



ENAV S.p.A.
ORDINARY SHAREHOLDERS' MEETING OF 21 MAY 2020
SINGLE CALL

Report of the Board of Directors on the proposals concerning the items on the agenda of the Shareholders' Meeting

Item 8 "Appointment of the Board of Directors"

Dear Shareholders,

With the Shareholders' Meeting called to approve the financial statements as at 31 December 2019, the term of the Board of Directors appointed by the Ordinary Shareholders' Meeting of 28 April 2017, as re-established by the Shareholders' Meeting of 26 April 2019 with the appointment of a new director in replacement of a resigning director, has come to an end.

Pursuant to Article 11-*bis*.3 of the Articles of Association, the Board of Directors is appointed by the Shareholders' Meeting based on slates presented by the shareholders in which the candidates are listed using consecutive numbers.

Pursuant to Article 147-*ter* of Legislative Decree 58 of 24 February 1998 (the "Consolidated Law"), slates submitted by the shareholders shall be filed at the registered office by the twenty-fifth day prior to the date of the Shareholders' meeting. In consideration of the fact that the deadline would expire on a non-business day (Sunday, 26 April 2020), it has been postponed to 27 April 2020.

The slates may be filed (i) by registered mail with return receipt or by hand delivery at the following address:

ENAV S.p.A.
Legal, Corporate Affairs and Governance
(Slates for the appointment of the Board of Directors)
Via Salaria, 716
00138 Rome – Italy

(ii) by e-mail to assemblea@enav.it, or (iii) by certified e-mail to assemblea@pec.enav.it – Ref. "Slates for the appointment of the Board of Directors".

Pursuant to Article 11.1 of the Articles of Association, the composition of the Board of Directors must comply with the applicable laws and regulations regarding gender balance, with particular regard to the provisions of Article 147-*ter*, paragraph 1-*ter*, of the Consolidated Law. These provisions reserve at least two-fifths of the positions of director to the less represented gender. In this regard, taking account of the provisions of Article 11-



bis.3 of the Articles of Association, shareholders who intend to submit a slate for the election of the Board of Directors containing a number of candidates equal to or greater than three shall include in the slate a number of candidates belonging to the less represented gender equal to at least two-fifths of the candidates, rounded up where possible and, therefore, except in the case of slates consisting of only three names, in accordance with the provisions of Consob Communication 1 of 30 January 2020 concerning the interpretation of the allocation criterion provided for in Article 144-*undecies.1* of the regulation adopted by Consob with Resolution 11971 of 14 May 1999 (the “Issuers Regulation”), ensuring that at least one of the candidates belonging to the less represented gender shall be listed in the first two places on the slate.

Pursuant to Article 11-*bis.3* of the Articles of Association, each shareholder may present and participate in the submission of only one slate. Their parent companies, subsidiaries or companies subject to common control may not submit, participate in the submission of or vote for other slates, including through a third party or a trust company, subsidiaries being the companies referred to in Article 93 of the Consolidated Law. Only shareholders who alone or together with other shareholders represent at least 1% of share capital are entitled to submit slates.¹

Each candidate may be present on only one slate upon penalty of disqualification.

Pursuant to Article 11-*bis* of the Articles of Association, upon penalty of inadmissibility, the slates shall be accompanied by:

- statements with which the individual candidates accept their candidacy;
- the curriculum vitae of the candidates indicating their personal and professional qualifications;
- statements from the candidates attesting, under their responsibility, the absence of causes of ineligibility and incompatibility and that they meet the integrity requirements and whether they also meet the independence requirements provided for by the combined provisions of Articles 147-*ter*, paragraph 4, and 148, paragraph 3, of the Consolidated Law;
- an indication of the identity of the shareholders that submitted the slates and the total percentage interest held by them in the share capital of the Company.

In accordance with Communication DEM/9017893 of 26 February 2009, Consob recommends that shareholders other than those who hold, individually or jointly, a controlling or relative majority interest should file, together with the slate, a statement affirming the absence of relationships of direct or indirect affiliation, as referred to in Article 147-*ter*, paragraph 3, of the Consolidated Law and Article 144-*quinquies* of the Issuers Regulation, with shareholders who hold, individually or jointly, a controlling or relative majority interest that can be identified on the basis of the notifications of significant shareholdings referred to in Article 120 of the Consolidated Law or the publication of shareholders’ agreements pursuant to Article 122 of that law. In this regard, on the basis of

¹ See Decision no. 28 of 30 January 2020 of the head of the Corporate Governance Division of Consob.



the notices referred to in Article 120 of the Consolidated Law and the information in the register of shareholders, the controlling shareholder of ENAV, with an interest of 53.28%, is the Ministry for the Economy and Finance.

The slates, together with the accompanying documentation indicated above, will be made available to the public by the Company at least twenty-one days prior to the date of the Shareholders' Meeting (i.e. by 30 April 2020) at the registered office, on the website of the Company (www.enav.it, in the section "Governance – Shareholders' Meeting 2020"), on the website of Borsa Italiana (www.borsaitaliana.it) and with the authorised storage mechanism "1Info" operated by Computershare S.p.A. at the address www.1info.it.

Ownership of the minimum shareholding for the submission of slates shall be determined on the basis of the shares registered in the name of the shareholder on the day on which the slates are filed with the Company. The associated certification of such ownership may be submitted after the slates have been filed but in any case by 30 April 2020.

At least one of the directors, if the Board of Directors is made up of no more than seven members, or at least two, if the Board is made up of more than seven members, shall possess the independence requirements established for the statutory auditors of listed companies pursuant to Article 148, paragraph 3, of the Consolidated Law, and referred to in Article 147-ter, paragraph 4, of that law. The candidates who meet these independence requirements shall be expressly identified in the slates. Each slate shall include at least two candidates who meet the independence requirements, mentioning those candidates separately and placing one of them in first position on the slate.

