



**ENAV GROUP**

**2020 SUSTAINABILITY REPORT**

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

## Contents

<i>Letter to stakeholders</i> .....	3
<b>1. Salient points of 2020</b> .....	<b>5</b>
1.1 ENAV .....	5
1.2 The impact of the COVID-19 pandemic on non-financial, social and personnel related themes .....	6
1.3 Factors and exceptional events that can influence the performances of the Company, the business model and the creation of value .....	8
1.4 The new Materiality Matrix .....	9
1.5 Sustainability in ENAV's strategies .....	12
1.6 Performances in 2020 .....	16
1.7 ENAV and the SDGs .....	17
<b>2. Note on methodology</b> .....	<b>22</b>
<b>3. About ENAV</b> .....	<b>24</b>
3.1 Overview .....	24
3.2 Our sustainability network .....	25
3.3 The structure of the group and its activities .....	26
3.4 Operating model .....	31
<b>4. Safety and innovation</b> .....	<b>33</b>
4.1 Technological innovation .....	33
4.2 Security .....	34
4.3 Safety .....	39
4.4 Investments .....	44
4.5 Flight inspection service .....	47
<b>5. Responsible business management</b> .....	<b>48</b>
5.1 Sustainability governance .....	48
5.2 Risk Management and the Enterprise Risk Management System .....	53
5.3 Possible impacts of climate change on core business .....	57
5.4 Protection of legality and anti-corruption .....	59
5.5 Human Rights .....	61
5.6 Responsible supply chain management .....	62
5.7. Fiscal Management .....	65
5.8 Corporate giving initiatives .....	65
<b>6. The relationship with <i>stakeholders</i></b> .....	<b>67</b>
6.1 From Stakeholder Engagement to Stakeholder Management .....	67
6.2 Customer Relationship Management .....	68
6.3 Investor Relations activities .....	70

6.4 Cooperation with organisations, institutions and industry associations .....	71
<b>7. People .....</b>	<b>77</b>
7.1 ENAV strategy for developing a new sustainability culture .....	77
7.2 Worker health and safety in the year of COVID .....	78
7.3 Operational training and the role of the Training Centre .....	82
7.4 Hiring and staff development .....	87
7.5 Diversity, inclusion, and equal opportunities .....	91
7.6 Social policies and corporate welfare.....	92
7.7 Labour relations.....	94
7.8 Remuneration policies .....	96
<b>8. Environment .....</b>	<b>99</b>
8.1 ENAV's strategy for the environment and for the <i>Green New Deal</i> .....	99
8.2 We support our customers in becoming more efficient and sustainable: Flight Efficiency Plan and Free Route .....	102
8.3 Energy consumption .....	105
8.4 Waste management.....	108
8.5 Electromagnetic emissions .....	109
<b>9. A new sustainable challenge: drones .....</b>	<b>110</b>
<b>Annex 1 – Non-financial indicators .....</b>	<b>111</b>
<b>Annex 2 - Table: GRI Content Index.....</b>	<b>132</b>
<b>Annex 3 – The management systems and certifications of the Group.....</b>	<b>143</b>
<b>AUDIT COMPANY REPORT .....</b>	<b>145</b>

## Letter to stakeholders

*Guarantee of service, protection of people, innovation and zero environmental impact by 2022. These are some of the key words that have characterised our commitments in the year just gone, struck by one of the biggest crises the history could ever remember.*

*Sector experts and historians have classified 2020 as the worst year ever for air transport. It was one of the sectors hit hardest by the pandemic, with traffic dropping to 90% during the first lockdown and, with a brief exception during the summer, it hovered around preoccupying levels, closing 2020 with a 60% drop in the number of flights and a 70% drop in the number of passengers<sup>1</sup>.*

*In this situation we have continued with great awareness to play our part. For us, whether we are dealing with 1,000 or 10 flights, the supervision and control of airspace remain a mandatory mission. In order to face the emergency phase of the pandemic, we developed a contingency plan to ensure the full operation of the service with the maximum protection of the health of operating staff, who has always demonstrated a great sense of responsibility. ENAV thus continued to operate during the delicate phase of the lockdown to ensure the flow of goods, medicines and healthcare personnel, including foreign personnel, throughout the national territory.*

*But now we must look forward. The ENAV Group is a strategic asset for Italy in the control of airspace, an intangible infrastructure must be managed as a sustainable resource through innovative technologies and highly qualified personnel.*

*For this reason, we do not only aim to be leader in the core business, but also to become a model in sustainable development. We are a great “frontier” company, committed to technological innovation, digitalisation, professionalisation of resources and now also in the forefront of the remotely piloted aircraft market – i.e. drones – which represent a sector destined to develop exponentially and fundamental for the improvement of essential and strategic services for people and for Italy.*

*People and technologies are elements that identify ENAV as a state of the art service provider on the European landscape and which today also characterize the Company’s commitment in the fight against climate change.*

*According to the international reports of EUROCONTROL, ENAV is one of the most efficient service providers in Europe for operational performance and the ability to help aircraft fly in a sustainable way: it was the first service provider to implement the Free Route, the revolutionary project that allows airlines to cross Italian airspace with direct routes (overcoming the old airways) and which, only in 2019, when air traffic was +10%, allowed air carriers to reduce their CO<sub>2</sub> emissions by approximately 167 million kilograms.*

*Alongside this, the Group launched an ambitious plan to reduce its own emissions: from 2022, indeed, ENAV will be a zero climate impact company, overtaking and anticipating European Union targets by about 10 years. The strategy entails a reduction in emissions of 23% in 2021 and over 80% in 2022, offsetting the remaining 20% in the same year through the financing of environmental protection projects to the benefit of the national and international economic systems.*

*Our commitment to sustainability is not, however, targeted only at the reduction of emissions and combating climate change, but also at achieving the sustainable development objectives inherent in the SDGs. The analysis of impacts carried out in 2020 (aimed at measuring the impact of Group activities on ESG themes) highlighted, indeed, an important contribution to the achievement of several targets in relation to themes such as: Employment, Inclusive and Healthy Economies, Air and Mobility.*

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<sup>1</sup> Data source: EUROCONTROL and Assaeroporti.

*In the meantime, among the most important objectives reached by the Company in the 2018-2020 Sustainability Plan, it is worthwhile noting the commencement of the replacement of the car pool with electric vehicles, the plastic-free project, the start of the supplier assessment project in an ESG perspective, the insertion of quantitative ESG KPIs in the MBOs of management and the CEO and sustainable finance with the first sustainability loan.*

*Furthermore, the Company, in believing that its stakeholders are a central element also in the strategy of sustainable development, has undertaken a pathway to transit from a reactive management model to a programmatic and proactive approach in the management of stakeholder demands, integrating such aspects into strategic planning. All of this is with the objective of anticipating risks (from reputational to operational) and transforming threats into opportunities through the joint identification of solutions that create shared value for the organisation and for its stakeholders.*

*But for sure we do not want to stop here. Aware of the degree to which sustainability themes have become essential for community development at all levels, we are pursuing our commitments to guarantee very challenging objectives, including in the medium and long term.*

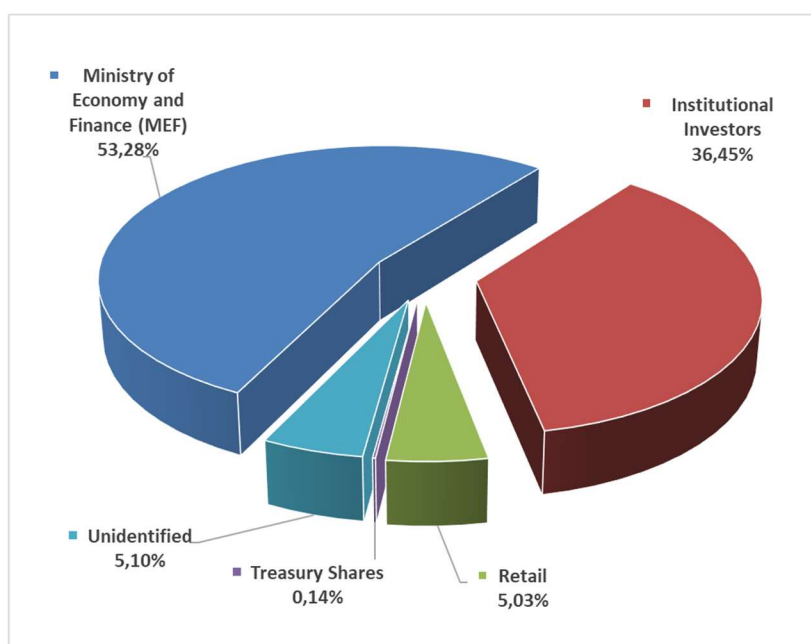
# 1. Salient points of 2020

## 1.1 ENAV

ENAV operates in a regulated sector and is the sole operator in Italy for civilian air traffic control. On 26 July 2016, ENAV was listed on the Borsa (Italian stock exchange), and was no longer, therefore, a company with a sole shareholder but rather an investee company. The MEF (Italian Ministry of Economy and Finance) holds a 53.3% stake in ENAV while the remaining 46.7% is floated on the Italian stock exchange.

Below is given the detail of ENAV’s shareholding base resulting from shareholder identification conducted in November 2020, divided by type and geographical area.

### Shareholder base by type\*



\* Shareholder identification conducted in November 2020.

### Shareholder base by geographical area\*

Area/Region	Percentage of share capital
Italy (MEF)	53.3%
Italy (institutional + retail investors/employees + treasury shares)	19.0%
United States + Canada	7.1%
Australia	2.2%
United Kingdom + Ireland	4.5%
Rest of Europe + Switzerland	8.7%
Rest of the world and undisclosed	5.2%

\* Shareholder identification conducted in November 2020.

The following table shows the production and distribution of the economic value that is used to quantify the wealth generated by the Group and how it is distributed among the stakeholders. For 2020, it is clear how the health emergency had an impact on the company's numbers, generating less economic value following the reduction of activities in air transport, a decrease in the distributed economic value due to the reduction of operating costs and personnel and an increase in the retained economic value mainly due to the proposal

to not distribute the dividend, which must still be approved by the Shareholders' Meeting, and which will also have an impact on the value distributed to capital providers.

	2020	2019	2018
<b>Generated economic value</b>	<b>811,060</b>	<b>948,894</b>	<b>939,651</b>
<b>Distributed economic value</b>	<b>(607,979)</b>	<b>(799,100)</b>	<b>(786,433)</b>
<i>Value distributed to suppliers</i>	<b>(124,887)</b>	<b>(131,911)</b>	<b>(139,743)</b>
<i>Value distributed to employees</i>	<b>(460,957)</b>	<b>(497,118)</b>	<b>(481,356)</b>
<i>Value distributed to capital providers</i>	<b>(7,943)</b>	<b>(120,017)</b>	<b>(115,351)</b>
<i>Value distributed to P.A.</i>	<b>(13,254)</b>	<b>(49,371)</b>	<b>(49,211)</b>
<i>Value distributed to the community</i>	<b>(938)</b>	<b>(683)</b>	<b>(772)</b>
<b>Retained economic value</b>	<b>203,081</b>	<b>149,794</b>	<b>153,217</b>

## 1.2 The impact of the COVID-19 pandemic on non-financial, social and personnel related themes<sup>2</sup>

The ENAV Group has faced the COVID-19 pandemic with management actions that have ensured safety and continuity of operational and corporate structures. In particular, monitoring of the health situation has been intensified, in strict collaboration with Company doctors, in order to update the risk assessment and issue communications on the theme to all personnel.

Specifically, in order to protect the health of all operational personnel involved in ensuring continuity of the service, including during the lockdown phase, the Company has developed a contingency plan by introducing alternating shifts through the setting up of working groups:

- planned in such a way as to prevent even the slightest possibility of direct contact and, at any rate, reducing it to a minimum in those structures that supply a continuous cycle service;
- with an absolute focus on the separation of personnel belonging to a single group;
- with the prompt availability of reserve groups to take over fully in the event of contagion of only one of the members of another group which, in turn, must place itself entirely in rapid isolation.

Furthermore, from the beginning of the health emergency, following the institution of the first red zones, risk mitigation measures were quickly arranged of both an individual and organisational nature (such as the intensification of cleaning services, the restriction of out-of-office transfers, the suspension of classroom training) with the objective of containing presences in the Company. Indeed, all personnel involved in activities that do not require their physical presence in Company offices were asked to stay home, using holidays and agile working. To ensure the necessary low staff levels in the workplace, presence at main Company offices was and continues to be monitored daily to ensure observance of capacity limits. These measures were intensified following publication of the "*Joint protocol for regulating the measures designed for combating and containing the spreading of Covid-19 in workplaces*", as amended. The measures adopted have been communicated to Environmental Officers and to ENAV Group Suppliers. Particular attention has been paid to immunocompromised individuals and pregnant women, who have been invited to contact the Company doctor for an interview.

During the lockdown, an analysis of the types of work that can be managed remotely was carried out with the aim of defining priorities for the subsequent return to work and conditions suitable for ensuring the best balance between the needs for distancing and operational continuity. On 1 September 2020, taking account of the data concerning the evolution of the contagion, a gradual return to work was requested for those duties that had been carried out until then mainly with recourse to agile working. In view of 1 September, on 27 August detailed informative documentation was given to all employees containing the Group's rules for a

<sup>2</sup> In observance of the Warning Notice No. 1/21 dated 16 February 2021 issued by CONSOB (the Italian stock market watchdog).

controlled return to work, instructions for the correct use of PPE (Personal Protective Equipment) and a leaflet summarising the basic rules to be applied. On 31 August an illustrative video was also circulated on the same theme.

In light of the evolution of the COVID-19 contagion in Italy, which in October saw a new increase in cases, on 27 October all personnel were informed that a new increase in agile working was allowed, where applicable, reminding all workers of their maximum individual responsibility. These measures were subsequently extended and are still valid on the basis of developments in the pandemic.

In order to guarantee maintenance of necessary productivity levels on the part of the *corporate* units, technical and management solutions have been implemented which have allowed people to work efficiently. In April 2020, 4,300 Office365 licences were assigned for remote individual productivity. In May the preparation of Infomobility systems was completed, meaning 1,500 remote accesses to Company systems could be allocated. Again in May, the quota of portable PCs assigned exceeded 1,000.

To support ENAV Group people in the period of *lockdown*, and during the continuation of the health emergency, initiatives such as the launch of a portal dedicated to agile working were realised, as were online information activities with the aim of maintaining contact with people (*Discovering ENAV Group* webinar cycle), a *survey* on agile working which facilitated the identification of areas for improvement in the management of output, and new functionalities of the presence management system (eDip). During the health emergency, recruiting and assessment activities also continued, as did training and development and performance management. Group shared services were enhanced, thus guaranteeing adequate IT help desk support, the provision of personal protective equipment and the adoption of measures for the mitigation of the risk of contagion in Company offices.

In October 2020 the *Regulation for the management of post-emergency agile work* was published. Following the experimental phase that commenced at the end of 2019, involving 50 people and limited to one day a week, the experience of the health emergency period has enabled us to foresee a work performance management model capable of improving the reconciliation between work time and personal life, increasing satisfaction and the quality of life of people and, more in general, pursuing social, economic and environmental sustainability objectives. At 31 December 2020, 809 people had requested to do post-emergency agile working. The main points that characterise the Regulations are:

- all Group personnel can now access agile working;
- Compatibly with the work to be done, the number of days of agile working will be one day per week for the entire workforce involved, to which a further day per week can be added on the basis of specific evaluations;
- the flexibility of the work, which can be performed in a broader time slot compared to normal working hours;
- confirmation of recognition of the ticket in the days in which agile working is carried out.

Another aspect that has felt the repercussions of the COVID-19 health emergency regards payment of suppliers. Following the delay conceded to airlines in the payment of invoices with reference to flights made in the period February-May 2020, ENAV has been forced to plan a larger timeframe compared to the natural deadline for payments due to suppliers. Obviously, all suppliers have been paid and negotiations have commenced, above all with those with whom the Company has the most payments outstanding.



### 1.3 Factors and exceptional events that can influence the performances of the Company, the business model and the creation of value<sup>3</sup>

In observance of the recommendations issued by ESMA on 28 October 2020 and recalled by CONSOB on 16 February 2021 with reference to the economic effects of the COVID-19 pandemic under way, the present paragraph gives, in a single note, the afore-mentioned effects, including through a comparison with the same period of the previous year.

The economic impacts on 2020 for the ENAV Group were significant in terms of the reduction of core business revenues for the Parent Company, due to the reduction of activities in the air transport sector, beginning March 2020, a period in which the COVID-19 health emergency hit not only Italy but most European countries that are important for the development of traffic flows in the national airspace. The contraction of these activities has led to a reduction of the service units of -60.3% for the en route sector and -60.2% for the terminal sector, compared to 2019. In terms of tariff revenues, and compared to the previous year, these reductions led to a lower overall turnover of €607.3 million, of which €458 million for the en route sector and €149.3 million for the terminal sector, partly recovered by balance revenues meaning that 2020 closed at -14.9% which, however, is reflected negatively in cash flows. Furthermore, activities on the non-regulated market underwent a slow-down due to restrictions on movements, and it was therefore possible to make progress on those jobs for which on-site presence was not mandatory. In the context of the health emergency, the air traffic sector has also seen the intervention of the European Commission with a new EU Regulation which in fact modifies tariff regulations for the period 2020-2021 through the introduction of a series of extraordinary measures to support the air transport sector, in particular the airlines, and with an impact on the calculation of the balance and on its recovery in subsequent years, without compromising the contractual right to obtain revenues by way of work performed. Compared to the criteria previously in force, this new method has determined a decrease in balance revenues associated with the traffic loss registered in 2020.

As regards operating costs, given the reduction in air traffic control activities and the recourse to agile working, there has been a reduction in the variable component of the cost of personnel alongside the decrease in other operating costs of -7.3% and -5.8% respectively, even in the presence of the costs of the subsidiary IDS AirNav, which in the period under comparison had an effect for around six months, and of costs sustained to protect the health of Group employees consisting of the purchase of personal protective equipment, costs for the sanitisation of workplaces and costs for donations made for the fight against COVID-19.

All this has had an impact of the gross operating profit (EBITDA) which was 210.8 million euros (-30.4%, compared to 2019), to which can be added the greater writedowns of trade receivables effected in order to take into account the changed risk profiles in the air transport sector and of forecasts of a possible worsening in the collection of receivables curves, causing a reduction in net operating profit (EBIT) of -58.3%, compared to the same period in the previous financial year.

In 2020, the Group could benefit only from some of the regulatory interventions issued in the period, in as much as it did not fall within the parameters given and, specifically, it used its tax credit to pay for percentage of the costs sustained for the purchase of equipment to protect personnel from the virus, while some companies in the Group are exempt from payment of the final balance (2019) and first instalment (2020) of the regional business tax (IRAP) pursuant to Legislative Decree 34 dated 19 May 2020.

At any rate, it should be noted that the ENAV business model is essentially framed in the context of EU regulations as regards tariffs and performances, from which almost all of the Group's revenues derive. Within

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<sup>3</sup> In observance of the Warning Notice No. 1/21 dated 16 February 2021 issued by CONSOB (the Italian stock market watchdog).

this framework of EU regulations, principles and guidelines the Company is called upon to determine the tariffs for air navigation services, as well as to define the economic and operational performances for the periods of reference, which will therefore become part of the Performance Plan. Subject to evaluation of the national regulator, and to a decision on compliance by the European Commission, the Performance Plan, once approved, becomes, for the Company, the benchmark document for the entire period of reference and at the same time is a valid tool for the definition of the economic results expected for the time frame of the Plan.

EU regulations encompass protection factors for service providers, in as much as, by determining the tariffs in a five-year time frame and not being able to foresee even significant events for the sector, such as that of the health emergency, they allow, on the basis of actual performances, to debit the market and, on future tariffs, through balance revenues, to have lower revenues compared to those planned.

With regard to the interconnections between financial and non-financial performances, it should be noted how some projects contained in the Sustainability Plan 2018-2020, that should have been brought to completion in the second quarter of 2020, have been put off for several months (as reported in the paragraph “Sustainability in ENAV’s strategies”) due to the restrictions imposed by the COVID-19 pandemic.

### 1.4 The new Materiality Matrix

Like every year, the ENAV Group has set itself the target of updating its materiality analysis, i.e. those topics that can reasonably be considered important, in so far as they reflect economic, environmental and social impacts for the organisation or else influence the decisions of the *stakeholders*.

“Materiality” is the principle that determines which significant topics are sufficiently important such as to make essential the reporting thereof. In order to define these topics, it is necessary to carry out an analysis<sup>4</sup> which means that the Company can clearly bring to the fore the relations between the Company and those of the *stakeholders*, highlighting the sustainability areas of mutual interest which will be the point of departure for the identification and definition of topics to report in the Sustainability Report and for the objectives to include in the Strategic Plan and in the Sustainability Plan.

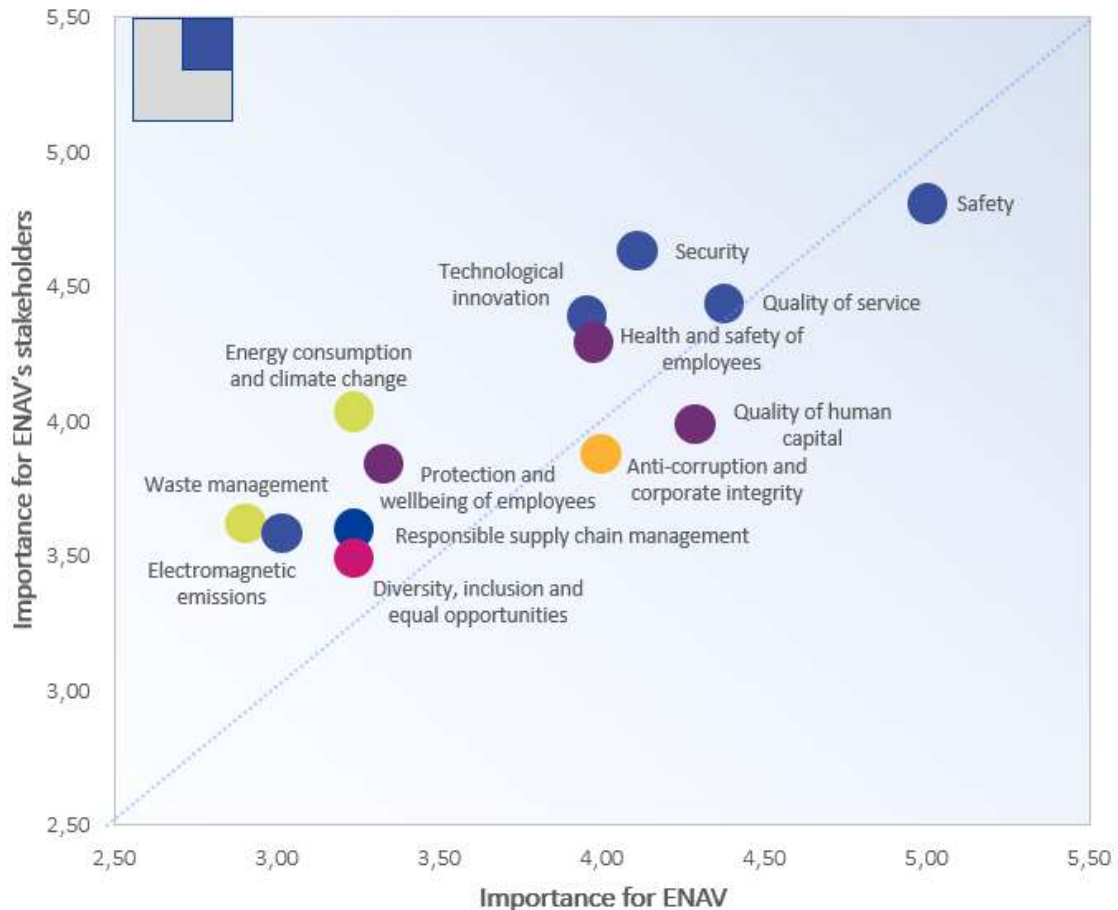
The **materiality matrix** is the graphic tool that summarises this analysis, highlighting the point of view of the stakeholders (“Importance for the stakeholders”) and the Company’s point of view (“Importance for ENAV”).



The identification and definition of material topics took place with the direct involvement of the external and internal stakeholders through a structured process of **Stakeholder Engagement**, which included the sending of a questionnaire, targeted interviews and focus groups on a multimedia platform. This year, stakeholders were also asked to respond to questions that took into account the impact of the current pandemic.

<sup>4</sup> On the basis of the indications of Global Reporting Initiative (GRI) international standards

Thirteen significant topics were identified and submitted for evaluation with respect to the **importance of the topic for ENAV's business** and the possibility for the Company to generate impacts (positive or negative) of an economic, social and environmental nature, strengthening or weakening the ability to produce value. Each *stakeholder*, external and external, was asked to assess the **relevance** of several topics (up to a maximum of 3) compared to the others, so as to ensure correct prioritisation of the topics. The data obtained were analysed and the results allowed us to process the new materiality matrix.



The **Materiality Matrix 2020** shows substantial similarity with the results obtained in 2019.

The **Safety** topic is confirmed as the most important as regards both ENAV and its stakeholders. **Security** and **Quality of the service** are placed above the bisector, showing a greater relevance for stakeholders compared to last year.

From the point of view of the perspectives of the stakeholders, the importance attributed to the topic **Protection and wellbeing of employees** has grown, probably in light of the recent events linked to the pandemic.

**Table: Perimeter of the material topics identified**

Domain of Legislative Decree 254/2016	No.	Material topics	Scope	GRI aspect
<b>Society</b>	1	Electromagnetic Emissions	ENAV S.p.A. Techno Sky	GRI 413: Local communities
	2	Quality of service	ENAV Group	
	3	Responsible supply chain management	ENAV Group	GRI 412: Human Rights Assessment
	4	Safety	ENAV S.p.A. Techno Sky	GRI 416: Customer Health and Safety
	5	Security	ENAV Group	-
	6	Technological innovation	ENAV S.p.A. d-flight	
<b>Personnel<sup>5</sup></b>	7	Quality of human capital	ENAV Group	GRI 404: Training and education
	8	Diversity, inclusion and equal opportunities	ENAV Group	GRI 405: Diversity and equal opportunity
			ENAV Group	GRI 401: Employment GRI 406: Non-discrimination
	9	Protection and wellbeing of employees	ENAV Group	GRI 401: Employment
			ENAV Group	GRI 402: Labour/management relations
10	Health and safety of employees	ENAV Group	GRI 403: Occupational Health and Safety	
Domain of Legislative Decree 254/2016	No.	Material issues	Scope	GRI aspect
<b>Anti-Corruption</b>	11	Anti-corruption and corporate integrity	ENAV Group	GRI 205: Anti-corruption GRI 207: Tax GRI 419: Socio-economic compliance GRI 307: Environmental compliance GRI 201: Economic performance
<b>Environment<sup>6</sup></b>	12	Energy consumption and climate change	ENAV Group	GRI 302: Energy GRI 305: Emissions
	13	Waste management	ENAV Group	GRI 306: Effluents and waste
<b>Human rights<sup>7</sup></b>	-	Responsible supply chain management-	ENAV Group	GRI 412: Human Rights Assessment
		Diversity, inclusion and equal opportunities	ENAV Group	GRI 406: Non-discrimination

<sup>5</sup> With regard to “Personnel”, it should be noted that the d-flight data are not detailed separately in as much as the Company has 7 seconded workers employed by ENAV, Techno Sky and IDS AirNav, to whom can be added another 4 employed by Telespazio S.p.A./Leonardo S.p.A.

<sup>6</sup> With regard to the “Environment” aspect, in view of the characteristics of the Company (2 employees and 1 office), ENAV Asia Pacific is not considered material with regard to environmental impacts. It should be noted that d-flight workers on secondment operate in the head office of Techno Sky.

<sup>7</sup> As concerns the “Human rights” aspect, the topic is covered transversally within the scope of other material issues

## 1.5 Sustainability in ENAV's strategies

The projects and the actions at the foundation of the **Sustainability Plan 2018-2020** have almost all been concluded, with the exception of those that have been affected by the COVID-19 pandemic, for which out of necessity the new deadlines have not been set. Among these can be included:

TECHNOLOGICAL INNOVATION			
Objectives	Targets	2018-2020 Plan Timing	Timing
New TWR digitalisation system, based on <b>Electronic Flight Strips</b> at Malpensa (2019, the first in Italy), Linate (2020) and then Fiumicino (the traditional paper flight slips are replaced by digital slips on an integrated control position equipped with a surveillance screen, weather info screen, runway light screen and airport navigation equipment status indicator).	Fiumicino	2020	2022
Completion of ground surveillance upgrading Completion of <i>ground</i> surveillance upgrading at Fiumicino, Malpensa, Turin, Bologna and Linate, with upgrades to <b>SMR</b> (surface movement radar to monitor aircraft on the ground, runways and taxiways even in low visibility conditions) and <b>multilateration</b> (collaborative system connecting multiple radar stations that interfaces with aircraft transponders, accessing all the data transmitted to control towers using the strongest signal).	Malpensa	2020	2021
	Fiumicino	2020	2022
	Turin	2020	2022
	Bologna	2020	2023
Development of <b>Private Cloud</b> for operational ATM systems (provides exclusive access to computational and network resources, giving greater control over the infrastructure).	Completion of first testing phase Completion of the second phase (Rome ACC).	2020	2021
CORPORATE CULTURE AND DEDICATED PROJECTS			
Objectives	Targets	2018-2020 Plan Timing	Timing
Develop an <b>Internal Communication Plan</b> on sustainability to create the culture of sustainability and raise employee knowledge of the positive social and environmental impact of small daily actions to train, raise awareness and engage the corporate community proactively.	Completion of the Internal Communication Plan.	2020	2022
Development of platform of performance bonus into welfare instruments.	Development of the platform.	2020	2022
Initiatives to protect natural capital through the use of consumables: <b>energy efficiency</b> .	Installation of tri-generation plant - Rome ACC. LED internal lighting system - Padua ACC, Rome ACC and Headquarters Air conditioning system - Rome ACC	2020	2022

	Radar photovoltaic plant - Masseria 33 kW, Photovoltaic Plants in Lampedusa 37 kW, Genoa 17 kW, Catania 20 kW and Naples 75 kW.		
	Air conditioning system - Naples BT Photovoltaic plant - Forlì Academy Photovoltaic plants - Brancasi.	2020	2023
<b>CLIMATE CHANGE</b>			
<b>Objectives</b>	<b>Targets</b>	<b>2018-2020 Plan Timing</b>	<b>Timing</b>
Enav/Poligrafico <b>mobility management</b> initiative: shuttle for employees of the two companies to and from major local public transport hubs.	Development of initiative	2020	TBD

### The Sustainability Plan 2021-2023 (UNDER APPROVAL)

The 2021-2023 Sustainability Plan, which is being developed together with the current Business Plan and that is still being prepared and approved in parallel to its updating, targets to define a series of actions, based on the United Nations 17 Sustainable Development Goals, also resulting from a preliminary analysis that was performed. In particular, the following was considered: the Group's Materiality Matrix, the results from stakeholder management activities, the analysis of the ENAV Group positioning with respect to an assessment conducted on some important sustainability indicators and a benchmark analysis on the topics of sustainability of greatest interest to the market and the Group

### OUR PATH TO VALUE CREATION

Starting in 2017, ENAV's path towards sustainability, in addition to being in line with what is defined in Legislative Decree 254/2016 has been increasingly transformed into a process of value creation and of the integration of sustainability in business strategies. This is a process which, even in the difficult period of the pandemic, has never ceased, but has been pursued, rather, with renewed vigour.

#### 2017:

- Non-Financial Disclosure 2016, for internal use only
- Assessment and definition of the system of non-financial reporting
- Stakeholder Engagement 2017 and Materiality Matrix

## 2018:

- Consolidated Declaration of a Non-Financial Character 2017
- Integration of ESG risks in the Enterprise Risk Management
- Constitution of the Sustainability Ambassadors group
- Networking: ENAV joins “CSR Manager Network”
- Networking: ENAV takes part in the “Salone della Sostenibilità”
- Creation of the internal Sustainability Committee
- Multi-stakeholder workshop 2018
- “Anticorruption” policy
- Sustainability Plan 2018-2020
- First Sustainability Day
- Internal ERP (Enterprise Resource Planning) system for quantitative data reporting

## 2019:

- Insertion of ESG KPIs into the MBOs of top management
- From the Consolidated Declaration of a Non-Financial Character to the Sustainability Report 2018
- Brand Identity: Sustainability logo
- Sustainability site: new web platform
- “Diversity and Inclusion” policy
- LinkedIn: creation of “Sustainability ENAV” page
- Corporate Sustainability Assessment
- Stakeholder Engagement
- University of Pavia: first prize “Best Sustainability Report”
- Italian stock exchange: first participation by ENAV in the Sustainability Week

## 2020:

- Biblioteca Bilancio Sociale (Social Responsibility Library): first prize for “The Sustainability Path”
- Networking: ENAV enters the Executive Committee of the “CSR Manager Network”
- Calculation of the Company’s carbon footprint and Carbon Neutrality 2022 objective
- Integrated Governance Index 2020: ENAV is third in the special industry sector classification
- “Electric mobility” project

- ESG impact evaluation
- German Institute of Quality and Finance: prize for “Italy’s best employers for women”
- “Human Rights” policy
- “Environmental” policy
- First Sustainability Loan
- From Stakeholder Engagement to Stakeholder Management
- The “Plastic free” project
- Digital Sustainability Day

#### **In the first months of 2021:**

- Networking: ENAV joins the “United Nations Global Compact”
- Preparation of the Sustainability Plan 2021-2023
- ENAV takes part in “Sodalitas Call for Future”
- ENAV enters the “Green Star Sostenibilità” classification of the ITQF (German Institute for Quality and Finance) and of the Italian national daily La Repubblica
- ENAV enters the “Leader della Sostenibilità” classification of the Italian finance daily Sole 24 Ore
- ENAV receives the “Health Friendly Company” award from the Honda Foundation



## 1.6 Performances in 2020

### **ENAV IN FIGURES:**

45 control towers

4 area control centres

4,147 employees

### **FINANCIAL DATA (2020):**

€771.3 million of revenues

€54.3 million of profit pertaining to scope of the group

€210.8 million of EBITDA

### **COMMUNITY HIGHLIGHTS 2020:**

Europe's leader for punctuality with 0.007 minutes of ATFM delay allocated en route

93,621 hours of operational training, in-house and for third parties

About €77 million of investments in infrastructures out of a total of €91.5 million

Approximately 1,300 hours flown by aircraft of the Flight Inspection and Validation service

842,327 flights controlled annually

4,391 peak number of flights managed in one day

732,800 km<sup>2</sup> of airspace managed

### **ENVIRONMENT HIGHLIGHTS 2020:**

91 million kg CO<sub>2</sub>, the lowest impact generation with the "Free Route" project

113,000 Kg di CO<sub>2</sub> avoided as a result of renewable energy generation

### **PEOPLE HIGHLIGHTS 2020:**

100% of employees on full-time permanent contracts

4.8 % turnover rate

Over 127,564 hours of classroom and *e-learning* training

Over 99,000 hours of Ongoing Training and Operating Unit Training

## 1.7 ENAV and the SDGs

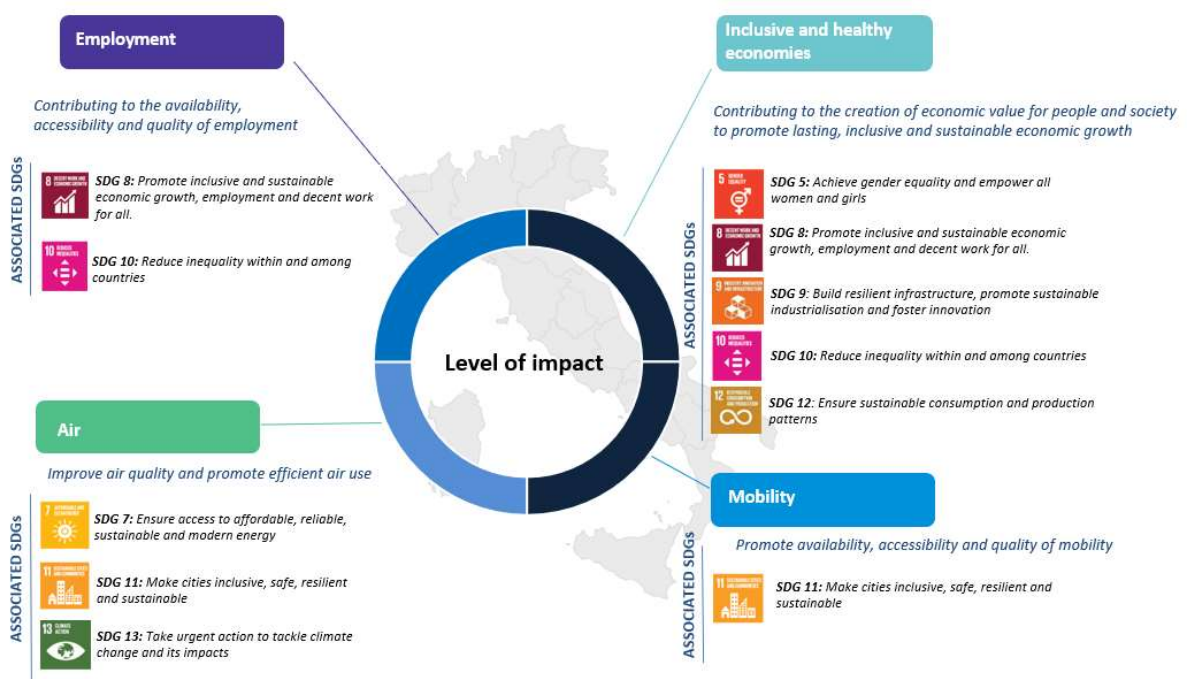
In 2020, ENAV set itself a challenging target: measure the impact of its activities on sustainable development. In order to define the impact assessment model, ENAV took as a reference point the Corporate Impact Analysis Tool presented in March 2020 by the Positive Impact Initiative, a research centre for UNEP FI (United Nations Environment Programme Finance Initiative). With this tool one can carry out a global analysis of companies that operate in different sectors and countries and, through the **Impact Radar**, identify the categories on which a company, through its activities, can generate positive or negative impacts on the collectivity.

