

# SUSTAINABILITY REPORT 2023



*Consolidated Non-financial Disclosure in accordance  
with Legislative Decree no. 254/2016*

CSR - Sostenibilità


Il Dirigente

D.ssa Elisabetta Tromellini

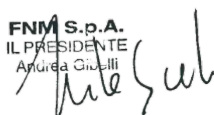


**FNM S.p.A.**  
DIREZIONE AMMINISTRAZIONE,  
FINANZA E CONTROLLO  
CFO

dott. Eugenio Giavatto



**FNM S.p.A.**  
IL PRESIDENTE  
Aniela Ciavelli



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## Chair's Letter to Stakeholders

GRI 2-22

The year 2023 was characterised by several innovations. The goal that we continue to pursue is to spread the culture of new cities, which will consist of spaces that are not only smart, but are increasingly sensitive to and capable of anticipating change. It will be necessary to know how to use data in a timely manner, interpreting resident choices, predicting scenarios and designing new services according to the needs of every individual.

FILI, the large urban and suburban regeneration project that will invest in the Milan-Malpensa axis, will introduce new urban scenarios. This also includes FNM's entry into the InfraTech segment of the Corporate Partners I Fund of CDP Venture Capital Sgr, which specialises in the search for technological solutions, applicable to infrastructure and construction site management, based on the application of artificial intelligence and the internet of things, robotics and new materials.

This investment is consistent with the path undertaken in terms of research and innovation projects and investment in start-ups; I recall the acquisition of shares in Sportit S.r.l. and Busforfun.com S.r.l. as well as the investment in the National Centre for Sustainable Mobility (MOST) promoted by the Polytechnic University of Milan and co-funded with NRRP resources.

Deliveries of new trains also continued unabated during the year, according to the fleet renewal plan, which was made possible thanks to an investment of 1.7 billion from the Lombardy Region. The radical renewal of the fleet has a strong bearing on social sustainability, because it positively affects the experience of people who access the regional rail service every day. We would like to point out that the new trains ensure savings in energy consumption and are made of more than 90% recyclable materials, according to the principle of the circular economy. We are determined to continue on this path in order to complete the fleet renewal, which will be concluded in 2025 when we will have 214 new trains in circulation.

On the hydrogen front, the H2iseO project reached an important milestone during the EXPO Ferroviaria railway trade fair in October, during which we presented, together with Alstom, the first hydrogen-powered Coradia Stream train that will begin operating in Valcamonica. The hydrogen-powered Coradia Stream meets the European target of reducing CO<sub>2</sub> emissions by 100% by 2050 and is the first zero direct CO<sub>2</sub> emissions train for Italy equipped with hydrogen fuel cells, with a total capacity of 260 seats and a range of more than 600 km.

Promoted by FNM, FERROVIENORD and Trenord, H2iseO aims to develop an economic and industrial hydrogen supply chain in Valcamonica, starting with the mobility sector, launch the energy conversion of that area and contribute to the decarbonisation of a significant portion of local public transport.

A synergistic and complementary extension of the H2iseO project is the SerraHydrogenValle project, which aims to develop, in the area of MISE's competence, the first hydrogen refuelling motorway network in Italy through the creation of a motorway corridor with 5 hydrogen refuelling stations.

One year after the start of works, the construction of the new rail link between Terminal 2 at Milan Malpensa Airport and the Sempione railway line is in full swing. This is very important infrastructural work, capable of expanding the airport's catchment area and guaranteeing an effective and rapid connection between the airport and the city of Milan, reducing travel times and improving sustainability.

All of the above activities are in line with the objectives set out in our 2021-2025 Strategic Plan. To further strengthen the Plan's environmental objectives, 80% of Viridis Energia S.p.A., an

independent producer of electricity, was acquired. FNM's entry into the renewable energy production sector further impacts the environmental objectives of the Plan, which calls for investments in innovative energy projects, allowing the Group to make a concrete contribution to the objectives of the 2030 Agenda as well as to the country's energy transition.

**Andrea Gibelli**

Chair, FNM S.p.A.



## Deputy Chair's Introduction

GRI 2-22

FNM's commitment to the community, the environment and people is of great importance, as it contributes to defining the Group's strategic vision.

This is a commitment that FNM, which has always been attentive to ESG (Environment, Social and Governance) policies, has made for years now. A commitment confirmed and expanded in this Sustainability Report-NFS, which includes a number of new features that contribute to the achievement of the transport and mobility system's decarbonisation and compliance goals. All of this is expressed through the application of the new European Taxonomy legislation and the calculation and assessment of the sustainability impact across the entire value chain. A punctual project of collecting data, processing it and then reporting on indirect supply chain emissions (Scope 3).

With the entry into force of the new European CSRD (Corporate Sustainability Reporting Directive), these concepts are further reaffirmed and considered mandatory. Indeed, as early as 2024, the new European standards, ESRS (Environmental Social Reporting Standards), will have to be applied, replacing the current GRI (Global Reporting Initiative) indicator-based reporting.

In essence, the next two years will be characterised by a further and even stronger push towards sustainability policies and ESG governance, with concrete actions to achieve the fundamental and undeferrable "Net Zero" goal by 2050 that all EU and UN countries have set for themselves.

The FNM Group embarked upon this path some time ago, representing a case study to which many refer. And it is on this path that we intend to continue to make our contribution to safeguarding our planet.

**Gianantonio Arnoldi**

Deputy Chair, FNM S.p.A.



