.g. APS Refresh);
- non-operational personnel, to familiarise them with ATC issues (e.g. ATC Seminar);
- operational and non-operational personnel, to develop their methodological skills (e.g. MeDid Course).

The rules for managing the training services are included in the Training Centre's Training Rules, a document that sets out the basic principles and guidelines for planning and managing all the training activities carried out. The Rules highlight on the one hand the aspects of the training process that help to provide useful and necessary indications to everyone concerned so that they can operate effectively; on the other hand, they identify the elements that help to define the roles involved in the training process, in the belief that people and the way they pursue the targets assigned to them can make a difference to the quality of the training provided. In accordance with the indications of ICAO Trainair – of which the Training Centre is a member – the Training Centre has prepared a Training and Procedures Manual with the aim of providing a single document that makes orientation within the relevant documentation possible through a single access point that allows the information and procedures necessary for training to be identified clearly and in detail.

The activities are characterised by a constant commitment to ensuring high quality in the training provided, as well as by compliance with the relevant national and international legislation. The activities carried out are attributable to the following areas:

- **Ab initio training:** plans and manages the provision of the basic ANS training courses for operational personnel;
- **Advanced training:** plans and manages the provision of advanced ANS training courses for operational personnel;
- **Continuation training:** guarantees the professional updating of tutors, instructors and evaluators. Provides support for the local structures to align on-the-job training activities (UTP) with the programmes and courses provided by the Training Centre. Coordinates the verification of proficiency in English for aviation;
- **External projects:** arranges, in collaboration with the Strategic Marketing structure, the training programme projects for third parties, contributing to the needs analysis and planning of courses, guaranteeing that they are carried out;
- **Human Factor:** arranges the integration and standardisation of the human factor principles relating to non-technical skills in the training processes (Training Plan and UTP);

ENAV also occasionally calls on the services of young people to help out with the basic and continuing advanced training courses, serving as “pseudo pilots”: they pretend to be pilots in simulations. They are mainly students who ENAV hires on fixed-term contracts, the duration of which varies on a case-by-case basis. In 2019 there were 105 pseudo pilots, while in 2018 and 2017 there were 126 and 102, respectively.

Techno Sky also provides technical operational training through specific course for air traffic safety engineering personnel (ATSEP) involved in the functioning, maintenance and installation of

communications, navigation, surveillance and air traffic control systems. More specifically, in 2019 Techno Sky carried out the following training activities:

- ATSEP Qualification Training, to understand the various domains in the CNS/ATM environment;
- ATSEP Type Rating Training, to develop the skills needed to operate the CNS/ATM systems used by ENAV for air traffic control;
- ATSEP Continuation Training, Conversion Training, Refresher Training e Emergency Training, to maintain the professional skills of ATSEP;
- ATSEP Developmental Training, for the technical development of ATSEP.

In addition, during the year Techno Sky conducted a technical training course for technical and engineering staff in order to develop the skills of those working in Operations and Technology areas.

2019 ENAV GROUP

92,313 HOURS OF TECHNICAL-OPERATIONAL TRAINING (OF WHICH 508 HOURS OF E-LEARNING)

Third-party training

The training provided by the Operational and Technical Training unit is for professional positions closely related to air traffic control and for people working in various areas of the aeronautical sector, who require special training courses in flight navigation (e.g. airlines, airport operators, air traffic management services, aeronautical industries and government bodies in the air transport sector).

Thanks to its ability to develop scenarios and operational specifications that are adaptable according to the objectives of the courses, even building airport scenarios and personalised service areas, the ENAV Operational and Technical Training unit can also tailor training courses to the customer's specific logistical and organisational needs.

In developing training programmes for third parties, the unit has the same objectives of excellence that characterise internal training for Group staff, with the addition of the great care taken in handling the relationship with the customer. For each training activity there are defined:

- the general goals and specific objectives that the training aims to achieve
- the objectives of skills development in terms of knowledge, ability and behaviour
- the process conditions and the teaching methods necessary to conduct the training and the system of verification of the objectives.

During the year the unit developed special training programmes for ANSPs to train their operational staff, for aeronautical technical institutes (including "Fabio Besta" in Ragusa), to familiarise them with ATCs and specialists in the design of air spaces. The training programmes are designed to respond to a wide range of needs, such as:

- ✓ ATC Training (ADI TWR APS ACS, TCL): training for obtaining or refreshing Air Traffic Control qualifications;

- ✓ OJTI training: training for obtaining OJTI (On The Job Training) specialisation;
- ✓ Operational Supervisor's Course: Training course for personnel selected to carry out the activities of the Control Room Supervisor;
- ✓ FISO/TM1 Course: training for obtaining an FIS (Flight Information Services) Operator licence and a TM1 (Meteorological Technician) qualification;
- ✓ Course for FISO-TM-MA Instructors: training for obtaining a specialisation as Instructors for FISOs, Aeronautical Meteorologists and Meteorological Technicians;
- ✓ ATM seminars (ITAER students): familiarisation with ATM and meteorological topics for students of technical institutes studying Transport and Logistics (formerly ITAER);
- ✓ Apron management: training on apron management for personnel of the airport operators;
- ✓ Meteo: training on meteorological observation and/or forecasting techniques.

In 2019 activities also continued with customers who use the Centre's simulation environments as a way of developing managerial skills: within the tower, radar and flight simulators provide interactive experiences to improve the ability to communicate, to manage stress, and to work in groups.

2019 ENAV GROUP

MORE THAN 19,000 HOURS OF EXTERNAL TRAINING

The role of the Academy for the Aeronautical Technological Centre and for the local community

The ENAV Academy collaborates with local institutions, particularly with those engaged in the training system: the Aviation High School “Francesco Baracca”, the Faculty of Engineering of the University of Bologna and ISAERS (a consortium company which promotes and develops training and research activities in aeronautics and aerospace within the Aerospace Technological Centre of Forlì).

The Academy's presence in Forlì has had a significant impact on local development over the years, such as:

- improvement in education levels owing to the presence of new training opportunities
- cooperation with local businesses and support for innovation processes
- contribution to the development of the Aerospace Technological Centre, which has had a positive effect in making the area more attractive
- greater visibility of the territory in the media.

In addition, during the 2018/2019 academic year, Academy staff continued to teach courses on air traffic control at the University of Bologna.

Lastly, it should be noted that ENAV Academy's effect on the Forlì area does not end with its relationship to education. In the context of relations with institutional stakeholders, the Academy cooperates with businesses such as Unindustria and the Fondazione Cassa dei Risparmi of Forlì.

5.3 THE FLIGHT INSPECTION AND VALIDATION SERVICE TO INCREASE SAFETY IN FLIGHT

In line with the objective of putting airlines in the condition of flying in compliance with the highest levels of safety, ENAV, through its own fleet of aircraft, carries out a detailed check of the quality and accuracy of radio-electric radio aid signals both at a national and international level (Radar, VOR - VHF Omnidirectional Radio Range, DME - Distance Measuring Equipment, VDF - VHF Direction Finder, ILS - Instrument Landing System, GNSS - Global Navigation Satellite System, etc.). It also validates flight instrument procedures, thus providing pilots with the assurance of having safe and efficient navigation thanks to ENAV's Flight Inspection and Validation Service.

The mission of the Flight Inspection and Validation unit is to ensure the maximum reliability of air navigation aids and enable carriers to operate safely and efficiently.

General objectives:

- ✓ *to fulfil the obligations of diligence and the guarantees imposed by international, European and national regulations to safeguard the goods and interests of primary rank involved in the provision of air navigation services;*
- ✓ *to protect personnel, infrastructures, and technological systems from acts of illicit interference and actions or events, whether or not deliberate, that may interfere with the availability and integrity of information.*

The control activity is carried out by 14 pilots and 7 technicians on board (FIO) through a fleet of 4 Piaggio Aero P180 Avanti II aircraft owned by ENAV. The crew is usually composed of 2 pilots and 1 FIO, averaging about 1,800 flight hours per year. These specially equipped aircraft can perform in-flight checks without the need for ground-based apparatus, obtaining results in real time and always as per international norms.

ENAV's Flight Inspection and Validation Service is also involved in research: the aircraft in the fleet are used as technologically innovative laboratories where tests are carried out on the experimentation and validation of new ATM projects.

The high level of performance achieved by the Flight Inspection and Validation Service is also evidenced by the fact that in 2019, about half of the flight activity produced was sold to external customers, of which almost 80% were foreign.

**ABOUT 1,800 FLIGHT HOURS IN 2019
THE AVERAGE RESPONSE TIME FOR SPECIAL INTERVENTIONS WAS 24 HOURS**

5.4 SECURITY

In order to ensure the security and regularity of the provision of air traffic management and air navigation services, ENAV is fully aware of the fact that the protection of personnel, infrastructure and the security of the information it receives, produces, uses and transfers is a crucial and essential element in protecting the community which directly and indirectly makes use of its services and one that contributes to defending public safety and the security of civilian aviation.

There is a strong interdependence between the concepts of safety and security relating to the risk of an aeronautical accident and aspects of continuity.

In the traditional conceptual model, safety deals with the measures to be taken to mitigate the risk of an aeronautical accident due to unintentional acts while security deals with the measures to be taken to mitigate the risk of an aeronautical accident due to intentional acts.

This model is progressively evolving with the recognition that user's unintentional negligence, imprudence (such as an involuntary failure to implement a precautionary security measure) or inexperience (incorrect configuration of systems, a deficiency in the security measures) are elements that fall under Security, as they can result in vulnerabilities in the ATM system that can be exploited by third parties, generating a potential impact on safety.

ENAV has a primary commitment to protect people, by means of policies that ensure that its security objectives include safeguarding the human rights that can be affected by the Group's activities, principally with regard to protecting lives, safety, principles of freedom, both in working relationships and in relationships with customers, contractors and institutions, in Italy and in countries where the Group is extending its activities.

Security Policy

The Security Policy expresses ENAV's commitment to ensuring the security of its facilities, personnel and systems, including the data and information contained therein, to prevent any undue interference in the provision of air navigation services, and, in general, the unavailability or compromised integrity or confidentiality of corporate information, also in the interest of the financial community.

Security Management System

For the purpose of guaranteeing the highest level of security possible in its corporate processes, ENAV has developed its own Security Management System, with the information security part being certified in accordance with UNI EN ISO 27001:2014. The system consists of technical and organisational measures implemented in order to increase the overall ability to prevent and mitigate the negative effects of unlawful interference in the provision of air navigation services. The system also aims at protecting ENAV's employees and information assets, with direct effects on ENAV's institutional activity. The system manages the entire security life cycle and its defining point is in the activities of the Security Operation Centre, which serves as the operating engine of the processes of prevention, detection, containment, response and recovery assistance in the event of a security threat.

ENAV participates in setting the national cyber security strategy and the protection framework of national security and defence interests, in its capacity as critical infrastructure and provider of essential services.

The Security Management System is fully integrated into the Enterprise Risk Management system, enabling a holistic and proactive approach to overall risk management.

A brief description of the main processes that make up the security management system is provided below.

- **Risk Management**

The process is aimed at identifying the risks associated with possible situations that may threaten ENAV's security and, specifically, the security of ENAV's equipment, personnel and the information that it receives, produces or uses. This process also plans and implements the security

countermeasures needed to reduce these risks to levels deemed acceptable by ENAV. Risk management is expressly extended to staff working abroad.

- **Information Classification**

The purpose of the information classification process is to assist in the correct application, within the context of the business as a whole, of the rules and principles pertaining to the confidentiality of information by means of defining the confidentiality classification level and determining the persons authorised to process information, both within the organisation and on the outside.

- **Physical security management**

The physical security management process aims at avoiding unauthorised access, damage and interference to Group's staff, technological infrastructures and property by means of protective measures that are commensurate with the nature of the structures themselves, the type of services performed therein, the personnel it houses and, more generally, the risk analyses carried out on the specific location.

- **Management of logical accesses and data backup and recovery**

The management processes responsible for logical accesses, in relation to both the operational and managerial contexts, are tasked with preventing unauthorised access to ENAV's IT resources.

The data backup and recovery activities are carried out both for operational and managerial data in order to guarantee their availability and integrity. These activities are planned with a view toward guaranteeing the continuity of institutional services as well as those that are related to the corporate mission.

- **Security event monitoring and ICT security audits**

The Security Operation Centre, in collaboration with all of ENAV's line functions, continuously monitors the security level of the ICT infrastructures in ENAV's operational and management networks, in order to identify any abnormal behaviour and, in the event of an attack or threat, to activate the security incident management process.

On the other hand, the ICT security audits verify whether the ICT assets comply with the mandatory rules, the "ICT Security Policy", the Rules of the Security Management System and the applicable security standards.

- **Reporting and managing security incidents**

The main objectives of the incident reporting and handling process, which is fully integrated with the privacy protection processes, are the timely identification of security incidents, the provision of what is necessary to prevent security-related incidents from causing greater effects in terms of extent and/or intensity of damage, the elimination of the causes of the original incident, and the resumption of normal operations as soon as possible. This activity is crucial in protecting the Group's interests and the core values contained in its constitutional architecture. This responsibility is the task of the Security Operation Centre, as the point of reference for physical, personnel and information security.

- **Threat Intelligence**

Threat intelligence seeks to identify potential threat vectors in advance and to adopt technical, organisational and process countermeasures in real time.

The main security activities

Security activity is based on a risk management analysis process built using the ISO 31000 standard that, on an annual basis, covers the three security domains (physical, personnel and information) from a Group perspective, using a process inspired by the principle of continuous improvement.

Controls have been implemented into the Security Management System and Quality Management System procedures to guarantee security in corporate processes, with particular reference to change management processes, selection processes, human resource management processes, supplier management processes, purchasing processes, and the maintenance and development of IT systems.

Over the year, the functions of ENAV's Security Operation Centre have been integrated with those of the CERT (Computer Emergency Response Team), implementing threat intelligence solutions into systems and strengthening cooperation with similar public and private structures at the national and European Union level.

The year 2019 also saw the continuation of work to strengthen the risk management arrangements for personnel working abroad, as part of the system to prevent adverse events and to prepare effective response mechanisms in the event of human events, deliberate or otherwise, or natural events that might affect employees of the Group in other countries. Specifically, a 24-hour support service operating 365 days a year has been set up, provided by an international firm, to respond to security and health and safety events in the workplace. The service also includes the possibility of activating security and health "emergency services", including the direct recovery of people from where they are working abroad, as and when necessary.

In implementing the Security Policy principles, ENAV also continued its campaign to promote the culture of security in order to achieve the expected levels of value sharing, by providing an e-learning training course on security topics for the personnel of ENAV and Techno Sky.

In addition, the extension of the procedures and rules for internal security management was continued, which was envisaged as part of ENAV's Security Management System, for subsidiaries as well, with a specific focus on information security for D-Flight SpA, in implementation of the agreement with ENAC.

5.5 INVESTMENT

ENAV invests heavily to ensure that assets supporting air traffic management services in the national territory are consistent with the objectives of technical, financial and performance requirements, and that they comply with quality and performance standards established at national and international levels.

In line with technological changes that are occurring internationally in the sector, ENAV has crafted a technical operations development plan with the aim of remaining competitive on an international stage and maintaining its leadership in technological innovation, in keeping with the Single European Sky requirements.

The Business Plan envisages investment in innovative technological platforms and systems for air traffic control for the 2018-2022 period in order to maintain high levels of performance and to ensure maximum safety.

Some of the main projects are:

- the Data Link Project, enabling ground-air-ground connectivity without the use of verbal or radio communication, will be implemented at all control centres
- the Medium-Term Conflict Detection (MTCD) system, capable of supporting air traffic control in detecting possible traffic conflicts many minutes in advance, making it possible to re-plan flight trajectories in adequate time
- the new 4-Flight system, a new-generation operational platform that will be implemented following a new approach to development and maintenance
- the new E-NET 2 network with multiprotocol label switching technology, capable of making data transmissions faster and more secure. This infrastructure forms part of the foundation for the establishment of remote-control towers.

On the basis of the development strategies, having as their primary objective the support of air traffic management services in the national territory, in 2019 the ENAV Group invested €109.7 million in infrastructure (out of total investment of €116.3 million) through implementation and maintenance projects for operational technological infrastructures, evolution of the ATM technology platform with new operational concepts, infrastructure, equipment and management information systems.

During the year investments were made to carry out numerous projects, including:

- development of the new ATM platform (4-Flight) for automating the Italian Area Control Centres (ACC) in order to replace those currently in operation and that incorporates the flight data processor Coflight as a base component;
- implementation of a deconfliction tool at four of the Group's ACCs. This tool is designed to help CTO planners to operate in a more simple and efficient way to resolve potential traffic conflicts in the strategic phase, by allowing them to verify vertical, lateral and longitudinal convergences, taking into consideration the planned routes.
- activation of a new solid-state surface movement radar (SMR) system and of a new airport tracker at Milan Malpensa airport to monitor the aircraft and vehicles moving in the airport's manoeuvring area;

- building of a Technical Operation Centre (TOC) infrastructure to support changes to ENAV's maintenance processes, which goes beyond the current peripheral maintenance model in favour of a new centralised model that fully exploits all the new virtualisation, remotisation and communication technologies by fully integrating information, resources and processes;
- upgrading of the communication and navigation systems linked to the transit through military airports covered by ENAV;
- upgrading and adaptation of airport Voice Communication Systems (VCSs) for some airports;
- upgrading of airport weather observation systems in accordance with the latest ICAO/WMO standards.

5.6 COOPERATION WITH ORGANISATIONS, INSTITUTIONS AND INDUSTRY ASSOCIATIONS

ENAV's attention to the civil aviation community not only takes the form of the air traffic control services it offers, but also active collaboration with and participation in national and international bodies and institutions.

At national level, ENAV coordinates its activity with the relevant ministries (Ministry of Economy and Finance and Ministry of Infrastructure and Transport) and with ENAC (National Civil Aviation Authority), which is responsible for the technical regulation, certification, control and supervision of civil aviation in Italy. It also collaborates on an ongoing basis with other industry institutions such as ANSV (National Agency for Flight Safety), AMI (Italian Air Force) and other organisations and players in the aviation sector (e.g. airport operators and airlines).

In Europe, ENAV plays an active role by being party to a number of cooperation agreements, and is actively involved in partnerships and multilateral programmes; it also plays a key role in the Single European Sky initiatives promoted by the European Commission, EASA, EUROCONTROL and other European bodies and organisations.

At international level, both globally and regionally, it is also engaged in a number of important activities within the International Civil Aviation Organisation (ICAO) and Civil Air Navigation Services Organisation (CANSO).