The categories of impact presented in this tool reflect the three dimensions of sustainable development (People, Planet, Prosperity) and can be traced back to the 2030 Agenda of the United Nations for Sustainable Development Goals.



Understanding the significant categories of impact of ENAV and the associated SDGs is vital for ensuring that the actions undertaken and the objectives of ENAV are oriented towards those areas that the Company can influence positively and on which it can operate to limit negative impacts.

Once the categories of impact which ENAV can influence were identified, an assessment was made of its ability to satisfy the most pressing social needs in Italy through an analysis of specific quantitative indicators capable of measuring the alignment of the Company's performances with the targets in the individual SDGs.


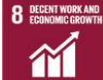






The level of impact was assigned on the basis of the overall percentage of impact (0-25% low impact, 25-50% medium-low impact, 50-75% medium to high impact, 75-100% high impact).

Below is the detail of ENAV's contribution to each impact category and to the associated Sustainable Development Goals.




Categories of impact	SDGs	Targets	ENAV's performance
<b>Employment</b>		<b>TARGET 8.5</b> Achieve full and productive employment and a decent job for all women and men, including youth and persons with disabilities, and equal pay for work of equal value.	<ul style="list-style-type: none"> <li>Approval of the Group's new <b>Code of Ethics</b></li> <li>Adoption of the Human Rights Policy</li> <li>Three year plan of Positive Actions of the Equal Opportunities Committee</li> </ul>
		<b>TARGET 8.7</b> Adopt immediate and effective measures to eliminate forced labour, put an end to modern slavery and to the trafficking of human beings and ensure the prohibition and elimination of the worst forms of child labour, including the recruitment and use of child soldiers and, by 2025, put an end to child labour in all its forms.	<ul style="list-style-type: none"> <li><b>100%</b> of risks associated with human rights evaluated in the framework of Company processes.</li> </ul>
		<b>TARGET 8.8</b> Protect labour rights and promote a safe and protected working environment for all workers, including migrant workers, and especially migrant women, and those with insecure jobs.	<ul style="list-style-type: none"> <li><b>-22%</b> workplace accidents in 2020 compared to 2018;</li> <li><b>0</b> incidents of discrimination in 2020.</li> </ul>
		<b>TARGET 10.3</b> Ensure equal opportunities for all and reduce inequalities in outcomes, including through the elimination of discriminatory laws, policies and practices, and the promotion of suitable laws, policies and actions in this sense.	<ul style="list-style-type: none"> <li><b>100%</b> of senior managers have received an evaluation of performances and professional development in 2020<sup>8</sup>.</li> <li>Collaboration with the <b>Fondazione Sodalitas</b> to realise a management programme that includes one's own human resources.</li> <li>Approval of the Group's new <b>Code of Ethics</b></li> <li>Signing of the <b>Human Rights Policy</b></li> <li><b>Three Year Plan of Positive Actions</b> of the Equal Opportunities Committee</li> </ul>

<sup>8</sup> In 2020, due to the COVID-19 pandemic, periodic performance evaluations were suspended for employees, senior managers excluded. In 2019, 47% of employees received an evaluation of performances and of professional development.



Categories of impact	SDGs	Targets	ENAV's performance
<b>Inclusive and healthy economies</b>		<b>TARGET 5.5</b> Ensure that women enjoy full and effective participation as well as equal leadership opportunities at all levels of the decision-making process.	<ul style="list-style-type: none"> <li>• <b>40%</b> of members of the Board of Directors were women in 2020</li> <li>• Adoption of a <b>Policy on Diversity and Inclusion</b></li> </ul>
		<b>TARGET 8.5</b> Achieve full and productive employment and a decent job for all women and men, including youth and persons with disabilities, and equal pay for work of equal value.	<ul style="list-style-type: none"> <li>• <b>Maternity-paternity leave:</b> ENAV gives full pay to its new parent employees.</li> <li>• <b>Parental leave:</b> ENAV also allows employees to take up to 6 months of additional leave for children up to the age of three, receiving 80% of their salary for the first two months and 40% for the remaining four months.</li> <li>• ENAV offers <b>50% paid leave</b> for the illness of a child or for specialist medical examinations.</li> </ul>
		<b>TARGET 8.7</b> Adopt immediate and effective measures to eliminate forced labour, put an end to modern slavery and to the trafficking of human beings and ensure the prohibition and elimination of the worst forms of child labour, including the recruitment and use of child soldiers and, by 2025, put an end to child labour in all its forms.	<ul style="list-style-type: none"> <li>• <b>100%</b> of risks associated with human rights evaluated in the framework of Company processes;</li> <li>• <b>100%</b> investment agreements and significant contracts that include human rights clauses in 2020 for ENAV and Techno Sky.</li> </ul>
		<b>TARGET 8.8</b> Protect labour rights and promote a safe and protected working environment for all workers, including migrant workers, and especially migrant women, and those with insecure jobs.	<ul style="list-style-type: none"> <li>• <b>-22%</b> in the rate of workplace accidents in 2020 compared to 2018;</li> <li>• <b>0</b> incidents of discrimination in 2020.</li> </ul>
		<b>TARGET 9.1</b> Develop quality, reliable, sustainable and resilient infrastructures, including regional and cross-border infrastructures, to sustain economic development and human wellbeing, with a special focus on the possibility of equitable access for everyone.	<ul style="list-style-type: none"> <li>• €77 million of investments in infrastructures in 2020.</li> </ul>
		<b>TARGET 10.3</b> Ensure equal opportunities for all and reduce inequalities in outcomes, including through the elimination of discriminatory laws, policies and practices, and the promotion of suitable laws, policies and actions in this sense.	<ul style="list-style-type: none"> <li>• <b>100%</b> of senior managers have received an evaluation of performances and professional development in 2020<sup>9</sup>.</li> <li>• Collaboration with the <b>Fondazione Sodalitas</b> to realise a management programme that includes one's own human resources.</li> <li>• Approval of the Group's new <b>Code of Ethics</b></li> <li>• Signing of the <b>Human Rights Policy</b></li> <li>• <b>Three Year Plan of Positive Actions</b> of the Equal Opportunities Committee</li> </ul>
		<b>TARGET 12.5</b> By 2030, lower substantially the production of waste through prevention, reduction, recycling and reuse.	<ul style="list-style-type: none"> <li>• <b>NO.W@ project:</b> to combat food wastage</li> <li>• <b>"Plastic footprint reduction" project:</b> reduction of 1.7 tons of plastic consumption in 2020.</li> </ul>
Categories of impact	SDGs	Targets	ENAV's performance
<b>Mobility</b>		<b>TARGET 11.2</b> Provide access to safe, sustainable and convenient transport systems for everyone	<ul style="list-style-type: none"> <li>• <b>About 1%</b> of employees enabled for home working in 2020<sup>10</sup>;</li> <li>• <b>SustainMobility project</b> to develop electric mobility for the Company</li> <li>• <b>36</b> hours per person of ongoing training for air traffic controllers in 2020;</li> <li>• <b>65</b> hours per person of ongoing operating unit training for air traffic controllers in 2020;</li> </ul>

<sup>9</sup> In 2020, due to the COVID-19 pandemic, periodic performance evaluations were suspended for employees, senior managers excluded. In 2019, 47% of employees received an evaluation of performances and of professional development.

<sup>10</sup> Beginning in March 2020, for all employees who carry out work that can be managed remotely, agile working was implemented to face the health emergency. Once the emergency is over, more workers will be enabled for home working (at 31 December 2020, 809 requests to work from home had been received).

Categories of impact	SDGs	Targets	ENAV's performance
<b>Air</b>			<ul style="list-style-type: none"> <li>• 17 hours per person of operational training in 2020.</li> </ul>
		<b>TARGET 7.2</b> Increase significantly the quota of renewable energies in the global energy mix	<ul style="list-style-type: none"> <li>• +9% of energy consumed was produced from renewable sources (photovoltaic plants) compared to 2018.</li> <li>• Initiatives for the activation of new photovoltaic plants and tri-generation plants.</li> </ul>
		<b>TARGET 7.3</b> Double the global rate of energy efficiency improvement	<ul style="list-style-type: none"> <li>• <b>113,000 Kg di CO<sub>2</sub> avoided as a result of renewable energy generation</b></li> <li>• The energy efficiency project:               <ul style="list-style-type: none"> <li>▪ new interior and exterior LED lighting systems;</li> <li>▪ automated systems to control lighting and detect the presence of workers;</li> <li>▪ monitoring and remote-metering systems at sites that consume the most energy in order to respond to any anomalies;</li> <li>▪ heat-pump and free-cooling based climate-control systems (with decommissioning of oil and gas fired boilers);</li> <li>▪ external insulation;</li> <li>▪ upgraded ATM technologies.</li> </ul> </li> </ul>
		<b>TARGET 11.6</b> Reduce negative environmental impact per person in the cities, in particular as regards air quality and waste management.	<ul style="list-style-type: none"> <li>• Total of <b>512 tons CO<sub>2</sub> eq</b> of emissions from air traffic reduced from 2016 to 2020.</li> </ul>
	<b>TARGET 13.1</b> Reinforce the resilience and the capacity for adaptation to risks linked to the climate and to natural disasters in all countries.	<ul style="list-style-type: none"> <li>• Measurement of the <b>carbon footprint</b></li> <li>• Objective <b>Carbon Neutral by 2022</b></li> </ul>	

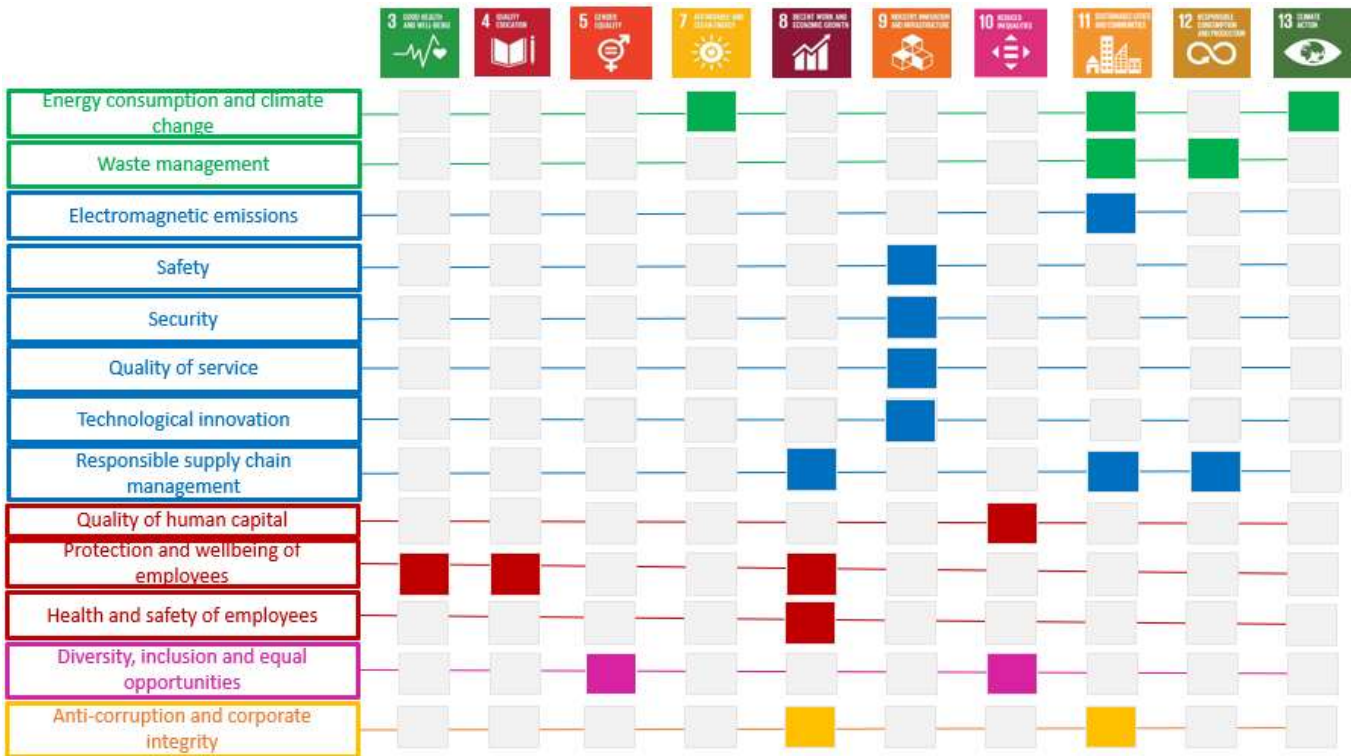
Furthermore, ENAV undertakes to contribute, through specific initiatives, to the following Sustainable Development Goals:

	<ul style="list-style-type: none"> <li>- <b>Supplementary Health Policy</b>, paid for entirely by the Company and which also includes a deductible-free prevention package aimed at specific prevention needs based on an employee's gender and age.</li> <li>- <b>Yes We Care project</b>, to increase awareness among employees of the importance of prevention and healthier lifestyles by organising events on the subject with doctors and other experts.</li> </ul>
	<ul style="list-style-type: none"> <li>- <b>Intercultura</b> is a <b>project</b> provided in collaboration with the Intercultura Foundation for the children of ENAV and Techno Sky employees, giving them the opportunity to receive scholarships for studies abroad with a duration of one year, three months or two months. <sup>11</sup></li> </ul>

ENAV's material topics have been flanked by different sustainable development objectives, highlighting, in an increasingly decisive way, the Company's contribution to the creation of added value for all its stakeholders.

<sup>11</sup> The Intercultura project was temporarily suspended in 2020 due to the impossibility of proceeding on account of the restrictions imposed by anti COVID-19 regulations.

### Reconciliation statement between material topics and Sustainable Development Goals



## 2. Note on methodology

The ENAV Group has prepared the Consolidated Non-Financial Statement (hereinafter also referred to as “Statement”, “Sustainability Report” or “Report”) in accordance with the provisions of Article 5(3)(b) of Legislative Decree No. 254, dated 30 December 2016 (hereinafter “Decree”), as amended. The document constitutes a separate report from the Report on Operations.

The Statement, prepared pursuant to articles 3 and 4 of the Decree, and in accordance with the Decree, contains information on the Company’s impact on five thematic areas, namely the environment, personnel management, social impacts, human rights and the fight against corruption and bribery. The broadness and quality of reporting reflect the principle of relevance (or “materiality”), an element provided for under the reference legislation and which characterises GRI Sustainability Reporting Standards (hereinafter “GRI Standards”). GRI Standards require the Company to carry out an analysis that identifies information relevant to the measures necessary to understand its activities, its performance, its results and the impact it produces, or which is able to substantially influence the assessments and decisions of its stakeholders (see section the “The new materiality matrix”).

The Statement was drawn up in accordance with the GRI Standards published by the Global Reporting Initiatives (“GRI Standards - GRI-core”), the independent authoritative body which defines models for non-financial reporting. The *disclosures* and the indicators contained in the text are reported in the “GRI Content Index” (page. 132).

Please note that where the Group considered it unnecessary to adopt *policies* related to the areas referred to in Legislative Decree 254/2016, this is linked to the existence of effective corporate practices which do not require it to adopt specific policies on the above-mentioned areas. For this reason, it should be noted that the term “Policy” refers to documents that are formalised and approved.

The present document was approved by ENAV Board of Directors on 20 April 2021.

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

The 2020 Consolidated Non-Financial Statement, as well as those for 2019, 2018 and 2017, are available on the Group’s website ([www.enav.it](http://www.enav.it)).

### Scope of reporting

The qualitative and quantitative information contained in the Consolidated Non-Financial Statement refers to the performances of the ENAV Group (hereinafter also referred to as “the Group”) for the year ended on 31 December 2020. In addition, to help the reader better compare and contextualise the information herein, the data for the years 2019 and 2018 have been included and appropriately indicated. The quantitative data for the financial years, 2018, 2019 and 2020 are not perfectly comparable due to the changes in the scope of reporting that took place in 2020.

This non-financial statement includes data and information referring to the “the ENAV Group”, namely the set of companies composed of the Parent Company, ENAV S.p.A. and its subsidiaries, consolidated on a line-by-line basis: Techno Sky S.r.l., ENAV Asia Pacific Sdn Bhd, ENAV North Atlantic LLC, d-flight and IDS AirNav. It should be noted that the company ENAV España Control Aereo S.L.U, acquired in January 2020 in order to take part in a tender for the provision of terminal air traffic management services, has been excluded from the scope of reporting. Said company is no longer operative and was liquidated in March 2021.

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

Any restrictions to this scope have been appropriately indicated in the table “Scope of the material topics identified” (page 11). In any case, these limitations do not impair the comprehension of the performance and representativeness of the information.



## 3. About ENAV

### 3.1 Overview

Despite the pandemic crisis that has struck the entire world, and in particular the air traffic sector, ENAV has continued to ensure continuity in its service in maximum safety, as written in its mission statement: *to guarantee safety and punctuality to the millions of passengers that fly in Italian airspace and to contribute to the growth of national and European air transport through ongoing efficiency, innovation and respect for the environment. All of this makes ENAV a company that places sustainability and social awareness at the heart of its business.*

ENAV's controlling shareholder is the Ministry of Economy and Finance, which holds a 53% stake, and it is supervised by the Ministry of Infrastructure and sustainable mobility.

With 4,147 employees, in 2020 it ensured 24/24 safety and punctuality to over 842,327 aircraft that flew over national airspace, providing all air navigation services to the airlines.

From its air traffic Control Towers at 45 airports, ENAV manages the take-offs, landings and ground movements of aircraft, and from its 4 Area Control Centres it provides navigation assistance to all en-route traffic, whether for overflight or for landing at one of Italy's airports.

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

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

**4 CONTROL CENTRES**

**45 CONTROL TOWERS**

**732,800 KM<sup>2</sup> AIRSPACE FOR WHICH ENAV IS RESPONSIBLE**

**842,327 FLIGHTS CONTROLLED**

**4,391 PEAK NUMBER OF FLIGHTS MANAGED IN ONE DAY IN 2020**

**4,147 EMPLOYEES**

### 3.2 Our sustainability network

ENAV supports the promotion of sustainability through adherence to the Global Impact principles as well as participation in numerous associations.



The CSR Manager Network is the reference association for professionals in the sustainability and corporate social responsibility sectors operating as company managers, consultants and researchers. ENAV's commitment is also embodied through participation of its own CSR Manager in the Executive Committee of the CSR Manager Network.

#### Fondazione Global Compact Italia



Since 2021, ENAV has been part of the Fondazione Global Compact Network Italia and undertakes to spread knowledge of the United Nations Global Compact (UNGC) by favouring an increase in membership in Italy and by promoting a commitment to encourage corporate sustainability on the part of Italian companies and organisations who are already members.



#### Salone della CSR e dell'innovazione sociale

Since 2019 ENAV has taken part in the *Salone della CSR e dell'Innovazione Sociale*, the event most anticipated by those who believe in sustainability. Recognised as the main event in Italy dedicated to these themes, the Salone has contributed to the diffusion of a culture of social responsibility, provided opportunities for updating, and facilitated networking between different social players.



#### ASVIS

ENAV is a member of the *Alleanza italiana per lo Sviluppo Sostenibile (ASviS)*, an association founded on 3 February 2016 on the initiative of the Fondazione Unipolis and the University of Rome "Tor Vergata". The aim is to increase knowledge in Italian society, in businesses and in institutions of the importance of Agenda 2030 for sustainable development and to mobilise them into achieving the Sustainable Development Goals (SDGs) through:

- the development of a sustainability culture at all levels, orienting production and consumption models to that end;
- analysis of the implications and opportunities for Italy associated with the Agenda for Sustainable Development;
- a contribution towards the definition of an Italian strategy targeted at the achievement of the SDGs (including by the adoption of analytical and predictive tools that assist in the definition of sustainable development policies), and the realisation of a monitoring system of Italy's progress towards achieving SDGs.

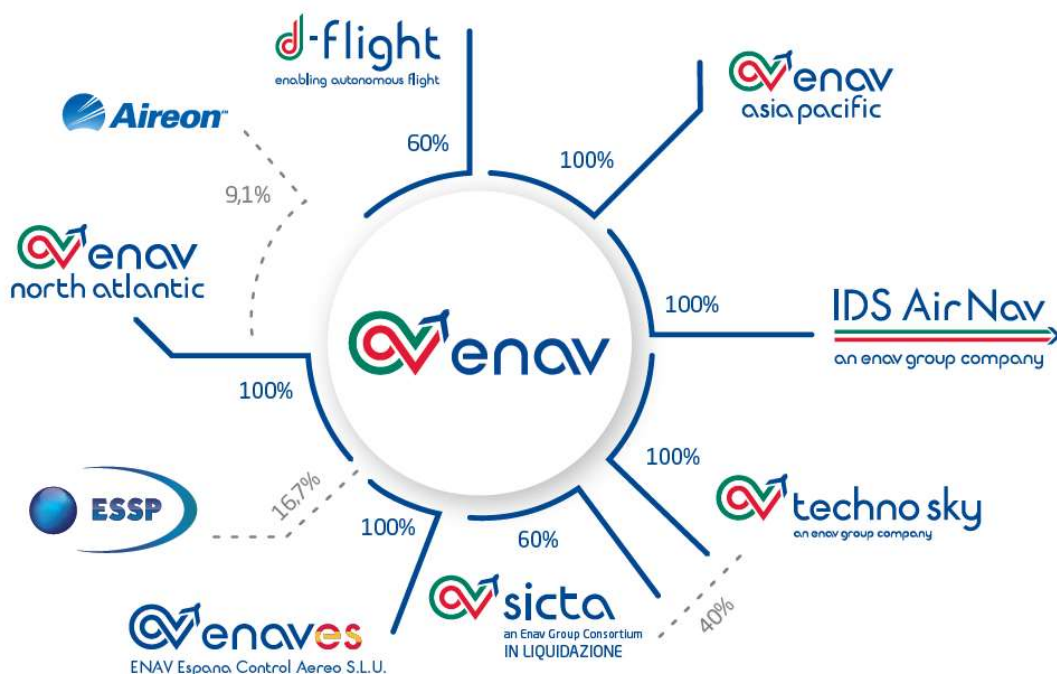
ENAV is part of the ET.group, a project developed around *ETicaNews*, devised by a group of journalists and professionals. The publication was founded along three guidelines:

- journalism on ethics, i.e. dealing with themes that both promote and give voice to a society that is sustainable from an economic and social perspective;
- ethical journalism, meaning that it is independent of advertising, political or relational links, placing itself under the guarantee of an ethic-scientific committee;
- wikietico journalism, i.e. a type of journalism that aims to give voice to the network of stakeholders and readers and to involve them in the project.

### 3.3 The structure of the group and its activities

#### The structure

Safety and quality of service are the key words that inspire ENAV's culture, resulting in ENAV being recognised as one of the best service providers at international level. ENAV's approach, which is increasingly oriented towards the customer, innovation and protection of the environment thanks to a constant optimisation of routes to reduce the fuel consumption of aircraft, is aimed at developing a strategy that is capable of generating constant value to the growth of air transport.



The ENAV Group also includes the subsidiaries Techno Sky S.r.l., ENAV Asia Pacific Sbn Bhd, ENAV North Atlantic LLC, d-flight and IDS AirNav. Thanks to these, in addition to providing air navigation services pursuant

to law and the articles of association, the Company is able to guarantee the installation, maintenance and constant monitoring of flight assistance systems and related hardware and software, to develop and test new technologies, facilitate the safe movement in civilian airspace of drones and be present abroad to provide business consultancy and services on international markets.

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

**4 CONTROL CENTRES**

**45 AIRPORTS**

**44 RADAR SYSTEMS**

**123 TELECOMMUNICATION CENTRES**

**66 WEATHER SYSTEMS**

**224 NAVIGATIONAL AID SYSTEMS**

**27 SOFTWARE SYSTEMS UNDER MAINTENANCE FOR A TOTAL NUMBER OF 31,338 AIR TRAFFIC MANAGEMENT INSTALLATIONS (ATM) IN OPERATION**

Techno Sky also has an operational structure distributed strategically throughout Italy in order to meet each technical, implementation and management requirement in an effective and prompt manner.

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

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

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

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

**D-flight** is a company founded by ENAV in November 2018 for the development of the U-Space platform to provide services to *unmanned aerial vehicles* (UAV), commonly referred to as "drones", of which ENAV holds 60% of the capital. The remaining 40% belongs to an industrial team led by Leonardo in partnership with Telespazio and IDS-Ingegneria Dei Sistemi. The drone sector, which is enjoying strong growth, has been regulated by the European Union Aviation Safety Agency (EASA) with the official issue in October 2019 of the

Regulation of aircraft weighing under 150kg implemented in Italy on 1 January 2021. To respond to EU and national regulations and to provide services to users of drones, ENAV, following a convention with ENAC, has created the platform d-flight which enables:

- registration and account management that allows users interested in using drones to obtain accreditation on the portal for access to the services reserved to operators, both recreational and professional;
- consultation of the no-fly zones that allows members to visualise the areas where it is prohibited to use their drones as well as the conditions for using them safely;
- drone tracking - reception in real time of its position from a central control room;
- presentation of manned traffic and drones tracked under 500 feet;
- planning for Beyond Visual Line of Sight (BVLOS) missions - ability to plan missions beyond the line of sight of the operator using the tracking functions and supporting the safety evaluations of the mission proposed in relation to its possible interferences.

Thanks to these services, it will become possible to exploit fully the potential of aerial drones for activities of great importance, such as the monitoring of infrastructures, inspections, photogrammetry, environmental surveys and many other market opportunities that follow the technological implementation of remotely piloted aircraft.

**IDS AirNav**, the last company to be acquired fully by ENAV in July 2019, deals with the development of software in the context of Air Traffic Management (ATM). All activities are carried out in full compliance with national and international regulations, and in observance of sector standards for Aeronautical Data Quality (ADQ), among which the standard EUROCONTROL ET153. A company with about 150 professionals, it supplies assistance and consulting services for activities proposed and for a vast range of services including the design of flight procedures (IFP), on the ground verifications, assessments of suitability, risk assessment and support for the definition of the relevant mitigations, evaluation of the performances of communication systems, navigation and surveillance (CNS), analysis of “sittings” of radio aid signals and assessment of electromagnetic interference, as well as acquisition of land, of obstacles and aeronautical maps. The solutions offered, processed also with the collaboration of the client, cover all the requirements necessary for the entire process of Aeronautical Information Management (AIM): i.e. the collection of data and their publication, Air Traffic Flow Management (ATFM) and Collaborative Decision Making (CDM).

IDS AirNav operates nationally and internationally, installing solutions in over 70 countries, as well as Italy, and its services for aviation have allowed the Group to enhance its offer and its ability to penetrate the unregulated market, while at the same time enriching its core business activities in terms of the quality of the air traffic control service provided. Indeed, IDS AirNav deals with ensuring that the instruments and systems used for air traffic control, process the data correctly, through the constant monitoring of the quality and safety of the instruments, both during production and in the processes of installation and upgrading. The **Declaration of Suitability Use** quality certificate is issued for all IDS AirNav products and guarantees that the product is compliant with all the necessary regulations and standards. The quality of these products is also ensured by a Customer Care office which handles any criticalities encountered by clients the world over. ENAV is one of Aireon’s shareholders, holding a stake of about 9.1% (which will rise to 11.1% following exercise of the redemption clause, with no additional cost to the Company), along with service providers in Canada, Great Britain, Ireland and Denmark and the industrial partner Iridium, owner of the satellite constellation. Note that, due to the activity it carries out, ENAV North Atlantic has no employees.

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

## **The activities**

### **Air traffic control**

Through the four Air Control Centres (ACC) of Rome, Milan, Padua and Brindisi, and from the control towers of 45 civilian Italian airports, ENAV ensures navigational assistance to all aircraft, whether for take off, landing or simply for overflight of Italy.

### **Airspace design**

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

### **Meteorology**

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

### **Aeronautical information**

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

### **Flight inspection**

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

### **Engineering and maintenance**

Planning, implementation and operation of the entire technological infrastructure necessary for flight assistance. The planning activities are integrated with standardisation and development processes at international level, and with numerous joint projects with other service providers.

Techno Sky provides services related to the management and maintenance of air traffic control apparatuses and systems. It carries out engineering and development activities such as ATM software components, development of weather systems, installation of radio, radar and radio-navigation aids, as well as the development of several ATM and weather software components.

The subsidiary IDS AirNav manufactures systems and software for Aeronautical Information Management Services (AIS), Aeronautical Information Management (AIM) and Air Traffic Flow Management (ATFM).

### **Research and innovation**

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

### **Training**

ENAV is the only company in Italy authorised to select, train and update the different professional profiles that operate in civilian air traffic control services. The Operational & Technical Training facility ensures high-level specialist training, supplying both initial training and continuous updating of personnel.

### **International activities**

As one of the main Service Providers at international and European level, ENAV takes part actively in cooperation agreements, partnerships and multilateral programmes. It covers a role of primary importance in the Alleanza A6, a strategic partnership that brings together the main service providers.

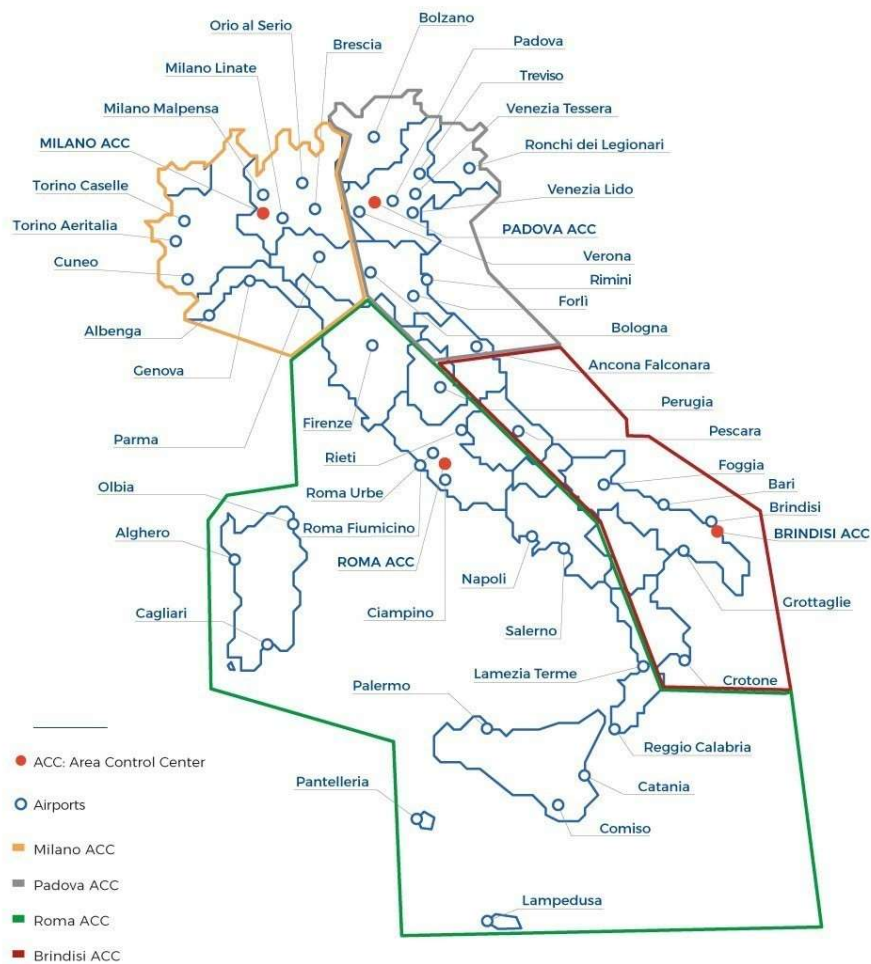
### **Services and Solutions**

ENAV has achieved significant results of an operational and technical-management character, becoming a benchmark and strategic partner in national and international projects thanks to a constant commitment supported by continuous investments in technological systems through its subsidiary IDS AirNav, internationally recognised as a leading supplier of solutions for Air Navigation Service Providers (ANSP), airport authorities, aeronautical agencies, and public and private entities responsible for civilian and military air traffic management.

### 3.4 Operating model

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

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





Air traffic control is guaranteed on a seamless basis beginning from when the aircraft starts its engines to when it turns them off. The task of the air traffic controller, both in the management of area traffic and radar approaches, is to ensure a minimum separation distance between aircraft of 5 miles horizontally and 1,000 feet vertically. The horizontal separation can be reduced to 3 miles in approach phase in busier airports.





## 4. Safety and innovation

### 4.1 Technological innovation

The ENAV Group is a strategic resource for Italy, one in which innovation, technological development and professional growth of people are the drivers through which to make the most out of all assets.

The development of the operating model, the digitalisation of the Company, the development of new abilities and new business lines, such as drones and the foreign market, create the conditions for a relaunch of the Group towards increasingly ambitious results compared to those achieved thus far.

Everyone knows by now the most important projects related to the topic of the environment, in which the Company is a leader internationally, include the Free Route, together with the Aireon satellite system, and the ACDM (for the saving of noxious emissions during the movement of aircraft on the ground). All that is possible thanks to the investments that are made each year in **innovation of infrastructures**, in **digitalisation of systems** and in **interoperability of platforms**.

**Innovating infrastructures** means, for example, utilising satellite systems capable of integrating and progressively replacing the traditional ground radars and, in this context, in its capacity of shareholder of Aireon, the US company Iridium and other ANSPs (air traffic control providers), ENAV is already present with the first and only satellite system for the surveillance of air traffic that covers the entire globe.

