Consolidated Disclosure of Non-Financial Information

pursuant to Article 4 of Legislative Decree 254/2016

2018   AEROPORTO G. MARCONI DI BOLOGNA S.P.A.

2018 Consolidated Disclosure of Non-Financial Information

pursuant to Article 4 of Legislative Decree 254/2016

This document is a courtesy translation from Italian into English.
In case of any inconsistency between the two versions, the Italian original version shall prevail.

2018 Sustainability Report

Contents

Letter to the stakeholders

The first edition of the Aeroporto G. Marconi di Bologna S.p.A. Group's Consolidated Disclosure of Non-Financial Information marks an important step in the process of reporting the results and objectives that guide our daily commitment to sustainable development, environmental protection, focus on the needs of the local community and passengers and emphasis on individual development.

The reporting year was one of great satisfaction for the Group, with passenger numbers at Bologna airport reaching a record level of 8.5 million - up 3.8% on 2017 - thanks to the introduction of new routes and improvements on existing routes in both the legacy segment (+4.3%) and the low-cost segment (+2.6%). Offering users the greatest possible number of directly served destinations is a fundamental aspect of AdB's mission: 114 direct routes were operated from Bologna airport in 2018, compared with 106 in 2017.

Customers and passengers are among the Group's top priorities, and in 2018 quality of service reached high levels of satisfaction, as witnessed by the general satisfaction index (the CSI or Customer Satisfaction Index), which rose from the already excellent 97% in 2017 to 98.5%. Quality of service and a customer-centric approach – encapsulated in the concept of the "experience" – make up a fundamental pillar of the Group's strategy, based on development strategies aimed at the ongoing improvement of the services offered to airport users in the various business areas in which the Group operates, both directly and indirectly, while also constantly improving our standards of safety, security, quality and respect for the environment.

Safeguarding the environment and energy resources is an integral part of our sustainable development policy. The Group is committed to pursuing its development goals in a manner respectful of the need to protect the environment and energy resources. Within the framework of its environmental and energy management systems compliant with the UNI ISO14001 and UNI ISO50001 standards, the Group constantly monitors the environmental impacts of its airport operations and energy consumption, ensuring that its infrastructure development plans are consistent with sustainable principles and quality of service, while also continuing to pursue the challenge of reconciliation the goals of meeting transport demand, protecting the environment and energy resources, safeguarding worker health and safety, developing employment and traffic – in other words, the sustainability of its business. This document lays down the goals and results achieved in 2018 in the areas of noise management, energy efficiency, the fight against climate change, air quality and the management of water resources and waste – a process that thus far has been carried out through constant dialogue with the local community and relevant stakeholders.

Sustainable development is also pursued by investing in the Group's people, seeking out and facilitating the development of skills, identity and a passion for a high-quality service. In addition to the 12% increase in headcount (from 472 to 528 staff members at the end of the two years compared), the Group worked on training, providing its personnel with a total of 14,110 classroom hours, equivalent to 27 hours per person, regarding diversified company welfare services, supplementary pensions, income support, supplementary healthcare, training and education, and direct and indirect industrial relations, acting as facilitator to other companies operating at the airport, in the traditional focal areas of worker health and safety protection and prevention.

To conclude, on the subject of accessibility, mention should also be made of the People Mover, the elevated monorail line that provides quick service between the airport and Bologna's central rail station, set to become operational in spring 2019, to the construction of which the Group contributed together with, and in the interest of, the local community.

These milestones were achieved due in part to an integrated strategy that, starting from the scenario of profound transformation of the market and the specific characteristics of the Group's business areas, sets goals and priorities of action to ensure that the airport and the surrounding community enjoys virtuous, sustainable growth, making it the ideal gateway to Italy.

The Chief Executive Officer/General Manager

(Nazareno Ventola)

Methodological note

The Consolidated Disclosure of Non-Financial Information (also the "**Report**" or the "**NFR**") of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (also hereafter "**Group**" or "**AdB Group**") is the first edition of a document prepared in accordance with Italian Legislative Decree 254/2016 (implementing EU Directive 2014/95), as a communication tool for providing transparent and comprehensive information on the Group's policies with regards to environmental, social and personnel matters, the defence of human rights and the prevention of bribery and corruption. The document outlines the Aeroporto di Bologna S.p.A. Group's relevant activities and the main results and impacts, highlighting its commitment to creating sustainable value for the business and its stakeholders.

In the preparation of the Report, specific principles and methods set out by the most recent standards published in 2016 by the Global Reporting Initiatives (the "**GRI Standards**" – Core Option), a leading independent body[1] which defines non-financial reporting models, were used to prepare this Report; for some of the data and information the GRI G4 Airport Operators Sector Supplements were used. For further information on the GRI Standards and reported indicators, please refer to the table annexed to this document. The figures and information refer to the reporting period ended on December 31, 2018.

The breath and quality of reporting is dictated by the materiality principle, an element identified by the applicable regulation and central to the GRI Standards: the matters dealt with in this report are those which, after close examination, were considered material as reflecting the social and environmental impacts of Group operations, or in terms of influencing stakeholders' decisions.

Pursuant to Legislative Decree 254/2016 (hereinafter simply the "**Decree**"), the Report is published annually and, as provided for in Art. 5 of the Decree, this document represents a separate report containing specific wording in order to bring it in line with the Consolidated Non-Financial Information Report required by law.

The data reported in the Consolidated Disclosure of Non-Financial Information refers to the same companies indicated in the consolidated financial statements. The companies included in the consolidated financial statements are: the parent company, Aeroporto Guglielmo Marconi di Bologna S.p.A. (also "**AdB**" or the "**Company**"), and the subsidiaries, Fast Freight Marconi S.p.A. (also "**FFM**") and TAG Bologna S.r.l. (also "**TAG**"). It should be noted that the Parent Company accounts for 94% of the total personnel and 96% of the total revenues of the entire Group. Given the impacts of the three companies, certain aspects and indicators may have a differing reporting scope than at the Group level, where considered by management as immaterial for a company in view of the specific activities carried out. In this case, the text clearly indicates the reporting scope of the aspect/indicator.

Setting the document's contents involved a specifically formed interdisciplinary working group coordinated by the Administration and Finance Department, with the aim of facilitating a clear and precise indication of the information considered significant for stakeholders in accordance with the GRI Standards' reporting principles of balance, comparability, accuracy, timeliness, clarity and reliability. The reporting process is based on the information systems used by the main corporate departments, Management Control, Accounting, Quality, Environment, Internal Auditing, Safety and Security, Personnel Management, integrated with specialized data collection and analysis tools, such as reporting forms. The figures have also been prepared and checked by the various department heads. This report was approved by the Board of Directors on March 14, 2019

This document is also subject to a limited examination ("limited assurance engagement" according to the criteria indicated by the ISAE 3000 Revised standard) by EY S.p.A. which, at the end of the work performed, issued in accordance with Legislative Decree 254/2016 and Consob Regulation No. 20267 a specific report on the compliance of information provided in the Consolidated Disclosure of Non-Financial Information drawn up as per the same Legislative Decree No. 254/16 and in accordance with the reporting standard adopted. The NFS is also available on the corporate website. For further information, contact investor.relations@bologna-airport.it.

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[1] The Global Reporting Initiative is a not-for-profit organisation founded in Boston in 1997 providing support in the reporting of sustainable performances of organisations of any size, sector or country. In 2001, it was recognized as an Independent Body by the United Nations. In 2002, the United Nations Environment Program (UNEP) formally recognized its principles and invited all UN Member States to identify an official UN-recognized body.

Reconciliation table with Leg. Decree. 254/2016

Areas of Leg. Decree 254/2016	Requirements of Leg. Decree 254/2016	Reference paragraph 2018
Operating Management Model	*Article 3.1, paragraph a)* *Description of the Organizational and Management Model, including models adopted in accordance with the Legislative Decree 231/2001*	The AdB Group The organizational model for ethical management of the business A new strategy for creating value
Personnel	**Policies** *Article 3.1, paragraph b): Description of applied policies, including those of due diligence*	AdB Group's main social and environmental controls
	The Risk Management Model *Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management*	Integrated Risk Management Model
	Article 3.2, paragraph d) *Information regarding personnel management, including gender equality, the implementation of the conventions of international organizations and dialogue with the social partners*	Investing in people and and their professional development
	Article 3.2, paragraph c) *Information on impact on health and safety*	Investing in people and and their professional development
Environment	**Policies** *Article 3.1, paragraph b): Description of applied policies, including those of due diligence*	AdB Group's main social and environmental controls
	The Risk Management Model *Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management*	Integrated Risk Management Model
	Article 3.2, paragraphs a, b, c) *use of renewable and non-renewable energy sources, use of water resources; greenhouse gas and polluting atmospheric emissions; environmental impact*	Protecting the environment and responding to the challenges of climate change
Social	**Policies** *Article 3.1, paragraph b): Description of applied policies, including those of due diligence*	AdB Group's main social and environmental controls
	The Risk Management Model *Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management*	Integrated Risk Management Model
	Article 3.2, paragraph d) *Information on social aspects*	Providing a comprehensive high-quality experience Contributing to regional development
The fight against bribery and corruption	**Policies** *Article 3.1, paragraph b): Description of applied policies, including those of due diligence*	AdB Group's main social and environmental controls
	The Risk Management Model *Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management*	Integrated Risk Management Model
	Article 3.2, paragraph f) *Information on the fight against bribery and corruption*	The organizational model for ethical management of the business

AdB Group's main social and environmental controls

The Ethics Code, the Integrated Quality, Safety, Security and Environmental Policy, the Anti-corruption Policy and the Services Charter are the main documents the AdB Group has used to standardize its development plans in line with principles of ethics, integrity, service quality and sustainability. These documents, based on international best practices, provide Group employees with guidelines, values and principles of conduct for a responsible and proactive approach to socio-environmental issues. All recipients of the documents are adequately informed of their content through opportune training and communications activities. The following is a summary of the main Group guidelines on the social and environmental issues set out in Legs. Decree 254/2016. The following chapters provide adequate disclosure on the policies, commitments and practices contained therein.

Quality, Environment, Energy, Safety and Security *Document: Quality, Environment, Energy and Safety Policy* *Scope: AdB S.p.A, TAG* To guarantee the adequate maintenance and improvement of its integrated Quality, Environment, Energy, Safety and Security Management System, Bologna Airport is committed to: • Meeting the needs of customers, stakeholders and local communities (e.g. mobility); • Improving internal efficiency through the reorganization of activities in terms of processes; • Responding to the changing market through innovation and continuous improvement processes; • Assessing, preventing and minimizing environmental impacts and occupational health and safety risks; • Guaranteeing compliance with applicable legislation on environmental, occupational health and safety and energy efficiency issues; • Promoting a reporting system capable of guaranteeing detailed performance monitoring; • Managing an emergency response system involving the relevant corporate figures, other companies operating at the airport and institutional bodies of the airport and local communities; • Coordinating and supervising the conduct of sub-concessionaires, suppliers and third-party companies acting on behalf of AdB; • Making information and resources available for the definition, review and achievement of continuous improvement goals; • Contributing to combating climate change by improving energy efficiency and using renewable energy sources; • Promoting the dissemination of the policy; • Guaranteeing high standards of service quality, environmental protection, energy and water resource usage and occupational health and safety.	**Environmental topics** **Social topics**
Service quality *Document: Services Charter* *Scope: AdB S.p.A* To offer passengers a unique experience, Bologna Airport is committed to: • Developing innovative and efficient processes; • Guaranteeing comfortable and functional infrastructure (Wi-Fi, accessibility, PRM services, cleaning, etc.); • Guaranteeing high standards of service quality, particularly with regard to cleaning and hygiene, the regularity and punctuality of flights, waiting times, travel safety, and information availability.	**Social topics**
Personnel *Document: The Ethics Code* *Scope: Group (each company has adopted an Ethics Code)* To consolidate and promote ethical and social responsibility, Bologna Airport is committed to: • Ensuring that all those working on behalf of AdB observe the principles of legality, moral integrity, respect for individuals, quality control, occupational and environmental health and safety, fair competition, transparency and accuracy of information; • Promoting legality by preventing opportunities for unlawful conduct in corporate activities and encouraging virtuous and ethical conduct.	**Topics relating to personnel**

Anti-corruption
Document: Anti-corruption Policy
Scope: AdB S.p.A
 	
To combat corruption, AdB is committed to:
• Operating with loyalty, honesty, transparency and integrity, in accordance with national and international anti-corruption regulations, guidelines and standards;
• Extending its action to prevent both bribery and corruption in relation to public and private subjects and all activities, paying particular attention to:
  o conduct which may give rise to an abuse of powers/functions assigned to AdB employees to gain a private advantage
  o the conduct of employees of AdB, where the risk of corruption of a public or private third party may arise, in terms of generating an unlawful interest or advantage for the company.
	Fight against bribery and corruption

1. The AdB Group

Aeroporto G. Marconi di Bologna S.p.A. is the company that manages the Bologna airport, Italy's eighth-largest by number of passengers. Classified as a "strategic airport" in Italy's National Airport Plan and located in the heart of Emilia Romagna's "Food Valley" and automotive and packaging districts, Bologna airport has a catchment area of approximately 11 million residents and approximately 47,000 companies with a strong focus on exports and internationalization and commercial expansion policies targeting Eastern Europe and Asia.

In 2018 the airport served a total of 114 destinations and offered a wide range of flights suited to various types of users due to the presence of 49 airlines, including Europe's foremost carriers, in addition to several major low-cost carriers. The airport's infrastructure is capable of supporting the operation of short-, medium- and long-haul flights 24 hours a day, thanks to a 2,800-meter runway, 32 aircraft stands, a 45,890 square-meter passenger terminal, 64 check-in desks, 24 boarding gates and 5,400 parking spaces.

The company's core business is developing, designing, building, adapting, managing, maintaining and operating installations and infrastructure for airport operations, together with associated and related activities. The Group has taken an ambitious view of this institutional role, seeking to modernize its infrastructure, constantly improve quality of service, develop its route network and traffic volumes, enhance the area's tourism potential to draw travellers and stimulate the growth of the airport business and the local economy.

Inspired by values such as customer-centricity, the value of individuals and farsightedness, the Group seeks to make the Bologna airport among the most modern and efficient in Italy, capable of offering passengers an accommodating, well-connected facility that improves their travelling experience while also creating value for Italy's economy. The Airport is committed to a significant infrastructure development plan, as a fundamental part of its 2015-2020 strategy, together with the growth of its network and passenger traffic, enhancement of its non-aviation business and increased efficiency and innovation in services.

Performance in 2018

2018 financial data

Revenues +Euro **15.1 million**
EBITDA **+13,1%**
Net Profit **+10.8%**
Capitalization **Euro 415 million**
(Trading at Euro 11.48 per share on December 31, 2018)

The increase in revenues on the previous reporting period was due to both the aviation business and non-aviation services. In particular, the increase in airport traffic and cost-containment measures had a positive impact on profit for the year.

2018 Traffic

8.5 million passengers
76.8% international
114 destinations
49 airlines

The number of passengers grew, rising from 8,198,102 in 2017 to 8,506,658 in 2018. Growth was attributable to both the low-cost and legacy segments, due to the addition of new routes and increased service to existing destinations.

Vision
Being the ideal gateway to Italy
The opportunity for ongoing development based on expansion of the route network will make the Bologna airport into the ideal gateway for passengers travelling to and from the area.

Mission
Increasing the route network and ensuring that passengers enjoy a unique experience
Bologna Airport will deliver its vision when passengers acknowledge it as the ideal gateway, through which to reach all destinations, providing quick access to a community offering high-quality services and infrastructure.

AdB's values

	Customer-centricity: customer satisfaction is the measure of the airport's success. The AdB Group seeks to tend to passengers' needs at all points of their experience at the airport. Considerable emphasis is placed on anticipating the customer's needs with professionalism and efficiency.	**Listening to the customer's needs Professionalism and efficiency**
	The value of people: people are the AdB Group's priority. The airport rewards and recognizes the commitment and results of those who approach their work with enthusiasm and motivation. One of the goals associated with this value is creating an environment of trust among all individuals.	Merit, Recognition, Trust, Responsibility
	Far-sightedness: the AdB Group seeks to move quickly in anticipating business development, testing new "routes" according to a farsighted approach. A strong emphasis is also placed on the ability to challenge established habits and ways of thinking.	Anticipating, Thinking outside the box, Speed

1.1 Market overview, business model and strategy

Market overview

The AdB Group's core business involves acting as concession holder operating under special exclusive rights to the Bologna airport grounds. It operates in an industry that is highly regulated at domestic and international levels. The main industry actors are ENAV (Italy's National Agency for Flight Assistance), ENAC (Italy's National Civil Aviation Authority), Italy's National Agency for Flight Safety, airport managers, the Ministry of Infrastructure and Transport and the ICAO (the International Civil Aviation Organization). The rules governing airport management concessions are generally set out in Article 704 of the Italian Navigation Code, as amended by Leg. Decree 96/2005 and by Leg. Decree 151/2006. The concession, for a maximum duration of 40 years (expiry in 2044), permits the design, development, implementation, amendment, management, maintenance and use of plant and airport infrastructure. Concessions are contingent on signing the Regulatory Agreement and agreements governing relations with public administrations in respect of the performance of institutional duties.

Industry information

In 2018, global passenger traffic continued to rise, increasing by 6.5%, and cargo traffic also climbed at the global level, with an increase in volumes of 3.5% on 2017. In Europe passenger traffic in 2018 grew 6.6%[2] - higher than other global regions but a slight slowdown due to uncertainties on future economic developments. There was also moderate growth in European goods traffic (+3.2%) due to the persistent weakness in exports, in particular in Germany. The Italian market in 2018 saw passenger traffic growth of 5.9%[3].

The Regulatory Agreement

Development of AdB's business is correlated with the implementation of the investments provided for in the Regulatory Agreement. The Regulatory Agreement is the document that governs the various aspects of the relationship between the central government and airport manager, sets the rates for the use of airport infrastructure and allows ENAC to monitor the implementation of the investment plan and the quality and environmental protection plan that the management company undertakes to carry out during the contractual period. On February 19, 2016 AdB and the Italian Civil Aviation Authority signed the 2016-2019 Regulatory Agreement, which governs the implementation of the investment plan and observance of quality and environmental protection objectives.

Tariff regulation 2016-2019

In accordance with the current regulatory framework and the tariff models created by the Transport Regulation Authority ("ART"), in 2015 AdB launched and successfully completed the tariff-setting process for the period 2016-2019, closely coordinated and supervised by the said Authority. In October 2018, in accordance with the Authority's Model, consultation was conducted with the airlines and the tariff levels applicable from January 1, 2019 adjusted.

Regulation (EU) No 139 of February 12, 2014: new certification of Italian airports

The European Commission, with Regulation 139/2014 adopted the enacting regulation of Regulation EC No. 216/2008. This new regulation, mainly directed at the European Civil Aviation Authorities (in charge of certifying EU airports), the airports and those parties providing Apron Management Services (AMS), establishes and maintains a high and uniform level of civil aviation security in Europe, raising the security standards applied at EU airports. Bologna Airport received from ENAC on August 10, 2017 the conversion of the previous national Airport Certificate according to Regulation No. 139/2014, declaring therefore that the company organisation, the ground operating procedures and all airport infrastructure and plant at "Guglielmo Marconi" airport respond to the requirements of this EU Regulation. Guglielmo Marconi airport was the sixth airport in Italy to receive the new Airport Certificate from ENAC. The receipt of the new Airport Certificate highlights AdB's commitment to meeting the highest standards in terms of organization, safety and quality of service.

Airport business is traditionally divided into two general areas, aviation and non-aviation. The former (Aviation Strategic Business Unit) involves managing, maintaining and developing airport infrastructure dedicated to aeronautical activities, the provision of aviation services to passengers, users and airport operators, and the development of the aviation business and communication. The Group has adopted a multiservice business model, serving both traditional airlines and low cost and charter airlines, exploiting the integrated development opportunities provided by the range of clientele. More generally, the policies adopted by the business unit involve developing the network by opening up new markets in order to meet the

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[2] *IATA, Air Passenger Market Analysis, December 2018*
[3] *Assaeroporti, December 2018*

demands of local companies, stimulate outgoing and incoming traffic demand, develop synergies with other local tourism players and enhance infrastructure capacity.

The latter (the Non-Aviation Strategic Business Unit) involves developing the Group's commercial areas and services on the airport grounds, providing commercial services to passengers and airport users and developing and marketing non-aviation services (e.g., car rental) and the terminal's indoor and outdoor advertising spaces. The commercial area extends over 4,500 square meters and includes 43 merchants, such as duty-free stores, restaurants and retail shops, in addition to offices, operations spaces, warehouses and hangars, for a total area of approximately 90,000 square meters under sub-concession to various aeronautical operators. Development of the non-aviation business is based on improving the commercial offer to satisfy passengers' needs.

Since 2015 the Group has focused on executing the **Strategic Plan** underlying the Stock Market listing project. The Plan sets out actions targeting the following objectives, which take account of the major changes in the marketplace and within the individual business areas: incremental development of route network and traffic volumes, infrastructure development, development of the non-aviation business and a focus on efficiency, quality and innovation. With the increasing growth in recent years, AdB has committed to a process of redefining its identity by developing a new strategy inspired by the company's vision and mission.

The strategy is based on four main pillars of the Company's future development:

GUIDELINES

CONNECT
Expansion and development of range of destinations; Expansion of airport catchment area; Improvement of airport accessibility.

DEVELOP
Optimise and expand existing infrastructure; Develop parking business; Maximise commercial opportunities.

EXPERIENCE
Improve and optimise passenger flows; Technological innovation; Positive passenger experience at airport; Distinctive and high quality commercial offer.

CARE
Environmental and social responsibility; Development of the individual and of the organisation; Involvement of the airport community.

MAXIMISE FINANCIAL PERFORMANCE

PERFORMING CORPORATION

CONNECT

The Group seeks to maintain a varied range of flight offerings suited to various types of users by adding to the number of airlines operating out of the airport, while continuing to maintain good margins also on the new traffic generated. In terms of traffic development, the Group targets the adding of routes, with the introduction of new Eastern and long-haul destinations, while boosting frequencies to existing destinations. The Group also focuses on improving airport accessibility, through the development of ground connections and the expansion of its catchment area.

DEVELOP

The investments outlined in the Master Plan and Regulatory Agreement are fundamental to the development of the company's business. The strategy in question calls for an efficient use of the existing infrastructure's capacity and modular implementation of new investments to ensure that infrastructure capacity keeps pace with expected traffic development. The passenger terminal expansion project is a key part of the infrastructure development plan, permitting the development of - in particular - the security control areas and the boarding gates, in addition to extending dedicated commercial space. The Group also plans to develop non-aviation business with the opening of new stores, new car spaces and the extension of the range of services available to passengers.

EXPERIENCE

Within its strategic development, the Group is focused on ensuring the constant improvement of the services offered to airport users in its fields of operation, both directly and indirectly, while also constantly improving its standards of security, quality and respect for the environment. In order to support and improve all aspects of operations and generate Customer loyalty, the Group considers it key to develop a culture of innovation which revolves around the installation of technology that facilitates greater interaction with passengers and optimises the airport travelling experience.

CARE

The Group is committed to all aspects of sustainability, ranging from those of an environmental nature to compliance with ethical and social principles, in view of the important role which Bologna airport plays as a vital hub for the region.
The Group also strives to develop those who work at the Airport and build an organisation which responds to the evolving demands of the market and which supports the individual in their work.
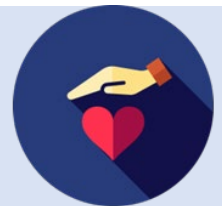
The Group has furthermore identified two overarching guidelines to the strategic objectives identified above which are viewed as a touchpoint for company operations:

MAXIMISE FINANCIAL PERFORMANCE

The Group is focused on consistently improving the financial performance and on ensuring an adequate return for shareholders.

PERFORMING CORPORATION

In order to boost company performances, the Group seeks to improve the efficiency and efficacy of its processes and its internal structure through projects which increasingly involve the interested parties.

1.2 Group history

The first scheduled flight from Bologna – Borgo Panigale airport – a facility opened in late 1931 to provide the city with a civilian airport – took place on September 4, 1933. After its first years of operation, the advent of the Second World War resulted in the destruction of the airport buildings, but not of its runway. Work on rebuilding and improving the airport then began in the post-War period.

The company Aeroporto Civile di Bologna was formed in 1961 at the behest of the Bologna Chamber of Commerce. After construction work on the airport had been completed, the shareholders decided to wind up the company and the Chamber of Commerce to found Azienda Speciale per l'Aeroporto di Bologna (ASAB) to manage airport operations. In 1976, the airport was named after Guglielmo Marconi, Bologna-native winner of the Nobel Prize in Physics.

In 1979, the Italian central government entrusted ASAB with management and development of the airport, together with the right to manage handling services and commercial operations, directly or through third companies, for a period of 20 years. In the ensuing years, ASAB changed its name to ASAER (Azienda Speciale Aeroporti Emilia Romagna) and then in 1983 was merged into the newly formed company Aeroporto G. Marconi di Bologna (now AdB), which in 1990 was entrusted with sole management of the airport. In 2004, the company signed an agreement with Italy's National Civil Aviation Authority governing the full management concession for the Bologna airport until December 28, 2044.