To better understand the key role of these industry associations, it is worth specifying that:

- the ICAO is an autonomous agency of the United Nations that aims to define the principles and techniques of international air navigation, routes and airports and to promote the planning and development of international air transport to make it safer and more orderly. ENAV participates actively and directly (in many cases on behalf of and with a mandate from the State) in technical groups at global and regional level (also acting as president of some of these groups). ENAV operates with a particular focus on activities relating to topics of corporate interest in the fields of legislation, operations, safety and security, the environment, the CNS and ATM technical systems, as well as licences and staff training. Appointment to these working groups is usually carried out by the State (in our case by ENAC);
- CANSO is the association at global level for air navigation service providers (ANSPs) and represents their interests. The ANSP members of CANSO manage over 85% of world air traffic and through the working groups, members share information and draw up new policies, with the aim of improving air navigation services. ENAV is a member of CANSO and participates in its governance and technical activities;
- the EASA is the European Aviation Safety Agency, a body that regulates, controls and defines the highest common safety levels for the European Union's civil aviation sector. ENAV actively participates in some activities and groups set up by the EASA for regulatory activity on areas of interest for companies in the field of air navigation services and ATM, mainly to do with regulations and Safety. Participation can take place by means of direct designation by ENAV, by the State (in our case by ENAC) or by CANSO (the association for ANSPs);
- EUROCONTROL is an intergovernmental organisation whose main purpose is to support the development and maintenance of an efficient air traffic control system at European level. To achieve this, it supports the national civil aviation authorities, the ANSPs and civilian and military airspace users, the industrial sector, professional organisations and the relevant European institutions. It holds the important role of Network Manager, assigned to it by the European Commission for the first time in 2011 and renewed in 2019 for the period 2020 – 2029. ENAV participates actively and directly in technical groups as well as in the

organisation's governance groups (also to support State representatives), and is also president of some of these groups. ENAV operates with a particular focus on activities relating to topics of corporate interest in the fields of operations, aeronautical information, safety and security, the environment and CNS and ATM technical systems and procedures;

- ENAV is also full member of EUROCAE, an organisation which is responsible for the standardisation activities of highly advanced technological systems and participates in its governance through the annual meeting of the General Assembly. ENAV is very active in the thematic working groups that are of particular interest to the Company, such as those related to new technologies, including remote towers, drones, and airport and satellite surveillance.

Given the objectives established by the European Commission with the creation of the Single European Sky, and the consequent requirement to define a common view on the modernisation of the air traffic management system, ENAV has taken on a strategic role in all Single European Sky activities, such as: the Functional Airspace Block BLUE MED (whose members include Cyprus, Greece and Malta in addition to Italy), the European Network Manager and, participating directly as a full member, the SESAR Joint Undertaking (SJU) and the SESAR Deployment Alliance.

The SESAR Joint Undertaking (SJU) is the public-private partnership established in 2008 and renewed in 2016 for the deployment of the SESAR European Research and Development Programme (Single European Sky ATM Research) with an activity time horizon of 2024. The entire aviation community is represented in the SJU partnership, confirming the significant modernisation process that is underway: EUROCONTROL and the European Commission as founding members and 19 Full Members (including ENAV) representing the entire European ATM industry, for a total of more than 110 companies and 3,000 experts involved in SESAR projects. ENAV has been an SJU member since August 2009 and has played a leading role in all of SJU's design and governance activities, contributing with its own resources to driving the change and modernisation processes of the European ATM system.

For ENAV, membership in the SJU not only represents a confirmation of its authority in the ATM field at European level but also provides a valuable opportunity to directly participate in guiding the direction of strategic choices related to the design, development and management of new-generation ATM systems, thus safeguarding the significant investments already made to guarantee a cutting-edge service to its international and national community of users.

The SESAR Deployment Alliance (SDA) – whose members include the main sector stakeholders, such as airlines, ANSPs and airports - was established by the European Commission with the task of synchronising and harmonising, at European level, the implementation of ATM systems and procedures.

ENAV plays a major role within the A6 Alliance formed by the leading European ANSPs. Its aim is to guide the modernisation of the European ATM network in line with SESAR's objectives, for the benefit of airspace users. The A6 Alliance partners, united by a Memorandum of Cooperation, are full members of the SJU and their primary role is to represent the interests of the ATM industry and to implement SESAR-defined technologies and concepts.

The A6 actively participate in SESAR-related programmes, concentrating its activities on the operational deployment of technologies that were defined in SESAR 1. The A6 Alliance is part of the governing bodies of the SDA, the legal entity established under Belgian law in January 2018 to handle the Deployment Manager programme. ENAV participates in the A6 activities in governing groups and in technical working groups, contributing with its experts to the process of modernising the European ATM infrastructure. In 2019 the A6 Alliance also continued collaborating with

EUROCONTROL to develop the SES Digital Backbone to underpin the shared data exchange infrastructure.

The A6 Alliance has also launched, together with the other SDA partners, all the activities necessary for setting up the new SDA scheduled for 2020.

Lastly in 2019, ENAV confirmed and strengthened its commitment to supporting the objective of the A6 Alliance to contribute proactively to the process of modernising European ATM through the appointment of Roberta Neri, CEO of ENAV, as chairperson of the A6 Alliance for the whole of 2019. This mandate finished at the end of 2019, although ENAV's key role is confirmed by the employment of another key body of the A6 Alliance, the Strategy Board, which coordinates the Alliance's technical activities.

ENAV also coordinates the FAB BLUE MED project, aimed at creating a Functional Airspace Block in the centre/south-east of the Mediterranean, with the primary involvement of EU States (Cyprus, Greece and Malta as well as Italy) and non-EU countries, such as Israel, Albania, Tunisia and Egypt, promoting the involvement of other countries as Israel and North Macedonia.

ENAV is therefore a standing member of some of the most important international organisations and initiatives. This allows it to play an active role in their governance, also through participation in meetings and shareholders' meetings. ENAV is part of many important decision-making bodies and working groups (especially in the context of A6, ICAO, EUROCONTROL and CANSO) which, on matters of direct interest for air traffic control, allows it to pursue those company values which, as mentioned, tend first and foremost to protect the interests of the civil aviation community.

For the period covered by this analysis, the year 2019, the following initiatives were carried out by ENAV in the aforementioned organisations:

Organisation	Activity
ESSP	Provision was made and continues of the EGNOS satellite navigation service.
AIREON	The satellite surveillance infrastructure was set up for the service. In this framework, ENAV, which hosts at its Ciampino Technical Centre one of the first Aireon Service Delivery Points (SDP), validates data and contributes to the certification process.
SESAR JU	The activities envisaged as part of the Single European Sky ATM Research Programme known as SESAR 2020 were carried out. The programme is designed to demonstrate the viability of technologies and innovative concepts, priorities for the evolution of the European ATM System and strategic for ENAV, and that will introduce important improvements (economic, safety and environmental) for the benefit of the civil aviation community. Specifically, the activities from the first phase of this Programme, called Wave 1 (2016-2019), with the exception of three projects which will be completed in 2020. Wave 1 saw ENAV playing a leading role in some 16 projects, coordinating two of them. ENAV carried out over 25 trials covering all ATM domains (airport, en-route, approach and network), all the validation techniques (Fast Time and Real Time Simulation, Shadow Mode and Flight Trial) and all the phases of concept maturity (V1, V2 and V3), with a commitment in terms of resources of

	<p>over 100 personnel including technicians, operational personnel and ATM experts.</p> <p>In 2019, Wave 2, the second phase of the SESAR 2020 Programme, was also launched (2020-2022). ENAV is participating in 12 of its projects, with the aim of continuing the studies on the topics of greatest corporate interest.</p> <p>Lastly, work is already under way on defining a further and final part of the programme, called Wave 3 (2021-2022) that will finish the funding allotted to SESAR 2020 by the European Commission.</p> <p>For ENAV, 2019 was also characterised by the awarding of the Diode Project regarding the U-Space services as part of UTM (Unmanned Aerial Vehicles Traffic Management).</p>
SESAR DM	<p>The project activities envisaged in the European deployment programme have been initiated and are under way. At present SDM coordinates 350 projects, of which more than 100 were completed, substantially benefitting performance. It is estimated that the 350 projects, once completed, will result in more than 7 million tonnes less CO₂ thanks to more efficient flights, and an improvement in network capacity with over 300 million fewer minutes of ATFM delay. In particular, ENAV is carrying out a series of implementation projects that have recently been put into operation, bringing significant benefits to the civil aviation community, in terms of punctuality, improvement of airline performance, as well as important improvements for passengers, in terms of cost reduction, environmental sustainability and safety.</p>
A6	<p>The A6 Alliance has coordinated the activities of the main European ANSPs on the key topics involving the European traffic management system. More specifically, in 2019 the coordination activities begun in 2018 with EUROCONTROL were continued with a view to developing an infrastructure to support shared data exchange, the SES Digital Backbone.</p> <p>The A6 Alliance, working with the other partners of the SDA, also began all the activities necessary for the establishment of the new SDA, which is expected for 2020.</p>
ICAO	<p>Since 2018 ENAV has been holding the chairmanship of the ICAO's largest decision-making body in Europe, which encompasses 56 member states, including the Russian Federation and those located in Eurasia and in North Africa. In 2019 the group further expanded its role in the safety field, while maintaining its presence on the Chair-team of the group.</p>

5.7 QUALITY OF THE CUSTOMER RELATIONSHIP

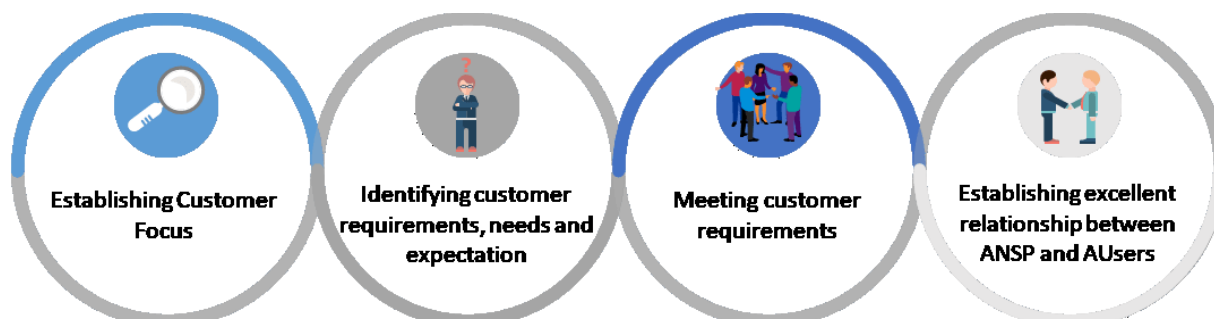
Among the stakeholders with whom the ENAV Group maintains relations, customers obviously have a very important role. For airlines, ENAV has developed, with ever greater commitment and attention, an efficient customer relationship management system (supported by an internal procedure) aimed at involving customers and measuring their level of satisfaction with the supply of air traffic services. Every year ENAV conducts an online customer survey in which the various users can express their level of approval, on a scale from 1 (highly dissatisfied) to 5 (highly satisfied). ENAV's minimum objective is to receive a customer satisfaction level equal to or greater than 3.

In 2019, satisfaction with the services provided to airlines (CNA) scored 4 on a scale of 5, in line with satisfaction in 2018.

The survey completion rate was 65% (basically unchanged from 67% in 2018).

CRM activities are obviously not limited to the customer satisfaction survey but are divided into a set of initiatives targeted at stakeholder involvement and active participation in the evolution of the various processes (often associated with the implementation of new operational processes). As a rule, in carrying out its CRM activities, ENAV encourages one-on-one meetings, plenary sessions, open day demonstrations and thematic workshops related to the activities of the Air Navigation Services Directorate (DSNA). ENAV's customer-oriented approach is thus based on integrated courses of action that are able to satisfy the expectations of airspace users, and to ensure the availability of those processes that are required to deliver increasingly effective and efficient services, while at the same time promoting constant improvement.

The following diagram summarises the early customer engagement process in defining and sharing the requirements associated with the provision of air navigation services.



5.8 RESPONSIBLE SUPPLY CHAIN MANAGEMENT

In order to fully understand and characterise the concept of “supply chain” in the ENAV Group it is necessary to emphasise that ENAV and Techno Sky’s procedures for awarding contracts are subject to the regulatory requirements set forth in Legislative Decree 50/2016 (the “Public Contracts Code”). Failure to comply with these mandatory regulations may in fact lead to serious penalties, ranging from fines to criminal charges.

Compliance with the Code therefore significantly limits the Group’s ability to voluntarily introduce binding criteria in supplier selection and qualification processes. This is because, according to the law, these processes must ensure full compliance with the principles of competitiveness and of the open market, as well as guarantee access to tendering procedures for micro-enterprises too. The focus when drafting tender specifications, and in general when identifying the requisites for taking part in a tendering procedure, is to not create unwarranted costs to be borne by participants or to set up barriers to participation that penalise SMEs or small firms (for example, not requiring expensive certification if it is unnecessary to do so).

In this sense, procurement activities must primarily focus more on the objective elements of the competitors' bids rather than on subjective requirements for them that could be considered as limit on participation.

In other words, in order to pursue green procurement policies, the reference context requires action that focuses more on the services to be tendered than on the requirements imposed on participants and the “supply chain” must interpret itself not so much and not only as certifications held by possible suppliers but rather with reference to the environmental characteristics of the services and products.

Furthermore, it should be pointed out that the ENAV Group is composed of companies that provide highly specialised services that are of strategic importance for the country, in an area subject to a series of mandatory regulations in the ATM sector and therefore it should be kept in mind that there is a need for operational specificity of products subject to specific international reference regulations.

Taking into account the binding constraints that mainly consist of compliance with the EU rules incorporated into the Public Contracts Code, the ENAV Group has pursued a procurement policy based on maximum openness to the market, both national and international, also opening up to competition sectors with very high technological specificity. The advantages of this are considerable both in terms of technical solutions with high design value, and in terms of financial savings.

It should be noted that the suppliers have responded extremely positively, rewarding processes based on a reciprocal knowledge that leads to effective collaboration based on fairness both in the pre-contract and contract stages. This is also demonstrated by the number of requests for remedies in 2019, for which there was only one appeal to the bodies empowered to deliver administrative law decisions, which was decided in ENAV’s favour.

Green procurement

In particular, over the last few years more and more attention has been paid to the environmental sustainability of provisioning through the implementation of a green procurement policy. This choice was made based on the desire of ENAV to reduce the environmental impact of the goods and services that its purchases and of the works that are carried out in accordance with Article 34 of Legislative Decree 50/2016, as amended by Legislative Decree 56/2017.

The ENAV Group therefore undertakes to purchase goods and services that during their life cycle:

- ✓ promote the use of renewable energy sources;

- ✓ reduce greenhouse gas emissions;
- ✓ reduce the consumption of natural resources;
- ✓ reduce the production of waste;
- ✓ contribute to the spread of responsible production and consumption model.

In line with these objectives, the ENAV Group has also undertaken action to make its green procurement policy more and more visible to enable its suppliers of reference to adapt to the requirements of a more sustainable demand and to any new interlocutors to respond proactively, proposing innovative solutions that meet the renewed needs.

The green procurement policy represents, in fact, a collective effort of certain benefit to the community, involving a substantial change, that is developing in a gradual and continuous way through a series of key actions:

- ✓ identification of goods categories with higher value added in respect of green procurement actions, using a careful analysis of the risks/opportunities connected with the adoption of environmental criteria in tender specifications;
- ✓ the definition of a communication programme aimed at current and potential suppliers
- ✓ the implementation of an internal awareness and training plan.

During the year, the Group carried out numerous activities to strengthen and enhance green procurement actions.

In particular, ENAV has promoted the introduction of specific environmental requirements, whenever possible, in tenders in order to identify and encourage sustainable purchases. In this context, ENAV has, in collaboration with the various company departments, defined the technical characteristics and environmental criteria that the products, services and works purchased must satisfy in order to be considered “green”.

Techno Sky as well, in selecting its suppliers and making procurement decisions, pays close attention to their sustainability records, considering such factors as:

- ✓ the purchase of products and services that have a lower impact on the environment based on the method of realisation (e.g., stationery, PPE, furnishings);
- ✓ CE certified products;
- ✓ verification of suppliers’ records in terms of human rights and workplace health and safety.

As regards the civil works sector, including the critical activities of construction and maintenance of ENAV’s infrastructure, attention must be given to the ongoing commitment of the structures involved to increasingly incorporate the ideas of environmental protection, the rational use of resources, attention to the use of materials, the health and wellbeing of the workers employed and, not least, the ENAV personnel who use the facilities and the end users of the services provided by ENAV.

Supplier management

The Group places emphasis on environmental requirements with regard to suppliers in drawing up the list of providers of civil works and of services and goods.

For this reason, in 2019 the ENAV Group worked on setting up a procedure to analyse its suppliers and assess their social, environmental and governance performance. In this context, work was begun on an IT platform dedicated to collecting qualitative and quantitative data and information on sustainability in order to issue an ESG (Environmental, Social, Governance) assessment. By using this platform, ENAV proposes to analyse all its “core” suppliers, i.e. the suppliers that constitute the Group’s strategic supply line, and suppliers that may be deemed as most at risk, identified according to their ATECO (economic activity) category.

Following the processing of the data for this assessment, the suppliers will receive an analytical report that also includes a notification of the problems that came to light and the relative corrective actions.

In order to implement this virtuous path for improvement, every six months a reassessment campaign will be held to verify the effective improvements achieved by suppliers.

It should be noted that the campaign to learn whether suppliers in the qualification scheme were in possession of environmental certification was not implemented in 2019 as it became part of the system described above.

In addition, in 2019 the planning was done for the preparatory work for drawing up a Code of Conduct for suppliers, who will be required to abide by the Code as from 2020.

Following the introduction of clauses into procurement contracts to encourage suppliers to comply with ENAV’s sustainability criteria, suppliers are also required to consent to being audited, in part to verify, where necessary, compliance with the environmental and social requirements connected with the specific performance obligations in each contract. In 2019, this task was assigned to third parties that are highly qualified in the ESG area, with the aim of beginning audits from 2020 onwards. Similarly, questionnaires and checklists were drawn up for performing these audits of ENAV’s suppliers.

The ENAV Group also pays attention to identifying the main risks associated with failure to comply with regulations concerning social aspects by suppliers and sub-suppliers. In order to mitigate potential problems in this area, ENAV has included warrant clauses, countersigned by the supplier, in its contracts.

Therefore, in all the contracts signed, the supplier declares that it is aware of, accepts and complies with the Compliance Model provided for by Legislative Decree 231/2001 as well as the ENAV Code of Ethics and the contractual clauses relating to combating all forms of irregular work were introduced, including the use of child labour and the use of forced labour. In the event of failure to comply, the contract can be terminated for cause.

With regard to the assessment of supplier performance, in 2019 ENAV implemented a comprehensive supplier performance assessment system, making it possible to analyse and assess, for each individual contract, the quality of the service performed and compliance with the contractual requirements. Specifically, a form for reporting non-compliance and events attributable to incorrect performance was put into the system. After the obligatory compilation of this form, the executor must duly report on any penalties issued and on other measures regarding any withdrawal, termination or breach of contract.

The results of these assessments, carried out by means of a structured and formalised process fully inserted into the corporate ERP system, are then analysed, following which specific measures can be adopted such as the possible suspension of the supplier and a report to ANAC by the RUP during this process, in accordance with Article 11(1) of the ANAC Regulation for the management of the

Register of Public Contracts for works, services and supplies, as well as with Article 213(10) of Legislative Decree 50/2016.

ENAV Asia Pacific requires its suppliers to comply with the principles set out in the Code of Ethics, with particular reference to sustainability and respect for human rights.