The **digitalisation of communications** has to do, for example, with the replacement of printed communications between controllers in the same control tower, with information viewed directly in real time on the radar screen from one's own work station or the reduction in the risk of misunderstanding in radio communications between controllers and pilots through the new Datalink system, through which digital communication can be integrated with ground-air-ground communications.

**The interoperability of platforms** has instead the objective of permitting the sharing of data in real time between systems of different entities (Service Providers, Airlines, Airports, Military) that cooperate in flight management, to guarantee a more fluid and efficient management of airport traffic, also at the supranational level. One of the systems that ENAV is working on – named Coflight – developed with the French firm DSNA, will allow us to reach a higher level of automation of operations compared to the present, and can be “virtualised” for the provision of a remote service, with which the Swiss ANSP Skyguide is currently experimenting.

Thanks to innovation and the constant professionalisation of resources, the ENAV Group, first among the European Service Providers, has revolutionised the methods for crossing Italy's air space, through the “Free Route”, the digital innovation project of flight infrastructures that, by allowing airlines to choose the shortest crossing route, has produced and is producing significant advantages for airlines and the environment<sup>12</sup>.

Along with the activities and projects described, the ENAV Group is working on further innovative projects which in the medium to long term will be capable of revolutionising our sector. Indeed, in many lower density airports, air traffic will be managed via remote control towers, no longer situated inside airports but concentrated in two control centres at national level that bring together different remote towers. All airports will thus be able to operate 24/7, with a lower use of resources and energy, opening up to the needs of the airlines for flexibility, thereby making Italy's national economic system more attractive. In the short term, however, the “Arrival Manager” system will be capable of indicating to the controller the optimum sequence

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<sup>12</sup> The Free Route project is explained in depth in paragraph 8.2 of this document.

calculated for separating incoming aircraft at congested airports, thus enabling an important recovery of consumption and a further reduction in delays.

From the point of view of technologies, the ENAV Group is concentrating its efforts on the use of the most advanced techniques for the analysis and management of **Big Data**, using Artificial intelligence, to move from the current level of predictive capacity to the higher prescriptive one. It is the case, for example, with the CORA (*Conflict Resolution Advisory*) project which is one of the cutting edge functionalities of en route air traffic control systems. At present-day capacity, which enables the reporting of possible conflicts in the trajectories indicated by the aircraft, this system will add the level of “suggestion” with respect to the better and more efficient trajectory to follow in order to avoid conflict. A true revolution.

The final frontier: **Drones**. Speaking of innovation and of a sustainable future for the Aviation sector, the development of drone traffic is surely one of the most interesting aspects. The world drone market will have no respite over the next few years and, on the contrary, will continue to increase its value. These vehicles will be increasingly used for emergency medical assistance, environmental monitoring, mapping of territory, precision agriculture, inspection of critical infrastructures, and much more still, and all will have to be managed in maximum safety conditions. For these reasons, in partnership with Leonardo S.p.A. and Telespazio S.p.A., ENAV has launched **d-flight**, the only platform in Italy and one of the first in Europe for the provision of services to remotely piloted aircraft and to all other types of aircraft that fall into the category of *unmanned aerial vehicles*.

Through d-flight, ENAV can make available to users the services provided for under EASA European regulations for the use of drones, ensuring that drone traffic develops consistently with the rules of safety and cost effectiveness. This is why we are realising U-Space in Italy, i.e. airspace below 150 metres, considered the key element for the safe use of drones in each context and for all types of mission. U-Space services are evolving parallel to the level of automation of the drone and ensure advanced forms of interaction with the environment, the exchange of information and digital data for aircraft with or without a crew.

Innovation and technology for an invisible infrastructure that generates safe sustainable and high quality solutions. This is the objective: to enable the use of drones for business and socially relevant activities, ensuring the integration and coexistence of this new form of transport with the needs and safety of traditional air traffic.

## 4.2 Security

Both sustainability and the security of people and information are general concepts, macro-categories or, better still, meta-disciplines, themes that are constantly debated and vital for the competitiveness of companies and entire economies.

The actions of any business, in particular large-scale ones, influence many aspects of society and the surrounding communities. The initiatives of sustainable development aim to guarantee that the impact of the actions of these big companies is neutral or positive. With all that in mind, protecting organisations means defending them from all potential risks, not only physical safety but also the personality of individuals and their basic freedoms, as well as the protection of information linked to Company operations. The above is part of the Group’s sustainable development strategy. Indeed, the development of innovative technologies and confidence in safety, both of personnel and of infrastructures and information, allows companies to contribute more efficiently to the objectives of Agenda 2030.

The ENAV Group has declared the priority of its objectives of protection of personnel, as infrastructures and systems, from acts or adverse events that can have an impact on primary interests in the Italian constitutional order and in the safeguarding of the public interest entrusted by the law to the corporate structure, including by reason of the special nature of the Parent Company as a “critical infrastructure”<sup>13</sup>, and an “operator of essential services”<sup>14</sup>, in the specific interest of the users, as beneficiaries of services, but also the entire collectivity of the country and its full involvement in the essential functions of the European Union, to which the other companies of the Group also contribute, even though not specifically classified in the aforementioned regulatory categories.

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

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

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

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

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

In the framework of the processes of reorganisation and overall risk management, supervision of security has been extended to encompass the entire Group.

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<sup>13</sup> Legislative Decree No. 61 dated 11 April 2011, “Implementation of Directive 2008/114/EC on the identification and designation of critical European infrastructures and the assessment of the need to improve their protection”

<sup>14</sup> Legislative Decree No. 65 dated 18 May 2018 “Implementation of Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union”, including with reference to art. 4 of law No. 242 dated 23 May 1980.

## Security Policy

The Security Policy expresses the commitment taken on by the ENAV Group to ensure the security of its facilities, personnel and systems, including the data and information contained therein, to prevent any undue interference in the provision of air navigation services, and, in general, the violation of the availability, the integrity and the confidentiality of corporate information, including in the interest of the financial community. The Security Policy has been further integrated, with the refining of the management processes of operational continuity and with a strong *commitment* towards the need to recognise the central value of the duty to protect, as a reflection of the corporate social function according to the spirit of article 41 of the Italian Constitution, and to enhance the human factor and the protection of labour and of workers.

## Security Management System

The Group has developed a strategy for protection in a unitary manner, implementing a Group Security Management System which, as regards the security of the information and data of ENAV and IDS AirNav, is certified by a Certification Body pursuant to UNI ISO/IEC 27001:2014 standard.

The decision to adopt a Group system emerges from the strategic choice to centralise:

- the functions of Governance and control of the Group over the ENAV structures;
- the management processes of the IT infrastructures of the Group over the competent ENAV structures.

Although we have proceeded with the standardisation of objectives, controls, roles, responsibilities and verification systems, with the aim of continuous improvement of the protection of people, of infrastructures, of information, of systems and of networks, some specialist vertical domains specific for each company of the Group have, however, been maintained, in order to take into due consideration, the peculiarities associated with the different areas of the Group.

The Group Security Management System consists of technical and organisational measures implemented in order to increase the overall ability to prevent and mitigate the negative effects, first generated by unlawful interference in the provision of air navigation services. The system also aims to protect ENAV's employees and information assets, with significant direct effects on ENAV's institutional activity. The system manages the entire security life cycle, strongly anchored to risk management, and its key point is the two *Security Operation Centres* – for the security of information and for physical security – entities that constitute the operating engine of the processes of prevention, detection, containment, response and *recovery* assistance in the event of a security threat.

Furthermore, in its role of critical infrastructure and provider of essential services, ENAV participates in setting the national cyber security strategy and in the protection framework of the security and defence interests of Italy, in the context of the international obligations that the country has undertaken.

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

A brief description of the main processes that make up the Security Management System in its unitary approach is provided below:

- **Risk management:** the process is aimed at identifying the risks associated with possible situations that may threaten the ENAV Group's security and, specifically, the security of ENAV's equipment and

personnel as well as the information it receives, produces or uses. This process also plans and implements the security countermeasures needed to reduce these risks to levels deemed acceptable by ENAV. Risk management is expressly extended to staff working abroad.

- **Classification of information:** the purpose of the information classification process is to assist in the correct application, within the context of the business as a whole, of the rules and principles pertaining to the confidentiality of information by means of defining the privacy classification level and determining the persons authorised to process information, both within and outside the organisation.
- **Physical security management:** the physical security management process aims to avoid unauthorised access, damage and interference to the Group's staff, technological infrastructures and property by means of protective measures that are commensurate with the nature of the structures themselves, the type of services performed therein, the personnel it hosts and, more generally, the risk analyses carried out on the specific installation.
- **Management of logical accesses and data backup and restoration:** the processes of management of logical access, in the management context – which is the centralised Group function – have the aim of preventing unauthorised access to IT resources of the ENAV Group. Backup and restore activities, set in the broadest context of operational continuity measures, meet the need to guarantee the availability and integrity of the information for the pursuit of the overall mission of the Group and its components. The analogous process for ENAV's operational world follow more stringent logics by reason of the specificity of the supply of air navigation services.
- **Security event monitoring and ICT security checks:** the Security Operation Centre, in collaboration with all of the structure functions of the Parent Company and the subsidiaries, continuously monitors the security level of the ICT infrastructures in the Group's operational and management networks, in order to identify any abnormal behaviour and, in the event of an attack or threat, to activate the security incident management process. Conversely, the ICT security audits verify whether ICT assets comply with the mandatory rules, the "ICT Security Policy", the Rules of the Security Management System and the applicable security standards.
- **Reporting and handling of security incidents:** the main objectives of the incident reporting and handling process- common to the entire Group and fully integrated into the privacy protection processes - are the timely identification of security incidents, the provision of what is necessary to prevent security-related incidents from causing greater effects in terms of extent and/or intensity of damage, the elimination of the causes of the original incident, and, finally the resumption of normal operations as soon as possible. This activity is crucial in protecting the Group's interests and the core values contained in its constitutional architecture. This responsibility is the task of the Security Operation Centre, as the point of reference for physical, personnel and information security.
- **Threat Intelligence:** this seeks to identify potential threat vectors in advance and to adopt technical, organisational and process countermeasures in real time.
- **Management of the security of personnel working abroad:** a complex process which, over the entire life cycle of activities carried out by the Group abroad, has been defined and formalised, taking into account the short-term and environmental conditions in which the work abroad will take place, preparing specific protection measures and emergency and crisis planning measures, consistent with the primary principle of security of the workers when carrying out their duties, wherever they happen to be.

## **The main activities carried out for Security**

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

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

The process of broadening the functions of the ENAV Group's Security Operation Center has proceeded, integrating them with those of the CERT (Computer Emergency Response Team), extending the capacity for anticipated detection of monitoring and response, including in the difficult conditions imposed by the pandemic. The choral effort of the technological and supervisory components of the Group have facilitated the ability to meet the Security challenges set by the massive recourse to agile working, by developing strong initiatives in terms of growth in awareness and in the Group community culture, and by carrying out strong supervisory action, in particular in the context of the ongoing pandemic.

In this context, specific initiatives were launched, including of a non-conventional nature – such as surprise drills and on the job training – with the declared objective of enhancing the critical spirit of the users, soliciting their attention and stimulating the processing of reporting security events, with very satisfying results indeed.

The integration between the Information Security Operation Center and the Security Operation Center for physical security was inspired by a process of progressive information integration, developing correlations between events as well as operational synergies for prevention and response. In this context, risk analysis and support for personnel working abroad have also been reinforced, adopting the best practices for prevention and protection as well as response to events included in the Travel Security category, strongly characterised by the absolute need to protect people on business trips.

In the context of the implementation of a Group SecMS, the extension of the procedures and rules of ENAV's Security Management System has continued, also involving subsidiaries and the newly acquired company IDS AirNav.

On account of the new dimension taken on by Security, including as a consequence of increasingly stringent regulations, the associated activity is by definition inherent, cross-company and ongoing in the life of the group.

Within the Security Management System specific performance indicators are defined, linked to the need for the original integration of the security risk assessments in important processes, by way of implementation of specific controls imposed by the mandatory regulations and international standards.

The Security process – which is an integral part of the broader risk management mechanism – is reviewed periodically by the Group's top management bodies through a formalised process of re-examination and with the adoption, if necessary, of corrective actions that receive specific and unambiguous support from the most senior managers in the Organisation.

Through the system of internal controls, which is also formal and made known to the whole organisation, specific measurement points are carried out, according to established plans or needs, i.e. when significant events occur that require the understanding and removal of the causes, definition of the lessons learnt and the implementation of actions suitable for preventing their repetition.

### 4.3 Safety

ENAV considers the operational safety level of air traffic control and air navigation services an essential priority. The same applies to operating efficiency and the seamless availability of installations, systems and software used to that end.

Through specific processes, ENAV prevents air accidents and incidents in relation to direct/indirect ATM, correcting and controlling the conditions and precursor behaviours, assessing risks and possible mitigation interventions so that the operating safety of the services provided is ensured.

ENAV also monitors its own performances, verifying the efficiency of Safety processes adopted and ensuring, together with specific activities, the maintenance of personnel skills and the sharing of information relevant to Safety inside and outside the organisation, at the same time reconciling the interdependence of the various performance areas with as many specific performance targets identified at European level for each ANSP/Member State.

#### **Safety Policy**

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

#### **Just Culture Policy**

The Just Culture Policy is a vital and enabling element of the Safety occurrence reporting system: by adopting a “No blame” approach, i.e. by accepting the honest mistake without in any way sanctioning it, ENAV ensures that human resources can work in a climate of trust and free circulation of information useful for the prevention of air incidents and accidents.



## SAFETY MANAGEMENT SYSTEM

In compliance with the requirements of Regulation (EU) No. 373/2017, ENAV has adopted a Safety Management System (SMS) with which it ensures a formal, explicit and proactive approach in the systematic management of Safety organised on the basis of the following main processes:

Planning of Safety improvement.	This is an activity through which management sets targets and monitors the process of continuous improvement of Safety.
Safety training	With this process the training needs of Safety actors (the people that have a role in the management of Safety activities) are defined and the training is provided.
Verification in the context of the Safety Management System	This is an internal verification system for monitoring the level of application of SMS procedures in the various Company structures. The objective of this activity is also to verify the suitability of the processes established and propose changes, where deemed necessary.
Safety monitoring	With this activity, the indicators and targets needed to measure the organisation's Safety performance are defined. Said parameters are monitored during the year through the production of a quarterly report for management.
Reporting and analysis of Safety-related events	This is an activity through which the reporting and investigation of Safety-related events is implemented. The investigation must be completed within 90 days with the issuing, where necessary, of Safety recommendations for the competent organisational units.
Safety assessments of the changes to the ATM functional system	This process assigns the task of carrying out a preventive analysis of the risks connected with the introduction of changes in the ATM system. Each proposal for change is analysed to evaluate the impact of Safety and to define possible mitigations.
Safety promotion	Continuous improvement in Safety is not possible if a suitable Safety culture is not present in the organisation. Via periodical surveys, this process assesses the level of Safety culture at organisational level and proposes initiatives to reinforce it.
Safety Risk Management	This activity has been designed to manage Safety risk in the organisation. The risks are then mapped, traced and monitored at single operating unit level. If the level of risk exceeds the targets set, suitable corrective actions must be identified and implemented.

ENAV's SMS is constantly updated and practised by each Company component with the purpose of:

- ensuring that risk of a possible contribution by the ANS (Air Navigation Services) to an air incident or accident is minimised, as far as is reasonably possible;
- guaranteeing air traffic management that is functional to the long-term needs of Clients, Stakeholders and the system of European and national Air Transport;
- increasing the efficiency of investments and, in general, of design activities, identifying, in good time, the safety requirements (safety by design) that enable the achievement of Company targets.

## CONTINUOUS MONITORING OF SAFETY

Safety monitoring occurs by measuring specific indicators and makes it possible to have updated information on the status of safety and to identify promptly any measures that might be needed to ensure the Safety of services supplied.

Among the main indicators subject to monitoring are:

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

The performance of these indicators is monitored annually by ENAV, by ENAC and by the European Commission which, through the Performance Review Body (PRB, an advisory body of the European Commission), ensures the overall assessment of the Performance Plan and also, therefore, of Safety Performances.

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

## THE MAIN SAFETY ACTIVITIES

In normal conditions, the Safety performance area is strongly correlated to those of Capacity, Environment and Cost-Efficiency.

Even more so in 2020, when the unexpected COVID-19 pandemic determined the need to implement specific and further risk assessment activities, that were added to those previously planned.

With the rise of the pandemic, ENAV in fact remodulated its services to take into account the strong drop in air traffic and made an assessment, updated over time, of the Safety risks involved. In this context, appropriate risk control measures were defined, acting on the components of the ATM functional system (people, procedures and equipment). The outcomes of these activities were then monitored with successful results.

Furthermore:

- in 2020, 2,355 Safety occurrences were analysed against 2,368 received. The remaining 11, received at the end of the year, will be analysed within 90 days of being received.
- Beginning 2 January 2020, the date when Regulation EU 2017/373 entered into force, following a brief period of transition ENAV adopted a new methodology for carrying out its Safety Assessments. This methodology, mainly based on the use of quantitative Risk Models, requires the division of the changes to the ATM functional system into Simple Changes and Complex Changes;

Type	Operations	Technology	Other (Training, Commercial/Funded Activities)	Total
Specific Changes - direct process	547	7	0	554
Simple Changes - mixed process	129	26	18	173
Complex Changes	13	13	13	39
<b>Total</b>	<b>689</b>	<b>46</b>	<b>31</b>	<b>766</b>

- in 2020, the first phase of the NOSS (Normal Operations Safety Survey) project was brought to completion, a process that uses observations in “normal operations” mode to identify strengths and weaknesses of air traffic in terms of Safety. The control rooms involved (Bari, Bergamo, Cagliari, Ciampino, Florence, Treviso and Verona) underwent 102 observations with an average duration of 1 hour each;
- during October, a specific dissemination activity was carried out in the context of the cycle of the “Discovering ENAV” webinars (a virtual voyage to respond efficiently to the desire to know more about the mechanisms for the functioning of the various organisational units);
- the new regulation on the certification of ATM/ANS services (Regulation EU 2017/373), in force since 2020, introduced the quantitative assessment of Safety risks through the definition of several risk models to which EUROCONTROL and the FAA contributed. Not only do these models facilitate assessment of the impact of the changes, they also identify and monitor risks through the definition of appropriate Unit Safety Cases. Each of these includes the analysis of around 120 elements that constitute the ATM Functional System, which integrates the components of people, procedures and equipment, the analysis of ATC barriers that conserve the Safety of the services provided and the

analysis of the residual risk with the possible identification of additional mitigation measures, where relevant.

- in September 2020, ENAV reinforced the scope for the consideration of the human factor in Safety through the issue of a specific “Human Factor Policy for ATCOs”. By means of this act, the already consolidated assessment of stress/fatigue in the event analysis was placed side by side with a management system of stress/fatigue deriving from a critical event.

Future goals	Deadline
Planning/Realisation of a new Safety Culture Survey	2021/2022
Extension of the NOSS process to other Organisational Units	2021/2022
Expansion of the capacity of intelligence data with dedicated projects or with the collaboration of EUROCONTROL	2021/2022

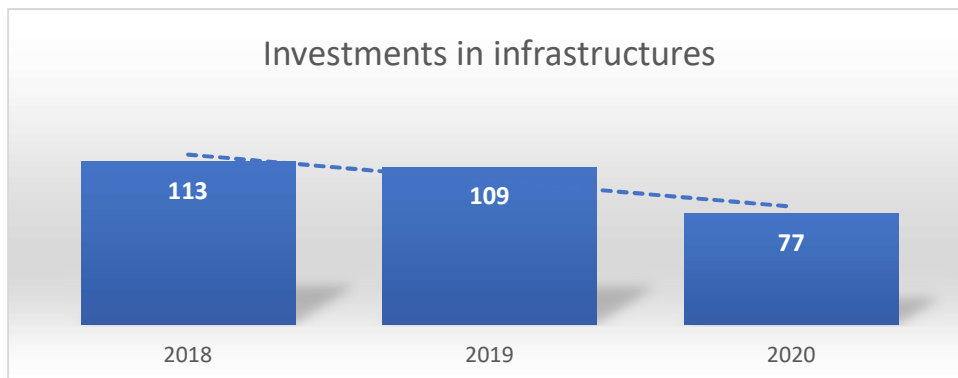
## 4.4 Investments

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

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

Investments in technological platforms and innovative systems for air traffic control are planned for the period 2020-2024, targeted at ensuring high performance and, at the same time, high levels of efficiency, safety, security, quality of service and care for the environment. Through these investments, ENAV sets itself the objective of building resilient infrastructures, fostering innovation and equitable, responsible and sustainable industrialisation, in order to contribute to the achievement of the related target of sustainable development (SDG 9): *Build a resilient infrastructure, foster innovation as well as equitable, responsible and sustainable industrialisation*.

The international situation ensuing from the pandemic has conditioned the plan, diluting its effects for 2020 and 2021. In 2020, the Parent Company, in its main mission as ANSP (air traffic control provider), invested around 77 million euro in total, through projects of implementation and maintenance of operational technological infrastructures, the development of the ATM technology platform with new operational concepts, infrastructures, installations and management information systems against total investments of around €91.5 million. The investments promoted during the year have led to the realisation of numerous projects with significant implications for the improvement of efficiency and productive capacity, safety, security and quality of service.



Below are given the projects realised in 2020 by the Parent Company, divided by the plan objectives of for operational technical development, highlighting the main impacts:

Main projects realised divided by objective	Business	Safety	Security	Quality of service
<p>Consolidation of APPs (Approaches) into ACCs<sup>15</sup>:</p> <ul style="list-style-type: none"> <li>Implementation of the SW infrastructure and of the communications components for the absorption of the APPs of Ronchi dei Legionari, Lamezia Terme, Verona and Bari into the ACCs of Padua, Rome, Milan and Brindisi respectively.</li> </ul>	X			X
<p>4-Flight system<sup>16</sup>:</p> <ul style="list-style-type: none"> <li>Progress in the development of the new ATM (4-Flight) platform, with testing of version B2;</li> <li>Progress in the development of the new Flight Data Processor Coflight, with testing of version V3.3.5;</li> <li>Progress in the development of the new Flight Data Processor Coflight, with testing of version V3.3.5;</li> </ul>	X			
<p>Upgrading of airport weather observation systems<sup>17</sup>:</p> <ul style="list-style-type: none"> <li>Upgrading of weather observation systems with alignment of the SW version with regulation 373, with the possibility of issuing METAR Auto weather reports in 32 airports.</li> </ul>		X		
<p>Realisation of the Technical Operation Center (TOC)<sup>18</sup>:</p> <ul style="list-style-type: none"> <li>Realisation of the physical and IT infrastructure of the Technical Operation Centre (TOC);</li> <li>Progress in the development of the new logistics management system (HAL).</li> </ul>		X	X	X
<p>Realisation of remote towers<sup>19</sup>:</p> <ul style="list-style-type: none"> <li>Implementation of an experimental system or Remote Tower management at the airport of Brindisi.</li> </ul>	X			X

<sup>15</sup> A project that entails a shift of the management of approach procedures in several airports towards the competent ACCs, thus obtaining an optimisation of resources.

<sup>16</sup> A new-generation operational platform that will be implemented following a new approach to development and maintenance.

<sup>17</sup> The goal is to align the airport weather system to the new regulations and gradually implement the automation of producing weather reports.

<sup>18</sup> The goal is also to support changes to ENAV's maintenance processes, which goes beyond the current peripheral maintenance model in favour of a new centralised model that fully exploits all the new virtualisation, remotisation and communication technologies through the complete integration of information, resources and processes.

<sup>19</sup> This goal will also make it possible to manage the traffic of a certain airport from a remote management centre and will also have long-term environmental impacts, with a reduction in consumption and as a result in emissions.

Main projects realised divided by objective	Business	Safety	Security	Quality of service
Implementation of new management systems for the Airport Towers of strategic airports: <ul style="list-style-type: none"> <li>• Implementation of the new airport system (NAT) at Milan Linate airport:</li> <li>• Progress in the development of the AMAN (Arrivals sequencer) for the ACCs of Milan and Rome and carrying out of the first factory tests.</li> </ul>	X	X		X
Implementation on the current air traffic management system (SATCAS) of interventions to improve performances and safety.	X	X	X	
Net E-NET 2 network, with Multiprotocol Label Switching technology. <sup>20</sup>	X	X	X	X

Although not connected directly to medium to long term objectives, the following projects were executed in 2020 by the Parent Company:

Main projects realised	Business	Safety	Security	Quality of service
<ul style="list-style-type: none"> <li>• Completion of the Datalink network with upgrading of the routing apparatuses and completion of multi-frequency sites.</li> </ul>		X		X
<ul style="list-style-type: none"> <li>• Completion of the Technical Block in Genoa with relocation of the APP radar and demolition of the strip building.</li> </ul>		X		
<ul style="list-style-type: none"> <li>• Upgrading of the VCS system at Fiumicino airport.</li> </ul>				X
<ul style="list-style-type: none"> <li>• Upgrading of airport and en route radio-navigation aids (Florence, Pescara, Olbia).</li> </ul>				X
<ul style="list-style-type: none"> <li>• Upgrading of the former military airport in Treviso (CWP Radar, new VCS), Brindisi (New Radio Centre, new VCS) and Rimini (new VCS).</li> </ul>	X	X		X

<sup>20</sup> This infrastructure is able to make data transmission faster and more secure, and is necessary prior to the implementation of remotely controlled towers.

## 4.5 Flight inspection service

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

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

General objectives:

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

The control activity is carried out by 14 pilots and 7 technicians on board (FIO) through a fleet of 4 Piaggio Aero P180 Avanti II aircraft owned by ENAV. The crew is usually composed of 2 pilots and 1 FIO, averaging about 1,300 flight hours per year. These specially equipped aircraft can perform in-flight checks without the need for ground-based apparatus, obtaining results in real time and at all times in observance of international regulations.

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

The high level of performance achieved by the *Flight Inspection and Validation* unit is also testimony to the fact that, in 2020, a year characterised by the health care crisis deriving from COVID-19, flight activity produced was down by just 3%, of which 30% sold to external clients and of these almost 20% to foreign clients, thus managing to ensure the provision of the service even for a part of our clients abroad.



## 5. Responsible business management

### 5.1 Sustainability governance

As widely reported in the Report on Corporate Governance and Ownership Structure, to which reference is made for more information, ENAV's Governance Model is composed of a series of bodies, principles, rules and procedures that comply with the principles of the Self-Regulation Code, and mostly already aligned with the Corporate Governance Code - applicable as known starting in 2021 with a temporary system extended to the entire year - as well as with the recommendations formulated by Consob on this matter and, more generally, with best market practices.

ENAV's Corporate Governance System, also taking into account the social significance of the Company's operations, is oriented towards creating value for its shareholders over the medium to long term and adequately balancing and fostering all relevant interests.

ENAV's Corporate Governance System is structured according to the traditional Italian model and consists of the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

The Board of Directors has established three Committees among its members that support the decision-making processes. As regards in particular topics concerning sustainability, the Sustainability Committee has been assigned to the specific information-gathering, proposal-making and advisory functions, which is also responsible for monitoring the activities related to non-financial reporting.

Sustainability permeates all of ENAV's management activities, starting from the definition of strategies, from an integrated point of view of EST issues in business, which play an increasingly central role in the modern conception of the company, as expressly established in the new Corporate Governance Code, which gives the Board of Directors the role as a guide for the sustainable success of the company.

This vision, as indicated by best practices, is obviously extended to topics of *compensation*. The variable compensation, for the Chief Executive Officer and management, consolidates an integration vision where business is compensated by the progressive perfection of actions that are important from a non-financial point of view. The variable incentive scheme considers long-term goals together with more short-term projects that also include the ambitious challenge to obtain *carbon neutrality* already by 2022.

Company governance guarantees that this integration of topics relevant from an ESG point of view is constantly monitored also from the point of view of risks by the Internal Control and Risk Management System ("ICRMS") and the control that the Control, Risks and Related Parties Committee ensures in this regard in supporting the activities of the Board of Directors.

The governance of the ENAV Group permits a suitable level of control of relevant areas and *compliance* with the applicable regulation, proven by the fact that there are no legal actions regarding competition and antitrust or relevant monetary and non-monetary sanctions received for violating economic, social or environmental regulations.

Currently, there is no unique structure responsible for *compliance*. The single organisational structures, also first or second level departments of the ICRMS, carry out the relevant activities in compliance with standards and best practices.

## The Internal control and Risk Management System

ENAV's ICRMS, for the details of which reference is made to the Report on Corporate Governance and Ownership Structure, is comprised of a set of tools, organisational structures, standards and corporate rules designed to allow the identification, measurement, management and monitoring of the main risks and adequate reporting flows designed to guarantee the circulation of information. The ICRMS helps to ensure that the corporate objectives are achieved in terms of:

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

The ICRMS, which reflects the recommendations of the Corporate Governance Code <sup>21</sup> and takes account of national and international *best practices*, is divided into three separate levels of internal control:

1. **“first level” controls or “line controls” (risk ownership):** Carried out by risk owners, established by the set of control activities that the individual Group organisational structures perform on their own processes to ensure that the operations are performed correctly;
2. **“second level” controls:** Entrusted to the responsible structures or oversight bodies - Integrated Compliance and Risk Management, the Financial Reporting Officer in charge of preparing the Company's financial statements - is given hierarchical and functional autonomy and independence from the “first level” organizational structures, with specific tasks and control responsibility regarding different risk areas/types;
3. **“third level” controls:** Performed by the Internal Audit organisational structure, which provides independent and objective *assurance* about the suitability and effective operations of the first and second level controls, verifying that the Internal Control and Risk Management System is functioning, suitable and coherent with the guidelines defined by the controls that the management body. For this purpose, it prepares periodic reports containing adequate information on its activities, the procedures through which risks are managed as well as compliance with plans for containing them and on the reliability of the Company's information systems, including its accounting systems. The periodic reports contain an assessment of the appropriateness of the Internal Control and Risk Management System.

## The Sustainability Committee and the other board committees

As described in detail in the Report on Corporate Governance and Ownership Structure, the Board of Directors is supported by three committees, established from among its members, which has information-gathering, proposal-making and advisory functions: (i) the *Control, Risks and Related Parties Committee*, (ii) the *Remuneration Committee and Appointments*, and (iii) the *Sustainability Committee*.

The *Control, Risks and Related Parties Committee*, according to what is specified in detail by self-governance as well as by its own regulations, serves the purpose, among others, of providing the Board with support for its assessments and decisions regarding the Internal Control and Risk Management System and the approval of the financial and non-financial periodic reports. This Committee is also entrusted with the responsibilities

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<sup>21</sup> In January 2020 replaced by the “Corporate Governance Code” of the Corporate Governance Committee of Borsa Italiana, which will be applied by the ENAV Group starting from the first year that starts following 31 December 2020, informing the market in the Report on Corporate Governance to be published during 2022

specified in the Related Party Regulation adopted by Consob with Resolution no. 17221/2010 and the Procedure governing company transactions with related parties.

The *Remuneration and Appointments Committee* is assigned information-gathering and proposal-making functions regarding remuneration and appointments according to the principles of the self-regulation code and its own regulations.

Based on the relative regulation, the *Sustainability Committee* supports the Board of Directors, with information-gathering, advisory and proposal-making functions regarding sustainability issues. In particular, the regulation of the Sustainability Committee specifies its responsibilities as follows:

- monitor sustainability policies related to company business and Stakeholder Engagement efforts;
- examine the guidelines of the Strategic Sustainability Plan proposed by the Chief Executive Officer and monitors the progress of the activities and projects contained therein;
- promote ENAV's participation in sustainability initiatives and events, with a view to consolidating the Company's reputation nationally and internationally;
- examine the general approach of the sustainability document proposed by the Chief Executive Officer and the structure of its contents, as well as the completeness and transparency of the information provided, issuing a prior opinion to the Board of Directors at the meeting called to approve that document;
- issue opinions, at the request of the Board of Directors or the Chief Executive Officer, on sustainability issues;
- monitor the concrete implementation of the measures taken by the Board of Directors or by the Chief Executive Officer for the promotion of equal treatment and equal opportunities between genders within the entire company organisation.

### **The appointment of the Board of Directors: rules, procedures and requirements**

The Report on Corporate Governance and Ownership Structure provides detailed information concerning the regulations of the Statute on the appointment of the Board of Directors members, with particular concern for art. 11-bis.3, pursuant to which the Board of Directors is appointed by the Shareholders' Meeting based on lists where the candidates are listed using consecutive numbers.

ENAV's directors were selected according to specific criteria of professionalism and competence, with particular concern for experience of at least three years in activities involving administration or control or management within companies, professional activities or the teaching of legal, economic, financial or technical-scientific subjects at university level, or other subjects that are relevant or in any case functional to the operations of the Company, or managerial functions in public entities or public administrations, operating in sectors which are related to the Company's sector, or entities or public administrations that are not related to the aforementioned sectors provided the functions involve the management of economic and financial resources. Moreover, with regard to gender representation in the Board of Directors, Article 11-bis.3 of ENAV's Articles of Association requires compliance with the current regulations regarding gender balance. The substitution and integration mechanisms of the Board of Directors are consistent with such criteria. The Company adopts a policy for diversity in management and control bodies, which is published in the "Governance" section of [www.enav.it](http://www.enav.it). In accordance with the provisions of applicable legislation and the Articles of Association on the diversity and professional qualifications of ENAV's directors, this policy offers shareholders and the Board of Directors, each within its own sphere of responsibility, a number of guidelines to ensure the broadest and most appropriate diversity of viewpoints within the governing body, especially with regard to the training and professional development of the directors, proposing processes for monitoring that development.

In conjunction with the upcoming election of the Board of Directors, which then took place during the Shareholders' Meeting held on 21 May 2020, the outgoing Board of Directors, in line with the regulations of the Corporate Governance Code that was previously in force, prepared advice for shareholders on the management and professional qualifications that it deemed desirable to have represented on the Board, with diversity being among the criteria to be considered, with an assessment regarding its size, the mix of expertise necessary to ensure that the Board possesses a suitable range of professional skills, that the requirements of independence of the Directors is verified, and that gender balance is respected in the composition of the Board of Directors, which is primarily safeguarded by the law and the Articles of Association.

ENAV's Board of Directors can rely on a suitable number of independent Directors, thereby fulfilling the requirement of independence required for seven Directors out of nine. In this regard, the Board periodically verifies the independence of its own members using suitable formal procedures and under the supervision of the Board of Statutory Auditors. The qualitative/quantitative methods and criteria for verifying the independence of ENAV's Directors are contained in the Policy regarding the criteria and procedure for the assessment of the independence of ENAV's Directors adopted by the Board of Directors in accordance with the recommendations of the Corporate Governance Code.

When accepting their candidacy, ENAV Directors are also required to check if they are able to devote sufficient time to diligently perform their duties in accordance with the guidance provided by the Board of Directors regarding the maximum number of positions that can be held by ENAV S.p.A. Directors, which is available in the "Governance" section of the Company website.

#### **Appointment criteria for Board committees**

The decision-making activities of the Board is supported by committees made up of its own members. The role and composition of the committees comply with the regulatory and self-governance requirements, in line with best practices. The principle of gender balance was taken into consideration among the criteria for the appointment of the members of the Board committees.

The Control and Risks and Related Parties Committee consists of three non-executive directors, the majority of whom are independent, including the Chairman. Upon establishment, the Board of Directors evaluates the professional profiles of its members, making sure that at least one of them has suitable knowledge and experience regarding accounting and finance or risk management.

The Remuneration and Appointments Committee consists of three non-executive directors, the majority of whom are independent, including the Chairman. Upon establishment, the Board of Directors evaluates the professional profiles of its members, making sure that at least one of them has suitable knowledge and experience regarding finance and remuneration policies.

The Sustainability Committee consists of three non-executive and independent directors.