The early years of the new millennium were also when intercontinental service began to be offered from the airport, following the extension of the runway, and the first low-cost carriers began to arrive. However, the numbers of aircraft, passengers and cargo in the years concerned was adversely affected by international events relating to terrorism and the subsequent worldwide decline in air traffic. Starting in late 2000s, Aeroporto di Bologna increased its connectivity, serving new intercontinental routes and hosting an increasing number of low-cost carriers.

In the years in question, AdB implemented a strategy focused on developing a multiservice business model aimed at accommodating both legacy airlines and low-cost carriers and providing them with specific services suited to their needs and customers. It also focused its investments on maximizing and optimizing the exploitation of the airport infrastructure and began development of innovative technologies in support of operations linked to passenger flows.

As a result of this policy, in 2008 the low-cost carrier Ryanair began to operate from the Bologna airport, offering flights originating from its international hubs, and in March 2009 the airport officially became a Ryanair base of operations, with two airports based at the airport, destined to increase progressively over the years.

In 2009, the Company and the Italian Civil Aviation Authority entered into the 2010-2013 Regulatory Agreement providing for a four-year investment plan (2010-2013, with 2009 as a bridge year). For the first time, this agreement governed the airport tariffs and fees that the manager is entitled to collect from airport users following the changes in the law that occurred during the period.

In the late 2000s, in keeping with the strategic guidelines set in the new business plan, centered around the focus on the aviation business and the exploitation of airport infrastructure, the Company began to dispose of its equity investments in commercial (passenger) aviation handling companies. The structure of the handling operators that emerged then and remains in place at the Bologna airport to this day is as follows: there are three passenger handling companies independent of AdB (Aviation services, GH Bologna and Aviapartner), one general aviation handling company and one cargo and mail handling company (TAG and FFM, respectively), both fully-owned subsidiaries of AdB.

Terminal renovation work began in 2011 and concluded in 2013, permitting an increase in airport capacity, an expansion of the commercial areas and rationalization of passenger flows.

Finally, following an initial public offering aimed at raising additional capital of approximately Euro 30 million to be used to implement the business plan, AdB has been listed on the STAR segment of the Milan Stock Exchange since July 2015.

1.3 Corporate and Group structure

According to the shareholder register and the notices received pursuant to Article 120 of Legislative Decree No. 58/98, the shareholders of the Parent Company, Aeroporto Guglielmo Marconi di Bologna S.p.A., with holdings of more than 5% at December 31, 2018 were the Bologna Chamber of Commerce (37.53%), Atlantia S.p.A. (29.38%) and F2i Fondi Italiani per le infrastrutture SGR (9.99%). The remaining interests are split between public shareholders and other private shareholders.
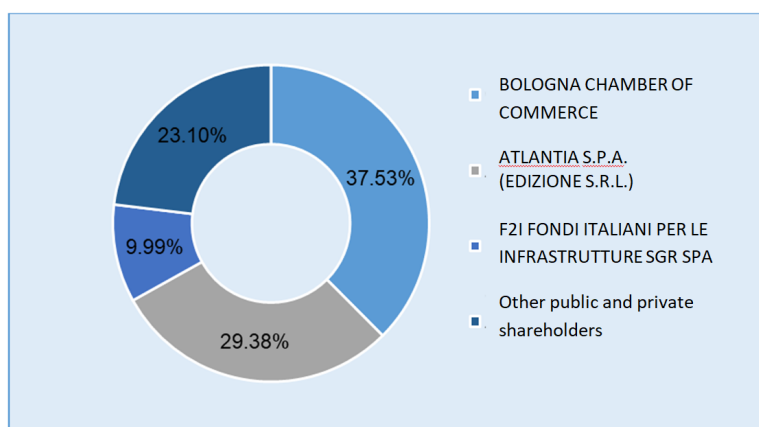
Furthermore, on June 5, 2018 the Bologna Chamber of Commerce, Municipality of Bologna, Metropolitan City of Bologna, Region of Emilia-Romagna, Modena Chamber of Commerce, Ferrara Chamber of Commerce, Reggio Emilia Chamber of Commerce and Parma Chamber of Commerce (collectively, the "Public Shareholders") entered into a shareholders' agreement (the "Shareholders' Agreement") governing certain rights and obligations in respect of the shareholder structure and corporate governance of Aeroporto Guglielmo Marconi di Bologna S.p.A.. This Shareholders' Agreement, filed at the Bologna Companies Registration Office on June 8, 2018 and sent to Consob on June 9, 2018, includes provisions on voting and transfer restrictions, binding the following interests at the publication date of the Shareholders' Agreement:

PUBLIC SHAREHOLDERS	% share capital with Voting agreement	% Share Capital subject to Transfer Restriction Agreement
Bologna Chamber of Commerce	37.53%	37.53%
Municipality of Bologna	3.88%	3.85%
Metropolitan City of Bologna	2.31%	2.30%
Emilia Romagna Region	2.04%	2.02%
Modena Chamber of Commerce	0.30%	0.08%
Ferrara Chamber of Commerce	0.22%	0.06%
Reggio Emilia Chamber of Commerce	0.15%	0.04%
Parma Chamber of Commerce	0.11%	0.03%

The structure of the Aeroporto di Bologna Group was as follows at December 31, 2018[4]:

Fast Freight Marconi Spa (also "FFM"), formed in 2008 by the former subsidiary Marconi Handling S.r.l. (GH Bologna Spa with effect from April 1, 2017), following the contribution by the then sole shareholder of a cargo and mail handling business unit based out of Bologna airport. The Parent Company acquired a 100% interest in FFM in 2009.

Tag Bologna S.r.l. (hereinafter also "TAG"), formed in 2001 and operational since 2008, following the completion and opening of the General Aviation Terminal and hangar. In addition to managing the above infrastructure at Bologna airport, the company operates as a handler in the General Aviation sector; The Parent Company on October 2, 2018, taking the opportunity to better control the dedicated airside flight infrastructure, acquired 49% of TAG to gain full ownership (100%).

Ravenna Terminal Passeggeri S.r.l. (hereinafter also "RTP"), formed in 2009 together with various public and private shareholders operating in the cruise industry to carry out activities related to the concession for managing the Porto Corsini Maritime Station Service (Ravenna). AdB possesses 24% of the shares.

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[4] For the details of equity investments of 10% or less, see the Group's Consolidated Financial Statements

The Corporate Governance Model

The Corporate Governance structure of Bologna Airport is based on the recommendations and principles of the "Self-Governance Code for listed companies" of Borsa Italiana (Italian Stock Exchange). Moreover, the Company, as required by applicable regulations, has drawn up the "Corporate governance and ownership structure report", approved by the Board of Directors and published jointly with the Directors' Report as an attachment to the Annual Financial Statements. This document contains a general description of the corporate governance system adopted, discloses information on the shareholder structure and compliance with the Self-Governance Code. It also describes the governance practices applied and the principal features of the risk management and internal control system.

The company has adopted a traditional governance model, consisting mainly of the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. The financial statements are audited by an audit firm.
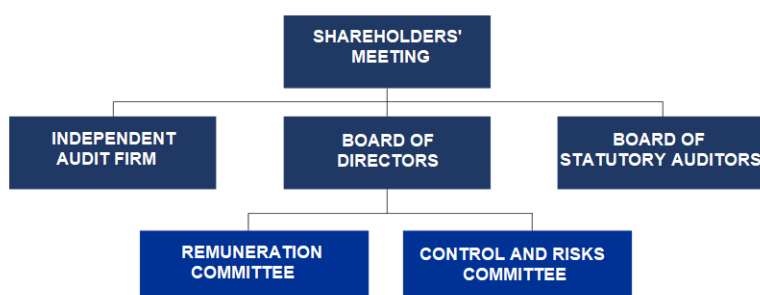
The **Shareholders' Meeting** is a forum in which the shareholders express and register their desires, and its resolutions are passed in accordance with the law and the By-laws. The decisions for which the Shareholders' Meeting is responsible include appointing the Board of Directors (BoD) and approving the annual financial statements.

The **Board of Directors** is invested with all powers of ordinary and extraordinary administration and therefore plays a central governance system role. The directors are appointed by the Shareholders' Meeting on the basis of slates submitted by the shareholders. Each slate must include at least three candidates considered independent in accordance with law. The slates presenting a number of candidates equal to or greater than three shall in addition include candidates of each gender, in order to ensure a Board of Directors composition which complies with the applicable gender equality regulation.

The Shareholders' Meeting appointed the Issuer's new Board of Directors on April 27, 2016. They hold office until the approval date of the financial statements as at December 31, 2018. AdB's Board of Directors was composed as follows at December 31, 2018:

Name	Age	Position	Executive/non-executive	Independent	Other offices
Enrico Postacchini	>50	Chairman	Non-Executive		
Nazareno Ventola	>50	Chief Executive Officer	Executive		General Manager
Giada Grandi	>50	Director	Non-Executive		
Giorgio Tabellini	>50	Director	Non-Executive		
Sonia Bonfiglioli	>50	Director	Non-Executive	Independent	Remuneration and Appointments Committee
Luca Mantecchini	between 30 and 50	Director	Non-Executive	Independent	Remuneration Committee
Domenico L. Trombone	>50	Director	Non-Executive	Independent	Control and Risks Committee
Laura Pascotto	between 30 and 50	Director	Non-Executive	Independent	Remuneration and Appointments Committee
Marco Troncone	between 30 and 50	Co-opted on November 14, 2018	Non-Executive	Independent	

In accordance with the Self-Governance Code and the requirements set by Borsa Italiana for remaining in the STAR segment, the Board of Directors has appointed an internal Remuneration Committee and Control and Risks Committee. T**he Remuneration Committee** provides consultation and recommendations with the main aim of formulating proposals for the definition of the remuneration policy for Directors and Senior Executives. The **Control and Risks Committee**, provides consultation and recommendations which supports, with appropriate investigative activities, the evaluations and decisions of the Board of Directors concerning the Internal Control and Risk Management System, in addition to those concerning the approval of the relative periodic financial reports. In discharging their duties, the internal board committees have access to the information and company functions required to complete their tasks and may also receive support from external consultants.

The **Board of Statutory Auditors** is appointed by the Shareholders' Meeting and is composed of three standing members and two alternate members. The Ministry for Infrastructure and Transport and the Ministry for the Economy and Finance (MEF) each appoint a statutory auditor, and the statutory auditor appointed by the MEF assumes the role of Chairperson. The Board of Statutory Auditors is responsible for supervising compliance with the law and the by-laws and for controlling management of the company and the adequacy and functioning of the Company's organizational, administrative and accounting structure.

Name	Age	Position	Standing member /Alternate member
Pietro Floriddia	>50	Chairman	Standing
Anna Maria Fellegara	>50	Statutory Auditor	Standing
Matteo Tiezzi	>50	Statutory Auditor	Standing
Carla Gatti	>50	Statutory Auditor	Alternate
Giovanna Conca	>50	Statutory Auditor	Alternate
Composition at December 31, 2018			

Pursuant to Art. 25 of the By-laws, an audit firm appointed by the Shareholders' Meeting by proposal of the Board of Statutory Auditors is tasked with **independent auditing**. The firm EY S.p.A. has been appointed to carry out independent auditing for the years 2015-2023.

For further details regarding corporate governance, see the annual corporate governance and ownership structure report published on Bologna Airport's website.

Diversity on management & control boards

With regard to the composition of the Board of Directors and the Board of Statutory Auditors, the Company has not deemed it necessary to adopt diversity policies relating to aspects such as age, gender and educational and professional background. In fact, the assessment of the Board's functioning conducted on June 19, 2017 did not bring to light any criticalities relating to the professional characteristic and gender of Board members. In addition, the Group applies the existing provisions of Art. 147-*quater* of the Consolidated Finance Act with regard to the issue of gender diversity.

Composition of the BoD [5]	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
below 30 years of age	No.	-	-	**-**	-	-	**-**
between 30 and 50 years		2	1	3	2	1	**3**
over 50 years of age		4	2	6	4	2	**6**
Total		6	3	9	**6**	**3**	**9**

Members of the Board of Statutory Auditor**S**	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
below 30 years of age	No.	-	-	**-**	-	-	**-**
between 30 and 50 years		-	-	**-**	-	-	**-**
over 50 years of age		2	3	**5**	2	3	**5**
Total		**2**	**3**	**5**	**2**	**3**	**5**

Member of the Remuneration Committee	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
below 30 years of age	No.	-	-	**-**	-	-	**-**
between 30 and 50 years		1	1	**2**	1	1	**2**
over 50 years of age		-	1	**1**	-	1	**1**
Total		**1**	**2**	**3**	**1**	**2**	**3**

Member of the Control & Risks Committee	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
below 30 years of age	No.	-	-	**-**	-	-	**-**
between 30 and 50 years		-	1	**1**	-	1	**1**
over 50 years of age		1	1	**2**	1	1	**2**
Total		**1**	**2**	**3**	**1**	**2**	**3**

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[5] In all tables on this page, the figures refer solely to the Parent Company, AdB

1.4 Materiality analysis and stakeholder engagement

In its first reporting year, the AdB Group conducted a materiality analysis in order to identify – in line with its business strategy – the Group's sustainability priorities and determine the contents of the Consolidated Non-Financial Information Report, in accordance with the provisions of Leg. Decree 254/2016 and the reporting standards adopted, the GRI Standards.

The non-financial reporting process involves first identifying material topics, i.e. those that have a significant impact on the Group's economic, social and environmental performance and that therefore are capable of significantly influencing the expectations, evaluations and decisions of stakeholders. In order to highlight the aspects on which to focus its reporting, in 2018 the Group therefore launched its first materiality analysis process.

The process is based on an initial analysis of company sources (particularly the Ethics Code, strategic plan and internal policies and procedures) and external sources (such as an analysis of major industry trends), with the goal of mapping and identifying all topics potentially relevant to the Group. External sources include not only specific reports and media searches, but also industry best practices, based on benchmarking of the main players in the sector at the international level. In identifying potentially relevant topics, reference was made to the aspects set out in Leg. Decree 254/2016 and the topics considered specific to the airport operators' sector included in the additional guidelines provided in the GRI Sector Supplement.

On the basis of the results of the analysis, a short list of topics was drawn up for assessment by senior executives from both an internal standpoint, as spokesmen for the Group's vision, and from the perspective of external stakeholders.

The assessment process culminated in the identification of a list of topics deemed most relevant to the Group:

Employee training and development	Employee welfare and satisfaction	Management of water resources	Waste and hazardous substance management	Energy efficiency and climate change mitigation
Digitalization	Development of the airport infrastructure and the network of destinations	Customer satisfaction and service quality	Regional involvement and development	Job creation (indirect economic impacts)
Accessibility of structures	Airport safety and emergency management	Noise management	Corruption prevention	**Material topics**

Despite being included in Leg. Decree 254/2016, topics relating to human rights have not been deemed material in view of the geographical, regulatory and business environment in which the Group operates. However, such topics are still discussed in this Report, since – as stressed in its Ethics Code – the Group safeguards personal respect, dignity and integrity by ensuring equal opportunities, without discrimination or abuse. It bears emphasizing that AdB has implemented procedural and organizational safeguards for managing and monitoring compliance with applicable legislation, with particular regard to the nature and the geographical location of airport activities, as well as the preparatory controls for obtaining mandatory airport passes for anyone working in the airport, without identifying any risks of human rights breaches.

The following aspects, occupational health and safety, effective and transparent risk governance and management, stakeholder engagement and sustainable value creation are also considered a precondition to the management of the business.

1.4.1 Stakeholder engagement and feedback channels

AdB's strategic approach to sustainability is based on the importance of the various categories of stakeholder with whom the Group interacts. To leverage such a complex system as an airport, AdB has, over time, developed specific methods and communications, feedback and engagement channels for all the various internal and external stakeholders, in order to understand their social, economic, professional and human needs, interests and expectations.

In a dynamic, competitive and rapidly changing marketplace, being able to anticipate change and identify emerging trends enables the Group to continue to generate shared added value consistently over the long term. Establishing and consolidating relationships of trust, based on the principles of transparency, openness and listening, represents for AdB an opportunity to understand the continuously evolving expectations and needs of stakeholders.

Stakeholder engagement takes the form of specific meetings, satisfaction surveys, interviews and workshops aimed at creating open dialogue and developing strategies for responding to the different needs of individual stakeholders while ensuring the sustainable achievement of common goals and experience improvements.

Stakeholder identification and the mapping of their expectations is fundamental in revealing current performance and opportunities for developing relations and actions for the achievement of shared goals. During 2016, the Group conducted detailed analysis to identify:

CATEGORIES:	CURRENT EXPECTATIONS:	POTENTIAL EXPECTATIONS:	GOALS:	POTENTIAL:	WHAT WE ARE ALREADY DOING:	WHAT WE ARE GOING TO DO:
Detailed profiling of each stakeholder	*What do they expect from us?*	*What could they expect from us?*	*What are our minimum goals regarding each stakeholder?*	*What more could we expect from our relations with each stakeholder?*	*What actions are we currently taking?*	*What actions will we develop and implement in the near future?*

Through this activity, AdB was able to identify and define appropriate listening mechanisms, commitments and common goals for each stakeholder category.
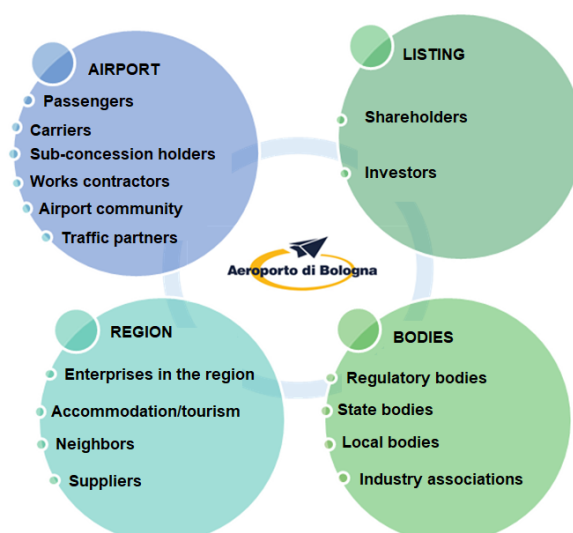
Stakeholder Think Tank

Following the success of 2016's event, on May 17, 2017, AdB carried out a second edition of the Stakeholder Think Tank. The Think Tank forms part of a stakeholder engagement project, comprising tools for the progressive engagement of stakeholders in business processes, listening activities, such as meetings, and the development of sharing and co-planning activities. Representatives of institutional bodies, airlines, handlers and business partners were invited to and engaged in the meeting, in which AdB presented its new Charter of Values and opened a series of round tables on ways to implement them, in particular at Marconi Airport. The values were the starting point for identifying the themes of 4 round tables involving the various stakeholders:

- Customer experience and satisfaction
- Relations with airport operators
- Sustainable mobility
- Strategic and technological innovation

AdB collected numerous ideas and suggestions from each round table, which stimulated analyses, innovative ideas and improvement goals regarding the Group's current and future projects.

Categories of stakeholders, listening tools and AdB's commitments

Class	Stakeholders	Listening Tools	Commitments
Airport	Passengers	• Airport angels • App • ABC readers • Social listening • Cross-selling • Airport helpers • BHSs • Beacons • Shop View Retail Management • Tracking • CRM	• Efficient services (flows, info, operations, on time performance) • Ensuring security • Economic return
	Carriers	• Business intelligence • SLA • Baggage monitoring	• Efficient operating performance • Safety and security • High yields • Route network expansion • Addition of new carriers • Promotion
	Sub-concessionaires	• Airport service training • Airport helpers • PRM awareness training	• Increase in customers • Revenue increase • Service quality • Passenger satisfaction • Passenger experience
	Operators	• Airport service training • SLA monitoring and data sharing • Business intelligence • European Best Practice Sharing	• Efficient operating performance • Security and safety • Airport system • Competitive costs
	Airport community (employees, carriers and service providers)	• Airport service training • Information sharing, monitoring and analysis • Airport helpers	• Sense of belonging • Passenger service • Collaboration and information sharing for better performance
	Roadway partners	• Parking area • Legacy flights • Service area • Co-marketing initiatives • Airport service training • Limited access roads	• Efficiency • Service quality • Revenues
Territory	Local businesses	• Group deals • Events • Targeted services	• Increase in traffic • Increases in services sold • Increase in satisfaction • Retention and loyalty
	Accommodation/Tourism	• Co-marketing • Joint information	• Increases in incoming traffic • Improvements in the attractiveness of the local area
	Neighbours	• Reputation • Institutional/external relations	• Reputation • Sound institutional/external relations
	Suppliers	• Airport service training • Punctuality of payments • Information on mandatory changes (security and safety)	• Efficiency • Quality • Continuity and assistance guarantees • Information on regulations and changes to procedures
Listing	Shareholders/Investors	• Requirements and related obligations • Financial Analysis • Ad hoc financial communication • Meetings with investors • Strong corporate reporting	• Profitability • Performance optimization
Entities	Regulatory bodies	• Regulatory Agreement • SLA • ASSAEROPORTI activities • ACI Europe activities	• Compliance with national and community legislation • Collaboration for operational efficiency • Collaboration for passenger service
	State bodies	• ABC readers • Additional passport control stations for arriving and departing passengers	• Compliance with national and community legislation • Regulatory consistency and uniformity
	Local bodies	• Communication • Promotion • MiMuovo travel pass	• Compliance with local requirements • Collaboration for operational efficiency • Collaboration for passenger service • Collaboration in terms of traffic and network development
	Trade associations	• Participation in ASSAEROPORTI workgroups • Guide preparation contribution	• Representativeness • Protection of interests • Sharing of best practices and new scenarios

1.5 The organizational model for ethical management of the business

The organizational model adopted by AdB consists of a system of safeguards (the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, Ethics Code, Anti-corruption Policy, Integrated Quality, Environment, Energy and Security Policy and Safety Policy) aimed at identifying the principles of reference for social and environmental topics, while also pursuing sustainable, ethical growth of the airport. The main aim is to consolidate within AdB – and spread outside the Group – transversal principles deeply rooted in values such as the rule of law, integrity, transparency and impartiality by setting up two bodies, the 231 Supervisory Board and the Anti-corruption and Ethics Committee, both of which support the Organizational Model and monitor the application of its principles, albeit each with specific responsibilities. In point of fact, business ethics is a cornerstone of AdB's governance and a crucial aspect of its internal control and risk management system, which could potentially compromise the responsible conduct of the business. With this in mind, AdB has also required its subsidiaries TAG and FFM to adopt their own Ethics Code, which it encourages them to apply and update constantly.

Management of economic, environmental and social issues from the standpoint of sustainability is not entrusted to a specific internal committee within the Board of Directors, but rather permeates the overall activities of the Company and its management. Protecting the environment, energy resources and individuals is an integral part of the sustainable development policy adopted by Bologna Airport, which has striven consistently to pursue its development goals in a fully sustainable manner.

Internal control system

In 2008, Bologna Airport adopted an **Organization, Management and Control Model pursuant to Legislative Decree 231/01 (the "Model")**. The Model lays down a set of rules and principles of conduct, operating procedures and penalties designed to prevent those who act on the Company's behalf from committing infringements and criminal offences. The Model considers various topics of a non-financial nature, including the environment, social aspects, human resource management, respect for human rights, corruption and bribery.

The Model is based on a sound, constantly updated Legislative Decree 231 risk assessment process and anti-corruption risk assessment. For each area of risk, the risk profiles associated with the commission of specific offences have been identified, the individuals involved in carrying out the activities in various capacities determined, the principles of conduct and oversight formulated and an approach to ensuring a constant flow of information to the Supervisory Board designed. The Model is managed by the Supervisory Board, a body endowed with independent powers of initiative and control, appointed by the Board of Directors, whose duties are updating and supervising the functioning of the Model. In order to prevent or mitigate the risk of commission of the offences set out in Leg. Decree 231/2001, the Model is integrated with the principles set out in the Ethics Code, Anti-corruption Policy and the procedures governing the environment, safety, human resources, general management (gifts and gratuities), purchases and relations with the public administration. The Supervisory Board is accompanied by the Anti-corruption and Ethics Committee, a body tasked with monitoring and updating the Anti-corruption Policy. The subsidiary companies TAG and FFM have adopted their own Ethics Code but do not currently have an organizational model pursuant to Leg. Decree 231/01.

The Ethics Code

The Company's Ethics Code, appended to its Organization, Management and Control Model pursuant to Legislative Decree 231/2001, describes the set of ethical values and principles that is to inspire and shape the Company's actions and that it intends to adopt and apply in its dealings with all stakeholders with which it interacts in the course of its activities (employees, contractors, customers, users, suppliers, public authorities and institutions).

The Ethics Code is therefore addressed to the members of AdB's company boards, its executives, employees and contractors, each within the framework of their tasks, responsibilities, duties and activities, whether within the Company and the Group or in relations with third stakeholders, with a particular focus on relations with customers, users, competitors, suppliers, external consultants, public authorities and administrations and institutions.

