

Consolidated Disclosure of Non-Financial Information

pursuant to Article 4 of Legislative Decree 254/2016

2020

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



Consolidated Disclosure of Non-Financial Information 2020

pursuant to Article 4 of Legislative Decree No. 254/2016

2020 Sustainability Report

*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.*

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Letter to the stakeholders

The third edition of the Aeroporto G. Marconi di Bologna S.p.A. Group's Consolidated Non-Financial Information Report finds itself grappling with **2020** which, after years of uninterrupted progress and a record year for passenger numbers in 2019, represented an "**annus horribilis**" for our airport and the aviation sector. As COVID-19 spread across the globe at the beginning of 2020, governments were forced to implement contagion containment measures, which limited mobility and lead to a substantial drop in traffic at Bologna airport within a very short space of time. Ours was one of the few Italian airports to remain open and operational throughout the year, in line with the provisions of Ministerial Decree No. 112 of March 12, 2020, to provide travel to those in need and to import health care supplies on cargo charter flights.

Protecting the health and safety of our employees and passengers was an absolute priority for the Group, which adopted strict sanitation measures to prevent the spread of infection among the airport community. Thanks to the measures put in place to mitigate this risk and to create a safe place for staff and passengers, Bologna airport was the first airport in Europe and one of the first in the world to receive **Airport Health Accreditation** from ACI World. Particular attention was also paid to providing concrete support to employees during a complex and uncertain time, through measures such as remote working for office employees, a dedicated insurance policy covering COVID-19, and employment support through the Extraordinary Temporary Lay-off Scheme from March 21, 2020, and the Special Temporary Lay-off Scheme from March 22 to June 13, 2021. In this regard, the Group undertakes to monitor further regulatory developments and to seek further solutions through the use of temporary lay-off schemes to tackle the ongoing crisis and safeguard Group employment where possible.

Although the pandemic has had a major impact on our lives, and those of our families, local companies, the City of Bologna, Italy, and practically the entire planet, it has in no way dented the Group's understanding of the importance of sustainable development, environmental protection, cultivating the local area, meeting the needs of customers and passengers, and valuing individuals. Employees and members of the Management Board were involved in updating the materiality analysis this year so that we could **comprehensively integrate sustainability into our strategic approach** and take stock of COVID-19's impact on the Group's priorities. The pandemic has heightened our awareness of the environmental protection actions we can and must take as an airport to mitigate the impact of climate change. These include participating in the **Airport Carbon Accreditation** scheme promoted by ACI World to monitor and improve the airport sector's carbon footprint. The Group intends to achieve Level 3 certification in 2021 and to support ACI Europe's ambitious objective of achieving "net-zero carbon emissions from airport operations" by 2050.

What may have seemed like a simple "setback" in the early stages of the pandemic soon turned into the worst global economic crisis in modern times, with the tourism and air transport sectors among the hardest hit. With industry experts currently expecting a return to pre-pandemic traffic levels no earlier than 2024-2025, the Group is aware that there is no need to feel powerless or that there is no end in sight. At Bologna airport, we will continue to do our part every day to overcome the difficulties of the past year, enacting a speedy recovery through the logic of sustainable development, and thus paying the utmost attention to sustainability topics in line with our strategy and commitments.

An uncertain future will not stop everyone in the airport community from committing – with dedication and determination – to breathing new life into the local region and the airport, in the hope that we will quickly return to the levels of excellence achieved in the recent past. We want a Marconi that is sustainable, safe and modern, ready to serve the community with whom it has grown over the years and with whom it will soon fly again.

Nazareno Ventola

Chief Executive Officer and General Manager

Methodological note

The Consolidated Non-Financial Information Report (also the “**Report**” or the “**NFR**”) of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (also hereinafter the “**Group**” or “**AdB Group**”) is the third edition of a document prepared in accordance with Italian Legislative Decree 254/2016 as subsequently modified (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 protection 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.

This report has been prepared in accordance with the GRI Standards: Core option – and subsequent updates – which were published by the Global Reporting Initiatives in 2016 (a leading independent body¹ that defines non-financial reporting models). The GRI G4 Airport Operations Sector Supplements were also used for some indicators. 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, 2020. Pursuant to Legislative Decree No. 254/2016 (hereinafter simply the “**Decree**”), the Report is published annually and, as provided for in Article 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 breadth and quality of reporting is dictated by the materiality principle, an element identified by the benchmark regulation and central to the GRI Standards: the matters dealt with in this Report are those identified by materiality analysis, or those considered as material as reflecting the social, financial and environmental impacts of Group operations, or in terms of influencing stakeholders decisions. The data reported in the Consolidated Non-Financial Information Report 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**”).

Setting the document’s contents involved a specifically formed interdisciplinary working group coordinated by the Administration, Finance, Control and Investor Relations Departments, with the aim of facilitating the clear and precise identification 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. The figures have also been prepared and checked by the various department heads, while the document as a whole was approved by the Board of Directors on March 15, 2021. This document is subject to 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 254/16 and Consob Regulation No. 20267 of 2018 a specific report on the compliance of information provided in the Consolidated Non-Financial Information Report drawn up as per the same Legislative Decree No. 254/16 and in accordance with the reporting standard adopted. The NFR is also available on the corporate website. For further information, contact investor.relations@bologna-airport.it.

¹The 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 recognised as an Independent Body by the United Nations. In 2002, the United Nations Environment Program (UNEP) formally recognised its principles and invited all UN Member States to identify an official UN-recognised body.

Reconciliation table with Legislative Decree No. 254/2016

Areas of Legislative Decree 254/2016	Requirements of Legislative Decree 254/2016	Reference paragraphs 2020
Operating Management Model	<p><i>Article 3.1, paragraph a)</i> <i>Description of the Organisational and Management Model, including models adopted in accordance with Legislative Decree 231/2001</i></p>	<p>The AdB Group The organisational model for ethical management of the business The strategy for creating value</p>
People	<p>Policies <i>Article 3.1, paragraph b): Description of applied policies, including those of due diligence</i></p>	<p>AdB Group's main social and environmental controls</p>
	<p>The Risk Management Model <i>Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management</i></p>	<p>Integrated Risk Management Model</p>
	<p><i>Article 3.2, paragraph d)</i> <i>Information regarding personnel management, including gender equality, the implementation of the conventions of international organisations and dialogue with the social partners</i></p>	<p>Investing in people and their professional development</p>
	<p><i>Article 3.2, paragraph c)</i> <i>Information on impact on health and safety</i></p>	<p>Investing in people and their professional development</p>
The environment	<p>Policies <i>Article 3.1, paragraph b): Description of applied policies, including those of due diligence</i></p>	<p>AdB Group's main social and environmental controls</p>
	<p>The Risk Management Model <i>Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management</i></p>	<p>Integrated Risk Management Model</p>
	<p><i>Article 3.2, paragraphs a, b, c)</i> <i>use of renewable and non-renewable energy sources, use of water resources; greenhouse gas and polluting atmospheric emissions; environmental impact</i></p>	<p>Protecting the environment and responding to the challenges of climate change</p>
Social	<p>Policies <i>Article 3.1, paragraph b): Description of applied policies, including those of due diligence</i></p>	<p>AdB Group's main social and environmental controls</p>
	<p>The Risk Management Model <i>Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management</i></p>	<p>Integrated Risk Management Model</p>
	<p><i>Article 3.2, paragraph d)</i> <i>Information on social aspects</i></p>	<p>Providing a comprehensive high-quality experience Contributing to regional development</p>
Combating bribery and corruption	<p>Policies <i>Article 3.1, paragraph b): Description of applied policies, including those of due diligence</i></p>	<p>AdB Group's main social and environmental controls</p>
	<p>The Risk Management Model <i>Article 3.1, paragraph b): Description of the main risks associated with business activities including risk mitigation and management</i></p>	<p>Integrated Risk Management Model</p>
	<p><i>Article 3.2, paragraph f)</i> <i>Information on combatting bribery and corruption</i></p>	<p>The organisational model for ethical management of the business</p>

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 standardise 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 Legislative Decree No. 254/2016. The following chapters provide adequate disclosure on the policies, commitments and practices contained therein.

<p>Quality, Environment, Energy, Safety and Security <i>Document: Quality, Environment, Energy and Safety Policy</i> <i>Scope: AdB S.p.A, TAG</i></p> <p>To guarantee the adequate maintenance and improvement of its integrated Quality, Environment, Energy, Safety and Security Management System, Bologna Airport is committed to:</p> <ul style="list-style-type: none"> Meeting the needs of customers, stakeholders and local communities (e.g. mobility); Improving internal efficiency through the reorganisation of activities in terms of processes; Responding to the changing market through innovation and continuous improvement processes; Assessing, preventing and minimising 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 combatting 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
<p>Service quality <i>Document: Services Charter</i> <i>Scope: AdB S.p.A</i></p> <p>To offer passengers a unique experience, Bologna Airport is committed to:</p> <ul style="list-style-type: none"> Developing innovative and efficient processes; Guaranteeing comfortable and functional infrastructure (accessibility, PRM services, cleaning, etc.); Guaranteeing high standards of service quality, particularly with regard to the regularity and punctuality of flights, waiting times, travel safety, information availability, cleaning, and hygiene. 	 Social topics
<p>Personnel <i>Document: The Ethics Code</i> <i>Scope: Group (each company has adopted an Ethics Code)</i></p> <p>To consolidate and promote ethical and social responsibility, Bologna Airport is committed to:</p> <ul style="list-style-type: none"> 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
<p>Anti-corruption <i>Document: Anti-Corruption Policy</i> <i>Scope: AdB S.p.A</i></p> <p>To combat corruption, AdB is committed to:</p> <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> conduct which may give rise to an abuse of powers/functions assigned to AdB employees to gain a private advantage the conduct of AdB employees, 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. 	 Combating bribery and corruption

1. The AdB Group

Aeroporto G. Marconi di Bologna S.p.A. is the company that manages Bologna airport, Italy's seventh-largest by number of passengers in 2019. The Group's performance in 2020 was significantly affected by the COVID-19 pandemic. The pandemic caused and is still fuelling an unprecedented global economic crisis in the airport and air transport sector due to the measures adopted by various countries to contain the spread of the virus by imposing travel restrictions.

Throughout the pandemic and despite the uncertainty, Bologna airport remained very much open and operational in compliance with Ministry of Infrastructure and Transport Decree No. 112 of March 12, guaranteeing an essential public service to those who urgently needed to travel, and to cargo flights transporting goods. Health care equipment and supplies, including vaccines, arrived and are still arriving in Bologna to help mitigate the impact of the pandemic.

Bologna airport is classified as a "strategic airport" in Italy's National Airport Plan and is located in the heart of Emilia-Romagna's "Food Valley" and automotive and packaging districts. It has a catchment area of approximately 11 million residents and approximately 47,000 companies with a strong focus on exports and internationalisation and commercial expansion policies targeting Eastern Europe and Asia. 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-metre runway, 32 aircraft stands, a 45,890 square-metre passenger terminal, 64 check-in desks, 20 boarding gates and 5,000 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 takes an ambitious view of this institutional role, seeking to modernise 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 strategy, together with the growth of its network and passenger traffic, enhancement of its non-aviation business and increased efficiency and innovation in services.

Against this backdrop, after several years of sustained growth, 2020 marked a major setback for the Group due to the severe COVID-19 crisis. Performance in 2020 was therefore significantly affected.

Performance in 2019 and 2020

Traffic	2019	2020
Passengers	9.4 million	2.5 million
International	79.1%	67.8%
Destinations	120	107
Airlines	57	44

The progress made by AdB in recent years suffered a drastic setback in 2020 due to the pandemic, resulting in a 73.4% drop in passenger numbers from 9,405,920 in 2019 to 2,506,258 in 2020.



Financial Data	2019	2020
Revenues	Euro 125.1 million	Euro 67.5 million
EBITDA	Euro 44.9 million	Euro (3.9) million
Group Profit	Euro 20.9 million	Euro (13.6) million
Capitalisation	Euro 438 million	Euro 306.3 million
Price per share at December 31,	12.12 €	8.48 €



2020

The decline in 2020 (-46%) compared to 2019 is primarily due to the reduction in traffic volumes recorded from the end of February onwards due to the effect of the COVID-19 health emergency.

Group's vision, mission and values

Vision

Be 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

Increase the route network and ensure 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

	<p>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. <i>During the pandemic, this amounted to implementing appropriate measures and checks to guarantee passenger safety, including body temperature scanners, hand gel dispensers, and plexiglass barriers</i></p>	<p>Listening to the customer's needs Professionalism and efficiency</p>
	<p>The value of people: people are the AdB Group's priority. The airport rewards and recognises 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. <i>During the pandemic, this amounted to allowing employees to work from home, reviewing workspaces to ensure adequate social distancing, taking out a health policy to cover COVID-related hospitalisations, and enacting other measures to protect the health and safety of Group employees</i></p>	<p>Merit, Recognition, Trust, Responsibilities</p>
	<p>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. <i>During the pandemic, this amounted to upgrading airport facilities to prepare for recovery by reviewing the investment plan, bringing forward extraordinary maintenance work scheduled for 2022, and managing customer relationships</i></p>	<p>Anticipating, Thinking outside the box, Speed</p>

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 ENAC ((Italy's National Civil Aviation Authority), ENAV (Italy's National Agency for Flight Assistance), Italy's National Agency for Flight Safety, airport managers, the Ministry of Infrastructure, and Transport and the ICAO (the International Civil Aviation Organisation). The concession, which expires in 2046, 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. 2020 represents the first year of the new 2020-2023 regulatory period. In 2019 the Parent Company initiated preliminary activities with ENAC for the drafting of the Regulatory Agreement for the 2020-2023 four-year period and with the Transport Regulation Authority (TRA), for the calculation of the airport "tariffs" for the same four-year period. On January 16, 2020 the Transport Regulation Authority passed the resolution definitively approving the tariff model of reference with regard to the proposed 2020-2023 airport fees submitted by AdB, determining the rates in effect from January 1, 2020. On October 23, 2020, an annual hearing was held with Users regarding the updating of airport fees for 2021. The new tariffs, which have been published on the Company's website, were applied from January 1, 2021.

Sector performance

In a world turned on its head by COVID-19, global passenger traffic was down 65.9% in 2020 compared to 2019. Cargo traffic, however, suffered far less drastically, with volumes decreasing by 10.6% compared to 2019. European passenger traffic overall declined 69.9% in 2020, with a significant drop between the end of March and mid-June, and a partial recovery during the summer months. However, during the last quarter, progress was halted due to a resurgence of the virus across Europe. The cargo traffic performance was also not as poor as the passenger traffic performance in Europe, with cargo volumes handled in 2020 down by 16% compared to the previous year².

In line with that emerging in Europe, Italian traffic also - following its almost total reduction during the lockdown months - partially recovered over the summer, while however slowing once again from mid-September due to the rising once again of infection numbers. As such, 2020 recorded a drop in passenger traffic equal to -72.6%. Cargo traffic in Italy recorded a more contained decrease (-24.4% by air and -43.0% by road) compared to 2019³.

Net zero 2050: climate change in view of the commitment taken at ACI headquarters

AdB complied with the sustainability line proposed by ACI Europe - the European airport sector association and representing Europe at the International Airports Council, of which AdB is a member - in committing to "net zero carbon emissions from airport operations" by 2050. More precisely, ACI Europe has drafted a resolution which on the one hand requires the EU and the governments of the member states to speed up the transition to clean energy use - guaranteeing therefore airports the possibility of achieving the objective at competitive conditions - while on the other hand opening up a dialogue with air sector stakeholders, confirming the objectives of the "Aviation Industry Commitment to Action on Climate Change" programme of 2008 and enabling its realisation, through common commitment, vision and planning, in order to deliver an overall net zero carbon emissions air transport system.

The outbreak of COVID-19 during 2020 crystallised the need to dedicate more attention to climate change and the actions required to mitigate its effects. In line with its corporate strategy, which has been devised through the lens of sustainability, Bologna airport renews its commitment to tackling increasingly urgent environmental issues.

² IATA, Air Passenger Market Analysis, December 2020

³ Assaeroporti, December 2020

COVID-19 Emergency

The Group's performance was inevitably affected by the pandemic in 2020. Despite the drastic drop in traffic due to the health emergency, Bologna airport remained open and operational, putting in place measures to manage and mitigate the impact of the crisis. In particular, a permanent **COVID Task Force** and a **COVID Committee** were set up and met on a regular basis to discuss the evolving situation and to update regulations.

The Group implemented a series of health and hygiene measures, **remote working** for office employees, and made use of holiday time before activating the Extraordinary Temporary Lay-off Scheme for all employees on March 21, 2020. The Group also felt it was important to offer every employee a **new healthcare tool**, in the form of a specific insurance policy covering COVID-19 infections. Measures were also adopted to protect **passengers**, such as body temperature checks at all entrances and cleaning and sanitation work using special products. All measures were included in the updates to company procedures and regulations, including the **Shared Protocol Governing Measures to Combat and Contain the Spread of COVID-19 in the Workplace** (enacted by a document signed at a national level on March 14, 2020 and subsequent amendments) and the Risk Assessment - Biological Risk Document.

The Group jointly manages preventive measures and protocols and collaborates with the **airport community, local companies**, organisations, the local health unit, and other health authorities by means of a **City Round-Table Discussion on Safety**. In collaboration with the **trade unions**, and **with the support of the Municipality and Metropolitan City of Bologna**, AdB also produced and brought to the attention of the Italian Government, the Ministry of Transport, the Emilia Romagna Region and other interested bodies a document **requesting support and job protection** for the entire airport site with a view to asking for direct intervention, partly with a view to the exit from the health emergency, on safeguarding employment, the airport's central role in the city attraction system (tourism, business, logistics development), qualification in terms of sustainability, and protecting development plans.

As a result of the prevention measures put in place by the Group to protect employees, **passengers, and airport staff members**, AdB became the first airport in Europe and one of the first in the world to receive **Airport Health Accreditation** from Airport Council International (ACI) World and ACI Europe⁴.

Despite the particularly negative situation and uncertainty around the timeframe for recovery, the Group is confident that the emergency situation is temporary and, regardless of how long it takes to recover from the pandemic, the consequent economic downturn will be overcome. The Group describes how it has managed the impact of COVID-19 in the various sections of this document.

⁴In line with the recommendations issued by the ICAO - Council Aviation Recovery Task Force, the European Union Aviation Safety Agency (EASA), the European Centre for Disease Prevention and Control (ECDC - Aviation Health Safety Protocol), and the ACI Europe guidelines for a Healthy Passenger Experience at airports.

1.1.1 Business Model and Strategic Plan to respond to sector changes

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. The Group has adopted a multi-service 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, meeting the demands of local companies, stimulate outgoing and incoming traffic demand, develop synergies with other local tourism players and enhance infrastructure capacity. The Aviation Business Unit's performance was impacted by COVID-19 in 2020 following the implementation of travel restrictions, which resulted in an unprecedented fall in passenger traffic and movements.

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 and the terminal's indoor and outdoor advertising spaces. The commercial area extends over 4,500 square metres and includes 41 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 metres under sub-concession to various aeronautical operators. Development of the non-aviation business over the years is based on improving the commercial offer to satisfy passengers' needs. Non-Aviation Business Unit activities experienced significant shrinkage in 2020 due to the drastic drop in traffic volumes.

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: the 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.

In 2019, the Group launched "Let's Take Our Future by the Hand", an internal communication initiative aimed at raising employee awareness of AdB's corporate strategy, which continued in 2020. The Group's strategic objectives which underlie the development of all operations are outlined below, although the Group inevitably focused on managing the COVID-19 emergency during 2020.

During the year, AdB also launched **Project SOUND** (Scenarios of Unpredictable Destinations), which engaged a number of cross-departmental teams in Scenario Planning activities to analyse the potential avenues for business recovery after the pandemic. The project resulted in a number of actions, which were implemented throughout the year.

The Metropolitan Agreement for Work and Sustainable Development

As part of AdB's commitment to sustainable development in the local area, a new **Metropolitan Agreement for Work and Sustainable Development** was drawn up in 2020 (following the one signed in 2015) to deal with the pandemic, and most importantly, to safeguard and strengthen the high level of social harmony in the local area. In defining the guiding principles and contents of the new Agreement, the joint guidelines issued by the **European Commission of the Next Generation EU** (21/7/2020) were taken into account, as was the 2030 Agenda for Sustainable Development and the EU Green New Deal guidelines. The goal is to create a **sustainable, resilient**, and attractive region in which environmental protection, the beauty of urban and natural settings, social harmony, work, and innovation can be integrated into a progressive partnership.

The proposed actions focus on three specific clusters:

- Cluster 1: Supply chains, work quality, training and skills, young people, women;
- Cluster 2: A new sustainability challenge: the land regenerates and evolves;
- Cluster 3: Wellness, inclusion, and countering frailty.

On December 21, 2020 AdB and a number of other local organisations and companies expressed their desire to join the Agreement and to abide by its principles and project actions.

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



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 touchstone 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 AND SUSTAINABLE CORPORATION

The Group aims to improve the efficiency and efficacy of its processes and internal structure, with a view to improving company performance and development, while paying increasing attention to sustainability in its environmental, social and governance components.

1.1.2 2030 Agenda: the Group's interaction with Sustainable Development Goals (SDGs)

On September 25, 2015, the United Nations endorsed a document entitled "Transforming our World." The 2030 Agenda for Sustainable Development." The 2030 Agenda sets out an action plan for people, the planet and prosperity through 17 Sustainable Development Goals (SDGs) divided into 169 Targets. Implementing this ambitious Global Agenda requires the full involvement of all countries and stakeholders, including those active in the private sector. The AdB Group is committed to meeting these objectives on a daily basis, taking into account, however, the exceptional nature of 2020 due to the COVID-19 pandemic; the interactions between AdB's results for the year and the Sustainable Development Goals are identified below:

SDG 16: Peace, Justice and Strong Institutions

No episodes of corruption in the last three years
192 employees given anti-corruption training

SDG 3: Good Health and Well-being

Noise: noise studies, noise-limiting take-off procedure, limited night-time traffic
Occupational injuries steady: 7 in 2020 (6 in 2019)

SDG 13: Climate Action

-12% Scope 2 emissions compared to 2019
Membership of the ACI Europe programme **"Airport Carbon Accreditation"** at "Reduction" level, and commitment to becoming an environmentally neutral system:
Net Zero 2050

SDG 4: Quality Education

Accelerated **digital transformation** for the **Training Centre** in 2020

SDG 11: Sustainable Cities and Communities

Assistance provided for **16,607 PRM**
Signing of **Mobility Management Agreements**, as a result of which AdB began its Sustainable Mobility Plan

SDG 5: Gender Equality

47% female employees
39% female **managers and Executives**
Pay gap of **0.7%**
Member of **Capo D**, a network focusing on welfare and equal opportunity

SDG 9: Industry, Innovation and infrastructure

107 direct destinations
Euro 33 million invested in Provision for Renewal in 2020

SDG 7: Affordable and Clean Energy

100% electricity from certified **renewable** sources at AdB S.p.A.
5,000,000 kWh saving compared to consumption before implementation of energy efficiency measures



SDG 8: Decent Work and Economic Growth

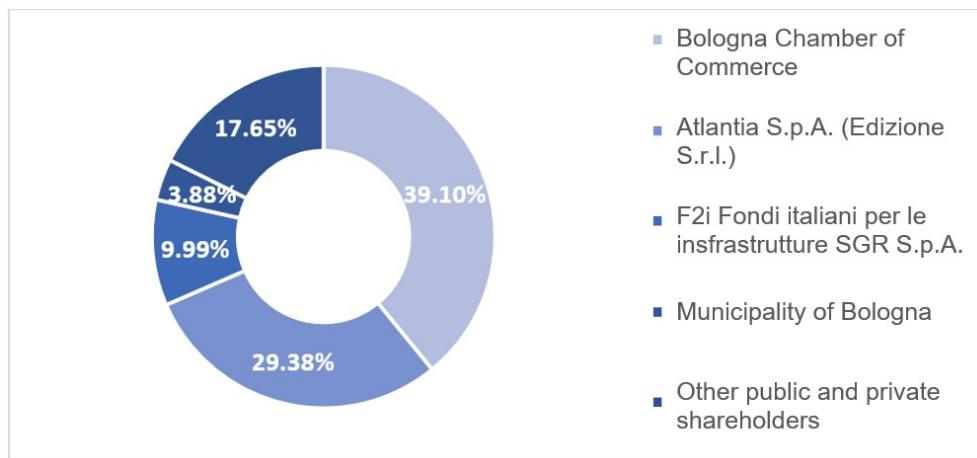
AdB encouraged trade unions and handlers to sign **Site Protocols** to guarantee legality, occupational health and safety and transparency in bidding processes

1.2 Group history

Group background information	
The First scheduled flight from Bologna - Borgo Panigale airport - a facility opened in late 1931 - took pace on September 4, 1993.	1933
The airport is named Guglielmo Marconi after the Bologna-born Nobel Prize for Physics laureate	1961
In the years that follow, ASAB changes its name to ASAER, which in 1983 is merged and incorporated into the new company "Aeroporto G. Marconi di Bologna" (now AdB). Since 1990, AdB has been the sole operator of the airport	1976
AdB signs an agreements with ENAC - Italy's National Civil Aviation Authority granting it full management concession of the airport until December 28, 2044.	1979
In the early 2000's, the runway is lengthened, and intercontinental and low-cost flights begin operating from the airport	1990
Terminal renovation work is carried out on and concludes in 2013. This increases airport capacity, creates increased space for shopping areas and allows passenger flows to be better managed	1994-1997
2020 was profoundly affected by the COVID-19 pandemic, which caused an unprecedented economic crisis in the airport and air transport sectors	2004
	2009
	2011
	2015
	2020

1.3 Ownership 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 3% at December 31, 2020 were the Bologna Chamber of Commerce⁵ (39.10%), Atlantia S.p.A. (29.38%), F2i Fondi Italiani per le Infrastrutture SGR (9.99%), and the Municipality of Bologna (3.88%). 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, with duration until June 4, 2021, provides for a Voting Agreement and a Transfer Restriction Agreement, to which shares corresponding to the following share capital percentages at December 31, 2020 are assigned:

PUBLIC SHAREHOLDERS	% share capital with Voting Agreement	% Share Capital subject to Transfer Restriction Agreement
Bologna Chamber Of Commerce	39.10%	37.53%
Municipality of Bologna	3.88%	3.85%
Metropolitan City of Bologna	2.31%	2.30%
The 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%

⁵ On January 31, 2020, the Bologna Chamber of Commerce purchased 565,500 shares in the Company, increasing its stake from 37.53% to 39.098%, leaving the number of voting rights subject to the Transfer Restriction Agreement unchanged.