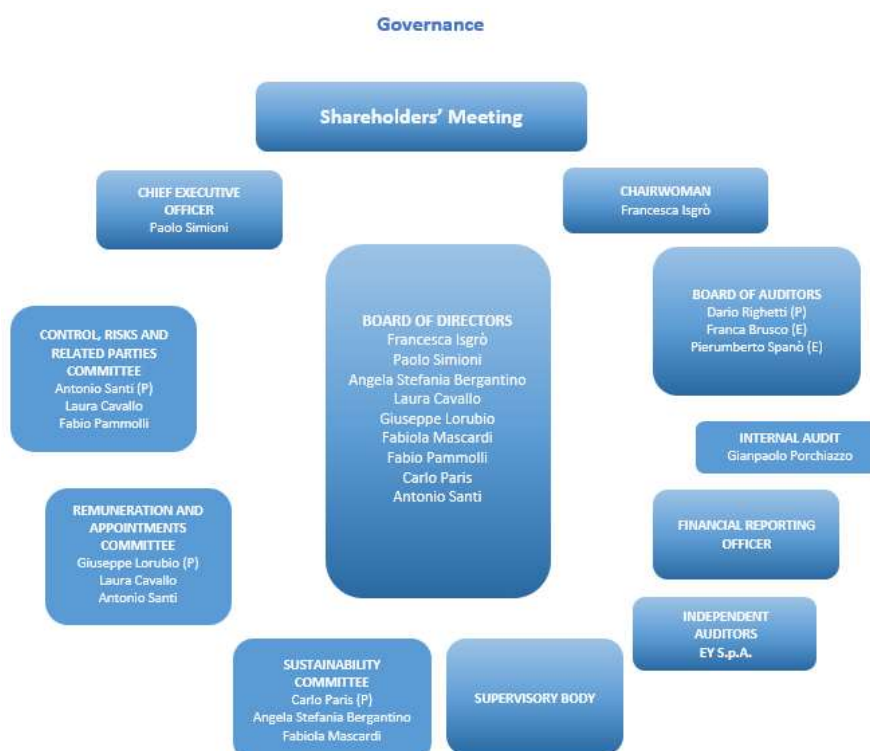
## The criteria for appointing the Oversight Body

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

In compliance with the provisions of the regulations and the Articles of Association on gender diversity as well as on the professional requirements of ENAV's auditors, the policy on *diversity* includes guidelines on criteria for ensuring adequate diversity of opinion within the Oversight body.

The Board of Statutory Auditors periodically evaluates the independence of its members, in accordance with the provisions of law and its own regulations, as well as what is recommended by self-governance.

For more information on the subjective requirements required of ENAV Directors in order to accept the office, and the correlated assessments performed by the Board of Directors to verify that these requirements are met, reference is made to the Report on Corporate Governance and Ownership Structure, which also includes further details on the functions and composition of the composition of the Board committees, as well as the criteria for appointing the auditors and the related checks.



## 5.2 Risk Management and the Enterprise Risk Management System

The ENAV Group has an Enterprise Risk Management System that is used for monitoring and managing the risks, in terms of threats and opportunities, adopting a risk classification model according to four areas (Strategic, Financial, Operations and Compliance) and twenty-two “sub-areas” of a financial and non-financial nature.

Periodic risk assessment activities make it possible to evaluate the exposure to risk in qualitative and quantitative terms, while also defining specific risk appetite and tolerance thresholds and, as a result, listing the treatment measures.

During 2020, two separate risk-monitoring activities were carried out within the Corporate Risk Profile (CRP) of the ENAV Group, which made it possible to analyse and assess the impact of the COVID-19 pandemic emergency, with particular reference to non-financial aspects, and mainly to aspects of “Occupational Health and Safety (H&S)”.

Enterprise Risk Management operates in accordance with the Guidelines of the internal Control and Risk Management System (ICRMS) and to support the Control and Risks and Related Parties Committee.

The various organisational, operational and internal standard safeguards are accompanied by a constant commitment to spreading the culture of risk and risk-based management at the various levels of the Company.

The manner in which they are managed will be discussed in more detail in the sections addressing those specific risks.

The following table shows, for each aspect of Legislative Decree 254/2016, the connected risk events, the impact for ENAV and for the involved categories of stakeholders and the main methods for managing the risks managed and incurred.

The classification of impacts for ENAV follows the categories used in the company's application of the ERM model.

TOPIC OF LEGISLATIVE DECREE 254/2016	RISK EVENTS	POTENTIAL IMPACT ON THE ENAV GROUP	IMPACTED STAKEHOLDERS	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS
<p><b>Governance &amp; Compliance and fight against corruption</b></p>	<ul style="list-style-type: none"> <li>- Market abuse</li> <li>- Failure to respect the reference legislation concerning national cyber security (Legislative Decree 105/2019)</li> <li>- Compliance of systems and infrastructure with reference legislation</li> <li>- Management of institutional relations</li> <li>- Changes to the organisational structure</li> <li>- Failure to comply with regulations applicable to certification, such as a provider of air traffic management services and air navigation services (ATM/ANS)</li> <li>- Failure to respect reference legislation concerning the environment</li> <li>- Failure to respect Reg. EU 679/2016 concerning privacy</li> <li>- Unsuitable positioning of the Group internationally</li> <li>- Occupational safety (H&amp;S) for ordinary activities</li> <li>- Fraud and corruption</li> <li>- Failure to respect Legislative Decree 50/2016 concerning the public contracts code</li> <li>- Failure to respect Legislative Decree 254-16 concerning non-financial reporting</li> <li>- Uncertain legal qualification of the Company (Public Contracts Code)</li> <li>- Failure to respect the applicable regulations for Training Organisation certification</li> </ul>	<ul style="list-style-type: none"> <li>- Strategic</li> <li>- Operational</li> <li>- Compliance</li> <li>- Reputation</li> </ul>	<ul style="list-style-type: none"> <li>- Carriers</li> <li>- Operators</li> <li>- Suppliers</li> <li>- Employees</li> <li>- Shareholders</li> </ul>	<p><b>Carriers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Operators:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Suppliers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> <li>- Occupational safety</li> </ul> <p><b>Employees:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Quality and workplace health and safety management systems</li> <li>- Company policy</li> <li>- System of delegation of functions</li> <li>- Dedicated organizational structures</li> <li>- Specific mitigation measures of a design nature</li> </ul>

TOPIC OF LEGISLATIVE DECREE 254/2016	RISK EVENTS	POTENTIAL IMPACT ON THE ENAV GROUP	IMPACTED STAKEHOLDERS	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS
<b>Environment</b>	<ul style="list-style-type: none"> <li>- Compliance of systems and infrastructures with reference legislation</li> <li>- Failure to respect the reference legislation concerning the environment</li> <li>- Supply chain</li> </ul>	<ul style="list-style-type: none"> <li>- Operational</li> <li>- Compliance</li> <li>- Reputation</li> </ul>	<ul style="list-style-type: none"> <li>- Operators</li> <li>- Suppliers</li> <li>- Employees</li> <li>- Shareholders</li> </ul>	<p><b>Operators:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Suppliers:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Employees:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Quality and workplace health and safety management systems</li> <li>- Company policy</li> <li>- System of delegation of functions</li> <li>- Dedicated organizational structures</li> <li>- Specific mitigation measures of a design nature</li> </ul>
<b>Respect for human rights</b>	<ul style="list-style-type: none"> <li>- Failure to respect Reg. EU 679/2016 concerning privacy</li> <li>- Supply chain</li> <li>- Diversity and Welfare</li> </ul>	<ul style="list-style-type: none"> <li>- Compliance</li> <li>- Reputation</li> </ul>	<ul style="list-style-type: none"> <li>- Suppliers</li> <li>- Employees</li> <li>- Shareholders</li> </ul>	<p><b>Suppliers:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Employees:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Quality Management Systems</li> <li>- Corporate policies</li> <li>- Dedicated organisational structures</li> <li>- Specific mitigation measures of a design nature</li> </ul>
<b>Pertinent to personnel</b>	<ul style="list-style-type: none"> <li>- Risk of disputes</li> <li>- Safety of personnel working in Countries at risk (travel security)</li> <li>- Occupational safety (H&amp;S) for contract work</li> <li>- Suitability of human capital</li> <li>- Staff turnover</li> <li>- Occupational safety (H&amp;S) for ordinary activities</li> <li>- Disagreement</li> </ul>	<ul style="list-style-type: none"> <li>- Operational</li> <li>- Compliance</li> <li>- Reputation</li> </ul>	<ul style="list-style-type: none"> <li>- Carriers</li> <li>- Operators</li> <li>- Suppliers</li> <li>- Employees</li> <li>- Shareholders</li> </ul>	<p><b>Carriers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Operators:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Suppliers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> <li>- Occupational safety</li> </ul> <p><b>Employees:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Quality and workplace health and safety management systems</li> <li>- Company policy</li> <li>- System of delegation of functions</li> <li>- Dedicated organizational structures</li> <li>- Specific mitigation measures of a design nature</li> </ul>



TOPIC OF LEGISLATIVE DECREE 254/2016	RISK EVENTS	POTENTIAL IMPACT ON THE ENAV GROUP	IMPACTED STAKEHOLDERS	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS
<b>Social</b>	<ul style="list-style-type: none"> <li>- Aeronautical accident in relation to ATM contribution</li> <li>- Group Reputation</li> <li>- Continuity of core services</li> <li>- Information security</li> <li>- Physical safety</li> <li>- Aeronautical accident of the air fleet owned by ENAV</li> <li>- Discontinuity of the administrative-managerial services</li> </ul>	<ul style="list-style-type: none"> <li>- Operational</li> <li>- Reputation</li> <li>- Compliance</li> </ul>	<ul style="list-style-type: none"> <li>- Carriers</li> <li>- Operators</li> <li>- Institutions</li> <li>- Employees</li> <li>- Shareholders</li> </ul>	<p><b>Carriers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Operators:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Institutions:</b></p> <ul style="list-style-type: none"> <li>- Reputational damage</li> </ul> <p><b>Employees:</b></p> <ul style="list-style-type: none"> <li>- Occupational safety</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Quality and workplace health and safety management systems</li> <li>- Company policy</li> <li>- Dedicated organisational structures</li> <li>- Specific mitigation measures of a design nature</li> </ul>
<b>Climate change</b>	<ul style="list-style-type: none"> <li>- Climate change (emerging risk)</li> </ul>	<ul style="list-style-type: none"> <li>- Operational</li> <li>- Strategic</li> </ul>	<ul style="list-style-type: none"> <li>- Carriers</li> <li>- Operators</li> <li>- Shareholders</li> </ul>	<p><b>Carriers:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Operators:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul> <p><b>Shareholders:</b></p> <ul style="list-style-type: none"> <li>- Economic damage</li> </ul>	<ul style="list-style-type: none"> <li>- Specific mitigation measures of a design nature</li> <li>- Operating procedures</li> </ul>

## 5.3 Possible impacts of climate change on core business<sup>22</sup>

ESG risk	Description of the risk	Adaptation and management method	Impacts
<p><b>RISKS CONNECTED WITH CLIMATE CHANGE</b></p>	<p>The impacts of the phenomena determined by climate change on air traffic stakeholders have been identified and studied over the years on an international level. In particular, the document EUROCONTROL “<i>European Aviation in 2040 - Challenges of growth - Adapting aviation to a changing climate</i>” (June 2018) identifies <u>five main types of meteorological phenomena</u> that could potentially have an impact on the aeronautical world:</p> <ol style="list-style-type: none"> <li>1. Precipitation (e.g. rain, snow, hail);</li> <li>2. Temperature (e.g. average increase);</li> <li>3. Rising sea level (e.g. floods and submersion of coastal areas);</li> <li>4. Wind (e.g. changes in direction and intensity);</li> <li>5. Extreme events (e.g. storms, hurricanes);</li> </ol> <p>The assessments related to these phenomena are listed below, referring to the aspects of greatest relevance for providers of air navigation services and therefore for ENAV.</p> <p><b>1. Precipitation</b> Within the scope of air transport, and more in particular in the air navigation services field, the events connected to intense precipitation can require greater separation distances between aircraft, resulting in a direct impact on airport capacity. In fact, the drainage capacity of the airport surface may not be sufficient for facing more frequent and/or intense situations of precipitation, resulting in the increased risk of flooding of runways and taxiways. Furthermore, airport infrastructures, as well as electrical equipment, can be exposed to a risk of flooding.</p> <p><b>2. Temperature</b> Increasing temperatures can cause an impact on infrastructures. For example, high temperatures may make it necessary to increase the cooling in airport buildings, in particular for the more exposed ones such as control towers, which have large glass surfaces, resulting in increased energy costs. High temperature also involve impacts on engine performance and the aerodynamics of aircraft, with a potential impact on flight procedures and on the influence of noise in the areas surrounding the airports.</p> <p><b>3. Rising sea level and overflowing of rivers</b> The progressive melting of the ice caps following the increase in the earth's</p>	<p>ENAV is constantly engaged in guaranteeing the safety and punctuality of millions of passengers who fly in Italian airspace, ensuring the continuous provision of air navigation services.</p> <p>The operational safety level of the air navigation services is in fact an essential priority for ENAV that, in pursuing its institutional and strategic objectives, favours the achievement of the paramount objectives of safety.</p> <p>ENAV has defined specific <i>Business Continuity</i> plans, defining the appropriate procedures to apply in the case of events involving a deterioration or interruption in services, in order to preserve continuity in various possible emergency scenarios. ENAV guarantees the necessary levels of the continuous availability of operational personnel. Personnel periodically receive training and instruction to maintain their required professional qualifications. The necessary levels of availability of the technological component are also guaranteed through specific functional redundancies and by means of an extended maintenance plan to which all the systems and equipment that support the air navigation services are subjected. The service level of the technological component is also supported by specific investment plans that aim to increase the performance of systems and equipment in terms of reliability, availability, safety and efficiency.</p> <p>Therefore, by the end of 2022, ENAV intends to prepare a detailed <i>assessment</i> of the impacts on its business deriving from <i>climate change</i>, analysing the effects on the management of airspace and on the supply of services at the airports where it operates.</p> <p>However, it is stressed that ENAV’s ability to guarantee the pursuit of its <i>business</i> objectives,</p>	<p>All the possible direct effects for ENAV connected to the effects of <i>climate change</i> are ultimately translated into possible lost revenues and/or increase in operating costs, and in particular this refers to: interruptions in the supply of services due to damage to infrastructure or technological assets, reduction in traffic flow and/or airport capacity.</p>

<sup>22</sup> In observance of the call for attention no. 1/21 of 16.02.2021 issued by CONSOB

	<p>temperature could generate a rising sea level that would have serious impacts on national coastal areas. In particular, for air transport, airports located in the coastal zone could be at risk, as they are exposed to the risk of flooding and, similarly, there can also airports located near rivers could be at risk.</p> <p><b>4. Wind</b> Changes in wind characteristics could cause considerable problems. For airports, as runways are built along the direction of the prevailing wind on a local level, there may be events connected to the presence of strong transverse components, with impacts on the safety of flight behaviour. This could make it necessary to change the flight procedures and redesign the air space, with the possible additional environmental risk due to the redistribution of the acoustic impact around airports.</p> <p><b>5. Extreme events</b> Convective weather phenomenon (e.g. storms, hurricanes) can have strong impacts on flight delays, in particular during periods with high levels of seasonal traffic. Furthermore, European continental areas could experience larger convective systems that could potentially involve multiple major airports in the same region. This could reduce the selection of alternative airports if the airport of destination is not accessible, and the available airports may not have sufficient capacity to satisfy the traffic demand. As a result, a dynamic planning of the flight based on capacity may be necessary in order to avoid possible impacts on <i>Safety</i> in the case of an emergency.</p>	<p>primarily by guaranteeing the continuity of the provision of its services, is strongly interdependent in the medium/long term on the resilience of the entire air transport sector to the effects of <i>climate change</i>. In particular, the airport system involves complex interaction between the various actors (airport operators, carriers, ground transport and road infrastructure operators, utilities, etc.), therefore long-term mitigation could in some cases require a coordinated and shared approach among all the involved actors in order to reduce the overall impact on sector business activities.</p>	
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## 5.4 Protection of legality and anti-corruption

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

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

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

- the periodic *Risk Assessment*, to identify the areas of the company most exposed to the risk of corruption, the relative processes, the existing controls. This analysis is followed by a risk assessment divided by process: inherent risks and residual risks and areas of improvement for a corruption management system that is always updated and as effective as possible;
- the establishment of regulations and procedures for those areas most exposed to the risk of corruption;
- the establishment of first- and second-level anti-corruption controls;
- the development of training programmes for employees on preventing and combating corruption;
- the existence of a reporting system, (whistleblowing), which is connected to a process for investigating reports;
- periodic reporting to upper management concerning areas at risk, the status of *policies* and procedures, the results of anti-corruption controls performed, reports received and resulting investigations made.

The internal departments conduct a periodic risk assessment incorporating internal and external analysis by means of interviews carried out by the Anti-corruption, Fraud & Whistleblowing structure with the management of the ENAV Group also based on the analysis of the internal and external context. They are also regularly updated to identify the necessary actions to strengthen the internal control and Risk Management System, with particular reference to procedures and organisational safeguards.

With the help of an ad-hoc created company, the update of the anti-corruption *Risk Assessment* was completed on 15 February 2021, (*the prior version dates back to 2018*), which is a document that will be presented to company *stakeholders* in order to implement measures suitable for bridging the *gaps* that emerged. The risks related to corruption were assessed within the risk assessment process in 100% of the processes.

The new Risk Assessment mapped, within its applicable scope, the companies of the ENAV Group, also including the company IDS AirNav, which was purchased by ENAV on 18 July 2019 and therefore excluded from the area of assessment of the 2018 Risk Assessment. The results of the 2021 Risk Assessment, currently being presented to company *stakeholders*, will also include (in addition to the results of the *risk and gap analysis* carried out in order to update the Group's 231/01 Model, which will be explained below) the aspects of the risk of corruption which were identified during a specific audit related to the sales process on the non-regulated market that also focused on international corruption, which will be formalised in 2021 through audits on sales orders.

Specific audits have also been performed that analyse some sensitive processes that also aim to ensure the existence and effectiveness of the first and second level controls.

The various activities include participation in the update of the Commercial Guidelines (now the Policy on ENAV Group Commercial Risks) which dictate – among other aspects - regulatory elements concerning the sale of Group products on the non-regulated market, with the intent to continuously strengthen the Internal Control and Risk Management System, pointing out that IDS AirNav is the ENAV subsidiary that oversees the Group's commercial development.

In September 2020, all Companies of the ENAV Group started a project to update their organisational, management and control Models pursuant to Legislative Decree 231/2001, in preparation for which they performed a risk and gap analysis that mapped, among the predicate offences, also those related to corruption.

On 22 December 2020, ENAV's Board of Directors approved the update of the Group's Code of Ethics (also updating topics related to human rights) and, on the same date, also approved the update of ENAV's Organisation, Management and Control Model.

For the subsidiaries, the process for adopting the new reviewed 231 Model is being completed.

Furthermore, the implementation of the "Code of Conduct for Combating Corruption" ("Anti-Corruption Code"), which has been in force since 2018, is mandatory for all Group companies. This code adds to a complex body of internal rules consisting of *policies*, procedures, guidelines and regulations that govern in more detail the individual reference areas and with which internal staff must comply.

In 2020, a two-hour training session was offered to the organisation (with the exception of operational personnel) concerning tax crimes, which were included among the 231 predicate offences. Furthermore, a two-hour training session was made available to the entire organisation concerning topics of anti-corruption and *whistleblowing*, which also included training on tax crimes pursuant to Legislative Decree 231, which was therefore also provided to operational personnel.

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

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

With reference to the whistleblowing channel, an IT system is currently operating for the reporting of illegal acts that guarantees the anonymity of the whistle-blower, in response to the requirements of the relevant legislation (Law 179/2017). In order to put greater emphasis on the whistleblowing system, the corresponding website was updated, making it easier to use and access.

The reports received via these channels are assessed by the relevant departments. Those considered to be important are analysed further by means of audits.

During 2020 and also for 2018 and 2019, no cases of fraud or corruption were detected in the Group as resulting from the Internal Audit.

The Group has already adopted and has published on its website the "Whistleblowing Regulation", which identifies the persons who can "whistle blow", defines the scope of behaviours; explains the events or actions

that could be subject to whistleblowing; sets out the principles and general rules for the “whistleblowing process”, including protection of the reporter and the reported party.

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

Future goals	Deadline
Conclusion of the Risk Assessment on anti-corruption, also for the purpose of alignment with the best <i>practices</i> and international standards.	February 2021
Start of the activities of sharing the results of the 231/01 Risk Assessment and the risk and gap analysis (also concerning topics related to the predicate offence of corruption) with the internal <i>stakeholders</i>	March 2021
Update of the current code of conduct for fighting corruption	by the end of 2021
Update of the Whistleblowing regulation	by the end of 2021
Activity for the preparation for the Group’s Anti-Corruption Policy	by the end of 2021
The information and training campaign regarding aspects of Corporate Compliance will continue (aspects connected to Legislative Decree 231/01 and Code of Ethics, Anti-Bribery and Anti-Corruption, Fraud and Whistleblowing)	during all of 2021

## 5.5 Human Rights

The ENAV Group operates mainly in Italy, where the legislative framework and the level of development of civil society widely guarantee the respect of human rights, freedom of association and collective bargaining and therefore makes certain actions on its part concerning these topics less critical. However, ENAV dedicates constant attention to respect for human rights.

In fact, by means of its Internal Audit structure, one of the company’s goals regarding the respect for human rights in Group companies and processes, is to perform the audits identified in the Plan and use any reports that are received to check the application of the internal procedures and the observance of the Group's Code of Ethics, of the Organisation, Management and Control Models (pursuant to Legislative Decree 231/2001), as well as the applicable national and international regulations applicable to all companies of the Group. This also serves the purpose to detect and report any infringements of protected human rights by the various means envisaged and implementing any corrective measures.

The risks associated with human rights were assessed within risk management process for 100% of processes.

### Human Rights policy

The new **Human Rights policy**, as set forth in the 2018-2020 Sustainability Plan, was approved in October 2020. With this policy, the Company aims to protect and promote human rights when carrying out its company activities and in every context in which it operates through the strict observance of the laws in all countries in which it operates and adopt and apply its internal codes of conduct. The policy sets out the principles contained in the Universal Declaration of the United Nations, in the United Nations Guiding Principles on Business and Human Rights, in the Conventions of the International Labour Organisation, in the OCSE Guidelines, in the Charter of Fundamental Rights of the European Union and in the Group's Code of Ethics. The main principles of the policy concern:

- rejection of forced or obligatory labour or child labour;
- freedom of association and collective bargaining;
- relationships with the community.

In order to take account the new human rights policy into account, ENAV has integrated the new **Group Code of Ethics** (approved in December 2020) by including topics related to human rights, in order to more precisely define the commitment of the ENAV Group regarding these aspects.

Future goals	Deadline
The Group is planning on integrating more specific references regarding the protection of the whistleblower and the confidentiality of the contents of the report in its Code of Ethics	First half 2021
Training is planned for increasing awareness for all employees of the ENAV Group regarding the topics of the Code of Ethics	First half 2021

## 5.6 Responsible supply chain management

For the ENAV Group, sustainability also means creating a relationship with its suppliers based on collaboration and complete transparency of information and also due to the fact that a company's relationship is also linked to all its collaborations along the value chain.

For these reasons, considering that ENAV and Techno Sky's procedures for awarding are subjected to the Public Contracts Code<sup>23</sup>, over the past two-year period, in compliance with the regulatory requirements of Legislative Decree 18 April 2016 no. 50, the Companies have started a process of analysing its own suppliers in order to evaluate their social, environmental and governance performance.

For this purpose, an IT platform dedicated to collecting qualitative and quantitative data and information on sustainability in order to obtain an ESG evaluation. By using this platform, ENAV and Techno Sky are able to analyse a series of ESG information concerning some *core* suppliers, i.e. the suppliers that constitute the Group's strategic supply line, and suppliers that may be deemed as most at risk, identified according to their ATECO (economic activity) category.

Following the processing of the data for this assessment, the core suppliers belonging to the SME category can receive an analytical report that also includes a notification of any problems that came to light as well as proposals for improvement as regards possible corrective actions. Every six months, a reassessment

<sup>23</sup> Please note that for the subsidiary d-flight, the Public Contracts Code is applied to the awarding procedures

campaign will be started to check the effective improvements achieved by the suppliers. The campaign, which is completely voluntary, will be started in 2021 and does not involve any expense or cost for the suppliers.

ENAV's ERP Oracle Application system also includes a supplier assessment process, which is regulated by a procedure<sup>24</sup>. The supplier is evaluated based on the following criteria:

- the level of compliance of performance
- their promptness in satisfying ENAV's requirements within the scope of the contracts assigned to them.

The individual performance indicators of the supplier make it possible to obtain, using the ERP system, an overall vendor rating index (VRI).

The problems identified and the serious non-fulfilments (including violation by the contractor concerning the fight against mafia-type crime, regulations on occupational safety pursuant to Legislative Decree 81/08 or environmental regulations pursuant to Legislative Decree 152/06) must be communicated by sending the "Critical issues/blocking events form" to the system (ERP)<sup>25</sup>.

The procedure<sup>26</sup> for the assessment of Techno Sky suppliers (SAP System) foresees, in line with ENAV's process, a supplier rating that if negative after finding critical issues, is communicated to ENAV in order to adopt the measures described above in the indicated procedure.

In parallel to the development of these assessment systems, the "Code of Conduct for suppliers" has been prepared and whose acceptance is mandatory for all ENAV and Techno Sky suppliers.

Following the introduction of clauses into ENAV and Techno Sky's procurement contracts to encourage suppliers to comply with the principles and values contained in the Code of Ethics and what is defined in the Organisation, Management and Control Model adopted by the Companies, suppliers are also required to consent to being audited, in part to verify, where necessary, compliance with the environmental and social requirements connected with the specific performance obligations in each contract. Furthermore, depending on the type of contract, references have been prepared for some tender documents, for example in the Specifications and in the Declaration of participation in the procedure, which refer to specific regulations concerning the observance of Human Rights, with particular reference to the prohibition of exploiting child labour and the respect for every other similar applicable regulation.

IDS AirNav, in line with what is implemented by the Parent Group, includes clauses regarding the principles contained in the Code of Ethics and Legislative Decree 231/2001 in the majority of its orders and contracts with Italian suppliers. The company is also implementing procedures regarding the Parent Company's Procurement policy. During 2021 some clauses will be inserted regarding compliance with the principles of the Code of Ethics, both for foreign suppliers, in compliance with the laws in force in the geographical area of reference, as well as in the Framework Agreements with Italian suppliers, which will lead to a significant increase, compared to 2020, in the percentage of contracts that include human rights clauses.

The company d-flight uses ENAV contract formats that include clauses that refer to the principles of the Group's Code of Ethics and Legislative Decree 231/2001.

As regards the scope of supply, over recent years ENAV has paid increasing attention to the environmental sustainability of provisioning through the implementation of actions focused on ESG sustainability. This choice was made based on the desire of ENAV to reduce the environmental impact of the goods and services

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<sup>24</sup> SGQ-P-PROC.2.1 ENAV supplier assessment, emissions associated with business travel

<sup>25</sup> SGQ-P-PROC.2.1/D02 Scheda\_Criticita\_Eventi\_bloccanti

<sup>26</sup> SGQ-P-PROC.2.2 Techno Sky supplier assessment



that its purchases and of the works that are carried out in accordance with Article 34 of Legislative Decree 18 April 2016 no. 50, as amended by Legislative Decree 19 April 2017 no. 56.

The COVID-19 health emergency has had a significant impact also on the air transport sector, which has reduced national and international travel, resulting also in financial impacts due to reductions in income deriving from the core business activities of the Parent Company, and also due to the extended payment terms granted to airlines for invoices related to gross passenger revenue for the months from February to May 2020. Taking this critical aspect into account, and with the objective of paying its debts to all suppliers, the Parent Company has scheduled its payments along a greater period of time with respect to the scheduled due dates, but making payments to all suppliers. There has been a continuous and constant dialogue with all suppliers, and ad hoc meetings have been held with suppliers with which the company has the greatest exposure. Information regarding the average times and average delays in payments<sup>27</sup> is provided below:

- **average payment times:** the average payment time for commercial transactions carried out in 2020 was 70.69 days (in 2019 it was 19.7 days), compared with the typical contractually stipulated payment deadlines of 30 days. The calculation was made by identifying the number of days that passed between the starting date for the calculation and the date of the relative payment. Compared with the starting date, account was taken of the date from which the transaction can be settled, or subject to the successful outcome of the verifications required by the relative legislation. The longer average payment time is strictly connected to what was indicated above.
- **average payments delays:** the average for late payments for commercial transactions made in 2020 was 51.61 days (in 2019 the average delay was 20.6 days), compared with the typical contractually stipulated payment deadlines of 30 days, and they were calculated by identifying the number of days that passed between the due date of the payment (decided by negotiation or by law, depending on the case) and the date of actual payment. It should be pointed out that the average lateness of payments can be due to factors outside the Company's control, such as: documents needed for payment not in order (DURC and Equitalia), documentation to be obtained from suppliers that they have not sent (which under contractual regulations means it is not possible to proceed with payments, such as proof of having paid subcontractors) or payments of invoices that, according to the contractual arrangements, can be paid later than the normal due date of 30 days from the date on the invoice.

Future goals	Deadline
The above cited platform was released during 2020. Suppliers were identified which will be subject to the first campaign that will take place in 2021.	2021
The Code of Conduct for suppliers was prepared (to be subjected to the authorisation process).	2021

<sup>27</sup> As regards the parent company ENAV, art. 22 of the Growth Decree (Decree Law 34/2019) converted into Law of 28 June 2019 no. 58, introduced article 7(3) into the rules on late payments in commercial transactions under Legislative Decree 231/2002, which poses an obligation on companies to give evidence in their Sustainability Reports, starting from the 2019 financial year, of the average payment times for the commercial transactions, of the average payment delays, of the commercial policies adopted with reference to the above mentioned transactions and to the actions implemented for payment deadlines.

## 5.7. Fiscal Management

In the ENAV Group, fiscal governance is based on the principles contained in the Code of Ethics. Even if it has not formalised its strategic fiscal policy in a document, the ENAV Group, whose activities are mainly based in Italy, correctly fulfils its tax obligations also through a well-defined organisation and procedures that define activities, roles and responsibilities.

The Group is committed to complying with tax regulations by means of:

- appropriately managing the tax burden related to Group activities;
- staying up-to-date with the national and international regulations concerning its own area of activity;
- maintaining good relations with tax authorities based on absolute transparency and collaboration;
- studying transfer pricing is necessary for the definition of intercompany contracts with companies present in Countries other than Italy.

The tax returns are controlled by tax consultants and external auditors. The Financial Reporting Officer in charge of preparing the Company's documents participates in tax-related decisions both on a strategic level as well as on an operational level, and is responsible for monitoring the tax risk management activities and assesses the suitability of the organisational structure dedicated to tax issues.



## 5.8 Corporate giving initiatives

With the aim to contribute to civil growth and the sustainable development of the country in line with the United Nation's 17 SDGs, also due to the consequences of the COVID-19 pandemic, in 2020, ENAV focused its corporate giving initiatives on 3 SDGs:

SDG no. 3: Health and Well-being

SDG no. 4: Quality Education

SDG no. 11: Sustainable Cities and Communities

The company has focused on the following activities and projects:

- **The “Identity Tree” project in collaboration with “Happy Coaching”**

In order support the awareness of young generations of sustainability issues and ENAV's role in the air traffic sector, ENAV, through the commitment and professionalism of its people, has taken on an active role in the “Identity Tree” project. This project, which is targeted towards primary school children, not only provides an overview of the path of sustainability and the role of some strategic companies in the country, it also aims to create a work of art created by students and parents under the guidance of the Pistoletto Foundation. The work of art, which was donated to the city of Rome, has given life to an urban requalification project and will be permanently exhibited in Piazza Vittorio, which is one of the city's most important squares.

- **“Live with style” project in collaboration with “Legambiente”**

With the “Live with style” project, in order to increase the awareness and responsibility of ENAV people, a training course has been developed concerning the environment, waste management and recycling.

Issues were covered related to sustainable lifestyles such as separated collection and the recovery of exhausted oils. The course also provided more in-depth information about the issue of plastic where, based on the *2020 Beach Litter* survey on the health of Italian coastlines, innovative materials were presented that can replace disposable plastic, with data and suggestions for making our daily life increasingly sustainable.

- **“Stores around the globe” in collaboration with “Geo4map”**

ENAV supports the narrative educational-scientific project “Stories around the globe”, created by Geo4map and which has partners such as the Touring Club Italiano, the Italian Air Force and other national institutions.

With this project, ENAV wants to promote literature starting from childhood through compelling stories with high-quality scientific content. This innovative chain, where children can learn about scientific material, is presented as a method for making young children aware of issues of fundamental importance such as climate change and the melting of glaciers.

- **“Help us give life” project in collaboration with AVIS**

With the initiative “Help us give life”, thanks to the collaboration of AVIS, which brought its blood donation stations to the ENAV sites, employees were able to donate blood directly at their workplace. The availability of blood is an essential need in order to save lives, not only in the case of exceptional events such as earthquakes, disasters or accidents, but also for the ordinary management of healthcare activities. This event, which was preceded by an internal communication campaign, had good employee participation.

- **Donations to: Civil Protection and the Spallanzani Hospital; support to the Bambino Gesù Hospital**

During 2020, and in spite of the serious crisis in the sector, the ENAV Group decided to make a donation to the Spallanzani Hospital and the Civil Protection in order to support them in their extremely important work during the COVID-19 pandemic.

Furthermore, during 2020 ENAV decided to support the social campaign “Embrace research” of the Bambino Gesù paediatric hospital, which is engaged in the need for identifying and providing therapies that are increasingly customised and in a timely manner to their little hospitalised patients. The goal is to identify specific projects for the implementation of essential medical technologies and equipment to better understand the course of COVID-19 in infants and children.

## 6. The relationship with *stakeholders*

### 6.1 From Stakeholder Engagement to Stakeholder Management

When developing ENAV's sustainability policies, the aspect of listening to its *shareholders* is becoming an increasingly central and essential element. Interaction with shareholders, airlines, airport operators, institutions, suppliers, employees, media and opinion leaders is not only directed toward the updating of the materiality analysis, but also to listening to their needs and developing new initiatives that create added value not only for ENAV but also for the air traffic sector.

As a result, in 2020 the ENAV Group started a process for changing from a reactive management model to a programmatic and proactive approach to managing *stakeholder* requests, integrating these aspects into strategic planning.

Developing an integrated system for managing *stakeholder* relationships involves the definition Stakeholder Engagement plan that is more comprehensive from a qualitative and quantitative point of view, and is able to define objectives, activities and the resources necessary for controlling the relationship with company stakeholders, also through the continuous management of relationships with them through various involvement tools and *feedback* mechanisms.

Stakeholder Management (no longer *engagement*) is therefore a circular process for which the results of the *engagement* activities are used as input to improve the management of the relationships from a point of view of continuous improvement, which on the one hand makes it possible to anticipate different types of risks, and on the other to transform threats into opportunities through the joint identification of solutions that create shared value for the organisation and for its stakeholders.

In particular, the benefits connected with *stakeholder management* make it possible to:

- check if and when the *stakeholders* have a positive perception of their relationship with the Organisation;
- understand how the *stakeholders* perceive the work of the Organisation as a whole;
- satisfy the needs and expectations of *stakeholders* in the medium-to-long term to support strategic planning;
- identify, together with the *stakeholders*, new solutions in terms of products, services and business areas;
- with the contribution of the *stakeholders*, define how to invest the organisation's resources in initiatives that support the community;
- involve the *stakeholders* in defining to what extent the relevant topics have an impact on their assessments and decisions, identifying the ones with priority.