All those who act on AdB's behalf must, in the course of their duties and responsibilities, comply personally, and ensure compliance by others, with the principles set out in the Code: legality, moral integrity, respect for individuals, quality assurance, human and environmental health and safety, fair competition, and transparency and truthfulness of information. The Ethics Code is circulated to all employees, who receive a paper copy when they are hired.

In addition to AdB, the subsidiaries FFM and TAG have also adopted their own Ethics Code governing external and internal relations with each company and the Group, to ensure that such relations are conducted in a socially and ethically responsible manner.

Corruption destabilizes the workings of the free marketplace and fuels criminal activity, meaning that it is not only a moral and economic problem, but also an important impediment to the development of civil society. Out of an awareness of the importance of this issue, AdB includes among its foremost goals that of acting with loyalty, honesty, transparency and integrity, in accordance with national and international anti-corruption regulations, guidelines and standards. To achieve these goals, the Company has chosen to adopt an Anti-corruption Policy voluntarily, enhancing its anti-corruption system and reinforcing the relevant provisions of Leg. Decree 231/01 with those of Law 190/2012 governing public administrations and state-owned companies, despite the absence of specific obligations to this end. In point of fact, although following its listing on the exchange with effect from July 14, 2015 AdB is no longer a state-controlled enterprise, its BoD has reaffirmed its commitment to continuing to implement the safeguards aimed at protecting against corruption. AdB believes that having an adequately implemented and monitored Anti-corruption Policy may serve as an effective means of raising awareness amongst employees and contractors, thereby preventing the risk of episodes of corruption.

Anti-corruption policy

Through its Anti-corruption Policy, AdB S.p.A. has sought to extend the scope of its anti-corruption measures aimed at public and private sector entities, focusing on conduct that may be regarded as abuse of authority/position by employees in order to secure a private benefit, where the risk of corruption of a public or private third party may arise, in terms of generating an unlawful interest or advantage for the company. The Anti-corruption Policy was issued in December 2017 and represents an offshoot of the Anti-corruption Plan adopted in 2014 in accordance with Law 190/212, to which AdB was subject. The Anti-corruption Policy is part of the 231 Model framework and is managed by a specific Anti-corruption and Ethics Committee appointed by the Board of Directors. In the Policy, the Company lists all offences to be prevented, identifies the Anti-corruption and Ethics Committee, lays out the method used to manage the related risk, sets out all sensitive areas potentially at risk of abuse and the system for mitigating those risks and, finally, identifies additional anti-corruption control measures supplementing the 231 Model.

Anti-corruption and Ethics Committee

The Anti-corruption and Ethics Committee is appointed by the BoD and is tasked with monitoring and verifying implementation of the Anti-corruption Policy and its efficacy, promoting amendments to the Policy in the event of breaches or significant changes in the organization and identifying procedures for selecting and training employees operating in areas particularly exposed to corruption. In addition, this Committee promotes internal mobility or alternative measures for positions in which the risk of the committal of corruption offenses is greatest. It also has responsibility to manage reporting under its remit on unlawful conduct and protecting confidentiality of the data of the person filing the report in compliance with the Whistleblowing Policy. For the 2018-2020 three-year period, the Anti-corruption and Ethics Committee is composed of the Corporate and Legal Affairs Director, Organization and People Development Director and Internal Audit Manager.

In 2019 the Group plans to update the Parent Company's 231 Model, in accordance with Law No. 3 of January 9, 2019 (the "Anti-corruption Law"), which, *inter alia*, makes several significant changes to the rules on the administrative liability of companies and entities pursuant to Legs. Decree 231. of June 8, 2001. In view of greater protection against risks and integration of the policies applied by the parent company and subsidiaries, the Ethics Codes of the subsidiaries are also to be updated in order to bring them more closely into line with the policies adopted by the parent company**.**

AdB's 231 Model was last updated in December 2018 to reflect legislative and organizational changes. In order to guarantee the efficacy of the Model, AdB seeks to ensure that it is clearly understood by all Addressees, in the light of their varying levels of involvement in the processes, through a training and information system.

Training activity focuses on personnel in areas at risk and its contents and form vary depending on the addressees and the risk level of the areas in which they operate. The 231 Model and its annexes, including the Anti-corruption Policy, are published on the company's intranet and, in simplified form, its website. In the event of updates, all employees are notified by e-mail via the CRM system, which keeps a record of messages sent and read, whereas notice of the most significant changes is given in the form of Personnel Communications and Service Communications. All partners with contractual relationships with AdB are informed of the Company's adoption of the Model and all supply, service and consultancy agreements include a clause acknowledging and pledging compliance with the provisions of Leg. Decree 231/2001 and the principles of the Model and Ethics Code.

In accordance with the Anti-corruption Policy adopted by the Company, and in keeping with the management rules it has implemented, employee training is managed through planning mechanisms by a centralized entity (the Training Center). Mandatory courses for all employees include:

- an e-learning module on basic training regarding the 231 Model for all Company personnel, with refresher courses every five years;
- a classroom training course by the Anti-corruption and Ethics Committee regarding basic anti-corruption concepts, the Ethics Code and the Whistleblowing Policy.

In 2017 a specific training course was held for executives on the changes to the 231 Model, including the new definition of the offence of corruption among private parties and incitement to corruption among private parties. The members of the Board of Directors received training in conjunction with the approval of the new Organization and Management Model pursuant to Leg. Decree 231/01, a session in which all nine members of the Board of Directors participated. In addition, AdB's anti-corruption policies and procedures were circulated to all its commercial partners through publication on its corporate website and the inclusion of clauses in standard contracts.

Whistleblowing

AdB has issued a Whistleblowing Policy in support of procedures and approaches for managing reports of criminal offences, fraud or violations that also ensure adequate protection for the whistleblower. Whistleblowers may be the Company's internal and external stakeholders, including its employees, regardless of the type of contract applicable and the functional level occupied, individuals acting on the Company's behalf on the basis of contracts or engagement letters (e.g., agents, intermediaries, consultants and suppliers), directors and members of company bodies and other external stakeholders.

The reporting channels identified by AdB are autonomous and independent of one another. The main channel is the electronic platform, which allows the whistleblower's privacy to be fully protected. In addition to the platform, specific e-mail addresses are available: organismo231@bologna-airport.it (unlawful conduct/violations of the 231 Model) and anticorruzione@bologna-airport.it (unlawful conduct/violations of anti-corruption rules). The Company ensures that the whistleblower's identity remains secret, except in cases of reports made in poor faith.

All reports are received by the Internal Audit Manager, in view of the function's independence and objectivity. The Internal Audit Manager is a member of the Anti-corruption and Ethics Committee who provides constant support to the Supervisory Board and conducts an initial analysis of each report received and routes it to the competent control body (Supervisory Board or Anti-corruption and Ethics Committee) by content (unlawful conduct/violations of the 231 Model and unlawful conduct/violations of anti-corruption rules). Where both bodies are competent, the report is assessed and managed jointly.

Performance Indicators

Communication of company anti-corruption policies and procedures			
BoD members	**Unit**	**2017**	**2018**
Total	*No.*	7	9
Employees	**Unit**	**2017**	**2018**
Executives		9	6
Managers		28	27
White-collar	*No.*	334	132
Blue-collar		75	32
Total		**446**	**197**

Governing bodies were informed of the Anti-Corruption Policy through its approval resolution of 21/12/2017 and upon the approval of the new 231 Model during the session of the Board of Directors of 17/12/2018, while employees were informed of the related policies and procedures through Service Communication No. 11/2017 published on the corporate intranet. In 2018, the Company held dedicated meetings between the Ethics and Anti-Corruption Committee and all AdB personnel on the subjects of the prevention of corruption, the Ethics Code and whistleblowing.
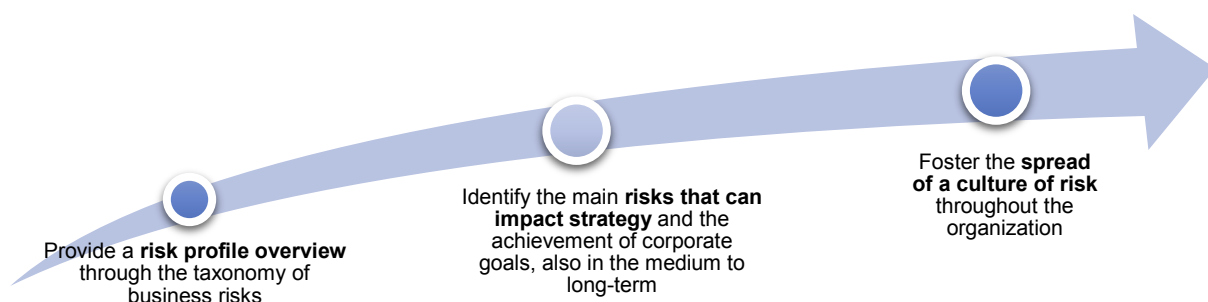
In 2018, there were no recorded incidents of corruption.

Integrated Risk Management Model

With a view to guaranteeing medium to long-term sustainability, AdB manages business risks by implementing adequate policies and approaches to process management. AdB's internal control and risk management system, viewed as the set of means adopted to mitigate the risks related to events which may potentially impact the company's performance and objectives, is divided into the various levels of control traditionally identified and is subject to supervision by the senior management and Board of Directors. AdB has therefore identified the following levels of control and related responsibilities:

- risk control and management duties regarding each company process and subject to the responsibility of the line management and functions;
- duties for the management of specific risks under the responsibility of specific competent functions;
- duties of assurance assigned to the Internal Audit function.

In 2015 this arrangement was further reinforced through the launch of an enterprise risk management (ERM) model developed on the basis of the CoSO Framework. In 2018, the Company implemented a new risk model on the basis of the preceding risk profile broken down into macro risk areas. According to the new model, process owners, identified in relation to corporate strategic goals, are responsible for identifying the main risks to be assessed. The risks are then assessed for their probability and impact on four main aspects: economics, reputation, operations and sustainability. In general terms, the ERM project seeks to:

Provide a **risk profile overview** through the taxonomy of business risks

Identify the main **risks that can impact strategy** and the achievement of corporate goals, also in the medium to long-term

Foster the **spread of a culture of risk** throughout the organization

In addition to and alongside the ERM model, the Company has introduced various controls for the management of specific risks, connected to the second level of control mentioned above, such as airport security and safety (Regulation EU No 139), the quality of services (ISO 9001), protection of the environment (ISO 14001), energy management (ISO 50001), health and safety in the workplace (OHSAS 18001), compliance with legislation on the administrative liability of companies (Leg. Decree 231/2001) and the prevention of corruption and, finally, the management of financial risks and the correctness and completeness of corporate, accounting and financial statement disclosure (Law 262/2005).

Main non-financial risk factors

Through the "Sustainability" dimension, AdB can assess the impact of risks in a comprehensive manner, considering impacts on aspects such as occupational health and safety, the environment and local communities. Several factors relating to environmental, social and human resources issues were identified during the risk mapping conducted in 2018[6].

Firstly, the analysis shows that the current stage of development reached by Bologna Airport – characterized by higher passenger growth rates than forecast alongside a significant infrastructure development plan – requires due consideration, in particular, of the risks associated with safety issues, understood to refer to airport safety, emergency management and protection and prevention of workplace health and safety.

The dedicated departments of the company carefully monitor and manage these aspects through controls. The organization and management system known as the Safety Management System involves all airport operators, constantly monitoring activities exposed to safety risk. Within this framework, the Safety Management function plans, *inter alia*, measures aimed at containing potential risks associated with situations of potential airside congestion. Such measures include, for example, greater involvement of the Safety function in planning infrastructure development, particularly within the airside area, enhancement of

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[6] The risks included refer to risk factors deemed capable of having an impact on the "sustainability" dimension and risks associated with the human resources area.

ongoing awareness-raising actions targeting personnel, strengthening of controls, constant monitoring of safety indicators and the review of findings in order to identify prevention and system improvement actions.

Conversely, situations of congestion in other areas of the Company, such as the boarding area, are brought to the attention of the other company functions dedicated to prevention and operational management of risks. In this regard, verification, supervision and control plans are currently being improved and energy measurement measures are in place, including in view of plan coordination. In addition, constant efforts are made to raise awareness among and training the various operators.

From an environmental standpoint, AdB is undertaking measures aimed at containing potential environmental impacts relating to the disposal of de-icing fluid and the dumping of waste on airport premises.

With regard to the former, AdB is already using very high-quality de-icing fluid. Nonetheless, among the investments included in its development plan, the Group intends to create a specific area for de-icing operations, including a system for collecting and disposing of de-icing fluid.

To protect against the risk of waste dumping by third parties in areas managed by the airport, and unauthorized access to such areas more generally, systematic patrols and monitoring of the most outlying areas have been implemented and specific reporting responsibilities have been established for personnel operating in this area.

One potential aspect of risk relating to the management of human resources has to do with ageing, a phenomenon that is particularly significant in administration and operations (e.g., security and PRM). In view of its average age of approximately 43-44 years, the Group has planned to offset ageing in administration by intensifying its training activities, whereas in operations, where the appropriate conditions exist, it intends to implement various compensatory mechanisms, such as re-assignment to lesser demanding areas in terms of manual labour or the use of part-time work schedules.

The additional risk factors identified may be attributed to the failure to complete the investments laid down in the Action Plan in a timely manner due to unforeseeable events or delays in the process of obtaining authorization for and/or executing the works, with positive adverse effects on the amount of the tariffs that may be applied and possible risks of withdrawal from or termination of the Agreement.

Finally, it must be considered that various players, including handlers, are involved in the airport business. In recent years, handling companies – which are labour-intensive by nature – have focused in particular on containing labour costs and increasing efficiency in response to an increasingly competitive market. This aspect, combined with the failure to renew the national industry contract, is giving rise to a lower quality of service offered by these companies and deteriorating relations with unions, culminating in worker strikes, with the risk of compromising the quality of service provided. In collaboration with Italy's National Civil Aviation Authority, AdB is strongly committed to monitoring and mediating such situations, which may affect the passenger experience and the Group's image.

Procurement policies and tender management

When awarding work, service and supply contracts, AdB is required to follow the public record procedures set out in the Italian Contracting Code, as relevant to special sectors, where the contracts in question are instrumental to the airport manager's "*exploitation of a geographical area to provide access to airports ... and other transport terminals for air carriers*" (pursuant to Art. 119 of the Italian Contracting Code). When conducting tenders instrumental to its business that fall short of the Community threshold, AdB applies its own internal Regulations, drafted in accordance with Community procurement principles, but involving simplified procedures in terms of qualification and selection. AdB awards work, service and supply contracts according to an approach and principles based on private law where the tenders are not instrumental to its business, within the meaning of Art. 119, regardless of their estimated value (such tenders are also referred to as "non-core," "peripheral" or, even more clearly, "private"). Regardless of the procedural rules – public or private law – followed in the award process, the consolidated use of clear, transparent selection procedures, ensuring equality of information and access to bidding, as well as conditions of fair and proper competition in the negotiation process, provides a true opportunity for fair competition on the market. In the cases identified in the Italian Contracting Code, and in private-law procurement procedures more generally, contracts are also awarded directly to suppliers that ensure AdB the highest standards of quality at a fair price in view of the goods or services provided, always subject to review by the person responsible for the expense.

All suppliers are required to comply with the principles and provisions of the Ethics Code, or are otherwise deemed in breach of contractual obligations, allowing the Group to take any opportune protective measures. The Tender Specifications also specifically reference collective bargaining agreements, injuries prevention and social insurance legislation and, in some cases, environmental protection and energy savings regulations.

In 2018, AdB also signed a "Memorandum of Understanding on Outsourcing" with trade unions CGIL, CISL, UIL and UGL, the Municipality of Bologna and the Metropolitan City of Bologna, confirming the company's commitment to promoting employment legality and job security in outsourcing activities. Outsourcing, as well as being a fundamental lever for the economy and an opportunity for businesses, is also a driving force for maintaining and creating jobs, and must be managed in a way that protects the rights of all workers involved. AdB's Outsourcing Protocol is leading the way on a national level, confirming that the Emilia-Romagna Region is one of the most innovative in terms of constructive dialogue with social partners.

In relation to the supply chain, one potential significant risk across the airport sector is the possibility that a single supplier that either has a monopoly in the market segment in which it operates or has been awarded a contract to build infrastructure considered strategic or otherwise essential for operating purposes may become bankrupt or encounter operational difficulties. In such a scenario, AdB might not be in a position to ensure full continuity of services instrumental to conducting airport activities or might compromise the implementation of the airport development plan. In order to mitigate this risk, tender procedures are conducted with the highest levels of qualification permitted by law and there are plans to develop a vendor rating system to assess suppliers' performances, with company lines of business periodically providing feedback to the departments responsible, together with the lines of business themselves, for managing tender and procurement activity.

In 2018, the Group had 986 suppliers with total revenues of over Euro 73 million, broken down into 67% services and other costs and 33% investments in concession rights and the improvement of airport infrastructure.

2. A new strategy for creating value

As Bologna Airport Manager, AdB provides people and businesses with a national and international connectivity service. However, the Group's relations with areas and communities are reciprocal. While, in a global context requiring ever more mobility in competition, employment and training, the airport contributes to local economic and social development through the provision of sophisticated solutions in reachable destinations and service quality, the airport also develops and creates value by benefitting directly from the development of local areas and communities.

Indeed, it is precisely the geographical area in which the airport is located and the wealth of the area's catchment area that has led to the airport's constant growth over recent years. At the centre of a catchment area that has historically extended far beyond regional boundaries, the airport serves approximately 10.9 million residents, that is around 18% of Italy's entire population, from as many as 20 Italian provinces. Such potential increases exponentially if we consider existing transport means (train and car) and the imminent launch of the "People Mover", an elevated monorail set to be operational in the spring of 2019, providing a rapid connection between the airport and Bologna central railway station.
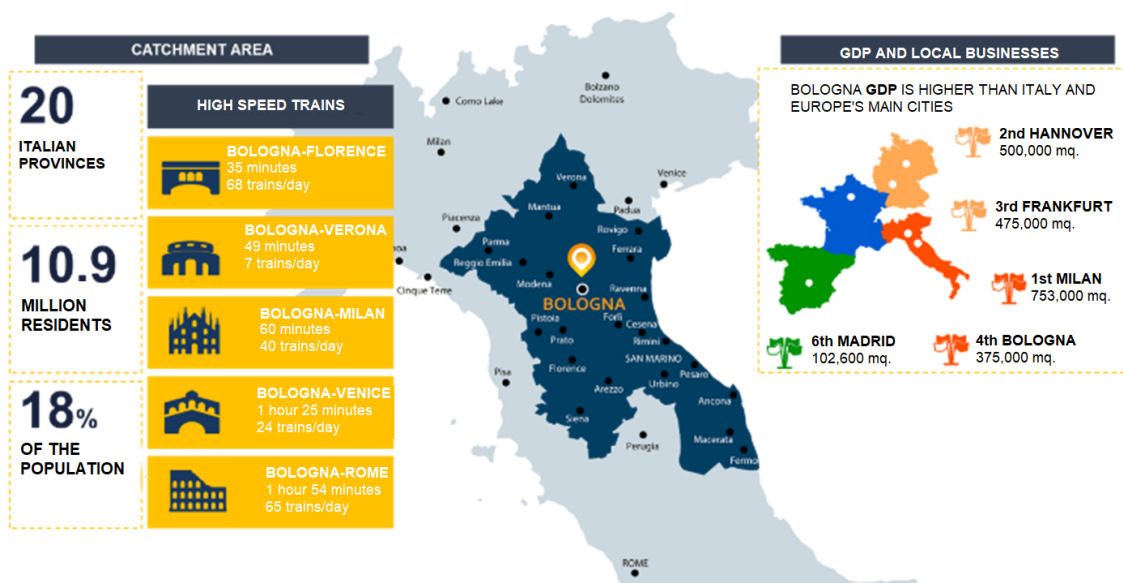
Thanks to its particularly rich industrial hinterland and wealth of numerous small to medium sized enterprises with a high propensity for exports, Bologna returns a higher GDP than many other major Italian and European cities. In particular, the city is at the heart of what is called the "Motor Valley", famous the world over for high-performance car manufacturing, and is home to Europe's fourth largest trade fair district, which organizes more than 30 international trade fairs every year for upwards of 1,700,000 visitors, with 40% participation from foreign exhibitors.

Over the years, the two components have facilitated the airport's development, without regard to seasonal performance, ensuring essentially constant volumes in all months of the year and supporting the performance of the entire airport grounds. The strong relationship between the airport and the local community is clearly described in the Company's Strategic Plan, in which the development of destinations (Connect) and the enhancement of infrastructure (Develop) represent the two fundamental pillars guiding the Group's development.

Airlines and traffic performance

AdB believes that continuing to offer a varied range of flights suited to the needs of the various segments of users, while essentially striking a balance between the low-cost and legacy components, is strategic to the growth of its business. The Airport offers a wide range of carriers, allowing it to meet the range of needs expressed by the various types of traffic and passengers:

• **Global** carriers with very high standards of service such as Emirates, which offers daily service through Dubai to a very wide range of **intercontinental destinations**, particularly in Asia. • **Major European** carriers, offering service to all points of interest worldwide through multiple daily connecting flights to their hub airports. • Mid-size carriers with a strong focus on **ethnic traffic**. • Airlines with mostly **point-to-point** traffic. • Carriers specialized in **outgoing leisure** service. • The main **low-cost** carriers, such as Ryanair, with its 46 national and international destinations served in Summer 2018.	**114** directly served destinations *(of which three cargo-only routes)* **49** airlines *(of which five cargo-only carriers)*

Bologna's Guglielmo Marconi Airport enjoyed another record year in 2018, with total passengers reaching the eight and a half million mark for the first time (to be precise, 8,506,658*), an increase of 3.8% on 2017. It was the tenth consecutive year of an increase in passenger numbers at the Bologna airport. In further detail, 6,524,197 passengers travelled on international flights (+4.4%), whereas 1,975,283 flew domestically (+1.8%).

Flights remained essentially unchanged during the year at 71,503* (-0.2%), whereas total air cargo transported amounted to 40,474 tons, down by 3.3% on the previous year. The excellent results achieved during the year primarily relate to the introduction of a large number of new legacy flights in both the summer and winter, with service to: Amman (Ryanair), Athens (Aegean), Kaunas (Ryanair), Kiev (Ernest), London Luton (Ryanair), Mykonos (Ryanair), Tbilisi (Georgian) and Vienna (LaudaMotion), in addition to more frequent service on existing routes to Amsterdam, Barcelona, Catania, Frankfurt and Moscow.

The rise in passenger traffic was driven by the development of both legacy airline traffic (up by 4.3%) and low-cost traffic (up by 2.6%). Bologna airport had an increasingly international profile in 2018: passengers travelling on international flights accounted for 77% of the total in 2018. Analysing airline performances, Ryanair was the largest airline with 44.92% of traffic and passenger growth of 2.7%.

Cargo traffic in 2018 totalled 52,681 tonnes, down 6.1% on 2017.

8.5 million passengers	71,503 movements	40,474 tonnes via air	52,681 tonnes cargo traffic

Note: the figure also includes general aviation.

2.1 Expanding the network of destinations

Offering users the greatest possible number of directly served destinations is a fundamental aspect of AdB's mission. Network development represents a primary goal for the airport in setting its development strategies and is viewed as a fundamental driver of the creation of shared value for the business and the local community. Expanding the network with a total of 114 destinations in 2018, adds value in terms of outgoing traffic – the catchment area is among Europe's most important exporters, with a very high rate of offshoring of production – as well as incoming traffic.

In particular, in new route development, the airport views the markets of the Persian Gulf and China and the Far East as offering an important growth opportunity. With regard to the Persian Gulf area, passengers consider Gulf airlines as an alternative means of reaching destinations in Asia. In view of the quality of service they provide and their lower operating costs (above all in terms of labour and fuel costs), together with their geographical location (which allows them easy access to the Indian sub-continent, South East Asia, the Far East and Central and Southern Africa), these carriers are highly competitive with European airlines. By contrast, China and the Far East are markets for expansion in the near future, above all in view of their growing economic importance for Italian companies and their enormous potential for tourism: the Airport believes it to be important to the development of its business to form – or, where already present, to increase – relationships with the main airlines in these geographical areas. In order to development its network of destinations and traffic volumes, the Airport intends to invest resources in focusing its marketing efforts on carriers operating in the above geographical areas, regardless of whether they already operate from the Airport, with the aim of increasing traffic towards the regions concerned. Bologna Airport has also historically served long-haul destinations to the West, through the main European hubs.

In June 2019 a new flight to the United States will also begin to be operated, with the aim of expanding both incoming and outgoing traffic. This new gateway to the West represents a development opportunity for companies with commercial relations with the USA, in addition to enabling convenient connections to various US cities.