The structure of the Aeroporto di Bologna Group was as follows at December 31, 2020⁶:



Fast Freight Marconi S.p.A. (also “FFM”), formed in 2008 by the former subsidiary Marconi Handling S.r.l. (GH Bologna S.p.A. 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.

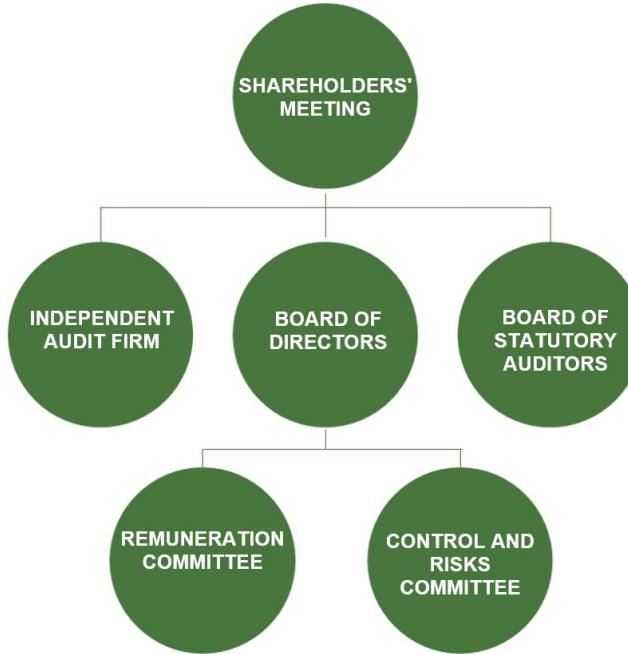
Tag Bologna S.r.l. (hereinafter also “TAG”), formed in 2001 and operational since 2008, following the completion and opening of the General Aviation Terminal and hangar. In addition to managing the above infrastructure at Bologna airport, the company operates as a handler in the General Aviation sector; The Parent Company acquired a 100% interest in TAG Bologna in 2018.

Until July 2020 AdB held 24% of 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). In 2020 AdB decided not to take part in the planned operations to cover losses and to recapitalise the share capital of the subsidiary Ravenna Terminal Passeggeri S.r.l., thus leaving the shareholdings.

⁶ For the details of equity investments of 10% or less, see the Group's Consolidated Financial Statements

The Corporate Governance Model

Bologna Airport's Corporate Governance structure is aligned with the recommendations and principles of the "Self-Governance Code for Listed Companies" of Borsa Italiana. AdB will adhere, with progressive and sustainable implementation, to the New Corporate Governance Code, approved by the Corporate Governance Committee in January 2020 and valid and effective as of January 1, 2021. The company has adopted a traditional governance model, consisting of the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. The 2015-2023 auditing of accounts has been awarded to EY S.p.A.



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 29, 2019, which will remain in office until the 2021 financial accounts are approved.

AdB's Board of Directors was composed as follows at December 31, 2020:

Name	Age	Position	Executive/Non-Executive	Independent	Other offices
Enrico Postacchini	> 50	Chairman	Non-Executive		
Nazareno Ventola	> 50	Chief Executive Officer	Executive		General Manager
Silvia Giannini	> 50	Director	Non-Executive	Independent	Control and Risks Committee
Giada Grandi	> 50	Director	Non-Executive		Remuneration Committee
Laura Pascotto	between 30 and 50	Director	Non-Executive	Independent	Remuneration Committee and Control and Risks Committee
Marco Troncone	between 30 and 50	Director	Non-Executive	Independent	Control and Risks Committee
Eugenio Sidoli	> 50	Director	Non-Executive	Independent	Remuneration Committee
Valerio Veronesi	> 50	Director	Non-Executive		
Giovanni Cavallaro	between 30 and 50	Director	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. The **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 and supports, through 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 and non-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 Statutory Auditors and two Alternate Auditors. The Ministry of 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 organisational, administrative and accounting structure. The current Board of Statutory Auditors will remain in office until the date of approval of the 2021 Financial Statements.

For further details regarding corporate governance, see the annual Corporate Governance and Ownership Structure Report published on Bologna Airport's website.

Diversity on management and 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, which began on November 13 and ended on December 21, 2020, 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 Article 147-quater of the Consolidated Finance Act with regard to the issue of gender diversity.

Composition of the BoD ⁷	unit	2018			2019			2020			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
<i>below 30 years of age</i>	No.	-	-	-	-	-	-	-	-	-	
<i>between 30 and 50 years of age</i>		2	1	3	1	1	2	2	1	3	
<i>over 50 years of age</i>		4	2	6	5	2	7	4	2	6	
Total		6	3	9	6	3	9	6	3	9	
Members of the Board of Statutory Auditors		2018			2019			2020			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
<i>below 30 years of age</i>	No.	-	-	-	-	-	-	-	-	-	
<i>between 30 and 50 years of age</i>		-	-	-	-	2	2	-	2	2	
<i>over 50 years of age</i>		2	3	5	2	1	3	2	1	3	
Total		2	3	5	2	3	5	2	3	5	
Member of the Remuneration Committee		2018			2019			2020			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
<i>below 30 years of age</i>	No.	-	-	-	-	-	-	-	-	-	
<i>between 30 and 50 years of age</i>		1	1	2	-	1	1	-	1	1	
<i>over 50 years of age</i>		-	1	1	1	1	2	1	1	2	
Total		1	2	3	1	2	3	1	2	3	
Member of the Control & Risks Committee		2018			2019			2020			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
<i>below 30 years of age</i>	No.	-	-	-	-	-	-	-	-	-	
<i>between 30 and 50 years of age</i>		-	1	1	1	1	2	1	1	2	
<i>over 50 years of age</i>		1	1	2	-	1	1	-	1	1	
Total		1	2	3	1	2	3	1	2	3	

⁷ In all tables on this page, the figures refer solely to the Parent Company, AdB

1.4 Stakeholder engagement and materiality analysis

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 who, whether directly or indirectly, influence or are influenced by the Group's activities.

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.



Employee dialogue initiatives during the COVID-19 pandemic

An online survey was sent out to collect employee opinions on how the AdB Group has managed the COVID-19 pandemic emergency. The survey was sent to all Group employees, and the response rate was 52% (241 responses recorded). The areas of investigation included measures implemented to safeguard employee health and safety, employee listening initiatives, remote work, managing work during an emergency, health care support, economic benefits, and communication about how the situation was progressing.

The results were very positive and demonstrate that most employees are satisfied with the Group's response to the COVID-19 emergency.

Categories of stakeholders, dialogue tools and AdB's commitments

Category	Stakeholder	Listening Tools	Commitments
Airport	Passengers	<ul style="list-style-type: none"> ▪ App ▪ ABC readers ▪ Social listening ▪ Cross-selling ▪ Airport helpers ▪ BHSs ▪ Beacons ▪ Shop View Retail Management ▪ Tracking ▪ CRM 	<ul style="list-style-type: none"> ▪ Efficient services (flows, info, operations, on time performance) ▪ Ensuring security ▪ Economic return ▪ Service quality ▪ Passenger experience
	Carriers	<ul style="list-style-type: none"> ▪ Business intelligence ▪ SLA ▪ Baggage monitoring 	<ul style="list-style-type: none"> ▪ Efficient operating performance ▪ Security and safety ▪ High yields ▪ Route network expansion ▪ Addition of new carriers ▪ Promotion ▪ Service quality
	Sub-concessionaires	<ul style="list-style-type: none"> ▪ Airport service training ▪ Airport helpers ▪ PRM training and awareness, coordination, and cooperation activities 	<ul style="list-style-type: none"> ▪ Increase in customers ▪ Revenue increase ▪ Service quality and safety when carrying out activities ▪ Passenger satisfaction ▪ Passenger experience
	Operators	<ul style="list-style-type: none"> ▪ Airport service training and coordination and cooperation activities ▪ SLA monitoring and data sharing ▪ Business intelligence ▪ European Best Practice Sharing 	<ul style="list-style-type: none"> ▪ Efficient operating performance ▪ Security and safety ▪ Airport system ▪ Competitive costs ▪ Engagement ▪ Service quality and safety when carrying out activities
	Airport community (employees, carriers and service providers)	<ul style="list-style-type: none"> ▪ Airport service training ▪ Information sharing, monitoring and analysis ▪ Airport helpers 	<ul style="list-style-type: none"> ▪ Sense of belonging ▪ Passenger service ▪ Collaboration and information exchange to improve performance, mitigate the environmental impact, and reduce occupational health and safety risks ▪ Engagement ▪ Service quality
	Roadway partners	<ul style="list-style-type: none"> ▪ Parking area ▪ Legacy flights ▪ Service area ▪ Co-marketing initiatives ▪ Airport service training ▪ Limited access roads 	<ul style="list-style-type: none"> ▪ Efficiency ▪ Service quality ▪ Revenues ▪ Accessibility ▪ Engagement
Local area	Local businesses	<ul style="list-style-type: none"> ▪ Group deals ▪ Events ▪ Targeted services 	<ul style="list-style-type: none"> ▪ Increase in traffic ▪ Increases in services sold ▪ Increase in satisfaction ▪ Retention and loyalty ▪ Engagement
	Hospitality/Tourism	<ul style="list-style-type: none"> ▪ Co-marketing ▪ Joint information 	<ul style="list-style-type: none"> ▪ Increases in incoming traffic ▪ Improvements in the attractiveness of the local area
	Neighbours	<ul style="list-style-type: none"> ▪ Reputation ▪ Institutional/external relations 	<ul style="list-style-type: none"> ▪ Reputation ▪ Sound institutional/external relations ▪ Engagement ▪ Mitigation of environmental impact
	Suppliers	<ul style="list-style-type: none"> ▪ Airport service training ▪ Information on mandatory changes (security/safety) 	<ul style="list-style-type: none"> ▪ Efficiency ▪ Quality ▪ Continuity and assistance guarantees ▪ Information on regulations and changes to procedures ▪ Punctuality of payments ▪ Engagement
Listing	Shareholders/Investors	<ul style="list-style-type: none"> ▪ Requirements and related obligations ▪ Financial analysis ▪ Ad hoc financial communication ▪ Meetings with investors ▪ Strong corporate reporting 	<ul style="list-style-type: none"> ▪ Profitability ▪ Performance optimization
Entities	Regulatory bodies	<ul style="list-style-type: none"> ▪ Regulatory agreement ▪ SLA ▪ ASSAEROPORTI activities ▪ ACI Europe activities 	<ul style="list-style-type: none"> ▪ Compliance with national and community legislation ▪ Collaboration for operational efficiency ▪ Collaboration for passenger service
	State bodies	<ul style="list-style-type: none"> ▪ ABC readers ▪ Additional passport control stations for arriving and departing passengers 	<ul style="list-style-type: none"> ▪ Compliance with national and community legislation ▪ Regulatory consistency and uniformity
	Local bodies	<ul style="list-style-type: none"> ▪ Communication ▪ Promotion ▪ MiMuovo travel pass 	<ul style="list-style-type: none"> ▪ Compliance with local requirements ▪ Collaboration for operational efficiency ▪ Collaboration for passenger service ▪ Collaboration in terms of traffic and network development
	Trade associations	<ul style="list-style-type: none"> ▪ Participation in ASSAEROPORTI workgroups ▪ Guide preparation contribution 	<ul style="list-style-type: none"> ▪ Representativeness ▪ Protection of interests ▪ Sharing of best practices and new scenarios

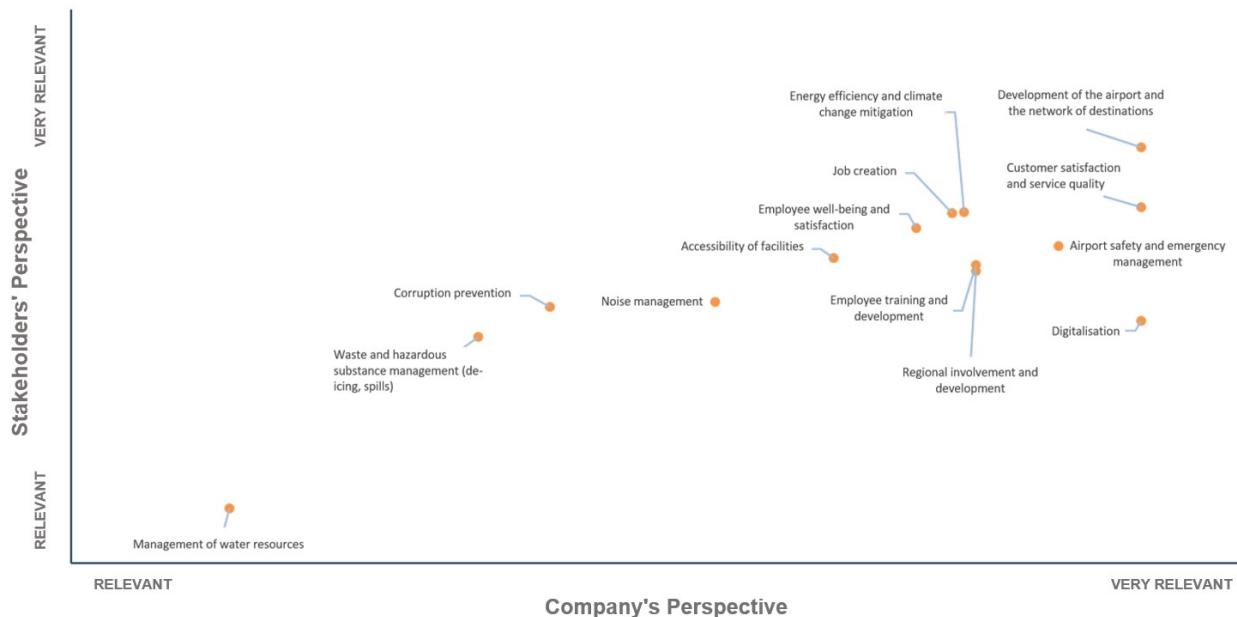
1.4.1 Materiality Analysis

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 a materiality analysis process, which has developed in the years since.

In 2018, the first year of non-financial reporting, the Group conducted an initial materiality analysis, in accordance with the provisions of Legislative Decree 254/2016 and the GRI Reporting Standards. The Group identified relevant themes based on an analysis of corporate and external sources, including international industry best practices, Legislative Decree 254/2016, and the topics considered specific to the Airport Operators sector by the GRI Sector Supplement guidelines. Themes were thus identified and submitted for evaluation by the Group's senior executives. Analysis continued into 2019 with the involvement and engagement of stakeholder representatives belonging to different categories, such as Employees, Airlines and Commercial Operators, who assessed the relevance of the themes identified. The results were presented to the senior management team so that the themes could be assessed from a business perspective and the Group's first Materiality Matrix could be drawn up.

To gauge the impact of COVID-19 on the Group's priorities, the materiality analysis was updated in 2020 through the involvement of employees and members of the Management Board, postponing any further stakeholder engagement activities until 2021. Employees were asked to rate each topic from 1 to 10 via an online survey. The same issues were then presented to Senior Executives so that they could also grade them from 1 to 10 in terms of their relevance to the business and the stakeholders to whom they relate. Based on the analysis carried out, the Group was able to confirm that the issues identified as relevant in previous years remained so in 2020. The following topics emerged as priorities: airport infrastructure development, the flight destination network, customer satisfaction, service quality, airport safety, and emergency management. Said prioritisation reflects the Group's own priorities and the specific nature of the current context.

The updated matrix was approved by the Control and Risks Committee on February 12, 2021.



Despite being included in Legislative 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 the Information Report, since – as stressed in its Ethics Code – the Group safeguards personal respect, dignity and integrity by ensuring equal opportunities, without discrimination or abuse. In line with the analysis carried out in 2018 and 2019, aspects such as effective, transparent risk governance and management, stakeholder engagement and sustainable value creation are also considered essential to the management of the business.

1.5 The organisational model for ethical management of the business

The organisational model adopted by AdB consists of a system of safeguards (the Organisation, Management and Control Model pursuant to Legislative Decree 231/01, Ethics Code, Anti-Corruption and Whistleblowing 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 Organisational 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 one of the crucial aspects of its Internal Control and Risk Management System, which could potentially compromise the responsible conduct of the business. With this in mind, AdB has asked its subsidiary FFM to adopt its own Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01, as well as to appoint its own 231 Supervisory Board. FFM's 231 Model includes an Ethics Code and Whistleblowing Policy. AdB has also asked its subsidiary TAG to adopt, apply and update its own Ethics Code.



The management of economic, environmental and social issues from the standpoint of sustainability has been entrusted to the senior management team and the Sustainability Committee, which was formed in 2021 and comprises representatives from various departments. The Committee is tasked with monitoring sustainability topics relating to the Company's business activities and how they interact with stakeholders, applying the strategic sustainability guidelines approved by the Management Board, drafting a Sustainability Plan, and drawing up a set of guidelines for the Sustainability Communication Plan.

AdB's Ethics Code

The Ethics Code describes the set of ethical values and principles that are to inspire and shape the Company's actions, and which it intends to adopt and apply in its dealings with all stakeholders involved during 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 Corporate 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-party stakeholders. 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 provided to all employees when they are hired.

Internal control system

In 2008, Bologna Airport adopted an **Organisation, 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 231 Model is based on a sound process of identifying and assessing risks related to anti-corruption and Legislative Decree 231, and is continuously updated. 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, which is endowed with independent powers of initiative and control and is 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 Legislative Decree No. 231/2001, the Model is integrated with the principles set out in the Ethics Code, Anti-Corruption Policy and the various corporate procedures governing the environment, safety, human resources, gifts and gratuities, purchases and relations with the public administration. The Supervisory Board is accompanied by the Anti-Corruption and Ethics Committee.

Corruption prevention

Corruption destabilises 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 Legislative Decree No. 231/01 with those of Law 190/2012 governing public administrations and subsidiary 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 to prevent 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 No. 190/2012, to which AdB was subject. The Policy was updated in 2019 following changes introduced with Law No. 3 of January 9, 2019 ("Anti-Corruption Law"), and as an adjunct to the other sections of the 231 Model, of which it is an integral part. In the Policy, the Company lists all offences to be prevented, 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 organisation 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 offences 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, Organisation and People Development Director and Internal Audit Manager. In December 2020, the Anti-Corruption and Ethics Committee was renewed for the three-year period from 2021 to 2023, maintaining the same composition as in the previous three-year period.

Whistleblowing Policy

AdB has prepared 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 internal and external stakeholders, including 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.

The Whistleblowing Policy governs various reporting channels, the main one being the electronic platform, which allows the whistleblower's privacy to be fully protected. All reports are received by the Internal Audit Manager, who conducts an initial analysis of each report received and either deals with it first-hand or routes it to the competent control body (Supervisory Board or Anti-Corruption and Ethics Committee) depending on its content.

The Group is committed to providing adequate training and information on anti-corruption. Training activities focus on personnel in areas at risk and their 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. 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 Legislative Decree 231/2001 and the principles of the Model and the Ethics Code.

The control bodies receive specific training and information following updates to regulations and the Model.

All FFM employees were made aware of the adoption of the 231 Model and the appointment of the Supervisory Board by means of a Service Communication and a post on the bulletin board. All FFM employees received training on the 231 Model and Whistleblowing during 2020.

Performance Indicators

Members of the control boards to whom the company's anti-corruption policies and procedures have been distributed	unit	2018	2019	2020
Total	No.	9	13	12
Total	%	100%	100%	92%
<i>Figures for 2019 and 2020 also include the BoDs of subsidiaries (TAG and FFM)</i>				

Employees to whom the company's anti-corruption policies and procedures have been distributed	unit	2018	2019	2020
Executives	No.	6	9	9
Managers		27	35	34
White-collar		132	372	344
Blue-collar		32	87	74
Total		197	503	461
Executives	%	60%	100%	100%
Managers		90%	100%	97%
White-collars		34%	91%	100%
Blue-collars		32%	90%	89%
Total		37%	92%	98%

Figures for 2019 and 2020 also include subsidiaries TAG and FFM

Employees who have received anti-corruption training	unit	2019	2020
Executives	No.	-	7
Managers		2	30
White-collar		81	155
Blue-collar		10	-
Total		93	192
Executives	%	-	78%
Managers		6%	86%
White-collar		20%	45%
Blue-collar		10%	-
Total		17%	41%

Figures for 2019 and 2020 also include subsidiaries TAG and FFM

In 2020, all new hires took an online course on the Ethics Code and 231 Model, and a refresher programme was provided for other employees. Training was conducted using IT platforms due to the spread of COVID-19.

Tax responsibility

AdB complies with the tax regulations and the operating methods defined in the "Tax Compliance Management" procedure, which governs the principles, processes and responsibilities for managing compliance with the obligations arising from handling assets and liabilities. To ensure proper compliance with the applicable regulations, AdB has appointed a Tax Manager to manage the various obligations and to monitor the regulatory changes applicable to Group companies.

The Tax Manager collaborates with the various Group departments and with TAG, the external firm handling tax administration and management for the Group.⁸ The aim is to coordinate and adequately manage the various obligations of a complex entity such as an airport. The Tax Manager is responsible for ensuring the correct implementation and preparation of tax requirements within the time frame required by current legislation, and in collaboration with a specialised external firm.

The procedure forms part of the Group's wider rules of conduct, which are set out in its Ethics Code and the OMC pursuant to Legislative Decree 231/01. Both documents are currently being updated in view of the recent introduction of tax offences and the related risks.

Within the scope of its relationship with the tax authorities, AdB abides by the principles of conduct and the control protocols defined in the 231 Model. The Group is also committed to conducting ongoing, open discussions and to ensuring the maintenance of correct, transparent, and professional conduct. As it operates in Italy, the Group only pays taxes in Italy, based on the national tax jurisdiction. For further details on revenues and taxes, reference should be made to the Consolidated Financial Statements and the Explanatory Notes.