## Methodological note

GRI 2-1, 2-2, 2-3, 2-5, 2-6, 3-1, 3-2

This document is the seventh Sustainability Report-Consolidated Non-Financial Statement (hereinafter also the “Sustainability Report-NFS”), in accordance with Legislative Decree 254 of 30 December 2016, which implemented Directive 2014/95/EU; the document concerns the companies in the FNM Group, comprising FNM S.p.A. and its subsidiaries (hereinafter also the “Group”), and refers to the period between 1 January 2023 and 31 December 2023.

### ***Reporting perimeter***

The Sustainability Report-NFS has been produced to provide an adequate illustration of the Group’s operations, performance, results and impacts, covering all issues deemed relevant and set out in Article 3 of Legislative Decree 254/2016. More specifically, the scope of economic data is the same as for the 2023 Consolidated Financial Statements of the Group, as is the scope of social and environmental information, excluding the companies that did not record significant environmental and social impacts during the year<sup>1</sup>. It should also be noted that, with respect to 2022, it was reasonably assumed that **FNMPAY**, as a result of the development of activities in the area of digital payment services and the deployment of the platform, generated ESG impacts, thus falling within the scope of this 2023 reporting.

In order to streamline its operations in the public bus transport services, it should be noted that on 31 March 2023, having fulfilled the obligations set forth in the preliminary agreement signed on 7 December 2022, the sale of the equity investment held by the Group in **La Linea S.p.A.**, also entailing the disposal of the equity investment held indirectly in **Martini Bus S.r.l.**, was finalised. Therefore, the scope of this Report does not include the figures of the above-mentioned companies, following their disposal as of 16 January 2023, according to the methods described in the 2022 Annual Financial Report.

Furthermore, in order to provide a broader picture of the company’s operations, performance, results and impacts (in relation to Article 4 of Legislative Decree 254/2016), some social and environmental information relating to Trenord S.r.l. (hereinafter also “Trenord”) is presented separately and in an easily identifiable manner, although the Company is valued using the equity method in the Group’s Consolidated Financial Statements. Any quantitative data representation methods different to the above are clearly indicated.

### ***Reporting methodology, principles and criteria***

The Sustainability Report-NFS has been produced in accordance with the GRI Sustainability Reporting Standards, published by the Global Reporting Initiative in 2016 as amended, including the latest amendments in 2021, according to the “in accordance” option. To assist the reader in locating information within the document, the GRI Content Index is provided on pages 160-169. The performance indicators used are those set out by the reporting standard updated to 2021. They are representative of various fields and consistent with the activities carried out and the impacts produced as a result. In particular, the selection of performance indicators took into account the materiality analysis conducted in 2022 and reconfirmed by the Social Responsibility and Ethics

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<sup>1</sup>In accordance with art. 4 of Legislative Decree 254/2016, the following companies are not included in the scope: La Linea 80 Scarl as it is a holding company, FNM Power S.r.l. and MALPENSA DISTRIPARK S.r.l. The latter, in consideration of the initial stage of development of their activities, do not generate social and environmental impacts.

Committee on 29 November 2023. In order to best meet the requirements of external communication to stakeholders and investors, indicators and information were included to meet the demands of rating agencies. In line with previous years, the Sustainability Report-NFS is inspired by the guiding principles of the International <IR> Framework, published in December 2013 by the International Integrated Reporting Council (IIRC).

The Statement includes the information required by art. 8 of Regulation (EU) 2020/852 of 18 June 2020 (the “Taxonomy Regulation”) and the relative Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139, in order to provide investors and the market with a comprehensive view of its eligible economic activities aligned with the first 2 environmental objectives (Climate Change Mitigation and Adaptation) pursuant to the Regulation and extending the eligibility assessment also to the remaining 4 (Sustainable use and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, Protection and restoration of biodiversity and ecosystems).

As part of the reporting process for climate-altering gases emitted in the course of business activities, in 2023 the **FNM Group** strengthened its commitment by expanding reporting to all categories linked to activities throughout the value chain (Scope 3) identified through a materiality analysis. This effort allowed the **FNM Group** to report on four more categories, compared to the four categories already reported on in the year 2022.

The information and data included in the Sustainability Report-NFS reflect performance over a three-year period. Any representation methods that differ from this include a comparison with 2022 or are specified in the text or with a note.

This document is published annually, in accordance with Legislative Decree 254/2016. For more information on the Sustainability Report-NFS, please contact us at [csr-sostenibilita@fnmgroupp.it](mailto:csr-sostenibilita@fnmgroupp.it). The document is also available on the FNM Group website: <http://www.fnmgroupp.it/>.

The Sustainability Report-NFS is approved by the Board of Directors of **FNM S.p.A.** together with the Consolidated Financial Statements on 12 March 2024.

All activities relating to the reporting of the Sustainability Report-NFS are governed by a specific Operating Procedure approved on 31 January 2020 and subsequently amended on 25 July 2022.

The organisation appointed to perform the limited assurance engagement on this Sustainability Report-NFS is PricewaterhouseCoopers S.p.A., which produces its own separate report to express an opinion on the compliance of the information provided with Article 3, Paragraph 10 of Legislative Decree 254/2016.

As established by the applicable regulations, the limited review performed by the independent auditors does not extend to the information provided pursuant to the Taxonomy Regulation.

It should also be noted that the quantification of economic, social and environmental impacts calculated on the basis of the True Value model and the relative results are not subject to limited review by the independent auditors.

# 1. The FNM Group: identity

## 1.1 Key highlights

The main highlights are discussed in detail in the following chapters.