As far as Techno Sky is concerned, in 2019 the procurement policies were modified and all purchasing activities will be carried out as a service by ENAV. In this context, the management of suppliers will also be conducted in the same way for the Group as a whole.

During 2018 Techno Sky modified its standard contracts, adding specific clauses relating to the carrying out of audits, while contracts are being performed, to verify that suppliers meet environmental requirements (e.g. ISO 14001) and those for respect for human rights. For example, in verifying respect for human rights, Techno Sky requires certified proof of compliance with the right of disabled people to work (Law 68/1999) and where necessary it carried out controls on compliance with international environmental standards (e.g. ISO 14001 requirements). Again in 2019, it was not felt necessary to perform audits involving these issues.

On the payment of suppliers, the objective that the ENAV Group has established consists in meeting the contractually defined deadlines, subject to the verification of the regularity of all legally required documentation. The Group companies pay special attention to the observance of payment terms, aware of the financial difficulties that delays can generate for their suppliers. In order to meet the needs of the suppliers, the Group has concluded a factoring agreement with a financial institution which allows suppliers to submit issued invoices with recourse; in addition, payment advances can be made if properly justified.

Specifically, as far as the Parent Company ENAV is concerned, Article 22 of the “Growth Decree” (Decree Law 34/2019), ratified into Law 58/2019, introduced Article 7-ter into the rules on late payments in commercial transactions under Legislative Decree 231/2002, which poses an obligation on companies to give evidence in their Sustainability Reports, starting from the 2019 financial year, of the average payment times for the commercial transactions carried out in 2019, of the average payment delays, of the commercial policies adopted with reference to the abovementioned transactions and to the actions implemented for payment deadlines.

To this end, ENAV, on the basis of the interpretation in Assonime circular no. 32/2019, reports the following:

- average payment times: the average payment time for commercial transactions carried out in 2019 was 19.7 days, compared with the typical contractually stipulated payment deadlines of 30 days, and they were calculated by identifying the number of days that passed between the starting date for the calculation and the date of the relative payment. Compared with the starting date, account was taken of the date from which the transaction can be settled, or subject to the successful outcome of the verifications required by the relative legislation;
- average payments delays: the average for late payments for commercial transactions made in 2019 was 20.6 days, compared with the typical contractually stipulated payment deadlines of 30 days, and they were calculated by identifying the number of days that passed between the due date of the payment (decided by negotiation or by law, depending on the case) and the date of actual payment. It should be pointed out that the average lateness of payments can be due to factors outside the Company's control, such as: documents needed for payment not in order (DURC and Equitalia), documentation to be obtained from suppliers that they have not sent (which under contractual regulations means it is not possible to proceed with payments, such as proof of having paid subcontractors) or payments of invoices

that, according to the contractual arrangements, can be paid later than the normal due date of 30 days from the date on the invoice.

ENAV Asia Pacific performs constant internal controls on the management of payments through the accounting systems and through external controls by an independent company. In 2019, payments were made within the expected due dates and there were no complaints/letters of formal notice.

AVERAGE LENGTH OF TIME FOR SUPPLIER PAYMENT

ENAV: 19.7 DAYS

TECHNO SKY: 45 DAYS

ENAV ASIA PACIFIC: 5 DAYS

5.9 ANTI-CORRUPTION MEASURES

The ENAV Group opposes and does not tolerate in any way acts of corruption, fraudulent behaviour and, more generally, illegal or irregular conduct, however committed, whether by or against its employees or third parties.

Following the best practices and recommendations of the main position papers (including the Confindustria Guidelines for the construction of organisation, management and control models pursuant to Legislative Decree 231/2001) and the ISO 37001 standard, ENAV has established its practices according to the CoSO Framework (Committee of Sponsoring Organisations), creating a risk management model based on the Internal Control and Risk Management System Guidelines approved by the Board of Directors, in line with Borsa Italiana's Corporate Governance Code.

The activities for the adoption of an effective anti-corruption model, defined in the Group's programme first implemented in 2018 and involving both the Supervisory Body and the Whistleblowing & Fraud Audit sector, specifically include:

- the periodic risk assessment to identify areas where the risk of corruption could most significantly arise;
- the establishment of regulations and procedures for those areas most exposed to the risk of corruption;
- the establishment of first- and second-level anti-corruption controls;
- the development of training programmes for employees on preventing and combatting corruption;
- the implementation of a reporting system (whistleblowing) and a process for investigating reports;
- periodic reporting to upper management concerning areas at risk, the status of policies and procedures, the results of anti-corruption controls performed, reports received and investigations made.

The internal departments conduct a periodic risk assessment incorporating internal and external analysis. They are also regularly updated to identify the necessary actions to strengthen the internal control and risk management system, with particular reference to procedures and organisational safeguard.

In 2019, an assessment was made with the help of an external company to verify the effectiveness of ENAV's anti-corruption model and compliance with the ISO 37001 standard. As a result of this work, some areas for improvement were identified that were then absorbed into the work plan for 2020.

On the regulatory front, on 26 February 2019, ENAV's Board of Directors updated the Group's Code of Ethics and on the same date, its Organisation, Management and Control Model pursuant to the previously mentioned Legislative Decree 231/2001 (also referred to as "Model 231"). Subsequently, on 6 March 2019, Techno Sky's Board of Directors also updated its Model 231.

In addition, on 13 May 2019, the subsidiary company D-Flight also updated its Model 231.

In 2018, ENAV's Board of Directors also approved the "Code of Conduct for Combating Corruption" ("Anti-Corruption Code"), which must be implemented by all of the Group's companies. This code

adds to a complex body of internal rules consisting of policies, procedures, guidelines and regulations that govern in more detail the individual reference areas and with which internal staff must comply.

In 2019, Internal Audit also conducted an internal review to assess the achievement of the targets of the anti-corruption compliance program by identifying specific actions for improvement as part of the Deming cycle.

As regards the adoption of specific regulations in relation to the main processes for combatting corruption, it should be remembered that, as well as the “Anti-Corruption Code” and the Model 231, the following are in force at Group level: the Risk Policy for brokerage contracts and the Group Regulation for the management of donations, gifts and hospitality.

In 2019, a training session of about two hours was provided on the issues relating to Legislative Decree 231. This training was followed by some classroom training for key people (top executives and other key managers).

A number of activities were carried out with regard to monitoring and managing reports. Specifically, the verification plans of the Supervisory Bodies (of ENAV and Techno Sky), which use the Internal Audit department to conduct their investigation, and Internal Audit’s long-term plan, both envisage the risk of corruption being examined from various points of view within the processes subject to verification. The Group has also adopted two safeguards as regards corruption:

- a communication channel for whistleblowing reports;
- a channel for receiving the information flows of the Supervisory Body.

With reference to the whistleblowing channel, an IT system is currently operating for the reporting of illegal acts that guarantees the anonymity of the whistle-blower, in response to the requirements of the relevant legislation (Law 179/2017).

The reports received via these channels are assessed by the relevant departments. Those considered to be important are analysed further by means of audits. No cases of fraud or corruption were detected in the Group in 2019.

The Group also issued and published on its website the “Whistleblowing Regulation, which identifies the persons who can “whistle blow”, defines the scope of behaviours; explains the events or actions that could be subject to whistleblowing; sets out the principles and general rules for the “whistleblowing process”, including protection of the reporter and the reported party.

Specific periodic information flows to the Board of Directors, the Control, Risks and Related Parties Committee and the Board of Auditors are also in place, integrated with the safeguards guaranteed by the Supervisory Body and Internal Audit. These flows, defined on a periodic basis, include the work plans of the Supervisory Body and Internal Audit, as well as a summary of the results of the activities carried out, and a detailed summary of the reports received and the remedial actions undertaken.

THE RISKS RELATED TO CORRUPTION WERE ASSESSED WITHIN THE RISK ASSESSMENT PROCESS IN 100% OF THE PROCESSES

IN 2019, THE MODEL 231 WAS UPDATED BOTH BY ENAV AND TECHNO SKY, WITH ALL PROCESSES BEING ANALYSED TO ASSESS THE POTENTIAL RISKS OF CORRUPTION

5.10 EXTERNAL COMMUNICATION

The Group's Press Office ensures external communication through relations with national, local and international media and the correct dissemination of corporate messages to the target audience, in order to protect the reputation of the different ENAV Group activities. It also closely monitors both traditional and social media in order to identify any information of interest to the Group.

In addition to the Company's social profiles on Twitter, Instagram and LinkedIn, which have more 20,000 followers worldwide, the Press Office also manages the Company's financial communications, in coordination with the Investor Relations unit, ensuring and overseeing all the communication processes envisaged by the rules of the Consolidated Law on Financial Intermediation and by the communication and transparency best practices adopted by listed companies.

Specifically, the external communication work promoted by the Group consists of two fundamental pillars:

- a proactive part, which aims to enhance the work and professionalism of the Group's employees and the Company's core business through all the information channels (national and local channels);
- a regulatory and service-related part, that requires the communication to the stakeholders and the general public of the information envisaged by the legislation and by the indications of the various authorities (e.g. Consob).

It should be emphasised that since ENAV is a business-to-business company, it does not have the same opportunities for visibility as business-to-consumer companies do. There is therefore no provision for purchasing editorial spaces for the "controlled" publication of articles and/or radio/TV reports. Everything produced is the fruit of the work of the staff who over the years have established working relationships with journalists based on the Company's individual credibility and authority.

In 2019, this work produced 86 articles and 24 radio television reports that highlighted the following:

- operational and financial performance;
- work on U-space trials (drones);
- activity in the non-regulated market.

24 NATIONAL RADIO/TV REPORTS

86 NATIONAL/INTERNATIONAL ARTICLES IN THE PRESS AND ON THE WEB

20,000 FOLLOWERS ON SOCIAL MEDIA

5.11 INVESTOR RELATIONS

ENAV has always placed great deal of attention on its relations with investors, financial analysts and the financial community in general, establishing the Investor Relations unit in order to manage, in a continuous and effective way, these relations.

The opportunities for dialogue are many: conference calls, meetings, financial conferences and *roadshows*. In these events, the *management* team (typically the Chief Executive Officer and the head of Administration, Finance and Control, together with the head of Investor Relations) present to the financial community the main results for the period (quarterly, half-yearly, annual), business trends and strategy guidelines and is available to answer the questions received from the individual participants.

All the economic and financial information related to the Company, as well as the main share performance indicators and the analysts' opinions, are published in a dedicated Investor Relations section of the site www.enav.it. A dedicated mailing list is also available to the financial community through which the Company periodically communicates its relevant financial news, as well as a dedicated e-mail address, through which it answers questions asked by investors or financial analysts in the event of new business activities or particular market trends.

In the period January – December 2019, ENAV had about 300 interactions with institutional investors, mostly during roadshows organised both at ENAV premises (headquarters, ACCs and control towers), and at the locations of individual investors in Italy, in Europe, in Australia and in the United States. The remaining contacts were held through the Company's participation in financial conferences and through conference calls with investors. In addition to investor relations, ENAV maintains frequent contacts with financial analysts covering the stock (so-called “sell-side”). The 10 analysts who covered ENAV stock in 2019 come from major Italian and foreign brokerage firms, some of whom specialise in infrastructure firms, and periodically publish reports and updated analysis of ENAV's activities, performance and financial position.

Finally, it is important to emphasise how the interest of the main institutional investors in Corporate Social Responsibility (CSR) issues and the activities undertaken by ENAV on this front in order to ensure the long-term sustainability of the Company expanded further in 2019, with a specific focus on social, environmental and governance aspects. ENAV has proactively moved in this direction, including in its presentations to investors a specific section on CSR, also with a view to increasing the transparency of its activities, involving investors in its stakeholder engagement initiatives and participating in conferences and financial events on Environmental, Social & Governance (ESG) issues.

For 2020, ENAV aims to further expand opportunities for interaction and meeting with the financial community using various occasions such as roadshows, participation in financial conferences and conference calls, in line with the best market practices. For 2020, the Company also aims to broaden its investor base by focusing on investors based in geographical areas not reached during the IPO as well as on investors with a medium/long-term investment perspective, focusing on SRI funds, broadening its own disclosures on ESG issues, and on specialised infrastructure funds.

5.12 BRAND DEVELOPMENT

The ENAV Group launched a number of actions in 2019 designed to renew the corporate image and increase the image of its brand with stakeholders, shareholders, clients and the general public, both national and international. The corporate identity and the associated marketing communication initiatives were extended to the two new Group companies, D-Flight and IDS AirNav.

A number of projects were carried out to enhance the Group's institutional, commercial and international activities, leading to the launch of a variety of digital communication campaigns, the release of publications and multimedia products and the development of B2B advertising. During the year, the Group was also involved in organising events on the most important issues for the sector, including conducting institutional visits of facilities for national and international delegations.

To further advance its commercial offerings, ENAV developed new marketing communication strategies to strengthen its image and promote the Group's products and services in new markets, particularly the United Arab Emirates, Malaysia and Libya.

Following ENAV's acquisition in July 2019 of the Air Navigation division of IDS - Ingegneria dei Sistemi SpA and following the launch of a new company, called IDS AirNav, Brand Development promoted a series of targeted activities including identifying the naming, restyling of all the brochures relating to the promotion of commercial products, and developing a new dedicated website (www.idsairnav.com)

Marketing communication activities also involved the subsidiary D-Flight. In this context, Brand Development set up communication campaigns designed to spread the new reality to the relevant institutional and commercial contexts, by renewing the brochures, producing a series of videos, participating in industry events and managing the content of the dedicated web portal www.d-flight.it

In support of its commercial and institutional activities, ENAV participated in numerous events at national and international level, including the World ATM Congress in Madrid, the Langkawi International Maritime and Aerospace Exhibition (Lima - Malaysia), the ATC Forum in Dubai, the Meteorological Technology World Expo in Geneva, the Amsterdam Drone Week and the third DRONE ENABLE Symposium in Montreal. Of particular interest was the organisation of a speech, as part of the World ATM Congress in Madrid in 2019 – the most important international event dedicated to air traffic control – to present to an international audience the activities relating to sustainability undertaken by the ENAV Group.

On particularly important event was the organisation, on behalf of the Ministry of Infrastructure and Transport, of the first National Conference on Air Transport, in collaboration and coordination with ENAC, Assaeroporti, Leonardo S.p.A. and Ferrovie dello Stato Italiane S.p.A. This conference, divided into various working groups, focused on national and international air transport issues including the aspects linked to sustainability, with the aim of providing strategic guidelines, to be proposed at government level. The event was attended by the Minister of Infrastructure and Transport and all the main representatives of the sector's institutions and industries.

On the international front, a number of activities were carried out that were designed to enhance the ENAV Group's role in decision-making and institutional contexts of great strategic and operational importance, including the European Commission, CANSO, ATCA, EUROCONTROL, SESAR, A6, Coflight, Aireon, ESSP and Bluemed. In this framework, the "3rd CORUS U-Space workshop - Concept of Operations for European UTM Systems" event was very important, organised and hosted

by ENAV, a project partner. It focused on the study of integrating drones into VLL (Very Low Level) Airspace, and was attended by the main international providers, EUROCONTROL and representatives of sector industries.

Finally, web communication activities carried out over the year included not only the regular updating of the Group's websites, but also the launch of a new web portal entirely dedicated to sustainability. This especially important project was developed in coordination with the Corporate Social Responsibility unit, and is directly accessible via the Company website www.enav.it.

With regard to social initiatives to improve community well-being, ENAV sponsored two main events called: "Dignity for people in the workplace: a value to be safeguarded" and "Sustainability Day".

The conference on "Dignity for people in the workplace: a value to be safeguarded" was promoted by ENAV's Equal Opportunities Committee, which in coordination with the HR department contributes to cultural growth for the creation of well-being, playing a supporting role in equal opportunities issues, not only to protect women but regarding all forms of discrimination and differences in treatment. This topic is part of the move towards integrating sustainability into corporate strategies and for developing human resources.

ENAV also organised the second edition of Sustainability Day at its Auditorium in Ciampino. It dealt with five essential sustainability issues: energy efficiency, CO₂ emissions, diversity and inclusion, occupational welfare and technological innovation. The format for this year was based on dynamic, innovative and engaging criteria and was attended by the ENAV Sustainability Ambassadors. They were in charge of the five specially arranged areas that showed the people present the results achieved by the Group in the field of corporate social responsibility. The work continued with a roundtable in which external experts and representatives of top management participated.

An especially important part of the work done to communicate the ENAV Group's commitment in the field of sustainability was the project to install three maxi panels on the outside of the Rome Fiumicino Airport control tower, Italy's biggest airport in terms of volume of traffic. The panels displayed company messages to promote the Company's activities in this field. The images installed measure 250 square metres and are visible to millions of passengers and workers in this sector, both from the runways and from the terminal area. These panels, the first such initiative at national level and one of very few at global level, were produced with ad hoc graphic designs, accompanied by the claim "We look up to cleaner and safe skies" as a demonstration of ENAV's commitment to business sustainability.

This initiative was preceded, in collaboration with ENAC, by the inclusion on the panels of the celebratory logo for the 75th anniversary of the foundation of the ICAO (International Civil Aviation Organisation) and of the signing of the Convention on International Civil Aviation (Chicago Convention). This initiative, followed by further actions taken by ENAV in coordination with ENAC, supported the candidacy of Salvatore Sciacchitano, the new Italian President of the ICAO.

CORPORATE WEBSITE IN 2019

2,108,410 PAGES VISITED BY 615,155 VISITORS THROUGHOUT THE YEAR

**ENAV'S YOUTUBE CHANNEL: 289 VIDEOS WITH 1,390 SUBSCRIBERS AND OVER
254,498 VIEWS**

53 INSTITUTIONAL, COMMERCIAL AND PROJECT-BASED EVENTS, NATIONAL AND INTERNATIONAL

30 VIDEOS MADE AND 62 PUBLICATIONS ISSUED TO PROMOTE INSTITUTIONAL, COMMERCIAL AND INTERNATIONAL ACTIVITIES

5.13 CORPORATE GIVING INITIATIVES

In 2019, with a view to contributing to societal growth and sustainable development in Italy, and in line with the United Nations' 17 Sustainable Development Goals (SDGs), ENAV developed a new approach to corporate giving.

As a result, our initiatives of social responsibility are now coordinated by a single unit and follow a clear principle shared throughout the organisation. These initiatives are also closely tied to the ENAV mission and to specific SDGs.

For 2019, we chose to focus on three of these SDGs:

No. 3: Good Health and Well-being

No. 4: Quality Education

No. 15: Life on Land

In order to pursue the objectives set within these three SDGs, we have launched three projects:

- **“Let’s clean the world”**, a collaboration with Legambiente;
- **“My School on the Moon”**, a collaboration with Distretto Tecnologico Aerospaziale, Cité de l’Espace, and the Toulouse aerospace museum;
- **“Help us give life”**, a collaboration with AVIS.

Last June, as part of the Legambiente initiative “Let’s clean the world”, our Sustainability Ambassadors (more than 30 employees from around the organisation who are responsible for disseminating a culture of sustainability within the Company), armed with gloves, brooms and rubbish pickers cleaned up Rome’s Simón Bolívar Park and collected over 70 kg (154 lbs) of rubbish.