⁸ The Parent Company performs administrative tax services for FFM

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 2020, the company updated its risk profile for 2021-2025 on the basis of the model drawn up between 2018 and 2019. The company also took into consideration potential risks connected to areas covered by Legislative Decree 254/2016. Specifically, the Company's risk profile reflects the effect of the pandemic on its business activities, amid the sharp drop in passenger traffic and the deteriorating macroeconomic environment.

According to the adopted approach, process owners, identified in relation to corporate strategic goals, have updated the main risks to be assessed and identified potential new risks linked to developing business, activities paying careful attention to identify corporate risks that could be connected to the five areas of Legislative Decree 254/2016 (environmental, social, HR, human rights, and anti-corruption). The risks were then assessed for their probability and impact on four main aspects: economics, reputation, operations and sustainability. Finally, existing mitigation actions have been identified for key risks, while additional response actions have been established to supplement the company's risk management strategy.

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 (ISO 45001:2018), compliance with legislation on the administrative liability of companies (Legislative Decree No. 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).

Principal non-financial risk factors

With a view to continuing the work done in 2019 to integrate sustainability into its corporate strategy and business activities, in 2020, AdB collaborated with various departments to update the key business risks mapped by the ERM project, taking the areas included in Legislative Decree 254/2016 into consideration.

The outbreak and spread of COVID-19 has greatly influenced the company's risk profile. In particular, the growing relevance of sustainability has been noted, and specific reference is made to personnel, social and environmental issues in most of the (financial and non-financial) risks identified.

Firstly, in view of the unusual situation brought about by the pandemic, which has resulted in fewer financial and other resources being made available for company initiatives, AdB acknowledges the risk associated with the potential delay and/or partial achievement of its long-term sustainability objectives, to which it nevertheless renews its commitment.

This new situation has led to the identification of new personnel-related risks directly linked to the spread of the virus and to the indirect consequences of the health emergency on the Group's financial situation. First and foremost, AdB acknowledges the risk of contagion among its workers, which has been appropriately mitigated through actions to provide safe working conditions and to minimise the possibility of employees contracting the virus. Given the sharp drop in air traffic triggered by the continued spread of the pandemic, the Group's ability to maintain employment levels at the airport in the short to medium term also represents a risk. Should the temporary lay-off schemes not be extended, and should recovery be slower than expected, the worsening of the company's financial situation could make it necessary to take steps to rightsize the workforce, and to further restrict talent retention programmes, which were already downsized in 2020, resulting in a potential loss of qualified personnel. In order to avoid such events, the company is working with Assaeroporti

to extend the Extraordinary Temporary Lay-off Scheme beyond March 20, 2021 and is drawing up an adequate talent retention scheme to be implemented in the short to medium term.

On the other hand, analysis carried out in 2020 shows that risks linked to safety issues, i.e., aspects relating to airport safety and emergency management, have decreased compared to 2019, given the sharp drop in traffic. With regard to HR management, age-related risks in the administrative and operations departments in particular (e.g., security and PRM management), have decreased. AdB has recently reached an agreement with its social partners to potentially implement measures to encourage the exit of older workers, in addition to early exit programmes, which could be financed through the air transport solidarity fund.

In 2020, Cyber Security was confirmed as a primary corporate risk with potential social implications. Increasingly aggressive cyber attacks, the introduction of new digital transformation initiatives, and the progressive increase in data access points (following the introduction of remote working), could increase the vulnerability of airport systems and lead to potential disruption for corporate stakeholders in the event of an attack. The Group has dedicated departments in place to carefully monitor and manage IT security using various controls and consolidated procedures. Additional initiatives include routine audits of the network and information security areas, improving employee awareness, and providing training around the subject. In addition, preventive security measures are being consolidated and a multi-year Cyber Security Governance Plan is being prepared.

As regards AdB's relationship with the local area, business risk analysis pays close attention to the noise impact of airport operations on the local community, despite the sharp drop in air traffic. In this regard, AdB confirms its commitment to the airport's sustainable development, in partnership with local institutions, by strengthening its tools for communicating and sharing information with the public on environmental issues. In addition to the introduction of systematic noise management activities, the Group has been committed for a number of years to responding to citizen requests for more information on the noise impact of airport activities, in collaboration with the Airport Noise Commission chaired by the Director of ENAC Bologna. Furthermore, a dedicated section of the Company website has been updated to include a list of anti-noise procedures adopted by the airport and a list of flights authorised to fly over Bologna at night, which is updated on a monthly basis. A tool called Public Viewer has also been made available to users, allowing them to monitor air traffic landing and taking off at the airport in real time on a map, in addition to the noise levels detected by the monitoring system units. AdB also routinely undertakes voluntary compensatory community engagement actions in collaboration with the Regional Environment Department to mitigate the discomfort caused by noise on the surrounding area, mainly through urban regeneration works and initiatives aimed at improving quality of life in the local community. In 2020 the Parent Company signed a funding commitment of Euro 200,000 with the Municipality of Bologna to implement a series of measures to mitigate the noise impact of aircraft overflights on a nursery school in the district and therefore a part of the city affected by the noise impact of aircraft take-offs and landings. AdB's contribution is voluntary and seeks to reduce the impact of noise on a public building used by children, pending the allocation of IRESA revenues (Regional Tax on Aircraft Noise Emissions) for these purposes.

The COVID-19 crisis is weakening the economic-financial solidity of handling companies – and labour-intensive entities in particular – which are characterised by an increasingly competitive market. Within this context of instability, AdB intends to improve dialogue with airport handlers to promptly identify any critical operational issues and to ensure the continuity of airport services.

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 Public Contracting Code (Legislative Decree 50/2016), 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 Article 119 of Legislative Decree No. 50/2016). 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 Article 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, the infringement of which is deemed a breach of contractual obligations, allowing AdB to take any opportune protective measures. The Tender Specifications also specifically reference collective bargaining agreements, accident prevention and social insurance legislation and, where applicable, environmental protection and energy savings regulations.

In 2020, the Group had 986 suppliers with total revenues of over Euro 54 million, broken down into 38% services and other costs and 62% investments in concession rights and the improvement of airport infrastructure.

The Group has defined a set of objectives for 2021 to ramp up the monitoring of subjective supplier quality and performance and to prevent the risks associated with customer-supplier relationships. These objectives include the optimisation of internal IT systems used to manage and verify supplier qualification information, plus a vendor rating system for tracking and monitoring supplier performance.

Managing suppliers during the COVID-19 emergency

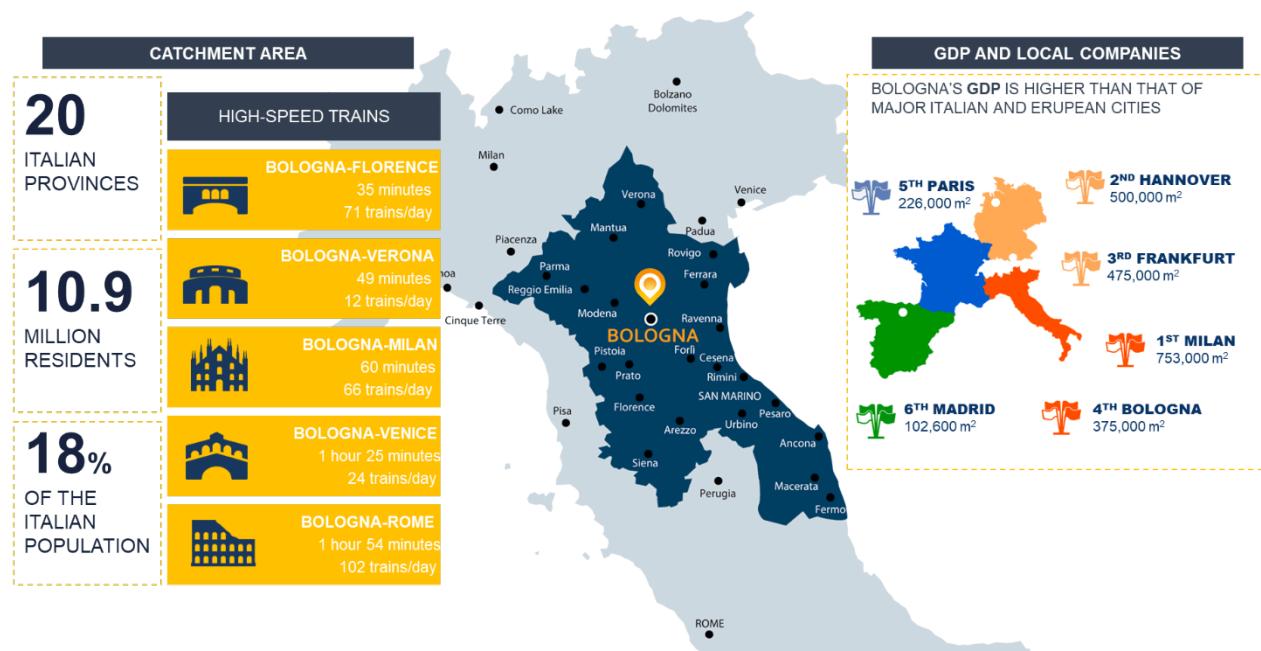
Despite a significant reduction in the size and number of contracts awarded, the monitoring and planning of tenders continued into 2020. Particular focus was placed on tenders with strategic importance considered essential by the Company.

The sudden and drastic fall in the airport's operational activities during the first few months of the pandemic in particular led to the renegotiation of contracts and the suspension or significant reduction of services. The first phase of the pandemic was characterised by the ongoing search for supplies and services to help limit the spread of the virus. In particular, the procurement of PPE (masks, coveralls, goggles, visors, and sanitisers) was critical and made more difficult by the lack of materials on the market.

Agreements were drawn up with private laboratories to supply tests and swabs to the airport community and passengers. The pandemic has not had an impact on the supply chain and supplier relationships to date, despite slowdowns in operations during the first lockdown in spring 2020.

2. The strategy for creating value

As Bologna Airport Manager, AdB provided people and businesses with ample national and international connectivity until the beginning of the pandemic. The Group's relationship with the local area is both reciprocal and principled. 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. The geographical area in which the airport is located is characterised by a catchment area that has historically extended far beyond regional boundaries. The airport serves approximately 10.9 million residents, around 18% of Italy's entire population, from as many as 20 Italian provinces. The potential of this area has increased considerably thanks to existing means of transport and the addition of the Marconi Express, a rapid elevated monorail, which connects the airport to Bologna central railway station.



The data on high-speed rail connections relate to the pre-COVID-19 era.

The airport's geographical location and the entrepreneurial landscape have fostered development for a number of years, regardless of seasonal trends, demonstrating the airport's beneficial relationship with the local area, which is well defined in the Company's Strategic Plan. The development of destinations (Connect) and the strengthening of infrastructures (Develop) are two fundamental pillars underpinning the Group's development.

During 2020, growth-promoting effects slowed and the local area was struck by a crisis suffered by economies around the world. These elements cannot be overlooked due to their dramatic ability to impact airport operations. However, they are hopefully contingent phenomena and should not disrupt the dynamics of the local area once the pandemic is overcome. In fact, while it is difficult to pinpoint the time frame for economic recovery in the area surrounding Bologna airport, it will undoubtedly involve the airport, which is pivotal to both regional activity and commercial, cultural, and social exchanges. The resilience of the economy is demonstrated by a recent survey on quality of life conducted by a major Italian financial newspaper. The survey ranked Bologna in first place among 107 Italian provinces, as well as in the section dedicated to "Wealth and Consumption". It should also be noted that nine of the top twenty provinces in the ranking sit within Bologna airport's catchment area, a reassuring sign of the region's resilience.

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:

2019	2020	AdB airlines
120 directly served destinations (<i>of which four cargo-only carriers</i>)	107 directly served destinations (<i>of which six cargo-only carriers</i>)	Global carriers with very high standards of service, offering daily services to a wide range of intercontinental destinations, particularly in Asia. <ul style="list-style-type: none">• 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 specialised in outgoing leisure services.
57 airlines (<i>of which five cargo-only carriers</i>)	44 airlines (<i>of which six cargo-only carriers</i>)	

2020 was an *annus horribilis* for the air transport sector due to the pandemic, which forced governments to restrict movement between countries and regions. As a result, the year can be broken down into four phases.

An **initial two-month phase (January and February)** leading up to the pandemic, in which growth rates reflected the positive trends of 2019 and pointed to further progress in the months ahead. Unfortunately, as a consequence of the pandemic, of which Italy bore the brunt in Europe, traffic came to a screeching halt a few weeks into March, and **from March to June**, the airport stood at a standstill and operated very few flights. This **second phase** saw the grounding of international traffic and a very sharp drop in domestic traffic. In fact, given its strategic importance, the Italian government allowed Bologna airport to remain open throughout the lockdown. However, the airport operated just one flight a day to Rome Fiumicino airport for several weeks.

On the other hand, several intercontinental cargo flights were arranged during the period to import health care supplies from the East. The growing importance of the cargo sector is reflected in the figures, which show an 11% drop in cargo compared to a 73% drop in passenger traffic. General aviation was also less severely affected, accommodating part of the demand for business travel not met by commercial aviation. The **third phase** spanned the summer season **from June to August**, which saw an uptick in traffic thanks to a period of relative respite from the health emergency and less punitive travel restrictions. Air travel allowed for a moderate reversal of previous trends, relating in particular to holiday travel.

In **September**, the end of the holiday period and a series of new governmental restrictions brought traffic back down to the levels recorded in the spring. This situation was further exacerbated by the closure of the airport for 10 days for maintenance works on the runway. This **fourth phase** lasted until the end of the year and saw very few flights, partly as a result of repeated calls for restrictions on inter-country and inter-regional travel.

Generally speaking, the market entered a significant global crisis and major airlines suffered financially as a result of the sudden lack of destinations and passengers. As a result, Bologna airport experienced a drastic drop in the number and frequency of flights due to the interrupted operations of all major airlines.

2020 was a year of sharp decline for the airport. The encouraging passenger numbers recorded in recent years fell off a cliff to 2,506,258⁹ in 2020, a decrease of 73.4% on 2019. This decline was particularly severe for international traffic (down 77.2%) and to a lesser, but equally significant, extent for the domestic component (down 59%). Overall, international traffic was hit harder by the outbreak and spread of the pandemic in 2020 due to the climate of uncertainty in terms of restrictions and obligations introduced upon free movement for health protection reasons. The drop in passenger traffic involved both legacy traffic (down 77.4%) and low-cost traffic (down 70.4%).

Total movements decreased by 60.9% to 30,139, as did tonnage, which suffered a 59.9% decrease on 2019. Cargo traffic was less severely impacted than passenger traffic (down 11.2%) thanks to the charter cargo flights needed to import health care supplies, and to the development of the e-commerce market.

In 2020, passenger traffic was composed as follows: 34% legacy (40% in 2019), 65% low cost (58.4% in 2019), 0.7% charter, 0.2% transit and 0.2% General Aviation. As such, it is evident that low-cost companies are more

⁹ This figure also includes general aviation.

resilient and flexible than legacy companies when it comes to tackling the crisis. The low-cost segment generally recovered more quickly than legacy traffic during the summer period.

Poor traffic performance is primarily owed to the impact of the COVID-19 pandemic, in addition to its knock-on effects, such as a reduction in airlines, destinations served, and flight frequencies.



2.5 million passengers



30,139 movements



34,673 tonnes via air



43,377 tonnes cargo traffic

Traffic Development Policy

The Group's Traffic Development Policy usually aims to attract more traffic to the airport via an incentive model that hopes to govern development in a transparent and non-discriminatory way, while optimising the use of airport infrastructures and introducing environmental impact reduction objectives. Given the exceptional global situation linked to the spread of the pandemic, extraordinary action was taken to encourage the recovery of airlines, flight destinations, and frequencies. It is however clear that the difficulties faced by the industry are primarily linked to a temporary crisis in demand, rather than the strategic decisions of airlines.

As such, a new policy to support airlines has been envisaged for the aeronautical year running from November 2020 to October 2021, with a section expressly dedicated to encouraging the recovery of flights to pre-pandemic levels, pending sector developments throughout the year. The aim is to provide economic support to airlines that were already operating at Bologna, in an attempt to speed up the rate of recovery to previous levels. The focus on recovery has not changed the Policy's sustainability goals: AdB continues to grow and strengthen its commitment to developing its airport and network through environmentally sustainable activities, promoting a reduction in the environmental impact of its aircraft and collaborating with various stakeholder groups and the local authorities. Some of the incentives included in the Policy are aimed at rewarding aircraft with a reduced environmental impact.

2.1 Expanding the network of destinations

Until 2019, the past decade had been marked by an increase in passenger traffic at Bologna airport, which remained consistently higher than the average in Italy. Compared with a national average increase of 2.8%, Bologna airport recorded an increase of 10.6% in 2019.



The destructive effects of the pandemic have radically altered the global and national outlook. Bologna airport is no exception and was unable to avoid drastically downsizing its business activities to levels not seen for many years. In fact, the volumes of passenger traffic flowing through Bologna airport in 2020 were comparable to levels recorded in 1997. The forecasts of leading industry studies seem to suggest it will take a few years to recover to pre-pandemic levels. Given the situation, Bologna airport's primary objective is to focus on recovering to previous levels as soon as possible.

Within this context, Bologna aims to support airlines by means of service policies that guarantee passenger safety and efficiency, provide commercial assistance at the intersection between supply and demand, and reward companies that view Bologna's catchment area as an important, diverse and resilient market. It is important to seize on the signs of growth seen in some sectors. Low cost and ethnic markets, for example, will recover more quickly and therefore deserve our maximum attention. These two markets are followed by the short-haul leisure sector covering domestic and European destinations in particular, and long-haul airlines and airports, which have invested in security and have worked to allay the fears and changing needs of passengers. Business travel, on the other hand, could be profoundly altered, and it will be important to identify its evolving characteristics in order to provide a coherent and rapid response to changing needs. This will obviously involve carefully selecting the airlines and destinations with the greatest potential.

Our passengers

Passengers (2020)



73.5% Italian
of whom 2.2% resident abroad



26.5% non-Italian
of whom 6.5% resident in Italy

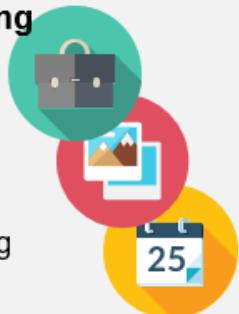


41.7% Female



58.3% Male

Reasons for travelling



28.3% Business

34.5% Leisure

37.2% other (visiting friends or relatives, for study)

3.8 average number of flights taken per year from Bologna

Performance Indicators (G4 –A01)

Passengers ¹⁰	2018		2019		2020	
	Domestic Flights	International flights	Domestic Flights	International flights	Domestic Flights	International flights
Arriving passengers	990,110	3,245,767	981,236	3,713,986	402,571	850,841
Departing passengers	985,173	3,278,430	976,495	3,725,591	400,718	847,448
Total	1,975,283	6,524,197	1,957,731	7,439,577	803,289	1,698,289
Passengers	2018		2019		2020	
	Origin and destination	Direct transits	Origin and destination	Direct transits	Origin and destination	Direct transits
Domestic	1,970,905	4,378	1,948,713	9,018	801,424	1,865
International	6,518,477	5,720	7,434,505	5,072	1,695,957	2,332
Total	8,489,382	10,098	9,383,218	14,090	2,497,381	4,197

Traffic breakdown	2018	2019	2020	Change %
Passengers	8,506,658	9,405,920	2,506,258	-73.35%
Movements	71,503	77,126	30,139	-60.92%
Tonnage	4,690,629	5,086,505	2,038,026	-59.93%
Cargo	52,681,291	48,832,550	43,377,968	-11.17%
Passenger traffic breakdown	2018	2019	2020	Change %
Legacy	3,590,506	3,765,104	851,146	-77.39%
Low cost	4,791,541	5,497,081	1,628,630	-70.37%
Charter	107,335	121,033	17,605	-85.45%
Transits	10,098	14,090	4,197	-70.21%
Total commercial aviation	8,499,480	9,397,308	2,501,578	-73.38%
General Aviation	7,178	8,612	4,680	-45.66%
Total	8,506,658	9,405,920	2,506,258	-73.35%
Passenger traffic breakdown	2018	2019	2020	Change %
EU	7,286,888	8,001,891	2,147,762	-73.16%
Non-EU countries	1,212,592	1,395,417	353,816	-74.64%
Total commercial aviation	8,499,480	9,397,308	2,501,578	-73.38%
General Aviation	7,178	8,612	4,680	-45.66%
Total	8,506,658	9,405,920	2,506,258	-73.35%
Cargo (KG)	2018	2019	2020	Change %
Air cargo of which	40,539,918	38,050,148	34,673,841	-8.87%
Cargo	40,474,560	38,027,623	34,673,545	-8.82%
Mail	65,358	22,525	296	-98.69%
Road cargo	12,141,373	10,782,402	8,704,127	-19.27%
Total	52,681,291	48,832,550	43,377,968	-11.17%

¹⁰ The data shown in this table are for commercial aviation passengers only

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 short/medium-term initiatives aimed at increasing capacity and improving service levels by means of internal retrofits and limited expansion, as well as medium/long-term initiatives that involve substantial extensions next to existing buildings, which will remain in full use. AdB's infrastructure currently supports traffic of approximately 9.5 million passengers a year¹¹ 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.

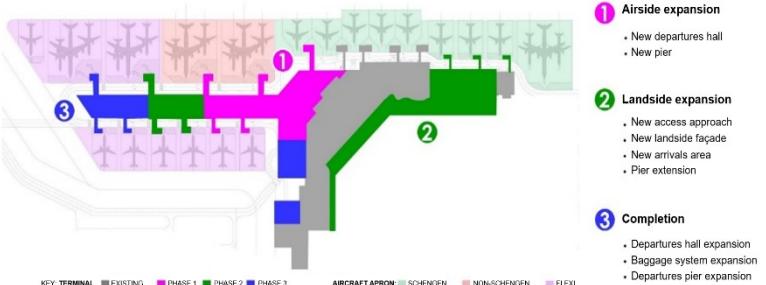
More specifically, various projects are planned in the near and medium term with the goal of improving quality of service and operating processes before the planned infrastructure development work yields benefits in the medium term, including:

- new **aircraft aprons** to increase parking availability,
- the expansion of **security and passport controls** to increase 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 non-Schengen gaterooms to **add boarding gates**
- the construction of a **new multi-story car park** to increase the number of parking spaces available to passengers and car hire companies within the airport grounds; and
- the **restructuring of the cargo area** to ensure better cargo traffic management.

Extraordinary maintenance work was carried out on the runway in 2020 and further works planned for 2022 were brought forward to take advantage of the quiet period and to facilitate the airport's recovery in the coming years. All short/medium-term construction plans to increase capacity have continued. Finally, the Marconi Express "People Mover" connecting the airport to Bologna central railway station became fully operational, considerably expanding the airport's connections to public transport.

Medium/long-term initiatives are expected to have the greatest impact and will include **phase 1 of the terminal expansion project**, which is one of the most important phases of the Masterplan and is aimed at increasing outgoing passenger capacity. The executive design was completed in 2020, allowing the ENAC approval process to begin.

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 ENAC in 2017 and was then ruled exempt from the environmental impact assessment procedure in 2018, and from town planning compliance in 2020. Finally, the Master Plan, which includes infrastructure upgrading works up to the year 2030, received final approval from ENAC in February 2021.



All infrastructure development works fully embrace sustainability. The 2016-2030 airport development plan seeks to make full use of existing infrastructure, limiting new works to those that are localised, contained, and highly effective.

At the planning level, all interventions respect the "Minimum Environmental Criteria" established by the various national and local regulations and are accompanied by a dedicated report specifying the criteria to be adopted for each project.

In addition, the recent European calls for tenders in which Bologna airport has participated offer the promise, if awarded, of further funding to improve sustainability thanks to carbon-free technologies such as photovoltaics and hydrogen, which will allow the airport to become carbon neutral in line with the timetable defined by the Airport Carbon Accreditation initiative to which Bologna airport belongs.

¹¹ This figure refers to the pre-pandemic situation.



Developing infrastructure in the time of COVID-19

2020 was marked by a slowdown in infrastructure development activities due to the limitations introduced by various decrees to contain the spread of the pandemic. Interactions with designers and suppliers slowed down, and a Temporary Lay-Off Scheme was also introduced for AdB staff, which impacted internal productivity.