### **THE FNM GROUP'S STRATEGY: AN INTEGRATED APPROACH AND BUSINESS MODEL**

- 2021-25 Strategic Plan: 31% of KPIs reached
- ESG Risk Rating by Sustainalytics: 6.6, improving over 2022, among the world's top 40 rated companies and ranked 5th in the transport infrastructure sector

### **GROUP GOVERNANCE MODEL**

- Adoption of the Group Sustainability Policy and Environmental Sustainability Policy
- Integrated Governance Index 2023 ranking: 5th place among the "extra top 100" companies
- CSR e-learning course for all Group companies: over 80% completion

### **THE RISK MANAGEMENT SYSTEM**

- Group company with ISO 37001 certification: 90%
- MISE: achievement of the ISO 14001 Environmental Management System Certification
- Risk Register: 171 ESG risk scenarios mapped

### **FINANCIAL CAPITAL**

- Economic value distributed: EUR 617.9 million (+11.5% compared to 2022)
- Taxonomy: 6 objectives analysed, 48 activities selected, 16 eligible activities and 1 aligned activity
- FNM tender proceedings initiated and subject to compliance with ESG criteria: 81% (+7% on 2022)

### **PRODUCTION AND INTELLECTUAL CAPITAL**

- Motorways: 184.9 km in network under concession and 19 service areas
- Ro.S.Co. & Services: 98 owned trains and 4 leased
- Railway infrastructure:
  - 125 managed facilities (stations) of which 116 serving passengers
  - 112 accessible stations (+1.8% compared to 2022)
  - 58 trains delivered for a total of 144 trains
  - Sacconago/Busto Arsizio intermodal terminal: approximately 48,000 sqm of which 74% intermodal area
- Road passenger mobility:
  - 76 buses entered into service of which 11 electric (+9% compared to 2022) for a total of 723 LPT buses (+3% compared to 2022)
  - 370 electric car sharing vehicles (97% of the total fleet, +2% compared to 2022)

### **HUMAN AND RELATIONSHIP CAPITAL**

- Total staff: 2,635
- Women in management (managers and middle managers) at FNM S.p.A.: 44.8% (+2% on 2022)
- Employees with permanent contracts: 98.6%
- Training hours provided: 56,565 (21.5 per capita)
- Service satisfaction rate:
  - Road passenger mobility
    - FNM Autoservizi 95%
    - ATV 7.2/10
    - E-Vai 84.5%
  - Motorways: 7/10 (questionnaire includes ESG topics of interest linked to noise and renewable sources)



- Events dedicated to mobility, energy transition and urban regeneration promoted by FNM: 41

#### **NATURAL CAPITAL**

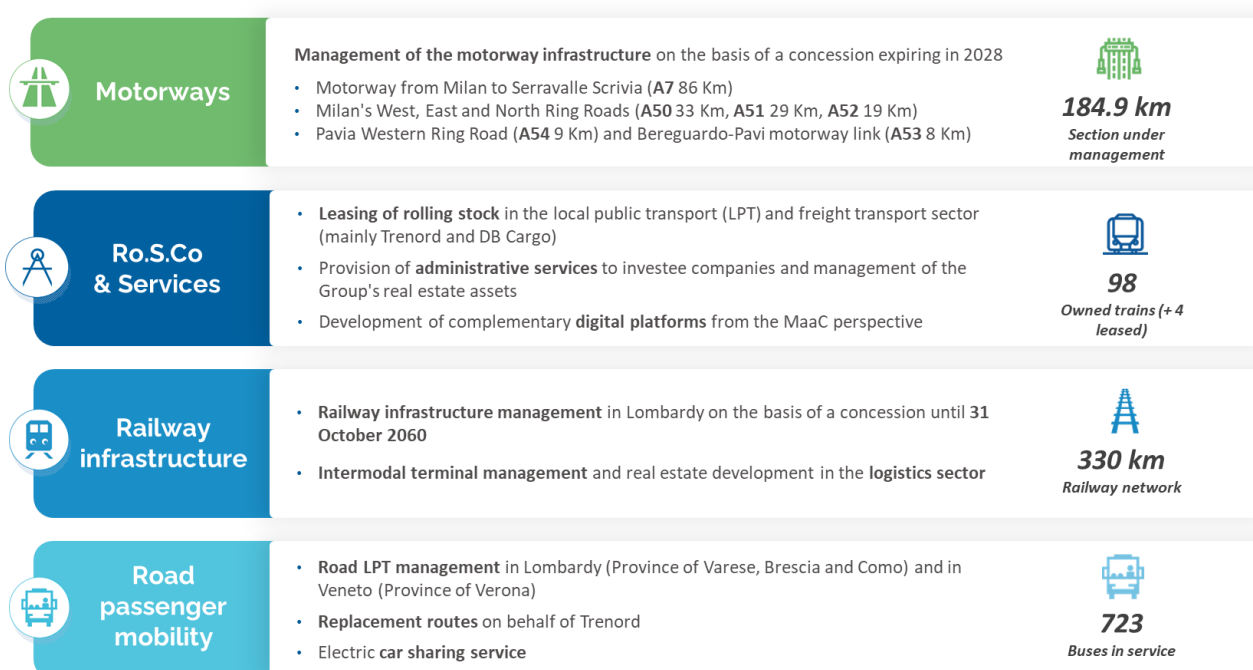
- Electricity from renewable sources for corporate consumption and for services throughout the infrastructure managed by the Group: 69% (+5% on 2022)
- Scope 1 emissions (tCO<sub>2</sub>eq): -13% on 2022
- Scope 2 emissions (tCO<sub>2</sub>eq) [market based]: -17% compared to 2022
- Scope 3 emissions:
  - expansion of reporting to 8 categories
  - segments responsible for major exposures:
    - Railway infrastructure: 193,527 tonnes of CO<sub>2</sub>e (41% of the total)
    - Ro.S.Co & Services: 234,547 tonnes of CO<sub>2</sub>e (49% of the total)
- Waste produced: -53% on 2022