Specifically, the process of defining Stakeholder Management has four phases:

- Mapping and prioritising the *stakeholders* by calculating the relevance of the *stakeholder* for each category, based on the parameters defined by AA1000SES, such as:
  - dependency. Groups or individuals who directly or indirectly depend on the activities of the organisation, or its products or services and the associated performance, or on which the organisation is dependent in order to operate;
  - influence. Groups or individuals who have an impact on the strategic choices and decisions of the organisations or is internal stakeholders;
  - urgency. Groups or individuals that require immediate attention by the organisation concerning economic, social and environmental issues.

- Defining the involvement plan by identifying the resources to be implemented in order to interact suitably with the stakeholders, channels and in the most coherent manner;
- Implementing the listening phases through a mutual exchange of content in order to identify innovative ideas and solutions in response to the requests received from the stakeholders;
- Monitoring the plan and follow up with regard to the stakeholders, ensuring the continuity and systematic nature of the relationships with them using all possible channels (reporting, sustainability plans, development of communities, focus, two way communication, etc.).

## 6.2 Customer Relationship Management

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

In 2020, satisfaction with the services provided to airlines (CNA) scored 4.1 on a scale of 5, an increase with respect to what was obtained in 2019 (4.0).

The *survey* completion rate was 68% (a slight increase from 65% in 2019).

CRM activities are obviously not limited to the customer satisfaction survey but are divided into a set of initiatives targeted at stakeholder involvement and active participation in the evolution of the various processes (often associated with the implementation of new operational processes).

In 2020, CRM activities were obviously conditioned by the COVID-19 pandemic. Initially, due to the situation of disorientation and uncertainty, contacts were stopped, and then restarted as usual in the following phase. As a rule, in carrying out its CRM activities, ENAV encourages *one-on-one* meetings, plenary sessions, open day demonstrations, thematic workshops and webinars related to the activities of the Operations area. This year, less formal tools were privileged, such as phone calls, messages and e-mails, in order to maintain a *customer oriented* approach based on integrated actions that are able to satisfy the expectations of *airspace users* and ensure the processes necessary for delivering increasingly effective and efficient services, while at the same time promoting constant improvement.

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



IDS AirNav has activated its own support services for all customers, by means a group dedicated to 10 people (Customer Care Team, part of the Services area of IDS AirNav) which performs the initial analysis of the requests for technical support made by customers (users of the IDS AirNav system/SW). This initial support phase can end with instructions (or procedure) for the removal of the problem that was presented and/or in direct support in the use of the system/SW or with a workaround that can be defined permanent or temporary.

In some cases, collaboration may be necessary between the groups that manage the IDS AirNav systems/SW (PDM/DM: ProDuct Management/Development Manager, belonging to the Engineering area of IDS AirNav) to identify one of the solutions for the first support phase. If the problem cannot be solved with these solutions, or if the solution is mutually defined as temporary, the problem is treated with a Trouble Report, involving the need to perform actions on a code development level on the system/SW involved with the problem and integrating the current development/release plans.

Based on the type of support contract in force with the specific customer, the times and methods for the support/solution process may be subject to Service Level Agreements (SLA). These SLAs can also include a definition of the type of problem (e.g. blocking, urgent, medium, low) that then indicate the times and methods for supplying support and the resolution of the Trouble Report<sup>28</sup>.

When managing customer satisfaction, the TTPro tool can be used to generate a series of different types of indicators that make it possible to monitor:

- The quantity of support requests presented (open, closed, in progress, pending, etc.);
- The systems/SW for which support requests are received;
- the average resolution times (distinguishing between the solutions reached during the first phase and those that follow times connected to developments in system/SW code);
- The reasons for the requests that can be solved during the first phase of support;
- The system/SW solutions for which more requests are received.

These indicators are provided to the various figures in the company organisation that need these details in order to:

- define/adapt/start commercial actions and/or strategies;
- solicit greater attention and/or support in the technical management of the customer;

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<sup>28</sup> In addition to the Trouble Report (TR) there is also the Change Report (CR) that is used when the customer request is identified as a request of a development nature (also not considered in the medium-to-long term roadmap for the system/SW) or “personal” which can, as a result, imply ad-hoc response times and negotiations.

- direct energy/equipment from the PDM/DM/V&V area to those areas (or sub-areas) of the system/SW that present problems more frequently;
- extrapolate common elements useful for the medium/long term development plans for the system/SW.

As regards D-Flight, users, both accredited and not, can access its website to access the digitalised Service Desk managed by Telespazio S.p.A. Accredited users have priority with regard to response times. Uses with a “pro subscription” are guaranteed a response within the first two business days from the receipt of their request.

### 6.3 Investor Relations activities

ENAV has always placed a great deal of attention on its relations with investors, financial analysts and the financial community in general, establishing the Investor Relations unit in order to manage these relations in a continuous and effective way. The opportunities for dialogue are many: conference calls, in-person and virtual meetings, financial conferences, site visits and roadshows. In these events, the management team, typically the CEO (Chief Executive Officer) or the CFO (Chief Financial Officer) together with the head of the Investor Relations structure, present to the financial community the main results for the period (quarterly, half-yearly, annual), business trends and strategy guidelines and is available to answer the questions received from the individual participants. All the economic and financial information related to the Company, as well as the main share performance indicators and the analysts’ opinions can be found in the Investor Relations section on ENAV’s website.

A dedicated mailing list is also available to the financial community, which the Company uses to periodically communicate relevant financial information, as well as a dedicated e-mail address, through which it answers questions asked by investors or financial analysts in the event of new business activities or particular market trends. During the period between January – December 2020, ENAV had about 200 interactions with institutional investors, mostly during “virtual” financial conferences and video-conferences, as a result of the COVID-19 pandemic, which strongly limited the movement of persons and as a result in-person meetings.

In addition to investor relations, ENAV maintains frequent contacts with financial analysts covering the stock (so-called “sell-side”). The 10 analysts who covered ENAV stock in 2020 come from major Italian and foreign brokerage firms, some of whom specialise in infrastructure firms, and periodically publish reports and updated analysis of ENAV’s activities, performance and financial position. Finally, it is important to emphasise how in spite of the pandemic in 2020, interest of the main institutional investors in Corporate Social Responsibility (CSR) issues and the activities undertaken by ENAV on this front in order to ensure the long-term sustainability of the Company expanded further during the year, with a specific focus on social, environmental and governance aspects. In that sense, ENAV has proactively moved in this direction, including in its presentations to investors a specific section on CSR, also with a view to increasing the transparency with regard to its activities, involving investors in its Stakeholder Engagement initiatives and participating in conferences and financial events on Environmental, Social & Governance (ESG) issues.

For 2021, ENAV aims to further expand opportunities for interaction and meeting with the financial community using various occasions such as roadshows, participation in financial conferences and conference calls, both face-to-face and virtual, in line with the best market practices. For 2021, the Company also aims to broaden its investor base by focusing on investors based in geographical areas not reached during the IPO as well as on investors with a medium/long-term investment perspective, focusing on SRI funds, broadening its own disclosures on ESG issues, and on specialised infrastructure funds.

## 6.4 Cooperation with organisations, institutions and industry associations

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

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

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

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

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

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



support State representatives), and is also president of some of these groups, and operates with a particular focus on activities relating to topics of corporate interest in the fields of legislation, operations, Safety and Security, the environment, the CNS and ATM technical systems and procedures;

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

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

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

For ENAV, membership in the SJU not only represents a confirmation of its authority in the ATM field at European level but also provides a valuable opportunity to directly participate in guiding the direction of strategic choices related to the design, development and management of new-generation ATM systems, safeguarding the significant investments made to guarantee a cutting-edge service to its users. In November of 2020, ENAV, together with the main actors in the world of aviation in Europe, has confirmed its commitment to participate in SESAR 3, which will coordinate the Research & Development projects for the ATM sector in Europe for 2021-2027.

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

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

The A6 Alliance is part of the governing bodies of the SDA, the *legal entity* established under Belgian law in January 2018 to handle the Deployment Manager programme. ENAV participates in the A6 activities in governance groups and in technical working groups, contributing with its experts to the process of modernising the European ATM infrastructure. The A6 Alliance, also started, together with the other partners of the SDA, all the activities necessary for the establishment of a new entity responsible for the coordination

activities for the Deployment Programme, which involves the main European ANSPs, airlines and airports together with the European Network Manager.

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

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

For the period covered by this analysis, the year 2020, the following main initiatives were carried out by ENAV in the aforementioned organisations. It should also be remembered that, due to the travel restrictions imposed due to the COVID-19 pandemic, national and international activities have been converted into remote meetings (teleconferences).

Organisation	Activities
ESSP	ENAV is a shareholder of ESSP. Provision was made and continues of the EGNOS satellite navigation service. During 2020, activities were carried out to prepare ESSP’s offer for the new call launched by GSA (European GNSS Agency) for the future EGNOS service supply contract for 2021-2030. The contract is planned to be awarded during 2021.
AIREON	It is the global satellite surveillance infrastructure. ENAV is a shareholder of Aireon and hosts at its Ciampino Technical Centre one of the first <i>Aireon Service Delivery Points</i> (SDP), it validates data and contributes to the certification process.

Organisation	Activities
SESAR JU	<p>The SESAR European Research and Development Programme is an initiative launched by the European Commission to provide the regulatory framework of the Single European Sky with innovative technical elements that make it possible to create a new air traffic management system that is modern, interoperable, efficient and capable of guaranteeing the development of air transport in a safe manner, with respect for the environment and in line with the growing traffic demand.</p> <p>The second phase of the programme, called 2020 Wave 2, was carried out during 2020, whereas in parallel the projects of Wave 3 were prepared (active starting from the end of 2020) to complete the funding allocated to SESAR 2020 by the European Commission.</p> <p>In order to implement the projects, the Parent Company relied on the contribution of a group of national and international partners, the so-called Linked Third Parties (LTP), which were carefully selected based on technical-operational agreements, as well as on the subsidiaries Techno Sky, IDS AirNav and D-flight.</p> <p>Overall, ENAV participates in 32 SESAR 2020 projects that concern the topics of most interest to the company. Wave 1 concluded with success in 2020, with ENAV engaged in 16 projects and with more than 20 validations carried out; Wave 2 started in 2020 and is still in progress, with the Company involved in 12 projects; Wave 3, finally, was recently contracted out, with ENAV involved in 4 projects.</p> <p>In 2020, activities started for the definition of the new phase of the programme, called SESAR 3, which is scheduled to start in 2023 and that will fully involve Group Companies in the modernisation processes of the European ATM system.</p> <p>For ENAV, additional projects co-financed by the European Commission were awarded in 2020 through the 2020 Horizon Programme.</p>
SESAR DM	<p>The project activities envisaged in the European deployment programme have been initiated and are under way. At present SDM coordinates 343 projects, of which more than 155 were completed, substantially benefiting performance. It is estimated that the 343 projects, once completed, will result in more than 7 million tonnes less CO<sub>2</sub> thanks to more efficient flights, and an improvement in network capacity with over 300 million fewer minutes of ATFM delay. In particular, ENAV is carrying out a series of implementation projects that have recently been put into operation, bringing significant benefits to the civil aviation community, in terms of punctuality, improvement of airline performance, as well as important improvements for passengers, in terms of cost reduction, environmental sustainability and safety.</p>
CANSO	<p>ENAV has continued its involvement in the governance and technical groups on a global and European level. Starting from September 2020, ENAV has contributed to the definition of a position shared by the ANSP community related to the proposal of the European Commission concerning the Single European Sky (SESII+), which regulates the main activities carried out by ENAV.</p>

Organisation	Activities
A6	<p>The A6 Alliance has coordinated the activities of the main European ANSPs on the key topics involving the European traffic management system.</p> <p>In particular, in 2020, thanks to the ENAV chairmanship of the Strategy Board, the first phase of negotiation was completed with EUROCONTROL/NM and with a group of Airlines (A4) and the Association of Airports (ACI) for the establishment of an equal and lasting New Partnership (2027) thanks to signing the High Level Principle Paper in July 2020. The A6 Alliance has also started the activities for reviewing the legislative proposal SES II+ in order to suggest amendments to the legislative text to better protect the interests of the sector.</p>
ICAO	<p>In 2020 ENAV continued the technical activities within the technical committees on a global and European level. As regards significant positions, it should be mentioned that it held the vice presidency for the largest decision-making body in Europe, which encompasses 56 member states, including the Russian Federation and those located in Eurasia and in North Africa.</p>

Future goals	Deadline
<p><b>Primary role of ENAV in <i>Traffic Management for UAS - UTM</i></b></p> <p>ENAV, together with its subsidiary D-flight, and in cooperation with Italian authorities, plays a driving role in this new sector, with enormous benefits on a social and economic level, both on a European and international level. The recognition of a leadership role offers ENAV and the country system valid commercial opportunities for the supply of services, know-how and infrastructure systems on the international market.</p>	2021-2022
<p><b>Important role in the New Partnership to be created for the coordination and management of European deployment and infrastructure</b></p>	2021

Future goals	Deadline
<p><b>Primary role of ENAV in <i>Space Traffic Management - STM</i></b></p> <p>The objective of STM is to improve the safety of operations in orbit, thereby reducing the risk of collisions and interference, in collaboration with ATM, by promoting the long-term sustainability of space activities, mitigating the negative effects on the space environment, facing topics related to globalisation, intensification and diversification of space activities and managing a space environment that is increasingly congested, without forgetting the interaction and impact of these new operations on traditional aviation activities.</p> <p>From that point of view, ENAV is playing an active role in important initiatives, in synergy with the national regulator ENAC and with other national and international actors, such as for the ECHO project. The objective of ECHO (European Conops for Higher Airspace operations) is to develop an operational and solutions concept for the development of this new type of traffic, analysing in particular demand, the type of aircraft and the operational requirements.</p>	2023-2024
<p>Intercept market opportunities related to the ATM Data Services Provision (ADSP) concept addresses in the legislative proposal SES II+. These opportunities can be taken advantage of directly by the ENAV Group or through its partnerships (e.g. Coflight Cloud Services) or its subsidiaries (ESSP, Aireon, etc.).</p>	2021-2022

Projects	Description
Coflight and 4-Flight	<p>ENAV is also involved, in partnership with the French provider DSNA and with the industrial consortium Leonardo – Thales, in the Coflight and 4-Flight programs that have the following objectives:</p> <ul style="list-style-type: none"> <li>• the design, development and implementation of a new FDP system (Coflight);</li> <li>• the development of an innovative interface for the management of ATM operations by operational personnel (4-Flight).</li> </ul>
Coflight Cloud Services	<p>Within the scope of the Coflight project, ENAV, together with its partner DSNA, is also involved in the remote supply of the Flight Data Processing (FDP) service to the Swiss provider Skyguide, therefore developing an innovative FDP concept as a service rather than as an infrastructure, with considerable benefits on an operational, technological and economic level.</p>

## 7. People



### 7.1 ENAV strategy for developing a new sustainability culture

Ever since the Company decided to invest heavily in sustainable development, one aspect became immediately clear above all others: to reach any goal we needed to start from people.

It seems obvious, but especially in a company like ENAV, where the human factor is always decisive and where people are at the centre of the business model, all goals to be reached must necessarily be shared at all levels.

In the case of sustainability however, there is an additional difficulty because it is not merely a project to be developed or a simple goal to reach, but a full scale **cultural change**. In a company like ENAV, this process may appear even more complex than elsewhere, both because the business is spread across 52 sites, and also because air traffic controllers and administrative personnel have very different aptitudes, skills, and work hours.

Initially, by means of initiatives such as selection of sustainability Ambassadors, implementation of voluntary company projects, the sustainability portal and the Sustainability Day, the conditions were created to ensure everyone gained awareness of the arguments linked to sustainability and the SDGs, and also understood the importance of this change for the world around us and for the company's business continuity. Subsequently, with the spread of awareness that sustainability is to be treated as a corporate practice rather than a function, initiatives and contributions started to emerge from colleagues and units aimed at supporting the Company's sustainable development efforts. This process aided the development of several initiatives that touched on all areas of the Company, moving from projects for the environment to those linked to the supply chain, *welfare*, *diversity & inclusion*, and all aspects of sustainability. In order to make all these initiatives consistent and harmonic and ensure that sustainability is increasingly incorporated in the business in a tangible manner, it was then decided to implement the third ESG factor, Governance, which today allows the interaction between the various bodies dedicated to supervision and management of these issues (CSR Unit, Board Committee on Sustainability, Managerial Sustainability Committee, Sustainability Data Owners and Sustainability Ambassadors).

In the development of a sustainability-centred corporate culture, a third phase can now begin: that which should persuade ENAV people to opt for the integration of ESG in their daily actions and practices. In this context, to ensure that sustainable development is not a mere fad and is not limited to a system of rules and procedures imposed top-down by the Company on its employees, we need to proceed so that each individual “feels” and “chooses” sustainability, making it an integral and irrevocable part of their system of values. In this process, schools and national and international institutions can obviously play an important role, but it is our conviction that business enterprises must also come on board. For these reasons, the “third part” of the process will be based on providing ENAV people with a series of instruments and information that increasingly place them at the centre of the process of change, both inside and outside the Company.

In 2021, an internal sustainability portal will be developed on which ENAV people can find information and also interact freely with their colleagues and with industry experts; the Company will launch an app that, by means of a series of stimuli, including gamification, can help us to understand, in a simple and engaging manner, the nature of our personal ecological footprint and what we can do in our everyday actions to reduce our impacts; webinars will be held with big names from the world of sport, culture, and institutions to address ESG topics from a standpoint other than our own, and as soon as possible we will hold face to face meetings and shake hands to celebrate the work that we have already completed together and the tasks that lie ahead.

## 7.2 Worker health and safety in the year of COVID

As outlined in the Code of Ethics, the ENAV Group awards a high level of importance to the physical and moral integrity of its employees and collaborators, to the diffusion of working conditions that are respectful of individual dignity, and to the provision of safe and healthy workplaces. The companies take care, therefore, to disseminate and consolidate a culture of health and safety in the workplace, while developing risk awareness and promoting responsible conduct by all personnel.

Group companies<sup>29</sup> have adopted the Occupational Health and Safety Management System of the ENAV Group (OHSMS) in compliance with widely recognised international standards. All the Company activities are covered by the OHSMS, which are extended to include not just employees but also seconded workers and the personnel of contractor companies.

In 2020, the DNV GL – Business Assurance certification organisation carried out a series of formal audits nationwide in Italy, aimed:

- at the transition to the new ISO 45001:2018 standard, for ENAV, and Techno Sky;
- maintenance of ISO 45001:2018 certification for IDS AirNav;

DNV-GL also planned the ISO45001:2018 certification audit activity at D-Flight, carried out, with a positive outcome, in January 2021.

In relation to health and safety in the workplace, in compliance with relevant requirements and with the support of the Group Prevention and Protection Service, the employers carry out risk assessments for ENAV Group companies, including the risk related to work activities in other countries, drawing up the associated Risk Assessment Reports (RAR). The Risk Assessment Documents (RAD) were updated in 2020 for ENAV, Techno Sky, IDS AirNav and D-Flight.

The Group<sup>30</sup> implemented an internal procedure (OHSMS-P.3.1 Hazardous events management), forming part of the procedural body of the Health and Safety Management System. The new procedure describes the process of reporting, recording and analysis of hazardous events in order to check for possible areas of improvement in relation to occupational health and safety, identify the need for corrective actions or opportunities for preventive actions, communicate the results of surveys, and prevent undesirable events, in the drive to ensure ongoing improvement.

In addition, in relation to the many activities and works it carries out as a contractor, in consideration of the specific matters linked to tenders within the sphere of application of Title IV of Legislative Decree 81/08 as amended, Techno Sky draws up Operational Safety Plans (OSPs) and carries out accurate monitoring of the documentation produced by contractor companies in order to assess compliance with the applicable on workplace health and safety legislation (WHS).

The health surveillance service is guaranteed within the Group<sup>31</sup> as required by Legislative Decree 81/08, as amended, and the appointed medical officer assesses the health/biological risk associated with travel to countries subject to “non generic” health/biological risks.

The health surveillance activity in ENAV and Techno Sky, considering the nationwide distribution of the sites where our people are employed, is performed by a staff of medical officers (MO), under the direction of a health coordinator (HC).

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<sup>30</sup> With the exclusion of ENAV Asia Pacific

<sup>31</sup> With the exclusion of ENAV Asia Pacific

In July 2020, ENAV Asia Pacific adopted the Occupational Safety and Health Policy, which was communicated formally to all personnel and consultants on 29 July 2020. A Hazard Identification, Risk Assessment and Risk Control process (HIRARC) has been defined, resulting in the definition of an Emergency Preparedness and Response plan and drafting of the related Evacuation Plan and emergency management Flow Charts. Risks directly connected to the operating activities were found to be minimal.

In order to provide access and communicate relevant information in relation to occupational health and safety, all documents of use to prevent accidents are available in the “occupational safety and environment” section of the Followme Intranet site.

In the context of the certification migration procedure to ISO 45001:2018, which calls for greater engagement of workers above the level already constantly provided by the health and safety representatives (HSR), the Group has taken the following actions: extension of the debriefing already in place at the end of emergency drills to include the workers who took part in the drill; publication on the Followme portal of the Emergency Plans; interviews during internal audits, with several of the workers present (not in HSR positions) in relation to the OHSMS.

In their commercial relations the ENAV Group's Italian companies assure health and safety impact prevention and mitigation through the consistent application of their Health and Safety Management Systems. The Group has also set up the Group Travel Security procedure, which contains instructions to follow when travelling abroad to guarantee the health and safety of our people.

In organisational terms, the Group Prevention and Protection Service performs a monitoring, guidance, and coordination role for all the Italian Group Companies, coordinated by the Group HSE. The employer's Functional Delegates, who in turn dispense some of their powers to Functional Sub-Delegates.

With regard to skills development, ENAV supplies training courses, also for the employees of other Italian Group companies, on workplace health and safety (WHS) with either specific classroom/video-conference sessions or in *e-learning* mode.

The entire ENAV Group population is involved in the training activity via classroom/video conference sessions, especially with regard to people acting as emergency management officers, elected/appointed worker safety representatives, and people identified as Managers, Supervisors and Workers.

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

- general worker training;
- specific risk worker training;
- worker update;
- travel safety.

The first two e-learning courses are addressed to all newly hired non-management personnel at ENAV and IDS AirNav, while for Techno Sky, the specific risk course (12 hours) is held in the classroom. Also, worker training update courses are held at the frequencies prescribed by law (five yearly). The “travel safety” course is delivered to all Group employees who work outside Italy, regardless of their contractual position.

In addition to the aforementioned training, also the following courses are available to Techno Sky employees in compliance with needs:

- standard CEI 11/27 concerning electrical works and qualification for the related jobs;
- Category III<sup>A</sup> Personal Protective Equipment (PPE);



- users of Elevating Work Platforms (MEWP/EWP).

### Policy in relation to health and safety in workplaces

An Occupational Health and Safety Policy, published on the corporate portal, has been drawn up for each company in the Group, tailored in relation to their corporate aims and targeted towards ever greater effectiveness of the OHSMS.

In compliance with statutory legislation, the ENAV Group pursues the key objective of ensuring continuous improvement of its performance in relation to occupational health and safety and the elimination or reduction of risks affecting all Group personnel and any other stakeholders who may be exposed to occupational health and safety hazards associated with their work activities.

### Workplace Health and Safety Management System

The ENAV Group's<sup>32</sup> workplace health and safety management system complies with the requirements of ISO 45001:2018 and it sets out the general guidelines, prescriptions and reference documentation required to assure ongoing improvement of performance and improved protection of the needs and expectations of stakeholders in relation to Occupational Health and Safety.

The main processes that make up the Workplace Health and Safety Management System can be briefly described as follows:

<b>Risk management</b>	The process is aimed at continuous identification of occupational health and safety hazards, assessment of the level of the related risks, definition of the control measures needed to reduce the risks and update the risk level assessment further to the implementation of control measures.
<b>Hazardous events management</b>	The process is intended to describe the methods of reporting, managing and analysing accidents, <i>near misses</i> , and situations of danger in relation to the WHS context and in the context of work activities performed by Group personnel and third parties (suppliers, visitors). <i>Near miss</i> reports can be made by any member of staff.
<b>Emergencies management</b>	The process is designed to regulate the identification of possible emergency situations, define emergency management rules and responsibilities and describe the methods adopted for periodic auditing of emergency preparedness in order to improve response actions, by drafting and updating emergency plans and by performing the associated periodic tests (fire drills).
<b>Health surveillance management</b>	The purpose of the process is to define the planning, programming, and execution of health surveillance activities and the associated monitoring in order to issue a certificate of fitness of workers performing the duties set down in the health protocol (art. 41 Legislative Decree 81/08 as amended).
<b>Training management</b>	The aim of the process is to regulate management of training, information, and coaching of workers and health and safety officers and to perform the associated monitoring (articles 36 and 37 of Legislative Decree 81/08, as amended).
<b>Communication, participation and consultation</b>	The aim of the activity is to describe communication, participation and consultation processes in the WHS context through the definition of methods of communication within the Group and of external

<sup>32</sup> With the exclusion of ENAV Asia Pacific

	communication (with customers, Supervisory Authorities, visitors, and any other stakeholders), in compliance with the roles and responsibilities involved.
<b>Management of legal prescriptions</b>	The purpose of the process is the identification, selection, collection, preservation, and updating of the legal prescriptions and any other prescriptions concerning workplace health and safety (WHS) of relevance for any Group activity, and the methods of monitoring compliance with the applicable regulations.
<b>Performance measurement</b>	The process is aimed at describing the methods adopted by the Group to manage OHSMS performance measurement and monitoring activities and reporting to senior management.

### Main actions performed for Health and Safety in the Workplace

Following the pandemic emergency (COVID-19), starting from the end of February 2020 the Group Prevention and Protection Service was proactively engaged in dealing with contingent issues, time by time.

The main activities concerned:

- ✓ continuous monitoring and analysis of the Group impact of national and regional anti COVID-19 guidelines;
- ✓ definition, in compliance with statutory legislation, of risk mitigation measures designed to prevent the virus from spreading, including supplying all personnel with the necessary Personal Protective Equipment (e.g. surgical or FFP2 face mask, where necessary, disinfectant wipes to sanitise workstations and instruments, and disposable gloves), checking of spaces and, where necessary, reorganisation in order to guarantee maintenance of recommended safety distances;
- ✓ drafting and subsequent updating of the documentation produced for all Group companies (COVID-19 biological risk assessment, “Useful information and COVID-19 risk mitigation measures” manual, bulletins and various notices addressed to personnel, to the functional Delegates and external suppliers to comply with legal requirements);
- ✓ participation in local Committees for checking of the application of the *Shared Protocol regulating measures to combat and contain the spread of the COVID-19 virus in the workplace* (24 April 2020);
- ✓ the conformity analysis of the various items of Personal Protective Equipment (PPE) to support procurement processes and, in general, support for all the Group's central and local organisational units in relation to the pandemic;
- ✓ the engagement of the medical officer in identifying “fragile” employees and in assessing the health/biological risk for all travel.

The same rules imposed by the Protocols in force in Italy were extended to ENAV Asia Pacific, when they were more stringent than the local regulations, e.g. *smart working* incentives for activities that can be carried out without physical presence, adoption of social distancing criteria and constant use of face masks also on Company premises.

Future goals	Deadline
Certification of the Group OHSMS in compliance with ISO 45001:2018	2021

### 7.3 Operational training and the role of the Training Centre

In order to maintain the highest possible service quality standards, ENAV cannot fail to treat training investments as an absolute priority. As the only Company in Italy authorised to select, train and update the various professional profiles operating in civilian air traffic management (air traffic controllers, FIS personnel, ATSEP operators, meteorologists and flight inspection pilots), over the years ENAV has been able to put operational training more and more at the centre of its strategic choices, reaching the highest levels among the international service providers in terms of the quantity and quality of service provided.

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

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

- 1 radar simulator (24 workstations in 12 suites);
- 5 3D 270° tower simulators;
- 1 CRJ flight simulator;
- 1 laboratory for rapid prototyping and scenario validation;
- 1 meteorology operations room simulator for observatories;
- 7 STD (Synthetic Training Device) portable workstations.

#### **Internal training of operative personnel**

Air traffic controller (ATC) is not a typical job: it calls for a highly developed sense of responsibility, the ability to keep a cool head in stressful situations, and a strong aptitude for *teamwork*. The job is a vocation that comes from a passion for aviation and only the very best candidates can be selected.

Controllers in fact, whether stationed in a control tower directing arrivals and departures or in an area control centre seated in front of a monitor crammed with indicator lights, they are called to constantly exercise their skill in guiding and managing the many pilots with whom they are in constant radio contact.

The air traffic controller performs a series of on-the-spot assessments related to the safety and efficiency of the assisted aircraft and the assessments made must result continuous maintenance of separation (minimum vertical and horizontal distances) between aircraft in flight. Whether seated in front of a monitor crammed with indicator lights or in an airport control tower, air traffic controllers must show their skill in guiding and managing the many pilots with whom they are in constant radio contact.

For these reasons, ENAV pays special attention to the development of skills through classroom and on-the-job training, both factors playing a decisive role in reaching the goals and becoming qualified to perform the delicate role that the Company is called to play.

Therefore, the preparation of air traffic controllers by the ENAV Operational & Technical Training unit is essential. The Centre’s mission is to oversee the training needed for Company and Group staff, as well as those of external customers, to enable them to provide air navigation services. The training programmes are modulated in response to the educational standards required by national and international industry

regulations, especially those relating to the Single European Sky. Because of this, certified and uncertified training design activities must meet certain general requirements in order to achieve the highest quality levels. ENAV therefore defines specific targets to achieve in developing its training, such as:

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

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

During the year, Initial training was characterised by the provision of four ATCO-integrated courses, three ACS courses (Area Control Surveillance), one APS course (Approach Control Surveillance), and one TCL course (Terminal Control), characterised by their extended duration and large number of hours/student. This training condition, which was carried out against the background of the pandemic, had to be deferred to months not affected by the lockdown measures imposed from March to May. Certain activities, following procedures shared with the Regulator and in compliance with the Alternative Means of Compliance (AMC) applicable on the Community level, were conducted remotely; others, however, in which physical presence was essential, had to be organised when it was possible to restart physical courses, although always acting in compliance with the rules imposed to prevent the spread of COVID-19.

Training for external clients was definitely the most affected by the Coronavirus epidemic (4,380 hours in 2020 versus 19,040 hours in 2019).

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

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

In 2020, the Assessor/OJTI Refresh programme was provided, renewed in accordance with Regulation 340/2015, which incorporated the human factor dimension into the days of activities intended for on-site operational instructors. Also in this case, the course was delivered remotely after receiving authorisation from ENAC. Also in 2020 the coaching and updating programme in ABES management (Abnormal and Emergency Situations) was completed, as required by Regulation 340/2015 for continuity of the operational service.

The training programmes are for:

- operational personnel to obtain their first qualification (e.g.: Ab Initio APP Course);
- operational personnel to obtain a new qualification (e.g. ACS Course);
- operational personnel, to update their operational skills (e.g. APS Refresh);

- non-operational personnel, to gain familiarity with ATC issues (e.g. ATC Seminar);
- operational and non-operational personnel for the development of methodological skills (e.g. MeDid Course).

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

The activities carried out reflect an unfailing commitment to pursue the highest quality training output, and meticulous alignment with the reference national and international legislation. The activities carried out are attributable to the following areas:

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

Advanced, basic, and continuation training is supported also by the presence of technical roles (Pseudopilots) required to perform the role of pilot in the context of the simulation activities. For these roles, mainly recruited from among young students, ENAV hires staff on fixed term contracts.

### **Third-party training**

The training delivered to third parties is addressed to professional positions closely related to air traffic control and to people working in various areas of the aviation sector who require special training courses in flight navigation (e.g. airlines, airport operators, air traffic management services, aeronautical industries, and government bodies in the air transport sector).

Thanks to its ability to develop scenarios and operational specifications that are adaptable according to the course objectives, even building airport scenarios and personalised service areas, the ENAV Operational and

Technical Training unit can tailor training courses to match the customer's specific logistical and organisational needs.

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

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

## **Role of the Training Centre for the aviation technology hub and the local community.**

The ENAV Training Centre works with local institutions, particularly with those engaged in the training system: the Francesco Baracca Aviation School, the Faculty of Engineering of the University of Bologna, and ISAERS (a consortium that promotes and develops training and research activities in aeronautics and aerospace within the Forlì Aviation Technology Hub).

The presence of the Training Centre in Forlì has had a significant impact on local development over the years, also through:

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

In addition, despite the critical context of the SARS-COV2 pandemic, collaboration proceeded with the University of Bologna for the 2019/2020 academic year, with Training Centre personnel providing air traffic control instruction, two training modules included in the Study Programme of students attending the Aerospace Engineering faculty and with the award of 6 university credits on passing the exam. The methods of delivery were inevitably impacted by Coronavirus related events and, in compliance with the Italian Prime Ministerial Decrees and the rules imposed to restrict the spread of the virus, the majority of interactions took place online.

Lastly, it should be noted that the ENAV Training Centre's actions in relation to the Forlì area do not end with its contribution to the world of education. In terms of relations with institutional stakeholders, the Training Centre cooperates with the Unindustria association and Fondazione Cassa di Risparmio di Forlì.

Specific programmes were defined in the year for the training activities delivered, which respond to a broad range of needs, namely:

- **ATC Training (ADI TWR APS ACS, TCL):** training to secure or refresh Air Traffic Control qualifications;
- **OJTI training:** training to secure OJTI (On The Job Training) specialisation;
- **Operational Supervisor's Course:** Training course for personnel selected for Control Room Supervisor duties;
- **FISO/TM1 Course:** training to secure the FIS (Flight Information Services) Operator licence and TM1 (Meteorological Technician) qualification;
- **Course for FISO-TM-MA Instructors:** training to secure a specialisation as Instructors for FISO, Aeronautical Meteorologist, and Meteorological Technician roles;
- **ATM seminars (ITAER students):** familiarisation with ATM and meteorological topics for students of technical institutes studying Transport and Logistics (formerly ITAER); in 2020 these activities were heavily influenced by the pandemic crisis, hence only programmes compatible with online delivery were carried out
- **Apron management:** training on apron management for airport operator personnel;
- **Meteo:** training on meteorological observation and/or forecasting techniques.

In 2020 activities for customers were heavily affected by the pandemic, meaning that we were only able to develop training programmes compatible with remote online delivery methods.

Techno Sky also provides operational training through specific courses for air traffic safety engineering personnel (ATSEP) responsible for operating, servicing and installing communications, navigation, surveillance, and air traffic control systems. More specifically, in 2020 Techno Sky carried out the following training activities:

- **ATSEP Qualification Training**, to understand the various domains in the CNS/ATM environment;
- **ATSEP Type Rating Training**, to develop and maintain the skills needed to operate the CNS/ATM systems used by ENAV for air traffic control

In relation to the COVID-19 pandemic emergency, for the entire twelve months of 2020 operational training was conducted in online mode, providing the practical component of courses directly on the Site concerned and ensuring participants were equipped with the necessary PPE.

Likewise, during the year Techno Sky delivered technical training courses for technical and engineering staff in order to develop the skills of personnel working in Operations and Technology units.

## 7.4 Hiring and staff development

As mentioned earlier, the ENAV Group views the knowledge and skills of its people as one of the key factors to maintain the utmost levels of excellence in terms of safety, operational capacity, cost efficiency, and environmental impact.

It is therefore vital to take concrete action to attract talented people to the Company and provide them with ongoing training and career growth.

### Hiring

The ENAV Group has established a structured process for hiring personnel based on the principles of transparency and equal opportunities, designed to ensure the skills and value of each candidate can be assessed in full and appreciated without discrimination.

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

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

In addition, the ENAV Group uses an internal selection process whereby employees can apply for open positions that are more in line with their areas of expertise and experience.

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

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



ENAV also takes part in career days<sup>33</sup> offering the opportunity to meet talented young people at their first approach to the job market, with the ultimate aim of promoting the ENAV Group brand and attracting new staff.