The goal of the competition “My School on the Moon” was to enable participating schools to present projects of science, technology, engineering and mathematics (STEM) and for students to collaborate directly with participating companies to build a future for themselves in the world of work. Within the scope of this project, ENAV led a tour of the Brindisi control tower so that the winning students could learn more about an issue of such great importance, that of air-traffic safety.

With the “Help us give life” initiative and the collaboration with AVIS, which brought its blood banks to our facilities, ENAV sought to enable our employees to overcome obstacles to such an important contribution as that of giving blood. It is a simple, but meaningful gesture because blood is an essential resource and shortages can become tragedies, not only under extraordinary circumstances such as after an earthquake or other disaster, but also in the day-to-day operation of any healthcare system. The event, which was preceded by an internal promotional campaign, was well received by employees and will be repeated again in 2020.

During the year, we also continued work on the project “Accoglienza alle Onlus” (“Welcome Non-profits”), whereby a number of non-profit organisations are welcomed into ENAV offices to give them an additional opportunity to raise money.

6. ENVIRONMENT

Protecting the environment and natural resources, battling climate change and contributing to sustainable economic development are, for the Group, key drivers of technological innovation; this approach has helped, especially over the last few years, to make the Company an example for the world's ANSPs.

Although safety has remained and will remain an essential prerequisite, the real challenge that ENAV has been tackling in recent years is that of combining it with an approach that can guarantee that airlines not only to fly safely, but to also be able to do it with efficient routes, significantly shorter flying times and, therefore, lower consumption of fuel and CO₂ emissions (1 kg less fuel also means 3 kg less CO₂ released into the environment).

Through its Flight Efficiency Plan (FEP), which enables airlines to benefit from increasingly efficient routes, with positive effects on costs, consumption and harmful emissions, and through Free Route (discussed in more detail further on) ENAV is now considered by air transport companies to be a standard bearer, even as to improving the quality of the air that we breathe.

However, the ENAV Group's contribution to the environment does not stop with initiatives just for airlines, but also includes projects developed in collaboration with airport management (to protect the environment and local communities) and its approach to improving the efficiency of its consumption and its own virtuous practices.

The goal of the ENAV Group is to consider the environmental risks and opportunities related to the work that we do, in accordance with national, European and international laws and regulations, in order to pursue our primary objective of creating sustainable value for our stakeholders.

In this regard, the Group has adopted an Environmental Policy, published in March 2019, which defines the guidelines, commitments and objectives that the Company intends to promote, not only for the purpose of consolidating legislative compliance, but also to improve our environmental performance and apply the principles of sustainable development. As a result, we have triggered a virtuous cycle by which the progressive adaptation of internal rules leads to a constant focus on environmental best practice. In order to ensure a unified approach throughout the Group with regard to environmental issues, we have established a new Environment unit within Integrated Compliance and Risk Management, which now oversees all environmental issues for the Group. The goal of this new unit is to develop and update the Company's processes for managing environmental issues, including the control of fluorinated greenhouse gas emissions, the tracking of waste, and more.

Environmental Policy

Our Environmental Policy sets the following strategic objectives:

- ensuring compliance with applicable laws and regulations;
- ensuring the assessment of environmental risks associated with both the ENAV Group's business and the various levels of the value chain and establishing related mitigating actions;
- consolidating benefits related to CO₂ emissions by airlines by way of the Flight Efficiency Plan (FEP), thereby ensuring increasingly efficient routes and reducing travel times;
- ensuring the adoption of green-procurement practices;
- promoting the rational use of energy, with an emphasis on renewable energy, and containing greenhouse gas (GHG) emissions;
- governing waste disposal by tracking the entire process with the goal of implementing as fully as possible the hierarchy of prevention, reuse, recycling, recovery, and disposal;
- ensuring control of environmental quality and destination of waste water discharges throughout Italy with the goal of protecting biodiversity;

- ensuring assessment of the environmental impact of non-ionising radiation, while ensuring respect of emission limits;
- promoting a culture of environmental protection among employees and engaging stakeholders in the discussion of relevant environmental issues;
- consolidating aspects of environmental management in investment strategies;
- promoting the use of low-impact transportation for employee commuting needs;
- ensuring the timely analysis of environmental emergencies, determining their cause, and defining actions to deal with them.

In addition, in order to assess the effectiveness of policies adopted to manage environmental impact, the unit conducts coordinated environmental compliance audits within the Group that are coordinated with the Integrated Compliance and Risk Management function.

Contract compliance audits are also conducted by the CNS Systems Engineering and Maintenance unit for Techno Sky in order to verify the proper execution of the services envisaged under the contracts with that company.

At the same time, a system of responsibilities and delegations of functions has been made operational throughout the Group in the area of environmental protection. These environmental officers are required to periodically report on their efforts to their superiors.

6.1 EFFICIENCY AND ENVIRONMENTAL PROTECTION: FLIGHT EFFICIENCY PLAN AND FREE ROUTE AIRSPACE

In order to promote sustainable development in the air transport industry ENAV supports airspace users and stakeholders by designing and providing an ATS network that enables operators to reduce fuel consumption and minimise the environmental impact of their flights.

With the primary objective of ensuring greater safety and with a view to conducting business in a manner that leads to the greatest performance benefits for all players in the air-transport value chain, ENAV identifies advanced solutions aimed at continuously improving the ATS network and the various methods of air-traffic management. To this end, the Company designs and publishes routes that optimise the flight plans of the airspace users, reduce travel times, increase the use of airspace and airports, and reduce both fuel consumption and emissions.

All actions planned and implemented to enable operators to fly in a manner that is increasingly environmentally friendly are catalogued and periodically monitored in the Flight Efficiency Plan (FEP). The FEP covers all of ENAV's implementations of operational efficiency during a given year, including the measurement of results connected with the individual activities. Monitoring of results in the essential area of environmental performance are presented for the various phases of flight operations, including results related to:

- ground operations, with an emphasis on activities that make it possible to reduce time and optimise aircraft movements on the ground (i.e. start-up and taxi in/out phases);
- the take-off and initial climb phase, with an emphasis on improvements to take-off and climb trajectories;
- the en-route phase, with an emphasis on improvements to the airway network and management of routes within the Free Route Airspace (FRA) in Italy;
- the arrival phase, with an emphasis on the optimisation of flight profiles for approach and landing.

The contribution of ENAV's FEP is particularly important in that it helps to achieve the environmental objectives defined within the scope of the Performance Plan adopted by the EU. For this reason, the progress and environmental performance improvements made are periodically monitored by ENAC.

Since 2012, the results of ENAV's actions under the FEP have been included in Italy's Action Plan on CO₂ Emissions Reduction, which Italy is committed to pursuing as a contribution to the broader programme to combat climate change that is being adopted by the ECAC and the ICAO for the aviation industry.

Together with updating the ATS infrastructure and improving the management of operations, a crucial aspect to achieving environmental objectives is the training of personnel involved in operations, which places the utmost emphasis on environmental protection both for students of the training centre and in courses to learn the skills needed to work in the field of ATS.

Implemented in December 2016, some six years ahead of the final deadline set by European regulation (Regulation EU 716/2014), the Free Route Airspace in Italy (FRAIT) first enabled all overflight aircraft at an altitude of greater than 11,000 metres (33,500 feet) and, from May 2018, all aircraft operating at or above 9,000 meters (30,500 feet) to cross Italian airspace using a direct route that is not bound by the existing route network.

In terms of results, comparative analyses have shown that, from December 2016 to December 2019, the incremental implementation of the FRAIT has resulted in a total savings of approximately 128 million kg of fuel, with a simultaneous reduction in CO₂ emissions of around 400 million Kg. The reduction in flight times associated with an airspace that is structured to maximise operating efficiency has led many airspace users to alter the existing flight plans of their routes, thereby resulting in a significant increase in the frequency of city pairs that already involved Italian airspace as well as a shift in overflight routes that, prior to the FRAIT, did not cross Italian airspace.

In 2019, in line with previous initiatives and in addition to implementation of the FRAIT project, ENAV's efforts led to improvements in coordination with the Italian Air Force and to maximising airspace availability, as well as optimising the ATS network in the airspace below the FRAIT and in the terminal areas and to achieve further performance improvements for operations in ground movement areas.

For the FRAIT area only, in 2019 nearly 45% of the airspace served benefited from a reduction in total distance, gate to gate, for an overall reduction of some 14.2 million km planned (equal to 25.44 km per aircraft), a consequent reduction in CO₂ emissions of about 167 million kg, and a total savings in the fuel needed during the en-route phase of about 52.9 million kg. Based on an average fuel cost of approximately €0.45 per litre or €0.55 per kg (source: 2019 IATA jet fuel price avg), these efficiencies reduced costs for airspace users by an estimated €30 million.

Having already removed the constraints imposed under the previous ATS route network and having enabled airspace users to plan/fly directly from a defined entry point to an exit point from the free route airspace while maintaining the same safety levels, in line with the requirements set by the ENAV Group for each development project, the new measures focused on enhancing the harmonisation of flight profiles for air traffic operating on a number of national and international routes, enabling the reduction of planned/flown distances through advanced coordination with the Italian Air Force, which has improved airspace availability in military areas and, therefore, along the network impacted by these areas. The savings resulting from these activities can be quantified in a reduction of about 1,174,000 kg of fuel and a consequent reduction in CO₂ emissions of about 3.7 million kg.

Also in 2019, work continued in terminal areas on the programme for the creation of Performance Based Navigation (PBN) instrument flight procedures, implementing procedures that optimise the balancing of flight efficiency with capacity performance and predictability for the airports of Milan Malpensa, Milan Linate, Orio al Serio, Palermo, Catania, and Venice Tesserà. The estimate of total savings attributable to improvements in the ATS network in the terminal areas for these airports and for others with lower levels of air traffic is approximately 318 tonnes of fuel with a decrease of about 1,000 tonnes in CO₂ emissions.

Finally, the work envisaged in the programme to implement operational processes based on Airport Collaborative Decision Making (A-CDM) continued in 2019, creating a coordinated management system for aircraft ground movements at the airports of Rome Fiumicino, Milan Malpensa, Milan Linate, Venice Tesserà and Naples (the next implementation of the A-CDM system is planned for the Orio al Serio airport, which should be completed in 2020). A-CDM is an integrated coordination system that enables the continuous exchange of data between ENAV, the airport operator, airlines and the network manager, improving the management of operations by all the stakeholders involved. In addition to improving predictability and punctuality performance, this allows the optimisation of turnaround procedures and reduces fuel consumption. In 2019, ENAV's efforts primarily focused on efficiency increases and the synchronisation of airport systems with those of the ANSPs and of the network manager, which will have evident benefits for airspace users in terms of more accurate

operational management of information, thereby enabling them to optimise the use of their fleets and ensuring a better use of airport infrastructures and greater punctuality for passengers.

**THE “FREE ROUTE AIRSPACE ITALY” PROJECT HAS REDUCED THE IMPACT OF CO₂ BY
AROUND
95 MILLION KG IN 2017, 135 MILLION KG IN 2018 AND 167 MILLION KG IN 2019
TOTTALLING AROUND 400 MILLION KG IN THE THREE-YEAR PERIOD**

6.2I ENERGY CONSUMPTION

As mentioned, although ENAV is a service company that does not, therefore, have a particular direct impact on the environment, various steps have been taken to reduce consumption and consequent impact in terms of greenhouse gas emissions, electromagnetic pollution, etc.

Our Environmental Policy aims to establish policies that take into account all the forms of pollution that directly and indirectly concern the Company in order to develop an overall action strategy substantiated, in part, by a system of quantitative and qualitative performance indicators.

Moreover, as specified in the Code of Ethics, the Group, in full compliance with current environmental legislation, pays particular attention to the promotion of activities and processes that are as compatible with the environment as possible through the use of advanced technologies and standards in the areas of environmental protection and the sustainable use of resources. The Group, therefore, undertakes, within the scope of operations and business initiatives, to consider essential environmental needs and to minimise the negative impact that our business activities have on the environment.

ENAV has two positions within the organisation who work to manage energy consumption more efficiently and minimise environmental impact, the **energy manager** and the **mobility manager**, who are responsible for identifying the actions, and procedures necessary to promote a rational use of energy and fuel.

CONSUMPTION BY THE ENAV GROUP IN 2019

FUEL FOR OFFICES AND OTHER FACILITIES: 27,897 GIGAJOULES
(DOWN 1.9% COMPARED WITH 2018)

ELECTRICITY FOR OFFICES AND OTHER FACILITIES: 258,407 GIGAJOULES
(1.9% INCREASE COMPARED WITH 2018)

AIR FLEET FUEL: 26,147 GIGAJOULES
(DOWN 3.2% COMPARED WITH 2018)

TOTAL CAR FLEET FUEL: 8,551 GIGAJOULES
(DOWN 17.2% COMPARED WITH 2018)

ENAV GROUP EMISSIONS IN 2019

RELATED TO FUEL FOR OFFICES AND OTHER FACILITIES: 1,492.6 tCO₂e
(DOWN 1.3% COMPARED WITH 2018)

RELATED TO ELECTRICITY FOR OFFICES AND OTHER FACILITIES: 25,699 tCO₂e

(1.9% INCREASE COMPARED WITH 2018)

RELATED TO AIR FLEET FUEL: 1,799 tCO₂e

(DOWN 3.2% COMPARED WITH 2018)

RELATED TO CAR FLEET FUEL: 577.78 tCO₂e

(DOWN 16.2% COMPARED WITH 2018)

It must be remembered that all the sites of the ENAV Group, the control towers (TWR) and area control centres (ACC), the radar sites, the TBT radio centres, the runway lighting systems, and the radio-navigation aids are powered by primary electricity with an annual consumption of approximately 70,000,000 kWh.

To respond to any blackouts in primary electricity, diesel-fuelled backup generators have been installed at these sites. Because the thermal generation capacity at nearly all ENAV facilities is below 1 MW, they fall within the scope of assets of insignificant pollution (Annex 1 of Presidential Decree 25/07/91).

In 2019, ENAV completed its second energy audit compliant with Article 8 of Legislative Decree 102/2014, which involved the airports of Bari, Bologna, Catania, Florence, Lamezia Terme, Lampedusa, Malpensa, Olbia, Orio al Sero, Venice, Rome headquarters, the three ACCs of Rome, Milan and Brindisi, and the radar centre/TBT at Poggio Lecceta. Energy analysis will enable the Group to plan new projects and actions to improve energy efficiency and consequently reduce CO₂ emissions.

Also in 2019, the new 2020–2029 Energy Plan was drafted. This plan establishes the following two areas of intervention:

Backup generation, which calls for the construction of:

- *photovoltaic plants;*
- *tri-generation plants;*
- *geothermal plants.*

Consumption efficiency, with the installation of:

- *new interior and exterior LED lighting systems;*
- *automated systems to control lighting and detect the presence of workers;*
- *monitoring and remote-metering systems at sites that consume the most energy in order to respond to any anomalies;*
- *heat-pump climate-control systems (decommissioning diesel and gas-fuelled water heaters);*
- *external insulation;*
- *upgraded ATM technologies.*

These actions will result in a reduction in primary-energy consumption of approximately **45,000,000 kWh (down 28.5% from current levels)** by 2029 for a savings of **21,000 tCO₂ equivalent (-16%)**.

Provided below is a description of the ENAV Group's photovoltaic plants.

Photovoltaic tower at Bari Airport

All the operating systems of the Bari TWR are powered, during the day, by a photovoltaic plant positioned on the roof of a large car park. The 100 kWp system meets about 1% of the daily needs of the structure and receives an incentive on the production of energy of €0.202/kWh for a production of about 108,000 kWh/yr in 2019. A reduction of 74 tCO₂/yr.

ENAV Headquarters in Rome

The building that houses the headquarters has a photovoltaic plant with a power output of 80 kWp, which is located on the roof. The system consists of 336 modules of 240 W each in polycrystalline silicon with an estimated production of over 88,000 kWh/yr and primary energy savings of about 0.3%. A reduction of 60 tCO₂/yr.

Photovoltaic tower at Ancona-Falconara Airport

The tower at Ancona-Falconara Airport produces clean and subsidised energy. The roof-top system was built in 2008 with a power output of 43 kWp. It was the first airport photovoltaic installation, and it receives an incentive of the second energy account issued by the Electricity System Operator (ESO) in the amount of €0.36 per kWh produced, in addition to about €0.20/kWh for the savings in the consumption of electricity produced and not drawn from the grid. Primary energy savings in 2019 was 47,547 kWh/yr. with a reduction of 32 tCO₂/yr.

Brindisi ACC

The ACC photovoltaic plant contributes to powering all operating systems for air traffic control using clean energy. It has a peak power output of 63.36 kWp with a production of about 54,000 kWh/yr in 2019. The photovoltaic modules have been installed on the roof and on a covered car park. In this case, too, ENAV receives an incentive from the ESO on the energy produced. A reduction of 34 tCO₂/yr.

Bitonto Non-Directional Beacon (NDB)

This plant was constructed near the non-directional beacon (NDB) at the Bari Airport, in Bitonto, with a power output of 100 kWp. It was built to power the NDB site, and the electricity produced in excess of its power needs is added to the power grid on a net-metering contract. Primary energy savings in 2019 was 97,600 TOE/yr with a reduction of 66 tCO₂/yr.

Finally, in 2019 testing was completed for the two photovoltaic systems at the Genoa airport, 5 kWp at the lighting aids station and 11 kWp at the new technical area, and at the Naples airport, which will be activated in 2020. The plans for the installation of new systems at the TBT Radio Centre in Brancasi, at the RADAR/Radio TBT Centre of Masseria Orimini and at the Lampedusa Airport were also completed.

**CO₂ EMISSIONS AVOIDED AS A RESULT OF RENEWABLE ENERGY GENERATION EQUAL
TO ABOUT 140 tonnes of CO₂**

Current and future status of ENAV photovoltaic plants

ENAV plants currently operational

1. Ancona Falconara control tower	45 KWp
2. Bari Palese control tower	100KWp
3. Bitonto NDB	100KWp
4. Brindisi Area Control Centre	63KWp
5. ENAV Headquarters	80KWp

Plants soon to be operational

6. Napoli Capodichino control tower	75KWp	2020
7. Genoa control tower	25KWp	2020
8. Catania control tower	20KWp	2020

Upcoming plants

9. Brindisi control tower	55KWp	2020
10. Palermo control tower	50KWp	2020
11. Lampedusa control tower	40KWp	2021
12. Brancasi Brindisi TBT radio centre	40KWp	2020
13. Masseria O. (TA) radar/TBT centre	33KWp	2021

Also of note was the start of the programme to construct the 500 KWp **trigeneration** combined cooling, heat and power (CCHP) plant for the climate-control systems at the Rome ACC, which, once operational, will reduce primary energy drawn from the grid by about 34% compared with current consumption levels at the ACC, equal to a reduction of 577 tonnes of CO₂ per year.

Although a snapshot of all fuel consumption is provided below by means of a list of the GRI Standard indicators, the policies and initiatives concerning the impact of the ENAV Group's air fleet deserve special attention here. In recent years, in fact, a major process of fleet renewal and an adjustment of operating procedures were completed with an investment of approximately EUR 35 million.