In this regard, note that pursuant to Article 11-bis.2 of the Articles of Association the following are not considered independent directors: (i) a spouse or a relative up to the fourth degree of directors of the Company; a director, or a spouse or relative up to the fourth degree of the director, of the Company's subsidiaries, parent companies or companies subject to joint control; (ii) persons who are connected to the Company or its subsidiaries or parent companies or companies subject to joint control, or directors of the Company and the individuals under (i) who are connected on an employed or self-employed basis, or through other pecuniary or professional relationship that would compromise their independence.

In addition, the Corporate Governance Code, which ENAV has adopted, recommends that the slates of candidates for the position of director should also be accompanied by information establishing whether the candidates qualify as independent pursuant to Article 3 of the Code.

Taking account of the provisions of the Consolidated Law and without prejudice to the resolutions the Shareholders' Meeting may take concerning the number of members of the Board of Directors, the shareholders are advised to include an appropriate number of candidates meeting the independence requirements referred to in Article 3.C.1 of the Corporate Governance Code in order to ensure that the composition of the Board committees is compliant with the recommendations of the Code.



All candidates shall also meet the professionalism and integrity requirements prescribed by law, applicable regulations and Article 11-*bis*.1 of the Articles of Association of ENAV.

Pursuant to Article 11-*bis*.1, no. 2 of the Articles of Association, the Board of Directors has adopted a policy, which is available in the “Governance” section of the Company’s website, regarding the maximum number of management and oversight positions considered compatible with the effective and diligent performance of the duties of director of the Company.

In compliance with the recommendations of Article 1.C.1, letter h), of the Corporate Governance Code, on 18 February 2020 the Board of Directors approved a document containing advice for shareholders on the future size and composition of the Board of Directors of ENAV. That document, which is available to the public on the Company’s website and to which reference should be made, was prepared having taken account of the results of the self-assessment exercise of the Board and its committees and was adopted on the basis of a proposal of the Remuneration and Appointments Committee. In summary, the outgoing Board of Directors feels that, in addition to the requirements set out in law and in the Articles of Association, the following should be adequately represented on the Board: (i) experience in the air transport, infrastructure or transport sectors; (ii) experience in the legal field, with particular regard to national and international contracts and experience of major corporate transactions, in relation to the opportunities for external business development; (iii) expertise in sustainability and social responsibility issues; (iv) experience in risk management and control systems, with management, accounting and financial expertise; and (v) multi-year experience in corporate governance issues gained on the corporate bodies of listed companies, possibly operating in regulated industries. The advice also encourages Board diversity not only with regard to gender, which is governed by law and the Articles of Association, but also in terms of striking an appropriate balance between experience, chronological age and tenure in office.

The Company has also adopted a policy on the diversity in the composition of its management and oversight bodies, published in the “Governance” section of the Company’s website. The contents of the policy, as regards information relevant to the selection of candidates for the position of director of the Company, are in line with the aforementioned advice and reference should be made to it for further guidance on the appropriate diversification of experience, competence and professionalism of the members of the Board of Directors of ENAV.

Pursuant to Article 11-*bis* of the Articles of Association, the procedure for the election of directors is as follows:

- a) in the progressive order in which they are presented on the list, three fourths of the directors to be elected (rounded downwards in the case of a fraction), are elected from the list that received the highest number of votes;
- b) the remaining directors are selected from the other slates; to this end, the votes obtained by the other slates are divided subsequently by one, two, three and so on, according to the number of directors to be elected. These quotients are assigned



progressively to the candidates of each of these slates, according to the order respectively provided by them. The quotients attributed in this manner to the candidates on the various slates are arranged in decreasing order. Candidates who have obtained the highest quotients shall be elected. If several candidates obtained the same quotient, the candidate to be elected will be drawn from the slate that has not yet elected a director or that has elected the smallest number of directors. If none of these slates has yet to elect a director or if all have elected the same number of directors, the candidate elected will be the one that has obtained the largest number of votes in these slates. In the event of a tie of slate votes and given the same quotient, a new vote will be held by the entire Shareholders' Meeting and the candidate that obtains a simple majority of votes will be elected;

c) for the purposes of allotting the directors to be elected, account is not taken of candidates indicated in slates that have obtained a number of votes smaller than one half of the percentage required for presentation of the slates;

d) if the minimum required number of independent directors and/or directors belonging to the less-represented gender is not elected, the directors on the slate that obtained the most votes with the highest consecutive number that do not fulfil the requirements in question will be replaced by the subsequent candidates that do fulfil the requirement(s) presented on the same slate. If, even when applying this criterion, it is not possible to identify directors with the aforementioned characteristics, the replacement criterion indicated will be applied to the minority slates that have received the most votes from which elected candidates are selected; if, even when applying the replacement criteria herein, appropriate individuals for replacement are not identified, the Shareholders' Meeting will resolve based on simple majority. In this case, the replacements will take place from the most voted slates and the candidates with the largest number of votes will be replaced;

e) the Chairman will announce the elected individuals upon completion of the above operations;

f) for the appointment of directors who for any reason are not elected pursuant to the procedure above, the Shareholders' Meeting will resolve based on the legal majorities in order to ensure that the appropriate number of directors with the independence requirements and who fulfil the applicable laws regarding gender balance are present on the Board.

Shareholders, you are invited to vote for a slate among those submitted and published in accordance with the provisions of the law and the Articles of Association.

The Chairman of the Board of Directors
Nicola Maione