## 1.2 FNM Group and its history

GRI 2-1, 2-2, 2-6

**FNM** is the leading integrated sustainable mobility Group in Lombardy. It is the first organisation in Italy to combine railway infrastructure management with road transport and motorway infrastructure management in order to offer an innovative model for managing mobility supply and demand that optimises flows and is environmentally and economically sustainable<sup>2</sup>. It is one of Italy's leading operators in the sector. FNM S.p.A. is a Joint-Stock Company that has been listed on the Italian Stock Exchange since 1926. Its main shareholder is the Lombardy Region, which holds 57.57% of the share capital.

The FNM Group operates in four segments:



The FNM Group is present in each segment through controlling interests or equity investments in companies subject to joint control and associates, highlighted in the table below.

<sup>2</sup> Please refer to the Methodological Note for Trenord data processing and information.

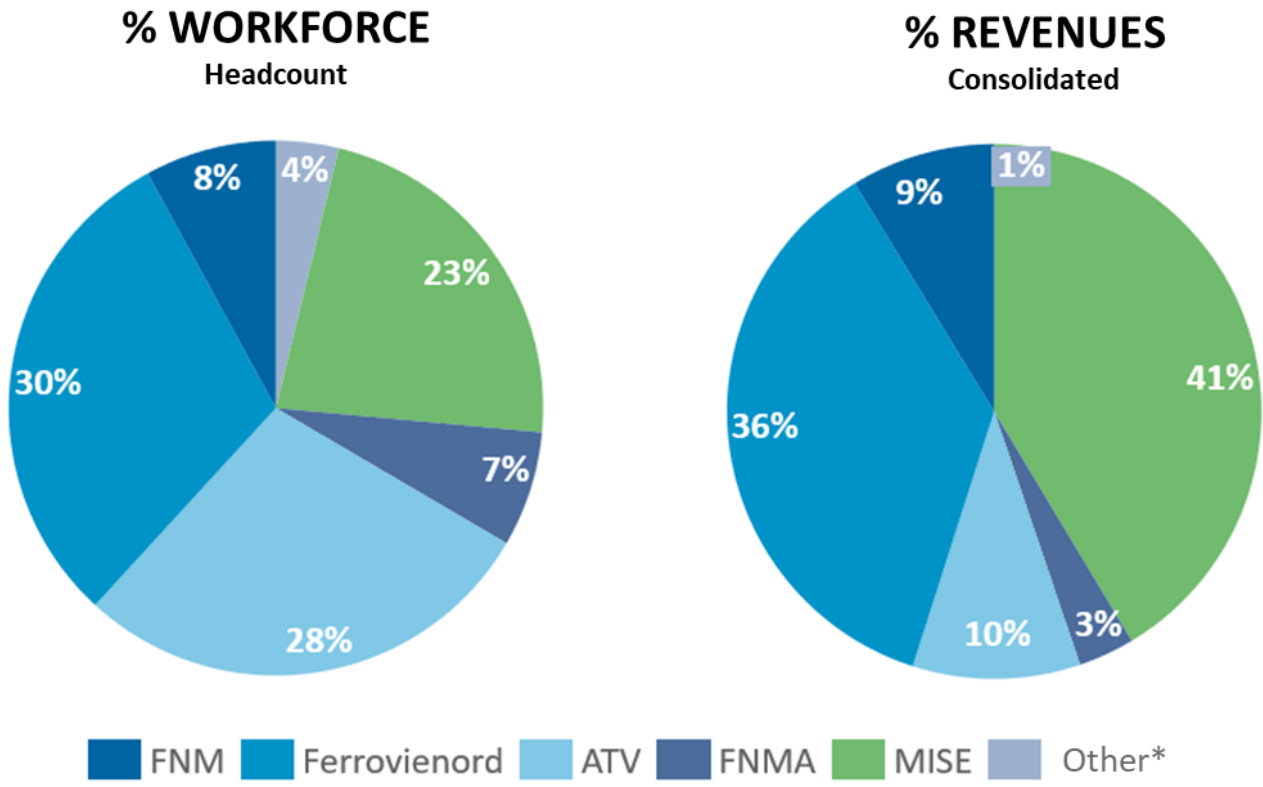


(a) Associates and/or companies subject to joint control consolidated with the equity method for financial reporting purposes.

(b) Companies operating in the freight transport and logistics sector, today included respectively in the Ro.S.Co. & Services and Railway Infrastructure segment.

(c) Company operating in Road passenger mobility, but considered in the Ro.S.CO. & Services segment for the purpose of preparing the Financial Statements.

For more information on the scope of the operating subsidiaries, the following diagram shows the relative materiality of the individual companies as a percentage of the number of employees and revenues as at 31.12.2023:



\* It includes the companies Nord\_ING, MISE Engineering, E-Vai, Malpensa Intermodale, Malpensa Distripark, La Linea 80, FNMPAY and FNMPOWER.

### 1.3 Mission, vision and values

GRI 2-23

Since 1877, the **FNM Group** has always been ahead of its time, putting people, the environment and innovation at the heart of its business. An integrated service inspired by the same values that have accompanied it in all its business activities from the outset, the Group in fact operates in full compliance with the principles of responsibility, integrity, transparency, efficiency, merit and sustainability. A vision and a mission faithful to those values that, over time, have been enriched with expertise.