Other initiatives aimed at supporting the employee attraction strategy include:

- partnerships with Master courses, Business Schools, and Universities designed to help students and young professionals orient their career choices;
- forging relationships with employment centres and recruitment agencies;
- collaboration with disability specialist employment agencies;
- participation in international aviation association events to share best practices (e.g. FABEC, EUROCONTROL).

Future goals	Deadline
Career day initiatives, curricular internships for university students and extracurricular internships for new graduates.	Started in 2020 – ongoing
External hiring for the ENAV Group: new placements are planned for the Group (IDS AirNav, Techno Sky, and ENAV)	Started in 2020 – ongoing
Creation of a new Join Us page, in collaboration with the Communication and Investor Relations unit	30/05/2021
LinkedIn Talent Solutions – using the platform for external selections has provided access to a larger pool of potential candidates.	Started in 2020 – ongoing

### **Personnel development**

In addition to hiring new talent to join the Company, it is fundamental for the Group to promote continuous improvement of the know-how, skills, and technical capabilities of its people with the aim of supporting ENAV's ongoing growth and responding effectively to future technological and business challenges.

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<sup>33</sup> The events were held on-line

Training activities are designed to guarantee adequate levels of knowledge and skills among ENAV Group people. The main areas of action concern:

- mandatory training;
- language training;
- continuation training of professional roles;
- support for personal growth in careers and throughout changes affecting the business and the organisation.

To pursue this aim, each year the Group defines a Training Plan, defined based on several inputs:

- organisational changes and the need for change management;
- company training policies;
- requirements deriving from the performance management process;
- requirements deriving from processes of recruiting and assessment during the personnel development cycle;
- requirements expressed by the single Group units based on needs for development, know-how, and skills of specialised domains of assigned personnel.

In defining the annual training plan we therefore paid special attention not merely to strategic drivers and the needs emerging from the organizational units, but also to the integration of training plans with the wider human resources management system, pursuing a consistent approach to managing the professional cycle of people in the Company, especially in relation to career development needs.

Managerial and specialist training activities are run by the Career, Learning and Development unit, which was set up at the end of 2019 within the Human Capital and Change Management unit. This organisational decision made it possible to consolidate the connection between training and development within the widest possible scope of activities aimed at enhancing human capital and managing change.

Training activities are conducted in accordance with the procedure defined in the corporate Quality Management System, which describes the process and also provides for specific checks to assess the quality of the initiatives in terms of the level of satisfaction and effectiveness of the training process. All outsourced activities are carried out in compliance with the standards set down in the procurement procedures.

In 2020, the Group proceeded with its change management activities and consolidated the reorganisation process in the context of the management of human capital and change, and the People business partnership, making development activities more organic in relation to people management and support for those negotiating processes of organisational change.

During the year, the Group also consolidated the methods of handling the Management Review process for the key roles within the organisation, launching the use of succession plans at various levels of the organisation in order to streamline management of the people showing the greatest potential for growth.

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

Training activities in 2020 were impacted by the health emergency, which led to the need to rethink projects in order to assure ongoing training while also guaranteeing compliance with the social distancing measures imposed by the pandemic. During the year, the activities were thus configured in remote mode and, despite

the limitations imposed by the health emergency, over 28,000 training hours were delivered to Group people in 2020<sup>34</sup> (approximately 30,000 in 2019).

The following is a list of initiatives in the various areas of action:

- **Mandatory training:** the e-learning offering continued in the year, with courses on the 231 Compliance Model, Occupational Safety, Cyber Security, Airport Security, GDPR, and Travel Security for all Group personnel in order to comply with laws and regulations and promote a culture of safety and security in all forms throughout the Group. Using internal resources, *e-learning* packages were updated or developed in relation to information security, anti-bribery rules, and tax offences.
- **Language training:** the Group continued to offer one-to-one English language meetings for managers and all roles with a high level of exposure to international scenarios, multimedia courses, and interfunctional thematic workshops addressed to various positions in the Group. All initiatives originally planned to be attended in person, were instead held on video conferencing platforms.
- **Continuation training:** during the year, the Group designed training programmes and other skills development activities for employees. More than 430 employees attended specialised in-class and online training aimed at meeting the needs of ongoing skills training.
- **Support for the growth of people in their career and in business and organisational changes:** training pathways continued for leadership development of unit managers (3 editions and 24 participants); with the aim of disseminating an integrated project management model, preparation courses continued to be offered for the PMP (Project Management Professional) certification exam for Project Managers in Group companies and PMP certification maintenance courses, involving also personnel from different organisational units in Project Management literacy initiatives; in order to support the units in their efforts to face changes deriving from the extensive use of agile working practices, a project addressed to the managers of three organisational units was launched in order to understand how to change the processes and organisation of activities in accordance with the new methods of working. Finally, 27 coaching actions carried out by the Leadership Support and Coaching unit for Group personnel.

During the pandemic, a series of 13 webinars was organised under the heading “Discovering ENAV Group”, addressed to the entire Group workforce with the aim of disseminating information on several key corporate processes through the words of the people directly involved and also offering an opportunity for social interaction in the midst of a period of exceptional complexity from the human and organisational perspectives. The webinars, a format that was employed for other training and information activities, attracted more than 800 attendees.

Furthermore, to support the widespread recourse to agile working, in April 2020 a sharepoint site was launched addressed to the entire ENAV Group, to offer informative contents to support the effectiveness of agile working in the emergency phase and, in June, a survey was conducted among all Group personnel in order to collect useful information to support the process of organisational and management change generated by the use of agile working.

The end of 2020 saw the start of the online “Community ENAV Trainers” addressed to ENAV Group in-house tutors. The 2021 goal is to consolidate the activities of the community, extend the pool of potential users and broaden the training and development offering at their disposal.

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<sup>34</sup>Training refers to specialist managerial, legal and language training

## 7.5 Diversity, inclusion, and equal opportunities

The emergency condition we are currently experiencing has highlighted several chronic problems in Italy in terms of diversity, inclusion, and equal opportunities in terms of employment and careers. It is immediately evident that women<sup>35</sup> and persons with disabilities suffered the most negative effects of the pandemic.

At ENAV we understand that investing in Diversity, Inclusion and Equal Opportunities not only means providing a significant contribution to raising Italy's ranking in relation to SDG 5 (Gender equality) and SDG 10 (Reduced inequalities), but it also means investing in competitiveness and in the outlook for development of the Company.

The **Diversity and Inclusion policy**, approved on 30 September 2019, starting from the understanding that the Company's development driver is the value and central positioning of its human resources, defined the guiding principles, drawing inspiration from reference values including the "Italian Charter for Equal Opportunities and Equality at Work", promoted by Sodalitas, the UN Global LGBTI Standards for Conduct, the UN Women and UN Global Compact - Women's Empowerment Principles, and the United Nations Equal Pay International Coalition (EPIC).

### **ENAV Group Policy on Diversity and Inclusion – guiding principles**

- **Non-discrimination**: all ENAV Group employees must be considered exclusively in relation to their individual abilities and professional competences. Any form of discrimination in relation to political affiliation, religion, nationality, ethnicity, language, disability, gender, and age, is thus prohibited, as are all forms of discrimination based on personal characteristics such as beliefs, sexual orientation, union membership and related activities, and any other form of social discrimination. In accordance with the same principles, acts of mobbing and sexual molestation are not tolerated;
- **Equal opportunities and equal dignity**: in the ENAV Group, diversity is a value that must be recognised, and equal treatment and equal opportunities must be ensured regardless of any type of diversity. Moreover, personal situations related to the balanced between private and professional life (pregnancy, maternity, paternity, part-time, flexible hours, etc.) cannot form the basis for the application of discriminatory conditions;
- **Work-life balance**: the ENAV Group undertakes to launch new initiatives aimed at supporting work life balance (smart-working, etc.), taking account of the real needs of its employees, and promoting respect and attention for any situation that employees may be facing in their working life.
- **Creation of an inclusive workplace**: the ENAV Group is committed to implementing initiatives, procedures, and services accessible by employees, customers, and vendors. Everyone must have the opportunity to participate in Company processes without any form of implicit or explicit hindrance in terms unit, function, country, gender, religion, culture, personal beliefs, sexual orientation, disability, age, or any other form of diversity, thereby creating an environment that is able to encourage expression of the unique potential of every individual as a strategic lever in achieving the organisation's objectives.

Based on the guiding principles established in the Policy on Diversity and Inclusion and considering the **framework agreement for the protection of dignity at work of male and female employees of the ENAV**

<sup>35</sup> Source ISTAT: in December 2020 of the 444,000 jobs lost in Italy with respect to December 2019, 70% concerned women and 98% of job losses were among women.

**S.p.A. Group concerning violence and harassment in the workplace** (signed by ENAV and social parties on 8 March 2019), in 2020 the Company approved the new **Group Code of Ethics** which strengthened the concepts of dignity, liberty, parity, respect, and equality, with the aim of strengthening the values and principles of conduct to be adopted by all both during the execution of the Company's business and in their relations with entities with which the Group interfaces.

Also in 2020, the ENAV **Equal Opportunities Committee** launched a **collaboration with Fondazione Sodalitas** concerning the Italian Diversity Charter, adopted by ENAV in 2013, undertaking to implement an inclusive human resources management program by means of tangible actions and to monitor progress made as an integral part of ENAV's values and strategies.

In September 2020, the German Institute of Quality and Finance assigned the **"Italy's best employers for women"** award to ENAV.

## 7.6 Social policies and corporate welfare

*Welfare, construed as ongoing improvement of organisational well-being and engagement*, is one of the pillars of the concept of corporate social responsibility in ENAV. This understanding of Welfare was the starting point for creation of the Welfare and People Care unit, which is dedicated to designing and planning projects aimed at improving work-life balance, also by means of a careful activity of listening to the views of internal *stakeholders* by conducting targeted *surveys*.

In the framework of **social policies**, special importance is awarded to the Prevaer Supplemental Pension Fund (**operational for ENAV and Techno Sky**), which provides for a company contribution equal to 3% of the salary of participating employees (in addition to 2% paid by the employee), and a **Supplemental Health Policy** (for both ENAV and Techno Sky). This latter is entirely at the expense of the Company and it also includes a deductible-free health plan aimed at specific preventive health requirements, separated according to the gender and age group of employees. In addition, ENAV Asia Pacific grants refunds of health care expenses to its two employees for the maximum amount of RM 1,500, or around EUR 300 per annum.

Also in relation to health, with the **Yes We Care Project**, launched in 2019, ENAV is seeking to increase awareness among Group employees of the importance of prevention and a healthy lifestyle by organising health-related events with physicians and other experts.

With **HealthyFood@desk**, employees of Company sites in Rome were also given the opportunity to order fresh, local zero miles produce and have it delivered to their place of work. This project was suspended from March due to the COVID health emergency situation.

With regard to protection of the family, ENAV provides better conditions than those guaranteed by legally required practices.

Concerning **maternity-paternity leave**, the Company pays the full salary to new parents compared to the 80% awarded by the INPS national social security system. Also with regard to **additional parental leave**, ENAV employees to take up to 6 months of additional leave for children up to the age of three, receiving 80% of their salary for the first two months and 40% for the remaining four months (current legislation requires 30% pay for the entire period of additional parental leave).

Important support mechanisms for parents also concern paid leave in the event of child illness (specifically, the Company grants 50% salary up to the first 30 days, as compared with no salary granted by INPS) and for the performance of specialist medical services.

Continuing in the drive to assist work life balance, the Company has created **"solidarity holidays"**, by virtue of which employees can assign a portion of their holidays for the benefit of co-workers experiencing

particularly challenging family situations. ENAV has gone beyond the scope of the law regarding solidarity holidays, establishing that solidarity initiatives can also be used in favour of employees who, within their own families, need to care for a parent, spouse, companion, or adult children. In 2020, for obvious reasons connected to the pandemic, no requests were received from workers in situations of need. In contrast, in the initial months of 2021, 124 ENAV staff chose to relinquish their contractual holidays for a colleague in difficulty, for a total number of 153 days of holidays and 24 RFS.

In other money-saving initiatives aimed at supporting the purchasing power of employee salaries, ENAV has begun the process of contracting out the design, implementation and management of a **platform for the provision of corporate welfare services** aimed at enabling employees to convert performance bonuses into benefits. This platform is operational for ENAV and Techno Sky employees, while an additional platform has been set up for use of the corporate welfare provided by the collective bargaining agreement in the Mechanical Engineering sector for IDS AirNav, whereby the employees can use their credit to purchase goods in kind (groceries, shopping, fuel, etc.), and services (sports & leisure, travel, training, etc.)

These initiatives are added to the **“Corporate Benefits”** discount portal, which provides ENAV employees with a range of discounts for banking services, insurance, recreation, culture, mobility, and fitness. Moreover, other agreements are entered into directly with companies and organisations that offer particularly favourable discounts for ENAV Group Personnel, with a special focus on those offering products and services of an ethical-environmental vocation (e.g. purchase of electric vehicles, sales of products to reduce food waste).

A representative case is the agreement entered into with ThinkAbout, an innovative socially oriented start-up whose **NO.W©** (NO Waste) project is designed to assist the drive to reduce food waste, allowing consumers to take advantage of discounted prices to purchase very high quality products that would otherwise be destined for disposal since they are not marketable.

In terms of support for education, the Company provides incentives for the education of employees’ children with Project OPEN and the Intercultura project, and also opportunities for students of aviation institutes and others to visit ENAV’s facilities.

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

**Intercultura**, in turn, is a project developed collaboration with the Intercultura Foundation for the children of ENAV and Techno Sky employees, giving them the opportunity to receive scholarships for studies abroad with a duration of two months, three months, or one year.

The Intercultura project and the project for didactic visits to ENAV plants were temporarily suspended during the health emergency.

Synergies were forged with nearby companies in order to promote “proximity” welfare. Notably, **the provision of shared services with Istituto Poligrafico e Zecca dello Stato**, including company canteen, parking, and shuttle services, has been particularly well received by the employees of both organisations. Also, an agreement is currently being drawn up for the use of a company shuttle service (organised and managed by IPZS) providing links to the main Local Public Transport hubs.

With regard to improvement of the Company’s carbon footprint, we draw your attention to the **SustainMobility** project, designed to develop electric mobility in the Company by means of progressive

installation of charging infrastructure and electric vehicles nationwide; for that purpose as at 31/12/2020 10 electric cars were introduced to the Company fleet.

In the context of the **Plastic footprint reduction** project, designed to reduce the consumption of plastic in the Company, water dispensers connected to the public water supply network have been installed on an experimental basis on several ENAV facilities to replace the previous dispensers supplied by plastic kegs, with plastic cup dispensers, providing employees with reusable insulated flasks free of charge. In addition, replacements have been made of plastic materials connected with the use of automatic dispensers nationwide, leading to a reduction of plastic consumption totalling 1.7 tonnes in 2020. A 1.5 ton reduction is the target also for 2021.

With the Company's adoption of agile working methods linked to the health emergency, the Welfare and People Care unit took steps to provide an alternative to daily contact with colleagues. It was therefore decided to use social media to create opportunities for discussion, play, or competition between ENAV people and also employees' children.

Future goals	Deadline
Plastic Footprint Reduction –reduction of 1.5t	31/12/2021

## 7.7 Labour relations

Discussions with trade unions in 2020 were substantially focused on the following key issues: COVID-19; agile working; CED and geographical mobility of operational personnel. 84 meetings were held nationwide and 112 meetings on the local level.

Meetings were organised on the issue of containment and management of the COVID-19 emergency, leading also to the consolidation of agile working as an additional element for management of the employment relationship in the ENAV Group. This type of work activity continues in the path of the initiative already launched as a pilot project in ENAV for 50 employees in 2019, now potentially extended to all Group personnel in order to make agile working effective in the balancing of the organisational needs of the Company and the needs of the people that work in it. In the management of the emergency phases determined by COVID-19, the continuous management of activities has anyway allowed the maintenance of employment and salary levels, guaranteeing continuity in delivery of institutional services in terms of both operational activities and staff. Disputes and requests for meetings with Trade Union Organisations during the year concerned the temporary secondment for 6 months of ENAV personnel to be employed at the Techno Sky subsidiary.

In terms of industrial action, ENAV recorded 1 national strike in 2020 lasting 4 hours with an average participation rate of 43.70% and 1 local strike lasting 4 hours, with an average participation rate of 62.75%. The national strike was called by the trade unions mainly in relation to topics concerning ATC TM1 external selections, Summer 2019, FISO to ATC economic conditions, MBO, and IBT personnel.

The total number of union members was 2,420 employees, representing 73.71% of the total workforce (excluding senior management). The number of registered employees is determined on 31 December each year. Employee requests to join or leave the union, which are made in writing, are collected monthly then processed and transmitted to the competent office that records the request. The data are stored in digital format.

It should also be noted that the collective bargaining agreement applies to 100% of ENAV employees (excluding senior management).

With regard to Techno Sky, the general goals pursued refer mainly to maintenance of a positive company climate by means of dialogue and meetings with the trade unions and improvement of management and productivity of the workforce, especially during 2020, a year that was accompanied by an explosion of the worldwide Air Transport sector crisis, which had major and serious negative repercussions on the entire Group. The actions put in place to achieve these goals were achieved by developing collaborative and ongoing relationships, composed of meetings that were almost entirely held online (using web meeting platforms); the meetings were considered necessary and essential to obtain, by means of daily and continuous coordination with the various local and national COVID Committees, especially during the lockdown period, a front line organisation to deal with and oppose, in the optimal manner, the extremely serious health emergency linked to the spread of the COVID19 pandemic.

Despite the contingencies, the search for tangible and constructive dialogue with the Trade Unions continued, and several meetings were held to continue to inform the unions of the Company's present activities and future plans.

In 2020, there were a total of 319 Techno Sky employees registered with the union, equal to 48.4% of the workforce (excluding senior management), in line with the figure for 2019. The number of registered employees is determined on 31 December each year.

In 2020, there was a reduction in the number of national strikes (including strikes concerning the entire air transport industry), with a total of 5 strike days, compared to the 6 strikes called in 2019. As a result, the hours of strike action in the year fell to 80, with the participation level of personnel recorded at 1.6%, a figure that is lower than that of 2019.

The collective bargaining agreement applies to 100% of Techno Sky employees (excluding senior management).

Concerning IDS, the general objectives pursued refer mainly to the integration of the company in the Group's Industrial Relations system, with IDS having now been brought into the ENAV fold. Integration is pursued by maintaining a positive climate in the company, with open dialogue and discussions with the Unitary Representative Body for the Trade Unions present (Metalworking and Mechanical Engineering Sector), aimed at improving the management and productivity of the workforce. The actions undertaken to achieve these objectives consist of developing ongoing and collaborative relations, essentially in the form of dedicated meetings to monitor the situation and discussions on the progress of the consequences of the health crisis and the relocation of the headquarters that took place in the summer of 2020.

In 2020, IDS had 42 union member employees, equal to 28.57% of the workforce (excluding senior management). The number of registered employees is determined on 31 December each year.

No strikes were called in 2020.

The collective bargaining agreement applies to 100% of IDS AirNav employees (excluding senior management).

The two ENAV Asia Pacific employees are covered by open term contracts in accordance with Malaysian legislation.



Future goals	Deadline
Creation of a work group to make a collection of second level legislation reproducing the structure of the reference collective bargaining agreement (TS)	31/12/2021
Creation of a joint Technical Commission for checking and analysis of the differences in terms of working hours between ENAV and Techno Sky (TS)	31/12/2021

## 7.8 Remuneration policies

The ENAV Group variable incentive compensation policy is differentiated in accordance with the reference population (CEO, Managers with Strategic Responsibilities, executives, middle management and non management personnel), but without any form of discrimination based on age, gender, disability, race, ethnicity, origin, religious creed, etc.

In relation to the Chief Executive Officer and Managers with Strategic Responsibilities the variable remuneration policy, as defined in the Report on the remuneration policy and on the compensation paid (approved by the Board of Directors on 12 March 2020), envisages recognition of both a short-term variable remuneration components and a long-term component, both tied to economic-financial goals and ESG related goals, in the drive to assist the achievement of the results of the corporate strategy and pursue long-term interests in a logic of corporate sustainability.

Specifically, the long-term variable incentives system is based on a Performance Share Plan that was also approved by the 2020 Shareholders' Meeting, based on three cycles of rolling assignment with a three-year vesting period and annual assignment.

For 2020 the following Group objectives were assigned to the CEO and Managers with Strategic Responsibilities:

- short-term:

EBITDA (40% weight), Net profit (20% weight), Operating performance (20% weight), Sales from unregulated activities (10% weight) and a Sustainability indicator (10% weight) composed of 4 independent planning objectives with on/off final reporting criterion;

- long-term:

EBIT (30% weight), FCF (30% weight), relative TSR (40% weight), plus a Sustainability objective with negative/positive adjustment effects and with a maximum impact on the distributable bonus of 10%; this objective concerns the achievement of carbon neutral company certification by 31 December 2022.

With regard to the sustainability indicator, the individual project objectives with their respective targets and performance achieved are shown below:

PROJECT OBJECTIVES	TARGET 2020	2020 RESULT
Conclusion of the second phase of the project to reduce the use of single-use plastic at sites with the highest environmental impact	1.5 tons	1.703 tons
Implementation of electric mobility with the installation, where necessary, of charging stations and replacement of ICE cars with electric cars with a goal of achieving a reduction of about 11.4 tonnes of CO <sub>2</sub> per year.	10 electric cars in service	10 electric cars in service
Implementation of Wave 2 of the <i>smart working</i> project	> 500 participants	809 participants
Assessment of emissions levels	Date of presentation of document to the Board of Directors: by 31/12/2020	Document presented to the Board of Directors on <b>22 December 2020</b>

In relation to Group management and supervisory personnel, the remuneration policy, which has been consolidated over the years, normally provides for payment of a short-term variable component anchored to a top-down Management By Objectives (MBO) system: objectives are established in accordance with the strategic guidelines set down in the Business Plan and expressed in terms of activities/pillars based on the various responsibility levels, according to a cascade approach from senior management down to the lower hierarchical levels. The objectives identified are connected to economic factors and to specific contexts linked to individual positions in the organisation.

A selected number of management roles, chosen by the CEO, are also assigned long-term targets in line with the Share Performance Plan created for top management.

For 2020, however, in consideration of the significant impacts of the COVID-19 pandemic contingency on the budget forecasts and on individual projects, it became necessary to revise the logic for assignment of the individual short-term goals, therefore the variable incentives system of the Managers with Strategic Responsibilities and the entire management team did not provide for the assignment of specific identified objectives and was instead based exclusively on the Company objectives as defined for the Chief Executive Officer.

Moreover, in line with the trend that emerged from the market, senior management and the executive staff waived 50% of their variable remuneration component due for 2020, which will be donated to Corporate Giving initiatives.

In relation to Middle managers, the variable the remuneration policy provides for the allocation of individual targets only to a small sample of the population in accordance with the position held and the planning activities assigned to the responsible management population, with the usual top-down logic. The related awards are correlated with the reference organisational cluster, with a logic of increasing complexity of the office held. For 2020 no individual assignments are planned, in line with the indications of the previous paragraph.

With regard to “non-executive” personnel, the performance assessment process is launched annually in order to acquire information concerning the performance and competences of the personnel who have worked with the Company for more than 6 months in the year.

The process involves the definition, by the Compensation and Performance Management unit, in collaboration with the Labour Cost, Labour Law and Payroll and People Business Partners units, with lists of all the Group resources (ENAV, Techno Sky and IDS), that offer the necessary requirements to enter and become part of the scope of people to be assessed. The employees concerned and their evaluators are selected in accordance with their possession of specific individual qualities.

Subsequently, the technical skills and performance evaluation and validation process is launched and managed by means of a specific tool.

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

## 8. Environment



### 8.1 ENAV's strategy for the environment and for the *Green New Deal*

In the context of projects regarding the Flight Efficiency Plan, ENAV has been engaged for several years in developing solutions designed to reduce the emissions of its carrier customers.

Projects such as Free Route, launched as the first ANSP in Europe in December 2016, or A-CDM (Airport collaborative decision making), have allowed and continue to allow carriers to adopt innovative solutions to achieve a significant reduction of their carbon footprint. Through Free Route alone, for example, in 2019 ENAV allowed carriers to reduce their emissions by approximately 167 million kg of CO<sub>2</sub><sup>36</sup>).

In the light of the commitment devoted to our customers in recent years and also in consideration of the growing attention paid by national and international institutions to initiatives aimed at combating climate change, in 2020 the ENAV Group decided to redouble its efforts and determination in addressing the aims of SDG 13: climate action.

In this context, although the innate characteristics of ENAV Group mean that the Company does not cause any major environmental impacts, in order to send a clear signal to the entire air traffic sector and beyond, it has embarked on an ambitious plan to reduce its emissions. As a result, **an action plan has been prepared that will lead to a condition of carbon neutrality starting from 2022, surpassing and anticipating EU targets by almost 10 years.**

In fact, with the European Green Deal, the EU established the goal of defining a growth strategy able to transform the Union into a modern economy, efficient from the standpoint of resources and competitiveness, and in which net greenhouse gas emissions will be reduced to zero by 2050.

In line with this ambitious goal, the ENAV Group launched an assessment in September 2020 on direct and indirect energy emissions (Scopes 1 and 2) to develop a CO<sub>2</sub> emissions reduction plan. Following the Group's carbon footprint assessment we identified a series of initiatives that will impact the reduction of CO<sub>2</sub> emissions.

In completion of this programme the Company decided to set a series of extremely challenging targets: emissions are to be reduced by 23% in 2021, by 80% in 2022 and, again in 2022, the quantity of residual emissions will be offset by purchasing carbon credits or by financing environmental protection projects<sup>37</sup>.

In order to accomplish these goals we outlined the following initiatives:

- All externally purchased energy must be from renewable sources (purchase of Guarantees of Origin);
- Part of the energy we use will be self-generated thanks to the trigeneration plant and photovoltaic panels;
- The fleet of company cars will be gradually replaced with hybrid and plug-in electric vehicles.

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<sup>36</sup> The results in 2020 are moderated by the consequences arising from the COVID-19 pandemic emergency and the unprecedented reduction of air travel, as anticipated in section 8.2 "We support our customers in becoming more efficient and sustainable: Flight Efficiency Plan and Free Route"

<sup>37</sup> The percentages were defined in accordance with the Market Based calculation method with respect to the 2019 baseline

The ENAV Group's commitment in relation to climate action does not however end with the emission reduction and efficiency improvement plan described above. In 2021, an analysis of scope 3 emissions (indirect emissions linked to the value chain) will start, with the requirement to adhere to the Science Based Target Initiative by 2021.

Also, the new Environmental Policy was released in September 2020 in order to coordinate management of the full range of environmental issues. The Policy confirms the guidelines, commitments, and goals – as already stated in the first edition of the Policy dated March 2019 – that the ENAV Group has undertaken to promote, not simply to consolidate our legislative conformity, but also to improve our environmental performance and pursue the principle of sustainable development.

#### **Policy in relation to the environment**

We have prepared an Environmental Policy for Group Companies, available on the corporate website, in line with the corporate aims and designed to consider the environmental risks and opportunities connected to our operating activities, in compliance with international, Community, and national legislation, in order to pursue our primary objective of creating sustainable value while respecting our stakeholders. In particular, the Policy's main strategic objectives include: CO<sub>2</sub> emissions reduction, rational use of energy, correct management of waste, monitoring of wastewater discharges.

#### ***Environmental Management System***

With reference to the ENAV Group Environmental Policy, updated to September 2020, which defines the strategic objectives to pursue in terms of environmental protection, ENAV has implemented a specific Environmental Management System for the Group Companies, with the aim of analysing and improving the environmental performance of their operations and services. The decision to implement an Environmental Management System reflects the Group's commitment to guaranteeing environmental protection beyond mere compliance with the regulations, in a framework of transparency in relation to the Group's stakeholders. Among the key goals of the EMS is that of reducing the risk of negative environmental impacts and establishing improvement targets in consideration of a concept of sustainable development. The international standard used as a benchmark in this process is ISO 14001. In the framework of the Integrated EMS project, we also embarked on the preparation of an environmental analysis in relation to the activities of ENAV, Techno Sky and IDS AirNav, with the impacts identified to be subsequently evaluated to establish their significance.

Finally, the system of responsibilities and delegations employed to assign powers and specific duties in relation to environmental protection was updated to September 2020. These environmental officers are required to periodically report on their efforts to their superiors.

## Environmental Management System processes

There follows a brief description of the main processes that make up the *Environmental Management System*:

<b>Initial Environmental Analysis</b>	<p>The aim of this process is to perform overall assessment of environmental issues, their effects, and the environmental performances related to the activities and services carried out in the sites where Group companies conduct their operations. The process is designed to assist the definition of the characteristics of the environmental management system.</p>
<b>Identification and Assessment of Environmental Aspects</b>	<p>The aim of this process is to identify the environmental aspects and impacts associated with Group companies' activities and services, that the companies themselves can control (direct aspects) or merely influence (indirect aspects), in order to evaluate their significance in normal, abnormal, and emergency operating conditions. Environmental aspects can result in risks and opportunities associated with negative or positive environmental impacts.</p>
<b>Management of Conformity Obligations</b>	<p>The process defines the methods to be used by Group companies in relation to:</p> <ul style="list-style-type: none"> <li>- identification, access, applicability verification, preservation, and updating of conformity obligations;</li> <li>- the diffusion of environmental conformity obligations applicable to all the activities carried out by the Group companies.</li> </ul>
<b>Training and skills management</b>	<p>The process is aimed at establishing training requirements in relation to the environmental aspects associated with the activities/services provided by Group companies and at guaranteeing adequate skills of the people responsible for work activities that can affect environmental performance, and the ability to comply with the applicable conformity obligations.</p>
<b>Monitoring of environmental performance and reporting to senior management</b>	<p>The process defines the methods adopted by the Group to manage the following activities:</p> <ul style="list-style-type: none"> <li>- monitoring of environmental performance and the state of conformity in context of the EMS;</li> <li>- communication, reporting to senior management and Governing Bodies.</li> </ul>
<b>Management of discharges and wastewater storage tanks</b>	<p>The process is aimed at managing environmental compliance in the planning and operational phases, in relation to the wastewater and stormwater discharges, including the related purification treatments, and plants with "sealed collection tanks", associated with ENAV's own infrastructure or third party infrastructure leased by ENAV, and also wastewater discharges to third party sewer networks and the associated purification treatments.</p>
<b>Special Waste Management</b>	<p>The process is aimed at managing hazardous and non-hazardous special waste produced by ENAV Group companies in all their facilities and sites; specifically, waste produced:</p> <ul style="list-style-type: none"> <li>- in the context of their operating activities or provision of services;</li> <li>- by equipment/systems installation activities, or by works or services outsourced to third parties</li> <li>- in the context of maintenance and/or installation of systems/equipment by Techno Sky, e.g. for the air traffic control service</li> </ul>
<b>Management of fluorinated greenhouse gas emissions</b>	<p>The process of identifying compliance and the necessary prescriptions in order to reduce fluorinated greenhouse gas emissions, in the context of activities of installation, operation and maintenance, dismantling, etc. carried out by Techno Sky, either directly or using technical personnel of external companies, on equipment containing fluorinated greenhouse gases (F-gas)</p>

## 8.2 We support our customers in becoming more efficient and sustainable: Flight Efficiency Plan and Free Route

In order to promote sustainable development of air travel, ENAV designs and makes available an Air Traffic Services network (ATS) and an air traffic management model that allows Airspace Users to reduce their fuel consumption and therefore helps to reduce the environmental impact connected with aviation operations.

With the primary goal of guaranteeing impeccable safety levels in operations and services, ENAV plans and conducts actions coordinated with stakeholders that, also by implementing innovative and advanced solutions, guarantee the ongoing improvement of the ATS network and allow Aircraft Operators to choose routes able to reduce travel times. Such routes are increasingly free of planning constraints and thus become more environmentally friendly, contributing to the achievement of SDG 11 by providing access to safer and more sustainable transport systems.

All actions planned and implemented for this purpose are catalogued, monitored, and shared with stakeholders by means of ENAV's periodic **Flight Efficiency Plan (FEP)** reports.

In the annual FEP update all the Operational Efficiency implementations carried out by the Parent Company in the reference period are reported and evaluated, with evidence of the contributions made in each business segment: i) ground-operations, dedicated to reducing times and optimising aircraft movements on the ground (start-up and taxi in/out phases); ii) in-flight phase, including take-off and climb trajectories; iii) en route phase; iv) terminal operations (arrivals), dedicated to optimising approach flight profiles for landing.

The degree of completion and level of effectiveness of the actions implemented in the Flight Efficiency Plan, as essential elements of the contribution to achieving environmental goals, is subject to monitoring and control, also by ENAC, and from 2012 the results produced by the actions implemented by the FEP are included in Italy's Action Plan on CO<sub>2</sub> Emissions Reduction - which Italy defines in the context of the broader climate action programme adopted by ECAC/ICAO for the aviation sector.

In relation to 2020, the consequences of the COVID-19 pandemic emergency and the unprecedented reduction in air transport activities had a major impact also on the results monitored with the FEP.

In fact, in the first two months the levels of air traffic were still growing compared to the performance logged for the equivalent period of 2019, but due to the pandemic containment actions adopted in Europe and worldwide, starting from March 2020 air traffic followed a downward trend until reaching a reduction of more than 90% compared to the number of flights in the ECAC area in the prior year<sup>38</sup>.

Except for a few rare cases, the widespread limitation of mobility between countries led to a drastic reduction in international connections from/to Italy, while the limitation of inter-regional travel removed almost all domestic flights. Several Italian airports remained closed until June and almost all of them handled mainly medical flights, cargo traffic, repatriation flights or emergency flights.

For the benefit of these diminished but essential air connections ENAV guaranteed the maximum levels of service and operational continuity and, like other European ANS providers, in close coordination with the Network Manager as from the end of March 2020 we suspended all constraints on planning previously in force to guarantee safe management of the ATS network and the airports during high air traffic conditions. It was to occur, however, that the small amount of air traffic in the 2020 second quarter eliminated the need for the previous constraints on Airspace User planning and even made it possible to suspend or reduce restrictions in relation to ATS Network availability, to the point of almost completely freeing up the choice of flight paths by operators.

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<sup>38</sup> EUROCONTROL traffic data

The suspension of constraints on ATS network availability (*airspace availability*) was imposed both horizontally (*preferential routing*) and vertically (*level capping*), even also reducing military aircraft permeability restrictions (*flexible use of airspace*). The measures adopted in the second quarter of 2020 were refined and maintained, not only up to the end of the year but even to March 2021.

In this exceptional and critical operating scenario, during the summer season (June to September), there was a slight increase in flights when mobility restrictions were eased, mainly in the business, charter and holiday sectors. The return of lockdown measures and travel restrictions after the summer due to the enduring pandemic emergency produced an abrupt decline in air traffic levels, which saw an overall downturn in 2020 that was without precedent in recent history in Italy and worldwide.

Despite the contingent situation, continuation in 2020 of the activities implemented by ENAV made it possible to improve coordination with the Italian Air Force, maximise airspace availability, optimise the ATS network in the airspace below **the Free Route Airspace Italy FRAIT**) and in terminal areas and achieve further performance improvements for operations in the airport ground movement area. In particular, in relation exclusively to the FRAIT airspace, almost 45% of assisted air traffic benefited from a reduction of total gate-to-gate flying distances. This decrease made it possible to achieve an overall reduction of around 6.8 million kilometres travelled, or 31.3 km for each aircraft (an improvement over the prior year, when the average saving per aircraft was 25.44 km) with a consequent reduction in CO<sub>2</sub> emissions estimated at around 91 million kg, for a total saving of around 28.8 million kg of fuel for the en route phase.