At the same time, members of staff focused on carrying out emergency activities to safely manage employees and passengers, such as installing new equipment and facilities, including body temperature check points, access restrictions on entrances and exits, one-way routes, and signage, etc.

The health emergency and poor air traffic levels made it necessary to perform detailed analysis and simulation activities in the short term to identify new priorities and executive phases in response to evolving traffic needs and in order to allow for the adequate remuneration of investments and their full financial sustainability. The proposals assessed on this point by the board of directors of Parent Company AdB will be examined together with the National Civil Aviation Authority.

Confirmed investments for 2021 include critical projects involving security checks, passport controls, and the cargo terminal, taking advantage of the drop in traffic to perform works and thus minimise the impact on airport operations. From this point of view, the runway maintenance scheduled for 2020 was broadened in scope to include works originally planned for 2022.

Given the current situation, the hope is to prioritise small-to-medium-scale works to increase capacity in a balanced and progressive manner as traffic levels rise, and to guarantee flexibility when carrying out other works included in the airport development plan.

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.

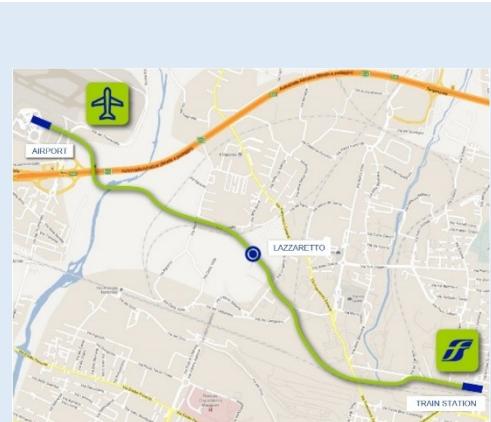


Driven by an awareness of its strategic geographical position – approximately seven kilometres from the city centre and easily reachable from the motorway and ring road

– AdB has identified improving accessibility as one of its main strategic levers and decided to invest in the **“People Mover” Marconi Express** project, which offers a more sustainable alternative to taxis, chauffeured car hire and bus services. The project involved the construction of a rapid rail link (5km) with 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. and partly to the construction of a moving walkway between the People Mover Station and the passenger terminal. The service began on November 18, 2020 and the direct Aerobus BLQ line to the station was replaced by a complementary bus service connecting the airport to Maggiore Hospital. 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 – Marconi Express

The fast Marconi Express connection between Bologna train station and Marconi Airport opened to the public at 5:40am on November 18, 2020. Fully automated, with more than a third of its energy needs provided by photovoltaic panels, the Bologna People Mover is the first monorail in Italy to connect the high-speed rail network to one of Italy's top 10 airports in terms of passenger numbers. Passengers can access the Marconi Express from the departures lounge via a covered walkway.



The shuttle runs from 5:40am to 12am, 365 days a year, with eight departures per hour in both directions during peak times. The journey time (including passenger drop-off time) is seven minutes and thirty seconds. Capacity is 48 pax/shuttle (reduced to 50% due to COVID-19 restrictions). The maximum capacity is 384 people per hour per direction (48x8), and 768 passengers per hour in total. The Marconi Express will initially travel by means of a single shuttle that will run every 15 minutes. However, the service boasts great elasticity, allowing a second shuttle to be introduced as soon as passenger numbers require it. The system is currently designed to host a maximum of three shuttles, taking the capacity to 570 pax/hour per direction. The train makes 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 People Mover 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 generate an “energy belt” capable of producing 35% of the project's energy needs, thereby reducing CO₂ emissions by 300 tons – the equivalent of 14,000 trees saved. Bologna airport has invested Euro 15 million in the People Mover project.

In the hope of further improving private and public accessibility by providing alternate means of transport and mitigating environmental impact, the season ticket offered through the airport operator's mobility management policies will remain in place, and will include the addition of the People Mover, thus extending the trial among employees and the airport community. Developed as part of the Mobility Management Agreement with the Municipality of Bologna and in collaboration with external partners, the comprehensive season ticket allows individuals to combine or alternate the use of transport services on their commute to and from work at a reduced cost. City and suburban buses, metro trains, the People Mover, and electric car-sharing services are all included in the season ticket. The project is the first MaaS (mobility as a service) initiative to be implemented at an Italian airport, and has been awarded the IoMobility Award 2020, which promotes a culture of transport innovation, sustainability, and entrepreneurship in Italy. In addition, the Mobility Management Agreements in place with public transport operators have been revised in light of the pandemic, extending the duration of season tickets and reducing costs, thanks to AdB's increased contribution.

Regular service was maintained to allow for social distancing during lockdown, even when public transportation was used almost exclusively by employees. The bus stop was also rearranged to make it safer for use, and to create separate boarding and alighting areas.

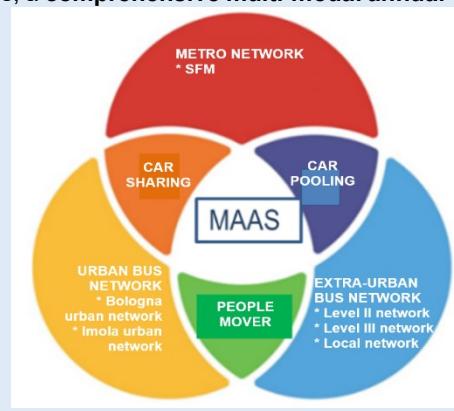
Mobility Management Agreements

Bologna airport continues to improve workplace accessibility among the airport community by means of the Mobility Management Agreements in place with the Municipality of Bologna and in collaboration with third parties. Through these agreements, the airport seeks to meet the transport needs of its employees, to improve road congestion, to reduce energy consumption and the resulting environmental, social and economic costs, and to encourage people to use environmentally sustainable means of transportation. A Commuter Travel Plan involving the entire airport community has been implemented, and related mobility management actions have been promoted. The Plan seeks to involve SMEs in the local area through a Mobility Manager appointed by the Airport Manager on a trial basis, in accordance with the Metropolitan City of Bologna's Urban Plan for Sustainable Mobility (PUMS).

The first step was to launch a **communication campaign** called **muoviAMOci** to promote awareness among the airport community of the project's sustainability objectives. A survey was also sent out to gauge the needs of the airport community and to identify effective drivers to trigger changes in travel habits. A discussion with stakeholders began once the most influential factors had been identified.

Through collaboration with the competent bodies and local transport operators, a **comprehensive multi-modal annual season ticket** was created on a trial basis, based on the principles of **MaaS (Mobility as a Service)**. The ticket essentially consists of a "package" of various means of transport, which can be used alternately or combined into a single season ticket. Bologna airport hopes to encourage the use of MaaS, which represents a real transport revolution and will facilitate the mobility of people in the medium term, thereby innovating people's experience and approach to transport needs.

A number of stakeholders were involved in the project, including TPER (which manages the local public transport service and the electric car-sharing service in Bologna), Marconi Express (which manages the People Mover), the competent regional bodies, including the Municipality and Metropolitan City of Bologna, the Region of Emilia-Romagna, and the local Agency for Mobility and Public Transport (SRM). The hope is to involve taxis and other companies managing sharing services (cars and bikes) in the initiative in the future in order to offer an increasingly broad and comprehensive range of services that meet various transport needs and encourage employees to stop using private vehicles.



The muoviAMOci project also covers **carpooling** services through the **Jojob** app, which allows employees to connect with colleagues who share the same commute. In addition, as part of the **SmartBo** project, Bologna airport sent out a **survey** to employees on mobility and the propensity for change. The survey was also sent to the local authorities and other companies in the local area to integrate and coordinate commuter plans as part of a broader project to positively impact mobility.

Bologna airport hopes to encourage its employees to use the various modes of transportation available to reduce congestion and the environmental impact on the area. In addition, the use of public transportation is expected to reduce commuter incidents. MaaS also helps to reduce emissions in the local area and to alter the transport habits of employees and members of the airport community by offering financial incentives.

Following the Services Conference to approve the Masterplan, AdB is committed to improving its cycling accessibility in collaboration with the local authorities, opting to include the airport in the local cycle tourism network, thereby connecting the airport to the city in a totally carbon-neutral manner and offering employees a valid and eco-friendly travel alternative.

Parking

In 2020 AdB paid particular attention to its parking services to ensure they met the expectations of passengers and their companions. New services were introduced in Q1, including a number plate recognition system, and additional spaces in the multi-storey car park, which were made available following an upgrade to the air extraction system.

The airport has seven car parks designed to meet all passenger needs. The airport parking system monitors how each car park is used, and regularly checks the rates and services offered by other airports and private car parks in the local area in order to best respond to user needs. Popular features include digital payments via credit or debit card, Telepass, or a QR code in the case of online purchases. The Kiss & Fly service (free parking for the first ten minutes) and Wait Zone (free waiting area for one hour) are also particularly popular.

The 2020 investment plan sought to expand the airport's parking offer by raising the Express car park and improving the quality and efficiency of parking spaces in the fully-covered P2 multi-storey car park by installing a Single Car Park system that directs customers to free spaces. Works to raise the Express car park commenced in May but other initiatives such as the Single Car Park system were postponed.

Supporting passengers through the COVID-19 pandemic

The drastic drop in passenger numbers triggered the activation of parking management measures. Some car parks were temporarily closed, keeping only those in front of the terminal operational to provide essential airport services. These measures helped to reduce management costs.

With a view to providing good customer service, parking refunds were arranged for passengers who had purchased online parking, and free parking was provided to passengers who were unable to return to Bologna to collect their vehicles due to the traffic regulations imposed by the various decrees.

When flights recommenced in June, various measures were implemented to facilitate a return to normal and to provide a good level of service. At the same time, online initiatives and social media tools were launched to promote the safe use of parking spaces, and this, together with the assumption that passengers were relying more heavily on their cars to get to the airport, allowed the Group to increase its penetration index indicator (total car entries/passengers) compared to 2019 and the pre-lockdown period.

These campaigns promoted the contactless use of car parks thanks to digital payments, the introduction of number plate recognition, and Telepass payments.

2.4 Contributing to regional development

Job creation

The airport sector's relevance to the local economy and community in which it operates is key to growth and competitiveness, including within the context of the unprecedented health emergency caused by COVID-19, which has resulted in significant restrictions on air transport and passenger movement. In this extraordinary situation, it is even more important that the airport's managers ensure that the local community is sufficiently accessible and attractive, out of an awareness of both the airport's impact in terms of employment, income and added value, and the effect that an adequate level of airport travel connections is capable of generating for the economy¹². Considering the airport's overall contribution, benefits are obtained in terms of jobs, value added and GDP.



MAXIMISE FINANCIAL PERFORMANCE

The outbreak and spread of the pandemic severely impacted the aviation sector in 2020, deeply weakening its ability to contribute to wealth and well-being. The Bologna airport system is no exception. Due to the pandemic and the consequent slowdown in airport activity, jobs and the GDP generated by the local area dropped sharply in 2020 compared to 2019.

The data gathered by ACI before the pandemic 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.

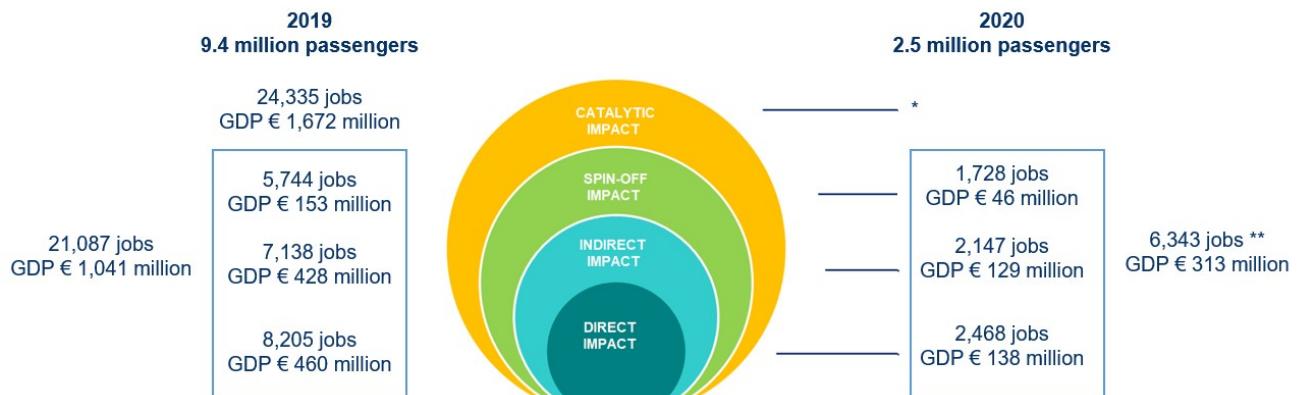
The economic impact broken down in the above terms consists of four different types: direct, indirect, spin-off and catalytic.

- 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 economy¹³.

The data collected by ACI tangibly represent the role airports play as strategic infrastructures for the local area, and for the entire economic and social system. These impacts are calculated with the help of the Economic Impact Online Calculator, a tool developed by ACI Europe, which mainly uses traffic data as a driver to estimate the wealth generated and the jobs created by airports. The data in the graph for 2020, constructed using the same methodology, do not correspond to the actual impact on employment in the local area but instead indicate the magnitude of its potential deterioration in the absence of mitigation measures such as the Temporary Lay-Off Scheme and the government's blocking of redundancies. Nonetheless, this represents a serious loss for the region and underlines both the importance and urgency of governmental interventions to support the sector, and the need to review the business model with a view to improving collaboration and cooperation between stakeholders.

¹² CDP Industry review No. 6 - July 2015 - The Italian airport system.

¹³ In line with the system developed by ACI Europe, the data relating to catalytic impact remain unchanged as they are calculated based on the area in which the airport is located.



* The catalytic impact is currently difficult to quantify due to the pandemic

** Theoretical calculations do not correspond to actual employment figures as the effects of the pandemic are temporarily mitigated by the presence of measures such as the lay-off scheme and the blocking of redundancies

Distribution of value added

A loss of Euro 13.6 million was reported in 2020 compared to a profit of Euro 20.9 million in 2019, resulting from the drop in traffic due to the COVID-19 pandemic, which impacted all major business components.

The EBITDA was Euro -3.9 million, a decrease of Euro 48.8 million compared to Euro 44.9 million in 2019 due to a drop in revenues related to traffic trends, and greater cost rigidity, taking into account the fact that airport managers also had to grapple with high overheads. Despite the loss, the Group strives to create and distribute value to its stakeholders on an ongoing basis, as demonstrated by the values set out below. In 2020, the economic value generated by the Group amounted to Euro 46.2 million, of which Euro 51.4 million was redistributed. The difference between the economic value generated and the economic value distributed is Euro 5.2 million, of which 4.8 is attributable to deferred taxes.

As is shown in the two graphs below, in 2020, the economic value was redistributed by the Group to its various stakeholders: suppliers (current purchases of goods and services) (52.2%), employees (40.5%), government (3.8%), community (2.4%), and lenders (1.1%). In 2019, an economic value of Euro 100 million was distributed to suppliers (52.1%), employees (30%), government (16.2%), communities (1.3%) and lenders (0.4%).

The comparison demonstrates that the Group maximised value creation for its **employees** during the pandemic (from 30% to 40.5%), while **suppliers** received a share of more than 50% (from 52.1% to 52.2%). Finally, with regard to suppliers, the same average payment days were maintained as in the previous year (from 93 to 96 days), confirming the Group's commitment to complying with payment obligations despite the strong pressure on liquidity. On the other hand, in 2020, the Group recorded a significant increase in average collection days from 40 to 88 days; this is a direct consequence of the slowdown in payments received from aviation customers and sub-concessionaires due to the financial stress caused by the pandemic and the payment extensions granted to help the air transport sector, which was in great difficulty.

Analysis of economic value demonstrates that contributions to the community increased by a percentage point (from 1.3% to 2.4%) thanks to local initiatives, while contributions to the **public administration** decreased from 16.2% to 3.8% due to the tax losses for the year against a profit in 2019, resulting in the almost total absence of income taxes for the period. Deferred taxes are not included in the value distributed to the government.

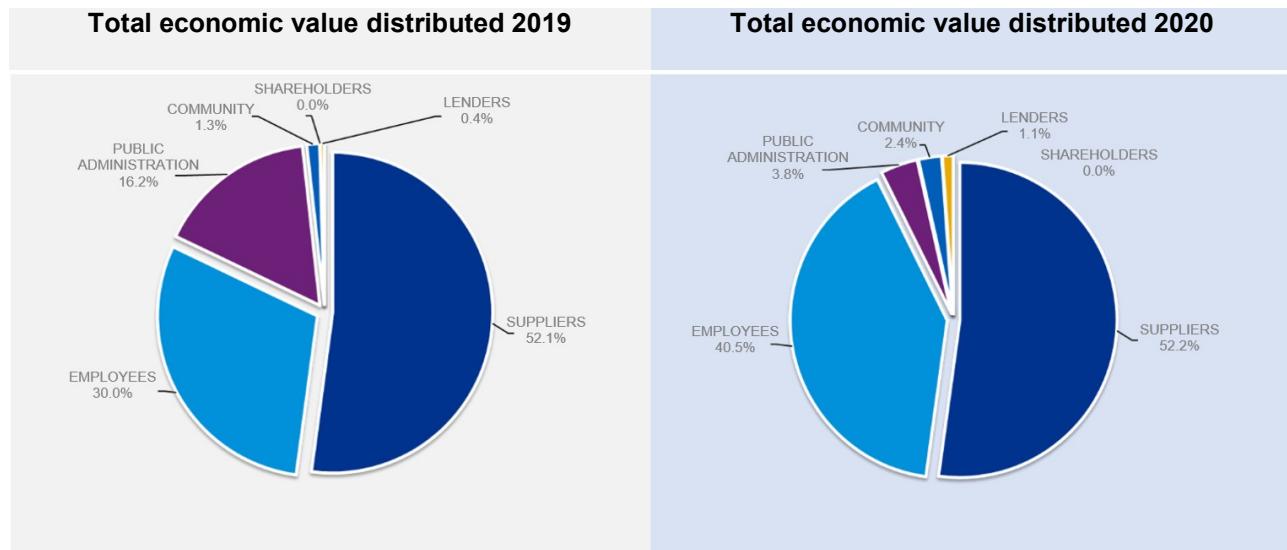
Finally, in both years under comparison, no value was distributed to the **shareholders** on the 2020 result due to the loss for the year compared to the 2019 result. At the Parent Company's Shareholders' Meeting on April 30, 2020, the Board of Directors' proposal not to distribute dividends to support the Group's capital and financial solidity was accepted.

In addition to the above, at the beginning of 2020, the Group reacted to the crisis as it unfolded by introducing various measures, including:

- the search for and obtaining of two loans secured by SACE guarantees under the "Italy Guarantee" programme for a total of Euro 58.9 million; contacts continue to bring in new sources of financing in 2021.
- the use of lay-off schemes such as the Extraordinary Temporary Lay-Off Scheme from March 2020 and the Special Lay-Off Scheme from March 22, 2021 to June 13, 2021, plus the renegotiation of existing supply contracts to minimise external management costs and the implementation of rightsizing measures in line with new operating levels;

- the reorganisation of infrastructure development with a view to ensuring the overall sustainability and coherence of all airport investments, in light of expected traffic levels and taking into account the impact of the current pandemic emergency.

In summary, by postponing in-depth analysis of business continuity to the 2020 Annual Financial Report, the Bologna Airport Group believes its strong balance sheet, plus the measures adopted and planned, will allow it to overcome the current crisis and to meet its financial, contractual, and concessionary commitments.



The distribution of added value is calculated by reclassifying the consolidated income statement. The value retained by the company for 2020 is not represented since it is a negative value, equal to Euro -5.2 million, to which deferred taxes contribute Euro 4.8 million. For this reason, data for 2019 have also been shown with reference to the economic value distributed only.

Investments

At December 31, 2020, investments totalled Euro 29 million, compared to Euro 17.4 million in 2019, of which:

- Euro 9.3 million for investments to execute the Masterplan;
- Euro 4 million to purchase an area adjacent to the airport grounds for the future infrastructural development of the terminal;
- and Euro 15.5 million for investments in airport operations, of which Euro 8.1 million relates to runway upgrade works. The latter resulted in the closure of the airport from September 11 and 21, a period in which some works scheduled for 2022 were also brought forward to take advantage of the drop in traffic and to facilitate the relaunch of activities in the coming years.

The runway works were accompanied by:

- the elevation of the Express Car Park near the airport;
- the supply and installation of three standard X-ray machines for the BHS system, as required by EU Regulation 2015/1998;
- energy efficiency interventions to reduce consumption in offices and at the airport;
- the installation of three additional ABC (Automatic Border Control) gates for reading the passports of departing passengers;
- the purchase of thermal scanners to measure body temperature at the terminal entrances;
- other systems and means of transport for loading and unloading passengers, luggage, and goods.

At December 31, 2020, the main works in progress included the expansion of the check-in area to include new offices, the extension of aircraft car park III, for which the tender phase to assign the works is underway, the construction of a new multi-storey car park, which has been approved by ENAC, and the extension of the terminal, which is still awaiting approval from ENAC.

Finally, the total cyclical renewal and maintenance works on the airport and plant (Provision for Renewal) amounted to Euro 4.3 million, of which Euro 3.3 million relates to air-side interventions to repair a section of the runway, taxiway, junctions, and the service road. Land-side interventions included the completion of works on roads, pedestrian paths and walkways, and public information displays.

2.5 Providing a comprehensive high-quality experience

As part of its development strategies, the Group works every day with unwavering commitment to provide passengers with a unique travelling experience that prioritises customers through efficient innovative services, and a 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 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. **Quality** is one of the cornerstones of the work AdB does with regard to its stakeholders. It is a "must have", not a "nice to have". AdB asks airport operators to adopt the same comprehensive approach through information, sharing, and awareness initiatives.

To achieve the standards it 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 (now updated to ISO 9001:2015), the system is integrated with the Environmental Management System (ISO 14001), the Occupational Health and Safety Management Certification (ISO 45001), 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.

Supporting passengers through the COVID-19 pandemic

The pandemic has forced the Group to review its passenger assistance processes and to establish new priorities in terms of safety, social distancing, hygiene, and digitalisation. The airport's ability to adapt and involve all airport operators in this important and sudden change was of primary importance. The analysis carried out through surveys facilitated the Group's activities and demonstrated that passenger expectations have changed, due in particular to the greater focus on safety, social distancing, and the need to provide clear, up-to-date information.

State-of-the-art thermal scanners were used to measure the body temperature of passengers and office employees, and hand gel dispensers and plexiglass barriers were installed at contact points in the passenger terminal. Other useful measures to guarantee the safety of personnel and passengers included the BEST patented security check system, which reduced face-to-face contact between staff and passengers, and the provision of ventilation systems with high-efficiency filters in the passenger terminal, on the airport premises, and in the most heavily populated offices. Signage and continuous passenger communications were provided through digital and physical media, social media channels, the website, and the company Intranet. In this sense, Bologna airport was already "prepared" for the situation, having drawn up an Innovation Plan in 2019, which aimed to digitise and introduce new channels and touchless technologies to enhance Customer Experience at the airport.

In addition, on January 27, 2021, the Group launched a temporary paid testing service for passengers departing for Amsterdam. The service was launched following a provision enforced by the Dutch government requiring passengers to produce evidence upon boarding of a negative antigenic rapid test result within four hours of their departure. This is a temporary solution that has been urgently adopted to allow passengers to follow the Dutch government's guidelines. The Group is working on rolling out a more comprehensive service, which would also allow for molecular tests to be taken before boarding, at the request of European and non-European countries. Meanwhile, a molecular testing service remains in place for all passengers arriving from the United Kingdom, as required by Italian legislation, which is carried out by the Bologna Local Health Authority at no cost to passengers.

In August 2020, Bologna airport achieved ACI Health Accreditation for the travel safety initiatives it had implemented on behalf of passengers and airport users. Topics covered by accreditation include: cleaning and disinfection, social distancing, protecting personnel, passenger communications, and passenger facilities.