*Vision*

**IMPROVING THE LIVES OF PEOPLE, OF CITIES AND BUSINESSES, BY DEVELOPING CONNECTIONS AND MEETING MOBILITY NEEDS**

*Mission*

*Developing an integrated platform of mobility services, built according to environmental and economic sustainability criteria, which incorporates in a system and connects (physically and digitally) attractions, urban hubs and transport networks, to create social value and promote the productivity of the territory.*

## 2. The FNM Group's strategy

### 2.1 Context and challenges of sustainability

According to the Istituto Superiore di formazione e ricerca per il trasporto [High Institute for Transport Education and Research] (ISFORT), the mobility sector in Italy is showing a significant recovery, with around 100 million daily trips in 2023, approaching pre-pandemic levels. Monitoring by the Ministry of Infrastructure and Transport indicates a substantial recovery, especially in medium- and long-distance rail transport. The demand for mobility is showing positive signs, with the overall mobility rate reaching 80.5% in 2022 compared to 69% in 2020. In contrast, regional transport has been slower to recover, with still significant gaps compared to 2019 (-10/20%)<sup>3</sup>.

In this context of recovery, the main challenge for operators like the **FNM Group** is to ensure sustainable, safe, efficient, modern and integrated transport, improving the quality of life of residents and promoting work-life balance, through the integration of intermodal transport and the associated awareness-raising amongst stakeholders.

The unfavourable geopolitical environment has however generated considerable economic and social impacts, increasing supply difficulties, with frequent delays in the supply chain, of the raw materials needed for works on the railway and motorway network, and for fleet modernisation. To deal with these critical issues, the Group companies are developing internal procedures to maintain balance in contracts in execution and to establish new business relationships to ensure continuity and safety in contracted work.

#### THE ENERGY TRANSITION

In response to uncertainties in the global energy market, the European Commission introduced the REPowerEU Plan, a detailed strategy which provides financial and legislative measures to reduce dependence on Russian fossil fuels, thus consolidating the resilience of the European energy system. Immediate measures include the need to establish energy partnerships with reliable partners and the prospect of future cooperation focusing on renewable and low-emission gas sources.

In this context, energy efficiency, particularly in public transport, is becoming increasingly important as a key component in the energy transition and the promotion of sustainable mobility. Indeed, transport represents a strategic sector, and without its contribution it will not be possible to meet international and European commitments. Transport consumes around one-third of all final energy in the EU (coming largely from oil) and is responsible for more than a quarter of greenhouse gas emissions in the European Union: decarbonising transport is a difficult challenge, but one that brings with it several opportunities.

The energy transition represents a process of transforming the mix of primary energy sources, which aims to replace high-CO<sub>2</sub> emission fossil fuel sources with renewable sources with low or zero emissions. This transition not only impacts economic and production processes, but also involves lifestyles and social models.

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<sup>3</sup> Source: "20th Report on the Mobility of Italians", ISFORT

The fight against climate change is now high on the international political agenda and the goals of the Paris Agreement and the European Green Deal reflect this priority. The European Union's "Fit for 55%" climate package, with its goal of reducing emissions by 55% by 2030, represents a significant step towards climate neutrality by 2050.

In November 2023, the 28th United Nations Climate Conference (COP28) was held in Dubai, confirming the decision to establish and mobilise a financial loss and damage fund (managed by the World Bank) to deal with increasingly frequent climate change disasters. The conference set key goals in the areas of mitigation, adaptation, financing and the global budget<sup>4</sup>. The parties agreed on a framework for a global adaptation target and emphasised the importance of ensuring adequate funding for the implementation of these initiatives. For the first time, public transport was recognised as a specific sector within the main agreements reached.

During COP28, the role of green hydrogen in the transition to a global economy less dependent on fossil fuels also emerged as a key theme. Indeed, for the first time, the final text explicitly mentions hydrogen as a means to facilitate the reduction of CO<sub>2</sub> emissions.

Nationally, the Recovery and Resilience Facility, a crucial financing tool at the heart of the NextGenerationEU initiative, along with the Complementary Fund set up by Decree Law No. 59 of 6 May 2021, enabled the financing of the "Italy Tomorrow" National Recovery and Resilience Plan drafted by the Italian government. Among the main new elements concerning the implementation of the NRRP, particularly with reference to the transport sector, investments in hydrogen experimentation for rail and road transport, under Mission 2 "Green revolution and ecological transition", were of particular importance.

In line with the European Hydrogen Strategy, the NRRP allocates substantial funding to both the production and use of hydrogen, with promising applications in the transport sector.

## **TECHNOLOGICAL INNOVATION**

Technological innovation is indeed seen as a "necessary enabler" for the ecological transition, with digitalisation and process automation playing a key role.

The digital transition offers opportunities through technologies such as the Internet of Things, augmented reality, big data, blockchain and artificial intelligence, improving logistics effectiveness and efficiency, automating processes and integrating systems. However, the digital transition needs to be carefully regulated to ensure security, efficiency and fairness.

## **SOCIAL MOBILITY**

Interrelationships between climate change and social inequalities are at the heart of international debate, highlighting how the poorest suffer the most violent impacts of climate change. The UN Department of Economic and Social Affairs has conducted an in-depth analysis of the connection between climate change and social inequalities. The interaction is characterised by a vicious circle, such that an initial state of inequality causes the most disadvantaged groups to suffer

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<sup>4</sup> During COP 28, the first global stocktaking under the Paris Agreement was conducted, measuring progress made towards achieving the climate goals set by the agreement.

disproportionately from the negative effects of climate change, leading to a subsequent state of even greater inequality<sup>5</sup>.