Performance Indicators

Passengers (**G4-A01**)	2017		2018	
	Domestic Flights	**International flights**	**Domestic Flights**	**International flights**
Arriving passengers	973,958	3,120,583	990,110	3,245,767
Departing passengers	965,942	3,129,389	985,173	3,278,430
Total	**1,939,900**	**6,249,972**	**1,975,283**	**6,524,197**

Passengers[7]	2017		2018	
	Origin and destination	**Direct transits**	**Origin and destination**	**Direct transits**
Domestic	1,935,193	4,707	1,970,905	4,378
International	6,246,461	3,511	6,518,477	5,720
Intercontinental	-	-	-	-
Total	**8,181,654**	**8,218**	**8,489,382**	**10,098**

Traffic breakdown	2017	2018	%
Passengers	8,198,102	8,506,658[8]	3.8%
Movements	71,631	71,503	-0.2%
Tonnage	4,555,794	4,690,629	3.0%
Cargo	56,132,109	52,681,291	-6.1%
Passenger traffic breakdown	**2017**	**2018**	**%**
Legacy	3,442,366	3,590,506	4.3%
Low cost	4,668,359	4,791,541	2.6%
Charter	70,929	107,335	51.3%
Transits	8,218	10,098	22.9%
Total commercial aviation	**8,189,872**	**8,499,480**	**3.8%**
General aviation	8,230	7,178	-12.8%
Total	**8,198,102**	**8,506,658**	**3.8%**
Passenger traffic breakdown	**2017**	**2018**	**%**
EU	7,104,021	7,286,888	2.6%
Non-EU	1,085,851	1,212,592	11.7%
Total commercial aviation	**8,189,872**	**8,499,480**	**3.8%**
General aviation	8,230	7,178	-12.8%
Total	**8,198,102**	**8,506,658**	**3.8%**
Passenger traffic by country	**2017**	**2018**	**%**
Italy	1,939,900	1,975,283	1.8%
Spain	1,183,542	1,209,422	2.2%
Germany	820,552	758,830	-7.5%
UK	686,517	739,794	7.8%
France	455,428	460,835	1.2%
Romania	468,191	443,173	-5.3%
Netherlands	293,034	319,006	8.9%
Turkey	267,537	274,003	2.4%
Greece	209,926	239,999	14.3%
Poland	193,447	194,023	0.3%
Other countries	1,680,028	1,892,290	12.6%
Total	**8,198,102**	**8,506,658**	**3.8%**
Passenger traffic by major destination	**2017**	**2018**	**%**
Catania	361,724	396,028	9.5%
Barcelona	293,617	340,319	15.9%
Frankfurt	308,324	302,331	-1.9%
Paris CDG	287,581	298,649	3.8%
Rome FCO	235,872	295,576	25.3%
London LHR	271,425	293,385	8.1%
Palermo	270,643	286,436	5.8%
Madrid	286,895	285,421	-0.5%
Amsterdam	200,341	226,935	13.3%
London STN	224,195	221,658	-1.1%

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[7] The figure includes general aviation passengers only
[8] The figure includes general aviation

Other locations	5,457,485	5,559,920	1.9%
Total	**8,198,102**	**8,506,658**	**3.8%**
Passenger traffic by carrier	**2017**	**2018**	**%**
Ryanair	3,716,869	3,817,483	2.7%
Wizz Air	479,081	487,101	1.7%
Alitalia	342,608	466,981	36.3%
Lufthansa	308,499	302,430	-2.0%
Air France	287,324	298,089	3.7%
British Airways	271,910	293,593	8.0%
KLM	199,690	225,750	13.1%
Air Dolomiti	209,964	215,954	2.9%
Turkish Airlines	178,581	183,785	2.9%
Blue Panorama	163,234	196,068	20.1%
Other	2,040,342	2,019,424	-1.0%
Total	**8,198,102**	**8,506,658**	**3.8%**

Cargo (KG)	2017	2018	%
Air cargo of which	**41,985,870**	**40,539,918**	**-3.4%**
Cargo	41,861,100	40,474,560	-3.3%
Mail	124,770	65,358	-47.6%
Road cargo	**14,146,239**	**12,141,373**	**-14.2%**
Total	**56,132,109**	**52,681,291**	**-6.1%**

2.2 Developing infrastructure

The investments outlined in the Master Plan and Regulatory Agreement are fundamental to the development of the Company's business. The strategy in question calls for expansion of the existing infrastructure through a series of projects aimed not only at increasing capacity but ensuring full, efficient use of existing infrastructure. AdB's infrastructure currently supports traffic of approximately 8.5 million passengers a year and is managed according to various planning instruments such as the Air Terminal Use Plan, the Extraordinary Maintenance Plan in the near term and the Masterplan in the medium and long term.

More specifically, various projects are planned in the near and medium term with the goal of improving quality of service and operating processes before the planned infrastructure development work yields benefits in the medium term. Accordingly, the main projects in the near and medium term include:

- The expansion of security controls aimed at increasing process capacity, thus reducing the time needed to check passengers, together with larger queuing areas, in order to ensure a more comfortable wait.
- The expansion of passport controls for departing passengers aimed at increasing capacity, thus reducing the time needed to check passengers, together with larger queuing areas, in order to ensure a more comfortable wait.

In particular, medium- and long-term actions are planned according to the update to the Airport Development Plan – currently in the Services Conference phase – with a time horizon ending in 2030. The passenger terminal expansion project is a key part of the infrastructure development plan, permitting the development of - in particular - the security control areas and the boarding gates, in addition to extending dedicated commercial space. The Group also plans to develop non-aviation business with the opening of new stores, new car spaces and services available to passengers.

The initiatives with the greatest impact on the facility include:

The phase 1 terminal expansion aimed at increasing outgoing passenger capacity. This project is among the most important in the entire Master Plan since it affects many key elements of the airside departures area (flight infrastructure). In particular:

- it significantly increases the size and quality of the departures area, offering passengers more variety and quality of retail shopping and dining options;
- it provides a new business lounge that provides passengers with world-class amenities;
- it adds additional passport control stations for departing and arriving passengers, designed to offer a spacious, well-lighted environment featuring cutting-edge technologies to offer passengers a more comfortable experience;
- it adds additional Schengen and non-Schengen boarding gates, improving passenger comfort and the ability to manage flights contemporaneously, thus permitting airlines to add new routes.

Moreover, the development of a seven-story parking garage for use by passengers and car rental companies will significantly increase the parking spaces available on the airport grounds, resulting in improved accessibility for all users, in new, easy-to-use facilities offering visibility, functionality and proximity to the terminal. Finally, the expansion of the baggage-sorting system for departing passengers will increase baggage-handling capacity, essential to ensuring an increase in the number of flights and expansion of the route network.

The phase 2 terminal expansion aimed at increasing incoming passenger capacity is the second-most important project in the Master Plan, since it affects many key elements of the arrivals area and some elements of the departures area. In particular:

- it increases baggage-return carousels, thus offering passengers a more spacious environment, while cutting baggage-return times;
- it provides new customs control stations for arriving passengers, resulting in an improved passenger experience and a more spacious working environment for personnel;
- it expands the range of retail shopping and dining options in the landside commercial area, in a stylishly designed new setting;

- it adds an additional check-in area located in the central portion of the terminal, increasing capacity and quality of service for passengers and airlines alike;
- it creates a new security control area designed to increase the efficiency of the waiting and security control experience for passengers;
- it increases the number of Schengen gates to accommodate additional aircraft, airlines and traffic.

The expansion of the parking stands for long-haul aircraft, directly connected to the passenger terminal by airbridges, will enable a considerable improvement in the quality of service offered to both passengers and airlines, while development of the new cargo terminal will permit greater cargo volumes and provide cargo carriers with appropriate facilities to enable them to operate swiftly and efficiently.

The development plan has been designed to make Bologna Airport one of the most modern, functional facilities in Italy and an important gateway to the city and region. The update to the Master Plan, required to improve the airport to meet today's needs, received technical approval from Italy's National Civil Aviation Authority in 2017 and was then ruled exempt from the environmental impact assessment procedure in 2018.

1 Airside expansion
- New departures lounge
- New pier

2 Landside expansion
- New approach road
- New landside frontage
- New arrivals area
- Pier extension

3 Completion
- Expansion departures lounge
- Expansion baggage system
- Expansion departures pier

KEY : **TERMINAL** ▪ EXISTING ▪ PHASE 1 ▪ PHASE 2 ▪ PHASE 3   **AIRPORT APRON:** ▪ SCHENGEN ▪ NON-SCHENGEN ▪ FLEXI
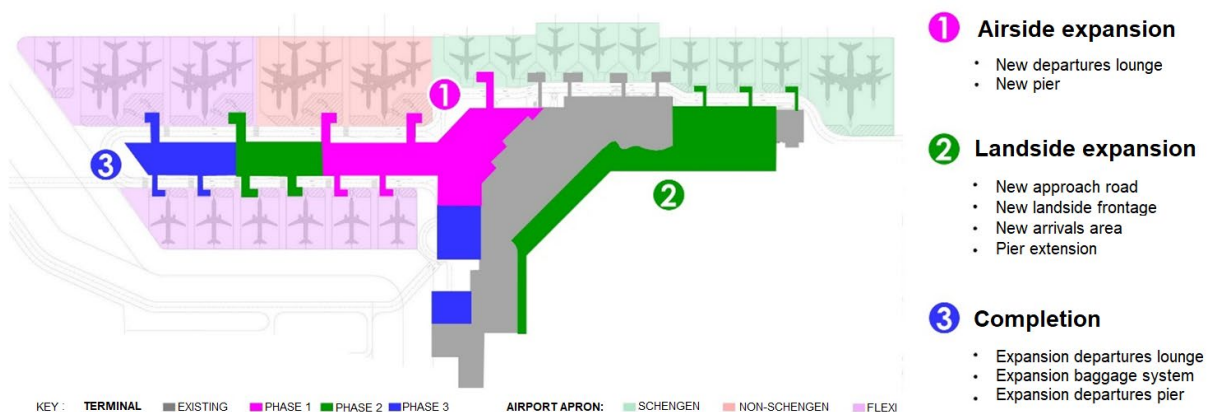
2.3 Ensuring accessibility and public transport

A high degree of accessibility of the airport facility translates into easier access to the infrastructure and hence into increased attractiveness for the local community and catchment area. If a high degree of accessibility is combined with a high level of connection to various destinations, the airport becomes a traffic facilitator and catalyst, even beyond its catchment area.

Driven by an awareness of its strategic geographical position – approximately seven kilometres from the city centre and easily reachable from the motorway and ring road – AdB has identified improving accessibility as one of its main strategic levers and decided to invest in the **People Mover** project, which will enable reduced use of taxi, chauffeured car hire and bus service, replacing them with a more sustainable system. The project calls for the construction of a rapid rail link (5 km) with the Bologna train station, with a travel time of approximately seven and a half minutes. AdB's total contribution of Euro 15 million was partly allocated to Marconi Express S.p.A., the concessionaire granted the contract to build and operate the People Mover, and partly to the construction of the moving walkway between the airport station and the passenger terminal. This new infrastructure will drive an expansion of AdB's catchment area by permitting an increasing number of passengers to reach the airport, with positive impacts for both those departing from the Bologna metropolitan area and for those travelling to city by train.

People Mover

The Bologna People Mover is a transport system that can be scaled up over time by adding vehicles and gradually increasing capacity, in order to keep pace with possible rises in demand. The system, currently designed with three vehicles, can carry approximately 560 passengers an hour in each direction, for a total of 5,183,000 passengers a year.

The train will make a single intermediate stop on its route at Bertalia-Lazzaretto, a large urban area currently undergoing redevelopment in which new residential and commercial projects, university classrooms and laboratories and a new university dormitory are planned. The terminus will be located near the airport's current passenger terminal (departures area), to which will be linked by a covered walkway through which passengers will have direct access to the terminal. Access to the People Mover's platforms will be by a turnstile-based ticket validation system. The project is scheduled for completion and opening to the public in spring 2019 and will revolutionize the ability to access and reach the airport.

The People Mover project is also a sustainable project: it is an environmentally friendly, electrically-powered, fully automatic rail-based system that will result in a significant reduction in the number of cars circulating in the area. In addition, the photovoltaic panels installed on the track will form an "energy belt" capable of generating 13% of the project's energy needs, thereby reducing CO_2 emissions by 300 tons – the equivalent of 14,000 trees saved. The total cost of the investment is approximately Euro 120 million, of which Euro 15 million invested by AdB.

In order to serve departing passengers, as well as waiting passengers and those accompanying passengers, AdB is also focusing closely on its airport parking system. The airport offers seven parking areas, designed to meet passengers' various needs, both as a solution integrated into the terminal (P1 and P2, whereas P3 is located a short distance) and where located off the airport grounds and reached by shuttle bus service (P4) or pedestrian walkway (P5). These are in addition 2 express parking areas intended for those who park at the airport for just a few hours. The P1, P2 and Express Premium parking areas offer Kiss & Fly service, under which the first ten minutes of parking are free. This service, which is meeting with constantly increasing appreciation, makes it easier to drop off departing passengers and collect arriving passengers. In fact, the number of entrances increased by 42% in 2018 compared with the previous year.

The airport management system monitors each parking area's usage profile, with constant comparison to the solutions offered by competitors near the airport, so as to better meet users' needs.

In this regard, users are very appreciative of the weekend rate, which has increased occupancy rate of parking areas during the weekends.

Among the changes made to facilitate and improve the use of its parking areas, AdB has provided passengers:

- with access to an online booking and payment service based on the airport's e-commerce site and the Ryanair website, improved during the year through automatic reading of a QR code;
- an electric vehicle charging station powered by solar panels;
- a "wait zone", introduced in 2017, which is a free parking area (for a maximum of 60 minutes) for vehicles awaiting arriving passengers, designed to facilitate traffic flow, while also providing quality service to passengers.

Payments have also been facilitated by new security standards involving the use of chip-based or contactless credit or debit cards.

In 2018 a roundtable was formed with the town council, the Bologna Fair Authority, T-Per (a local public transport company) and taxi companies to improve public transport service to and from the airport during fairs and events in the city.

2.4 Contributing to local development

Job creation

The airport sector's relevance to the local economy and community within it operates does not end with meeting a share of passenger and cargo transport demand; rather, it is key to growth and competitiveness. It is for this reason that it is fundamental for the airport's managers to ensure that the local community is sufficiently accessible and attractive, out of an awareness of both the resulting impact in terms of jobs, income and added value, and the effect that an adequate level of airport travel connections is capable of generating for the economy[9].

MAXIMISE FINANCIAL PERFORMANCE

Considering the airport's overall contribution, benefits are obtained in terms of jobs, value added and GDP, which have been estimated at the European level in a study by the Airports Council International Europe (ACI Europe). The data gathered by ACI indicated that collectively European airports contribute 12.3 million jobs, generate annual revenues of Euro 365 billion and contribute Euro 675 billion to gross domestic product – 4.1% of the European total.

The economic impact broken down in the above terms consists of four different types: direct, indirect, spin-off and catalytic.

- The **direct** impact is that generated by the companies operating directly from the airport, whether based on the grounds or nearby.
- The **indirect** impact relates to the providers of goods, services and support for airport activity (such as food and beverages for catering, aircraft fuel, etc.).
- The **spin-off** impact is that generated by the employees of companies associated with airport activity, who spend money for their daily needs, in turn contributing to creating jobs in the relevant sectors.
- Finally, the **catalytic** impact refers to the way in which the presence of an airport facilitates the development of business and projects in other sectors of the economy.

It can therefore be estimated that the Bologna Airport system generated over 19,300 jobs and contributed over Euro 956 million to the local community in 2018[10].

2018
8.5 million passengers

CATALYTIC IMPACT — 24,335 jobs / GDP € 1,672 million

SPIN-OFF IMPACT — 5,266 jobs / GDP € 141 million

INDIRECT IMPACT — 6,545 jobs / GDP € 393 million

DIRECT IMPACT — 7,523 jobs / GDP € 422 million

19,334 jobs
GDP € 956 million

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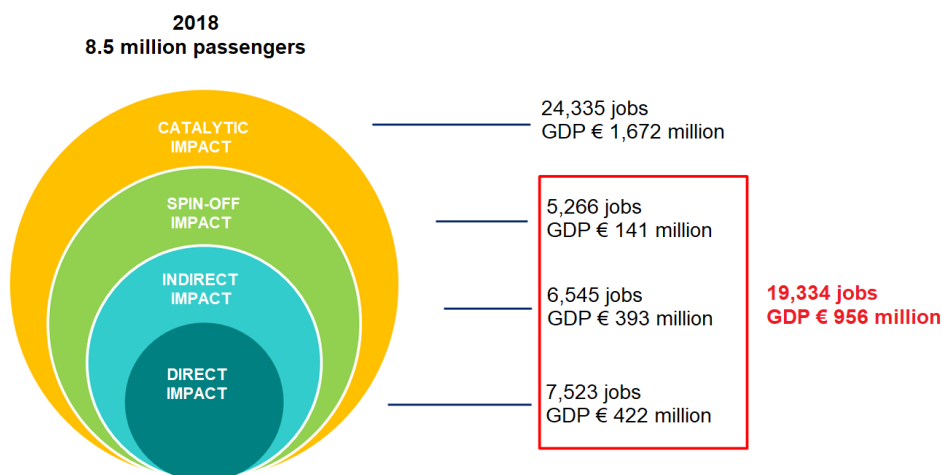
[9] CDP Industry review no. 6 - July 2015 - The Italian airport system
[10] Source: Estimate based on a calculator created by ACI Europe on the basis of a study conducted by InterVISTA in 2015. On ACI Europe's website, in the members area, it is possible to calculate four different impacts generated by airports using the above-mentioned calculator.

Distribution of value added

A consolidated profit of Euro 17.9 million was reported in 2018, up 10.8% on 2017. This result derives from a series of actions driven by operational activities of the Group in recent years i.e. the development of the connections network and the increase of the traffic served, the maintenance of the offer mix and the strong effect deriving from the passenger growth on all the principal business components. In addition, the development of the managed traffic units to maximise the impact also on the non-aviation component and the closer focus on operating costs, whose numbers bore out the measures undertaken.

The EBITDA was Euro 38.7 million (up 13.1% on 2017), while the operating result was Euro 25.2 million, compared to Euro 22.6 million in 2017 (up 11.4%). The Group strives constantly to create and distribute value to its stakeholders and calculates this value based on its reclassified consolidated income statement. In 2018 the economic value generated by the Group amounted to Euro 123 million, of which Euro 108 million was then redistributed to the Group's various stakeholders: suppliers (39.7%), employees (22.6%), shareholders (13.2%), government (11.7%), community (0.2%) and lenders (0.4%).

TOTAL ECONOMIC VALUE GENERATED AND DISTRIBUTED
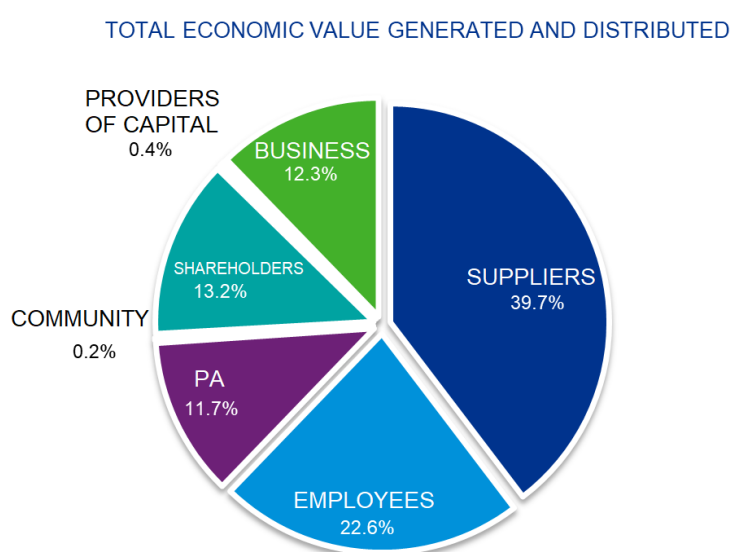
Investments

Investments totalled Euro 19.5 million in 2018, of which approx. Euro 7.8 million for the execution of the Masterplan and Euro 11.6 million on airport operations. Several important projects were concluded in 2018, including the improvement of the runway, the monitoring of the perimeter fencing, the expansion of offices to create a Company Training Center – in view, inter alia, of the training required by the new EASA Reg., (EU) No 139/2014 – and the construction of commercial offices for car rental companies. In addition, work on modifying pedestrian walkways aimed at facilitating access by passengers with reduced mobility was also completed.

Furthermore, other investments in airport operations, improved passenger service and increased efficiency of company processes included installation of new bag-drop desks, new video help-phone stations for support for passengers with reduced mobility and new flight information monitors intended to improve and enhance the information provided to the public.

The principal works in progress at December 31, 2018 included the definitive terminal expansion project, approved by Italy's National Civil Aviation Authority in February 2019, the new de-icing area and building and the walkway connecting the airport station of the People Mover line with the airport's passenger terminal.

2.5 Providing a comprehensive high-quality experience

As part of its development strategies, the Group works every day with unflagging commitment to provide passengers with a unique travelling experience that prioritises customers through efficient innovative services, comfortable functional infrastructure.

The *centrality of the customer*, which means all-round satisfaction, is the measure of success of the airport and for this reason is one of the central values of the organisation. One of the elements underlying the new AdB strategy is the concept of **"Experience"** which breaks down into development strategies aimed at the ongoing improvement of the services offered to airport users in the business areas in which we operate, both directly and indirectly, while also constantly improving our standards of safety/security, quality and respect for the environment.

Providing a passenger experience with comprehensive quality means working every day on the infrastructure and processes in a climate of collaboration and the ever-present stimulus of all those who influence the passenger's journey. Therefore, it means guaranteeing a high-quality experience throughout all phases of the journey, from preparing to depart, reaching the airport, and the travel experience within the terminal all the way up to their return journey home. It means investing in innovative and digitalised infrastructure and focusing on the needs of all passengers in respect of their differences and specific needs, and ensuring conditions of maximum personal security and safety.

To achieve the standards its sets for itself, AdB has adopted a Quality Management System, which has allowed the company to make decisions concerning the revision of airport processes/services. In addition to the quality certification (ISO 9001) obtained in 1998, the system is integrated with the Environmental Management System (ISO 14001), the Occupational Health and Safety Management Certification (OHSAS 18001), the Energy Management System Certification (ISO 50001) and the Airport Safety Management System. The resulting Quality Policy is outlined by the circular ENAC Gen06-2014, the guidelines on passenger service issued by ACI Europe (Guidelines for passenger services at European Airports - 2018) and by the international standard UNI EN ISO 9001:2015.

Services Charter

Aeroporto di Bologna has published the new edition of its Services Charter in compliance with the provisions of circular GEN-06 ENAC (Ente Nazionale per l'Aviazione Civile [National Civil Aviation Authority]). The Airport Services Charter outlines a brief profile of Aeroporto di Bologna, presenting its performance in terms of queue waiting times, the quality of services provided to passengers, cleanliness, information and the set of factors that contribute directly to the travel experience of our airport users.

The Airport Services Charter is an instrument created to establish the service quality level which the airport operator guarantees to passengers. Through this document, management – together with the carriers and the companies which provide services to passengers – externally communicate its objectives and commitments in relation to the level of services offered. The qualitative and quantitative standards guaranteed by the airport manager are established through the monitoring of a number of specifically identified indicators. The Services Charter also contains information and advice to passengers as a guide for the utilisation of the airport infrastructure and services.

2.5.1 Customer satisfaction and service quality

The quality of service, in a context in which customer feedback is increasingly immediate, and shared with a vast number of customers, both current and potential, is an important market winning resource for the company. To guarantee levels of quality in line with the above-mentioned standards, AdB has developed an ongoing cyclical plan of checks on passenger satisfaction levels and audits on processes.

In particular the quality of service is monitored routinely through specific indicators, the results of which are later published in the Airport Service Charter, and presents passengers with the minimum service standards of the airport and the extent to which these standards have been achieved. The Group's commitment to maximizing the services it offers to passengers translates into a variety of activities and initiatives conceived with the goal of having a direct impact on passenger satisfaction. All the initiatives follow an integrated approach that makes it possible to keep track of the various needs of the persons involved.

To focus more closely on customers and their needs, AdB sought to embed the customer care process across the various departments to ensure better and more comprehensive customer management. The process also involves outside parties, such as airlines and handlers at the airport through a questionnaire regarding their satisfaction with the services and cleanliness of the terminal.

As regards the results achieved in 2018, the general levels of satisfaction are positive, improving on the previous year, with an overall satisfaction index of **98.5%**. Among our performance levels, the best results concern the processes considered most delicate and critical for passengers, and this in spite of the increase in the number of users and the infrastructure limits, ever closer to the maximum of its capacity.

The punctuality of departing flights is around 74% and the waiting time at the security check further improved on 2017, one reason being the monitoring in real time by using passenger tracking software that allows communication of queue times on the terminal monitor and on the airport app. Waiting times for the passport control queues also performed well, where the automated border control system is increasingly extensive, operated with the support of dedicated personnel. Moreover, a family fast track system has been introduced for arrivals from and transits to places outside of the Schengen area. As regards waiting times for check-in and baggage claim from the first to the last baggage items, which is the responsibility of the handlers, there has been a slight increase. As regards check-in waiting times, we are evaluating the expansion of the baggage drop-off machines on the island adjacent to the check-in counters. As regards baggage claim, in 2018 the work of the task force continued consisting of AdB, the airline companies and baggage handlers, to analyse and monitor the time required to deliver baggage from the aircraft to the claim area. Corrective measures were implemented involving the replacement of the monitors on the baggage claim conveyor belts.