In 2019, jet fuel consumption of the Flight Inspection and Validation air fleet was 707,587 litres of Jet A1, down by 3% compared with 2018 (731,971 litres) with a consequent reduction of CO₂ emissions.

6.3 WASTE MANAGEMENT

As stated in the Group's Code of Ethics, ENAV promotes waste management policies that reconcile the needs of economic development and value creation with those of respecting and protecting the environment.

With the issue of the ENAV Group's Environmental Policy, we have set the goal of governing waste disposal by tracking the entire process with the goal of implementing as fully as possible the hierarchy of prevention, reuse, recycling, recovery, and disposal.

Within the context of their respective operations, both ENAV and Techno Sky have already adopted specific procedures, which, in line with relevant legislation, regulate the management of waste (e.g. waste oil and generator filters, batteries, toner, electronic components) with the aim of mitigating the

associated risks through proper recovery/disposal of waste according to principles of efficiency and cost-effectiveness.

In 2019, the ENAV Group also began a project for the digital tracking of the waste cycle and related reporting in support of a more efficient process of implementing related regulatory requirements. This digital system will also promote the standardisation throughout the Group of services for the management of waste produced by maintenance activities. To this end, specific studies have also been conducted aimed at identifying ways to potentially optimise such services.

Other activities conducted by ENAV in 2019 concerned audits of the subsidiary Techno Sky in order to verify the proper execution of maintenance called for under the related in-house contract, including the management of waste generated in the provision of these maintenance services, as well as in-house inspections at ENAV and Techno Sky to verify the proper implementation of environmental procedures.

Both ENAV and Techno Sky also revised their respective waste-management procedures (SGQ-P-ENV.1.1 “Waste Management” and TS-SGQ-P-RU.1.1 “Special Waste Management”) in 2019 and implemented systems of responsibilities and delegations of functions to grant powers and responsibilities throughout Italy in the field of environmental protection.

ENAV GROUP 2019

ABOUT 92 TONNES OF WASTE RECOVERED

(78 TONNES OF WHICH PRODUCED BY TECHNO SKY).

ABOUT 4 TONNES OF WASTE SENT FOR DISPOSAL

(1.8 TONNES OF WHICH PRODUCED BY TECHNO SKY)

6.4 ELECTROMAGNETIC EMISSIONS

The ENAV Group, as specified in the Code of Ethics, considers protection of the environment and the sustainable development of the territory in which it operates to be of primary importance in consideration of the rights of the community and of future generations. In the knowledge that some of the services performed (e.g. navigation, ground-air-ground communications, surveillance) require a certain number of systems that generate electromagnetic fields to varying degrees, ENAV has incorporated the principle of compliance with limits on non-ionizing electromagnetic emissions in the Group Environmental Policy, providing for the performance of appropriate electromagnetic impact assessments.

The general objective pursued, during both installation and operation, is that of adopting all the technical-functional measures that make it possible to keep electric and magnetic field values, , below the thresholds set by applicable legislation.

In particular, work began on standardising the process of analysing and monitoring non-ionizing electromagnetic emissions, in compliance with applicable regulations.

Moreover, in the case of NDB air navigation systems, for which there an ongoing decommissioning plan, provisions have already been issued to maintenance technicians, and efforts to consolidate the protections limiting access to the site, including notices, fencing and other protection along with an access door and adequate signage, are being completed.

7. PEOPLE

The ENAV Group manages its people as a source of added value. For this reason, we are committed to developing people and their skills, both for operational personnel and management. In line with this view, as stated in the Group's Code of Ethics, each manager is called upon to oversee the professional growth of his or her employees. The success and reliability of the ENAV Group comes not only from constant, structured training programmes, but also from the ability to create a collaborative and motivating working environment that is able to enhance the potential of each individual and to take advantage of their specific skills.

ENAV GROUP IN 2019

4,049 EMPLOYEES

(3,317 ENAV + 730 TECHNO SKY + 2 ENAV ASIA PACIFIC)

100% PERMANENT EMPLOYEES

6% EMPLOYEE TURNOVER

4.3% NEW-HIRE RATE

7.1 HIRING AND DEVELOPMENT OF NON-OPERATIONAL PERSONNEL

The knowledge and skills of people at the ENAV Group represent one of the key factors in maintaining the highest levels of excellence in terms of safety, operational capacity, cost efficiency, and environmental impact. It is therefore vital to take concrete action to attract talented people to the Company and provide them with ongoing training and career growth.

Hiring

ENAV has established a structured process for the hiring of personnel based on the principles of transparency and equal opportunities, which makes it possible to fully assess and appreciate the skills and value of each candidate without discrimination.

In particular, the selection process is governed by an ISO 9001 certified Quality Procedure, which ensures candidates are treated with maximum transparency, equal opportunity, uniformity and objectivity in the assessment criteria, and confidentiality in any personal information provided to the Company.

The search and selection process therefore enables the Group to find job seekers who have the skills and experience needed in order to meet the needs expressed by the various company units and to face the Group's present and future challenges.

Furthermore, ENAV has an internal hiring process that enables Group employees to apply to open positions within the Company that are more in line with their skills and professional profile.

In order to ensure that the hiring process is impartial and objective, both in-house audits and audits by the certification company DNV are periodically conducted, and actions for improvement in the management and execution of the process are taken based on the results of these audits.

The Recruiting and Assessment Centre also responds to e-mails from in-house and external individuals (submitted to recruiting@enav.it) interested in specific openings or generally interested in joining the Group, providing them with feedback and additional information.

Employee training and change management

In addition to the hiring of new talent to join the Company, it is fundamental for the Group, in line with the objectives of the Business Plan, to promote the continuous improvement of the knowledge, capabilities and technical skills of its people with the aim of supporting continuous ENAV growth and responding effectively to future technological and business developments.

In terms of the continuous development of skills, the Group involves its people in managerial and specialist training based on the role held by each person within the Company and on the new challenges to be faced in the marketplace.

During the year, the Group designed training courses and activities organised into specific areas of intervention:

- *Mandatory training*: during the year, e-learning courses were released with regard to the 231 Compliance Model, safety in the workplace, digital security, airport security, the GDPR, and travel security for all Group personnel in order to comply with laws and regulations and promote a culture of safety and security in all their forms throughout the Group.
- *Language training*: one-to-one meetings in English continued during the year for senior management, as well as multimedia courses for office staff and middle management and cross-functional, thematic workshops.

- *Continuation training*: during the year, the Group designed training programmes and other skills development activities for our employees. More than 280 employees attended specialised in-class and online training aimed at meeting the needs of ongoing skills training.
- *Support for growth and change*: the pathway for the induction of new hires, aimed at disseminating the corporate culture and supporting people to better integrate into their new working environment continued. With a view to disseminating a model of integrated project management, the Group has activated specific courses for maintaining Project Management Professional (PMP) certification for the project managers of the Engineering area and involved the staff of the Audit, Operations and Technology units in project management literacy activities. Team building and outdoor training activities were also conducted in order to develop and improve integration between the various structures of the Group. Finally, 12 coaching initiatives were conducted for Group personnel.

The entire training process is regulated within the scope of ENAV's Quality Management System. In accordance with procedures, ENAV verifies achievement of objectives by way of evaluation questionnaires – typically within 5 days of the end of the training activity – provided to all the participants in the classroom and catalogue courses. Moreover, for certain courses selected during the planning phase, performance questionnaires are provided to the participants' supervisors about 6 months after the training activity.

ENAV GROUP IN 2019

30,378 HOURS OF NON-OPERATIONAL TRAINING DELIVERED

OF WHICH 23,536 HOURS AS E-LEARNING

The transformation of the ENAV Group, along with the dynamics of the industry and the public listing of the Company's stock in 2016, have made it necessary, alongside the training activities that the Company continues to provide, to begin a process of change aimed at the introduction of suitable management and leadership models.

The quality of management is, in fact, one of the most important non-financial indicators for institutional investors. Today, the management team must have the right mix of experience and expertise, while also expressing a high level of cohesion and integration and proving very effective in the short term but with a long-term vision. All these qualities must coexist because the management team is called upon to lead a corporate transformation that aims to combine the traditional values of the Company that underlie the performance achieved with the need to adapt quickly to the new context.

At the same time, this transformation affects all levels of the organisation. As such, it is necessary to develop widespread awareness among the people working at the Company of the need to implement changes with a view to creating value for customers, for shareholders, and for the employees themselves.

During this phase of the Company's development, it is therefore necessary to have people who are increasingly motivated and competent, who know how to work with autonomy and initiative, and who are able to collaborate on tight-knit teams. Engagement, trust in people, shared responsibility for results, recognition of the results achieved, the perception of a rewarding job, and trust in management are essential prerequisites for an environment that promotes personal commitment and is characterised by a sense of belonging.

For this reason, over the course of 2019, the Group continued its change management activities and has consolidated a reorganisation process within the context of the management of human capital and of change, which has led to the creation of a dedicated Human Capital and Change Management unit.

During the year, the Group also defined and consolidated approaches to managing the management review process for the key roles within the organisation, while also defining a succession plan concerning, first and foremost, the senior managers in roles of strategic importance.

As for the experience and knowledge of management, the Group has established a process of periodic analysis of the capabilities of middle management and subsequent definition of appropriate development strategies, which include the introduction of a preliminary assessment, training for new managers, and coaching efforts for employees that show good potential for growth.

7.2 EQUAL OPPORTUNITIES

Among the general principles listed in the Group's Code of Ethics, there is the promotion of equality, according to which Group companies must operate in a manner that ensures equal opportunities while avoiding any discrimination based on political or religious views, trade union affiliation, race, nationality, age, gender, sexual orientation, state of health, or any other private, personal characteristic.

Based on these considerations, it is evident that both the internal practices focusing on equal opportunities and on anti-discrimination practices are important values of the ENAV Group. Indeed, both these areas are seen as important factors in internal cohesion and contribute to the creation of a stimulating working environment. A heterogeneous workforce is seen as an asset capable of generating progress and improving performance.

In line with its commitment, ENAV has established an Equal Opportunities Committee, which, in collaboration with the Human Resources unit, engages in activities that are aimed at promoting a culture and policies of equality in the workplace, while also bringing attention and support to potential situations of discrimination that call for specific action. On 22 November, the Equal Opportunities Committee, together with ENAV, organised a conference on the importance of people and on welcoming diversity in the workplace. The conference was attended by prominent experts who provided ideas and mechanisms for growth in order to increase awareness of the importance of the inclusion of all and of overcoming the deeply rooted stereotypes that often lead to widespread conduct and habits. The conference was broadcast to all ENAV facilities and was open to all companies of the Group.

After the conference, information briefs on diversity management, age diversity, digital natives, and reverse mentoring were produced and published on the organisation's intranet for all employees to see.

The Committee, in part by way of interaction with other committees, stays abreast of new laws and regulations and of projects and initiatives concerning the issue with the aim of engaging the Company and its employees in a process of building a culture of equality. The Equal Opportunities Committee also acts as an intermediary with the Human Resources unit in the handling of reports from employees concerning problems of a personal or professional nature, with the aim of finding the best solution to these issues, while reconciling personal and business needs.

The possibility of transforming the Committee into the Group-wide Equal Opportunities Committee in order to ensure a more uniform approach to the issues of equal opportunities throughout the Group is currently being studied. This will involve identifying the people within the various sites/companies of the Group who are to conduct activities, coordinated by the central committee, that engage and increase awareness among the greatest number of employees, both for the search for solutions to specific cases and in respect of the workplace and human dignity generally.

The *2019-2021 Three-Year Positive Action Plan* has also been defined. This plan revolves around projects of awareness, discussion, and more effective internal and external communication aimed at ensuring equal opportunities for all. The projects involve improvement efforts of the committee itself in a process of development that also involves assessing the shift from a decentralised equal opportunities committee to a unified Committee for the Assurance of Equal Opportunities. These unified committees, established for government bodies, integrate the duties of the equal opportunity committees in terms of consulting, oversight, and involvement in decision-making processes and represent the body of reference for all issues that concern, directly or indirectly, issues of equality and equal opportunities in support of employees and of the organisation as a whole. Other actions

are aimed at cultural growth by way of training and awareness efforts on both individual respect and the diversity that gives each individual their unique value, as well as by listening to needs and searching for shared solutions. The final component concerns strengthening the means of communication given the fundamental role they play in promoting awareness of mandatory training and other initiatives designed to increase awareness of the issues of diversity and inclusion.

In 2019, in order to further enhance the dissemination of these issues, the Group adopted a Diversity and Inclusion Policy. The objective of this Policy is to recognise diversity and transform it into an asset of crucial value and competitive advantage by taking advantage of the potential of every individual regardless of gender, religious or political beliefs, age, ethnicity, etc. and overcoming deeply the rooted stereotypes and related misconduct that typically trigger conflict rather than the form of effective collaboration that is a necessary condition to an organisation's success.

Diversity and Inclusion Policy

The success of any business depends on the people who work for it, and inclusive teams create tangible value as people from different nations, cultures, and professional backgrounds, of different ages and with different capabilities are a source of wealth and innovation.

This focus on people is a key aspect of the following principles defined in the **Diversity and Inclusion Policy**:

- *non-discrimination*: all employees are to be valued based solely on their own individual, professional skills and capabilities. Any form of discrimination in relation to one's political affiliation, religious or ethical beliefs, nationality, ethnicity, language spoken, disability, gender, age, sexual orientation, beliefs in general, union association and related activities, or any other form of social discrimination is, therefore, prohibited;
- *equal opportunities and equal dignity for any form of diversity*: diversity is a value that must be recognised, and equal treatment and equal opportunities must be ensured for any type of diversity. Personal circumstances in terms of work-life balance (e.g. maternity or parental leave, part-time or flex work, etc.) must also not be seen as justifications for discriminatory treatment;
- *work-life balance*: the ENAV Group is launching initiatives aimed at supporting work-life balance (e.g. smart working) to take account of the needs of employees and promote respect for and attention on all circumstances employees may face in the course of their careers;
- *creation of an inclusive workplace*: the ENAV Group is committed to organising services, practices, and other initiatives open to employees, customers, and vendors. Everyone must have the opportunity to participate in company processes without any form of implicit or explicit hindrance in terms unit, function, country, gender, religion, culture, personal beliefs, sexual orientation, disability, age, or any other form of diversity, thereby creating an environment that is able to encourage expression of the unique potential of every individual as a strategic lever in achieving the organisation's objectives.

In 2019, numerous initiatives were developed to promote a culture of equal opportunity.

On 8 March 2019, International Women's Day, ENAV signed an understanding with the social partners implementing the 2007 European framework agreement on violence and harassment at work as transposed in Italy by Confindustria and the nation's trade unions in 2017. This agreement aims to safeguard against the harassment that can occur when one or more individuals are repeatedly and deliberately mistreated, threatened and/or humiliated in the workplace. For the purpose of prevention and to increase awareness on the issue, it also invites organisations to issue a declaration and adopt a related code of conduct underscoring that harassment and violence will not be tolerated. With this document, ENAV firmly condemns all forms of violence and harassment

that could arise in the workplace, while protecting and supporting our employees in respecting the principles of ethics and tolerance and committing to protect all women and men at ENAV. In implementation of the framework agreement of 7 March 2019, we have drafted rules to ensure dignity in the workplace for all women and men who work for ENAV Group S.p.A. These rules, which are in the process of being approved, define what is meant by harassment and violence, establishes whistleblowing procedures, identifies the individuals who can act to protect the whistle-blower, determines the process for identifying false claims, and sets sanctions.

Since 2013, we have continued participating in the nationwide bring-your-children-to-work day (promoted by the Italian news publication *Corriere della Sera* in collaboration with *La Stampa*) throughout the organisation. The goal of the event is to give children the opportunity to experience what their parents do each day when they come to work. It is also typically a learning opportunity for the children who participate in that, each year, a work-related theme is selected and theme-based lessons and activities are organised for children of all ages.

ENAV also welcomes various non-profit organisations into our offices in order to give them an opportunity to raise money for their projects while engaging the organisation and our employees in social issues of relevance to us all and which require the contribution of everyone.

The protection of diversity and equal opportunities is also achieved by way of the numerous training and information efforts promoted by the Group. Within this context, ENAV promotes the training of all employees on the principles expressed in the Code of Ethics with the goal of increasing awareness of the rules of coexistence and non-discrimination to be followed by all employees of Group. Furthermore, the e-learning course "Introduction to Equal Opportunities" has been available to employees for a number of years.

A pilot training project is now being studied with the goal of improving relationships between colleagues through training on recognising and deconstructing gender stereotypes. This training seeks to increase individual and group awareness while recognising and preventing the situations of imbalance in the treatment of men and women that arise from discrimination and cultural mores. It will also contribute to improving the workplace and increasing productivity and brand positioning within the scope of social responsibility.

7.3 SOCIAL POLICIES AND COMPANY WELFARE

Welfare, in its meaning as the continuous improvement of organisational well-being and engagement, is one of the pillars of corporate social responsibility at ENAV. Out of this understanding of the concept of welfare came the unit known as Welfare and People Care, which is dedicated to the planning and execution of projects aimed at improving work-life balance, in part through a careful policy of listening to internal stakeholders by way of targeted surveys.

Of particular importance within the scope of social policies was the establishment of the Prevaer Supplemental Pension Fund, which calls for a contribution by the Company of 3% of the salary of participating employees (in addition to the 2% paid by employees) and a supplemental health-insurance policy (for both ENAV and Techno Sky). This is paid for entirely by the Company and also includes a deductible-free prevention package aimed at specific prevention needs based on an employee's gender and age.

With the project "Yes We Care", launched in 2019, ENAV is seeking to increase awareness among employees of the importance of prevention and a healthy lifestyle by way of health-related events with physicians and other experts. In 2019, 60 employees participated in two workshops. With HealthyFood@desk, employees of the Rome office were also given the opportunity to order fresh, local produce and have it delivered to them at work.

For families, ENAV provides benefits that are greater than those required by applicable laws and regulations. In terms of maternity and parental leave, we provide new parents with their full salaries when on leave where the Italian National Social Security Administration (INPS) would pay just 80%. ENAV also allows employees to take up to 6 months of additional leave for children up to the age of three, receiving 80% of one's salary for the first two months and 40% for the remaining four months (current legislation provides for 30% of one's salary for the entire period of additional parental leave). Important support mechanisms for parents also concern paid leave in the event of child illness (specifically, the Company grants 50% salary up to the first 30 days, as compared with no salary granted by INPS) and for the performance of specialist medical services.

In 2019, to further promote work-life balance, ENAV began offering smart working in a pilot project (aimed mainly at assessing the efficacy of the Company's remote-access systems) involving 50 employees, but the project will be extended to increasing numbers of employees in the years to come. The project aims not only to improve work-life balance, but is also a new philosophy of management based on giving people autonomy and flexibility in choosing where, when and how they work, while also making them more accountable for the results they achieve.

Another important initiative, which was introduced in 2018 and continued in 2019, is the institution of "solidarity holidays", by virtue of which employees can assign a portion of their holidays to the benefit of co-workers who find themselves in particularly challenging family situations. ENAV has gone beyond the scope of the law regarding these solidarity holidays, establishing that such solidarity initiatives can also be used in favour of those employees who, within their own families, need to assist a parent, spouse, companion, or adult child. In 2019, the community of workers responded pro-actively to the requests of colleagues in need, with 8 people willing to give up their holidays, for a total of 15 days donated.