It is precisely against this backdrop that the World Economic Forum's "The Global Risks Report 2024" was published. According to the analysis conducted by the international organisation, natural disasters and climate events rank second among the most serious risks to be faced globally in the next two years, with disproportionate impacts on low- and middle-income countries, particularly in the coastal areas of Latin America, Africa and South-East Asia<sup>6</sup>.

The limited accessibility of zero-emission vehicles in the short term for all citizens, not only in Europe but also in developing countries, is in fact one of the main critical issues. Indeed, according to SuM4All (Sustainable Mobility for All), in low-income countries the additional costs for electric vehicles are prohibitive, representing an extra expense of 20% to 50% compared to internal combustion vehicles. The challenge will therefore be to make the transport energy transition sustainable as well as socially inclusive.

Particularly in terms of the transport sector, the proposals of the European Parliament and the Council aim to strengthen CO<sub>2</sub> emission performance standards for new passenger cars and light commercial vehicles. The agreed targets include a 55% reduction in CO<sub>2</sub> emissions for new passenger cars and 50% for vans by 2030, compared to 2021 levels, and 100% for both categories by 2035. Furthermore, to ensure a reliable charging network, the updated Alternative Fuel Infrastructure Regulation will require Member States to install charging points at regular intervals on major motorways: every 60 km for charging electric vehicles and every 150 km for hydrogen stations. These initiatives, geared towards enhancing the environmental sustainability of the transport sector, will have considerable repercussions in terms of social sustainability.

## EVOLUTION OF THE REGULATORY ENVIRONMENT

In this transitional scenario, even the **FNM Group's** established reporting process is now facing new challenges dictated by a continuously changing regulatory landscape.

On 16 December 2022, the Corporate Sustainability Reporting Directive (CSRD) was published in the official journal, with the aim of strengthening and extending the scope of sustainability reporting requirements, as currently laid down in the Non-Financial Reporting Directive (NFRD) Dir. 2014/95/EU. The Directive (CSRD) is part of the EU Sustainable Finance Package and helps to extend and implement the European Green Deal.

The objective of CSRD is to ensure the disclosure of information on sustainability risks, opportunities, policies, impacts, targets and performance, encouraging the correlation between financial and sustainability information.

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<sup>5</sup> Nazrul Islam S. and Winkel J., Climate Change and Social Inequality, Department of Economic & Social Affairs, United Nations, October 2017, New York

<sup>6</sup> World Economic Forum, The Global Risks Report 2024, 18th Edition, Insight Report, Geneva, 2024.



The CSRD will result in a significant increase in the number of companies subject to sustainability reporting requirements: while the current NFRD applies to approximately 11,700 companies and groups across the EU, the CSRD is expected to increase this number to approximately 49,000 companies.

The **FNM Group** will have to apply the requirements of the new Directive for fiscal year 2024, with the sustainability reporting obligation applicable as of 2025. This obligation applies to the FNM Group as a public interest entity that exceeds specific thresholds<sup>7</sup> in the areas of average number of employees, balance sheet and net revenue, at the reporting date on a consolidated basis.

In order to cope with and come into compliance with the new regulatory environment, the Group has initiated specific conducive and preparatory projects to meet the obligations imposed by the new directive, which are not reflected in this document. Specifically, the FNM Group has undertaken an analysis that investigates the regulatory reporting requirements of the CSRD and the related ESRS reporting standards defined by the EFRAG, assessing their impact, as well as the information currently reported in this Sustainability Report - NFS, in order to identify any disclosure gaps. The activities are aimed at developing action plans and initiatives to close the gaps identified, taking into account regulatory requirements and best practices in terms of the data collection process and data availability (consistency, quality).

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<sup>7</sup> It exceeds: i) an average number of employees of 500; ii) either of the following two thresholds: a balance sheet of more than EUR 25 million or net revenue of more than EUR 50 million.

## 2.2 2021-25 Strategic Plan

On 16 September 2021, the **FNM S.p.A.** Board of Directors approved the FNM Group's 2021-2025 Strategic Plan, based on the guidelines of 20 November 2020. This plan positions the Group as an integrated sustainable mobility operator, guided by ESG principles. Contributing to 10 of the 17 Sustainable Development Goals of the UN 2030 Agenda, it demonstrates the increasing integration of ESG factors into the Group's strategies and management.

The Plan identifies key indicators with precise targets to 2025 for all **business segments** (Railway Infrastructure, Ro.S.Co. & Service, Road passenger mobility and Motorways) and is constructed on the basis of four strategic pillars: mobility, infrastructure, fleets and people/community, enabled by four common elements across the board: innovation and data management, energy efficiency and reducing emissions, governance, ethics and a culture of sustainability, and worker attraction, development and well-being.