EXPERIENCE

The Airport Services Charter is an instrument created to establish the service quality level which the airport operator guarantees to passengers. Bologna Airport publishes a new edition of its Services Charter annually, in compliance with the provisions of circular GEN-06 ENAC (National Civil Aviation Authority). The Airport Services Charter outlines a brief profile of Bologna Airport, 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. Given the exceptional nature of the year in question, it was agreed with ENAC and other Italian airports not to publish data in the 2020 Service Charter.

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 maximising 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.

Supporting passengers through the COVID-19 pandemic

During 2020, AdB continued its Customer Satisfaction and operational performance monitoring activities while staff members and passengers were still able to carry out activities safely (March 2020). Said activities were resumed in September 2020, taking into account the significant change in traffic volumes. The decision to recommence survey activities was guided by an understanding that quality systems and continuous improvement rely on the accurate monitoring of performance.

During the months in which traditional monitoring activities were suspended, the Group carried out in-depth studies on COVID-19's impact on passenger expectations and their propensity to fly. The studies revealed that passengers were particularly concerned about cleanliness and hygiene as well as the provision of clear, up-to-date information. The airport stood out as a reliable partner during a time of great uncertainty and ever-changing travel regulations.

Marconi Airport's passenger profile understandably changed in 2020. COVID-19 had a significant impact on business travel, resulting in a drop in travel needs (conferences, meetings and trade fairs) due to the reliance on remote working and video-conference systems. Leisure travel was also impacted, and the very nature of travelling for pleasure was altered. Travel habits will probably continue to change over the next few years and could result in structural changes to the business model.

It is interesting to note that the survey carried out in September 2020 showed that among the various players in the travel sector, the airport was viewed as having "kept its promises". Compliance with the rules through visible signs and procedures reassured people without alarming them, and the airport's spacious environment also helped.

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 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).

Customer satisfaction surveys were suspended in 2020, including the ASQ interviews during Q2 2020, in line with actions taken with regard to other initiatives and in agreement with the ACI. Having understood the difficulties encountered by airports attempting to carry out the ASQ initiative and to comply with its binding sampling criteria, the ACI revised the rules, providing airports with greater flexibility and thereby allowing them to recommence interviews. As a consequence, Bologna airport resumed interviews in September, receiving excellent results for 2020¹⁴. Thanks to its decision to resume

**Employee professionalism
and courtesy**
Airport wayfinding

¹⁴ Given the exceptional nature of the year in question, it was agreed with ENAC and other Italian airports not to publish data relating to the 2020 Service Charter or the ASQ programme.

customer satisfaction initiatives as soon as traffic levels and processes had stabilised, AdB was named "The Voice of the Customer" by ACI-ASQ. This title was awarded to all airports that participated in the ASQ project and chose to invest resources in collecting data and information in 2020, despite the difficulties imposed by the pandemic.

Feedback and Complaint management

AdB's policy is to stimulate and incentivise 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 the website in the section Suggestions and Complaints and the App; by e-mail info@bologna-airport.it, the hard-copy "Reports and Complaints" forms available at the two totems located at the information point and in the Marconi Business Lounge (MBL) room, the postcard attached to the Services Charter and the QR Code printed on it, and the forms available at the multimedia InfoPoints.

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 maximise assistance and information to passengers.

Following the spread of the pandemic, customer feedback primarily concerned the urgent need for information on rules, procedures, and quarantine and testing regulations, etc., for which the airport is considered a privileged partner. COVID-19-related reports started to appear in February 2020 and mainly concerned requests for information, flights and cancellations, refunds and travel rules (health, bags, travel, checks, etc.)¹⁵.

¹⁵ Suggestions and complaints changed greatly in terms of number and type in 2020 due to the pandemic. As it was deemed impossible to compare 2020 figures with data from previous years, the Group decided to temporarily suspend the publication of quantitative data.

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. Bologna airport has invested significantly in all-round innovation in recent years by adopting sustainability and environment policies that support existing company processes, making sure to focus on its primary customer (the passenger). Recent collaboration between the Quality, Facilitation and Information Communication Technology departments is a clear example of the direction the company has taken.

2019-2023
Innovation Plan

At the end of 2018, AdB drafted an innovation plan for 2019-2023. The plan seeks to adopt a shared digital strategy by creating a smart, digital brand image, and identifying technologies to help provide customers with the very best experience. On the basis of this plan, AdB is working on developing modern ICT solutions, adequate IT infrastructures, customer service solutions, and advanced digital services and innovations, including in the environmental field. The Group is hoping to achieve all this while making sure to provide its employees with training and the necessary skills to tackle the digitalisation of society.

Innovation and digitalisation in response to COVID-19

Given the serious health emergency linked to COVID-19, AdB prioritised certain projects in its ICT and Innovation plan, postponing others that weren't feasible in the year 2020. In particular, the first part of the WAYFINDING project was completed, which uses the BLQ - Bologna Airport app to guide users from a chosen point of interest at the airport. The project, which includes certain augmented reality features, is expected to be completed during 2021.

AdB continued to dedicate time and attention to developing a safe and effective IT network infrastructure in 2020 through various projects, including updates to the WiFi network on aircraft aprons and its extension to the cargo building, the modernisation of CCTV monitors, and the installation of an energy totem in the terminal displaying information on energy consumption. Furthermore, AdB was ready to join the Smart Working Emergency (SWE) scheme, implementing rapid actions to distribute company devices in a very short space of time in order to facilitate remote work. The IT Help Desk was also expanded to support colleagues. In terms of IT security, the SWE was implemented thanks to a decision made by AdB in recent years to strengthen its network infrastructure. The increased and sudden reliance on video-conferencing tools (e.g., Microsoft Teams) required dedicated training sessions. In addition, AdB devised an information campaign to raise employee awareness of phishing and other social engineering tools.

Among the digital activities promoted by the Group to manage the COVID-19 emergency, AdB also activated a new presence monitoring feature on its passenger flow tracking system and enhanced its mobile payment services.

AdB understands that technological developments must be accompanied by growing awareness of cyber security issues. For this reason, it has adopted a Governance model that adheres to the NIST Framework¹⁶. The model helps oversee the Group's annual risk assessment through the implementation of business risk management procedures, the adoption of a set of specific procedures and the use of new tools to help support and protect the company. In this regard, a 4-hour annual training course has been organised to improve awareness among employees, who also receive information about cyber security via notifications from Eurocontrol's Computer Emergency Response Team (CERT).

R-Innovation Day

The idea for R-Innovation Days was born within the Innovation, ICT & Q department in 2019. The initiative consists of fun, informative days aimed at raising awareness of the basics underpinning innovative processes and stimulating curiosity and creativity.

Only some of the events aimed at improving knowledge in the digital field were able to go ahead in 2020. Intranet Day was held in January 2020 to promote new features of the company intranet, which is a fundamental tool for distributing company content.

¹⁶ The NIST (National Institute of Standards and Technology) Framework is an operational tool for organising cyber security processes and managing related risks.

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

AdB pays particular attention to passengers with disabilities, who represent a constantly growing traffic segment. To respond to the needs of passengers with reduced mobility (PRM), AdB's PRM service employs 23 employees, who assisted over 16,000 passengers through the airport in 2020 (this is a significant decrease on 2019 due to the lack of passengers in 2020, although it still represents a significant percentage of the total number of passengers). The service is structured according to the principles and methods listed in Italian (ENAC Circular GEN02A-2014) and European (Reg. 1107/06 concerning the rights of disabled persons and persons with reduced mobility when travelling by air) legislation. 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; the airport provides dedicated services for PRM passengers in compliance with European Regulation EC 1107/06.

In January 2020, a project to create a dedicated Pet Area for guide dogs accompanying blind passengers was presented to the Disability Manager, who was externally appointed by the Mayor of the Municipality of Bologna to handle disability matters. Various practical and operational suggestions emerged with regard to the best way to use the area during a project meeting. At the end of 2020, a taxi access ramp for wheelchair users was installed on the ground floor of the terminal in response to a request submitted by representatives of the Disability Council of the Municipality of Bologna following a routine inspection prior to the pandemic. The metal ramp facilitates priority access for disabled users queuing for taxis, and the appropriate horizontal and vertical signs have been installed near the ramp. Finally, it should be noted that specific PRM procedures were adopted during the pandemic.

 Reserved parking spaces at the airport's main entrances	 Five ambulifts for boarding and disembarking the plane
 Wheelchairs that are easily accessible in various areas of the airport	 Wheelchair-accessible lifts equipped with audible warning devices and information in Braille
 Accessible toilets, check-in counters, passport control and e-gates	 Sala Amica waiting rooms
 Five Help Phones built to facilitate communication between PRMs and assistance staff (also accessible by deaf passengers)	 A video explaining airport services to deaf passengers in Italian Sign Language (LIS) with subtitles, made in collaboration with ENS, AGFA and ANIMU
 LOGES route for visually impaired or blind passengers, integrated with external routes and supported by tactile maps created in collaboration with the UICI and Amnic Bologna associations	 Taxi access ramp for wheelchair users

AdB is committed to ensuring quality standards for both its own management activities and those managed by third parties. As such, the Group carries out annual audits of its internal services and of its suppliers managing transfer care upon arrival. The Group also carries out monthly investigations into the satisfaction of passengers using its PRM service. Aware that the quality of service care and management depends largely on the training and skills of the people directly providing the services, AdB has also prepared obligatory training courses and annual refreshers on disabilities for airport and non-airport staff who are in contact with passengers with disabilities. AdB staff members tasked with PRM assistance are engaged in continuous training sessions. The Group strives to modify and update its training courses on specific needs as best possible by remaining in conversation with representative associations in the local area¹⁷.

The Memorandum of Understanding for the promotion of accessible tourism at the airport outlines best practices for inclusion and open planning at the airport and seeks to promote airport accessibility for disabled people and to improve their travel experience, with particular attention paid to accessibility and parking. AdB is the third airport in Italy to sign this type of agreement, and is the first private company in the area. The Group is aware of the public services it provides, and is consequently committed to working with the Municipality of Bologna on such issues. In fact, AdB shares its PRM policy with stakeholders, so that it may address real-life needs and expectations. In 2020, however, it was not possible to participate in the meetings provided for in

¹⁷ For more information on PRM training, see the chapter on "Training".

the Memorandum of Understanding, but updates on activities nevertheless continued to be shared.

Performance Indicators

PRM Traffic - Cumulative			
Month	2018	2019	2020
January	3,012	3,184	3,584
February	5,532	5,980	6,693
March	8,692	9,280	7,479
April	12,229	13,058	7,516
May	16,014	16,825	7,607
June	19,578	21,028	8,069
July	23,535	25,304	9,852
August	26,882	28,758	11,549
September	30,475	33,035	12,876
October	34,333	37,195	14,562
November	37,603	40,837	15,653
December	41,142	44,869	16,607

PRM Traffic - Monthly			
Month	2018	2019	2020
January	3,012	3,184	3,584
February	2,520	2,796	3,109
March	3,160	3,300	786
April	3,537	3,778	37
May	3,785	3,767	91
June	3,564	4,203	462
July	3,957	4,276	1,783
August	3,347	3,454	1,697
September	3,593	4,277	1,327
October	3,858	4,160	1,686
November	3,270	3,642	1,091
December	3,539	4,032	954

Given the exceptional nature of the year in question, it was agreed with ENAC and other Italian airports not to publish data in the 2020 Service Charter.

2.5.4 Quality of the commercial offer and of premium services

The events caused by the pandemic and the consequent regulatory provisions profoundly impacted AdB's ability to meet customer needs and to improve customer experience through outstanding options inspired by local products, together with local culinary traditions. The passenger terminal's commercial premises extend over an area of 4,400 square metres that is home to 41 merchants, including duty-free stores, food and beverage purveyors and retail shops.

After a normal start to the year (in January and February), the pandemic forced points of sale to close, with the exception of a skeleton service kept in place to cater to departing and arriving passengers and to the airport community. This situation continued until July when travel restrictions loosened and traffic recovered somewhat, albeit not to 2019 levels. An attempt was made to draw up a plan to reopen points of sale.

The low level of traffic resulted in the downsizing of the products and services offered to passengers, which also occurred at many other national and international airports. Nevertheless, thanks to good business relations and the availability of some sales-point managers, minimum food and beverage services were still supplied.

The pandemic also had a sudden and severe impact on sub-concessionaires, resulting in a high risk of potential contract termination. The exceptional nature of the events led to a high degree of uncertainty, especially in terms of forward-looking assessments. AdB immediately adopted policies to modify sub-concession fees as the situation unfolded, with a view to limiting vacancies and to consolidating contractual relationships in an effective and concrete manner.

An initial emergency response was launched in March and April and concrete action was taken by means of reducing guaranteed minimums to lower rent. During the months that followed, traffic suffered serious delays and a climate of strong uncertainty abounded. In response, AdB implemented conditions to allow commercial units to reopen by doing away with guaranteed minimums and partially extending contract expiry dates, in line with the approach implemented by the majority of Italy's airports.

Towards the end of the year, AdB devised a clear strategy to strengthen lasting commercial partnerships by creating the circumstances to allow commercial conditions to return to pre-COVID levels. In this regard, the Group formulated a transparent and ambitious contractual structure, which was sent to all concessionaires in December 2020.

The spread of the pandemic also put premium passenger services on standby, including the BLQ Fitness Lounge, the gym built in collaboration with Technogym in January 2020, and all the usual initiatives organised by the Business Lounge for guests and the local area (tastings, conference room events, Marconi Music Festival).

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 prioritise 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 organisation.

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.

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, organisation 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 organisations involved in airport activities.

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. In addition to AdB, the Local Runway Safety Team comprises representatives from: Airlines Operators Committee (AOC), ENAV (Flight Assistance Agency), ENAC (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

During 2020, most safety awareness activities were provided through safety representatives appointed to participate in safety committees. Not being able to organise safety meetings in person, information was forwarded to safety representatives via the Safety Management System or by means of remotely convened committees so that employees could be updated.

The Safety and Compliance Management System performed several audits to monitor compliance with the company protocol on COVID-19 containment measures. These audits were carried out in person to both monitor and raise staff awareness of the measures to be adopted.

The airport operator's hazard log was also updated in light of the spread of the pandemic, the significant drop in traffic, and the patchy presence of operational staff.

Finally, a two-day course on change management was delivered to all employees involved in managing organisational, procedural and infrastructural changes in accordance with the provisions of EU Regulation 139/2014 and the contents of PO30 in the airport handbook.

Performance Indicators

Indicator	Objectives (73,938 estimated flights)	2018		2019		2020	
		Total (actual flights 71,503)	Objectives (69,225 estimated flights)	Total (actual flights 77,126)	Objectives (77,752 estimated flights)	Total (actual flights 30,139)	
No. of Operational Safety Reports per 1000 movements	> 12.3% At least 900	784 (10.90% ¹⁸)	not considered	not considered	not considered	not considered	
No. ground safety report / 1000 movements	-	-	≥0.99%	92 (1.19%)	≥1%	26 (0.86%)	
No. of Voluntary Safety Reports per 1000 movements	>1.3% At least 100	106 (1.48%)	≥1.5%	106 (1.37%)	≥ 1.5%	27 (0.87%)	
Vehicle-aircraft collision	<0.08% Max. 6 events	11 (0.15%) (of which three without damages)	≤0.15%	8 (0.10%)	≤ 0.10%	1 (0.03%)	
Vehicle-vehicle collision	<0.17% Max. 13 events	17 (0.23%)	≤0.23%	15 (0.22%)	≤ 0.22%	0.23%	
Vehicle-bridge collision	<0.01 Max. 1 event	1	not considered	not considered	not considered	not considered	
Ramp vehicle spills	<0.4% Max. 30 events	47 (0.65%)	≤0.65%	63 (0.81%)	≤ 0.65%	38 (1.26%)	
Reversing manoeuvres without the aid of an operator	<0.27% Max. 15 events	7 (0.09%)	Modified in the two following indicators		not considered	not considered	
Reversing manoeuvres without the aid of an operator, adjacent stand occupied	-		≤0.08% Max. 6 events	1 (0.01%)	not considered	not considered	
Reversing manoeuvres without the aid of an operator, adjacent stand free	-	-	≤0.17% Max. 12 events	10 (0.12%)	not considered	not considered	
Overruns	<0.06% Max. 5 events	6 (0.08%)	≤0.06%	6 (0.07%)	≤ 0.06%	4 (0.13%)	
Waste from on-board cleaning	<0.40% Max. 30 events	15 (0.20%)	not considered	not considered	not considered	not considered	
Failure to check FOD before a flight arrives	<0.54% Max. 40 events	64 (0.89%)	≤0.85%	37 (0.47%)	≤ 15 reports	15	
Failure to include the obligatory chock in our planeside baggage.	-	-	≤0.34% Max. 24 events	14 (0.18%)	≤ 25 reports	17	
Failure to comply with the no-touch policy	-	-	≤0.34% Max. 24 events	22 (0.28%)	≤ 20 reports	16	
Non-performance of walk-around on arrival	-	-	≤0.17% Max. 12 events	5 (0.06%)	not considered	not considered	
Failure to comply with vehicle movement prohibition following reports of significant safety incidents	-	-	≤0.08% Max. 6 events	2 (0.02%)	not considered	not considered	
Failure or partial monitoring of passengers disembarking on foot	-	-	-	-	≤ 25 reports	15	

The objectives set at the beginning of 2020 were significantly influenced by the pandemic, which resulted in a reduction in staff numbers and long periods of staff absence. The reduced number of flights also significantly affected the 2020

¹⁸ During the year, it was decided not to include two categories of events not considered strictly safety-related among such reports.

objectives and made it necessary to modify the safety performance indicators established in September. Considering the very low traffic forecasts for the last few months of the year and the data collected up to September, which differed little from Q1 2020, activities were focused on improving the indicators, which underwent immediate, albeit minimal, changes, defining the safety performance targets (SPT) for some safety performance indicators.

Wildlife control

'Wildlife Strikes' are violent impacts between aircraft and wild animals (mainly birds), the consequences of which can be very serious. In 2020, Bologna airport recorded **30,139** movements with **23** confirmed impacts (events with no damage, engine ingestion or impact on the flight) involved in calculating the Bird Risk Index, of which **18** involved birds and **5** involved hares. The number of strikes in relation to total traffic volume, effects on flights and the abundance of fauna and species can be used to calculate the **BRI2** (Bird Risk Index), which, for the year 2020, was **0.07**.

The figure for 2020 is slightly higher than for 2019 (0.06) as it was influenced by the number of sightings and the reduction in flights. However this value remains well below the threshold level of 0.5, thus proving the safety of Bologna airport's operations and the effectiveness of the mitigation measures put in place. The drop in traffic has in fact allowed fauna to reoccupy the land, a trend that has been confirmed throughout the airport grounds.

In order to contain the risk of impact, an intervention in the growth of alfalfa, which is particularly attractive to birds, was assessed.

Performance Indicators

2020 - 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	1	0	0	0	0	5,823	5,003	11	0.05
February	3	0	0	0	0	5,419	5,396	9	0.1
March	1	0	0	0	0	2,107	21,829	11	0.01
April	1	0	0	0	0	475	13,253	14	0.01
May	1	0	0	0	0	464	19,058	14	0.02
June	2	0	0	0	0	833	29,260	15	0.12
July	2	0	0	0	0	2,878	11,911	11	0.03
August	2	0	0	0	0	3,671	7,898	11	0.02
September	6	0	0	0	0	2,080	8,578	11	0.28
October	4	0	0	0	0	2,755	14,097	11	0.15
November	0	0	0	0	0	1,899	3,853	10	0
December	0	0	0	0	0	1,735	3,640	11	0
Total	23	0	0	0	0	30,139	143,776	139	0.07

Security

The Security services are in 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 organisational chart stipulates that the Security Director also covers 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 December 2020, AdB Security employed 147 qualified security guards (GPGs), of which 55 in the position of Supervisor (SPV), and 7 in that of Security Passenger Manager (SPM). The Extraordinary Temporary Lay-off Scheme was used in rotation for security guards on duty. 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.

Frontline security personnel come into direct contact with passengers. Following the spread of the virus and in order to guarantee passenger and employee safety, AdB introduced measures to reduce the risk of contagion. With specific regard to security checks, the Group was able to reduce face-to-face contact between staff members and passengers thanks to its patented BEST system. The BEST system makes use of a new methodology that has been authorised and successfully implemented. The system allows security staff to carry out checks on people by positioning themselves behind the passenger rather than in front of them, thereby limiting the opportunity for contagion.

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). Performance assessments for TIP and individual operators takes place every six months, and are organised as a 'cascade' system, meaning that assessments are made by Supervisors (SPVs), who in turn are assessed by Security Passenger Managers (SPMs). The performance assessment system for security guards remained in place during the pandemic.

In order to monitor the application of relevant legislation, AdB performs Quality Controls on a monthly basis. 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. A "Quality Test Cover Report" is prepared after each activity. This is designed to demonstrate levels of efficiency, efficacy and quality in safety procedures, identify the shortcomings and non-compliances of safety services, and offer recommendations and corrective actions to reduce or eliminate these instances of non-compliance. The quality tests continued in 2020 and were only suspended in December, because of the reduced passenger numbers.

Emergency management and business continuity

To ensure the continuity of services in conformity with relevant regulations and industry best practices, AdB has defined an organisational 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. Specifically, it has adopted action plans that describe the mitigation and recovery procedures, a Help Desk for first level operations (available from 5am to 9pm), infrastructure monitoring systems and modern security devices such as firewalls. The various plans are updated where cases of non-conformity or areas with margins for improvement are identified. AdB verifies the effectiveness of its Business Continuity Plan on an annual basis by simulating an event that triggers the implementation of the IT Continuity and Disaster Recovery procedure.

In 2020, the Manager organised a full-scale exercise simulating an incident inside the airport grounds, involving not only the airport, but also the surrounding area. The simulation sought to test the correct application of the PEA (Airport Emergency Plan) and interaction between the various parties involved. It also tested the chain of emergency, the improvement proposals put forward following previous drills, and the management of an aircraft incident during a pandemic through a virtual Emergency Operations Centre (COE) using an online platform.

In the opinion of all participants, the virtual COE provided very satisfactory results in terms of the exchange of information and documents, and it will be steadily introduced in this format.

2.5.6 Communicating with and involving passengers

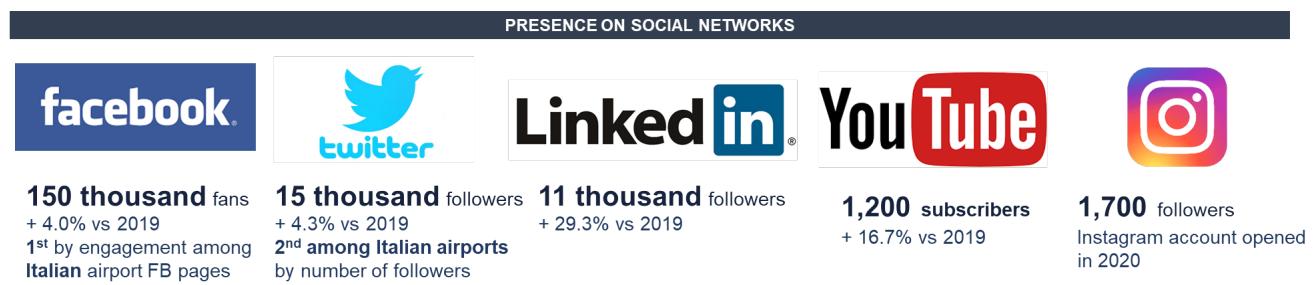
Marketing activities were strongly impacted by the COVID-19 pandemic in 2020. In March, routine flight and service promotion activities came to an almost complete halt following the suspension of air travel and sales activities. The health emergency and the measures taken by the airport to guarantee passenger and employee safety required the marketing team to deliver an exceptional response in terms of speed, efficiency, and workload. The marketing team delivered on its commitment throughout the emergency, in close collaboration with various company departments, thanks in part to the presence of the Press Office on the Task Force set up at the start of the emergency.

A number of important activities were carried out in 2020. The Parent Company worked on topics relating to sustainable development in January and February and also devised a multi-channel advertising campaign through newspapers, social media channels, the Company website, SIE airport monitors, and a maxi billboard in the centre of Bologna. AdB also launched the Marconi Express - People Mover rapid rail shuttle, for which airport signage was created and promotion activities were undertaken on the public transport lines used by the airport community thanks to a comprehensive "MaaS" (Mobility Days) season ticket. In addition, the new BLQ Fitness Lounge airport gym was opened in collaboration with Technogym.