In other money-saving initiatives aimed at supporting the purchasing power of employee salaries, ENAV has begun the process of contracting out the design, implementation and management of a platform for the provision of company welfare services aimed at enabling employees to convert performance bonuses into benefits. This initiative joins the "Corporate Benefit" discount portal, which

provides ENAV employees with a range of discounts for banking services, insurance, recreation, culture, mobility, and fitness. In terms of education, the Company provides incentives for the education of the children of employees with Project Open and Project Intercultura.

Under Project OPEN, the children of employees of the ENAV Group who are in their final year of secondary school are given the opportunity to be assisted in the delicate process of choosing a university or beginning their careers in the workforce. An initial phase aimed at exploring and measuring the student's potential, interests and other personal characteristics is followed by an individual meeting with an expert (psychologist), who provides the student with an orientation report based on the information gathered.

Intercultura, in turn, is a project being provided in collaboration with the Intercultura Foundation for the children of ENAV and Techno Sky employees, giving them the opportunity to receive scholarships for studies abroad with a duration of two months, three months, or one year. In 2019, a total of 12 scholarships were granted, 8 of which for one-year programmes. In 2020, we also introduced the STEM training programme, a four-week programme conducted in English focusing on science and technology.

With a view to neighbourhood welfare, synergies have also been developed with other organisations in our communities. The provision of shared services with Istituto Poligrafico e Zecca dello Stato, including company canteen, parking, and shuttle services, has been particularly well received by the employees of both organisations. Testing of a car pooling service will also begin soon.

In terms of improving the Company's carbon footprint, two important initiatives have recently entered the implementation phase, and namely: the project SustainMobility, aimed at developing electric mobility by gradually implementing charging stations and promoting the use of electric vehicles throughout Italy; and the project Plastic Footprint Reduction, aimed at reducing the amount of plastic consumed by the Company. To this end, a number of water fountains connected to the city water supply have been installed, on an experimental basis, in ENAV offices to replace tank-based fountains with cup dispensers, and thermos bottles have been given to employees free of charge. The official launch of the project is set for the first part of 2020, when the project team will plan measures to drastically reduce the consumption and use of plastic nationwide.

7.4 THE PROTECTION OF HUMAN RIGHTS

ENAV's attention to the issue of human rights is evident, both in the constant monitoring of the HR unit and the application of the Code of Ethics, which expressly stipulates that "relations between employees are based on the values of civil co-existence and on respecting the rights and freedoms of the individual and the fundamental principles that affirm equal social dignity without discrimination on the grounds of nationality, language, gender, race, religious belief, political or union affiliation, or physical or mental conditions". Although the Group, by virtue of its business and geographical location, is not exposed to particularly significant risks related to human rights violations, the Company has begun a process aimed at publishing a human rights policy that is to be released in the first part of 2020. With this policy, the Company is committed to respecting and promoting the respect of human rights through both strict observance of the law in all countries in which we operate and the adoption and application of internal codes of conduct. ENAV also intends to formalise the Company's commitment to promoting the principles of international legislation and internal codes among all of the Group's main stakeholders, including employees, customers, vendors, sub-contractors, commercial partners, and the communities in which we operate.

There are areas within ENAV in which, given the nature as a critical infrastructure nature and sensitive objectives, specific efforts are aimed at maintaining high standards of safety for employees (without sacrificing the need to protect the rights of the individual, in fulfilment of employer obligations established under Article 2087 of the Italian Civil Code). This applies both to the protection of the life and the safety of employees and of others who may occasionally find themselves on ENAV premises (in light of the "criminal risk" to be taken into account in the analytical considerations of Legislative Decree 81/2008, in which an employer must prevent, eliminate, or mitigate any risk that could hinder the constitutional values of human life and safety) and to the protection of employees of the Group who travel for work to potentially dangerous countries (such as due to political instability, the actions of terrorist groups, or particularly critical health and sanitation conditions).

The other particularly sensitive area concerns the handling of personal information and the safeguarding of the rights of confidentiality in the workplace in accordance with the framework of data protection policies established at the national and European levels, the founding principles of which are fully adopted and expressed in Group policies at the highest levels. Within this context, particular attention is placed on legislative compliance with the prohibition of direct or indirect monitoring of workers, as defined by Law 300/1970 (the "Workers' Charter"), in particular with regard to the remote monitoring of workers by way of video surveillance and the use of security guards. For the former, this is achieved by way of broad-based, transparent dialogue with the trade unions and the use of the tools in a fair, transparent manner; for the latter, it is achieved with an express prohibition as an integral part of the special specifications that govern the procurement of the security services. Moreover, systems of computer protection, which can include forms of verification and monitoring, are consistent with the principles of Article 4 of Law 300/1970, as also stated under Article 23 of Legislative Decree 151/2015, with regard to which ample and transparent information is provided to employees and to the trade unions.

One important aspect is the coordination efforts carried out with the authorities. Indeed, because of the delicate nature of the role played by employees of the ENAV Group, there is a need to reinforce protection of workers from any external factors that could be considered a risk inherent in the job or in the workplace. In this regard, the systems of prevention and protection from criminal risk are supplemented by specific agreements with the Ministry of the Interior – Department of Public Safety and translated into special procedures aimed at the protection of life, safety and dignity of the worker, including in relation to any conflicts that may arise within the workplace.

With regard to specific safety risks to employees travelling abroad, there is a specific procedure that ensures the prior assessment of risk for this type of activity, supplemented by interaction with the Crisis Unit established within the Ministry of Foreign Affairs and International Cooperation.

With regard to the respect of human rights in Group companies and processes, the Internal Audit unit has the goal of conducting the audits specified within the plan approved by senior management and assessing any reports received in order to verify the proper application of internal procedures, observance of the Code of Ethics and the Compliance Model (as per Legislative Decree 231/01), and compliance with Italian and international law applicable to all companies of the Group, all for the purpose of reporting any infringements of human rights by the various means envisaged and implementing any corrective measures. However, it should also be noted that the intrinsic risk within the Group is deemed to be low.

With regard to Techno Sky, the protection of human rights is applied through some general principles (guaranteeing the freedom of association, equal opportunities, prohibiting behaviours that have discriminatory content in both internal and external relations, protecting the right to life both of its employees and of third parties, emphasising the protection of health and safety in the workplace, etc.), which are monitored carefully through constant and constructive interactions with employees.

**THE RISKS ASSOCIATED WITH HUMAN RIGHTS
WERE ASSESSED WITHIN RISK MANAGEMENT PROCESS FOR 100% OF PROCESSES**

7.5 INTERNAL COMMUNICATION

In recent years, the Group has developed new internal communication initiatives through projects and actions aimed not only at informing but also, and above all, at engaging people in the organisational and strategic dynamics of the Company through:

- the involvement of all employees in the analysis of communication processes in order to create the conditions for the sharing of knowledge, of culture, and of values;
- the use of internal communication as a lever in promoting individual engagement;
- a vision of the Company not as a closed system, but rather on that is open to the countless interactions and repercussions with the environment that surrounds it;
- online and off-line press, publishing, and social media 2.0;
- the promotion of a perception of the internal communication tools as a fundamental part of telling the organisation's story and creating a shared identity and culture.

By way of this strategy, internal communication aims to play an increasingly central role in the organisation and to build a system capable of ensuring the widespread and timely provision of information to each segment of the Group's workforce.

In order to achieve these objectives, numerous tools have been provided, including:

- *the Group Intranet "FollowMe";*
- *the monthly House Organ "Cleared";*
- *the e-Cle@red Newsletter;*
- *video messages by senior management;*
- *video tutorials in Motion Graphic supplemented by charts and graphs;*
- *editorial products;*
- *photography contests;*
- *communication questionnaires for the assessment and satisfaction of employees.*

e-Cle@red

E-Cle@red is the multimedia newsletter for employees of the ENAV Group that summarises the news of company life and provides updated information on topics of common interest and in-depth analysis.

Created in 2013 to offer new content in various formats, not just text based, the newsletter provides news, information, and documentation on activities, projects and company life, thereby contributing to spreading awareness of ATM issues thanks to insights that generate multimedia content viewable on the Company's and other websites.

Follow Me

The *Follow Me* portal is the main internal communication tool for the employees of the ENAV Group, through which it is possible to share corporate news, events and press reviews, while ensuring full compliance with the needs of the Company in terms of organisation, content and usability.

Follow Me is an integral part of ENAV's Digital Workplace, a smart-working tool adopted by the Group to enable people to remain connected with their teams and working environment at all times. Based on a participatory communication model, the portal promotes the central importance of

employees and their profiling while also providing them with a new information architecture based on dynamic, social content.

The intranet platform, inaugurated in 2018 in line with the Digital Strategy of the ENAV Group, stands as one of the technological foundations underlying Group communication. The portal has a dynamic, modular interface in which all tools can be reached with great simplicity and usability. To ensure greater accessibility of content and create a true corporate community, the intranet site can be reached remotely at any time, including from personal devices, and employees have the opportunity to express their appreciation for what is published or contribute to various discussion forums. *Follow Me* has also been enhanced with the introduction of My Page, a space that employees can personalize based on their needs and the services they use most.

Cleared

Cleared is the monthly magazine of the ENAV Group for information and training purposes and represents the first internal publishing project promoted by the Group. This magazine is open to contributions by all employees and aims to give visibility to the efforts of all company functions.

The magazine contains editorial content of importance to the Group, drawn up in collaboration with the various departments responsible for the subjects dealt with. *Cleared* is written by employees of Group companies and provides an overview of the world of air traffic management (ATM) and the evolution of platforms and projects connected to it, with a particular look into the programs and international contexts in which ENAV operates. This house organ is available in both print and digital formats, and the latest version has been enriched with video and photo galleries.

Since the creation of the publication since 2004, the Group has published over 160 editions of the magazine, and, after numerous modifications to its graphical appearance and content, it can now be said to have reached a level of maturity. *Cleared* today is a product that enhances the contribution and engagement of everyone in the Group and allows to spread the corporate culture and increase a sense of belonging among the employees.

7.6 LABOUR RELATIONS

During 2019, inspired by the principles of maximum fairness, impartiality and independence, as specified in the Group's Code of Ethics, discussions the trade unions worked toward the goal of ensuring the uniform application of the work-rules part of the national collective bargaining agreement.

Meetings have been organised in order to discuss procedures for applying the "summer 2019" agreement for the optimisation of the operational output of personnel on the 35h flexible work schedule during the summer months, and the necessary actions have been taken to ensure the start of implementation of the 2018-2022 Business Plan by way of agreements signed in April 2019. In July, we also signed the union agreement concerning distribution of the 2018 performance bonus (2019 payment), and discussions have begun in order to reach a potential revision of the entire process related to evaluating the performance of middle managers in line with the MBO policy adopted thus far.

In 2019 ENAV experienced 3 national strikes for a total of 12 hours, with an average participation rate of 39%.

These strikes were announced by the trade unions mainly in relation to issues concerning the Business Plan, renewal of the benefits section of the collective bargaining agreement, the "summer 2019" agreement, and employee hiring.

The total of 2,334 employees were members of the union, representing 71.27% on the total workforce. The collection of data regarding the number of members is done on 31 December of each year. Memberships to or withdrawals from the union, requested by employees in writing, are collected monthly then processed and transmitted to the competent office that records the request. The data is then stored in special file cabinets in order to guarantee the confidentiality of the information.

It should also be noted that the collective bargaining agreement applies to 100% of ENAV employees.

With regard to labour grievances, in 2019 there were 26 new disputes brought against the Company concerning certain aspects of the employment relationship, such as demotion, salary differences, disciplinary measures, etc. Of the total of cases settled in 2019 (involving at least one court ruling), 63% were resolved by rulings that were favourable or partially favourable to ENAV (66% in 2018).

The general objectives pursued by Techno Sky are the maintenance of a good company climate through dialogue and meetings with the trade unions and the improvement of the management and productivity of the workforce. The actions taken to achieve these objectives consist in the development of collaborative, ongoing relationships in the form of specific meetings to illustrate organizational changes. Annual informative meetings are also held to discuss the Business Plan, the present and future activities of the Company, financial performance, and the foreseeable trends in employment.

The general objectives pursued by Techno Sky are the maintenance of a good company climate through dialogue and meetings with the trade unions and the improvement of the management and productivity of the workforce. The actions taken to achieve these objectives consist in the development of collaborative, ongoing relationships in the form of specific meetings to illustrate organisational changes. Annual informative meetings are also held to discuss the Business Plan, the present and future activities of the Company, financial performance, and the foreseeable trends in employment.

In 2019, at Techno Sky there were a total of 322 employees registered with the union, equal to 44.7% of the workforce, in line with the figure for 2018. The number of registered employees is determined at 31 December each year.

In 2019, there was an increase in the number of national strikes (including strikes concerning the entire air transport industry), for a total of 6 days of strikes, compared with 4 in 2018. As a result, during the year the number of hours of strike came to 104, for a worker participation level of 2.2%, down compared with 2018.

The number of employees covered by collective bargaining agreements of various levels is 720, equal to 100% of non-executive employees.

There were no new disputes with employees in 2019 (compared with 4 in 2018), with only one proceeding pending at 31 December 2019.

For ENAV and Techno Sky, significant organisational changes are notified with appropriate notice, as provided for in the national collective bargaining agreement.

7.7 REMUNERATION POLICIES

The remuneration policies of the Parent Company, ENAV, vary based on the classification of the personnel involved, i.e. “management”, “supervisory”, “non-management”.

A single policy applies to management and supervisory personnel for the entire Group. It provides for payment of a variable component anchored to a top-down Management By Objective (MBO) system, by which the determination of objectives is based on the strategic guidelines established in the Business Plan, and then the development of these activities/pillars is carried out according to the various levels of responsibility according to a cascade approach from senior management down to the lower levels of the hierarchy. The objectives are linked to financial indicators and to specific areas linked to the individual positions within the organisation based on the various levels of responsibility. For the line functions, there are objectives that focus on operational performance (e.g. reduction of delays and operating efficiency), along with the implementation of projects related to service quality, in part through the introduction of innovative technologies and projects in the field of air traffic control which help to mitigate the environmental impact of air travel.

Also of note is the definition at various levels of the organisation, including senior management, of specific objectives with an impact on sustainability.

With regard to non-management personnel, the performance evaluation process is conducted annually in order to acquire information on the performance and capabilities of all staff operating on the 36h schedule and who have worked during the year for more than six months.

The process calls for the Compensation and Performance Management unit, in collaboration with the Labour Cost, Labour Law & Payroll and People Business Partners units, to prepare the lists of all employees of the Group (i.e. ENAV, Techno Sky and IDS) who meet the eligibility requirements for inclusion in the assessment. The employees concerned and their evaluators are selected on the basis of the following requirements:

- working on a 36h schedule;
- being an employee for a period of longer than six months.

Subsequently, by way of a dedicated computer application, the process of evaluating technical skills and performance is initiated by the employee’s supervisor, directed and approved, where necessary, by a higher-level manager.

Following the evaluation process, the Compensation & Performance Management and Careers, Learning & Development units, with the support of the HR managers, promote “calibration” sessions with the first and second-level supervisors in order to make the evaluation metrics as consistent and objective as possible and to identify potential areas of action for individual employees in terms of management (e.g. training, job rotation, or assessment) or salary.

7.8 WORKPLACE HEALTH AND SAFETY

The ENAV Group, as established in their Codes of Ethics, gives great importance to the physical and moral integrity of their employees and partners, to promoting working conditions that respect individual dignity, and to safe and healthy working environments. The companies take care, therefore, to disseminate and consolidate a culture of health and safety in the workplace, while developing risk awareness and promoting responsible conduct by all personnel.

In order to ensure the proper maintenance of certification of the Occupational Health and Safety Management System (OHSMS) in accordance with OHSAS 18001:2007, in 2019 the certification body DNV GL – Business Assurance performed a number of structured audits across Italy. In 2019 random internal audits were conducted of 15 ENAV workplaces and 17 Techno Sky workplaces concerning compliance with laws and regulations in the area of occupational health and safety and application of OHSMS OHSAS 18001:2007 procedures.

In the area of operational management of health and safety in the workplace, the employers, in compliance with relevant requirements and with the support of the Group's Prevention and Protection unit, carry out the assessment of all risks of the ENAV and Techno Sky facilities, including the risk related to working abroad, a prepare Risk Assessment Report (RAR) for each. In 2019, a new assessment was conducted, and the Risk Assessment Reports were updated. This assessment is also supplemented by periodic environmental audits related to micro-climate, lighting, noise, indoor air quality, electromagnetic fields, and natural sources of ionizing radiation, which are monitored in order to ensure the achievement and maintenance of high levels of health and safety in the workplace.

In relation to the many activities performed as a contractor, Techno Sky also prepares, based on the specifics of the contracts concerning activities that fall within the scope of Title IV of Legislative Decree 81/08 as amended, an operational safety plan and carefully monitors the documentation produced by the contractors in order to verify compliance with applicable laws and regulations regarding health and safety in the workplace.

With regard to training, ENAV provides courses, for employees of both ENAV and Techno Sky, on the subject of occupational health and safety, both with specific activities in the classroom and via video-conferencing and by way of e-learning.

The ENAV and Techno Sky employees involved in in-class and video-conference training includes all those designated as emergency-management personnel or appointed as worker-safety representatives and all those designated as senior or middle managers.

The courses provided via the TOTARA e-learning platform are focused on:

- general employee training;
- training on specific workplace risks;
- refresher courses for employees;
- travel safety.

The first two e-learning courses involved all newly hired non-management personnel at ENAV, while the Techno Sky training on specific risks (12 hours) was conducted in the classroom. The third course type involved the remaining non-management personnel and was conducted with the frequency required by law. The travel safety course is provided to all employees who work abroad, regardless of position within the Company.

In addition to this training, ENAV provides the following training in relation to health and safety in the workplace to Techno Sky employees:

- qualification for electrical work (CEI 11-27)
- Category-3 PPE.