Satisfaction with the overall comfort of the airport was very high as regards the cleaning services and the adequacy of the infrastructure. In the year 2018 it is planned to increase the cell phone recharge spots, add new differentiated waste collection bins and upgrade the arrivals area.

Quality indicators (time in 90% of cases)	2017	2018
Check-in waiting time (legacy flights)	18'22''	16'09''
Security waiting time	6'22''	5'56''
Ticket counter waiting time	7'19''	4'24''
Arrival/departure passport control waiting time	5'32''	4'11''
Time for first passenger to deplane	5'51''	5'21''
1st baggage return time	24'	25'
Last baggage return time	31'	33'

Performance Indicators

Customer satisfaction (GRI 102-43, 102-44)	2017	2018
Overall satisfaction	97.6%	98.5%
Service regularity and speed	96.7%	97.5%
General cleaning level perception	97.30%	98.6%
Toilet cleanliness and functionality level perception	93.20%	96.0%

Indicators (% of satisfied passengers)	2018 Objective	2017	2018
Overall perception on the regularity of services received at the airport	95%	96.7%	97.5%
Baggage return times	90%	87.5%	87.0%
Check-in waiting time	95%	93.9%	94.9%
Security waiting time	95%	96.4%	95.7%
Information services (total):	95%	96.7%	98.2%
Efficacy of operative points of information	95%	98%	98.8%
Indoor signage	95%	97.3%	98.5%
Overall comfort level	95%	96.7%	97.7%
Overall cleanliness	94%	97.3%	98.6%
Toilets	92%	93.2%	96.0%
Availability of baggage trollies	95%	83.8%	87.5%
Air conditioning	93%	96.1%	96.8%
Transfer passengers	93%	97.4%	99.1%
Comfort and availability of seating	90%	88.9%	88.6%
Price/quality ratio of other concessionaires	90%	91.6%	94.3%
Price/quality ratio of bars/cafes	90%	90.9%	95.0%
Price/quality ratio of restaurants	90%	85.1%	93.4%

ASQ (Airport Service Quality)

To analyse passenger satisfaction, the Company uses the ASQ by ACI (Airport Council International) to monitor the trend of satisfaction with respect to certain chief parameters and a broad panel of national and international airports. Thanks to this program it is possible to compare our approach and results with the *best practices* of other international airports gather ideas and suggestions for improvement. The ASQ is the most prevalent worldwide benchmark programme and it involves over 200 airports in 50 countries to measure passenger satisfaction (every year there are more than 550,000 passengers involved worldwide).

In 2018, Bologna Airport improved its performance levels in terms of nearly all the aspects of passenger satisfaction and therefore its position improved compared to other Italian airports that also participate in the programme. The overall satisfaction index for 2018, calculated on a scale 1-5[11], was 3.77 and the items that registered the best results were efficacy of information in the airport, security procedures and the professionalism and courtesy of the airport staff.

"Airport Angels"

From the perspective of improving the quality of service provided, over the last few years AdB has been carrying out a project called Alternanza Scuola-Lavoro (Alternating School and Work) that in 2018 employed 120 students from 11 high schools in the area to work as "Airport Angels", i.e. "facilitators" of passengers. The students carry out various support activities during boarding (checking the dimensions of carry-ons, drop-off of baggage to be stowed in the hold, entry turnstiles at the security points) and deplaning (the use of automatic machines for passport control). In general, they improve the passengers' experience in the Terminal by providing information and assistance. Before working, the "Airport Angels" undergo a one-week training course in the classroom to learn about the operative procedures, security, quality of service and assistance to passengers with reduced mobility. When they finish the training, they receive the certifications needed to work at the airport. This project is called "Ambasciatori del Volo" (Flight Ambassadors) and was created in response to the provisions of Law No. 107/2015 regarding school reform that introduced a period of in-company training and was sponsored by the Regional Office of Education of Emilia-Romagna.

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[11] A scale of 1 to 5, where 1 is a negative value, 2 is neutral and 3 to 5 values of increasing satisfaction

Feedback and Complaint management

AdB's policy is to stimulate and incentivize the reporting of passengers, as it does in cases of requests for information and assistance or potential new needs that may arise through a variety of channels that lead to an innovative instrument of Customer Relationship Management (CRM). The CRM project was extended to the management of reports and complaints, by designing an efficacious system of collecting reports and complaints airport users in accordance with the Quality Management System and the requirements of ISO. These reports are managed through the CRM, and the Company undertakes to guarantee a response as promptly as possible and, in any case, within 30 days of receiving the report/complaint.

There are several channels for filing a report: on our website in the section "Suggestions and Complaints" and the new App; our e-mail info@bologna-airport.it, the hardcopy "Reports and Complaints" forms available at the totems installed at the Terminals and information points, the postcard attached to the Services Charter and the QR Code printed on it, the forms available at the multimedia InfoPoints on the arrivals and departures concourses.

Reporting and requests received through these various channels go to the CRM, where they are managed jointly among the various airport departments in order to reinforce and maximize assistance and information to passengers. There is an ongoing customer service reorganization project extending to all areas directly involved in receiving and managing reports, with the goal of increasing synergies between areas that provide services to passengers, enhancing efficiency and sharing information and service quality standards within the organization.

Performance Indicators

Complaints classification by subject-matter	2018 (%)
Parking	57.90%
Bag storage and lost-and-found	16.70%
Baggage	5.80%
Information and website	5.10%
Airlines	3.30%
Airport terminal	2.70%
Security	1.90%
Boarding and check-in	1.10%
PRM	1.10%
Other aspects[12]	4.20%

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[12] Other aspects include the categories retail, government, mobile devices, toilets, social media and apps, online and physical ticketing and the environment

2.5.2 Innovation and digitalisation at the service of the business and passengers

In order to support and improve all aspects of operations and generate Customer loyalty, the Group considers it key to develop a culture of innovation which revolves around the installation of technology that facilitates greater interaction with passengers and optimises the travelling experience. For example, the use of big data allows us to know our customers better and respond to their needs in a targeted way, becoming a tool to improve the service offered and the levels of Customer Satisfaction.

With this awareness, the Airport in 2018 launched a digital transformation project that makes use of Cloud Computing and the valuation of data to offer a better experience to travellers. The customer relationship management (CRM) platform has enabled a comprehensive multi-channel experience in support of a flexible growth process and in response to the typically variable business requirements in the transportation sector, subject to peaks and seasonal traffic.

Thanks to this new system, the Company is therefore obtaining multiple benefits: it can organise personal and Company data arriving from various channels into a centralised system, carry out marketing campaigns that are more targeted thanks to a database that is more complete, manage customer assistance processes in a more integrated manner and monitor the social channels to obtain useful information for improving customer satisfaction abreast of the times and with an increasingly digital society. AdB has developed various initiatives and projects in this regard, among which "*Know Your Customer*", a project aimed at improving knowledge about customers through the collection of data with Business Intelligence systems. The Company has also worked on the digitalisation of information, for example through the use of monitors positioned at the arrivals concourse *land side* and *air side*, at the check-in and the security check point, which allows the communication system to be more flexible and effective. In 2018 information totems were installed with a dynamic signalling system at car park P3 reserved to car rental companies and another posts outside the terminal.

As part of a strategy that prioritises passengers/customers and identifies innovation as a key factor of development, Aeroporto di Bologna has launched a highly innovative and social service on behalf of its customers: the chatbot "Guglielmo". A virtual assistant using Messenger, the Facebook chat app, responds immediately and accurately to passengers' enquiries about flights in real-time. among which: check-in counter number and opening time, starting time for boarding and gate number, takeoff and landing time, baggage claim carousel number, as well information about delays and cancellations. In another passenger information project, in 2018 AdB rolled out Pepper, a humanoid robot whose "work" consists of providing passengers with basic information: where an airline's check-in desk is located, where passengers should go if they already have their boarding cards, what to do with luggage and much more. However, its main objective is to entertain passengers and ease them through all the various departure procedures. It is capable of conversing with the public in Italian and English, drawing on a pre-loaded dataset alongside its artificial intelligence capacities. This project is the latest sign of AdB's commitment in recent years to focus on new technologies to improve passengers' travel experience.

In addition, development of the application "BLQ - Bologna Airport", which was revamped in 2017, provides easy access to additional real-time notification services regarding flight status and constant updates on security control waiting times, together with information concerning stores, restaurants, services, a map of the terminal and transportation options, and information about all connections to and from the airport. In order to further improve passenger experience, e-commerce services have been improved in the dedicated 'MyBLQ' area of the app, which now allows you to book and purchase airport parking and entry to the Marconi Lounge, and to consult and modify bookings. This new product has been designed to meet the increasing demand from the market for mobile solutions for purchasing goods and services.
With assistance from external suppliers, AdB has also developed wi-fi tracking and boarding card reading projects (check-in desks, turnstiles, Logiscan systems and gates) to provide precise information about how early passengers need to arrive at the airport, "dwell time" (the time spent in the boarding area) and passenger flow by carrier. Further development and digitization projects are planned for the future, both at an operational and management level, including a heat map system for analysing passenger flows in the parking area, a compact automatic profiler for checking hand luggage dimensions and various digital marketing initiatives.

2.5.3 Responding to the needs of Passengers with Reduced Mobility (PRM)

Ensuring an excellent experience for passengers with reduced mobility (PRMs) is essential to being able to meet passengers' needs and requirements. The group is committed to guaranteeing and monitoring conformity with the quality and performance standards set by the Italian Civil Aviation Authority (ENAC), both in its own activities and those of contracted third parties, and AdB is in constant contact with the Disabilities Board (Consulta per le Disabilità) and various associations for the disabled, with which it organizes meetings and site visits to address issues of accessibility and corrective actions.

Over the years, AdB has introduced a range of infrastructural adaptations to improve accessibility for all categories of passengers, while developing a plan of initiatives and services in line with European Regulation EC 1107/06 'Concerning the rights of disabled persons and persons with reduced mobility when travelling by air'. The airport provides various services dedicated to PRM passengers, such as reserved parking spaces at the main entrances, wheelchairs available in different areas of the airport, acoustic signals and Braille in lifts, as well as special waiting rooms, called 'Sale Amica', equipped with useful services. Through dialogue and discussion with association representatives, the group also collects suggestions and feedback so that services can be improved to respond more effectively to passengers' needs.

In 2018 new help phones were installed. These support phone stations, equipped with monitors and video cameras, facilitate bidirectional communication between PRMs and support service personnel, without the need to use a telephone handset. The new help phones are also accessible to hearing-impaired passengers, who are guided through the assistance request process by a video in Italian sign language with subtitles. For passengers using sign language and subtitles, AdB also produced a film about the airport's services, which is made available through information monitors and social channels. In 2018 the "LOGES"[13] tactile paving walkway was also completed, adding exterior walkways to public transport, taxis and the service area, and the tactile maps were updated, with the addition of new map stations.

To maintain high PRM service quality standards, AdB has introduced dedicated PRM management software to facilitate PRM operations in light of the expected growth in airport traffic. The application collects precise and detailed data on PRM activities, including requests at the contact points throughout the departures area, the positioning of such requests, response times, assistance needs identification, availability of accompanying persons, the use of passenger-owned aids, PRMs still waiting for assistance after issuing a request from a contact point, and so on. The application is used via tablets or smartphones provided to operators assisting passengers, in order to facilitate constant monitoring of assistance progress.

In 2018, the PRM service again achieved excellent levels of satisfaction for an ever-increasing number of users requesting the service. Aware that service care and management quality depend heavily on the training and skills of the people directly providing the services, AdB has prepared special training courses for both internal and external staff assisting PRM passengers[14]. In 2019 a PRM corner is also planned; this area, devoted to greeting departing PRMs, will be located next to the Information Office and will reduce waiting times for passengers in need of assistance.

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[13] A set of general and safety guidelines used to designate a tactile information system designed to allow vision-impaired persons (blind and low-vision individuals) to orient themselves in space.
[14] For more information on PRM training, see the chapter on 'Training'.

ENAC project – "Autism: a journey through the Airport"

The project entitled 'Autism Through the Airport' was launched experimentally at Bari Airport in November 2015, and has progressively been adopted by other airports, including Bologna Airport. The initiative is among the projects undertaken within the framework of the Memorandum of Understanding for the promotion of accessible tourism entered into between the airport and the Municipality of Bologna, which sets out best practices for inclusion and open planning and lays the foundation for systematic, continuous collaboration in improving services offered to disabled passengers.

"Autism Through the Airport" has been designed to guarantee that everyone can have full enjoyment of the right to mobility. Air travel can be a particularly challenging experience for those with autism, and is, in many cases, also a totally new experience. The project aims to facilitate access to the airport for autistic individuals and their families, helping them to experience air travel with total serenity.

As part of the project, AdB has prepared two special informative brochures on airport services and how to proceed through the various departure phases, intended for autistic passengers and those accompanying them. The brochures are available on the airport's website, in a special section where it is also possible to arrange for an airport familiarization visit before travelling.

Performance Indicators

PRM Traffic - Cumulative			
Month	**2017**	**2018**	**%**
January	2,629	3,012	14.6%
February	4,777	5,532	15.8%
March	7,563	8,692	14.9%
April	10,892	12,229	12.3%
May	14,596	16,014	9.7%
June	18,116	19,578	8.1%
July	21,641	23,535	8.8%
August	24,911	26,882	7.9%
September	28,685	30,475	6.2%
October	32,358	34,333	6.1%
November	35,385	37,603	6.3%
December	38,534	41,142	6.8%

PRM Traffic - Monthly			
Month	**2017**	**2018**	**%**
January	2,629	3,012	14.6%
February	2,148	2,520	17.3%
March	2,786	3,160	13.4%
April	3,329	3,537	6.2%
May	3,704	3,785	2.2%
June	3,520	3,564	1.3%
July	3,525	3,957	12.3%
August	3,270	3,347	2.4%
September	3,774	3,593	-4.8%
October	3,673	3,858	5.0%
November	3,027	3,270	8.0%
December	3,149	3,539	12.4%

Reports and satisfaction of PRM	2017	2018
Overall opinion	99.9%	99.3%
State and functionality of provided equipment	99.4%	99.8%
Adequacy of staff training	99.9%	99.9%
Effectiveness and accessibility of info, communications and internal airport signage	99.4%	99.5%
Effectiveness of PRM assistance	99.9%	99.7%
Level of accessibility and usability of airport infrastructure	98.9%	99.3%
PRM waiting areas	96.3%	97.4%
Courtesy of staff	99.9%	99.8%
Professionalism of special assistance staff	99.9%	99.9%
Ease of identification of interior and exterior reception points	99.1%	99.3%

2.5.4 Quality of the commercial offer and of premium services

With the aim of ensuring that the airport community enjoys as complete and satisfactory an experience as possible, AdB integrates commercial services into its range to meet customers' various needs and enrich the customer experience through outstanding options inspired by local products, together with local culinary traditions in the area of food and beverage offerings. Strategically located based on passenger flows, the passenger terminal's commercial premises extend over an area of 4,500 square meters that is home to 43 merchants, including duty-free stores, food and beverage purveyors and retail shops.

Product categories and concessionaires are selected with great care. AdB seeks to showcase top local products, particularly when it comes to food, a key aspect of the region's identity for which it is renowned. Examples include the many stores and eateries that draw inspiration from local traditions in terms of their product assortment and design, while also offering top quality products, thus perfectly incarnating the prestigious image of the Emilia-Romagna Food Valley. With the aim of strengthening relations with the local area, AdB also continued its collaboration with Lamborghini and Ducati, through a renewal of Lamborghini's exhibition space in a position of high visibility in the passenger terminal.

The promotion of local food and wine appears to be well received by passengers. This is confirmed by both internal analyses and market trends increasingly focused on local products and quality of the offer. The menu management and product rotation also appear to be influential aspects, which are constantly monitored by AdB, in addition to price alignment and benchmarking.

In order to offer a unique experience to customers, the group has developed a series of premium services, aimed at further improving and enriching the customer experience. *YouFirst*, for example, is a personalized VIP service offering passengers exclusive services, such as a dedicated check-in, luggage return service, private vehicle escort to the plane, and other such initiatives to simplify boarding and disembarkation.

The *Marconi Business Lounge* is an exclusive area where travellers can relax before departure, also offering meeting and conference rooms for corporate events. The *Lounge* completes and enhances the airport's commercial offering for both external customers (e.g. local communities, passengers) and internal customers (e.g. carriers, retailers, airport operators). The high level of satisfaction with the service is confirmed by the number of its users, which exceeded 144,000 in 2018.

Constant monitoring is carried out on all qualitative aspects and many opportunities are created for feedback from partners involved in the service in various ways. The group promotes a range of initiatives to renew and expand premium services, including improvements to bar offerings, the development of a calendar of events, such as food and wine tastings, art exhibitions, concerts, and partnerships with local companies offering specific services to the guests of the *Business Lounge*, such as the supply of paper copies of the newspaper 'Il Resto del Carlino'. The digital kiosk service, which allows guests to download a wide range of international magazines and newspapers to their devices free of charge, was also launched in 2018.

2.5.5 Airport Safety and emergency management

Safety and Security are two very different but interrelated concepts. In the airport sector, these terms are defined as follows:

- **Safety:** Safety requires an airport operations system that guarantees certain pre-established safety conditions, assesses its own effectiveness and corrects any non-conformities;
- **Security:** Security requires procedures and resources to be targeted at preventing and mitigating acts of unlawful interference with the civil aviation system on the ground, on board aircraft and within the airport grounds.

Safety

AdB has developed for all parties operating airside its own Airport Safety Policy, as per the highest international standards, in line with best practices and in compliance with all applicable national and international regulatory requirements. The Policy aims to guarantee adequate levels of safety, to prioritize safety among the objectives of all airside operations managers and to ensure that the Policy is understood and applied at all levels, internally and externally to the organization.

The Safety Policy is based on two strategic pillars:

Just Culture	Reporting system
Just Culture reflects a system in which operators are encouraged, perhaps even rewarded for, providing essential information on safety, indicating events in which they have been involved personally. Just Culture, differing from "no blame culture", reflects a climate of confidence in which operators act without fear of repercussions or punitive or disciplinary actions. Just Culture is however not a synonym for unconditional immunity and therefore conduct and behaviours featuring negligence, serious culpability, incompetence, omission or fraud, sabotage or deliberate and repeated lack of regard for operating rules and safety procedures, is not considered acceptable.	Just Culture is an essential element for an effective SMS reporting system, as allowing operators to report significant safety events. The process of Safety Management System (SMS) reporting is part of Just Culture, as permitting operators, both frontline and back office, and company management, to report significant events for the safety of operations, with the guarantee of a non-punitive culture. This protection is applied to all significant events for safety, whether with or without consequences.

AdB believes that progress in the safe management of airport activities can only be achieved through the involvement of all personnel, operators, airport bodies and stakeholders in conduct and attitudes inspired by the very highest safety standards.

Safety Management System

The Safety Management System (SMS) is configured to guarantee pre-established safety conditions, to assess its own effectiveness and to implement any identified corrective and preventive actions. The main goal of the SMS is the prevention of accidents. This is pursued through the identification, evaluation, mitigation and containment, within acceptable and controllable levels, of safety-related hazards.

Since the SMS concerns all airport safety activities, all airport bodies are required to participate and immediately inform the Airport Manager of any safety issue, incident, inconvenience or event that has, or might have, compromised the safety of operations. Furthermore, all airport bodies are obliged to comply, providing the Airport Manager with all the documentation and information necessary to identify causes. Effective management of the SMS requires the participation, commitment, knowledge and experience of all airport personnel.

The **communication, information and promotion** process is essential in engaging all airport parties in the pursuit of the safety and security objectives and for the effective implementation of Group policies. Cooperation between all relevant internal and external parties is the fundamental principle on which this process is based: in order to ensure an efficient, integrated approach, AdB assumes the role of coordinator between operational activities and the activities of the various airport bodies.

Safety governance

In accordance with Italian and international regulations, AdB has adopted a safety governance system based on committees. The **Safety & Compliance Review Board** plays a pro-active role in discussion of all aspects of safety and provides support to the Accountable Manager with the implementation of safety policies and objectives and verification that the infrastructure, organization and procedures comply with regulatory requirements. The **Safety Committee** is a consultative body whose members, who have decision-making autonomy and the ability to assume outward-facing responsibility, are selected from the top management of both public and private organizations involved in airport activities. The committee ensures the participation of all parties operating at the airport, involves all airport operators in safety objectives, analyses and proposes solutions to emerging issues, involves operators in acting on the results of the SMS (e.g. trend analysis, risk assessment, corrective actions), and jointly analyses emerging issues in airport operations and changes proposed by the various members of the committee.

The **Local Runway Safety Team** is specifically tasked with analysing and assessing the operational safety of the runway and the manoeuvring area more generally, with the goal of contributing effectively to the adoption of appropriate corrective and/or preventative measures aimed at limiting and reducing the number of runway incursion events. The Local Runway Safety Team comprises representatives from: Airlines Operators Committee (AOC), ENAV (Flight Assistance Agency), ENAC (Italian Civil Aviation Authority), ANACNA (Flight Controllers Association), Pilots Association, airport vehicle drivers and the airport manager's Movement Area and Planning departments.

Safety training and awareness-raising activities

Regarding the implementation of EU Regulation 139/2014, the Airport Manager has defined objectives to adhere to the principles promoted by EASA (the European Aviation Safety Agency). Awareness-raising and training activities, which have become mandatory for all airside operators, focused in particular on aspects relating to the human factor.

Awareness-raising activities specific to the participants and subject-matter also continued. Training videos were created for airport operators to prevent "vehicle-infrastructure" collisions, in addition to a video on onboard waste disposal. Awareness-raising activities were also organized to reduce the risks of spills, with a particular emphasis on maintenance procedures. Handlers took part in awareness-raising activities regarding the control of "FOD" (foreign object debris, i.e. external objects that could potentially damage aircraft) at stands.

In 2018 a precise, detailed overview of the risks existing in the airside area was also created with the aim of enabling constant ongoing monitoring of such risks, and training was also given to top management, regarding the issues introduced by EU Regulation 139/2014 and those involved in the new processes of change management, compliance, monitoring, training and auditing, as well as to auditors.

Performance Indicators

The effectiveness of the SMS is monitored through various performance indicators.

Indicator	Objectives 2017 (71,524 estimated flights)	Actual 2017 figures (71,878 actual flights)	Objectives 2018 (73,938 estimated flights)	Actual 2018 figures (71,503 actual flights)
No. of Operational Safety Reports per 1000 movements	> 11.8% At least 850	980	> 12.3 % At least 900	784 (10.90%[15])
No. of Voluntary Safety Reports per 1000 movements	Not assessed as an objective for 2017	107	>1.3 At least 100	106 (1.48%)
Vehicle-aircraft collision	<0.08 Max. 6 events	8	< 0.08 Max. 6 events	11 (0.15%) (of which three without damages)
Vehicle-vehicle collision	< 0.18 Max. 13 events	13	< 0.17 Max. 13 events	17 (0.23%)
Vehicle-bridge collision	< 0.04 Max. 3 events	1	< 0.01 Max. 1 event	1
Ramp vehicle spills	< 0.69 Max. 50 events	29	< 0.4 Max. 30 events	47 (0.65%)
Reversing manoeuvres without the aid of an operator	< 0.55 Max. 40 events	15	< 0.27 Max. 15 events	7 (0.09%)
Overruns	< 0.11 Max. 8 events	5	< 0.06 Max. 5 events	6 (0.08%)
Waste from on-board cleaning	< 1.11 Max. 80 events	100	< 0.40 Max. 30 events	15 (0.20%)
Failure to check FOD before a flight arrives	< 0.55 Max. 40 events	39	< 0.54 Max. 40 events	64 (0.89%)

In 2018 the number of reports decreased in absolute terms: from 980 in 2017 to 784 in 2018. The decrease was mainly due to the exclusion of data not directly related to safety with effect from January 1, 2018 with the aim of providing a more effective, realistic and accurate report.

The increase in ground safety reports (GSRs) and voluntary safety reports (VSRs) reflects greater, more consistent involvement and interest in safety, not just among ground staff, but also the management of handling companies and ramp operators, due in part to the use of social reporting channels (WhatsApp), periodic safety meetings (eight during the year), the creation of safety videos and the establishment of a new Safety & Operations Telegram channel.

The number of vehicle-aircraft collisions stabilized at eight events involving damage (of a total of 11), representing a continuation of the trend seen in 2017. There was a slight increase in the number of vehicle-vehicle collisions and (oil) spills by ramp vehicles. In particular, this latter event was due to the rather high average age of the various vehicles used by the service providers. In 2019, AdB will focus on all these aspects – managed by third-party companies not under the airport manager's direct control – through a comprehensive policy of awareness-raising, training and monitoring.

Thanks to the constant, regular training and safety promotion process implemented by AdB in 2017 and 2018, the figures relating to the number of unassisted reversing manoeuvres, vehicle-bridge collisions and the presence of onboard cleaning waste at stands were excellent.

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[15] During the year, it was decided not to include two categories of events not considered strictly safety-related among such reports.