As part of its Innovation Plan, Bologna airport launched the "Bologna Airport 360-Degree Experience" on its website, which is essentially a **virtual tour** of the airport providing information on areas and points of interest in the terminal. Users can watch the tour at home before travelling to the airport. In addition, an **Intranet Day** was organised to raise awareness of the Intranet's collaborative tools in a fun, informative way. The initiative later proved to be particularly useful in light of the pandemic, when remote working rendered it necessary to use online company tools in order to collaborate from home.

From March onwards, the COVID-19 pandemic disrupted marketing plans, leading to the suspension of some activities (for example: the corporate strategy sharing campaign) and the reshaping of others. All face-to-face meetings, including press conferences, were replaced with **online meetings** or new modes of presentation with social distancing.

2020 was also a year of further growth for AdB's **social media channels**. An Instagram channel was added to the Twitter, Facebook, LinkedIn and YouTube channels launched in previous years. The channels with the highest engagement rate – the total number of reactions, comments and shares – were Facebook and LinkedIn.



At the beginning of 2020 Bologna airport also launched a **chatbot** on Facebook Messenger, which reached its full potential during the health emergency. The chatbot provides information on flight statuses in real time, along with weather conditions, what documentation passengers need to bring to the airport, and other useful travel information. Equipped with artificial intelligence, the chatbot is able to answer user questions and to learn from conversations. The project is being developed to include new topics to meet passenger needs. In 2020, the chatbot answered over 62,000 messages.

In recent years, the Group has commenced **video** production activities for both internal and external use (primarily for social media channels). Videos made for Group employees mainly concerned issues relating to the pandemic, such as: the safety measures and behavioural rules to follow, tutorials on how to use and throw away face masks, how to disinfect hands, useful remote working tutorials, a flu vaccination awareness campaign, and advice from the company psychologist on how to cope with the pandemic. The majority of external videos concerned raising awareness on passenger and employee safety, extraordinary maintenance work on the runway, airport operations during the pandemic, and the "stories" of airport operators who continued to provide passenger services.

Communicating with passengers during the COVID-19 pandemic

Communication played an important role in Bologna airport's efforts to manage the health emergency and mainly concerned passengers and airport workers. The airport's website and social media channels were key to providing passengers with timely, up-to-date information, in addition to providing answers to various questions.

A **new section of the website** entitled "COVID-19: Emergency Management and Our Actions for the Future" was devised for passengers and can be accessed directly from the homepage. It lists the actions taken by the operator to guarantee health and safety at the airport. The section also features a Q&A page and videos produced in-house to illustrate the solutions adopted to guarantee passenger safety inside the terminal. Airport customers were also kept informed via a **newsletter**. Information totems, posters, signs, window stickers and images also accompanied and

informed passengers navigating the terminal. The various initiatives and solutions adopted to combat coronavirus were promoted through press releases, interviews, and TV reports.

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.

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. With specific reference to communications, conversations are ongoing with representatives at ENAC, Assaeroporti, and with the press offices of other major Italian (Assaeroporti Communicators Group) and European (the ACI Europe Digital Communication Forum) airports, in addition to the press offices of local authorities, APT Emilia-Romagna, Bologna Welcome, and the Bologna Chamber of Commerce. AdB also collaborated with TPer and the Marconi Express marketing offices with regard to the People Mover.

AdB pays particular attention to the main environmental topics in its relations with institutions, including air quality, noise, energy saving, and the use of alternative energy sources. 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 Region of Emilia-Romagna, 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, with which AdB undertook to carry out works 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, for an initial investment of Euro 6.5 million. In January 2020, the Agreement was updated on the basis of the new 2016-2030 airport Master Plan and new project needs, bringing the Parent Company's investment to Euro 9.3 million. The works include the construction of a large, 40-hectare wooded area north of the airport, with a CO₂ absorption potential of approximately 2,300 tonnes/year, naturalistic conservation works on the SIC IT4050018 "Golena San Vitale" site of community interest, and the design and related financing of a cycle path connecting the airport to the City of Bologna.

Supporting institutions through the COVID-19 emergency

AdB's ongoing, fruitful partnership with the Local Health Unit (AUSL) in Bologna during the pandemic should be noted, which made it possible to set up a testing service dedicated to passengers and the airport community through an appropriate protocol. The AUSL also offered airport employees the opportunity to vaccinate themselves against the flu, as key workers, and a flu vaccination campaign was also promoted on internal communication channels. AdB's communications team remained in constant contact with the communications offices at the AUSL and the Regional Health Department in order to provide passengers with coordinated information on COVID-19. The Border Police and the Air Health Office of the Ministry for Health also provided materials and information useful for AdB communications, to inform and guide passengers in the best way possible.

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 has launched various initiatives and activities over the years, 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.

Unfortunately, due to the pandemic, the events hosted in recent years (Marconi Music Festival, Day of Kindness, Music Festival) were cancelled. The budget for sponsorships and support activities in the local area, albeit reduced, made it possible to support local showcases, such as the Cineteca di Bologna and its Cinema in Piazza initiative. In addition, from July 1 to September 30, the "You Care, We Thank" initiative offered Italian doctors, nurses and health care workers departing from Bologna airport free entry to the Marconi Lounge to thank them for their work. The initiative was promoted across all airport channels, including the website, social media, airport monitors, and press releases.

Finally, in terms of support for the local area, the Group has been collaborating with ANT for several years now. ANT is a non-profit organisation providing free specialist health care to cancer patients at home, at no cost to families. During 2019 and 2020¹⁹, Bologna airport donated approximately 110,000 products collected at security to ANT, including liquids (sealed shampoos, sun creams, perfumes, oil, spirits, water, etc.), abandoned luggage, and 15 hoverboards. Around 270kg of small metal objects (knives, pen knives, tools, and scissors) were also donated. The Group is estimated to have donated at least Euro 110,000 if each product is estimated to be worth Euro 1. This represents an important contribution to the Foundation and resulted in Marconi's receipt of the "Grande Amico ANT" honour as part of the Eubiosia Franco Pannuti 2020 Award, which is traditionally awarded to sponsor companies and organisations in November.

¹⁹ Data updated to September 2020

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 organisational 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 certification standards and regulations 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	■ UNI EN ISO 45001:2018 workplace health and safety certification	■ UNI EN ISO 50001:2018 energy certification	Airport Carbon Accreditation - Level 2
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Despite the pandemic, during 2020 the Parent Company completed the process of aligning its Health and Safety Management System with the new **UNI ISO 45001:2018** standard. It also updated its Energy Management System to comply with the new **ISO 50001:2018** standard and finalised the implementation of its **Fire Safety Management System** (SGSA). The Integrated Management System ensures utmost control of significant environmental impacts, associated risks, internal and external factors, and the governance of improvement policies.

Quality, Environment, Energy and Safety Policy²⁰

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 minimising environmental impact and risks to the health and safety of workers (including accidents and occupational illnesses);
- Guarantee compliance with applicable environmental, occupational 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 occupational health and safety, as well as the prevention and prompt correction of non-conformities with regulations and corporate, national and international standards.

²⁰ Integrated management systems (Quality, Environment, Energy and Workplace Safety and Security) are applied within AdB's organisational 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 Group pays particular attention to noise pollution, since it is the most critical environmental issue affecting the local area. In order to minimise 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. The monitoring system, which is integrated with the tracking radar, produces a significant amount of data, which is processed, made available to citizens and the local community, and used to identify improvement measures.

IRESA

As of January 1, 2020, the Region of Emilia-Romagna has applied **IRESA** (Regional Tax on Aircraft Noise Emissions) as a specifically targeted levy. **Income from the tax will be allocated based on the provisions of the Emilia-Romagna Region** (through specific resolutions), but in any case as a matter of priority: **to the completion of the acoustic monitoring system and acoustic anti-pollution, in addition to further investments and/or indemnities for the residents in zones A and B in the airport's surrounding area**, as defined by the Environmental Ministry Decree of October 31, 1997. IRESA must be paid by airlines, and is applied to every take-off and landing movement. It is calculated on the basis of each aircraft's noise certificate, whether the movement takes place during the day or night, the type of propulsion (propeller or jet), and the direction of take-off or landing. On January 1, 2020, the Parent Company started to levy tax and pay it to the Region of Emilia-Romagna; the drastic drop in traffic also had a significant impact on this revenue.

One of the most critical noise impact issues is the disturbance caused to people residing in overflowed areas. AdB has always strived to build dialogue and cooperation with local authorities through the work carried out by the Airport Commission chaired by ENAC and by the Technical Group for Airport Noise coordinated by the Municipality of Bologna. These technical bodies analyse problems relating to airport noise in residential areas, the management of complaints from citizens, and the identification of potential actions and projects to mitigate and compensate the impact of noise.

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.

During 2020, monitoring and communication activities relating to authorised city-side overflights at night were carried out in the local area in close collaboration with ENAC and ENAV. A section of the website was also devised to display air traffic at the airport in real time, along with the noise levels recorded by the monitoring system control units. The noise study on specific receptors outside the airport noise zone, carried out in accordance with the VIA Masterplan Decree, was completed. The results of the study underwent initial assessments relating to subsequent actions to be taken in agreement with the Airport Commission. Along with the Municipality of Bologna, the Parent Company also committed Euro 200,000 to implementing interventions to mitigate the noise impact of aircraft flying over a nursery in the neighbourhood.

Performance Indicators

Station	LVA [dB(A)] 31/12/2018	LVA [dB(A)] 31/12/2019	LVA [dB(A)] 31/12/2020
P1	65.1	65.6	63.8
P4	61.8	62.0	58.5
P5	55.6	55.1	52.2
P6	62.1	63.5	58.9
P7	54.5	56.3	51.0
P8	52.6	52.6	48.6
P9	n/a	55.1	50.0

The figures presented refer to the noise levels recorded by the noise monitoring equipment located in the residential areas adjacent to the airport. The levels refer to the air traffic recorded during landing and take-off at the airport in the period of reference. As foreseen by the Decree of October 31, 1997, state flights, military flights and flights to transport health care supplies are exempt from airport noise level calculations. The values are below the noise limits established by law for the buffer areas and are constantly monitored. Data from the Airport Noise Monitoring System, consisting of seven permanent

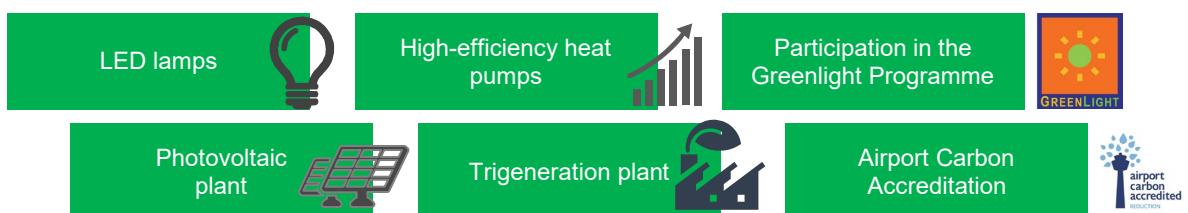
²¹ LVA - Livello di Valutazione Aeroportuale: calculated, in accordance with Ministerial Decree 31/10/1997 "Airport noise measurement methodology", based on the AEL data relating to the three weeks with highest traffic, as defined by the Decree.

environmental monitoring units distributed around the airport grounds. At each of the measuring stations, 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). 2020 saw a sharp drop in the level of airport noise following the drastic decrease in traffic due to the COVID-19 pandemic.

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 optimisation 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.

Energy efficiency initiatives



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. Since 2005, AdB has belonged to the voluntary GreenLight Programme promoted by the European Commission to encourage partner organisations 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. During 2020, activities to **make the lighting systems on boarding bridges more efficient** were completed, and the old lighting bodies on air-side light towers will soon be replaced.

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**. In 2020, 100% of the energy produced by the AdB network was certified electricity generated from renewable sources. Moreover, 50% of the emissions generated by the use of natural gas on site were reversed by compensation certificates relating to third-party certified biodiversity and forest conservation projects. The energy efficiency initiatives permitted a savings of 5,000,000 kWh compared to consumption before they were implemented.

AdB has also participated in various 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. The measurement and assessment of Bologna Airport's carbon footprint is essential in gathering information for the implementation of CO₂ 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. The Group confirms its intention to upgrade its Airport Carbon Accreditation programme to Level 3 in 2021.

As part of the plan to improve its energy and environmental efficiency, AdB decided to construct a new 190 kW photovoltaic system on the roof of the passenger terminal, which will produce over 200,000 kWh of energy.

Following the drastic reduction in air traffic, in 2020, AdB made management changes to its technological systems, which contributed to a significant reduction in energy consumption, as shown in the following table. Specifically, AdB reduced the switch-on times of its lighting and air conditioning systems.

Performance Indicators

Energy consumption within the organization (GRI 302-1)		unit	2018	2019	2020
From non-renewable sources	GJ		86,947	87,871	72,426
<i>Methane gas</i>	<i>m3</i>		2,292,236	2,334,974	1,963,802
<i>Diesel fuel (for heating and generators)</i>	<i>l</i>		10,445	9,818	917
<i>Petrol (for the fleet)</i>	<i>l</i>		15,579	16,882	9,208
<i>Diesel (for the fleet)</i>			95,768	94,621	52,070
From renewable sources	GJ		348	339	282
<i>Photovoltaic (internally generated)</i>	<i>kWh</i>		96,805	94,283	78,204
Electricity acquired	GJ		19,861	18,843	15,486
<i>from non-renewable sources</i>	<i>kWh</i>		253,373	216,280	197,548
<i>certified from renewable sources</i>			5,263,489	5,017,969	4,104,137
Electricity sold					
<i>Internally generated electricity added to the grid</i>	<i>kWh</i>		8,172	64,273	89,280
Total consumption	GJ		107,156	107,053	88,193
From non-renewable sources	GJ		87,859	88,649	73,137
From renewable sources			19,297	18,404	15,056

In 2020, total energy consumption dropped in line with the fall in air traffic. With regard to photovoltaic energy production, the decommissioning of the photovoltaic system on the roof of the passenger terminal and the decommissioning of diesel heaters lead to a reduction in the data relating to diesel (for heaters and generators).

In 2020, AdB's consumption of methane gas resulted from a new contract signed by the Group to purchase gas associated with CO₂ emission offsetting certificates. 50% of the natural gas consumed by the Group was offset and linked to projects certified by the VCS international standard.

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. AdB S.p.A. and Tag Bologna S.r.l. record the energy they consume separately, while the energy consumed by FFM is accounted for in its entirety within the energy consumed by AdB S.p.A. Over the next few years, TAG is committed to recording the consumption of diesel by generators (currently not included in the data) and to setting up a vehicle monitoring system that will distinguish between petrol and diesel fuel consumption, which are currently recorded together under fuel consumption attributable to TAG.

Energy intensity (GRI Standard 302-3)		unit	2018	2019	2020
Energy consumption	GJ		107,156	107,053	88,193
Number of passengers	N.		8,506,658	9,405,920	2,506,258
Energy intensity	GJ / No.		0.0126	0.0114	0.0352

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

Total emissions (GRI 305-1, 305-2)		unit	2018	2019	2020
Direct (Scope 1) GHG emissions		t CO₂	4,850.4	4,929.0	4,033.9
<i>Methane gas</i>			4,534.0	4,613.9	3,872.6
<i>Diesel fuel (for heating and generators)</i>		<i>t CO₂</i>	27.6	26.0	2.4
<i>Petrol (for the fleet)</i>			35.7	38.9	21.2
<i>Diesel (for the fleet)</i>			253.0	250.2	137.7
Energy indirect. (Scope 2) GHG emissions					
<i>Electricity – Market-based</i>	t CO₂	124.5	104.5	92.0	
<i>Electricity – Location-based</i>	t CO₂	1,773.5	1,654.0	1,273.3	

In 2020, emissions dropped in line with the fall in air traffic and the measures taken to reduce operating costs. 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. Specifically, the factors applied for Scope 1 and Scope 2 emissions (location-based approach) are those defined by ISPRA in the "Italian Greenhouse Gas Inventory 1990-

2018 (National Inventory Report 2020)". Scope 2 emissions (market-based approach) are defined in the "European Residual Mixes" document published and updated annually by the Association of Issuing Bodies.

The change in emissions in 2020 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 305-4)	unit	2018	2019	2020
Total emissions ²²	t CO ₂	4,975	5,033	4,126
Number of passengers	N.	8,506,658	9,405,920	2,506,258
Emissions intensity	t CO ₂ / No.	0.000585	0.000535	0.001646

The table shows that the drop in passenger numbers (-73%) is not directly proportional to the drop in energy consumption, which led to an increase in emissions intensity. In fact, despite the drop in traffic, the airport remained open and operational, requiring a certain amount of energy to do so.

²² Total emissions used to calculate intensity include Scope 1 emissions and Scope 2 emissions, the latter of which are calculated according to the market-based method

2.6.3 Air quality

With reference to air quality management, the airport is equipped with a monitoring system (since 2018), which includes two permanent measurement stations located near the airport grounds. The airport business is in itself a source of atmospheric pollution through its management activities and aircraft, which contribute significantly to its total emissions. The airport is also located within a geographical area already affected by a high degree of atmospheric pollution coming from road traffic.

The results of monitoring activities do not reveal any particular correlations between air traffic and the data recorded, considering the location of the stations (in an urban environment and therefore subject to other sources) and the volatility of the emissions released by aircraft during take-off and landing. In any case, the data are verified and validated by the Regional Environment and Energy Agency (ARPAE) and published on the airport company website.

Performance Indicators (GRI G4-AO5)

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

Bologna – average nitrogen dioxide (NO_2) monthly values						
NO2 ($\mu\text{g}/\text{m}^3$)	2018		2019		2020	
Annual limit: 40 $\mu\text{g}/\text{m}^3$ annual average	Lippo	Aguacchi	Lippo	Aguacchi	Lippo	Aguacchi
January	n/a	n/a	86	87	77	77
February	n/a	n/a	95	93	78	77
March	n/a	n/a	89	80	58	55
April	n/a	n/a	65	57	39	37
May	n/a	n/a	44	46	35	34
June	n/a	n/a	53	44	35	38
July	n/a	n/a	49	44	42	40
August	n/a	n/a	51	46	41	45
September	70	72	59	54	56	61
October	70	77	61	60	58	60
November	57	63	55	53	54	63
December	71	75	66	69	51	61
Bologna – average particulate (PM10) monthly values						
PM10 ($\mu\text{g}/\text{m}^3$)	2018		2019		2020	
Annual limit: 40 $\mu\text{g}/\text{m}^3$ annual average	Lippo	Aguacchi	Lippo	Aguacchi	Lippo	Aguacchi
January	n/a	n/a	35	38	-	44
February	n/a	n/a	36	41	33	33
March	n/a	n/a	22	24	23	22
April	n/a	n/a	16	16	16	14
May	n/a	n/a	9	9	12	11
June	n/a	n/a	21	22	11	10
July	n/a	n/a	18	18	14	13
August	n/a	n/a	18	17	15	13
September	19	20	15	16	16	14
October	24	28	28	43	16	15
November	22	25	16	16	39	38
December	32	35	30	29	24	23

The data refer to the average monthly air quality values measured by the fixed monitoring stations located outside the airport grounds, in the Municipality of Bologna and in the Municipality of Calderara. The data reveal a trend in the concentration of pollutants that does not directly correlate to air traffic. The measurement stations are located in urban areas and aircraft emit pollution at a high altitude, resulting in the high dispersion of pollutants in the air.

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 minimise consumption.

It should be noted that no processing activities involving specific uses of the water resource are carried out at Bologna airport (with the exception of the plant room's cooling towers). As such, usage mainly concerns toilets, catering services, the irrigation of green areas, and the washing of airport vehicles. Consequently, water consumption optimisation primarily relates to **rainwater recovery initiatives** and a specific project is underway on an airport building that has been deemed suitable to host a dedicated system. As part of the activities to reduce its environmental impact, AdB has decided to reduce its water consumption by installing a **rainwater collection system** on the roof of the RMR (Ramp Vehicle Shed) for "aviation" purposes.

As regards the **quality of waste water**, discharge analysis shows that the Group operates in compliance with the limits set by the legislation (Legislative Decree No. 152/06). Specifically, the most critical figure relates to the COD parameter, which is tied to the use of de-icing fluid 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. The objective set to collect all de-icing liquid in dedicated containment tanks next to the de-icing apron can be considered fully achieved as of 2020. This process strongly mitigates the airport's environmental impact on the water environment. Finally, from an operational point of view, it should be emphasised that de-icing activities carried out near the runway and on engines allow the airport to better respect holdover times, i.e., the time between the end of the de-icing process and the reformation of ice or the accumulation of snow on treated surfaces, without the risk of having to repeat the operation, which would negatively impact the treatment's effectiveness.

Performance Indicators

Water withdrawal (GRI 2018 303-3)	unit	2018		2019		2020	
		Fresh water	Other types of water	Fresh water	Other types of water	Fresh water	Other types of water
Source of water withdrawal:							
Wells	m ³	39,527	-	29,992	-	38,113	-
Municipal water		77,369	-	66,950	-	29,791	-
Total	m ³	116,896	-	96,942	-	67,904	-

Water consumption fell due to the drop in air traffic. All of the water withdrawn by the Group comes from water-stressed areas, according to Aqueduct's Water Risk Atlas Tool (World Resource Institute). The water used by AdB (from wells and the municipal network) is drinkable as per the analysis carried out and is considered "fresh water". The assessment of water drawn refers to water utility consumption by AdB (including FFM and TAG).

Parameter	unit	Sewer discharge data			Parameter values Legislative Decree 152/06	
		Average annual value				
		2018	2019	2020		
COD	mg/l	30.66	68.40	85.50	500	
Hydrocarbons	mg/l	0	3.9	0	250	
Suspended solids	mg/l	5.52	6.3	50.25	80	

2020 saw an increase in the total suspended solids, which may be attributable to the waterproofing of the tank using clay. The table shows the average values recorded during the various airport run-off water quality chemical analyses conducted during the year. The area is the airport grounds, including the rainwater collection system that serves airport and operator activities within the airport grounds. These data refer to the water quality parameters of the run-off water overflow system at the Olmi Quarry (Discharge C) and the water collection site associated with it (Fosso Fontana).

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 industrial processes through which to reduce waste, the Group is committed to maximising waste separation and recycling, in collaboration with the municipal administration and the urban waste collection services manager.

For 2019-2020, as per Region of Emilia-Romagna requirements, a plan to minimise the use of single-use plastics was implemented, initially to reduce the production of plastic bottles. The focus on waste management issues is mainly concentrated on responsible waste sorting and disposal. This is mainly non-hazardous special waste that cannot be directly reused within the context of such activities. In particular, it should be noted that the non-hazardous waste produced by the airport and collected by the urban waste collection service is delivered to the Sant'Agata Bolognese waste-to-energy plant and contributes to the production of biomethane.

2020 saw a reduction in the total waste generated due to the sharp fall in passenger traffic owing to the pandemic. Nonetheless, AdB initiated discussions with the multi-utility company dealing with waste collection to define a set of shared initiatives regarding the recovery and reuse of waste produced by the airport.

Performance Indicators

Waste generated (GRI 306-2)	unit	2018	2019	2020
Fraction by MSW	kg	241,540	302,650	96,330
Special non-hazardous waste		502,729	448,810	242,882
Hazardous waste		50,472	84,333	23,888
Dry residual fraction		780,590	767,340	348,240
Total waste produced	kg	1,575,331	1,603,133	711,340
Waste diverted from disposal (GRI 306-2)	unit	2018	2019	2020
Hazardous waste				
R13 - accumulation of material for waste recycling and recovery	kg	12,939	14,620	8,378
Non-hazardous waste				
Recycling	kg	444,836	488,156	185,215
Composting		9,400	11,900	5,200
R13 - accumulation of material for waste recycling and recovery		95,030	7,930	2,180
R12 - Exchange of waste to be subjected to one of the disposal operations indicated in R1 to R11				852
Total waste diverted from disposal	kg	562,205	522,606	201,825
Waste destined for disposal (GRI 306-2)	unit	2018	2019	2020
Hazardous waste				
Waste-to-energy	kg	37,478	69,713	15,510
Disposed of to landfill		55		
Non-hazardous waste				
Waste-to-energy	kg	570,373	598,873	245,821
Disposed of to landfill		405,220	411,941	56,184
Physical-chemical treatments (e.g., evaporation, drying, liming, etc.)				192,000
Total waste for disposal	kg	1,013,126	1,080,527	509,515

It is worth considering that urban waste is generated by a multitude of activities serving passengers (shops, restaurants, various work activities) as well as by airport users. The same goes for special waste, which is produced within the context of specific airport operations and fell drastically in 2020 as it is mainly linked to air traffic. PPE worn to protect from COVID-19 is considered unsorted waste in accordance with the relevant legislation.