**The 2021-2025 Plan marks a turning point for the FNM Group. Indeed, for the first time, the FNM Plan integrates and quantifies environmental, social and governance sustainability objectives in the definition of its industrial strategy.**

**All of this translates into an investment plan for the 2021-25 period of around EUR 850 million that will enable further growth in sustainability and the energy**

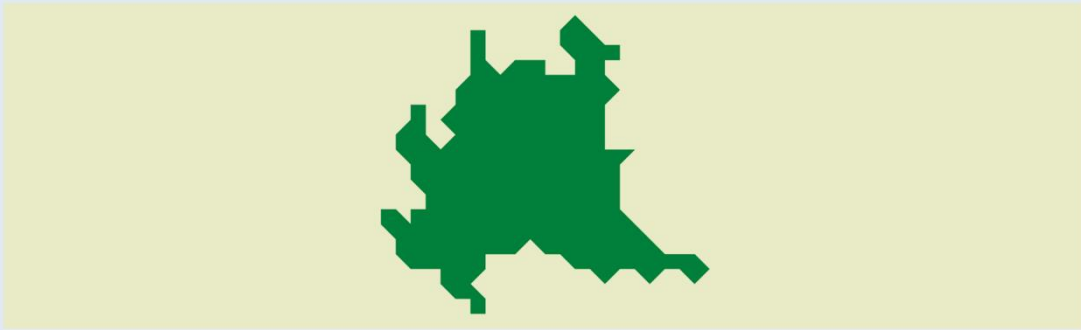
Andrea Gibelli, Chairman of FNM

With the 2021-25 Strategic Plan, the Group renews its commitment to sustainable development, emphasising how environmental and social responsibility are an integral part of the business model, focusing on clear strategic priorities. In support of the achievement of the strategic pillars, the enabling elements defined by the FNM Group present objectives across the different business segments.









Key objectives of the Strategic Plan include a 35% reduction in CO<sub>2</sub> emissions intensity (CO<sub>2</sub> emissions per unit of value added) by 2025 and the use of 100% electricity from renewable sources for corporate consumption and for services throughout the infrastructure managed by the Group, also thanks to the introduction of hydrogen trains as part of the H2iseO project for the decarbonisation of Valcamonica.

The Sustainability Plan focuses on the attraction, enhancement and well-being of workers, taking care to promote continuous improvement of the Management System in the area of health and safety, while supporting welfare and agile work initiatives in line with the expectations expressed, aside from internal and external awareness-raising activities with respect to governance matters, to spread a corporate culture based on ethics, legality, the culture of sustainability and efficiency. The FNM Group is also committed to supporting local communities through the development of projects and initiatives in collaboration with external partners, in particular with third sector entities.

Over the Plan period, the integration of the Motorway business, the improvement of company performance and the management of a solid capital structure will enable the FNM Group to achieve sustainable growth. In order to achieve its sustainability goals and actively participate in the energy transition, FNM plans to invest approximately EUR 850 million between 2021 and 2025, with the possibility of supporting development through sustainable finance instruments issued as part of the Euro Medium Term Note Programme (EMTN) established in September 2021.



### The 4 pillars














 <b>Mobility</b>	 <b>Fleets</b>	 <b>Infrastructure</b>	 <b>People/ Communities</b>
<p>Confirmation of the central role of rail LPT, strengthening of positioning in road LPT, development in integrated multimodal and last mile mobility, positioning as the Mobility Partner of communities, businesses, events and major projects, confirmation of its presence in the freight transport sector.</p>	<p>Confirmation of the centrality of Ro.S.Co. for the passenger and freight railway market, introduction of fleets with lower environmental impact for rail and road transport, electrification of fleets (including hydrogen as an energy carrier).</p>	<p>Management and development of the rail network, stations and interchange hubs, consolidation in the motorway infrastructure business, development of logistics terminals.</p>	<p>Development of supply and demand management platforms consistent with MaaS/MaaC paradigms, development of FNM's payment institution (FNMPAY), a start-up business, launched in 2020.</p>
<p>DECENT WORK AND ECONOMIC GROWTH 8, INNOVATION AND INFRASTRUCTURE 9, SUSTAINABLE CITIES AND COMMUNITIES 11</p> 	<p>GOOD HEALTH AND WELL-BEING 3, SUSTAINABLE CITIES AND COMMUNITIES 11, RESPONSIBLE CONSUMPTION AND PRODUCTION 12, CLIMATE ACTION 13</p> 	<p>INDUSTRY, INNOVATION AND INFRASTRUCTURE 9, SUSTAINABLE CITIES AND COMMUNITIES 11, CLIMATE ACTION 13, LIFE ON LAND 15</p> 	<p>INDUSTRY, INNOVATION AND INFRASTRUCTURE 9, SUSTAINABLE CITIES AND COMMUNITIES 11</p> 

### The 4 enabling elements

 <b>Innovation and Data Management</b>	 <b>Energy efficiency and Emissions Reduction</b>	
 <b>Governance, Ethics and Culture of Sustainability</b>	 <b>Attraction, Development and Well-Being of Employees</b>	

Every strategic pillar and enabling element includes targets and specific metrics that contribute to the achievement of the broader sustainable development goals.

The progress made on the Plan KPIs is set forth below, indicating how much has been achieved against the 2025 target. At the end of 2023, 31% of the KPIs were achieved and the remaining indicators were in line with Plan forecasts.