Wildlife control

'Wildlife Strikes' are violent impacts between aircraft and wild animals (mainly birds). This is a phenomenon with potentially severe consequences. In 2018, Bologna Airport recorded **71,647** movements with **26** confirmed impacts, of which **25** involving birds, and **1** involving hares.

The number of strikes in relation to total traffic volume, effects on flights and the abundance of fauna and species can be used for an estimation of the **BRI2** (Bird Risk Index), which, for the year 2018, was **0.06**. The figure declined from 0.09 in 2017 to 0.06 in 2018, despite an increase in bird sightings at the airport (from 87,029 in 2017 to 116,901 in 2018)

In 2019, AdB will continue with habitat remediation and the maintenance of external woodland and shrub areas under the responsibility of the Airport Manager. Wildlife containment actions will also continue through the management of catch cages and corrective actions for the protection of buildings with nets (for example, anti-bird nets). The working group formed between exponents of AdB and representatives of external entities, companies and institutions yielded excellent results and will continue in 2019. Regular maintenance of vehicular and static deterrent systems is planned to continue in 2019, involving not only the maintenance of existing catch cages, but also the addition of further units and the use of bait.

2018 - Month	Total impacts	Strikes with damage	Multiple strikes	Engine ingestions	Resulting in effects on the flight	Movements	Number of individuals sighted	Number of groups sighted	Bird Risk Indicator
January	0	-	-	-	-	5,252	5,356	11	0.00
February	3	-	-	-	-	4,799	15,198	11	0.07
March	1	-	-	-	-	5,646	16,496	13	0.06
April	2	-	-	-	-	5,951	10,819	12	0.06
May	0	-	-	-	-	6,189	11,990	10	0.01
June	1	-	-	-	-	6,604	15,600	11	0.06
July	8	-	-	-	-	6,915	9,095	11	0.20
August	4	-	-	-	-	6,710	6,555	11	0.09
September	2	-	-	-	-	5,969	7,141	8	0.06
October	2	-	-	-	-	6,349	7,149	10	0.06
November	1	-	-	-	-	5,725	8,548	13	0.03
December	2	-	-	-	-	5,538	2,954	12	0.05
Total	**26**	-	-	-	-	**71,647**	**116,901**	**133**	**0.06**

Number of impacts

BRI2 trend
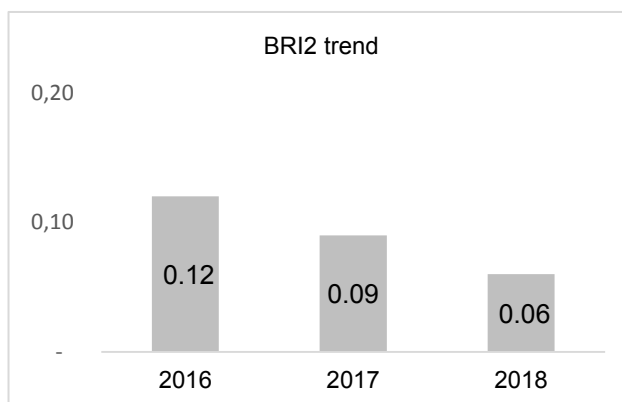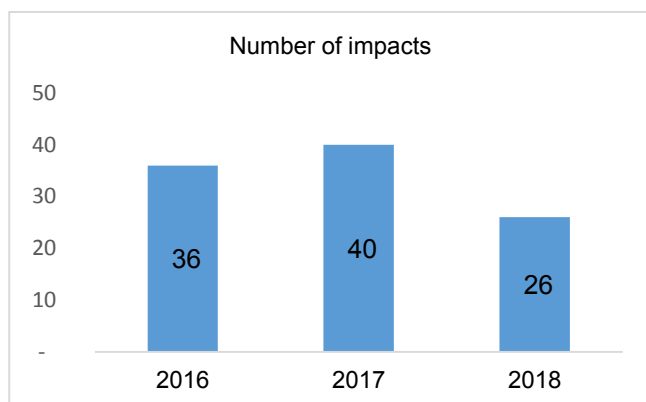
Security

The Security services were taken into direct management by the Airport Manager, in accordance with Ministerial Decree No. 85 of January 29, 1999, and ENAC Communication of January 10, 2001, Protocol No. 00200DG. The current legislation is comprised of the National Civil Aviation Security Programme (PNS) and European Regulation 1998/2015, as amended. In addition to these two main regulatory frameworks are certain other European Regulations and ENAC Circulars which regulate monitoring methods.

Security's current organizational chart includes the Security Director, covering also the role of Security Manager, and two subordinate departments, one Line and the other Staff. The line department works at the operational level performing the services granted under license by ENAC regarding checks to passengers and baggage (both hand and hold).

The Staff department deals with aspects regarding the issue of permits for entry into the airport area, the preparation and constant updating of procedures on security checks, and the dissemination and implementation of such procedures by security personnel. The Staff department also manages and supervises all aspects of security concerning airport activities and quantifies, on the basis of scheduled flights and aircraft load factors, control times, the distribution of passengers at security stations and the number of required personnel and security guards.

Security personnel

In August 2018, at the year's peak, AdB Security had a workforce of 195 qualified security guards (GPGs), of which 49 in the position of Supervisor (SPV), and 6 in that of Security Passenger Manager (SPM).

Security personnel operate during the entire time that departing flights are scheduled, and have the responsibility of correctly performing operational procedures and security checks on passengers, their hand luggage, hold baggage and goods, according to security regulations and the operational communications of Security Management.

The **recruitment** of Security Personnel takes place through a first selection made by a specialized external company, on the basis of the provisions in Ministerial Decree 85/99:

- English language skills
- Psychometric aptitude test
- Motivational interview
- Personal interview
- Medical fitness examination

At the end of the first selection phase, the candidates' data is sent to the State Police Office for background checks before the start of training, which is supervised by a special organizational unit, the Training Center.

The **training** course comprises a theoretical and a practical part, and is given by an ENAC Certified Instructor. At the end of the course, a final exam is administered by the ENAC Commission. After passing the final exam is the candidate issued with 'Security Officer Certification', which is valid for three years and subject to biannual verification by the Prefecture. The validity of this certification over the years is verified by triannual medical examinations certifying physical and psychological requirements, and recertification requires the passing of an exam again administered by the ENAC Commission.

The **hiring** of security personnel takes place only after Formal Appointment by the Prefect under oath as required by Article 250 of the Implementation Regulation.

Security personnel must carry out their work with utmost diligence, and are therefore **monitored** through Audit, Quality Control, Briefing, Performance System and TIP Library procedures (the latter involving examination of virtual images of dangerous items). An assessment of the TIP performance of individual operators takes place every 6 months. During the assessment, the operator must correctly identify at least 75% of the virtual images projected onto a monitor, and trigger false alarms in less than 25%. Operators not passing the six-monthly assessment must undergo training to address their low performance before being re-qualified.

The **performance system** monitors operators' performance as a 'cascade' system, meaning that assessments are made by Supervisors (SPVs), who in turn are assessed by Security Passenger Managers (SPMs). The assessment consists of objective and subjective parameters, with subjective assessment taking place every four months, and objective assessment monthly. The annual assessment consists of an arithmetic mean of the periodic assessments.

In order to monitor the application of relevant legislation, AdB performs Quality Controls on a monthly basis, which, from September 2018, are performed by a new team established within Security Management. The control activity is carried out with the passage, through all airport checkpoints, of prohibited items and/or invalid access credentials. Cover Tests are carried out at least twice a month, involving the passage of 'Sample Passengers' through control stations with simulation explosive devices and prohibited articles.

At the end of each intervention, a 'Quality Cover Test Report' is drawn up in order to:

- Indicate the level of effectiveness, efficiency and quality of security measures and procedures;
- Identify deficiencies and non-conformities in the security services;
- Draw up recommendations and corrective actions for the reduction or resolution of non-conformities.

On the subsequent quality control, a follow-up to the previous control is performed in order to test the effective resolution of non-conformities. Lastly, Security's activities are subject to control by the inter-ministerial unit 'Nucleo Centrale Interministeriale' with unscheduled inspections, in addition to inspections by the Bologna office of Italy's National Civil Aviation Authority.

During the year, passenger satisfaction regarding security remained at a constant high, attaining 97.9% passenger satisfaction at baggage control and 98.4% in terms of the perception of personal safety and security at the airport.

The airport manager was entrusted with surveillance and patrol service with effect from February 2017. The purpose of this service is to monitor the integrity of the perimeter fencing, aircraft, the borders between the groundside area, airside area, sterile areas and critical zones, to monitor all areas accessible to the public on or near airport grounds, to monitor the documentation concerning individuals admitted to the sterile areas and to monitor and verify the specific permits and authorizations of vehicles present and operating in the airside area.

Emergency management and business continuity

To ensure the continuity of services in conformity with relevant regulations and industry best practices, AdB has defined an organizational model, procedures and systems that, in the event of an incident, allow an analysis of the situation, mitigation of the service interruption and service restoration in appropriate timeframes.

In particular, AdB has established:

- A Continuity management plan, managed by Airport Operations Management, which indicates actions for mitigation and restoration, also temporary, of operations according to the individual event, which was updated in 2018 and shall enter into force in 2019;
- An IT Continuity and Disaster Recovery Plan, managed by the Innovation, ICT & Quality Department, aimed at restoring data centres, systems and applications;
- An ICT department organizational model consisting of two operating units, which deal with infrastructure management (servers, databases, networks, etc.) and production and application systems during procedure implementation;
- A Help Desk active from 05:00 to 21:00 for first-level interventions on operating assets, such as check-ins and gates;
- A continuous network infrastructure monitoring system entrusted to an external supplier, for rapid identification of any emergency;
- A modern network infrastructure built to redundancy and high reliability criteria, with a back-up site outside the main building;
- Modern security devices, such as latest generation firewalls.

During 2018, Bologna Airport began the integration of emergency plans in accordance with EU Regulation 139. The Airport Emergency Plan (PEA) is already in line with the new European legislation, as set out by the European Union Aviation Safety Agency (EASA). Integration of the Plan is oriented at analysing the impacts that each individual airport emergency plan (e.g. fire in the terminal, structural failure, terrorism, etc.) may have on the operation of flights and, more generally, on air traffic. It is also important to understand how each plan may "interfere" with the others and establish a scale of priorities for the application of the relevant actions, in order to establish which measures to apply first according to the type of emergency, and to prevent procedural overlaps.

AdB periodically verifies the efficacy of the procedures through drills and simulations, directly or with the participation of other public or private organizations (such as law enforcement in the case of the Anti-terrorism Plan). The various plans are updated where cases of non-conformity or areas with margins for improvement are identified. In 2018 the integration process was launched and tested through simulations. The findings are and will continue to be inputs for the integrated procedures and plans.

In the case of the Aviation Emergency Plan, in 2018, AdB organized the sixth full scale drill, involving not only the airport, but also the surrounding territory. The drills included in the internal emergency plan pursuant to Leg. Decree 81, together with law enforcement drills, were also conducted during the year.

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2.5.6 Communications and engagement of passengers

In 2018, communications activities underwent a reorganization aimed at conveying information in a synergic way in and out of the organization, at enhancing the role of the airport in relation to the local area and to stakeholders, at strengthening the corporate media image and at supporting the engagement and corporate identity of employees and the airport community.

CARE

Over the years, Bologna Airport has introduced and managed a wide range of communications tools, from the most traditional (e.g. brochures, press releases, newsletters, monitors at the terminal) to the most modern and interactive (e.g. social channels, app, website, chatbot, beacon). There have been very rapid changes in the way people access information, and the internet and social media are ever more increasingly used in comparison with direct contact via information desks or call centres.

PRESENCE ON SOCIAL NETWORKS

facebook

+ 130 thousand followers
2nd by number of visitors among Italian airport FB pages

twitter

+ 13 thousand followers
2nd in Italy by number of followers
Among top 20 in world for feedback

Linked in

YouTube

The overall perception of the efficacy and accessibility of public information services was also excellent. In 2018, Bologna Airport continued to expand communications tools in relation to passengers, with both CRM targeted information and remote information points. Satisfaction was particularly high for operational information points, internal signage and the website. In 2018, the new website for Bologna Airport was published. Among the most significant innovations were the display of personalized content according to the needs of the passenger, enhancement of e-commerce services, optimization of the user's browsing experience and an improvement in accessibility.

Involvement of institutions

As an important actor in a complex regional context, it is essential that AdB works in synergy with national and international institutions for the development of passenger services and as an active participant in the growth of the local area and community. Accordingly, the airport promotes not only initiatives relating to the management of airport activities, but also a range of other actions with social and environmental impact.

In a strategic partnership for the development and growth of the airport, in 2018, AdB signed a Memorandum of Understanding with the Municipality of Bologna for the promotion of accessible tourism at the airport, laying the foundation for a systematic and continuous collaboration in improving services offered to disabled passengers. To promote the development of accessibility, AdB has created a technical round table bringing together local transport services to identify solutions aimed at mitigating logistical problems during the exhibitions and major events.

Local institutions play a key role, both as actors and as partners in pursuing the strategic goal of making the airport increasingly sustainable for the local area and community. For example, for the management of noise impacts, a technical working group has been established between AdB and representatives of the main local authorities, including the Municipality of Bologna, the Regional Environment and Energy Agency (ARPAE) and the Municipality of Calderara di Reno, with the aim of coordinating relations with citizens, developing monitoring activities and ensuring a systematic exchange of information. In addition, as a major strategic infrastructure facility, AdB also participates in the Municipality of Bologna's Sustainable Energy Action Plan, aimed at appropriately supporting the pursuit of the shared goals of cutting climate-altering emissions. Finally, since 2015, AdB, the Emilia-Romagna Region, the Metropolitan City of Bologna, the Municipality of Bologna, the Municipality of Calderara and transport company TPer have been committed to the Territorial Implementation Agreement for the decarbonisation of the airport, pursuant to Regional Law 20/2000, in response to the need to mitigate the environmental impacts associated with long-term infrastructural development, and in compliance with the provisions of the Decree of the Environmental Impact Assessment Master Plan.

Local community engagement

As well as interacting with institutions, AdB collaborates with other key local players to create value for the community, companies and local stakeholders. Through commercial activities and the commercial spaces at its disposal, the Group promotes various initiatives and activities, creating opportunities for cultural and artistic promotion and increasing the visibility of local excellences, in particular regarding the automotive and food-and-wine sectors. The visibility from advertising activities and participation in events hosted by the airport indeed helps to create value and consolidate the brand awareness of local companies in the eyes of the national and international public passing through the airport.

In 2018, the second edition of the Marconi Music Festival, the first ever airport music festival, took place in collaboration with the Emilia Romagna Festival. During the music festival, passengers and the public were engaged in a series of concerts and events, with the presence of exciting young talents and major international names, such as the actor John Malkovich. Again with the aim of artistic and cultural promotion, in support of the major exhibition dedicated to artist Zhang Dali at Palazzo Fava in Bologna in 2018, the Group hosted several of the artist's works in the Airport Lounge. The initiative was a great opportunity to promote the exhibition to the sizeable flows of passengers transiting the airport.

AdB also hosted 'Gumball 3000', a non-competitive motor rally of high visibility and prominence for the automotive sector. The event featured unique exemplars of Ferrari, Lamborghini, Rolls Royce and Aston Martin, which travel 3,000 miles across various continents, in this particular edition from Covent Garden in London to the final destination in Tokyo. The event, now having reached its twentieth edition, also passed through Bologna Airport, which provided direct flights to Osaka for 200 VIP passengers and their supercars.

2.6 Protecting the environment and responding to the challenges of climate change

The Group is committed to all aspects of sustainability, ranging from those of an environmental nature to compliance with ethical and social principles, in view of the important role which Bologna airport plays as a vital hub for the region. Bologna Airport has always set itself the objective of pursuing the sustainable development of the airport system in harmony with the protection of the environment, including the important issues of air quality, noise, energy saving and the use of alternative sources as integral to the company's sustainable development policy.

The commitment includes day-to-day monitoring of the environmental impacts of airport activities, the identification of improvement measures and dialogue and exchanges with the local community and stakeholders. In relations with the local community, the company has consolidated its commitment through the signing of Territorial Agreements in support of environmental compensation initiatives.

AdB has drawn up several policies, tools and organizational structures to guarantee, in all airport activities and at all times, adequate levels of service quality, worker safety, environmental protection and airport security, which are considered priority objectives of the company. In this regard, it has integrated Quality, Environment, Energy and Safety at Work systems into a single integrated Business Management System, in order to respond concretely to the requirements of the various applicable certification standards in line with the Quality, Environment, Energy and Safety Policy. In particular, AdB applies the following Certifications in its management:

- UNI EN ISO 9001:2015 quality certification
- UNI EN ISO 14001:2004 environmental certification
- OHSAS 18001 workplace safety certification
- UNI EN ISO 50001 energy certification

The integrated management system ensures utmost control of significant environmental impacts, associated risks, internal and external factors, and the governance of improvement policies.

The organization has also set up an internal Environment, Energy and Safety at Work Department, with specific resources dedicated to environmental issues. The integrated Policy is made available to the public in the local community in order to guarantee complete transparency in the objectives that AdB intends to pursue.

Quality, Environment, Energy and Safety Policy[16]

In order to maintain and improve the integrated Quality, Environment, Energy and Safety Management System, AdB has defined a set of principles to base all its activities on. Regarding environmental protection, the Policy commits to:

- Evaluating, preventing and minimizing environmental impact and risks to the health and safety of workers (including accidents and occupational illnesses);
- Guarantee compliance with applicable environmental, workplace health and safety and energy efficiency rules;
- Promoting a reporting system to guarantee timely monitoring of performances;
- Coordinating and monitoring the conduct of sub-contractors, suppliers and third-party companies acting on behalf of AdB;
- Contributing to preventing climate change, to improving energy efficiency and to the increased use of renewable energy sources.

Employees are required to maintain high standards of service quality, ensuring protection for the environment, energy and water resources and health and safety at work, as well as the prevention and prompt correction of non-conformities with regulations and corporate, national and international standards.

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[16] Integrated management systems (Quality, Environment, Energy and Workplace Safety and Security) are applied within AdB's organizational and operational environment. TAG is independently certified for its own quality, environment, and workplace safety and security issues. FFM has yet to implement a certified management system, but has adopted operating practices and procedures compliant with Italian and industry standards.

2.6.1 Noise management

The company pays particular attention to noise pollution since it is the most critical environmental issue affecting the local area. In order to minimize the impact of noise pollution, the company's environmental policy is based around continuous noise monitoring, identification of mitigation measures, dialogue with the local community and communications transparency. AdB has always strived to build dialogue and cooperation with local authorities through a dedicated airport noise working group. Carrying forward its work through 2018, the group is coordinated by the Municipality of Bologna, and comprises representatives from the local municipal administrations, the Regional Agency for Prevention, the Environment and Energy (ARPAE) and the local health authority (ASL). The activity of the working group is focused on a shared assessment of noise pollution issues affecting local residential areas, the management of complaints from citizens, the identification and planning of mitigation and noise compensation actions. Efforts are also made to improve airport noise mitigation procedures by the Airport Commission, established by Ministerial Decree 31/10/1997, and chaired by the Italian Civil Aviation Authority (ENAC).

Airport noise management activities are based, first of all, on the continuous assessment of noise impacts through the airport noise monitoring system. The system determines noise levels on the ground by integrating data from noise monitoring units and radar, indicating the routes of aircraft landing and taking off. The system produces a significant amount of data, which is processed, made available to citizens and the local community, and used to identify improvement measures.

One of the most critical noise impact issues is the disturbance caused to people residing in overflown areas. This is why one of the fundamental elements of the mitigation process is dialogue with citizen and committee representatives. In addition, the company's Action Plan, identifying mitigation and compensation actions, indicates measures already implemented and those to be implemented in the future. Again, dialogue with the various stakeholders, authorities and competent bodies, as well as with the designated institutional technical offices, such as the airport commission and noise working group, proved fundamental in the preparation of this plan. The Noise Management Action Plan has been formulated in accordance with Decree 152/06 and includes measures aimed at mitigating and offsetting the disturbance caused by the airport's acoustic impact, which the airport manager also intends to implement in synergy with the other parties involved in various respects. The Plan is a dynamic document that may be updated in view of other new initiatives developed over its life cycle.

Performance Indicators

Station	LVA [dB(A)][17] 31/12/2017	LVA [dB(A)] 31/12/2018
P1	66	65.1
P4	62.3	61.8
P5	55.7	55.6
P6	63	62.1
P7	55.3	54.5
P8	53.5	52.6

The figures presented refer to the noise levels recorded by the noise monitoring equipment located in the residential areas adjacent to the airport. The values are below the noise limits established by law for the buffer areas and are constantly monitored. The improvement in performance recorded in 2018 was also particularly positive, given the essential stability of flights seen during the year.

Data from the Airport Noise Monitoring System, consisting of 6 permanent environmental monitoring units distributed around the airport grounds. At each of the measuring stations, the performance of the LVA index was essentially constant, i.e. without significant fluctuations. The indicator is driven by various factors, essentially: the number and type of aircraft in transit; the rate of climb and thus the overflight altitude; the trajectory followed; weight at take-off and landing; and the time (day or night).

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[17] LVA - Livello di Valutazione Aeroportuale (AEL - Airport Evaluation Level): calculated, in accordance with Ministerial Decree 31/10/1997 – Airport noise measurement methodology, based on the AEL data relating to the three weeks with highest traffic identified in 2014.

2.6.2 Energy efficiency and contributions to mitigating climate change

In 2013, Bologna Airport introduced an Energy Management System in conformity with the international standard UNI ISO50001, guaranteeing a considered use of energy resources and reduced consumption and costs through the drafting of an energy policy, systematic monitoring of consumption and performance indicators, and optimization of production processes, corporate conduct and resource management. In order to effectively implement the Energy Management System, AdB established the Energy Management Team (EMT), a working group coordinated by an Energy Manager. The group establishes objectives at a strategic level for energy improvements, preparing energy and cost reporting tools, and assessing and proposing actions to improve energy performance.

In line with the policies for quality, the environment, energy and safety, Bologna Airport has taken numerous steps to reduce consumption and emissions by making its infrastructures more energy efficient and by increasing the use of renewable energy sources. For example, regarding energy efficiency, the company has replaced low-efficiency bulbs with LED bulbs, thus optimizing the lighting systems of buildings, car parks and airport roadways. Since 2005, AdB has participated in the voluntary GreenLight Programme promoted by the European Commission to encourage partner organizations to upgrade the efficiency of their lighting systems, with an aim to reduce energy consumption and climate-altering emissions. AdB has also improved the management of its heating, ventilation and air conditioning systems, in particular through the use of high efficiency heat pumps. Regarding the use of renewable energy, Bologna Airport self-produces a significant portion of its electricity needs through its own photovoltaic systems and high-performance trigeneration plant. The energy efficiency initiatives permitted a savings of 4,200,0000 kWh in one year.

Adb has also participated in various energy efficiency initiatives and programmes in order to cut its CO2 emissions and contribute to the fight against climate change In 2009, it took part in the international Airport Carbon Accreditation programme, an initiative promoted by Airport Council International and aimed at monitoring and improving the airport sector's carbon footprint. Additionally, in collaboration with local authorities and institutions, AdB promotes initiatives and actions to mitigate general environmental impacts. Through the Regional Agreement for a Low-Carbon Airport, signed with regional authorities in 2015, AdB has committed to perform work with a total cost of Euro 6.5 million over a period consistent with the timeframe for implementation of the airport Master Plan, i.e. by the end of 2023. An agreement signed with the Emilia-Romagna Region, the Metropolitan City of Bologna, the municipalities of Bologna and Calderara di Reno, the transport company TPER and the transport agency SRM, provides for a reduction in CO_2 emissions in relation to airport infrastructures and accessibility, and for the absorption of climate-altering direct emissions through the creation of a wooded green belt to north of the airport.

The measurement and assessment of Bologna Airport's carbon footprint is essential in gathering information for the implementation of CO_2 reduction initiatives, for the identification of cost containment opportunities and for the consideration of climate impacts in the decision-making process. Additionally, this process allows AdB to play a leading role in the field of environmental responsibility, to respond to the demands of citizens and public administrations for greater disclosure regarding climate impacts, and, finally, to prepare for the introduction of binding regulations on the subject, which might modify the current regulatory framework. In 2018 AdB purchased certified electricity generated from renewable sources, which contributed to a considerable reduction in Scope 2 emissions, according to the "market-based" calculation method rather than the "location-based" approach. In addition, diesel power stations in several buildings were decommissioned in favour of increased natural gas use.

A lighting efficiency plan will be implemented starting in 2019, involving the installation of LED light fixtures, resulting in a reduction in electricity consumption and indirect emissions (Scope 2).