Having removed constraints deriving from the prior ATS routes network and having allowed airspace users to plan/fly directly, from a specified entry point to a specified exit point from the free route airspace, the additional actions were focused on further harmonising the flight profiles of air traffic flows that operate on a certain number of national and international connections, promoting a reduction of planned/flown distances by means of advanced methods of coordination with the Italian Air Force which, with a cooperative approach to the Flexible Use of Airspace (FUA), resulted in increased availability/permeability of Military Areas. The results of these activities can be quantified in a reduction of around 457,500kg of fuel, leading to a reduction in atmospheric CO<sub>2</sub> emissions of approximately 1.441 million kg.



### **ENAV's PBN Transition Plan**

Le procedure strumentali di volo (IFP) di tipo Performance Based Navigation (PBN) sono una priorità di ENAV poiché, da un lato, consentono una progettazione e un utilizzo più efficienti in Area Terminale abilitando l'ottimizzazione dell'uso dello spazio aereo e, dall'altro, riducono l'inquinamento ambientale e costi energetici e manutentivi connessi alla convenzionale infrastruttura di navigazione al suolo.

La progettazione di IFP di tipo PBN consente di realizzare un network ATS di Terminale più funzionale alle operazioni di volo e di controllo del volo e permette di ottimizzare il bilanciamento dei livelli di prestazione della Flight Efficiency, della Capacity e della Predictability, con possibilità di portare a conseguenti ottimizzazioni della pianificazione dei Airspace User e potenziali miglioramenti in termini di pianificazione/consumo di carburante e connesse emissioni di CO<sub>2</sub>.

Nel 2020, anche in applicazione del regolamento UE 2018/1048 (PBN IR), seguendo i principi di alto livello elaborati dallo Stato ed in coordinamento con gli stakeholder coinvolti, ENAV ha sviluppato il proprio piano di transizione da un network di navigazione convenzionale (ground-based) all'innovativo network PBN (*ENAV's PBN Transition Plan*) che, quale avanzamento ed unitamente con l'*Italy's PBN Implementation Plan* (adottato congiuntamente con ENAC nel 2012 in attuazione della Delibera dell'Assemblea ICAO A37-11), costituiscono elemento a supporto della National Airspace Strategy e modalità utile al raggiungimento degli obiettivi in essa definiti.

La prima edizione del ENAV's PBN Transition Plan è focalizzata sugli interventi da realizzare nel breve-medio termine (periodo 2020/2024), quali, ad esempio: l'implementazione di procedure di volo strumentali di avvicinamento di tipo RNP e la graduale e incrementale dismissione dell'infrastruttura di navigazione di terra attestata sulle ormai obsolete radioassistenze NDB (Non Directional Beacon).

Il piano prevede un periodico aggiornamento da realizzare per considerare: l'evoluzione dell'infrastruttura di navigazione satellitare (GNSS), il livello di prestazioni del sistema stesso, il rateo di implementazione dell'avionica di bordo e l'andamento dei programmi di razionalizzazione delle radioassistenze alla navigazione (Nav aids) convenzionali (NDB e VOR).

Il monitoraggio degli interventi definiti nel ENAV's PBN Transition Plan, così come anche quelli nel *Italy's PBN Implementation Plan*, sono inclusi nel monitoraggio periodico predisposto nel FEP ENAV.

Also in 2020, we proceeded with the programme for the implementation of Performance Based Navigation (PBN) type instrumental flight procedures, which are useful in order to optimise the balance between Flight Efficiency and Capacity and Predictability performances. In this area of activity, a PBN network has been introduced and/or optimised for air traffic, in operation at the airports of Milan Malpensa, Milan Linate, Bergamo Orio al Serio, Palermo, Catania, and Venice; the overall estimate of reduced consumption attributable to improvements in the terminal areas (the mentioned airports and other airports with lower traffic levels), can be estimated at around 365,500kg of fuel, corresponding to a drop of approximately 1.151 million kg in CO<sub>2</sub> emissions.

Finally, in relation to 2020 we also draw your attention to the activities in the programme for implementing operating processes based on Airport Collaborative Decision Making (A-CDM) which, by creating a coordinated management system of ground and in flight movements, generates positive effects during the ground-operation phase. In line with the programmes connected to implementation of A-CDM processes, following the effective implementation at Rome Fiumicino, Milan Malpensa, Milan Linate, Venice Tesserà and Naples Capodichino airports, the system was introduced also at Bergamo airport in December 2020.

### 8.3 Energy consumption

As mentioned, although the ENAV Group is a service provider without a particular direct impact on the environment, it has started various initiatives to reduce consumption and the consequent impact in terms of greenhouse gas emissions in order to contribute to SDGs 7 (Affordable and clean energy) and 13 (Climate action).

However, apart from actions aimed at consumption reduction, the governance initiatives are particularly significant because they make it possible to develop behaviours, strategies and monitoring systems that define the framework within which the Company must move. For example, the aim of the Environmental Policy was to establish an approach that considers all forms of pollution that directly or indirectly concern the Company in order to develop an overall action strategy documented also by a system of quantitative and qualitative indicators to measure its performance.

In addition, the Code of Ethics explicitly states that the Group, in full compliance with the current environmental regulations, must pay careful attention promoting the most environmentally-friendly activities and processes, through the use of advanced criteria and technologies concerning environmental protection and the sustainable use of resources". The Group thus undertakes, within the scope of operations and business initiatives, to consider essential environmental needs and to minimise any potential negative environmental impact associated with its operating activities.

Finally, to guarantee the increasingly accurate and efficient monitoring of energy consumption and the related environmental impact, there are two positions in the organisation, namely the energy manager and the mobility manager, responsible for identifying the necessary actions and procedures to promote rational use of energy and fuel.

#### **ENAV GROUP CONSUMPTION IN 2020**

FUEL FOR OFFICES AND UNITS: 24,509 GIGAJOULES

(DOWN 12.1% COMPARED WITH 2019)

ELECTRICITY FOR OFFICES AND UNITS: 241,131 GIGAJOULES

(DOWN 6.6% COMPARED WITH 2019)

AIR FLEET FUEL: 19,692 GIGAJOULES

(DOWN 24.7% COMPARED WITH 2019)

TOTAL CAR FLEET FUEL: 7,635 GIGAJOULES

(DOWN 11.2% COMPARED WITH 2019)

## ENAV GROUP EMISSIONS IN 2020

RELATED TO FUEL FOR OFFICES AND FACILITIES: 1,309.5 tCO<sub>2</sub>e

(DOWN 12.3% COMPARED WITH 2019)

RELATED TO ELECTRICITY FOR OFFICES AND OTHER FACILITIES: 18,422<sup>39</sup> tCO<sub>2</sub>

(DOWN 28.3% COMPARED WITH 2019)

RELATED TO AIR FLEET FUEL: 1,355.57 tCO<sub>2</sub>

(DOWN 24.6% COMPARED WITH 2019)

RELATED TO CAR FLEET FUEL: 503.5 tCO<sub>2</sub>

(DOWN 12.5% COMPARED WITH 2019)

It must be remembered that all ENAV Group sites, the Control Towers (TWR) and Area Control Centres (ACC), the radar sites, the TBT radio centres, the runway lighting systems (Aeronautical Ground Lighting), the radio-navigation aids, Techno Sky and IDS (first half of 2020) are powered by primary electricity with total annual consumption (by PODs and third parties<sup>40</sup>) of approximately 66,980,913kWh/year<sup>41</sup> in 2020.

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

In 2020, further to the results of the Energy Audit (art. 8 of Legislative Decree 102/2014), ENAV planned new energy efficiency improvement projects and actions with the consequent reduction of CO<sub>2</sub> emissions at the airports of Bari, Bologna, Catania, Florence, Lamezia Terme, Lampedusa, Malpensa, Olbia, Bergamo Orio al Serio, and Venice, the Rome headquarters, the three ACCs of Rome, Milan and Brindisi, and the Poggio Lecceta Radar Centre/TBT.

In 2020 a new update was drafted of the 2020 – 2030 consumption efficiency upgrade plan, in which two macro areas of action have been defined:

- **Backup generation actions** that call for the construction of photovoltaic plants and trigeneration plants:
- **Consumption efficiency actions** with the installation of:
  - ✓ new interior and exterior LED lighting systems;
  - ✓ automated systems to control lighting and detect the presence of workers;
  - ✓ monitoring and remote-metering systems at sites that consume the most energy in order to respond to any anomalies;
  - ✓ heat-pump and free-cooling based climate-control systems (with decommissioning of oil and gas fired boilers);
  - ✓ external insulation;
  - ✓ upgraded ATM technologies.

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<sup>39</sup> Emissions calculated in accordance with Location Based methodology

<sup>40</sup>For third parties, reference is made to the airport operator or the Italian Air Force

<sup>41</sup> The value also includes the electricity generated by photovoltaic plants

These initiatives form part of the ENAV strategy as a direct contribution to SDG 7, and to increase the percentage of renewable energy in the global energy mix (target 7.2), and to increase the global rate of improvement in energy efficiency (target 7.3), with the aim of achieving a reduction of primary energy consumption of around 30% by 2030 compared to 2019.

In 2020, ENAV proceeded with initiatives to modernise the now obsolete air conditioning systems of the Bari, Albenga, Malpensa, and Olbia CAs and the Rome area control centre and it is planned to replace the R410A refrigerant with R32 in all the air conditioning systems. The contribution of R32 to global warming is 75% lower, bringing fluorinated gas emissions connected with the 3,000 air conditioning systems of our operating facilities and offices to almost zero (0.25%). Moreover, new primary air treatment plants are planned for all these sites, with free-cooling air handling units that make direct use of suitably filtered ambient air to regulate the interior temperature of building spaces.

We also launched the trial on the Brancasi TBT radio centre, and the trial for electricity supply with hydrogen fuel cells in place of the automatic backup generators (ENAV EIA). These actions, which are currently in the experimental phase, will bring ENAV's peripheral sites to a condition of near zero electricity consumption (NZEBS), with an estimated saving of 10 Gwh/yr, while also reducing CO<sub>2</sub> emissions by 5,000 tCO<sub>2</sub>/yr.

### Current and future status of ENAV photovoltaic plants

#### ENAV plants currently operational

**Ancona Falconara control tower - 45kWp** - 2020 production of 40,660kWh/yr with a drop of 11.2 tCO<sub>2</sub>/yr.

**Bari Palese control tower - 100kWp** - 2020 production of 99,734KWh/yr with a drop of 27.6 tCO<sub>2</sub>/yr

**Radiofaro NDB Bitonto - 100kWp** – production of 114,084 kWh/yr in 2020, of which 106,235 kWh/yr injected into the grid with a total reduction of 31.6 tCO<sub>2</sub>/yr.

**Brindisi Area Control Centre - 63kWp** - 2020 production of 90,052 kWh/yr<sup>42</sup>, with a drop of 24.9 tCO<sub>2</sub>/yr.

**ENAV Headquarters - 80kWp** - 2020 production of 65,9509KWh/yr<sup>43</sup>, with a drop of 18.2 tCO<sub>2</sub>/yr

#### Plants soon to be operational

**Naples Capodichino Control Tower**                      **75kWp**    **2021**

**Genoa Control Tower**                                      **25kWp**    **2021**

**Catania Control Tower**                                   **20kWp**    **2021**

#### Upcoming plants

**Brindisi Control Tower**                                   **55kWp**    **2022**

**Palermo Control Tower**                                   **50kWp**    **2022**

**Lampedusa Control Tower**                            **40kWp**    **2022**

**Brancasi Brindisi TBT Radio Centre**                **40kWp**    **2022**

**Masseria Ormini RADAR/TBT centre (TA)** **33kWp**    **2022**

**Forlì Training Centre**                                    **200KWp**    **2022**

In addition, three 44kW car-charging stations have been installed at the Rome headquarters, allowing simultaneous charging of 6 electric cars, and more will be installed at the airports of Bari, Naples, Fiumicino, Palermo, Catania, Alghero and at the Brindisi Area Control Centre in 2021.

<sup>42</sup> Increased electricity generation compared to 2019 due to repair of a fault

<sup>43</sup> The output is slightly lower than 2019 due to a temporary fault in the plant

Finally, special mention must be made of the start of the programme to construct a 500kWp combined cooling, heat and power (CCHP) trigeneration plant for the climate-control systems at the Rome ACC, which, once operational (in 2022), will reduce primary energy drawn from the grid by about 34% compared with current consumption levels at the ACC, equivalent to a reduction of 577 tonnes of CO<sub>2</sub> per year, which is offset by an approximate 53% increase in the overall consumption of methane gas by ENAV sites<sup>44</sup>.

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

In 2020, fuel consumption of the Flight Inspection and Validation air fleet was 533,040 litres of Jet A1, down by 25% compared with 2019 (707,587 litres) with a consequent reduction of CO<sub>2</sub> emissions.

In general, the Group recorded a significant reduction of primary energy consumption and consequently of atmospheric CO<sub>2</sub> emissions, essentially because of the reduction in travel and of primary energy consumption related to air conditioning of offices that were closed during the COVID-19 pandemic.

## 8.4 Waste management

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

With the issue of its Environmental Policy, the ENAV Group's strategic objectives have been updated to include the guarantee of complying with statutory legislation, also concerning the specific matter of waste management, and regulation of waste disposal activities by means of traceability of the entire process, with the maximum possible application of the hierarchical criterion of prevention, reuse, recycling, recovery, and disposal (SDG 12), also in order to reduce the environmental impact on the cities and communities in which ENAV operates (SDG 11).

Within the context of their respective operations, ENAV and Techno Sky have already adopted specific procedures which, in line with the reference legislation, regulate management of waste resulting from the operating activities of Group companies (e.g. spent oil and filters from the generator sets, batteries, toner, electronic components) in order to mitigate the associated risks through proper recovery/disposal of waste according to principles of efficiency and economy. In 2020 the aforementioned procedures in ENAV and Techno Sky were updated, also adding an instruction that supplies waste classification guidelines. The scope of application of these procedural documents will be extended in future editions to include also to the IDS AirNav subsidiary.

Furthermore, in 2020 the ENAV Group acquired and implemented a software application for special waste management that not only allows precise tracking of the waste cycle, with generation of the associated reports, but also supports a more efficient process of compliance with regulatory requirements. Computerised management of special waste has also allowed Group-wide standardisation of management of the special waste produced by activities of the maintenance service and other Group services. The use of the special waste management software was launched not just in ENAV but also at the Techno Sky and IDS AirNav subsidiaries.

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<sup>44</sup> 2019 is used as a baseline for consumption

Specific training programmes have been prepared and delivered on the main issues of interest for the ENAV Group, including waste management, addressed primarily to Delegates of functions on environmental topics and to internal personnel who are especially keen to acquire specific know-how on the topic due to their work activities.

In September 2020 we also acquired and launched a support service aimed at guaranteeing coordinated and harmonised waste management across the different geographical areas, supporting activities linked to waste management (e.g. special waste classification).

We continued to support the various Group organisational units concerning all problems connected with the management hazardous and non-hazardous special waste, and in particular with issues related to Satellite Accumulation Areas.

## 8.5 Electromagnetic emissions

In the knowledge that some of our services (Navigation, Ground-air-ground communications, Surveillance) require the use of systems that generate electromagnetic fields of different strengths, in the Group Environmental Policy the principle of assuring compliance with the prescribed non-ionizing electromagnetic radiation emission limits by performing suitable electromagnetic impact assessments.

In order to achieve this goal all the technical-functional measures are adopted that make it possible to keep electrical and magnetic field values within the limits provided for by the relevant statutory legislation are adopted during the operation, and maintenance phase.

In particular, assessment of electromagnetic field values during installation of the new systems supporting Navigation, Ground-air-ground communications, and Surveillance services, to ensure compliance with the exposure limits, warning values and quality targets established by current regulations, is carried out systematically in the context of project management.

## 9. A new sustainable challenge: drones

Climate change, pollution and the intensive exploitation of natural resources are threatening the health of the planet. Given this situation, an increasing amount of attention is being placed on the impact that human activities have on the environment and the territory and, as a result, the requirement for innovative systems is being increasingly urgent in order to limit waste, reduce pollution, avoid diseconomies connected to rapid and disorderly growth, create new sustainable development models to the benefit of today's generations and, above all, future generations.

This is where the development of drones comes in, considering that various services can be created, modulated or redesigned through the use of remotely piloted aircraft. Applications are possible in numerous sectors and areas of action: the management of public order, urban safety, logistics activities, agricultural innovation, monitoring of weather conditions, infrastructures, networks and all those territories that are very large or complex to reach.

All these applications make it possible to save a considerable amount of time and resources, and will provide various advantages in the transport sector, which is very carbon-intensive.

For all these reasons, ENAV has decided to invest in the creation of a new group company, **D-flight S.p.A.**, which pursues the development and provision of services for air traffic management for low-flying remotely piloted aircraft (RPA), for all the other types of aircraft that are considered *unmanned aerial vehicles* (UAV) and all the actives connected with them. Through the development of the U-space platform, which allows for drones to be safely integrated into the civil air space, and based on the provision of various services dedicated to its operators, such as the registration, authentication, identification and management of flight applications and support for mission planning, flight monitoring, emergency management and the recording of flight data, ENAV intends to provide its essential contribution to the development of this innovative form of mobility, guaranteeing above all, as it is in its DNA, the safety of flight operations.

U-Space is the air space below 150 metres, considered as the key element for the safe use of drones in every context and for all types of missions. U-space services evolve in parallel to the level of drone automation and guarantee advanced forms of interaction with the environment (including aircraft with and without a crew), through the exchange of information and digital data.

A continuously increasing number of drones are expected to be used (by 2050 it is expected that about 7.4 million drones will fly in the European skies) in a growing number of industrial and civil areas.

The objective of d-flight is therefore to integrate and make these new needs coexist with traditional aircraft, while keeping the entire air space safe. Our *Vision* is a world in which drones are common objects that are fully accepted in the daily life of all citizens, which are safely used in urban environments and offer services that are increasingly efficient, innovative, economic and above all sustainable.

For these reasons, we are working with national authorities to accelerate the development and implementation of technologies, infrastructures and services able to make the autonomous flight of drones possible in any permitted operational scenario, with complete safety and efficiency.

Therefore, D-flight wants to actively contribute to the realisation of this *vision* by supplying enabling technologies that permit the progressive performance of the operations in increasingly complex and challenging operational scenarios.

## Annex 1 – Non-financial indicators

### THE ENAV GROUP

Table 1. Group size. [GRI 102-7]

Organisation size	u.m.	2020	2019	2018
Net revenues	€000	771,295	902,891	889,740
Total liabilities and equity		<b>2,191,412</b>	<b>2,111,129</b>	<b>2,045,684</b>
Liabilities		1,105,945	955,086	908,125
Equity		1,085,467	1,156,043	1,137,559

Table 2. Total number of individuals within the governing bodies<sup>45</sup> of the companies by age group and gender. [GRI 405-1]

Members of the governing bodies (headcount)	2020						2019						2018							
	Male		Female		Total		Male		Female		Total		Male		Female		Total			
	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%		
<i>less than 30 years old</i>	0	0	0	0	0	0	0	-	0	-	0	-	0	-	0	-	0	-	0	-
<i>between 30 and 50 years old</i>	3	15	5	25	8	40	4	33.3	0	-	4	33.3	4	36.4	0	-	4	36.4	4	36.4
<i>over 50 years old</i>	9	45	3	15	12	60	4	33.3	4	33.3	8	66.7	3	27.3	4	36.4	7	63.6	7	63.6
<b>Total</b>	<b>12</b>	<b>60</b>	<b>8</b>	<b>40</b>	<b>20</b>	<b>100</b>	<b>8</b>	<b>66.7</b>	<b>4</b>	<b>33.3</b>	<b>12</b>	<b>100</b>	<b>7</b>	<b>63.6</b>	<b>4</b>	<b>36.4</b>	<b>11</b>	<b>100</b>	<b>11</b>	<b>100</b>

Table 3. Total number of individuals within the governing bodies<sup>46</sup> of the companies by age group and gender. [GRI 405-1]

Members of the governing bodies (headcount)	2020						2019						2018							
	Male		Female		Total		Male		Female		Total		Male		Female		Total			
	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%		
<i>less than 30 years old</i>	0	0	0	0	0	0	0	-	0	-	0	-	0	-	0	-	0	-	0	-
<i>between 30 and 50 years old</i>	0	0	3	25	3	25	-	0	2	33.3	2	33.3	3	50	2	33.3	5	83.3	5	83.3
<i>over 50 years old</i>	8	67	1	8	9	75	4	66.7	0	-	4	66.7	1	16.7	0	0	1	16.7	1	16.7
<b>Total</b>	<b>8</b>	<b>67</b>	<b>4</b>	<b>33</b>	<b>12</b>	<b>100</b>	<b>4</b>	<b>66.7</b>	<b>2</b>	<b>33.3</b>	<b>6</b>	<b>100</b>	<b>4</b>	<b>66.7</b>	<b>2</b>	<b>33.3</b>	<b>6</b>	<b>100</b>	<b>6</b>	<b>100</b>

<sup>45</sup> Board of Directors as at 31.12.2020 of ENAV, Techno Sky, IDS AirNav and D-Flight.

<sup>46</sup> Board of Statutory Auditors as at 31.12.2020 of ENAV, Techno Sky, IDS AirNav and D-Flight.



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

In 2018, 2019 and 2020 there were not any significant monetary or non-monetary sanctions received due to the violation of laws and regulations regarding environmental issues.

In 2018, 2019 and 2020 there were not any significant monetary or non-monetary sanctions received due to the violation of laws and regulations regarding social and economic issues.

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

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

## COMMUNITY

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

Flight hours	u.m.	2020	2019	2018
<b>Domestic hours</b>		<b>967.30</b>	<b>1,014.64</b>	<b>1,041.52</b>
<b>Abroad</b>		<b>368.84</b>	<b>766.18</b>	<b>883.42</b>
<i>Saudi Arabia</i>		0	75.67	650.67
<i>Kenya</i>		0	0	74.25
<i>Eritrea</i>		0	0	14.75
<i>Uganda</i>		28.75	30.50	21.08
<i>BLUE GNSS</i>		0	0	19.42
<i>Seneca</i>		0	0	0
<i>Portugal</i>		0	0	0
<i>Albania</i>		4.58	17.33	11.00
<i>Lithuania</i>	Hours	9.17	22.41	24.42
<i>Abu Dhabi</i>		0	0	0
<i>United Arab Emirates</i>		0	36.17	0
<i>Beyond</i>		0	0	0
<i>ONDA (Morocco)</i>		0	160.50	0
<i>Phoenic (Romania)</i>		216.50	212.84	0
<i>INEA</i>		0	0	1.58
<i>Cyprus</i>		0	0	15.67
<i>Croatia</i>		110.84	210.76	50.58
<b>Total</b>		<b>1,337.14</b>	<b>1,780.82</b>	<b>1,924.94</b>

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

Average response time for extraordinary interventions	u.m.	2020	2019	2018
Average response time	Hours	24	24	24

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

Training hours by category	u.m.	2020	2019	2018
Private Customer	Hours	4,380	5,040	15,043
Business Customer		0	14,000	6,100
<b>Total</b>		<b>4,380</b>	<b>19,040</b>	<b>21,143</b>

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

Number of third parties involved by category	u.m.	2020	2019	2018
Private Customer	No.	55	14	54
Business Customer		0	277	183
<b>Total</b>		<b>55</b>	<b>291</b>	<b>237</b>

Table 9. Results of training carried out in 2020 to promote local development.

Activities carried out	2020		2019		2018	
	Days	Attendees	Days	Attendees	Days	Attendees
Flight simulation for students of the University of Bologna	-	-	2	36	2	44
Instruction at the University of Bologna in the field of Air Traffic Control	24	40	24	36	24	44
<b>Total</b>	<b>24</b>	<b>40</b>	<b>26</b>	<b>72</b>	<b>26</b>	<b>88</b>

Note: the experience using flight simulators for the students of the University of Bologna has been temporarily suspended due to the health emergency

Table 10. Results of training for local development carried out in 2020.

Activities carried out	2020		2019		2018	
	Days attended	Attendees	Days attended	Attendees	Days attended	Attendees
Apprenticeship Training	171	42	1,181	122	1,630	326
Teaching visits	-	-	984	984	1,312	1,312
Intercultura (initiative for the benefit of the children of employees)	-	-	2,940	12	3,510	25
<b>Total</b>	<b>171</b>	<b>42</b>	<b>5,105</b>	<b>1,118</b>	<b>6,452</b>	<b>1,663</b>

Note: The teaching visits and the intercultura project have been temporarily suspended due to the health emergency.

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

Training costs	u.m.	2020	2019	2018
Cost for apprenticeship training	€000	0	340	217
Cost for teaching visits		-	36	37
Intercultura		-	98	165
<b>Total</b>		<b>0</b>	<b>474</b>	<b>419</b>

Note: The teaching visits and the intercultura project have been temporarily suspended due to the health emergency. Furthermore, the cost for carrying out the apprenticeship training was 0, as all apprenticeships took place online.

Table 12. Investments in infrastructures.

Collision	u.m.	2020	2019	2018
Infrastructures	€000	77,493	109,700	113,000
a) Implementation and maintenance of operational technology infrastructures		39,760	71,700	64,000
b) Upgrading the ATM platform with new operational concepts		24,566	23,300	29,000
c) Infrastructures and systems		7,639	8,400	15,000
d) Management information systems		5,528	6,300	5,000

Note: 2020 CAPEX of € 91.5 million

Table 13. Customer relations: Average system availability. (Scope: Techno Sky)

Average system availability	u.m.	2020	2019	2018
Percentage of average system availability	%	99.97	99.98	99.98

Table 14. Customer relations: Percentage of anomaly resolution on first attempt. (Scope: Techno Sky)

Resolution of anomalies on first attempt	u.m.	2020	2019	2018
Percentage of anomaly resolution on first attempt	%	91.00	92.00	92.00

Table 15. Customer relations: Hours for repair and restoration. (Scope: Techno Sky)

Repair and restoration	u.m.	2020	2019	2018
Average repair and restoration times	Minutes	33.57	34.60	33.86

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

Processing for measurement confirmation	u.m.	2020	2019	2018
Average processing time for measurement confirmation of weather sensors	Days	14.87	12.54	13.77

Table 17. Degree of stakeholder involvement. [GRI 102-43]

Degree of stakeholder involvement	u.m.	2020	2019	2018
Stakeholder Engagement initiatives	<i>no.</i>	Web meeting for updates. Cooperation agreements for structure in relationships and advanced involvement	14 meetings with CNA (external customer) + 5 internal conferences to improve service quality involving the heads of the local operational units	7 sessions dedicated to individual customer and 1 plenary session
Number of stakeholders involved		A variable number depending on the initiative with information forwarded to the majority of the AUs	More than 40 contacted through various types of communication	more than 20
Other		Participation in the initiatives defined in the cooperation agreements. Sharing of feedback to improve the service.	Information and prior involvement in certain activities and operational projects: PRNAV, restructuring of Milan TMA, CARA procedure, familiarisation of flight crews and ATC teams with their respective environments	Involvement in the development of future projects and monitoring of existing implementations. Visits to control centres and familiarisation flights.

Table 18. Average payment period for suppliers.

Number of days for payment of suppliers (ENAV)	u.m.	2020	2019	2018
Average payment period for suppliers	<i>Days</i>	70.7	19.7	23.04
Average advance (delay) in relation to contractual conditions		51.6	20.6	6.96
Number of days for payment of suppliers (Techno Sky)	u.m.	2020	2019	2018
Average payment period for suppliers	<i>Days</i>	40	45	30
Average advance (delay) in relation to contractual conditions		23.4	33	10
Number of days for payment of suppliers (ENAV Asia Pacific)	u.m.	2020	2019	2018
Average payment period for suppliers	<i>Days</i>	5	5	5
Average advance (delay) in relation to contractual conditions		0	0	0
Number of days for payment of suppliers (IDS AirNav)	u.m.	2020	2019	2018
Average payment period for suppliers	<i>Days</i>	27.3	-	-
Average advance (delay) in relation to contractual conditions		34.9	-	-

Number of days for payment of suppliers (D-Flight)	<i>u.m.</i>	2020	2019	2018
Average payment period for suppliers	<i>Days</i>	60	-	-
Average advance (delay) in relation to contractual conditions		24	-	-

Table 19. Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights. [GRI 412-3]

Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights (ENAV)	<i>u.m.</i>	2020	2019
Number of investment agreements and significant contracts	<i>no.</i>	1,117	1,142
Percentage of investment agreements and significant contracts	%	100	100
Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights (Techno Sky)	<i>u.m.</i>	2020	2019
Number of investment agreements and significant contracts	<i>no.</i>	50	25
Percentage of investment agreements and significant contracts	%	100	100
Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights (ENAV Asia Pacific)	<i>u.m.</i>	2020	2019
Number of investment agreements and significant contracts	<i>no.</i>	14	10
Percentage of investment agreements and significant contracts	%	0	0
Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights (IDS AirNav)	<i>u.m.</i>	2020	2019
Number of investment agreements and significant contracts	<i>no.</i>	155	-
Percentage of investment agreements and significant contracts	%	44	-
Investment agreements and significant contracts that include clauses regarding human rights and that were subjected to an assessment regarding human rights (d-flight)	<i>u.m.</i>	2020	2019
Number of investment agreements and significant contracts	<i>no.</i>	5	-
Percentage of investment agreements and significant contracts	%	100	-

Notes:

Investment agreements and significant contracts are understood as supply contracts:

- For ENAV all the amounts
- For Techno Sky greater than € 40,000, in any case the clauses apply to 100% of the contracts.
- For ENAV Asia Pacific greater than 15,000
- For IDS AirNav greater than € 15,000
- D-Flight greater than € 20,000

Table 20. Reporting of tax information [GRI 207-4]

Tax jurisdiction **Italy**, with data relative to the following ENAV S.p.A. entities - Techno Sky S.r.l. - IDS AirNav S.r.l. and D-Flight S.r.l. whose main activities concern "Air traffic control/regulated market, ATC system maintenance, sale on non-regulated markets and UAV traffic control"

Dimensions	u.m.	2020	2019	2018
Number of employees	<i>N</i>	4,145	4,193	4,112
Tax-related data	u.m.	2020	2019	2018
revenue from sales to third parties	€	778,224,700	908,920,254	896,099,080
revenue from inter-company transactions with other tax jurisdictions		459,163	647,972	339,027
Profit/loss before taxes		79,011,601	175,885,214	160,266,413
tangible assets other than liquid assets and cash equivalents		2,031,761,584	1,804,797,653	1,846,484,865
income tax defined based on a cash basis		37,195,978	35,159,491	44,395,215
income tax for companies accrued on profits/losses		22,226,547	47,754,169	38,477,872

Tax jurisdiction **Malaysia**, with data related to the following entity ENAV Asia Pacific Sdn Bhd, whose main activities concern "sale on non-regulated markets"

Dimensions	u.m.	2020	2019	2018
Number of employees	<i>N</i>	2	2	2
Tax-related data	u.m.	2020	2019	2018
revenue from sales to third parties	€	2,690,778	2,992,354	2,724,101
revenue from inter-company transactions with other tax jurisdictions		0	0	0
Profit/loss before taxes		991,945	1,205,386	1,458,622
tangible assets other than liquid assets and cash equivalents		890,751	1,054,258	592,198
income tax defined based on a cash basis		192,542	332,949	380,413
income tax for companies accrued on profits/losses		275,906	299,215	349,537

Tax jurisdiction **USA**, with data related to the following entity ENAV North Atlantic LLC, whose main activities concern "holding"

Dimensions	u.m.	2020	2019	2018
Number of employees	<i>N</i>	0	0	0

Tax-related data	u.m.	2020	2019	2018
revenue from sales to third parties	€	845	0	0
revenue from inter-company transactions with other tax jurisdictions		0	0	0
Profit/loss before taxes		-78,788	-80,316	63,061
tangible assets other than liquid assets and cash equivalents		54,623,408	54,976,379	53,473,020
income tax defined based on a cash basis		0	0	0
income tax for companies accrued on profits/losses		0	-31,247	31,393

The following tables show the main non-financial data relating to Chapter 8:

## ENVIRONMENT

Table 21. Consumption of electricity and fuels for the operation of offices and other facilities (e.g. control towers) and of the car and aircraft fleets (by renewable/non-renewable). [GRI 302-1]

Supplies	u.m.	2020	2019	2018	
Electricity	GJ	<b>241,131.29</b>	<b>258,057.98</b>	<b>253,237.64</b>	
<i>from non-renewable sources</i>		240,036.00	256,990.98	252,236.20	
<i>from renewable sources</i>		1,095.28	1,067.00	1,001.64	
Fuels for offices and other facilities		<b>24,509.94</b>	<b>27,896.58</b>	<b>28,432.56</b>	
<i>Diesel</i>		3,787.48	4,117.51	3,374.84	
<i>Natural gas</i>		20,722.46	23,779.07	25,057.72	
Fuels for car fleet – company cars		<b>3,743.45</b>	<b>4,673.57</b>	<b>7,035.33</b>	
<i>Diesel</i>		3,046.88	3,668.50	3,897.42	
<i>Petrol</i>		696.57	808.22	2,683.35	
<i>CNG</i>		-	172.28	370.36	
<i>LPG</i>		-	24.56	84.2	
Fuels for car fleet – mixed-use cars*		<b>3,891.36</b>	<b>3,920.34</b>	<b>3,295.07</b>	
<i>Diesel</i>		2,842.35	2,747.94	3,095.26	
<i>Petrol</i>		954.70	1,166.03	169.63	
<i>CNG</i>		90.36	-	-	
<i>LPG</i>		3.94	6.36	30.18	
Fuels for air fleet		<b>19,691.80</b>	<b>26,146.78</b>	<b>27,010.49</b>	
<i>Jet fuel</i>		19,691.80	26,146.78	27,010.49	
<b>Total</b>			<b>292,967.84.</b>	<b>320,695.24</b>	<b>319,011.09</b>

\*In accordance with the provisions of Article 51, paragraph 4(a), of the Consolidated Income Tax Law, fuel consumption relating to company cars for mixed business and personal use is measured at 70% of the total.

Furthermore, please note that 2019 data were subject to a restatement as a result of updated data that became available after closure of the 2019 non-financial statement. This restatement also has an impact on the total values of energy consumed in 2019 and on the CO<sub>2</sub> emissions reported in the table for GRI 305-1 and 305-2. The items impacted by this adjustment concern, specifically, the consumption of electricity from renewable sources and those of diesel and petrol by the car fleet



Table 22. Emissions resulting from consumption of electricity and of fuel for the operation of offices and other facilities (e.g. control towers) and the car and aircraft fleets. [GRI 305-1 and 305-2]

Emissions	u.m.	2020	2019	2018
Location based electricity*		18,422	25,699	25,224
Market based electricity*		31,064	34,500	33,386
Fuel for offices and other facilities		1,309.52	1,492.55	1,512.90
Diesel		253.10	280.02	232.3
Natural gas		1,056.42	1,212.54	1,280.60
Fuel for car fleet – company cars		247.96	312.3	463.86
Diesel		203.61	249.48	268.27
Petrol		44.35	52.56	171.64
CNG		-	8.80	18.93
LPG		-	1.46	5.02
Fuels for car fleet – mixed-use cars**	t CO <sub>2</sub> e	255.57	263.09	225.71
Diesel		189.94	186.88	213.06
Petrol		60.78	75.83	10.85
CNG		4.62	-	-
LPG		0.23	0.38	1.8
Fuels for air fleet		1,355.57	1,799.44	1,858.35
Jet fuel		1,355.57	1,799.44	1,858.35
<b>Total emissions (location based)</b>		<b>21,591.39</b>	<b>29,566.47</b>	<b>29,284.82</b>
<b>Total emissions (market based)</b>		<b>34,232.62</b>	<b>38,367.38</b>	<b>35,933.92</b>

\*In 2020 the Scope 2 emissions inherent to the consumption of electricity are calculated according to the Location Based methodology, using the emission factors published in 2020 by Ipsra and according to the market-based approach using the emission factors published in 2019 by AIB – European Residual Mixes. The Scope 2 Location Based emissions for years 2018 and 2019 inherent to the consumption of electricity were calculated using the emission factors published by Terna. \*\*In accordance with the provisions of Article 51, paragraph 4(a), of the Consolidated Income Tax Law, emissions relating to company cars for mixed business and personal use is measured at 70% of the total. The method used to calculate emissions from fuels uses the emission factors published in 2020 by the Department for Environment Food & Rural Affairs.