2.7 Investing in people and their professional development



CARE

AdB is committed to supporting people in their work and to building an organisation capable of responding to evolving market demands. **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 an Ethics Code 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.

The fundamental values socially and universally recognised by AdB are: legality, integrity, ethics, respect for individuals, protecting human and environmental health and safety, quality, fair competition, and transparency and truthfulness of information. Compliance with the Ethics Code 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 Ethics Code 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.

Supporting employees through the COVID-19 pandemic

Following the impact of the pandemic on Italy from March onwards, the AdB Board of Directors confirmed the validity of the Group Strategy but also deemed it necessary to redefine the priority actions to be implemented to tackle the emergency situation. The guidelines characterising HR management during the pandemic sought to:

- Protect the health of employees during the pandemic;
- Safeguard employment at the AdB Group by bringing activities in-house;
- Rethink the Group's business and operational model to better plan for recovery.

A plethora of measures were put in place throughout the year to deal with the emergency and to prevent the spread of infection. Among these was a **widespread internal communication campaign** to raise awareness of the provisions adopted and the main recommendations in place to combat the spread of the virus. Constant regulatory updates were also provided through a dedicated section of the company Intranet, signs, screensavers on company PCs, and video messages, etc.

In addition, **work spaces were restructured** (including offices, meeting rooms, refreshment areas, etc.) to allow for social distancing and hand gel dispensers were also installed. PPE was given to all employees coming into contact with the public (FFP2 masks, gloves, visors, plexiglass panels in front-line areas, etc.) and to those in administrative offices (surgical masks, gloves, plexiglass between workstations, etc.). A **plan was also drawn up to reduce office attendance** through the use of remote working, the extension of **flexible clock-on and clock-off times** and the use of videoconferencing via an online platform.

Finally, the Group undertook to **monitor employee health** by measuring their body temperature at the entrance to the company premises and at passenger terminals, and by launching a **serological and antigenic testing campaign** to investigate suspected cases.

2.7.1 Management of personnel

With its workforce of **471** people at December 31, 2020, of which **47%** women, the Group sees the management and development of its human resources as a driving force for the development and competitiveness of the airport. In fact, people, and their individual skills and abilities in guaranteeing a quality service are fundamental components of the Group's business strategy. The serious economic-financial crisis that has plagued the Group following the pandemic made it necessary to resort to the support of the Extraordinary Temporary Lay-Off Scheme for employees of AdB (starting from March 21, 2020) and FFM (from April 1, 2020) for 12 months. On the other hand, TAG did not need to resort to the support of lay-off schemes to reduce staff members and to tackle the particularities of the general aviation market. The average use rate of the Extraordinary Temporary Lay-Off Scheme in 2020 was 32% for AdB and 47% for FFM. Executives, who were excluded from the application of the Extraordinary Temporary Lay-off Scheme, agreed to a 10% reduction in their gross remuneration, together with members of the Board of Directors who waived 10% of their remuneration. These waivers were all made in favour of the Welfare Plan for other employees, and allowed a sum of Euro 350 to be offered to each employee on the Welfare Platform, to be spent on medical, school, transport or shopping vouchers.

Communicating with employees during the COVID-19 pandemic

Transparent and extensive communication was considered a top priority when managing the crisis to ensure that employees were kept up to date on the rules and regulations introduced by the Company and on the main national regulatory updates²³. Despite the significant difficulties arising from the spread of the pandemic, and the climate of job uncertainty, AdB employees recognised the Group's commitment to safeguarding employment and health and safety in the workplace. In fact, the airport was voted the best Italian airport to work at and one of the top 400 companies in Italy based on employee welfare, corporate climate, and growth and training opportunities. The companies were ranked based on the results of the Italy's Best Employers 2021 Survey, which was carried out by the Statista Study Centre and involved 12,000 employees at Italian companies. The results were published in the *Corriere della Sera* in October 2020. A specific "HR Mission" award was also awarded by the AIDP (Association for Personnel Management) at a national level to companies who successfully managed workplace safety during COVID.

The Company also communicated the various government and corporate provisions on workplace and home-based safety to its employees. The adoption of remote working resulted in a new cohort of employees experiencing different needs and difficulties to those working from the office. In light of this situation, new methods to meet and share information remotely were devised, such as a **CEO Chat** with the Chief Executive Officer and an **In-House Meeting Online**, which saw the participation of over 150 employees.

The mass sending of **communications** to the corporate community **via CRM** and the corporate Intranet greatly helped to provide AdB Group employees with in-depth information. In particular, to keep employees up to date on COVID-19 and to best cope with the difficult time in people's working and private lives, an **ADB LIFE - Special Coronavirus** section of the Intranet was launched to coincide with the first national lockdown. The section, conceived as an online newspaper, features news articles and stories from most departments, in addition to new welfare opportunities, updates on safety measures to safeguard employee health, news on opportunities and online services offered to employees, and editorials from the senior management team to explain the situation in a clear and consistent way from a business perspective over time. Regulatory references are also uploaded to the document section. The news section on the magazine homepage has the most views since the AdB Intranet was launched, with 2,639 views. Overall, more than 80 news articles were published on the Company Intranet over the course of the year.

In terms of HR selection and recruitment activities, 2020 was characterised by the almost total absence of new hires, although some new employees were welcomed in January and February, and a few additions were made to the workforce in the summer months to cope with a brief increase in passenger traffic. Job rotation plans were created to encourage employee commitment, allowing some administrative employees with reduced workloads to make themselves available as facilitators in order to help passengers safely access airport services, and to enforce social distancing and other anti-contagion regulations. Furthermore, new growth and development opportunities were created for employees through internal job postings and opportunities. These involved the whole Group.

²³ For more information, see Paragraph 2.5.6 *Communicating with and involving passengers*.

Attracting talent - Talent Program

In order to capitalise 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.

Given the almost total absence of new hires in 2020 and the difficult economic and financial situation, the Company's Talent Program focused on retaining talent and employees with the highest added value through a plan to improve the engagement of young people, which also included the SOUND Project. The idea was to keep key professional skills within the Group and to prevent the effect of the economic crisis from depriving AdB of its most qualified and talented employees. In addition, the Group has planned to launch its Young Talent Retention Project in 2021, which will involve a regular round-table discussion between young employees from various corporate departments, in order to increase engagement and encourage their retention.

Performance Indicators

Workforce (GRI Standard 102-8)	unit	31/12/2018			31/12/2019			31/12/2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	No.	278	250	528	293	255	548	250	221	471
Other collaborators (contracted)		5	3	8	16	11	27	-	-	-
Interns		-	1	1	-	1	1	-	-	-
Total		283	254	537	309	267	576	250	221	471
Employees by contract type (HC)	unit	31/12/2018			31/12/2019			31/12/2020		
Fixed-term contracts		Male	Female	Total	Male	Female	Total	Male	Female	Total
AdB S.p.A.		39	42	81	44	36	80	1	2	3
Fast Freight Marconi S.p.A.		38	42	80	43	35	78	1	1	2
Tag Bologna S.r.l		-	-	-	-	1	1	-	1	1
Permanent employees		1	-	1	1	-	1	-	-	-
AdB S.p.A.		239	208	447	249	219	468	249	219	468
Fast Freight Marconi S.p.A.		232	190	422	239	202	441	238	203	441
Tag Bologna S.r.l		2	13	15	3	13	16	3	13	16
Total		5	5	10	7	4	11	8	3	11
Employees by employment type	unit	31/12/2018			31/12/2019			31/12/2020		
Full-time employees		Male	Female	Total	Male	Female	Total	Male	Female	Total
Part-time employees		211	145	356	226	154	380	216	148	364
Total		67	105	172	67	101	168	34	73	107

The number of AdB employees dropped significantly in 2020, following the termination of fixed-term contracts and supply contracts due to the drop in passenger numbers. The most significant changes occurred in the operating sectors (security, PRM, info, parking). There were no significant changes at FFM or TAG.

Despite the numerous terminations in 2020, the percentage of women among Group employees continues to remain stable, at 47%. On the other hand, the presence of young people under the age of 30 decreased due to the termination of fixed-term contracts, which affected that age group in particular.

Number of new hires (GRI Standard 401-1)	unit	2018			2019			2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Part-time employees	No.	97	84	181	70	64	134	24	11	35
below 30 years of age		66	45	111	43	39	82	16	5	21
between 30 and 50 years of age		31	37	68	26	23	49	8	6	14
over 50 years of age		-	2	2	1	2	3	-	-	-
Permanent employees		17	10	27	10	5	15	5	1	6
below 30 years of age		9	2	11	4	1	5	1	-	1
between 30 and 50 years of age		7	7	14	6	4	10	4	1	5
over 50 years of age		1	1	2	-	-	-	-	-	-
Total		114	94	208	80	69	149	29	12	41
below 30 years of age		75	47	122	47	40	87	17	5	22
between 30 and 50 years of age	unit	38	44	82	32	27	59	12	7	19
over 50 years of age		1	3	4	1	2	3	-	-	-
Number of employees leaving the company (GRI Standard 401-1)		2018			2019			2020		
Part-time employees		Male	Female	Total	Male	Female	Total	Male	Female	Total
below 30 years of age		71	73	144	58	55	113	65	45	110
between 30 and 50 years of age		49	37	86	36	31	67	40	22	62
over 50 years of age		22	36	58	21	22	43	25	21	46
Permanent employees		-	-	-	1	2	3	-	2	2
below 30 years of age		8	-	8	9	7	16	7	1	8
between 30 and 50 years of age		2	-	2	1	1	2	-	-	-
over 50 years of age		2	-	2	3	5	8	1	1	2
Total		79	73	152	67	62	129	72	46	118
below 30 years of age		51	37	88	37	32	69	40	22	62

<i>between 30 and 50 years of age</i>		24	36	60	24	27	51	26	22	48
<i>over 50 years of age</i>		4	-	4	6	3	9	6	2	8

New hires decreased significantly in 2020 compared to previous years. Only a few permanent hires were made in the first few months of the year, and some seasonal employees were also hired to assist with the slight uptick in passenger traffic in the summer months. The turnover rate, on the other hand, remains in line with previous years, at 26%. This is because employees were hired and terminated on seasonal contracts to cover traffic peaks during 2018 and 2019.

Incoming turnover rate	unit	2018			2019			2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total	%	41%	38%	39%	27%	27%	27%	12%	5%	9%
<i>below 30 years of age</i>		183%	162%	174%	100%	125%	110%	100%	42%	76%
<i>between 30 and 50 years of age</i>		23%	26%	24%	19%	17%	18%	8%	5%	6%
<i>over 50 years of age</i>		1%	6%	3%	1%	3%	2%	0%	0%	0%
Outgoing turnover rate	unit	2018			2019			2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total	%	28%	29%	29%	23%	24%	24%	29%	21%	25%
<i>below 30 years of age</i>		124%	128%	126%	79%	100%	87%	235%	183%	214%
<i>between 30 and 50 years of age</i>		15%	21%	18%	14%	17%	15%	17%	15%	16%
<i>over 50 years of age</i>		5%	0%	3%	8%	5%	7%	8%	3%	6%

The inbound turnover rate for 2020, calculated on the basis of permanent employees only, was 1.3%, down from 3.2% in 2019. When excluding terminations resulting from expiring fixed-term contracts and seasonal contracts from the turnover calculation, the turnover rate drops to 1.5%²⁴, compared to 3.4% in 2019.

²⁴ The rate has been calculated on the basis of seven outgoing indefinite-term contracts of a total of 468 indefinite-term employees at December 31, 2020

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. 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, against a European average male-female pay gap of 16.3%, AdB exhibits substantial parity in economic treatment, with a gender pay gap of just **0.7%**. AdB rewards employees' efforts through variable bonuses and professional development remuneration policies, with the aim of developing new skills, evaluating the remuneration paid and comparing it for reference to market averages. 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. In this regard, in September 2020, AdB was featured as one the top 200 Italian companies for women in a ranking by the German Institute for Quality and Finance - ITQF, published in the *Affari & Finanza* section of *La Repubblica*.

CAPO D: the "Business Community for Equal Opportunities"

Since June 2019, the Group has been part of the "Capo D" network, which brings together some of Bologna's most active and relevant companies in the areas of welfare, equal opportunities and organisational well-being. The result is a true Community of Businesses for Equal Opportunities, united in close collaboration with the region's public institutions (Metropolitan City and the Municipality of Bologna). The companies are pumping energy into this initiative by signing a network contract (lasting 15 years, until December 31, 2034) to pursue strategic objectives to promote equal opportunities and awareness on the issues of work-life balance, corporate welfare and organisational well-being, with the aim of creating a shared company system to train employees of both genders, to contribute to their cultural growth, to provide career growth opportunities to traditionally penalised individuals in certain industrial sectors, to promote collaboration with local public institutions, and to share strategic guidelines aimed at fostering sustainable development and equal opportunities.

A few related events took place in 2020, including the Passa Parola theatre event, which was open to students from schools in Bologna to attend either in person or remotely. The initiative was dedicated to developing a culture of equal opportunity. In addition, the Taking Care of People Workshop was dedicated to managing people during COVID-19 and was aimed at members of the People and Organisational Development Department.

TOGETHER FOR WORK

As part of its social, territorial, and equal opportunity responsibilities, AdB participates in the **Together for Work** project. The project helps those with low job-seeking autonomy enter the world of work, by increasing their motivation, supporting their basic and specific education, and guaranteeing them specific tutoring within companies. The project was born of a collaboration between the Municipality, the Metropolitan City and the Archdiocese of Bologna, and includes associations, trade unions and non-profit organisations.

Performance Indicators

Employees (GRI Standard 405-1)	unit No.	31/12/2018			31/12/2019			31/12/2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives		7	3	10	7	2	9	7	2	9
<i>below 30 years of age</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years of age</i>		3	2	5	2	1	3	1	1	2
<i>over 50 years of age</i>		4	1	5	5	1	6	6	1	7
Managers		16	14	30	20	15	35	20	15	35
<i>below 30 years of age</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years of age</i>		10	8	18	13	6	19	13	6	19
<i>over 50 years of age</i>		6	6	12	7	9	16	7	9	16
White-collar		158	229	387	171	236	407	142	202	344
<i>below 30 years of age</i>		24	29	53	28	32	60	7	12	19
<i>between 30 and 50 years of age</i>		95	158	253	101	153	254	91	136	227
<i>over 50 years of age</i>		39	42	81	42	51	93	44	54	98
Blue-collar		97	4	101	95	2	97	81	2	83
<i>below 30 years of age</i>		17	-	17	19	-	19	10	-	10
<i>between 30 and 50 years of age</i>		56	4	60	56	2	58	50	2	52
<i>over 50 years of age</i>		24	-	24	20	-	20	21	-	21
Total		278	250	528	293	255	548	250	221	471
<i>below 30 years of age</i>		41	29	70	47	32	79	17	12	29
<i>between 30 and 50 years of age</i>		164	172	336	172	162	334	155	145	300
<i>over 50 years of age</i>		73	49	122	74	61	135	78	64	142

2.7.3 Performance assessment

AdB's performance assessment policy is based on various components: an objective assessment, linked to the achievement of specific corporate and individual targets, and a subjective assessment, based on the core competencies inherent to individual roles.

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.

Following the spread of COVID-19 in March 2020, the performance assessment system was suspended due to the high incidence of absence following the introduction of the Extraordinary Temporary Lay-Off Scheme, which made it difficult to observe and evaluate skills on a daily basis as part of a continuous feedback system. The assessment system remained in place for shift workers in the Security department, in accordance with the provisions of the law.

Bologna Business School studies AdB's assessment system

During 2020, AdB's assessment system was studied and expanded by a group of students from Bologna Business School, as part of a project in collaboration with the Italian Association of HR Management. The aim of the project was to introduce a new skills-based system and assessment methodology for AdB that would include new skills relating to the introduction of remote working and methods for observing behaviour and providing feedback to inter-departmental teams (e.g., the Sound Project).

The results presented by the students were decidedly interesting. Among them was a suggestion to implement a "peer" assessment system and to update the skills dictionary to include digital skills introduced through remote working. These ideas will be studied in depth and carefully assessed once activities resume and the assessment system is reactivated.

2.7.4 Training

In an increasingly hyper-connected, global, and constantly evolving labour market, investing in people and developing their skills is a strategic choice that can help to grow business. People are a core component of any organisation. They possess knowledge, skills, experience and personal qualities, and they generate value. Training people involves promoting organisational development. Training courses must also present opportunities to tackle and overcome current challenges in order to build a future based on growth, progress, and innovation.

Skill growth and development

Core, departmental, and role-specific competencies

In line with this vision, at AdB, training is viewed as a corporate process used to achieve certain business objectives, and constitutes a key way to manage and develop human resources. The company firmly believes in promoting the development of the organisation 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 airport is a complex organisation, characterised by a multitude of activities, which are carried out by staff at AdB and the organisations that work and/or provide services in and for the airport. The Management Company is responsible for defining and ensuring high levels of safety, which must be shared by every person, employee and third-party that operates or provides services at Bologna Airport. As such, the Management Company establishes, guides and implements training programmes designed to promote safety, including through awareness of roles and responsibility, and understanding of working procedures.

In 2020, 13,403 hours of training were provided, of which over 7,300 involved compulsory training

Training is divided into two macro-areas: a technical-operational area based on specific roles and related training paths, and a managerial area involving the development of soft skills, one-to one coaching, and inter-departmental projects. 2020 was a particularly unusual year due to the COVID-19 pandemic. All classroom courses due to take place at the Training Centre or off-site were suspended in mid-March due to the pandemic and the related ministerial provisions. The Training Centre subsequently underwent an accelerated **digital transformation** and immediately started to deliver online video courses through a company platform, weighing up the various options and training instructors on how to use certain tools. The goal was to continue to deliver compulsory courses relating to certification and licencing deadlines (e.g., airport licences) or the need to train employees and third-party operators in new skills.

Likewise, in order to facilitate attendance on these courses, and to make better use of the reduced number of instructor hours available, work is underway to design and launch a series of digital courses for internal staff and third-party operators, which will be delivered and managed through the Success Factor platform. These courses will be made available on mobile phones and will offer excellent flexibility, making it possible to "exploit" dead time and availability.

To ensure a high level of safety, the Training Centre devised an e-learning course in 2020 **for employees who worked for the airport manager and its various operators and who were returning to work after a sustained absence** during the lockdown. The aim was to maintain staff professionalism levels after an absence of 60 days or more. In addition, during the first two months of 2020 the **BIM (Building Information Modelling)** project started, on the adoption of a new method to optimise the planning, implementation and management of construction of a building until its disposal. Also in the first two months of 2020 the **Lean 5S Methodology** training project was delivered, to optimise working standards and therefore improve operating performance. This involved two pilot groups: PRMs (employees who assist passengers with reduced mobility) and their managers, and office maintenance employees and their managers. In addition, a two-day course was organised on the **Process of Change Management** at airports in accordance with EU-EASA regulations, which was delivered by two external experts. Due to the topic's cross-company relevance, around thirty people from different corporate departments were involved in the training process.

Sustainability Training

In late 2020, a financed training plan was organised, within the area **“Sustainable Innovation and the Green Economy”**, targeting the Management Board and some managers involved in the development of sustainability projects in order to promote and disseminate the Company's sustainability culture. Sustainability represents an important challenge for all of Italy's economic players, including those in the Aviation sector, and it is now recognised as an indispensable medium and long-term growth asset. Topics relating to climate change require companies to adapt their business priorities in order to respond to the specific environmental, social and economic needs that are emerging. In this sense, sustainability represents a decisive factor in building and maintaining a solid and trusting relationship with stakeholders and local communities.

The purpose of the 16-hour training course was to consolidate managerial skills when overseeing environmental sustainability topics and when correctly and effectively promoting the Group's sustainability policies and projects. A culture of sustainability will only be fostered through a greater awareness and knowledge of the processes and dynamics of Corporate Social Responsibility, and by rendering action more effective and concrete.

Performance Indicators

Training hours per capita (GRI Standard 404-1)	unit	2018			2019			2020		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	Hours /No.	29	24	27	38	36	37	33	24	28
Executives		51	40	47	83	71	81	48	33	45
Managers		43	29	36	71	49	61	49	40	45
White-collar		29	24	26	44	35	39	34	22	27
Blue-collar		25	19	25	15	13	15	25	21	25

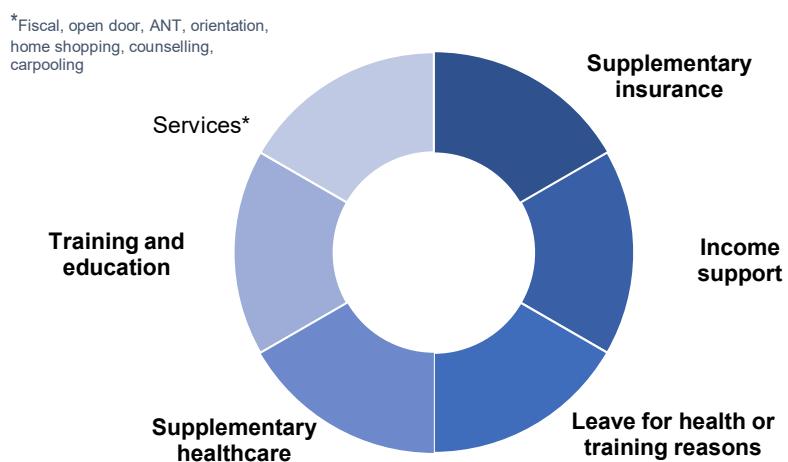
Training hours by subject	unit	Hours		
		2018	2019	2020
Compliance	No.	1,854	3,808	4,069
Safety		2,006	1,698	1,232
Managerial		3,645	6,378	2,529
DGR		944	492	696
PRM		1,151	376	581
Security		2,867	5,756	2,268
Safety		1,644	1,518	1,391
Environment (topics related to sustainability)		-	-	460
Other		-	198	177
Total		14,110	20,224	13,403

The reduction in training hours in 2020 is owed to the impact of COVID-19, which resulted in the suspension of all classroom courses and training trips from March 2020. As of March, mainly courses that are compulsory by law or in accordance with airport regulations were provided.

2.7.5 Employee well-being 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, dedicated surveys are used to monitor engagement, employee satisfaction, and belief in the Group's strategy and values. Of particular importance is the Corporate Spirit Air People Survey programme promoted by ACI Europe (Airport Council International - Europe), which brought to light certain company strengths recognised by employees, including the Welfare Programme and the attention paid to employee well-being. During 2020, the AdB Group collected the opinions of employees on its management of the COVID-19 emergency, as described above.

In order to safeguard corporate welfare, AdB has built a solid welfare system over the years, which forms part of the 'generative bargaining' characterising 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:



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 organisational well-being reduces conflict, absenteeism and employee turnover.

For some time now, AdB has provided flexible benefits²⁵, which can be accessed by all permanent employees and converted into the purchase of goods and services. There are also numerous initiatives promoted in the area of **health and social security**, which offer better conditions than those provided for by sector collective bargaining, also thanks to specific agreements reached together with the corporate trade union. Thanks to a partnership with the ANT association, a number of sessions dedicated to the **early diagnosis of thyroid cancers** were organised and a total of 48 free checks were made available to employees of the AdB Group, in full compliance with COVID-19 regulations. In addition, a flu vaccination service was provided in partnership with Bologna AUSL in 2020.

Finally, a **consultation point** is available to all employees. This is staffed by a dedicated occupational psychologist, who provides support for employees in difficulty, whether at work or in their private lives. The point remained in operation in 2020, and many of the meetings were conducted remotely through the use of an online platform. Numerous issues relating to the psychological impact of the pandemic and the wide use of remote working were addressed.