ENAV 2019

**6,381 HOURS OF OHS TRAINING
(OF WHICH 1,521 HOURS OF E-LEARNING)**

TECHNO SKY 2019

9,666 HOURS OF OHS TRAINING

ENAV GROUP 2019

15 INJURIES IN THE WORKPLACE IN 2019

RATE OF HOURS LOST 0.35

INJURY RATE 2.6

ANNEX 1

NON-FINANCIAL INDICATORS

The following tables show the main non-financial data relating to Chapter 4:

THE ENAV GROUP

Table 1. Group size [GRI 102-7]

Organisation size	units.	2019	2018	2017
Net revenues	€000	902,891	889,740	881,824
Total liabilities and equity		2,111,129	2,045,684	2,003,454
Liabilities		955,086	908,125	883,489
Equity		1,156,043	1,137,559	1,119,965

Table 2: Total number of individuals within the governing bodies ¹⁴ of the companies by age group and gender. [GRI 405-1]

Members of the governing bodies (head count)	2019						2018						2017					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<i>less than 30 years old</i>	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
<i>between 30 and 50</i>	4	33.3	0	-	4	33.3	4	36.4	0	-	4	36.4	5	41.7	0	0	5	41.7
<i>over 50</i>	4	33.3	4	33.3	8	66.7	3	27.3	4	36.4	7	63.6	3	25	4	33.3	7	58.3
Total	8	66.7	4	33.3	12	100	7	63.6	4	36.4	11	100	8	66.7	4	33.3	12	100

Table 3: Total number of individuals within the control bodies ¹⁵ of the companies by age group and gender. [GRI 405-1]

Members of the governing bodies (head count)	2019						2018						2017					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<i>less than 30 years old</i>	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	-	-
<i>between 30 and 50</i>		0	2	33.3	2	33.3	3	50	2	33.3	5	83.3	3	50	2	33.3	5	83.3
<i>over 50</i>	4	66.7	0	-	4	66.7	1	16.7	0	0	1	16.7	1	16.7	0	0	1	16.7
Total	4	66.7	2	33.3	6	100	4	66.7	2	33.3	6	100	4	66.7	2	33.3	6	100

¹⁴ Board of Directors of ENAV and Techno Sky

¹⁵ Board of Auditors of ENAV and Techno Sky

Table 4: Sanctions assessed for the violation of laws and regulations regarding environmental, social and economic issues and personnel management. [GRI 307-1 and 419-1]

In 2017, 2018 and 2019, there are no significant monetary or non-monetary sanctions assessed for the violation of environmental laws and regulations.

In 2017, 2018 and 2019, there are no significant monetary or non-monetary sanctions assessed for the violation of social or financial laws and regulations.

Note: Significant monetary sanction means a sanction of more than €20,000.

The following tables show the main non-financial data relating to Chapter 5:

COMMUNITY

Table 5: Number of flight hours carried out by the air fleet broken down by domestic and foreign contracts.

Flight hours	units	2019	2018	2017
Domestic	Hours	1,014.64	1,041.52	881.82
International		766.18	883.42	945.62
<i>Saudi Arabia</i>		75.67	650.67	703.25
<i>Kenya</i>		0	74.25	73.66
<i>Eritrea</i>		0	14.75	0
<i>Uganda</i>		30.50	21.08	38.66
<i>BLUE GNSS</i>		0	19.42	16.66
<i>Seneca</i>		0	0	0
<i>Portugal</i>		0	0	0
<i>Albania</i>		17.33	11.00	21.16
<i>Lithuania</i>		22.41	24.42	23.58
<i>Abu Dhabi</i>		0	0	37.58
<i>United Arab Emirates</i>		36.17	0	0
<i>Beyond</i>		0	0	2.41
<i>ONDA (Morocco)</i>		160.50	0	20.25
<i>Phoenic (Romania)</i>		212.84	0	8.41
<i>INEA</i>		0	1.58	0
<i>Cyprus</i>		0	15.67	0
<i>Croatia</i>		210.76	50.58	0
Total		1,780.82	1,924.94	1,827.30

Table 6: Average response time for extraordinary interventions thanks to the Flight Inspection and Validation service.

Average response time for extraordinary interventions	units	2019	2018	2017
Average response time	Hours	24	24	24

Table 7: Number of hours of outside training in the classroom by category of recipient

Training hours by category	units	2019	2018	2017
Private Customer	Hours	5,040	15,043	12,565
Business Customer		14,000	6,100	16,008
Total		19,040	21,143	28,572

Table 8: Number of external participants involved in external classroom training by category of recipient.

Number of third parties involved by category	units	2019	2018	2017
Private Customer	No.	14	54	88
Business Customer		277	183	178
Total		291	237	266

Table 9: Results of training carried out in 2019 to promote local development

Activities carried out	2019		2018	
	Days	Attendees	Days	Attendees
Flight simulation for students of the University of Bologna	2	36	2	44
Instruction at the University of Bologna in the field of Air Traffic Control	24	36	24	44
Total	26	72	26	88

Table 10: Results of training for local development carried out in 2019.

Activities carried out	2019		2018	
	Days	Attendees	Days	Attendees
Apprenticeship Training	1,181	122	1,630	326
Teaching visits	984	984	1,312	1,312
Intercultura (initiative for the benefit of the children of employees)	2,940	12	3,510	25
Total	5,105	1,118	6,452	1,663

Table 11: Internal cost to conduct the training for local development

Training costs	units	2019	2018	2017
Cost for apprenticeship training	€000	340	217	266
Cost for teaching visits		36	37	44
Intercultura		98	165	165
Total		474	419	475

Table 12: Investments in infrastructure

Investment	units	2019	2018	2017
Infrastructure	€000	109,700	113,000	105,000
a) Implementation and maintenance of operational technology infrastructures		71,700	64,000	51,000
b) Upgrading the ATM platform with new operational concepts		23,300	29,000	34,000
c) Infrastructures and systems		8,400	15,000	14,000
d) Information systems		6,300	5,000	6,000

Note: 2019 CAPEX of €116.3 million

Table 13: Relationship with the customer: Average system availability. (Scope: Techno Sky)

Average system availability	units	2019	2018	2017
Percentage of average system availability	%	99.98	99.98	99.98

Table 14: Relationship with the customer: Percentage of anomaly resolution on first attempt (Scope: Techno Sky)

Resolution of anomalies on first attempt	units	2019	2018	2017
Percentage of anomaly resolution on first attempt	%	92.00	92.00	90.57

Table 15: Relationship with the customer: Hours for repair and restoration. (Scope: Techno Sky)

Repair and restoration	units	2019	2018	2017
Average repair and restoration times	Minutes	34.60	33.86	33.59

Table 16: Processing days for measurement confirmation (Scope: Techno Sky)

Processing for measurement confirmation	units	2019	2018	2017
Average processing time for measurement confirmation of weather sensors	Days	12.54	13.77	11.43

Table 17: Degree of stakeholder engagement [GRI 102-43]

Degree of stakeholder engagement	units	2019	2018	2017
Stakeholder engagement initiatives	No.	14 meetings with the airlines (external customers) + 5 internal meetings to improve service quality involving the heads of the local operational units	7 sessions dedicated to individual customer and 1 plenary session	11 one to one, 1 plenary and 2 workshops
Number of stakeholders involved		More than 40 contacted through various types of communication	more than 20	more than 20
Other		Information and prior involvement in certain activities and operational projects: PRNAV, restructuring of Milan TMA, CARA procedure, familiarisation of flight crews and ATC teams with their respective environments	Involvement in the development of future projects and monitoring of existing implementations. Visits to control centres and familiarisation flights.	Cooperation Agreements

Table 18: Percentage of new suppliers assessed based on social aspects [GRI 414-1]

Percentage of new suppliers	units	2019	2018	2017
Percentage of new suppliers assessed based on social aspects (ENAV)	%	100	100	100
Percentage of new suppliers assessed based on social aspects (Techno Sky)		100	100	100
Percentage of new suppliers assessed based on social aspects (ENAV Asia Pacific)		0	0	0

Table 19: Average payment period for suppliers

Number of days for payment of suppliers (ENAV)	units	2019	2018	2017
Average payment period for suppliers	Days	19.7	23.04	34,01
Average advance (delay) in relation to contractual conditions		20.6	6.96	-
Number of days for payment of suppliers (Techno Sky)	units	2019	2018	2017
Average payment period for suppliers	Days	45	30	30
Average advance (delay) in relation to contractual conditions		33	10	10
Number of days for payment of suppliers (ENAV Asia Pacific)	units	2019	2018	2017
Average payment period for suppliers	Days	5	5	5
Average advance (delay) in relation to contractual conditions		-	-	-

The following tables show the main non-financial data relating to Chapter 6:

ENVIRONMENT

Table 20. Consumption of electricity and fuels for the operation of offices and other facilities (e.g. control towers) and of the car and aircraft fleets (by renewable/non-renewable) [GRI 302-1]

Consumption	units	2019	2018	2017
Electricity	GJ	258,406.64	253,566.80	251,347.82
from non-renewable sources		256,990.98	252,236.20	250,162.12
from renewable sources		1,415.66	1,330.60	1,185.69
Fuels for offices and other facilities		27,896.58	28,432.56	33,257.65
Diesel		4,117.51	3,374.84	5,041.55
Natural gas		23,779.07	25,057.72	28,216.10
Fuels for car fleet – Company cars		4,500.47	7,035.33	6,805.17
Diesel		4,223.33	3,897.42	4,051.52
Petrol		80.31	2,683.35	2,154.50
CNG		172.28	370.36	496.54
LPG		24.56	84.2	102.60
Fuels for car fleet – Mixed-use cars*		4,050.73	3,295.07	
Diesel		3,933.04	3,095.26	
Petrol		111.32	169.63	
CNG		-	-	
LPG		6.36	30.18	
Fuels for air fleet		26,146.78	27,010.49	26,035.00
Jet fuel		26,146.78	27,010.49	26,035.00
Total		321,001.20	319,340.25	317,445.64
*In accordance with the provisions of Article 51, paragraph 4(a), of the Consolidated Income Tax Law, fuel consumption relating to company cars for mixed business and personal use is measured at 70% of the total. For 2017, figures on consumption by mixed-use cars are not available.				

Table 21: Emissions resulting from consumption of electricity and of fuel for the operation of offices and other facilities (e.g. control towers) and the car and aircraft fleets [GRI 305-1 e 305-2]

Emissions	units	2019	2018	2017
Electricity* (Scope 2)	t CO ₂ e	25,627	25,224	26,063
Fuel for offices and other facilities		1,492.55	1,512.90	1,787.06
Diesel		280.02	232.3	343.62
Natural gas		1,212.54	1,280.60	1,443.44
Fuel for car fleet – company cars		302.69	463.86	445.25
Diesel		287.21	268.27	276.14
Petrol		5.22	171.64	137.6
CNG		8.80	18.93	25.4
LPG		1.46	5.02	6.11
Fuel for car fleet – mixed-use cars**		275.09	225.71	
Diesel		267.47	213.06	
Petrol		7.24	10.85	
CNG		-	-	-
LPG		0.38	1.8	
Fuel for Air Fleet		1,799.44	1858.35	1,791.06
Jet fuel		1,799.44	1858.35	1,791.06
Total		29,497.49	29,284.82	30,086.25

* Scope 2 emissions related to electricity consumption are calculated using the location-based approach using the emission factors published in 2017 by Terna.
The calculation of CO₂ emissions using the market-based approach is equal to 34,500 tCO₂eq. The method used to calculate market-based Scope 2 emissions uses the emission factors published by AIB – European Residual Mixes in 2019.
**In accordance with the provisions of Article 51, paragraph 4(a), of the Consolidated Income Tax Law, emissions relating to company cars for mixed business and personal use is measured at 70% of the total. For 2017, figures on consumption by mixed-use cars is not available.
The method used to calculate emissions from fuels uses the emission factors published in 2019 by the Department for Environment Food & Rural Affairs.

Table 22: Emissions avoided thanks to use of self-produced electricity from current photovoltaic systems [GRI 305-5]

Reduction of emissions	units	2019	2018	2017
Reduction of CO ₂ e	t CO ₂ e	141.57	133.06	123.51

Table 23: Emissions generated by type of transportation [GRI 305-3]

Emissions	units	2019	2018	2017
Train	t CO ₂ e	7	10	10
Aircraft		1,253	1,296	1,363
Short-haul flights (<3700 km)		826	890	841
Long-haul flights (>3700 km)		426	463	522

The method used to calculate emissions uses the emission factors published in 2019 by the Department for Environment Food & Rural Affairs.

Table 24: Reductions in routes and related impact the Italian Flight Efficiency Plan (FEP) project, highlighting the result since the beginning of the FEP project

Main results achieved	units	2019	2018	2017	Total 2017-2019
Reduction of routes	km	-14,888,188	-11,744,451	-8,724,172	-35,356,811
Reduction of fuel used	kg	-54,642,000	-44,103,000	-30,952,500	-129,697,500
Reduction of emissions of CO ₂	kg CO ₂	-172,207,350	-138,924,450	-97,500,500	-408,632,300

Note: The benefits of the FEP project as a whole refer to 2016-2019.

Table 25: Total weight of hazardous and non-hazardous waste, by type of disposal [GRI 306-2]

Total weight of hazardous waste	units	2019	2018	2017
Landfill disposal (Code D15 - Preliminary storage pending one of the disposal operations)	t	4.427	4.091	3.347
Recovery (Code R13 - Accumulation of material pending one of the recovery operations)		92.164	56.156	69.958
Total		96.591	60.247	73.305
Total weight of non-hazardous waste	units	2019	2018	2017
Landfill disposal (Code D15 - Preliminary storage pending one of the disposal operations)	t	106.724	34.421	33.911
Recovery (Code R13 - Accumulation of material pending one of the recovery operations)		112.486	176.035	128.919
Total		219.210	210.456	162.830
Other non-hazardous waste, measured in litres	units	2019	2018	2017
Sent for disposal	Litres	0	0	7,000
Total		0	0	7,000

The following tables show the main non-financial data relating to Chapter 7:

PEOPLE

Table 26: Total number of employees by Group company [GRI 102-8]

Total number of employees in the Group	units	2019	2018	2017
ENAV	No.	3,317	3,320	3,364
Techno SKY		730	792	815
ENAV Asia Pacific		2	2	2
ENAV North Atlantic		-	-	-
Total		4,049	4,114	4,181

Table 27: Employees by age, gender and level [GRI 405-1]

Employees (head count)	2019						2018						2017					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Senior management	48	1.2	4	0.1	52	1.3	55	1.7	4	0.5	59	1.4	58	1.7	4	0.5	62	1.5
<i>less than 30 years old</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>between 30 and 50</i>	10	0.2	3	0.1	13	0.3	11	0.3	3	0.4	14	0.3	19	0.6	3	0.4	22	0.5
<i>over 50</i>	38	0.9	1	0.1	39	1.0	44	1.3	1	0.1	45	1.1	39	1.2	1	0.1	40	1
Middle management	343	8.5	55	1.4	398	9.8	350	10.7	54	6.5	404	9.8	359	10.8	55	6.5	414	9.9
<i>less than 30 years old</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>between 30 and 50</i>	104	2.6	22	0.5	126	3.1	103	3.1	21	2.5	124	3.0	147	4.4	28	3.3	175	4.2
<i>over 50</i>	239	5.9	33	0.8	272	6.7	247	7.5	33	4	280	6.8	212	6.4	27	3.2	239	5.7
Office staff	2,789	68.9	769	19.0	3,558	87.9	2830	86	777	93.1	3607	87.7	2,868	86	787	93	3,655	87.4
<i>less than 30 years old</i>	148	3.7	30	0.7	178	4.4	107	3.3	22	2.6	129	3.1	205	6.1	40	4.7	245	5.9
<i>between 30 and 50</i>	1,693	41.8	440	10.9	2,133	52.7	1,726	52.6	444	53.2	2,170	52.7	1,805	54.1	476	56.3	2,281	54.6
<i>over 50</i>	948	23.4	299	7.4	1,247	30.8	997	30.4	311	37.2	1,308	31.8	858	25.7	271	32	1,129	27
Blue collar	41	1.0	-	-	41	1.0	44	1.3	-	-	44	1.1	50	1.5	-	-	50	1.2
<i>less than 30 years old</i>	-	-	-	-	-	-	-	-	-	-	-	-	1	0	-	-	1	0
<i>between 30 and 50</i>	24	0.6	-	-	24	0.6	25	0.8	-	-	25	0.6	30	0.9	-	-	30	0.7
<i>over 50</i>	17	0.4	-	-	17	0.4	19	0.6	-	-	19	0.5	19	0.6	-	-	19	0.5
Total	3,221	79.6	828	20.4	4,049	100	3,279	100	835	100	4,114	100	3,335	100	846	100	4,181	100

Table 28. Total number of employees by contract type, geographical area (in which they are employed), and gender [GRI 102-8]

Employees (head count)	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Fixed-term contract	No.	-	-	-	-	-	-	-	-	-
<i>Italy</i>		-	-	-	-	-	-	-	-	-
<i>Americas</i>		-	-	-	-	-	-	-	-	-
<i>Asia</i>		-	-	-	-	-	-	-	-	-
<i>Other - Europe</i>		-	-	-	-	-	-	-	-	-
Permanent contract		3,221	828	4,049	3,279	835	4,114	3,335	846	4,181
<i>Italy</i>		3,221	826	4,047	3,279	833	4,112	3,335	843	4,178
<i>Americas</i>		-	-	-	-	-	-	-	-	-
<i>Asia</i>		-	2	2	-	2	2	-	2	2
<i>Other - Europe</i>		-	-	-	-	-	-	-	1	1
Total		3,221	828	4,049	3,279	835	4,114	3,335	846	4,181

Table 29 Total number of employees by type of employment and gender [GRI 102-8]

Employees (head count)	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	No.	3,211	803	4,014	3,271	802	4,073	3,327	801	4,128
Part-time employees		10	25	35	8	33	41	8	45	53
Total		3,221	828	4,049	3,279	835	4,114	3,335	846	4,181

Table 30 Number of new hires by age group, gender, and geographical area [GRI 401-1]

Number of new hires	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	N°	154	19	173	131	18	149	117	29	146
<i>less than 30 years old</i>		141	18	159	114	18	132	84	19	103
<i>between 30 and 50</i>		12	1	13	12	-	12	31	8	39
<i>over 50</i>		1	-	1	5	-	5	2	2	4
Americas		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Asia		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Other - Europe		-	-	-	-	-	-	1	-	1
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	1	0	1
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Total		154	19	173	131	18	149	118	29	147
<i>less than 30 years old</i>		141	18	159	114	18	132	84	19	103
<i>between 30 and 50</i>		12	1	13	12	-	12	32	8	40
<i>over 50</i>		1	-	1	5	-	5	2	2	4

Note: The calculation of the number of new hires also includes employees with a fixed-term pseudo pilot contract (105 for 2019, 126 for 2018; 102 for 2017).

Inter-company transfers for 2019 included:

- ENAV hired 29 Techno Sky employees, comprising:
 - 12 women, of whom: 0 employees <30 years old; 8 employees between 30 and 50 years old; 4 employees >50 years old and 17 men, of whom: 0 employees <30 years old; 12 employees between 30 and 50 years old; 5 employees >50
- Techno Sky hired one employee:
 - man, > 50 years old, from a parent company.

Table 31. Number of employees who left the Group, by age, gender, and geographical area [GRI 401-1]

Employees who left the Group	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	N°	215	26	241	188	28	216	127	28	155
<i>less than 30 years old</i>		99	9	108	112	16	128	86	18	104
<i>between 30 and 50</i>		26	1	27	21	4	25	7	1	8
<i>over 50</i>		90	16	106	55	8	63	34	9	43
Americas		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Asia		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Other - Europe		-	-	-	-	-	-	1	-	1
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	1	0	1
<i>over 50</i>		0	0	-	0	0	-	0	0	-
Total		215	26	241	188	28	216	128	28	156
<i>less than 30 years old</i>		99	9	108	112	16	128	86	18	104
<i>between 30 and 50</i>		26	1	27	21	4	25	8	1	9
<i>over 50</i>		90	16	106	55	8	63	34	9	43

Note: The calculation of the number of new hires also includes employees with a fixed-term pseudo pilot contract (105 for 2019; 126 for 2018; 102 for 2017).