Performance Indicators

Energy consumption within the organization (**GRI Standard 302-1**)	**Unit**	**2017**	**2018**
From non-renewable sources			
Natural gas	m3	1,777,114	2,292,236
Diesel fuel (for heating)	l	133,819	10,445
Petrol (for the fleet)	l	22,068	15,579
Diesel fuel (for the fleet)		77,448	95,768
From renewable sources			
Photovoltaic (self-generated electricity)	kWh	106,840	96,805
Purchased electricity	**GJ**	28,321	19,861
Electricity	kWh	7,866,948	261,545
Certified electricity from renewable sources	kWh	-	5,263,489
Self-generated electricity			
Self-generated electricity sold to the grid	kWh	-	8,172
Total consumption	**GJ**	**102,562**	**107,156**
Of which, from non-renewable sources		102,178	87,859
Of which, from renewable sources		385	19,297

The decline in the amount of electricity acquired in 2018 was due to both the energy efficiency initiatives implemented on the airport grounds and, to a greater extent, the increased internal power output of the natural gas trigeneration plant.

The assessment of indicator 302-1 refers to energy consumed as defined by Law No.10/91 and Ministry of Economic Development (MISE) Circular of 12/2014, i.e. the energy consumed for the production of goods (semi-finished products, manufactured products, etc.) or for the provision of services (transport of people or goods, lighting, air conditioning, electricity supply, etc.).The relevant scope includes the entire Aeroporto di Bologna Group. Consumption relating to the firefighters' station and concessionaires, which is billed directly to AdB S.p.A under the agreements between the parties, but is directly available to third parties, has been excluded.

Energy intensity (**GRI Standard 302-3**)	Unit	2017	2018
Energy consumption	GJ	102,562	107,156
Number of passengers	N	8,198,156	8,506,658
Energy intensity	**GJ/n**	**0.0125**	**0.0126**

The energy intensity is calculated as the ratio of gigajoules consumed over the number of passengers in transit.

Total emissions (**GRI Standard 305-1, 305-2**)	Unit	2017	2018
Direct emissions (Scope 1)			
Natural gas	t CO_2	3,486.7	4,534.0
Diesel fuel (for heating)		422.2	27.6
Petrol (for the fleet)		50.6	35.7
Diesel fuel (for the fleet)		204.6	253.0
Total direct emissions	**t CO_2**	**4,164.1**	**4,850.4**
Indirect emissions (Scope 2)			
Electricity – Market Based	t CO_2	3,658.9	124.5
Electricity – Location Based	t CO_2	2,611.8	1,773.5

Direct and indirect emissions are calculated using Airport Carbon Accreditation's (ACA) market-based method. Regarding emission factors, reference is made to the 'Airport Carbon Footprint' Annual Report. The change in emissions in 2018 is attributable to the purchase by AdB of certified electricity generated from renewable sources. This difference is even more apparent in the change of approach to calculating emissions from the "market-based" method to the "location-based method". The location-based method involves the use of average emissions factors characteristic of the geographical location, whereas the market-based method contemplates emissions factors specific to the energy actually supplied by the provider of the service, which may in fact differ from the overall distribution grid. Finally, the change in diesel fuel consumption relates to the decommissioning of the diesel power stations in the office building, cargo building and COS building.

Emissions intensity (GRI Standard 305-4)	Unit	2017	2018
Total emissions[18]	t CO_2	7,823.1	4,974.9
Number of passengers	n	8,198,156	8,506,658
Emissions intensity	**t CO_2/n**	**0.000954**	**0.000585**

2.6.3 Air quality

During 2018, the company introduced its new air quality monitoring system, operational in September. AdB is deeply aware that, by the very nature of its activities, in which aircraft produce considerable emissions, it is a significant source of atmospheric pollution. The airport is also located within a geographical area already affected by a high degree of atmospheric pollution coming from road traffic. The new monitoring system will provide valuable information on the airport's contribution to air pollution in the area.

Performance Indicators (GRI G4-AO5)

Air quality pollutant concentrations in micrograms per cubic meter ($\mu g/m^3$) or parts per million (ppm) as required by applicable legislation

Bologna - Air quality		
Bologna – average nitrogen dioxide (NO2) monthly values - 2018		
NO2	Lippo	Agucchi
Annual limit: 40 µg/m³ annual average	µg/m³	µg/m³
September	70	72
October	70	77
November	57	63
December	71	75
Bologna – average particulate (PM10) monthly values - 2018		
PM10	Lippo	Agucchi
Annual limit: 40 µg/m³ annual average	µg/m³	µg/m³
September	19	20
October	24	28
November	22	25
December	32	35

Air quality pollutant concentrations in micrograms per cubic meter ($\mu g/m^3$) or parts per million (ppm) as required by applicable legislation

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[18] Total emissions include Scope 1 emissions and Scope 2 emissions, the latter of which are calculated according to the market-based method. The emissions intensity is calculated as the ratio of kg of CO_2 equivalent over the number of passengers in transit.

2.6.4 Management of water resources

Aware that the scarcity of water resources is one of the most urgent issues in the global debate on climate change and environmental impacts, AdB has paid particular attention to the monitoring of its water consumption and to analysing wastewater quality. In order to reduce water consumption and water pollution, Bologna Airport has undertaken various actions aimed at improving the efficiency of the management model and of airport facilities and buildings. In particular, AdB is committed to the study and analysis of its water consumption, to the mapping of water uses and to the identification of further actions to minimize consumption. Furthermore, the company has begun the construction of a new airport infrastructure purification plant, which will contribute significantly to reducing environmental impacts in terms of water pollution.

The assessment of sewage discharge demonstrates its group's compliance with the limit values set by law (Legislative Decree No. 152/06). Specifically, the most critical figure relates to the COD parameter, which is in turn tied to the use of the de-icing fluid employed on airport pavement and aircraft. As Airport Manager, AdB must also guarantee the continuous and regular provision of ground handling services for carriers operating at the airport. It must therefore provide adequate tools for cleaning aircraft of snow and ice contamination, the so-called activity of de-icing. At certain times in the winter, there is the risk that the limit values may temporarily be exceeded in the event of massive use of de-icing fluid.

In order to optimize the process and minimize the impact of de-icing fluid, the group is developing a special area for the treatment of all aircraft, with 5 dedicated vehicles permanently present. A special collection system will transport, store and then subsequently dispose of the fluid, preventing it from mixing with rainwater. Furthermore, in order to better manage the service, dedicated software will be introduced, as an operational management system application, to guarantee more effective recording of all data, traceability of individual activities and communications between all parties involved.

Performance Indicators

Water consumption by source (**GRI Standard 303-1**)	Unit	2017	2018
Wells	m³	2,975	39,527
Municipal water		162,188	77,369
Total	**m³**	**165,163**	**116,896**

The assessment of water drawn refers to water utility consumption by AdB (including FFM) and TAG. A new well began to be used in 2018, increasing well water usage and decreasing municipal water consumption.

SEWER DISCHARGE DATA (**GRI Standard AO4**)		Average annual value		Parameter values
Parameter	Unit	**2017**	**2018**	**Legislative Decree 152/06**
COD	mg/l	17.3	30.66	500
Hydrocarbons	mg/l	0	0	250
Suspended solids	mg/l	7.8	5.52	80

The table shows the average values recorded during various analyses carried out during the reference year. The reference area is the airport grounds, including the rainwater collection system that serves airport and operator activities within the airport grounds.

2.6.5 Waste management

Among airport activities, waste mainly comes from commercial activities (i.e. shops, restaurants) and some operational activities, such as airport vehicle maintenance and cleaning. Though the activities do not involve production processes through which to reduce waste, the company is committed to maximizing waste separation and recycling, in collaboration with the municipal administration and the urban waste collection services manager.

The focus on waste management issues is mainly concentrated on responsible waste sorting and disposal. These latter are mainly non-hazardous special waste that cannot be directly reused within the context of such activities. The urban waste generated is closely linked to airport users. Accordingly, waste management policies essentially focus on separation of such waste. Special waste (both hazardous and non-hazardous) is generated by specific service activities, including maintenance of airport operating vehicles, for which specific efficiency policies therefore cannot be planned.

Performance Indicators

Waste produced (GRI Standard 306-2[19])	Unit	2017	2018
Fraction by MSW		252,500	241,540
Special non-hazardous waste		776,960	502,729
Hazardous waste	kg	45,950	50,472
Dry residual fraction[20]		713,990	780,590
Total		**1,789,400**	**1,575,331**

Hazardous waste disposal	Unit	2017	2018
Waste-to-energy		35,343	37,478
Landfill		-	55
R13 - accumulation of material for waste recycling and recovery	*kg*	10,607	12,939
Total		**45,950**	**50,472**

Disposal of non-hazardous waste	Unit	2017	2018
Recycling		508,604	444,836
Composting		10,748	9,400
Waste-to-energy		652,136	570,373
Landfill	*kg*	463,309	405,220
R13 - accumulation of material for waste recycling and recovery		108,653	95,030
Total		**1,743,450**	**1,524,859**

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[19] Regarding municipal solid waste, the scope includes AdB, FFM and TAG, as well as all airport users. Regarding special waste, the data refers that produced by AdB. FFM and TAG data are not currently available.
[20] The treatment of the dry residual fraction has been estimated on the basis of the data published by ISPRA for Emilia Romagna in 2018

2.7 Investing in people and their professional development

The Group also strives to develop those who work at the Airport and build an organisation which responds to the evolving demands of the market and which supports the individual in their work. Skills, identity and passion for service quality are key commitments for AdB in the development of its business. People play a fundamental role at every level. Developed skills, individual identities and abilities in offering the highest level of customer service are essential factors for the success of the company in facing everyday and future challenges.

AdB Group has adopted a Code of Conduct aimed at all employees, consultants and partners, enshrining the company's values and ethical principles, and providing guidelines for conduct that create a corporate climate of reciprocal trust and respect. Fundamental values socially and universally recognized by AdB include legality, integrity, ethics, respect for individuals, quality assurance, human and environmental health and safety, fair competition, and transparency and truthfulness of information. Compliance with the Code of Conduct is both a shared duty and a right of employees, provides an additional protection for the airport community, and guarantees relationships based on clarity and transparency. The Code of Conduct supplements the Company Regulations in providing guidelines and rules of conduct and general safety in relation to the work duties of each and every employee. All employees are therefore required to perform their work activities with appropriate due diligence in the common interests of the company and of providing a quality service.

2.7.1 Management of personnel

With its workforce of **528** people at December 31, 2018, of which **47%** women, the group sees the management and development of it human resources as a driving force for the development and competitiveness of the airport. People, and their individual skills and abilities in guaranteeing a quality service are fundamental components of the group's business strategy.

In recent years, changes in the socio-economic context in which the airport operates have led to various positive changes in the approach to human resources management. In 2018, a significant intervention was made in terms of improving engagement, through a comprehensive welfare plan extending to all employees. Effort was also devoted to continuous improvement of processes from the standpoint of optimization. The investments process – crucial to the airport's development in the coming years – underwent significant analysis and re-engineering efforts resulting, among other improvements, in a significant hiring plan for PMs (project managers) in the infrastructure department and in support of public contract management activities.

Regarding recruitment and hiring policies, new growth and development opportunities have been created for AdB employees through internal job postings and intern Job Opportunities (part-time).   In addition, the use of web and social channels has attracted young talent, and various collaborations with local universities have allowed the airport to accommodate trainees, student work placements and research programme participants. AdB offers the opportunity for people to express their full potential as part of a dynamic company in continuous development. The Group has introduced instruments and procedures that actively guarantee utmost transparency and fair treatment for all candidates. Roles, responsibilities and principles of conduct and monitoring to be respected during the selection procedure are set in advance, and in full compliance with provisions preventing the offences referred to by Legislative Decree 231/2001 and the 'Anti-corruption Policy.

In response to innovations in the field of professional development policies, a daily employee performance assessment system, linked to the company's values and leadership model, was introduced in 2017 and then revamped in 2018 (after a year of testing and use) in the light of the competencies and individual behaviour deemed most consistent and measurable for the various roles and actions.

Finally, the airport was awarded the TOP CARRIERA 2018/2019 seal of quality by the publication *Affari e Finanza* (an insert of the newspaper *La Repubblica*) and placed ninth in the rankings drawn up by the magazine *Panorama* of the best workplaces in the transport and logistics sector.

Attracting talent - Talent Program

In order to capitalize on the resources present at the company, AdB coordinates a Talent Program aimed at identifying, attracting and retaining the best resources for meeting the Group's business goals. The program focuses on increasing the retention of valuable personnel, to reducing turnover, and the related costs of recruitment, placement and training, to attracting talent from the labour market, and on improving the performance of the organization through the individual performance, satisfaction and motivation of the company population.

The Talent Program includes specific training programs on core competencies, participation in company task forces and specific project working groups, job rotations and training meetings with representatives from other airports or other sectors.

In order to maximum the benefits of the project, AdB outlined talent areas from the outset, identifying useful skills and translating them into observable conduct and skill development goals for internal human resources.

With 208 new employees hired in 2018, of which 45% women, the group recorded an inbound turnover of 39.39%. Accounting for the expiry of fixed-term and seasonal contracts, outgoing turnover in 2018 was around 28.79%. Excluding such contract types, the turnover rate was down to 1.79%[21].

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[21] The rate has been calculated on the basis of eight outgoing indefinite-term contracts of a total of 447 indefinite-term employees at December 31, 2018.

Performance Indicators

Workforce (GRI Standard 102-8)	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
Employees	No.	243	229	472	278	250	528
Other collaborators (contracted)		21	3	24	5	3	8
Interns		-	-	-	-	1	1
Total		**264**	**232**	**496**	**283**	**254**	**537**

Employees by contract type (HC)	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
Temporary employees	No.	**20**	**34**	**54**	**39**	**42**	**81**
AdB SPA		20	34	54	38	42	80
Fast Freight Marconi Spa		-	-	-	-	-	-
Tag Bologna S.r.l		-	-	-	1	-	1
Permanent employees		**223**	**195**	**418**	**239**	**208**	**447**
AdB SPA		216	176	392	232	190	422
Fast Freight Marconi Spa		2	13	15	2	13	15
Tag Bologna S.r.l		5	6	11	5	5	10
Total		**243**	**229**	**472**	**278**	**250**	**528**

Employees by employment type	Unit	31/12/2017			31/12/2018		
		Male	Female	Total	Male	Female	Total
Full-time employees	No.	206	162	368	211	145	356
Part-time employees		37	67	104	67	105	172
Total		**243**	**229**	**472**	**278**	**250**	**528**

During the summer, operating sector resources (e.g. security, parking, PRM) were increased to cope with the expected passenger traffic increase. During 2017, one employee (from security) was assigned to the associate company FFM in order to support its operations and to provide the employee with specific training on the treatment of goods. The indicated data is inclusive of this posting.

Number of new hires (**GRI Standard 401-1**)	Unit	2017			2018		
		Male	Female	Total	Male	Female	Total
Temporary employees		**32**	**49**	**81**	**97**	**84**	**181**
below 30 years of age		21	21	42	66	45	111
between 30 and 50 years		11	28	39	31	37	68
over 50 years of age		-	-	-	-	2	2
Permanent employees		**2**	**-**	**-**	**17**	**10**	**27**
below 30 years of age		-	-	-	9	2	11
between 30 and 50 years	No.	2	-	-	7	7	14
over 50 years of age		-	-	-	1	1	2
Total		**34**	**49**	**81**	**114**	**94**	**208**
below 30 years of age		**21**	**21**	**42**	**75**	**47**	**122**
between 30 and 50 years		**13**	**28**	**39**	**38**	**44**	**82**
over 50 years of age		**-**	**-**	**-**	**1**	**3**	**4**

Incoming turnover rate	Unit	2017			2018		
		Male	Female	Total	Male	Female	Total
Total		14%	21%	17%	41%	38%	39%
below 30 years of age		105%	91%	98%	183%	162%	174%
between 30 and 50 years		9%	17%	13%	23%	26%	24%
over 50 years of age		0%	0%	0%	1%	6%	3%

Number of employees leaving the company (**GRI Standard 401-1**)	Unit	2017			2018		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
Temporary employees	*No.*	**40**	**40**	**80**	**71**	**73**	**144**
below 30 years of age		22	17	39	49	37	86
between 30 and 50 years		18	23	41	22	36	58
over 50 years of age		-	-	-	-	-	-
Full-time employees		**8**	**2**	**10**	**8**	**-**	**8**
below 30 years of age		-	-	-	2	-	2
between 30 and 50 years		2	1	3	2	-	2
over 50 years of age		6	1	7	4	-	4
Total		**48**	**42**	**90**	**79**	**73**	**152**
below 30 years of age		**22**	**17**	**39**	**51**	**37**	**88**
between 30 and 50 years		**20**	**24**	**44**	**24**	**36**	**60**
over 50 years of age		**6**	**1**	**7**	**4**	**-**	**4**
Outgoing turnover rate	Unit	2017			2018		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
Total		20%	18%	19%	28%	29%	29%
below 30 years of age		110%	74%	91%	124%	128%	126%
between 30 and 50 years		13%	15%	14%	15%	21%	18%
over 50 years of age		8%	2%	6%	5%	0%	3%

2.7.2 Diversity and Equal Opportunity

Equal opportunities form an integral part of the overall strategy of AdB and of the company's improvement policies, with the aim of offering all employees equal professional opportunities and of removing all obstacles to their professional development. In this regard, initiatives are developed in various contexts, as detailed below.

Regarding **equal gender opportunities**, AdB boasts a strong female presence across all sectors, with the exception of manual labour due to the specific nature of certain duties. Furthermore, thanks to performance-related pay policies, AdB also guarantees equal opportunities through salary structuring. In particular, compared with the European average of 16.3%, AdB registered a gender pay gap of less than **2%**. In terms of remuneration, AdB rewards employees' efforts through variable bonuses and professional development remuneration policies, with the aim of developing new skills and keeping in step with the market. In particular, the so-called '**Hay Method**' has been used for several years for an objective evaluation of importance of company roles, and the cross-checking of salary data with that of the reference market.

Performance Indicators

Employees (**GRI Standard 405-1**)	Unit	31/12/2017			31/12/2018		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
Executives	No.	6	3	9	7	3	10
below 30 years of age		-	-	-	-	-	-
between 30 and 50 years		2	2	4	3	2	5
over 50 years of age		4	1	5	4	1	5
Managers		15	14	29	16	14	30
below 30 years of age		-	-	-	-	-	-
between 30 and 50 years		9	7	16	10	8	18
over 50 years of age		6	7	13	6	6	12
White-collar		148	207	355	158	229	387
below 30 years of age		18	22	40	24	29	53
between 30 and 50 years		90	146	236	95	158	253
over 50 years of age		40	39	79	39	42	81
Blue-collar		74	5	79	97	4	101
below 30 years of age		2	1	3	17	-	17
between 30 and 50 years		48	4	52	56	4	60
over 50 years of age		24	-	24	24	-	24
Total		243	229	472	278	250	528
below 30 years of age		20	23	43	41	29	70
between 30 and 50 years		149	159	308	164	172	336
over 50 years of age		74	47	121	73	49	122

2.7.3 Performance assessment

AdB's performance assessment policy is based on various systems:

- objective performance assessment based on the assignment of various company-wide and individual objectives (MBO – RS plan), which provide variable incentives to the participants in the attainment of gross annual remuneration. The objectives are set on a cascading basis by the Chief Executive Officer on the basis of strategic KPIs identified according to the "pillars" of the company strategy, consisting of the main drivers of profitability, quality, air traffic development, infrastructure development and innovation;
- subjective performance assessment based on a system aimed at assessing core competencies company-wide and then, at an increasing level of detail, for each department and individual role. The DEA (Daily Evaluation App) project is designed to make assessment an effective tool for professional development, in support of relations between supervisors and subordinates.

Through a user-friendly process, the assessment system focuses on observable and easily assessable conduct relevant to business goals. The starting point of the evaluation system is the identification of the key skills and conduct for the company. Based on AdB's Charter of Values, a leadership model was designed in accordance with the company's strategic objectives and the company's core competencies were identified accordingly. Subsequently conduct relevant to each specific functional department and to each role were defined. The assessment is in qualitative terms, based on a daily, infographic scale with four-monthly feedback to develop greater and more continuous awareness of the role and skill requirements.

In 2018 the qualitative performance assessment system was subject to a revision in terms of organizational competencies/behaviour, in order to render it more consistent with the company business strategy. The main change relates to core competencies. While remaining consistent with the leadership model designed on the basis of the new Charter of Values, it was sought to increase the observability of behaviour relating to the "Value of Individuals" with a focus on the collaboration and generosity shown in placing individual competencies and knowledge at the service of the collective in pursuit of a single company objective.

Performance Indicators

% of employees involved in performance review processes (**GRI Standard 404-3**)	Unit	2017			2018[22]		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
Executives	**%**	100%	100%	**100%**	100%	100%	**100%**
Managers		100%	93%	**97%**	100%	100%	**100%**
White-collar		96%	43%	**65%**	57%	62%	**60%**
Blue-collar[23]		0%	0%	**0%**	0%	0%	**0%**
Total		**67%**	**46%**	**57%**	**41%**	**64%**	**52%**

The figures reflect the differences between 2017 and 2018 due to internal transfers. Moreover, in addition to the DEA project, the data concerning personnel assessed within the framework of activities managed by the Security area has also been included (for further information, see the paragraph "Security personnel").

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[22] The 2018 performance assessment figures include, in addition to the DEA project, personnel assessed within the framework of activities managed by the Security area (for further information, see the paragraph "Security personnel")
[23] The DEV UP assessment system is also being extended to shift workers. Since, due to shift rotations, shift workers are supervised by multiple managers, the system accounts for multiple assessments.

2.7.4 - Training

People are one of the most fundamental components of an organization, and taking care of their individual training needs means promoting the development of the organization as a whole. In line with this vision, training at AdB is one of the pillars of human resources management and development. The company firmly believes in promoting the development of the organization through the training of human resources and the promotion of motivation, participation, responsibility and well-being. Training opportunities and management have evolved in line with the company's values and leadership model as a strategic element of growth and development. The development of skills is linked to the new corporate leadership model, which, just as the performance assessment system, has identified core, functional and role-specific competences and skills.

The training is divided into two competence macro-areas:

Operational technical training	Managerial training
In line with the new European Regulation 139, the Group provides training in the field on airport safety to all of its employees, and also to external companies operating at the airport. The training activities are addressed to operational personnel and knowledge of both a technical and theoretical nature according to role is acquired.	Training is provided both internally and through external providers according to an annual plan aimed at developing managerial skills and filling training gaps. The notions and managerial skills addressed are transversal, and therefore not strictly connected to specific roles or airport activities (e.g. training on the Organizational Model, privacy and cyber risks).

Complementing technical and compliance training programmes (e.g. regarding anti-corruption, privacy, the Organization Model) are training activities focused on individual coaching and inter-departmental projects. The Project Management in Action training project is set to begin in early 2019, dedicated to the Project Managers of the various company departments, through a common language and set of principles, the training aims to create the right skills to effectively manage projects in terms of planning, coordination activities and time and cost monitoring, using standardized methods and best practices. An Annual Training Plan integrating managerial and technical training according to a comprehensive approach was prepared in the first quarter of 2019 and may be consulted by area, person, course and deadline.

In 2018, 13,522 hours of training were provided, in addition to 588 hours at the subsidiaries TAG and FFM. The hours are divided amongst the various training and development activities, including:

- **Security Training:** Employees, and all third parties operating services at the airport, as well as unescorted persons entering the movement area and other operational areas, are provided with safety training (Cat A13) aimed at raising awareness of safety measures, their mandatory application and the responsibilities of the various entities operating at the airport. The company places great emphasis on safety training as an issue that is heavily regulated, and also supervised by the civil aviation authority ENAC.
- **ADC**: Airside Safety training is envisaged for workers with airside access, and Airside Driving Certification for workers with access to airside vehicles.
- **PRM**: Specific awareness training is given to all workers who, in the fulfilment of their roles, deal with passengers with reduced mobility (PRM), in order to ensure a discreet and attentive approach to their needs. More in-depth training is planned for specialist PRM workers, through specific courses, for example, on the 'Accompaniment of blind passengers'.
- **Digital transformation**: One of the main challenges facing the business world today is the Digital Transformation. AdB is committed to supporting the development of the digital transformation comprehensively, as a way of 'thinking digital' - and not only 'doing digital' - through the support of ICT. Among the digital transformation's numerous innovations are various training courses and tools in immersive digital formats exploitable from always and anywhere connected mobile devices.

Training hours in 2018 by subject
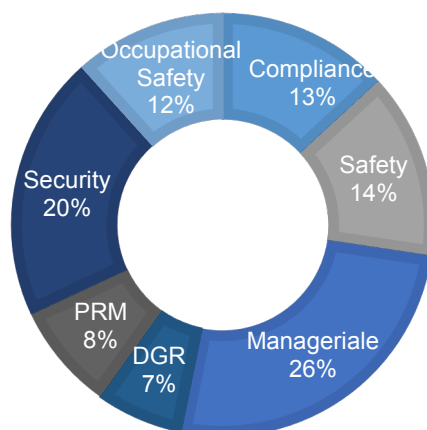
The figures refer to the hours of initial and recurrent mandatory training the duration of which is set by law or manuals for the various types of courses (e.g., ENAC's (Italian Civil Aviation Authority) Security Training Manual). Attention should be drawn to the focus on safety and compliance courses in 2018 following awareness-raising regarding Reg. 139/2014. The closure of the runway and operations (three days in September) made it possible to provide 1,920 hours of training to 240 participants from operations areas for updates to mandatory courses.