AdB supports a healthy **work-life balance** through various initiatives, including hourly flexibility, the "ComeTe" service, which allows people to access various services to facilitate the resolution of every-day and family problems, and a new gym for the airport community and passengers of the Marconi Business Lounge. In 2019, AdB also signed an agreement with the relevant Trade Unions to provide support during working hours for single parents of young children, establishing an "**Hour Bank**", which collects holiday hours donated by other

²⁵AdB 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.

workers for the use of colleagues with disabled children, or those in particularly disadvantaged circumstances.

Despite the economic crisis, employees were also guaranteed access to services on the Welfare Platform in 2020.

AdB supports its employees through COVID-19

Several initiatives were added to the AdB Welfare Plan during the pandemic, including the stipulation of **a health care policy to cover COVID-related hospitalisations** in 2020. Thanks to the support of the ASL Health Unit at the airport and the Cavour Diagnostic Centre, AdB was able to launch a **COVID-19 screening** campaign for its employees, which will continue into 2021, with the execution of rapid antigen tests. Furthermore, in the last few months of 2020, AdB provided the **flu jab** to Group workers who requested it. Several initiatives are also in place to help employees manage family life and to reconcile their private and working lives during the emergency, including:

- The introduction of the **Smart Working Emergency** project for 120 non-shift workers (who were compatible in terms of their duties and the need to provide essential services);
- **Flexible clock-on** (8am to 12pm) and **clock-off** (4pm to 8pm) times.
- **The extension of the single-parenting agreement and the Hour Bank agreement** to help single parents with children under the age of eighteen, or with children with severe disabilities, during working hours, plus the granting of holidays and permits;
- The **granting of extended periods** of voluntary redundancy in the case of particular organisational needs.

In 2020, two major surveys were sent out to Group employees. One of the surveys aimed to **collect initial impressions on the introduction of remote working** at AdB. The survey was sent out as part of a project carried out by a group of students from Bologna Business School, and in collaboration with organisations belonging to the Tavolo SmartBO. The results of the survey were positive, revealing a general appreciation for remote working. A few critical issues emerged with regard to social isolation and the "distance" perceived by colleagues and their daily routine at the Company. Subsequently, changes were made to the SW Regulation (including a maximum of two working from home days per week) to limit these effects. Another survey was conducted in the field of **transport and mobility**, to monitor how employee commutes changed during the emergency and remote working period.

A survey to collect employee opinions on how the Group managed the COVID-19 emergency, described above, was also fundamental.

2.7.6 Industrial Relations

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 trade union relations at a local level. AdB also completed its Memorandum of understanding for Tenders, which highlighted the issues of legality, workplace safety, and transparency. The protocol was signed by the trade unions (CGIL, CISL, UIL and UGL), the Municipality and the Metropolitan City of Bologna, who provided support during the negotiations for the Handling companies and trade unions on the section dedicated to the handler market. The aim of the protocol was to establish a clear set of rules, in addition to contractual ones, to avoid social dumping and potential crisis situations at the airport.

Following the economic crisis, which hit the global commercial aviation sector hard, and the consequent need to resort to the support of the lay-off schemes provided for by national legislation, on March 19, 2020 an agreement was reached to activate the Extraordinary Temporary Lay-Off Scheme for one year. On March 31, 2020, the agreement was also signed for the employees of the subsidiary FFM. The Parent Company also secured income support for its workers placed in the Extraordinary Temporary Lay-Off Scheme from the Air Transport Solidarity Fund, which covered remuneration up to an effective 80% of the average salary of every worker calculated in the 12 months prior to the Extraordinary Temporary Lay-Off Scheme.

In general, when managing the crisis and implementing contagion prevention measures in the workplace, AdB maintained a relationship of collaboration and mutual information exchange with trade unions and other companies operating at the airport.

There was no shortage of proposals in 2020 to renew important agreements with trade union representatives to help employees cope with the pandemic and their work-life balance²⁶.

In collaboration with the trade unions, and with the support of the Municipality and Metropolitan City of Bologna, AdB also produced and brought to the attention of the Italian Government, the Ministry of Transport, the Emilia Romagna Region and other interested bodies a document requesting support and job protection for the entire airport site with a view to asking for direct intervention, partly with a view to the exit from the health emergency.

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 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 (additional contribution paid by the Company of 0.4%), 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 organised 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. Both the Company and the trade union organisations continue to encourage employees to join the supplementary pension scheme, and 2020 saw an increase in the number of employees participating in the PREVAER Fund.

At TAG and FFM, contribution is provided by the Collective Bargaining Agreement, and employees are made aware of membership through information campaigns.

Performance Indicators

PREVAER Pension Fund (GRI 201-3)	unit	2018	2019	2020
Number of subscribers	No.	94	103	116
Net pension assets (Company + Employees + Post-employment benefits)	€	329,919	358,635	381,230
FONSEA pension fund	unit	2018	2019	2020
Number of subscribers	No.	92	99	94

²⁶ For more information, see section 2.7.5 Employee well-being and satisfaction

Net pension assets (Company + Employees + Post-employment benefits)	€	426,416	464,999	412,355
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2.7.7 Occupational health and safety

AdB continues to dedicate time and attention to health and safety, which contribute to the sustainable development of the Group's activities and services. In 2020, an **Occupational Health and Safety Management System (OHSMS)** was implemented in accordance with the new ISO 45001 standard, thus extending its scope to all stakeholders and aligning the company's risk assessment process. With specific regard to fire-related aspects, a Fire Safety Management System (SGSA) was implemented according to the dictates of the MD of October 18, 2019, which has been integrated into the OHSMS to improve emergency prevention and management.

The Department of Health and Safety, in collaboration with the other organisational units, deals with activities such as risk assessment, improvement measure identification and specific training:

Risk assessment activity: research, inspection cycles and monitoring	Management of work-related stress: consultation point with an occupational psychologist
Coordination activities with third parties, for work carried out by suppliers	Training and awareness-raising activities

AdB is equipped with a specific organisation that possesses certain powers, guaranteeing the involvement and supervision of health and safety matters in all areas of the company through cross-cutting cooperation and coordination activities. With regard to cooperation with third parties, in addition to the Group's consolidated **coordination process with contracting companies**, **specific committees** have been set up and meet periodically with the Employee Health and Safety Representatives of handling companies and sub-concessionaires at the airport. Specific risk assessment activities are kept up to date by the Health and Safety Department in line with regulatory changes, as well as any organisational or technical changes. Ongoing verification and monitoring activities are also carried out, as well as specific investigations following reports of incidents or injuries, in order to verify health and safety regulations and to ensure their continuous improvement. Actions taken to eliminate and reduce risks have been effective, as is evidenced by the absence of occupational disease or high-consequence incidents during the year. Finally, it should be noted that among the actions taken to reduce risk, the Company continues to **invest in information activities** through internal communications, **web tools** (intranet, social media), and dedicated **employee training courses** to **promote the awareness and involvement of all workers**.

Supporting employees through the COVID-19 pandemic

The health crisis led to the further supervision of health and safety matters with the establishment of a **dedicated committee spanning the three companies in the Group (AdB, FFM and TAG)**. The Committee meets once a week with employers, heads of department, workplace representatives, the Company Doctor, and the EHSR to monitor the progress of the pandemic and the containment measures to be put in place. Measures concern individual protection, i.e., PPE, and the management of work spaces, in strict compliance with government directives. In addition, attention is paid to **informing and training staff** on precautionary measures against COVID-19 and support has been provided in relation to specific employee situations within the context of the ongoing crisis. In this regard, employees have been encouraged to perform office tasks from home to optimise the presence of people in the office and to avoid gatherings within airport workspaces, with reference to clerical tasks in particular.

A voluntary **serological testing campaign** was launched for all employees in July in collaboration with Bologna AUSL, which allows individuals with suspected infections to be tested directly at the airport health centre where screening services are also carried out for passengers.

Performance Indicators

Employee injuries ²⁷ (GRI Standard 2018 403-9)	unit	31/12/2018		31/12/2019	31/12/2020
		Total	Total	Total	Total
Recordable injuries	N.	9	6	7	
AdB S.P.A.		9	6	6	
Fast Freight Marconi S.p.A.		-	-	1	
Tag Bologna S.r.l		-	-	-	
Number of hours worked	hours	839,220	846,695	588,354	
AdB S.P.A.		796,849	802,520	551,436	
Fast Freight Marconi S.p.A.		25,439	27,128	17,284	
Tag Bologna S.r.l		16,932	17,047	19,634	
Rate of recordable workplace injury		10.72	7.09	11.90	

There were seven work-related incidents in 2020. The figure remains almost the same as the previous year. Work-related incidents mainly occurred following stumbles or falls due to inattention, resulting in trauma and fractures, the latter involving the upper limbs. Finally, it should be noted that there was a period of approximately four months (from February to June) where no work-related incidents were recorded by AdB.

During the three-year period, there were no deaths or cases of occupational disease, and of the seven work-related incidents recorded during the year, none of them represented "high-consequence work-related injuries²⁸".

In 2020, an injury suffered by an AdB employee in 2018 recurred, another injury suffered by a TAG employee in 2019 recurred; 2019, on the other hand, saw the recurrence of an injury originally suffered in 2018. These injuries do not appear in the number of injuries that occurred during the year.

Incidents related to non-employees (GRI Standard 2018 403-9)	unit	31/12/2019		31/12/2020
		Total	Total	Total
Recordable injuries	N.	32	14	
High-consequence injuries		0	1	
Number of hours worked	hours	1,182,357	427,632	
Rate of recordable workplace injury		27.06	32.74	
Rate of high-consequence work-related incidents		-	2.38	

Starting in 2019, the Group also gathers data on injuries to non-employed staff, i.e., handlers and temporary workers. During 2020, 14 work-related injuries occurred involving non-employee staff, a decrease compared to 2019, when 32 injuries were recorded. Of the incidents involving non-employee staff, one was classified as a high-consequence work-related injury and occurred within the areas managed by a handling company operating at the airport, i.e., not under the control of AdB.

²⁷ In line with the requirements of the new GRI Standard 403-9, in 2020, commuting incidents will only be reported where the transport has been organised by the Group. During 2020 there were five commuting incidents involving employees and three commuting incidents involving non-employee staff, in all cases the transport had not been organised by the Group

²⁸"Workplace injuries with serious consequences" are defined as injuries lasting over 60 days and which, following an appropriate obligatory medical assessment, result in limitations or constraints related to the injury that last more than six months

Glossary

“ABC” Gate - Automatic Border Control
ACI Europe - Airports Council International Europe
CRM - Customer Relationship Management
ENAV - National Agency for Flight Assistance
ENAC - the Italian National Civil Aviation Authority
EMT - Energy Management Team
ERM - Enterprise Risk Management
GPG - Qualified Security Guards
GSE - Ground Support Equipment
ICAO - International Civil Aviation Organisation
IRESA - Regional Tax on Aircraft Noise Emissions
MBO - Management by objectives
MOG - Organisation, Management and Control Model pursuant to Legislative Decree 231/01
OdV - Supervisory Board
PAES - the Municipality of Bologna’s Sustainable Energy Action Plan
PRM - Passengers with Reduced Mobility
SDGs - Sustainable Development Goals
SMS - Safety Management System

Table of reconciliation between GRI Standards and material aspects

Material aspect	GRI Standard and <i>Airport Operators Sector Disclosures</i>	Scope	
		Scope of impact	Type
Employee training and development	Training	Group	Indirect impact
Employee well-being and satisfaction	Employment	Group	Indirect impact
	Diversity and equal opportunity	Group	Indirect impact
	Occupational health and safety	Group, Temporary workers, Handling company workers	Indirect impact
	Labor/Management Relations	Group	Indirect impact
Management of water resources	Water	Group	Indirect impact
Waste and hazardous substance management (de-icing fluid spills)	Effluents and waste	Group	Indirect impact
Energy efficiency and climate change mitigation	Energy and emissions	Group	Indirect impact
Noise management	Noise	Group, Airport operators	Direct and indirect impact
Digitalisation	n/a	Group	Indirect 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	Indirect impact
Job creation (indirect economic impacts)	Financial performance	Group	Direct and indirect impact
Accessibility of facilities and services to public transport	Ground travel connections	Group, Airport Operators and Government	Direct and indirect impact
Airport safety and emergency management	Business continuity and emergency management	Group	Indirect impact
	Customer health and safety	Group	Indirect impact
Corruption prevention	Anti-corruption	Group	Indirect impact
	Anti-competitive behavior	Group	Indirect impact
	Socioeconomic compliance	Group	Indirect impact

GRI Content Index

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102-2	Activities, brands, products, and services	P. 7 The AdB Group P. 28-30 The strategy for creating value P. 31-32 Expanding the network of destinations	
102-3	Location of the organization's headquarters	P. 7 The AdB Group	
102-4	Location of operations	P. 7 The AdB Group P. 28-30 The strategy for creating value P. 31-32 Expanding the network of destinations	
102-5	Ownership and legal form	P. 15-16 Ownership and Group structure	
102-6	Markets served	P. 7 The AdB Group P. 28-30 The strategy for creating value P. 31-32 Expanding the network of destinations	
102-7	Scale of the organization	P. 7 The AdB Group P. 15-16 Ownership and Group structure P. 64-65 Management of personnel	
102-8	Information on employees and other workers	P. 64-65 Management of personnel	
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102-10	Significant changes to the organization and its supply chain	P. 15-16 Ownership and Group structure P. 22-23 The organisational model for ethical management of the business	
102-11	Precautionary Principle or approach	P. 25 Integrated Risk Management Model P. 25 Principal non-financial risk factors	
102-12	External initiatives	P. 9 Market overview, business model and strategy P. 13 2030 Agenda: the Group's interaction with Sustainable Development Goals (SDGs) P. 57 Energy efficiency and contributions to mitigating climate change	
102-13	Memberships of associations	P. 73 Industrial relations	
STRATEGY			
102-14	Statement from senior decision-maker	P. 3 Letter to the stakeholders	
102-15	Key impacts, risks, and opportunities	P. 6 AdB Group's main social and environmental controls P. 22-23 The organisational model for ethical management of the business P. 25 Integrated Risk Management Model P. 26 Principal non-financial risk factors	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	P. 8 The AdB Group P. 22-23 The organisational model for ethical management of the business	
GOVERNANCE			
102-18	Governance structure	P. 17-18 The Corporate Governance Model	
102-22	Composition of the highest governance body and its committees	P. 17-18 The Corporate Governance Model A curriculum vitae for each Director, containing exhaustive information on the personal and professional characteristics of each, is available on the Company website in the section <i>Investor Relations / Corporate Governance / Board of Directors</i> .	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	P. 19-20 Stakeholder engagement and materiality analysis	
102-41	Collective bargaining agreements	P. 73 Industrial relations	
102-42	Identifying and selecting stakeholders	P. 19-20 Stakeholder engagement and materiality analysis	
102-43	Approach to stakeholder engagement	P. 19-20 Stakeholder engagement and materiality analysis P. 42-43 Customer satisfaction and service quality	
102-44	Key topics and concerns raised	P. 19-21 Stakeholder engagement and materiality analysis P. 42-43 Customer satisfaction and service quality	
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	P. 4 Methodological Note	
102-46	Defining report content and topic Boundaries	P. 4 Methodological Note P. 77 Table of reconciliation between GRI Standards and material topics	

102-47	List of material topics	P. 21 Materiality Analysis
102-48	Restatements of information	P. 4 Methodological Note
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102-50	Reporting period	P. 4 Methodological Note
102-51	Date of most recent report	March 2020
102-52	Reporting cycle	P. 4 Methodological Note
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102-55	GRI content index	P. 78-84 GRI content index
102-56	External assurance	P. 85 Independent Auditors' Report

ECONOMIC PERFORMANCE: TOPIC SPECIFIC STANDARDS

GRI 201: ECONOMIC PERFORMANCE 2016

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103-3	Evaluation of the management approach	P. 38-39 Contributing to regional development P. 73 Industrial relations
201-1	Direct economic value generated and distributed	P. 38-39 Contributing to regional development
201-3	Defined benefit plan obligations and other retirement plans	P. 73 Industrial relations

GRI 202: MARKET PRESENCE 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 73 Industrial relations
103-3	Evaluation of the management approach	P. 73 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 applied by the Group; entry-level salaries per category are therefore equal to the minimum set out by those contracts.
AO1	Total number of passengers during the year, divided into passengers on international and domestic flights, by origin/destination and connection, including passengers in transit	P. 31-32 Expanding the network of destinations
AO3	Total amount of cargo handled in tons	P. 31-32 Expanding the network of destinations

GRI 203: INDIRECT ECONOMIC IMPACTS 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 38-39 Contributing to regional development
103-3	Evaluation of the management approach	P. 38-39 Contributing to regional development
203-2	Significant indirect economic impacts	P. 38-39 Contributing to regional development

GRI 205: ANTI-CORRUPTION 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 22-24 Corruption prevention
103-3	Evaluation of the management approach	P. 22-24 Corruption prevention
205-2	Communication and training about anti-corruption policies and procedures	P. 22-24 Corruption prevention
205-3	Confirmed incidents of corruption and actions taken	In 2020, there were no recorded incidents of corruption

GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
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103-2	The management approach and its components	P. 22 The organisational model for ethical management of the business
103-3	Evaluation of the management approach	P. 22 The organisational model for ethical management of the business
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No cases of non-conformity were identified during the reporting period.
GRI 207: TAX 2019		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 24 Tax Responsibility
103-3	Evaluation of the management approach	P. 24 Tax Responsibility
207-1	Approach to tax	P. 24 Tax Responsibility
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GRI 302: ENERGY 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 55 Protecting the environment and responding to the challenges of climate change P. 57-59 Energy efficiency and contributions to mitigating climate change
103-3	Evaluation of the management approach	P. 55 Protecting the environment and responding to the challenges of climate change P. 57-59 Energy efficiency and contributions to mitigating climate change
302-1	Energy consumption within the organization	P. 57-59 Energy efficiency and contributions to mitigating climate change
302-3	Energy Intensity	P. 58-59 Energy efficiency and contributions to mitigating climate change
GRI 303: WATER AND EFFLUENTS 2018		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 55 Protecting the environment and responding to the challenges of climate change P. 61 Management of water resources
103-3	Evaluation of the management approach	P. 55 Protecting the environment and responding to the challenges of climate change P. 61 Management of water resources
303-1	Interactions with water as a shared resource	P. 55 Protecting the environment and responding to the challenges of climate change P. 61 Management of water resources
303-2	Management of water discharge-related impacts	P. 55 Protecting the environment and responding to the challenges of climate change P. 61 Management of water resources
303-3	Water withdrawal	P. 61 Management of water resources
AO4	Water quality	P. 61 Management of water resources
GRI 305: EMISSIONS 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and

		material topics
103-2	The management approach and its components	P. 55 Protecting the environment and responding to the challenges of climate change P. 57-59 Energy efficiency and contributions to mitigating climate change
103-3	Evaluation of the management approach	P. 55 Protecting the environment and responding to the challenges of climate change P. 57-59 Energy efficiency and contributions to mitigating climate change
305-1	Direct (Scope 1) GHG emissions	P. 57-59 Energy efficiency and contributions to mitigating climate change
305-2	Energy indirect (Scope 2) GHG emissions	P. 57-59 Energy efficiency and contributions to mitigating climate change
305-4	GHG emissions intensity	P. 57-59 Energy efficiency and contributions to mitigating climate change
AO5	Air quality pollutant concentrations in micrograms per cubic metre ($\mu\text{g}/\text{m}^3$) or parts per million (ppm) as required by applicable legislation	P. 60 Air quality
GRI 306: EFFLUENTS AND WASTE 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 55 Protecting the environment and responding to the challenges of climate change P. 62 Waste management
103-3	Evaluation of the management approach	P. 55 Protecting the environment and responding to the challenges of climate change P. 62 Waste management
306-2	Waste by type and disposal method	P. 62 Waste management
TOPIC: NOISE		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 55 Protecting the environment and responding to the challenges of climate change P. 56-57 Noise management
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103-3	Evaluation of the management approach	P. 63 Investing in people and their professional development P. 64-66 Management of personnel P. 71-72 Employee well-being and satisfaction
401-1	New employee hires and employee turnover	P. 64-66 Management of personnel
401-2	Benefits provided to full-time employees that are not provided to part-time employees	P. 71-72 Employee well-being and satisfaction
GRI 402: LABOR/MANAGEMENT RELATIONS 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics

103-2	The management approach and its components	P. 63 Investing in people and their professional development P. 73 Industrial relations
103-3	Evaluation of the management approach	P. 63 Investing in people and their professional development P. 73 Industrial relations
402-1	Minimum notice periods regarding operational changes	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 organisational changes. On the occurrence of operational changes, the company follows corporate reorganisation phases through service and personnel communications, and, if changes affect Airport Safety issues, through change management procedures in accordance with Airport Regulation No. 139.

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
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103-3	Evaluation of the management approach	P. 63 Investing in people and their professional development P. 74-75 Occupational health and safety
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403-4	Worker participation, consultation, and communication on occupational health and safety	P. 74-75 Occupational health and safety
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403-6	Promotion of worker health	P. 74-75 Occupational health and safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P. 74-75 Occupational health and safety
403-9	Work-related injuries	P. 74-75 Occupational health and safety

GRI 404: TRAINING AND EDUCATION 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 63 Investing in people and their professional development P. 68 Performance assessment P. 69-70 Training
103-3	Evaluation of the management approach	P. 63 Investing in people and their professional development P. 68 Performance assessment P. 69-70 Training
404-1	Average hours of training per year per employee	P. 69-70 Training
404-3	Percentage of employees receiving regular performance and career development reviews	<i>In March 2020, the performance assessment system was suspended and only remained active for security shift workers (equal to 35% of Group white-collars), as required by regulation.</i>

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and
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		material topics
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103-3	Evaluation of the management approach	P. 17-18 The Corporate Governance Model P. 63 Investing in people and their professional development P. 67 Diversity and equal opportunities
405-1	Diversity of governance bodies and employees	P. 17-18 The Corporate Governance Model P. 67 Diversity and equal opportunity
GRI 416: CUSTOMER HEALTH AND SAFETY 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 47 Quality of the commercial and premium services offer P. 48-51 Airport safety and emergency management
103-3	Evaluation of the management approach	P. 47 Quality of the commercial and premium services offer P. 48-51 Airport safety and emergency management
416-1	Assessment of the health and safety impacts of product and service categories	P. 48-51 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. 51 Airport safety and emergency management
GRI 419: SOCIOECONOMIC COMPLIANCE 2016		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 42-43 Customer satisfaction and service quality
103-3	Evaluation of the management approach	P. 42-43 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. P. 22 The organisational model for ethical management of the business
TOPIC: BUSINESS CONTINUITY AND EMERGENCY MANAGEMENT		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 51 Airport safety and emergency management
103-3	Evaluation of the management approach	P. 51 Airport safety and emergency management
TOPIC: GROUND TRAVEL CONNECTIONS		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 35-37 Ensuring accessibility and public transport
103-3	Evaluation of the management approach	P. 35-37 Ensuring accessibility and public transport
TOPIC: SERVICE QUALITY		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 42-43 Customer satisfaction and service quality

103-3	Evaluation of the management approach	P. 42-43 Customer satisfaction and service quality
TOPIC: REDUCED MOBILITY SERVICES OFFER		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 45-46 Responding to the needs of Passengers with Reduced Mobility (PRM)
103-3	Evaluation of the management approach	P. 45-46 Responding to the needs of Passengers with Reduced Mobility (PRM)
TOPIC: DIGITALIZATION		
103-1	Explanation of the material topic and its Boundary	P. 21 Materiality Analysis P. 77 Table of reconciliation between GRI Standards and material topics
103-2	The management approach and its components	P. 44 Innovation and digitalisation at the service of the business and passengers
103-3	Evaluation of the management approach	P. 44 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 30th 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 2020 in accordance with article 4 of the Decree approved by the Board of Directors on 15th March 2021 (hereinafter "DNF").

Responsibilities of Directors and Board of Statutory Auditors for the DNF

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

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

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

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

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

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 regards 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, relevance to the consolidated performance indicators, we have carried out remote interviews during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusions

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 2020 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.

Bologna, 31th March 2021

EY S.p.A.

Signed by: Alberto Rosa
(Auditor)

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



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