In 2019, one male Avio employee aged over 50 was hired by Techno Sky.

For Techno Sky, 29 employees left to be hired by ENAV, comprising:

- 12 women, of whom: 0 employees <30 years old; 8 employees between 30 and 50; 4 employees >50.
- 17 men, of whom: 0 employees <30 years old; 12 employees between 30 and 50; 5 employees >50.

Table 32. Turnover rate [GRI 401-1]

Turnover rate	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	%	6.7	3.1	6	5.7	3.4	5.3	3.8	3.3	3.7
Americas		-	-	-	-	-	-	-	-	-
Asia		-	-	-	-	-	-	-	-	-
Other - Europe		-	-	-	-	-	-	-	-	100
Total		6.7	3.1	6	5.7	3.4	5.3	3.8	3.3	3.7

Table 33. Rate of new hires [GRI 401-1]

Rate of new hires	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	%	4.8	2.3	4.3	4.0	2.2	3.6	3.5	3.4	3.5
Americas		-	-	-	-	-	-	-	-	-
Asia		-	-	-	-	-	-	-	0	0
Other - Europe		-	-	-	-	-	-	-	0	100
Total		4.8	2.3	4.3	4.0	2.2	3.6	3.5	3.4	3.5

Table 34. Number of hours of classroom and e-learning training in technical/operational issues by gender and category

Training hours by gender and level	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	26	-	26	20	-	20	53	-	53
Middle management		426	85	511	1,988	60	2,048	1,874	105	1,979
Office staff		83,690	8,054	91,744	61,822	5,762	67,583	32,450	2,814	35,264
Blue collar		32	-	32	193	-	193	362	-	362
Total		84,174	8,139	92,313	64,022	5,821	69,843	34,738	2,919	37,657

Table 35. Number of hours of classroom and e-learning non-operational training by gender and category, including anti-corruption training

Number of employees involved by gender and level	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	1,564.5	59	1,623	633	96	729	1,797	171	1,968
Middle management		3,639	989.5	4,628.5	1,094	408	1,502	3,202	630	3,832
Office staff		17,244	6,599	23,843	6,107	2,553	8,659	6,518	2,732	9,250
Blue collar		283	-	283	45	-	45	-	-	-
Total		22,730.5	7,647.5	30,378	7,879	3,056	10,935	11,517	3,533	15,050

Note: For 2017 training hours were reallocated with language training, legal training and management and specialist training included in non-operational training.

Table 36. Number of hours of classroom and e-learning training on occupational health and safety issues by gender and category

Training hours by gender and level	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	68	-	68	244	-	244	26	-	26
Middle management		761	47	808	1,944	113	2,057	2,224	254	2,478
Office staff		12,892	1,543	14,537	13,279	1,718	14,997	15,224	4,553	19,777
Blue collar		736	-	736	824	-	824	-	-	303
Total		14,457	1,590	16,047	16,291	1,831	18,122	17,474	4,807	22,281

Note: For 2017 the HSE unit issued the "SGSSL-P.6.1 Management of Occupational Health and Safety Training" procedure, enabling it to manage reporting on HSE training by type of employee and course (e.g. first aid, fire response, safety representatives, etc.), breaking it down into basic or continuation training, or into low, medium and high risk categories. The figures for 2018 and 2019 also include training at Techno Sky.

Table 37. Number of hours of classroom and e-learning training on environmental issues

Training hours by gender and level	units	2019			2018		
		Male	Female	Total	Male	Female	Total
Senior management	Hours	-	-	-	72	-	72
Middle management		-	-	-	120	16	136
Office staff		-	-	-	608	-	608
Blue collar		-	-	-	-	-	-
Total		-	-	-	800	16	816

Note: No courses in this area were held in 2019 .

Table 38. Average hours of training [GRI 404-1]

Average hours of training (classroom and e-learning)	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of training hours provided to employees	Hours	121,362	17,376	138,738	88,992	10,725	99,716	70,185	12,382	82,567
Total number of employees	No.	3,221	828	4,049	3,279	835	4,114	3,335	846	4,181
Average employee training hours	Hours/No.	38	21	34	27	13	24	21	15	20
Total number of training hours provided to senior management	Hours	1,659	59	1,718	969	96	1,065	2,471	195	2,666
Total number of senior managers	No.	48	4	52	55	4	59	58	4	62
Average training hours provided to senior management	Hours/No.	35	15	33	18	24	18	43	49	43
Total number of training hours provided to middle management	Hours	4,826	1,121	5,947	5,146	597	5,743	7,509	1,097	8,606
Total number of middle managers	No.	343	55	398	350	54	404	359	55	414
Average training hours provided to middle management	Hours/No.	14	20	15	15	11	14	21	20	21
Total number of training hours provided to office staff	Hours	113,826	16,196	130,022	81,816	10,032	91,848	59,578	11,090	70,668
Total number of office workers	No.	2,789	769	3,558	2,830	777	3,607	2,868	787	3,655
Average training hours provided to office staff	Hours/No.	41	21	37	29	13	25	21	14	19

Total number of training hours provided to blue collar workers	Hours	1,051	0	1,051	1,062	0	1,062	628	-	628
Total number of blue-collar workers	No.	41	-	41	44	0	44	50	-	50
Average training hours provided to blue collar workers	Hours/No.	26	-	26	24	-	24	13	-	13

Table 39. Number of ongoing training hours by gender

Ongoing training hours by gender and category	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	Hours	56,208	6,310	62,518	58,468	6,497	64,965	68,309	7,590	75,899

Table 40. Number of employees involved in ongoing training by gender

Number of employees involved by gender and category	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	No.	1,828	203	2,031	1,700	190	1,890	1,710	190	1,900

Table 41. Number of hours of ongoing operating unit training by gender

Hours of operating unit training by gender and function	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	Hours	43,729	2,300	46,029	113,428	12,603	126,031	75,296	8,367	83,663

Table 42. Number of employees involved in ongoing operating unit training by gender

Number of employees involved by gender and category	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	No.	335	18	353	1,612	180	1,792	445	50	495

Table 43. Number of incidents of discrimination and actions taken [GRI 406-1]

Incidents of discrimination	units	2019	2018	2017
Number of incidents of discrimination reported	No.	0	0	0
Number of incidents examined by the company		0	0	0
Number of remediation plans defined		0	0	0
Number of remediation plans implemented		0	0	0
Number of incidents no longer subject to remediation		0	0	0

Table 44. Number of grievances with employees

Number of pending grievances with employees	units	2019	2018	2017
Number of grievances with employees	No.	43	49	93

Table 45. Number of new grievances with employees

Number of new grievances with employees	units	2019	2018	2017
Number of new grievances with employees	No.	26	11	11

Table 46. Percentage of employees covered by collective bargaining agreements [GRI 102-41]

Percentage of employees covered by collective bargaining agreements	units	2019	2018	2017
Percentage of employees covered by collective bargaining agreements	%	100	100	100

Note: Senior management is excluded from the calculation.

Table 47. Percentage of employees registered with a union

Percentage of employees registered with a union	units	2019	2018	2017
Percentage of employees registered with a union	%	66	65	65

Note: Senior management is excluded from the calculation.

Table 48. Number of strikes

Number of strikes	units	2019	2018	2017
Number of strikes	No.	9	7	4

Table 49. Number of strike hours

Number of strike hours	units	2019	2018	2017
Number of strike hours	No.	116	92	36

Table 50. Types of injury, injury rate (IR), occupational disease rate (ODR), rate of lost workable hours, absenteeism rate (AR) and deaths at work, all employees [GRI 403-2]

Employees	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Injuries	No.	13	2	15	12	1	13	14	5	19
Italy		13	2	15	12	1	13	14	5	19
Asia		0	0	0	0	0	0	0	0	0
Cases of occupational disease	No.	0	0	0	0	0	0	0	0	0
Italy		0	0	0	0	0	0	0	0	0
Asia		0	0	0	0	0	0	0	0	0
Number of hours lost due to injury	Hours	1,456	1,328	2,784	840	245	1,085	2,207	461	2,668
at work		1,120	960	2,080	840	245	1,085	2,207	461	2,668
Rate of hours lost	%	0.2	0.9	0.4	0.2	0.1	0.2	0.4	0.4	0.4
Occupational disease rate (ODR)		0	0	0	0	0	0	0	0	0
Injury Rate (IR)		2.7	1.8	2.6	3.0	0.6	2.3	2.8	4.4	3.1

Note: For **non-payroll** personnel, no injuries or deaths were recorded in 2017, 2018 or 2019. The indices are calculated as follows: Rate of hours lost: (No. of hours lost due to injury at work /No. of hours worked) x1,000; Occupational disease rate (ODR): (No. of cases of occupational disease/No. of hours worked) x 200,000; Injury rate (IR): (No. of injuries /No. of hours worked) x 1,000,000. The calculations only take account of injuries to employees in the workplace.

Table 51. Absenteeism rate by type and region [GRI 403-2]

Absenteeism rate by type and region	units	2019			2018			2017		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	Hours	0.027	0.043	0.030	0.035	0.046	0.038	0.033	0.055	0.038
Illness		0.026	0.042	0.029	0.035	0.046	0.038	0.032	0.055	0.037
Injury		0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Stress		0	0	0	0	0	0	0	0	0
Asia	Hours	0	0.005	0.004	0	0.016	0.012	0	0	0
Illness		0	0.005	0.004	0	0.016	0.012	0	0	0
Injury		0	0	0	0	0	0	0	0	0
Stress		0	0	0	0	0	0	0	0	0

Note: The index is calculated as follows: Absenteeism rate (AR): (total number of days lost in the period/total number of days scheduled to be worked in the period)

ANNEX 2

TABLE: GRI CONTENT INDEX

GRI STANDARDS	Disclosure	Reference page	Omission
General Disclosure			
GRI 102: General Disclosures 2016	102-1 Name of the organisation	7	
	102-2 Activities, brands, products, and services	27-38; 31; 33-34	
	102-3 Location of headquarters	The ENAV Group's registered office is in Rome, in Via Salaria 716	
	102-4 Location of operations	27-28; 30-31; 33-34	
	102-5 Ownership and legal form	7; 27; 33-34: 35-37	
	102-6 Markets served	27-38; 31; 33-34; 48	
	102-7 Scale of the organisation	27-28; 32-34; 111-112	
	102-8 Information on employees and other workers	93; 119 – 120	
	102-9 Supply chain	69-73	
	102-10 Significant changes to the organisation and its supply chain	7; 33-34	
	102-11 Precautionary Principle or approach	39 – 45	
	102-12 External initiatives	64 – 68	
	102-13 Membership of associations	64 - 68	
	102-14 Statement from senior decision-maker	4, 5	
	102-15 Key impacts, risks, and opportunities	39 - 42	
	102-16 Values, principles, standards, and norms of behaviour	27-28; 8-11; 71-73; 74-75; 87-89; 90-91; 92; 93; 97-99; 102-103; 106-107; 109-110	
	102-18 Governance structure	35-38; 111-112 Report on Corporate Governance and Ownership Structure	
	102-24 Nominating and selecting the highest governance body	35-38, Report on Corporate Governance and Ownership Structure	

	102-40 List of stakeholder groups	11	
	102-41 Collective bargaining agreements	106-107; 126	
	102-42 Identifying and selecting stakeholders	11-14	
	102-43 Approach to stakeholder engagement	8-14; 115	
	102-44 Key topics and concerns raised	11-14	
	102-45 Entities included in the consolidated financial statements	7	
	102-46 Defining report content and topic boundaries	11-14	
	102-47 List of material topics	11-14	
	102-48 Restatements of information	6, 7	
	102-49 Changes in reporting	6, 7	
	102-50 Reporting period	6, 7	
	102-51 Date of the most recent report	6, 7	
	102-52 Reporting cycle	Reporting is annual	
	102-53 Contact point for questions regarding the report	For information or comments on this document, submit a request to sostenibilita@ENAV.it	
	102-54 Claims of reporting in accordance with the GRI Standards	6	
	102-55 GRI content index	128 – 135	
	102-56 External assurance	136	
GRI STANDARDS	Disclosure	Reference page	Omission
Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	39-44; 74-75	
	103-3 Evaluation of the management approach	39-44; 74-75	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	76	

	205-3 Confirmed incidents of corruption and actions taken	From the analyses and investigations conducted, no acts of corruption (active or passive) were discovered in the 2017-2019 period.	
GRI STANDARDS	Disclosure	Reference page	Omission
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-41; 82-83; 87-89	
	103-3 Evaluation of the management approach	82-83; 87-89	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	87-89, 117	
GRI STANDARDS	Disclosure	Reference page	Omission
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-41; 82-83; 87-89	
	103-3 Evaluation of the management approach	82-83; 87-89	
GRI: 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	87-89, 117	
	305-2 Energy indirect (Scope 2) GHG emissions	87-89, 117	
	305-3 Other indirect (Scope 3) GHG emissions	117	
	305-5 Reduction of GHG emissions	87-89, 117	
GRI STANDARDS	Disclosure	Reference page	Omission
Effluents and Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-41; 82-83; 90-91	
	103-3 Evaluation of the management approach	82-83; 90-91	

GRI: 306 Effluents and Waste 2016	306-2 Waste by type and disposal method	90-91, 118	
GRI STANDARDS	Disclosure	Reference page	Omission
Environmental Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-41; 47; 82-83	
	103-3 Evaluation of the management approach	40-41; 47; 82-83	
GRI: 307 Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	47, 112	
GRI STANDARDS	Disclosure	Reference page	Omission
Supplier Environmental Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-41, 69-73	
	103-3 Evaluation of the management approach	40-41, 69-73	
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impact in the supply chain and actions taken	71-73	
GRI STANDARDS	Disclosure	Reference page	Omission
Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40; 93; 100-101	
	103-3 Evaluation of the management approach	40; 93; 100-101	
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	93; 121-123	

GRI STANDARDS	Disclosure	Reference page	Omission
Labour/Management Relations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40; 106-107	
	103-3 Evaluation of the management approach	40; 106-107	
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	106-107	
GRI STANDARDS	Disclosure	Reference page	Omission
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40; 46-47; 109-110	
	103-3 Evaluation of the management approach	40; 46-47; 109-110	
GRI 403: Occupational Health and Safety 2018	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	109-110, 126-127	
	403-3 Workers with high incidence or high risk of diseases related to their occupation	Group personnel is exposed to the occupational health and safety risks that are reported in the section “ESG risk management and the enterprise risk management system”. There are, however, no work activities which expose the worker to risks for specific diseases, or which have a high incidence of exposure to risk.	

GRI STANDARDS	Disclosure	Reference page	Omission
Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40; 52-57; 94-96; 109-110	
	103-3 Evaluation of the management approach	40; 52-57; 94-96; 109-110	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	124	
	404-2 Programs for upgrading employee skills and transition assistance programs	52-57; 94-96; 109-110	
GRI STANDARDS	Disclosure	Reference page	Omission
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40; 97-99	
	103-3 Evaluation of the management approach	40; 97-99	
GRI: 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	119	
GRI STANDARDS	Disclosure	Reference page	Omission
Non-discrimination			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40;42; 97-99; 102-103	
	103-3 Evaluation of the management approach	40;42; 97-99; 102-103	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	125	

GRI STANDARDS	Disclosure	Reference page	Omission
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40;42; 102-103	
	103-3 Evaluation of the management approach	40;42; 102-103	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	103	
GRI STANDARDS	Disclosure	Reference page	Omission
Local Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-42; 92	
	103-3 Evaluation of the management approach	40-42; 92	
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	92	
GRI STANDARDS	Disclosure	Reference page	Omission
Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	40-42, 69-73	
	103-3 Evaluation of the management approach	40-42, 69-73	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	71-73; 115	

GRI STANDARDS	Disclosure	Reference page	Omission
Customer health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	39-42; 46-47; 49-51; 58-61	
	103-3 Evaluation of the management approach	39-42; 46-47; 49-51; 58-61	
GRI 416: Customer health and Safety 2016	416-1 Assessment of the health and Safety impacts of product and service categories	All activities of ENAV and Techno Sky	
GRI STANDARDS	Disclosure	Reference page	Omission
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	39-42; 46-47	
	103-3 Evaluation of the management approach	39-42; 46-47	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	112	
GRI STANDARDS		Reference page	Omission
Payment of Suppliers			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	73, 115	
	103-3 Evaluation of the management approach	73	
GRI STANDARDS		Reference page	Omission
Technological Innovation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	11-14	
	103-2 The management approach and its components	15-17	
	103-3 Evaluation of the management approach	15-17	

Enav S.p.A.

Independent auditor's report on the consolidated disclosure of non-financial information in accordance with article 3, par. 10, of Legislative Decree 254/2016 and with Article 5 of Consob Regulation adopted with Resolution n. 20267 of January 18, 2018

Independent auditor's report on the consolidated disclosure of non-financial information in accordance with article 3, par. 10, of Legislative Decree 254/2016 and with article 5 of Consob Regulation adopted with Resolution n. 20267 of January 18, 2018

(Translation from the original Italian text)

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

We have been appointed to perform a limited assurance engagement pursuant to article 3, paragraph 10, of Legislative Decree December 30, 2016, n. 254 (hereinafter "Decree") and article 5 of Consob Regulation adopted with Resolution n. 20267/2018, on the consolidated disclosure of non-financial information of Enav S.p.A. and its subsidiaries (hereinafter "Enav Group" or "Group") for the year ended on December 31, 2019 in accordance with article 4 of the Decree approved by the Board of Directors on March 12, 2020 (hereinafter "DNF").

Responsibilities of Directors and Board of Statutory Auditors for the DNF

The Directors are responsible for the preparation of the DNF in accordance with the requirements of articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" defined by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), identified by them as a reporting standard.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the DNF that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the DNF within the matters mentioned in article 3, par. 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the DNF, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Auditor's independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditor's responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the DNF with the requirements of the Decree and of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the DNF is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the DNF were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the DNF, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant matters in relation to the activities and characteristics of the Group reported in the DNF, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the DNF with those included in the Group's consolidated financial statements;
4. understanding of the following aspects:
 - o Group's management and organization business model, with reference to the management of the matters indicated in the article 3 of the Decree;
 - o policies adopted by the Group related to the matters indicated in the article 3 of the Decree, results achieved and related key performance indicators;
 - o main risks, generated or suffered, related to the matters indicated in the article 3 of the Decree.

With regard to these aspects, we obtained the documentation supporting the information contained in the DNF and performed the procedures described in item 5. a) below.

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the DNF.
In particular, we have conducted interviews and discussions with the management of Enav S.p.A. and with the personnel of Techno Sky S.r.l. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-

financial data and information to the management responsible for the preparation of the DNF.

Furthermore, for significant information, considering the Group activities and characteristics:

- at group level:
 - a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for Enav S.p.A. that we have selected based on its activity and its relevance to the consolidated performance indicators, we have carried out interviews during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the DNF of the Enav Group for the year ended on December 31, 2019 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 of the Decree and the GRI Standards.

Rome, April 7, 2020

EY S.p.A.

Riccardo Rossi
(Auditor)

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