Table 23. Emissions avoided thanks to the production of electricity by current photovoltaic systems. [GRI 305-5]

Reduction of emissions	u.m.	2020	2019	2018
Reduction of CO <sub>2</sub> e	t CO <sub>2</sub> e	113	141	133

Note: in 2020 approximately 84,060 kg of CO<sub>2</sub> were avoided thanks to the consumption of self-produced energy from renewable sources

Table 24. Emissions generated by type of transportation. [GRI 305-3]<sup>47</sup>

Emissions	u.m.	2020	2019	2018
Train		1	7	10
Aircraft	t CO <sub>2</sub> e	264	1,253	1,296
Short-haul flights (<3700 km)		184	826	890

<sup>47</sup> Emissions associated with business travel

Long-haul flights (>3700 km)		80	426	463
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The method used to calculate emissions uses the emission factors published in 2020 by the Department for Environment Food & Rural Affairs.

Table 25. Reductions in routes and related impact the Italian Flight Efficiency Plan (FEP) project, highlighting the result since the beginning of the FEP project.

Main results achieved	u.m.	2020	2019	2018	Total 2016-2020
Reduction of routes	km	-7,237,000	-14,888,188	-11,744,451	- 43,406,835
Reduction of fuel used	kg	-29,623,000	-54,669,000	-44,103,000	-162,679,500
Reduction of CO <sub>2</sub> emissions	kg CO <sub>2</sub>	-93,312,450	-172,207,350	-138,924,450	-512,440,425

Table 26. Total weight of hazardous and non-hazardous waste, by type of disposal. [GRI 306-2]

Total weight of hazardous waste	u.m.	2020	2019	2018
Landfill disposal (Code D15 - Preliminary storage pending one of the disposal operations)	t	1.17	4.43	4.09
Recovery (Code R13 - Accumulation of material pending one of the recovery operations)		54.47	92.16	56.16
<b>Total</b>		<b>55.64</b>	<b>96.59</b>	<b>60.25</b>
Total weight of non-hazardous waste	u.m.	2020	2019	2018
Landfill disposal (Code D15 - Preliminary storage pending one of the disposal operations)	t	66.61	106.72	34.42
Recovery (Code R13 - Accumulation of material pending one of the recovery operations)		129.94	112.49	176.03
<b>Total</b>		<b>196.55</b>	<b>219.21</b>	<b>210.46</b>
Other non-hazardous waste, measured in litres	u.m.	2020	2019	2018
Sent for disposal	Litres	0	0	0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>

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

## PEOPLE

Table 27. Total number of employees by Group company. [GRI 102-8]

Total number of employees in the Group	u.m.	2020	2019	2018
ENAV	no.	3,330	3,317	3,320
Techno SKY		665	730	792
IDS AirNav		150	-	-
ENAV Asia Pacific		2	2	2
ENAV North Atlantic		-	-	-
<b>Total</b>		<b>4,147</b>	<b>4,049</b>	<b>4,114</b>

Note: please note that d-flight has 7 seconded employees (of which 5 ENAV, 1 IDS AirNav and 1 Techno Sky), and 4 seconded from Leonardo and Telespazio.

Table 28. Employees by age, gender and level. [GRI 405-1]

Employees (headcount)	2020						2019						2018					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%
<b>Senior management</b>	51	1.2	5	0.1	56	1.4	48	1.2	4	0.1	52	1.3	55	1.7	4	0.5	59	1.4
less than 30 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
between 30 and 50	9	0.2	4	0.1	13	0.3	10	0.2	3	0.1	13	0.3	11	0.3	3	0.4	14	0.3
over 50	42	1.0	1	0.0	43	1.0	38	0.9	1	0.1	39	1.0	44	1.3	1	0.1	45	1.1
<b>Middle management</b>	355	8.6	62	1.5	417	10.1	343	8.5	55	1.4	398	9.8	350	10.7	54	6.5	404	9.8
less than 30 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
between 30 and 50	109	2.6	26	0.6	135	3.3	104	2.6	22	0.5	126	3.1	103	3.1	21	2.5	124	3.0
over 50	246	5.9	36	0.9	282	6.8	239	5.9	33	0.8	272	6.7	247	7.5	33	4	280	6.8
<b>Office staff</b>	2,853	68.8	780	18.8	3,633	87.6	2,789	68.9	769	19.0	3,558	87.9	2,830	86	777	93.1	3,607	87.7
less than 30 years old	165	4.0	28	0.7	193	4.7	148	3.7	30	0.7	178	4.4	107	3.3	22	2.6	129	3.1
between 30 and 50	1,667	40.2	446	10.8	2,113	51.0	1,693	41.8	440	10.9	2,133	52.7	1,726	52.6	444	53.2	2,170	52.7
over 50	1,021	24.6	306	7.4	1,327	32.0	948	23.4	299	7.4	1,247	30.8	997	30.4	311	37.2	1,308	31.8
<b>Blue collar</b>	41	1.0	-	-	41	1.0	41	1.0	-	-	41	1.0	44	1.3	-	-	44	1.1
less than 30 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
between 30 and 50	23	0.6	-	-	23	0.6	24	0.6	-	-	24	0.6	25	0.8	-	-	25	0.6
over 50	18	0.4	-	-	18	0.4	17	0.4	-	-	17	0.4	19	0.6	-	-	19	0.5
<b>Total</b>	<b>3,300</b>	<b>79.6</b>	<b>847</b>	<b>20.4</b>	<b>4,147</b>	<b>100</b>	<b>3,221</b>	<b>79.6</b>	<b>828</b>	<b>20.4</b>	<b>4,049</b>	<b>100</b>	<b>3,279</b>	<b>100</b>	<b>835</b>	<b>100</b>	<b>4,114</b>	<b>100</b>

Table 29. Total number of employees by contract type, geographical area (where they are employed), and gender. [GRI 102-8]

Employees (headcount)	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Fixed-term contract</b>	no.	-	-	-	-	-	-	-	-	-
<i>Italy</i>		-	-	-	-	-	-	-	-	-
<i>Americas</i>		-	-	-	-	-	-	-	-	-
<i>Asia</i>		-	-	-	-	-	-	-	-	-
<i>Other - Europe</i>		-	-	-	-	-	-	-	-	-
<b>Open-ended contract</b>		<b>3,300</b>	<b>847</b>	<b>4,147</b>	<b>3,221</b>	<b>828</b>	<b>4,049</b>	<b>3,279</b>	<b>835</b>	<b>4,114</b>
<i>Italy</i>		3,300	845	4,145	3,221	826	4,047	3,279	833	4,112
<i>Americas</i>		-	-	-	-	-	-	-	-	-
<i>Asia</i>		-	2	2	-	2	2	-	2	2
<i>Other - Europe</i>		-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>3,300</b>	<b>847</b>	<b>4,147</b>	<b>3,221</b>	<b>828</b>	<b>4,049</b>	<b>3,279</b>	<b>835</b>	<b>4,114</b>

Table 30. Total number of employees by type of employment and gender. [GRI 102-8]

Employees (headcount)	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	no.	3,282	814	4,096	3,211	803	<b>4,014</b>	3,271	802	<b>4,073</b>
Part-time employees		18	33	51	10	25	<b>35</b>	8	33	<b>41</b>
<b>Total</b>		<b>3,300</b>	<b>847</b>	<b>4,147</b>	<b>3,221</b>	<b>828</b>	<b>4,049</b>	<b>3,279</b>	<b>835</b>	<b>4,114</b>

Table 31. Number of new hires by age group, gender, and geographical area. [GRI 401-1]

Number of new hires	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Italy</b>	no.	<b>138</b>	<b>11</b>	<b>149</b>	<b>154</b>	<b>19</b>	<b>173</b>	<b>131</b>	<b>18</b>	<b>149</b>
<i>less than 30 years old</i>		116	8	124	141	18	159	114	18	132
<i>between 30 and 50</i>		21	2	23	12	1	13	12	-	12
<i>over 50</i>		1	1	2	1	-	1	5	-	5
<b>Americas</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Asia</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Other - Europe</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Total</b>	<b>138</b>	<b>11</b>	<b>149</b>	<b>154</b>	<b>19</b>	<b>173</b>	<b>131</b>	<b>18</b>	<b>149</b>	
<i>less than 30 years old</i>	116	8	124	141	18	159	114	18	132	
<i>between 30 and 50</i>	21	2	23	12	1	13	12	-	12	
<i>over 50</i>	1	1	2	1	-	1	5	-	5	

Note: The calculation of the number of new hires also includes employees with a fixed-term pseudo pilot contract (97 for 2020, 105 for 2019; 126 for 2018)

Inter-company transfers for 2020 included:

ENAV hired 69 Techno Sky employees, comprising:

- 28 women, of whom: 0 employees <30 years old; 5 employees between 30 and 50; 23 employees >50.
- 41 men, of whom: 0 employees <30 years old; 10 employees between 30 and 50 years old; 31 employees >50.

ENAV hired 1 employee from IDS AirNav,:

- 1 woman, of whom: 0 employees <30 years old; 1 employee between 30 and 50; 0 employees >50.

Table 32. Number of employees who left the Group, by age, gender, and geographical area. [GRI 401-1]

Employees who left the Group	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Italy</b>	no.	<b>172</b>	<b>25</b>	<b>197</b>	<b>215</b>	<b>26</b>	<b>241</b>	<b>188</b>	<b>28</b>	<b>216</b>
<i>less than 30 years old</i>		93	8	<b>101</b>	99	9	<b>108</b>	112	16	<b>128</b>
<i>between 30 and 50</i>		12	1	<b>13</b>	26	1	<b>27</b>	21	4	<b>25</b>
<i>over 50</i>		67	16	<b>83</b>	90	16	<b>106</b>	55	8	<b>63</b>
<b>Americas</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Asia</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Other - Europe</b>		-	-	-	-	-	-	-	-	-
<i>less than 30 years old</i>		0	0	-	0	0	-	0	0	-
<i>between 30 and 50</i>		0	0	-	0	0	-	0	0	-
<i>over 50</i>		0	0	-	0	0	-	0	0	-
<b>Total</b>		<b>172</b>	<b>25</b>	<b>197</b>	<b>215</b>	<b>26</b>	<b>241</b>	<b>188</b>	<b>28</b>	<b>216</b>
<i>less than 30 years old</i>		93	8	<b>101</b>	99	9	<b>108</b>	112	16	<b>128</b>
<i>between 30 and 50</i>		12	1	<b>13</b>	26	1	<b>27</b>	21	4	<b>25</b>
<i>over 50</i>		67	16	<b>83</b>	90	16	<b>106</b>	55	8	<b>63</b>

Note: the calculation of the number of employees who left the Group also includes employees with a fixed-term pseudo pilot contract (97 for 2020, 105 for 2019, 126 for 2018). The number of employees who left the group includes an employee who ended the work relationship on 31.12.2019 (last day of work). The number of employees who left the group does not include those who ended the work relationship on 31.12.2020.

Furthermore, during 2020, 70 inter-group transfers were recorded, as follows:

for Techno Sky, 69 employees left to be hired by ENAV, comprising:

- 28 women, of whom: 0 employees <30 years old; 5 employees between 30 and 50; 23 employees >50.
- 41 men, of whom: 0 employees <30 years old; 10 employees between 30 and 50 years old; 31 employees >50.

For IDS AirNav, 1 employee left to be hired by ENAV, specifically:

- 1 woman, of whom: 0 employees <30 years old; 1 employee between 30 and 50; 0 employees >50.

Table 33. Turnover rate. [GRI 401-1]

Turnover rate	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Italy</b>	%	5.2	3.0	<b>4.8</b>	6.7	3.1	<b>6</b>	5.7	3.4	<b>5.3</b>
<b>Americas</b>		-	-	-	-	-	-	-	-	-
<b>Asia</b>		-	-	-	-	-	-	-	-	-
<b>Other - Europe</b>		-	-	-	-	-	-	-	-	-
<b>Total</b>			<b>5.2</b>	<b>3.0</b>	<b>4.8</b>	<b>6.7</b>	<b>3.1</b>	<b>6</b>	<b>5.7</b>	<b>3.4</b>

Table 34. Rate of new hires. [GRI 401-1]

Rate of new hires	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Italy	%	4.2	1.3	3.6	4.8	2.3	4.3	4.0	2.2	3.6
Americas		-	-	-	-	-	-	-	-	-
Asia		-	-	-	-	-	-	-	-	-
Other - Europe		-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>4.2</b>	<b>1.3</b>	<b>3.6</b>	<b>4.8</b>	<b>2.3</b>	<b>4.3</b>	<b>4.0</b>	<b>2.2</b>	<b>3.6</b>

Table 35. Number of hours of classroom and e-learning training in operational issues by gender and category.

Training hours by gender and level	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	0	0	0	26	-	26	20	-	20
Middle management		112	32	144	426	85	511	1,988	60	2,048
Office staff		85,930	2,804	88,734	83,690	8,054	91,744	61,822	5,762	67,583
Blue collar		363	0	363	32	-	32	193	-	193
<b>Total</b>		<b>86,405</b>	<b>2,836</b>	<b>89,241</b>	<b>84,174</b>	<b>8,139</b>	<b>92,313</b>	<b>64,022</b>	<b>5,821</b>	<b>69,843</b>

Table 36. Number of hours of classroom and e-learning training by gender and category, including anti-corruption training.

Training hours by gender and level	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	995	38	1,033	1,564.5	59	1,623	633	96	729
Middle management		4,465	1,190	5,655	3,639	989.5	4,628.5	1,094	408	1,502
Office staff		15,306	6,231	21,537	17,244	6,599	23,843	6,107	2,553	8,659
Blue collar		146	-	146	283	-	283	45	-	45
<b>Total</b>		<b>20,912</b>	<b>7,459</b>	<b>28,371</b>	<b>22,730.5</b>	<b>7,647.5</b>	<b>30,378</b>	<b>7,879</b>	<b>3,056</b>	<b>10,935</b>

Note: training refers to specialist managerial, legal and language training

Table 37. Number of hours of classroom and e-learning training on occupational health and safety issues by gender and category.

Training hours by gender and level	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	32	0	32	68	-	68	244	-	244
Middle management		448	52	500	761	47	808	1,944	113	2,057
Office staff		7,256	493	7,749	12,892	1,543	14,537	13,279	1,718	14,997
Blue collar		356	-	356	736	-	736	824	-	824
<b>Total</b>		<b>8,092</b>	<b>545</b>	<b>8,637</b>	<b>14,457</b>	<b>1,590</b>	<b>16,047</b>	<b>16,291</b>	<b>1,831</b>	<b>18,122</b>

Table 38. Number of hours of classroom and e-learning training on environmental issues.

Training hours by gender and level	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	Hours	45	8	53	-	-	-	72	-	72
Middle management		186	30	216	-	-	-	120	16	136
Office staff		928	108	1,036	-	-	-	608	-	608
Blue collar		10	-	10	-	-	-	-	-	-
<b>Total</b>		<b>1,169</b>	<b>146</b>	<b>1,315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>800</b>	<b>16</b>	<b>816</b>

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

Table 39. Average hours of training. [GRI 404-1]

Average hours of training (classroom and e-learning)	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of training hours provided to employees	Hours	116,578	10,986	127,564	121,362	17,376	138,738	88,992	10,725	99,716
Total number of employees	No.	3,300	847	4,147	3,221	828	4,049	3,279	835	4,114
<b>Average employee training hours</b>	Hours/ no.	<b>35</b>	<b>13</b>	<b>31</b>	<b>38</b>	<b>21</b>	<b>34</b>	<b>27</b>	<b>13</b>	<b>24</b>
Total number of training hours provided to senior management	Hours	1,072	46	1,118	1,659	59	1,718	969	96	1,065
Total number of senior managers	No.	51	5	56	48	4	52	55	4	59
<b>Average training hours provided to senior management</b>	Hours/ no.	<b>21</b>	<b>9</b>	<b>20</b>	<b>35</b>	<b>15</b>	<b>33</b>	<b>18</b>	<b>24</b>	<b>18</b>
Total number of training hours provided to middle management	Hours	5,211	1,304	6,515	4,826	1,121	5,947	5,146	597	5,743
Total number of middle managers	No.	355	62	417	343	55	398	350	54	404
<b>Average training hours provided to middle management</b>	Hours/ No.	<b>15</b>	<b>21</b>	<b>16</b>	<b>14</b>	<b>20</b>	<b>15</b>	<b>15</b>	<b>11</b>	<b>14</b>
Total number of training hours provided to office staff	Hours	109,420	9,636	119,056	113,826	16,196	130,022	81,816	10,032	91,848
Total number of office workers	No.	2,853	780	3,633	2,789	769	3,558	2,830	777	3,607
<b>Average training hours provided to office staff</b>	Hours/ no.	<b>38</b>	<b>12</b>	<b>33</b>	<b>41</b>	<b>21</b>	<b>37</b>	<b>29</b>	<b>13</b>	<b>25</b>
Total number of training hours provided to blue collar workers	Hours	875	0	875	1,051	0	1,051	1,062	0	1,062
Total number of blue collar workers	No.	41	-	41	41	-	41	44	0	44
<b>Average training hours provided to blue collar workers</b>	Hours/ no.	<b>21</b>	<b>-</b>	<b>21</b>	<b>26</b>	<b>-</b>	<b>26</b>	<b>24</b>	<b>-</b>	<b>24</b>



Table 40. Number of ongoing training hours by gender.

Ongoing training hours by gender and category	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	Hours	67,618	8,358	<b>75,976</b>	56,208	6,310	<b>62,518</b>	58,468	6,497	<b>64,965</b>

Table 41. Number of employees involved in ongoing training by gender.

Number of employees involved by gender	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	No.	1,854	261	<b>2,115</b>	1,828	203	<b>2,031</b>	1,700	190	<b>1,890</b>

Table 42. Number of ongoing operating unit training hours by gender.

Ongoing operating unit training hours by gender and category	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	Hours	19,591	3,621	<b>23,212</b>	43,729	2,300	<b>46,029</b>	113,428	12,603	<b>126,031</b>

Table 43. Number of employees involved in ongoing operating unit training by gender.

Number of employees involved by gender and category	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	No.	307	48	<b>355</b>	335	18	<b>353</b>	1,612	180	<b>1,792</b>

Table 44. Number of incidents of discrimination and actions taken. [GRI 406-1]

Incidents of discrimination	u.m.	2020	2019	2018
Number of incidents of discrimination re-reported	No.	0	0	0
Number of incidents examined by the company		0	0	0
Number of remediation plans defined		0	0	0
Number of remediation plans implemented		0	0	0
Number of incidents no longer subject to remediation		0	0	0

Table 45. Number of new grievances with employees.

Number of pending grievances with employees	u.m.	2020	2019	2018
Number of new grievances with employees	No.	51	43	49

Table 46. Number of new grievances with employees.

Number of new grievances with employees	u.m.	2020	2019	2018
Number of new grievances with employees	No.	13	26	11

Table 47. Percentage of employees covered by collective bargaining agreements. [GRI 102-41]

Percentage of employees covered by collective bargaining agreements	u.m.	2020	2019	2018
Percentage of employees covered by collective bargaining agreements	%	99.95	100	100

Note: Senior management is excluded from the calculation.

Table 48. Percentage of employees registered with a union.

Percentage of employees registered with a union	u.m.	2020	2019	2018
Percentage of employees registered with a union	%	68	66	65

Note: senior management is excluded from the calculation

Table 49. Number of strikes.

Number of strikes	u.m.	2020	2019	2018
Number of strikes	no.	6	9	7

Table 50. Number of strike hours.

Number of strike hours	u.m.	2020	2019	2018
Number of strike hours	No.	84	116	92

Table 51. Number of recordable work-related injuries, rates and hours worked for employees. [GRI 403-9]

Employees	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Total recordable work-related injuries		10	2	12	11	2	13	15	1	16
Recordable work-related injuries (with the exclusion of high consequence work related injuries)	No.	8	2	10	11	2	13	15	1	16
High-consequence work-related injuries (excluding fatalities)		2	0	2	0	0	0	0	0	0
Fatalities as a result of work-related injury		0	0	0	0	0	0	0	0	0
<b>Number of hours worked<sup>48</sup></b>	No.	4,321,669	1,091,212	5,412,881	4,613,816	1,082,311	5,696,127	4,533,450	1,065,705	5,619,155
Rate of fatalities as a result of work-related injury		0	0	0	0	0	0	0	0	0
Rate of high-consequence work-related injuries	No.	0.46	0	0.37	0	0	0	0	0	0
Rate of total recordable work-related injuries		2.31	1.83	2.22	2.38	1.85	2.28	3.31	0.94	2.85

Note: In the table, the injuries at work for 2020 includes an injury that was not recognised by Inail, as it can be considered among the recordable injuries. The indices are calculated as follows: Rate of fatalities as a result of work-related injury (No. fatalities/No. of hours worked) x 1,000,000; Rate of high-consequence work-related injuries: (No. of high-consequence work-related injuries (excluding fatalities)/no. of hours worked) x 1,000,000; Rate of total recordable work-related injuries: (Total No. of recordable work-related injuries/No. of hours worked) x 1,000,000.

As regards workers that are not employees, the Group Prevention and Protection structure received a report in 2020 of an injury episode (a female worker from the cleaning company), however the numbers regarding the hours worked by workers who are not employees are not available. The Group undertakes to collect data starting from 2021.

Injury by type	u.m.	2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Injury with a company vehicle	<i>no.</i>	0	0	0	1	0	0	0	0	0
Struck by a car		0	0	0	0	0	0	0	0	0
Injury with a private vehicle		0	0	0	0	0	0	0	0	0
Fall and/or unsuitable movement		6	1	7	5	2	7	6	1	7
Manual handling of loads		0	0	0	0	0	0	0	0	0
Crushing and/or contusion		2	0	2	0	0	0	1	0	1
Other causes of injury		2	1	2	5	0	5	8	0	8
<b>Total</b>		<b>10</b>	<b>2</b>	<b>12</b>	<b>11</b>	<b>2</b>	<b>13</b>	<b>15</b>	<b>1</b>	<b>16</b>

## Annex 2 - Table: GRI Content Index

GRI STANDARDS	Disclosure	Reference page	Omission
General Disclosure			
GRI 102: General Disclosures 2016	102-1 Name of the organization	22-23	
	102-2 Activities, brands, products and services	24; 26-30	
	102-3 Location of headquarters	ENAV's registered office is in Rome, in Via Salaria 716	
	102-4 Location of operations	22-23; 24; 26-30	
	102-5 Ownership and legal form	5; 22-23; 48-53	
	102-6 Markets served	24; 26-30	
	102-7 Scale of the organization	24; 26-30; 111; 122	
	102-8 Information on employees and other workers	122-123	
	102-9 Supply chain	62-64	
	102-10 Significant changes to the organization and its supply chain	22-23; 26-30; 62-64	
	102-11 Precautionary Principle or approach	48-53; 53-58	
	102-12 External initiatives	71-76	
	102-13 Membership of associations	71-76	
	102-14 Statement from senior decision-maker	3-4	
	102-15 Key impacts, risks and opportunities	53-58	
	102-16 Values, principles, standards and norms of behavior	48-53; 53-58; 59-61; 62-64; 91-92	
	102-18 Governance structure	48-53; 111 Report on Corporate Governance and Ownership Structure	
102-24 Nominating and selecting the highest governance body	48-53, Report on Corporate Governance and Ownership Structure		
102-40 List of <i>stakeholder</i> groups	9; 67-68		

	102-41 Collective bargaining agreements	94-96; 129	
	102-42 Identifying and selecting stakeholders	9-11; 67-68	
	102-43 Approach to stakeholder engagement	9-11; 67-68; 115	
	102-44 Key topics and concerns raised	9-11; 67-68	
	102-45 Entities included in the consolidated financial statements	22-23	
	102-46 Defining report content and topic boundaries	9-11; 22-23	
	102-47 List of material topics	9-11	
	102-48 Restatements of information	22-23	
	102-49 Changes in reporting	22-23	
	102-50 Reporting period	22-23	
	102-51 Date of the most recent report	22-23	
	102-52 Reporting cycle	Reporting is annual	
	102-53 Contact point for questions regarding the report	For information or comments on this document, submit a request to <a href="mailto:sostenibilita@enav.it">sostenibilita@enav.it</a>	
	102-54 Claims of reporting in accordance with the GRI Standards	22-23	
	102-55 GRI content index	132-142	
	102-56 External assurance	145	
<b>GRI STANDARDS</b>	<b>Disclosure</b>	<b>Reference page</b>	<b>Omission</b>
<b>Economic performance</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	5-6	
	103-3 Evaluation of the management approach	5-6	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	5-6	

GRI STANDARDS	Disclosure	Reference page	Omission
<b>Anti-corruption</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 59-61	
	103-3 Evaluation of the management approach	53-56; 59-61	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	59-61	
	205-3 Confirmed incidents of corruption and actions taken	From the analyses and investigations conducted, no acts of corruption (active or passive) were discovered during the 2018-2020 period.	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Tax</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 64-65	
	103-3 Evaluation of the management approach	53-56; 64-65	
GRI 207: Tax 2019	207-1 Approach to tax	65	
	207-2 Tax governance, control, and risk management	65	
	207-3 Stakeholder engagement and management of concerns related to tax	65	
	207-4 Country-by-country reporting	119-120	

GRI STANDARDS	Disclosure	Reference page	Omission
<b>Energy</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 99-101; 105-108	
	103-3 Evaluation of the management approach	53-56; 99-101; 105-108	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	105-108, 119	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Emissions</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 99-101; 105-108	
	103-3 Evaluation of the management approach	53-56; 99-101; 105-108	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	105-108, 120	
	305-2 Energy indirect (Scope 2) GHG emissions	105-108, 120	
	305-3 Other indirect (Scope 3) GHG emissions	120	
	305-5 Reduction of GHG emissions	105-108, 120	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Effluents and Waste</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 99-101; 108-109	
	103-3 Evaluation of the management approach	53-56; 99-101; 108-109	
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	121	



GRI STANDARDS	Disclosure	Reference page	Omission
<b>Environmental Compliance</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	48; 53-56; 99-101	
	103-3 Evaluation of the management approach	48; 53-56; 99-101	
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	48; 112	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Employment</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 87-88	
	103-3 Evaluation of the management approach	53-56; 77-78; 87-88	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	87-88; 124-126	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Labour/Management Relations</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 94-96	
	103-3 Evaluation of the management approach	53-56; 77-78; 94-96	

GRI STANDARDS	Disclosure	Reference page	Omission
Labor/Management Relations			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	<p><i>With reference to organisational changes and the relative minimum notification period, each country of the Group respects the local regulations of reference in that area.</i></p> <p><i>More specifically:</i></p> <ul style="list-style-type: none"> <li><i>- for ENAV, the significant organisational changes are notified in compliance with the autonomy and liability of the Company as disciplined by art.7 "rights to information" of CCNL. These notifications are made with appropriate notice;</i></li> <li><i>- for Techno Sky and IDS, notifications regarding organisational changes are made according to provisions of law and/or collective contracts and/or union agreements. These notifications are made with appropriate notice.</i></li> </ul>	

GRI STANDARDS	Disclosure	Reference page	Omission
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 78-81	
	103-3 Evaluation of the management approach	53-56; 77-78; 78-81	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	78-81	
	403-2 Hazard identification, risk assessment, and incident investigation	78-81 Group personnel is exposed to the occupational health and safety risks that are reported in the section "ESG risk management and the Enterprise Risk Management system". There are, however, no work activities which expose the worker to risks for specific diseases, or which have a high incidence of exposure to risk.	
	403-3 Occupational health services	78-81	
	403-4 Worker participation, consultation, and communication on occupational health and safety	78-81	
	403-5 Worker training on occupational health and safety	78-81	
	403-6 Promotion of worker health	78-81; 92-94	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78-81	
	403-9 Work-related injuries	130-131	

GRI STANDARDS	Disclosure	Reference page	Omission
<b>Training and Education</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 82-87; 88-90	
	103-3 Evaluation of the management approach	53-56; 77-78; 82-87; 88-90	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	126-127	
	404-2 Programs for upgrading employee skills and transition assistance programs	82-87; 88-90	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Diversity and equal opportunities</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 91-92	
	103-3 Evaluation of the management approach	53-56; 77-78; 91-92	
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	122	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Non-discrimination</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 77-78; 91-92	
	103-3 Evaluation of the management approach	53-56; 77-78; 91-92	
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	128	

GRI STANDARDS	Disclosure	Reference page	Omission
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 61-62; 62-6	
	103-3 Evaluation of the management approach	53-56; 61-62; 62-6	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	61	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	116	
GRI STANDARDS	Disclosure	Reference page	Omission
Local communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 109	
	103-3 Evaluation of the management approach	53-56; 109	
GRI 413: Local communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	109	

GRI STANDARDS	Disclosure	Reference page	Omission
<b>Customer Health and Safety</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	53-56; 34-38; 39-43	
	103-3 Evaluation of the management approach	53-56; 34-38; 39-43	
GRI 416: Customer health and Safety 2016	416-1 Assessment of the health and Safety impacts of product and service categories	All activities of ENAV and Techno Sky. This indicator does not apply to IDS AirNav and D-Flight as the characteristics of the product and services offered by nature do not have an impact on the Health and Safety of customers.	
GRI STANDARDS	Disclosure	Reference page	Omission
<b>Socioeconomic Compliance</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	48; 112; 53-56	
	103-3 Evaluation of the management approach	48; 112; 53-56	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	48; 112	
MATERIAL TOPICS		Reference page	Omission
<b>Security</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	34-38	
	103-3 Evaluation of the management approach	34-38	
MATERIAL TOPICS		Reference page	Omission

Technological Innovation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	33-34	
	103-3 Evaluation of the management approach	33-34	
<b>MATERIAL TOPICS</b>		<b>Reference page</b>	<b>Omission</b>
Quality of service			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	9-11	
	103-2 The management approach and its components	26-30; 34-38; 39-43; 68-70	
	103-3 Evaluation of the management approach	26-30;34-38; 39-43; 68-70	

## Annex 3 – The management systems and certifications of the Group

The scope of the Group's Management Systems has gradually increased over time, now covering almost all of its business processes. Below is a list of the management systems adopted by the Group:

- ENAV Quality Management System (218 documents, including procedures, guidelines and operating instructions)
- ENAV Group Security Management System (61 documents, including procedures, guidelines and operating instructions)
- ENAV Safety Management System (12 documents, including procedures and guidelines)
- ENAV Group Occupational Health and Safety Management System (16 documents, including procedures, guidelines and operating instructions)
- Techno Sky Quality Management System (129 documents, including procedures, guidelines and operating instructions)
- ENAV Asia Pacific Quality Management System (3 procedures)
- IDS AirNav Quality Management System (44 documents, including procedures, guidelines and operating instructions)
- IDS AirNav Environmental Management System (2 documents as the procedures, guidelines and operating instructions are integrated in the Quality Management System)

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

- Certification of ENAV as a provider of air traffic management services and air navigation services ("Service Provider Certification"), issued by ENAC pursuant to Regulation (EU) No. 373/2017 for ATS, ATFM, ASM, AIS, MET, CNS services
- Certification of ENAV as a training organisation for air traffic controllers, issued by ENAC pursuant to Commission Regulation (EU) 2015/340
- Certification of ENAV as a training organisation for flight information service operators, issued by ENAC under ENAC Regulation "Flight Information Service Operator License (FIS)"
- ISO 9001:2015 certification for the ENAV Quality Management System issued by an accredited certification body
- ISO 9001:2015 certification for the Techno Sky Quality Management System issued by an accredited certification body
- ISO 9001:2015 certification for the IDS AirNav Quality Management System issued by an accredited certification body
- OHSAS 18001:2007 certification for the ENAV Occupational Health and Safety Management System issued by an accredited certification body
- OHSAS 18001:2007 certification for the Techno Sky Occupational Health and Safety Management System issued by an accredited certification body
- ISO 45001:2018 certification for the IDS AirNav Occupational Health and Safety Management System issued by an accredited certification body
- ISO/IEC 27001:2014 certification for the ENAV Safety Management System, issued by an accredited certification body for the part relating to information security
- ISO/IEC 27001:2014 certification for the IDS AirNav Safety Management System, issued by an accredited certification body for the part relating to information security
- Certification of ENAV as a training organisation for personnel providing meteorological services for air navigation, issued by ENAC under ENAC Regulation "Requirements for personnel in the provision of meteorological services for air navigation"



- Certification of ENAV as an organisation for the planning of instrumental flight procedures, issued by ENAC under ENAC Regulation “Instrumental Flight Procedures”
- Certification of ENAV as an organisation for the planning of instrumental flight procedures, issued by the General Civil Aviation Authority (GCAA) of the United Arab Emirates (UAE) pursuant to Civil Aviation Advisory Publication CAAP 68 Instrument Flight Procedure Design Requirements
- Certification of IDS AirNav as an organisation for the planning of instrumental flight procedures, issued by ENAC under ENAC Regulation “Instrumental Flight Procedures”
- Certification of IDS AirNav as an organisation for the planning of instrumental flight procedures, issued by the General Civil Aviation Authority (GCAA) of the United Arab Emirates (UAE) pursuant to Civil Aviation Advisory Publication CAAP 68 Instrument Flight Procedure Design Requirements
- Certification in Capability Maturity Model Integration for Development (CMMI-DEV) for IDS AirNav for the development of products and services that certifies the degree of maturity reached in software development (maturity level 3)
- Certification in Capability Maturity Model Integration for Development (CMMI-DEV) for Techno Sky for the development of products and services that certifies the degree of maturity reached in software development (maturity level 2)
- AQAP 2110/160 certification for Techno Sky’s Quality Management System, issued by the Ministry of Defence
- Certificate of Conformity with Regulation (EU) 2015/2067 (F-GAS) for the installation, maintenance, or repair of fixed equipment for refrigeration, air-conditioning and heat pumps containing fluorinated gases with greenhouse effects awarded to Techno Sky
- Accreditation of Techno Sky’s LAT Centre No. 15 as calibration laboratory pursuant to the international standard UNI CEI EN ISO/IEC 17025:2018, issued by Accredia.

## **Enav S.p.A.**

**Independent auditor's report on the consolidated disclosure of non- financial information in accordance with article 3, par. 10, of Legislative Decree December 30, 2016, n. 254 and with article 5 of Consob Regulation adopted with Resolution n. 20267 of January 18, 2018**

## Independent auditor's report on the consolidated disclosure of non-financial information in accordance with article 3, par. 10, of Legislative Decree December 30, 2016, n. 254 and with article 5 of Consob Regulation adopted with Resolution n. 20267 of January 18, 2018 *(Translation from the original Italian text)*

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

We have been appointed to perform a limited assurance engagement pursuant to article 3, par. 10, of Legislative Decree December 30, 2016, n. 254 (hereinafter "Decree") and article 5 of Consob Regulation adopted with Resolution n. 20267/2018, on the consolidated disclosure of non-financial information of Enav S.p.A. and its subsidiaries (hereinafter "Enav Group" or "Group") for the year ended on December 31, 2020 in accordance with article 4 of the Decree and approved by the Board of Directors on April 20, 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.

### **Auditor's independence and quality control**

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

## Auditor's responsibility

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

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

In particular, we have performed the following procedures:

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

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

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

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

- at group level

- a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for Enav S.p.A. and IDS AirNav S.r.l., that we have selected based on their activities and 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.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the DNF of the Enav Group for the year ended on December 31, 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.

Rome, April 28, 2021

EY S.p.A.  
Riccardo Rossi  
(Auditor)

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