Training Center

The new Training and Competence Center was inaugurated at the beginning of 2019. It is a both a physical facility and an organizational unit responsible for training, created with the aim of centralizing all the company's specialist skills training (both technical and managerial) under a global vision that guarantees a continuous synergy shared by all corporate areas. The centre's development involved an initial phase of strategic mapping of the various company roles and related training needs. This was conducted through interviews with area managers aimed at developing customized and tailor-made training for each role and the identification of the skills required for each task.

AdB's personnel are closely supported and supervised from the moment they join the company and throughout their corporate life. In order to manage and monitor the timing of training objectives, a specific software application has been launched that supports the management of the company training system and the Training Center in the creation of an Annual Training Plan. Every participant has an individual record updated following participation in training events both inside and outside of the company.

The training procedure is also undergoing revision and updating in order to integrate innovations relating to the new Training Center. Among the innovations in the field of training is the new Training Manual, to be attached to the Airport Manual and included in the 'METODO' software.

With a view to continuously improving training activities, AdB collects feedback from employees through satisfaction questionnaires.

Performance Indicators

| Training hours per capita (**GRI Standard 404-1**)	Unit	2017			2018		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
Employees		**30**	**28**	**29**	**29**	**24**	**27**
Executives		37	84	**53**	51	40	**47**
Managers	*Hours/No.*	61	64	**63**	43	29	**36**
White-collar		32	25	**28**	29	24	**26**
Blue-collar		20	15	**20**	25	19	**25**

2.7.5 Employee welfare and satisfaction

AdB considers the welfare of its employees fundamental to ensuring the productivity of the company on the one hand, and for making the best use of its resources on the other.

For this reason, AdB constantly monitors employee engagement, satisfaction and compliance with the company's strategy and values through special surveys, including, in particular, the important Corporate Spirit Air People Survey programme promoted by Airport Council International Europe (ACI).

In order to safeguard corporate welfare, AdB has built a solid welfare system over the years, which forms part of the 'generative bargaining' characterizing relations with the social partners. The welfare platform and all its services are focused on offering forms of reconciliation between work and the private lives of individuals. The main pillars of the AdB welfare system are indicated in the following graph:

*Fiscal, open door, ANT, orientation, home shopping, counselling, carpooling
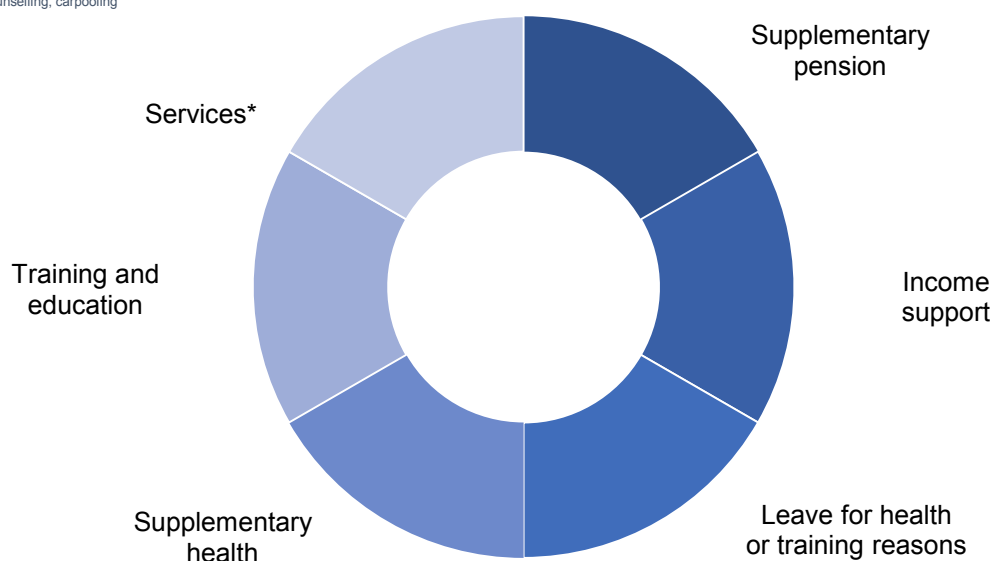
The welfare system includes both activities aimed at employee involvement and a modern and participatory system of industrial relations. Corporate welfare also forms part of the more sophisticated corporate remuneration policy and corporate retention system, since organizational well-being reduces conflict, absenteeism and employee turnover. As far back as 2014, AdB introduced flexible benefits[24], which are accessible to all permanent employees (as of 01/04/2018), excluding managers, and to all temporary employees with more than 3 months seniority. The Employee Results Bonus was introduced in 2017, and in addition, all permanent employees were given the possibility to convert the Bonus into the purchase of goods and services.

Another element of corporate welfare is the flexitime policy, which through the 'Time Bank' program converts overtime hours into hours to be added to holiday planning. There are also numerous initiatives promoted in the area of health and social security. First of all, AdB offers its employees better conditions than those provided for by sector collective bargaining, also thanks to specific agreements reached together with the corporate trade union. Thanks to the collaboration with the association ANT, the employees also have the possibility to carry out specialist visits on the prevention of melanomas and nutrition directly at the company. In addition, since 2009, AdB has provided a free flu vaccination service, with the support of the diagnostic centre.

The projects reserved for the children of employees also include funding for one-year study abroad scholarships and one-month summer programs with a cultural association to promote the study of foreign languages.

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[24] AdB introduced flexible benefits through the Company Regulation in 2014, when the law did not allow for them to be contracted through trade unions. On expiration of the Regulation, the company deemed it opportune to contract the Welfare Plan through the various trade unions and the corporate trade union in 2017.

Again in the area of health - and with a view to promoting a healthy and balanced lifestyle - AdB in 2017 launched an organic food point accessible to those working at the airport on a daily basis, where meetings are organized with expert nutritionists. In 2018, a collaboration was also started with a company distributing organic farming products supplied by a group of social cooperatives in which disadvantaged people are employed.

AdB supports the balance between work and private and family lives through various initiatives. In 2018, for example, the 'ComeTe' service was introduced through an agreement with the social cooperative giving employees access to various services in order to facilitate the resolution of day-to-day and family problems, for example, in relation to care for the elderly or for children, through the provision of recreational activities or baby-sitting. In addition, a listening desk, manned by a Workplace Psychologist, was introduced and made available to all employees during working hours and free of charge. This service offers an opportunity for employees to take care of themselves and their well-being, and to seek support in times of personal or work stress and difficulties.

For the children of employees, the 'Tutti in Pista!' ('Everyone on the Runway') project was also launched, giving children the opportunity to visit their parents' workplaces and meet the various organizations and operators that together allow the airport to operate. Around 140 children participated in the first edition of the initiative, and, in view of its great success, the group intends to propose the event again in 2019. In other initiatives for the children of employees and the airport community, the project "Young Talents in Action", involving a full day of training and case studies on orientation in the workplace, was launched in December 2018. The issues examined had to do with knowledge of the workplace, the new professions of tomorrow, the skills needed for new jobs and everything there is to know about Web reputation, with a final interview with the recruiting company.

Finally, in December 2018, the corporate carpooling project 'JoJob' was launched for the benefit of employees looking to save money and time through a valid commuting alternative. The JoJob initiative also benefits the company in terms of reducing its environmental impact, of decongesting traffic and of managing parking.

Pension plans

AdB care for its employees by paying particular attention to complementary pension schemes. Since 1990, an agreement between the company and the trade unions CGIL, CISL and local and corporate UIL representatives facilitated subscription to the 'PREVAER Pension and Security Fund for Airport Workers', with the aim of assuring all company employees additional and supplementary services to mandatory coverage. Today, the company makes a 2.9% contribution to the Pension Fund, one of the highest contributions within its category. Furthermore, in order to raise the awareness of the corporate population regarding supplementary pensions, specific training meetings have been organized to inform employees on the characteristics, opportunities and advantages of the fund, and on the opportunity to increase Results Bonuses by 20% by feeding them into the supplementary pension scheme.

Performance Indicators

PREVAER Pension Fund (**GRI 201-3**)	Unit	2017	2018
Number of subscribers	*No.*	90	94
Net pension assets (Company + Employees + Post-employment benefits)	euro millions	302,817	329,919
FONSEA pension fund	**Unit**	**2017**	**2018**
Number of subscribers	*No.*	104	92
Net pension assets (Company + Employees + Post-employment benefits)	euro millions	444,622	426,416

2.7.6 Industrial Relations

AdB belongs to the Italian airport managers association ASSAEROPORTI, which represents members at a national level in union negotiations and national collective bargaining. Through ASSAEROPORTI, AdB signed the National Collective Bargaining Agreement for the sector.

The National Collective Bargaining Agreement for the Air Transport Workforce and supplementary corporate agreements apply to all of AdB's employees, except those with managerial qualifications to whom the National Collective Bargaining Agreement for Companies Producing Goods and Services applies.

In the context of industrial relations, AdB promotes respect for norms and industrial and trade union relations, and encourages positive relations with the representatives of airport operators. AdB participates in national meetings with ASSAEROPORTI for the renewal of the National Collective Bargaining Agreement, together with national Air Transport trade unions, while maintaining continuous relations at a local level with local trade unions and the corporate trade union.

The main **trade union agreements** signed by AdB with the general trade unions and the corporate trade union in 2017 and 2018 were:

- Agreement for the introduction of flexible benefits
- Agreement for the installation of CCTV equipment
- Agreement for the cooling and conciliation procedures pursuant to the provisional regulation of the Guarantee Commission no. 1/1992
- Agreement to extend the seasonality of fixed-term contracts
- Agreement on the determination of services to be guaranteed and personnel contingencies in case of strikes.
- Performance Bonus Renewal Agreement.
- Snow Emergency Management Agreements.

AdB's role in industrial relations also goes beyond the boundaries of the company itself, since it plays the role of facilitator for the companies operating at the airport.

Minimum notice period for operational changes (GRI Standard 402-1)

Since AdB operates in an increasingly dynamic and competitive market, requiring rapid and immediate organizational changes to meet business needs, AdB does not implement specific policies concerning the minimum notice to be given in case of operational changes, nor does the sector collective bargaining agreement provide for a minimum notice period to employees in case of organizational changes.

On the occurrence of operational changes, the company follows corporate reorganization phases through service and personnel communications, and, if changes affect Airport Safety issues, through change management procedures in accordance with Airport Regulation No. 139.

2.7.7 Workplace health and safety

AdB dedicates considerable attention to health and safety issues not only for workers, but also for passengers and all airport users in general. The Occupational Health and Safety Management System, conforming to the OHSAS18001 Certification, forms the basis for responding to current applicable regulations concerning occupational safety. The Department of Health and Safety, in collaboration with the other organizational units, deals with activities such as risk assessment, improvement measure identification and specific training. Assessment activities are implemented through specific technical investigations and continuous cycles of inspections and supervision aimed at monitoring the effective application of health and safety rules. Considerable attention is also paid to coordination with third parties, concerning activities carried out by the company's suppliers. Within the framework of the protection of workers' wellbeing, attention should be drawn to the company's commitment to aspects of management of work-related stress, through the establishment of a listening disk manned by a Workplace Psychologist, available to all workers seeking support with work or personal issues. From the standpoint of sharing and awareness-raising initiatives involving workers, company meetings have also been planned on health and safety issues, in addition to the existing training activities. In the coming years, AdB is committed to certifying the workplace safety management system according to the new ISO 45001 standard, while aligning the system with the new company risk assessment process.

There were 17 injuries in 2018, of which nine at work and eight commuting, a decrease on the 26 reported in the previous year. Workplace injuries declined from 14 in 2017 to eight in 2018. The scope of the injuries also declined, as shown by the decreasing lost day rate.

Performance Indicators

Injuries (**GRI Standard 403-2**)	Unit	2017			2018		
		Male	Female	Total	Male	Female	Total
Injuries	No.	**20**	**6**	**26**	**10**	**7**	**17**
at work		12	2	14	7	2	9
AdB		12	2	14	7	2	9
FFM		-	-	-	-	-	-
TAG		-	-	-	-	-	-
on commute		8	4	12	3	5	8
AdB		8	3	11	3	5	8
FFM		-	-	-	-	-	-
TAG		-	1	1	-	-	-
Lost days due to injuries	hours	**4,767**	**465**	**5,231**	**4,210**	**962**	**5,172**
at work		2,951	264	3,215	2,822	123	2,945
AdB		2,951	264	3,215	2,822	123	2,945
FFM		-	-	-	-	-	-
TAG		-	-	-	-	-	-
on commute		**1,816**	**201**	**2,017**	**1,388**	**839**	**2,227**
AdB		1,816	179	1,995	1,388	839	2,227
FFM		-	-	-	-	-	-
TAG		-	22	22	-	-	-
Total number of hours worked	hours	**416,569**	**334,191**	**750,760**	**468,088**	**371,132**	**839,220**
AdB		403,030	305,076	708,105	453,042	343,807	796,849
FFM		3,298	20,894	24,191	3,632	21,807	25,439
TAG		10,242	8,222	18,464	11,414	5,518	16,932
Lost day rate[25]	No.	**11.44**	**1.39**	**6.97**	**8.99**	**2.59**	**6.16**
Injury rate (IR)[26]		**48.01**	**17.95**	**34.63**	**21.36**	**18.86**	**20.26**

During the last two years, no fatalities or occupational illnesses were recorded.

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[25] (Total number of hours of absence due to injuries / total hours worked)* 1,000
[26] (Total number of injuuries + total number of fatalities) / total hours worked)* 1,000,000

Absentee rate by type[27]	2017			2018		
	Male	Female	**Total**	Male	Female	**Total**
Total	**6.32%**	**2.97%**	**4.70%**	**5.26%**	**4.27%**	**4.82%**
Illness	5.28%	2.86%	4.11%	4.39%	4.02%	4.22%
Injury	1.04%	0.11%	0.59%	0.88%	0.24%	0.59%
Other absences	-	-	-	-	-	-

Data on injuries involving non-employee workers (e.g. agents) is not currently available. In 2019 the Group is committed to studying the feasibility of implementing a data collection system focusing on handling companies operating in the airport environment (i.e., ground support service providers for aircraft, passengers and cargo) and temporary staff.

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[27] (Total number of hours lost during the period / total number of workable hours during the period).

Table of reconciliation between GRI Standards and material aspects

Material topic	GRI Standard and *Airport Operators Sector Disclosures*	Boundary	
		Scope of impact	Type
Employee training and development	Training	Group	Direct impact
Employee welfare and satisfaction	Employment	Group	Direct impact
	Diversity and equal opportunities	Group	Direct impact
			Direct impact
Management of water resources	Water	Group	Direct impact
Waste and hazardous substance management (de-icing fluid spills)	Effluents and waste	Group	Direct impact
Energy efficiency and climate change mitigation	Energy and emissions	Group	Direct impact
Noise management	Noise	Group, Airport Operators	Direct and indirect impact
Digitalization	n/a	Group	Direct impact
Development of the airport and the network of destinations	Market presence	Group, Airport Operators	Direct and indirect impact
Customer satisfaction and service quality	Business continuity and emergency management Service quality Services offered to PRMs	Group, Airport Operators	Direct and indirect impact
Regional involvement and development	Indirect economic impacts	Group	Direct impact
Job creation (indirect economic impacts)	Economic performance	Group	Direct and indirect impact
Accessibility of facilities and services to public transport	Intermodality	Group, Airport Operators and Government	Direct and indirect impact
Airport safety and emergency management	Business continuity and emergency management	Group	Direct impact
	Customer health and safety	Group	Direct impact
Corruption prevention	Anti-corruption	Group	Direct impact

GRI Content Index

GRI CONTENT INDEX			
Disclosure	**Description of the indicator**	**Page number**	**Omissions**
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ORGANIZATIONAL PROFILE			
102-1	Name of the organization	P.5 - Methodological Note	
102-2	Activities, brands, products, and services	P.8 The AdB Group, P. 31-32 A new strategy for creating value, P. 33 Expanding the network of destinations	
102-3	Location of headquarters	P.8 The AdB Group	
102-4	Location of operations	P.8 The AdB Group, P. 31-32 A new strategy for creating value, P. 33 Expanding the network of destinations	
102-5	Ownership and legal form	P. 14-15 Corporate and Group structure	
102-6	Markets served	P.8 The AdB Group, P. 31-32 A new strategy for creating value, P. 33 Expanding the network of destinations	
102-7	Scale of the organization	P.8 The AdB Group, P. 14-15 Corporate and Group structure P. 68-69 Management of personnel	
102-8	Information on employees and other workers	P. 68-69 Management of personnel	
102-9	Supply chain	P. 30 Procurement policies and tender management	
102-10	Significant changes to the organization and its supply chain	P. 14-15 Corporate and Group structure	
102-11	Precautionary Principle or approach	P. 23-24 The organizational model for ethical management of the business, P. 28-29 Integrated risk management model	
102-12	External initiatives	P. 10-12 Market overview, business model and strategy P. 62 Energy efficiency and contributions to mitigating climate change	
102-13	Membership of associations	P. 77 Industrial relations	
STRATEGY			
102-14	Statement from senior decision-maker	P. 3 Letter to the stakeholders	
102-15	Key impacts, risks and opportunities	P. 7 AdB Group's main social and environmental controls P. 22 The organizational model for ethical management of the business, P. 28-29 Integrated risk management model	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	P. 8 The AdB Group, P. 23-25 The organizational model for ethical	

		management of the business

GOVERNANCE		
102-18	Governance structure	P. 14-17 Corporate and Group structure
102-22	Composition of the highest governance body and its committees	P. 14-17 Corporate and Group structure. The curriculum vitae of BoD members which include exhaustive information on their personal and professional characteristics, are available on the company's website (section Investor relations/Corporate Governance/BoD)

STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	P. 20-21 Stakeholder engagement and feedback channels
102-41	Collective bargaining agreements	P. 77 Industrial relations
102-42	Identifying and selecting stakeholders	P. 20-21 Stakeholder engagement and feedback channels
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102-45	Entities included in the consolidated financial statements	P.5 - Methodological Note
102-46	Defining report content and topic Boundaries	P.5 Methodological note, P.80 Table of reconciliation between GRI Standards and material aspects
102-47	List of material topics	P. 19 Materiality analysis and stakeholder engagement
102-48	Restatements of information	This is the first Non-Financial Disclosure
102-49	Changes in reporting	This is the first Non-Financial Disclosure
102-50	Reporting period	P.5 - Methodological Note
102-51	Date of most recent report	This is the first Non-Financial Disclosure
102-52	Reporting cycle	P.5 - Methodological Note
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ECONOMIC PERFORMANCE: TOPIC SPECIFIC STANDARDS		
GRI 201: ECONOMIC PERFORMANCE		
103	Management Approach	P. 40-41 Contributing to local development, P. 74-75 Employee welfare and

		satisfaction
201-1	Direct economic value generated and distributed	P. 41 Contributing to local development
201-3	Defined benefit plan obligations and other retirement plans	P. 75-76 Employee welfare and satisfaction
GRI 202: MARKET PRESENCE		
103	Management Approach	P. 77 Industrial relations
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	This aspect is governed by the National Labour Contract and supplementary agreements. As such, the ratio between entry level wage by gender is equal to the minimum wage established by such contracts.
AO1	Total number of passengers annually, broken down by passengers n international and domestic flights, and broken down by origin-and-destination and transfer passengers, including transit passengers	P. 33-35 Expanding the network of destinations
AO3	Total amount of cargo tonnage	P. 34-35 Expanding the network of destinations
GRI 203: INDIRECT ECONOMIC IMPACTS		
103	Management Approach	P. 36-37 Developing infrastructure, P. 39-40 Contributing to local development
203-2	Significant indirect economic impacts	P. 40 Contributing to local development
GRI 205: ANTI-CORRUPTION		
103	Management Approach	P. 25-27 Corruption prevention
205-3	Confirmed incidents of corruption and actions taken	In 2018, there were no recorded incidents of corruption
GRI 206: ANTI-COMPETITIVE BEHAVIOR		
103	Management Approach	P. 23-24 The organizational model for ethical management of the business
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No cases of non-compliance were identified during the reporting period.
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GRI 302: ENERGY		
103	Management Approach	P. 60 Protecting the environment and responding to the challenges of climate change, P. 62 Energy efficiency and mitigating climate change
302-1	Energy consumption within the organization	P. 63 Energy efficiency and mitigating climate change
302-3	Energy Intensity	P. 63 Energy efficiency and mitigating climate change
GRI 303: WATER		
103	Management Approach	P. 60 Protecting the environment and responding to the challenges of climate change, P. 64 Management of water resources
303-1	Water withdrawal by source	P.65 Management of

		water resources
AO4	Quality of storm water by applicable regulatory standards	P.65 Management of water resources

GRI 305: EMISSIONS		
103	Management Approach	P. 60 Protecting the environment and responding to the challenges of climate change, P. 61 Energy efficiency and mitigating climate change
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305-2	Energy indirect (Scope 2) GHG emissions	P. 63-64 Energy efficiency and mitigating climate change
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AO5	Ambient air quality levels according to pollutant concentrations n microgram per cubic meter (µg/m3) or parts per million (ppm) by regulatory regime	P.64 Air quality

GRI 306: EFFLUENTS AND WASTE		
103	Management Approach	P. 60 Protecting the environment and responding to the challenges of climate change, P. 65 Waste management
306-2	Waste by type and disposal method	P. 66 Waste management

TOPIC: NOISE		
103	Management Approach	P. 60 Protecting the environment and responding to the challenges of climate change, P. 61 Noise management

SOCIAL PERFORMANCE: TOPIC SPECIFIC STANDARDS		
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401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P. 75-76 Employee welfare and satisfaction
GRI 402: LABOR/ MANAGEMENT RELATIONS		
103	Management Approach	P. 67 Investing in people and their professional development, P. 76 Industrial relations
402-1	Minimum notice periods regarding operational changes	P. 77 Industrial relations
GRI 403: OCCUPATIONAL HEALTH AND SAFETY		
103	Management Approach	P. 67 Investing in people and their professional development, P. 78-79 Workplace health and safety
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P. 78-79 Workplace health and safety
GRI 404: TRAINING AND EDUCATION		

103	Management Approach	P. 67 Investing in people and their professional development, P. 72 Performance assessment, P. 73-74 Training
404-1	Average hours of training per year per employee	P. 74 Training
404-3	Percentage of employees receiving regular performance and career development reviews	P. 72 Performance assessment
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
103	Management Approach	P. 14-18 Corporate and Group structure, P. 67 Investing in people and their professional development, P. 70 Diversity and equal opportunities
405-1	Diversity of governance bodies and employees	P. 18 Corporate and Group structure, P. 71 Diversity and equal opportunities
GRI 416: CUSTOMER HEALTH AND SAFETY		
103	Management Approach	P. 50 Quality of the commercial and premium services offer, P. 50-56 Airport safety and emergency management
416-1	Assessment of the health and safety impacts of product and service categories	P. 51-57 Airport safety and emergency management
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No cases of non-conformity were identified during the reporting period.
AO9	Total annual number of wildlife strikes per 10,000 aircraft movements	P. 57 Airport safety and emergency management
GRI 419: SOCIOECONOMIC COMPLIANCE		
103	Management Approach	P. 43-45 Customer satisfaction and service quality
419-1	Non-compliance with laws and regulations in the social and economic area	No cases of non-compliance were identified during the reporting period.
TOPIC: BUSINESS CONTINUITY AND EMERGENCY MANAGEMENT		
103	Management Approach	P. 51-57 Airport safety and emergency management
TOPIC: GROUND TRAVEL CONNECTIONS		
103	Management Approach	P. 38-39 Ensuring accessibility and public transport
TOPIC: SERVICE QUALITY		
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TOPIC: DIGITALIZATION		
103	Management Approach	P.47 Innovation and digitalisation at the service of the business and passengers

Independent auditors' 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 18th January 2018

(Translation from the original Italian text)

To the Board of Directors of
Aeroporto Guglielmo Marconi di Bologna S.p.A.

We have been appointed to perform a limited assurance engagement pursuant to Article 3, paragraph 10, of Legislative Decree 30 December 2016, n. 254 (hereinafter "Decree") and article 5 of Consob Regulation adopted with Resolution 20267/2018, on the consolidated disclosure of non-financial information of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (hereinafter the "Group") for the year ended on 31st December 2018 in accordance with article 4 of the Decree approved by the Board of Directors on 14th March 2019 (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 in 2016 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.

Auditors' 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.

Auditors' 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 Aeroporto Guglielmo Marconi di Bologna 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 Aeroporto Guglielmo Marconi di Bologna S.p.A. and other personnel of Aeroporto Guglielmo Marconi di Bologna S.p.A. 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 the site of Bologna of Aeroporto Guglielmo Marconi di Bologna S.p.A., that we have selected based on its activities and its relevance to the consolidated performance indicators, we have carried out a site visit 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 Aeroporto Guglielmo Marconi di Bologna Group for the year ended on 31st December 2018 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.

Other Information

The comparative information presented in the DNF for the year ended 31st December 2017 has not been examined.

Bologna, 28th March 2019

EY S.p.A.
Signed by: Alberto Rosa
(Partner)

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

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Aeroporto di Bologna

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