2021-25 STRATEGIC PLAN							
	OBJECTIVE	METRIC	TARGET 2025	2023	2022	Progress made	OUTCOME
Mobility	Entry into the motorway business	● Vehicle-km travelled on motorways/year	3.1 bn vkm	3.2 bn vkm	3.0 bn vkm	REACHED	  
	Strengthening of road LPT:	● Passengers carried by LPT bus services/year	80 million kpax	69.9 million pax	59 million pax	PARTIALLY REACHED	
	Centrality of rail LPT	● Passengers transported by Trenord/year	>180 million pax	189 million pax	151 million pax	REACHED	
	Integrated mobility and last mile	● Car sharing hires (hours/year)	250,000	247,505	286,428	PARTIALLY REACHED	
Infrastructure	Rail network, nodes and stations	● Managed investments in railway infrastructure and station renovation	~ EUR 700 mln (cum. 21-25)	EUR 284.8 mln (cum 21-23) of which EUR 128.8 mln in 2023	EUR 121 mln (cum. 21-22) of which 63 mln in 2022	PARTIALLY REACHED	 
	Rail network, nodes and stations	● Areas involved in urban regeneration projects (FILI Project)	2 million m <sup>2</sup>	86,000 m <sup>2</sup>	22,000 m <sup>2</sup>	IN PRELIMINARY PHASE	
Fleets	Centrality of Ro.S.Co. for the railway sector	● New electric and hydrogen trains put into service	22 (cum. 21-25) [in addition to 4 trains being delivered and relating to previous orders]	13 (cum 21-23)	13 (cum 21-22), of which 4 new TILO trains (electric)	PARTIALLY REACHED	     
	Road transport fleets	● % of the fleet of CNG, hydrogen, electric or diesel buses Euro 6 and above	58%	56.3%	49.5%	PARTIALLY REACHED	
		of which electrified (including hydrogen)	13%	2%	3%		
People/ communities	Mobility Partner (MaaC)	● Communities/projects/destinations served from a B2B and B2C approach; cross-influence between communities	>15 (cum. 21-25)	16	8	REACHED	 

Innovation and data management	Continuous innovation	<ul style="list-style-type: none"> <li>Resources allocated to technological and digital research and development projects</li> </ul>	EUR 11 mln (cum. 21-25)	EUR 8.1 mln (cum 21-24)	EUR 5.1 mln (cum 21-23)	PARTIALLY REACHED
Energy efficiency and emissions reduction	Reducing consumption and emissions	<ul style="list-style-type: none"> <li>Scope 1 and Scope 2 CO<sub>2</sub> emissions / revenues</li> </ul>	48 tonnes CO <sub>2</sub> eq/M€	54.7 tonnes CO <sub>2</sub> eq/M€	69.6 tonnes CO <sub>2</sub> eq/M€ <sup>8</sup>	PARTIALLY REACHED
		<ul style="list-style-type: none"> <li>Use of electricity from renewable sources corporate consumption and for services throughout the infrastructure managed by the Group</li> </ul>	100%	69%	64% <sup>9</sup>	PARTIALLY REACHED
Governance, ethics and sustainability culture	Definition of MBOs	<ul style="list-style-type: none"> <li>% of managers assigned sustainability targets</li> </ul>	51%	100%	100%	REACHED
	Tax risk management and tax control framework	<ul style="list-style-type: none"> <li>Activation and maintenance of a fiscal transparency and risk management framework</li> </ul>	By mid-2022	Tax Strategy and Tax Compliance Model prepared, awaiting implementing decrees <sup>10</sup>	Tax Strategy and Tax Compliance Model prepared. Roles and responsibilities currently being defined for voluntary “Cooperative compliance”	PARTIALLY REACHED
	Corporate culture	<ul style="list-style-type: none"> <li>Activation of the whistleblowing tool</li> </ul>	By 2022	Tool active as of 2023. Tool compliant with the provisions of Decree Law 24/2023 (Whistleblowing Decree)	Web-based tool designed and finalised, with activation scheduled for Q1 2023	REACHED
	Governance and risk management	<ul style="list-style-type: none"> <li>Introduction of the Business Continuity Plan</li> </ul>	By 2025	Planning in progress. Crisis communication management project completed. Supply chain risk analysis project on railway infrastructure started.	Crisis communication management regulation drafted. Dedicated information and training sessions are in the planning phase	PARTIALLY REACHED (infrastructure and motorway)



<sup>8</sup> The indicator for the year 2022 was restated following a refinement in the methodology for calculating CO<sub>2</sub> emissions

<sup>9</sup> The figure has been updated following a more precise calculation of energy from renewable sources

<sup>10</sup> Voluntary adherence to the “Cooperative compliance” regime has been postponed pending the implementing rules of the Tax Delegated Law (Law No. 11 of 9/08/2023), which introduced significant new elements concerning the system. In the course of 2024, the scope of application, roles and responsibilities will be defined

## 2.3 Key business indicators and the contribution to the Sustainable Development Goals

### GRI 3-3

As outlined above, the 2021-25 Strategic Plan orients the Group towards a central role in the area of sustainable mobility, addressing business processes and investment selection in accordance with ESG principles.

The cornerstone of the value creation process is represented by the business model, developed by following the principles of the IR Framework. Resources are considered to be capital, or value stocks that increase, reduce or transform as a result of the organisation's activities and outputs. The **FNM Group's** business model considers the use of financial, production, intellectual, human, relationship and natural capital. These capital elements, in synergy with an ESG risk management system and a sustainability governance system, enable the Group to offer a service (output) and generate environmental, social and economic impacts (outcome) that directly reflect the Group's contribution to the United Nations sustainable development goals.

In fact, the business model must necessarily take into account the main current trends: the current energy crisis, coupled with conflicts and risks related to climate impacts, such as drought, wildfires, loss of biodiversity, melting glaciers, floods and rising sea levels, calls for a reorientation of cash flows towards sustainable investments, favouring a transition towards digital and sustainable solutions.

In the value creation process, all Group companies play a transversal role, as illustrated in the following graphical representation, in which the distinct elements are outlined in qualitative terms, while the quantitative details of the main correlated indicators are addressed in the following chapters of this report.

**Main trends**

**Energy transition**

European commitment to increase the share of renewable energy in the EU economy. Current target set for 2030 is 42.5%.

**REPowerEU**

European Commission plan to make the EU independent of Russian fossil fuels well before 2030.

**World Economic Forum**

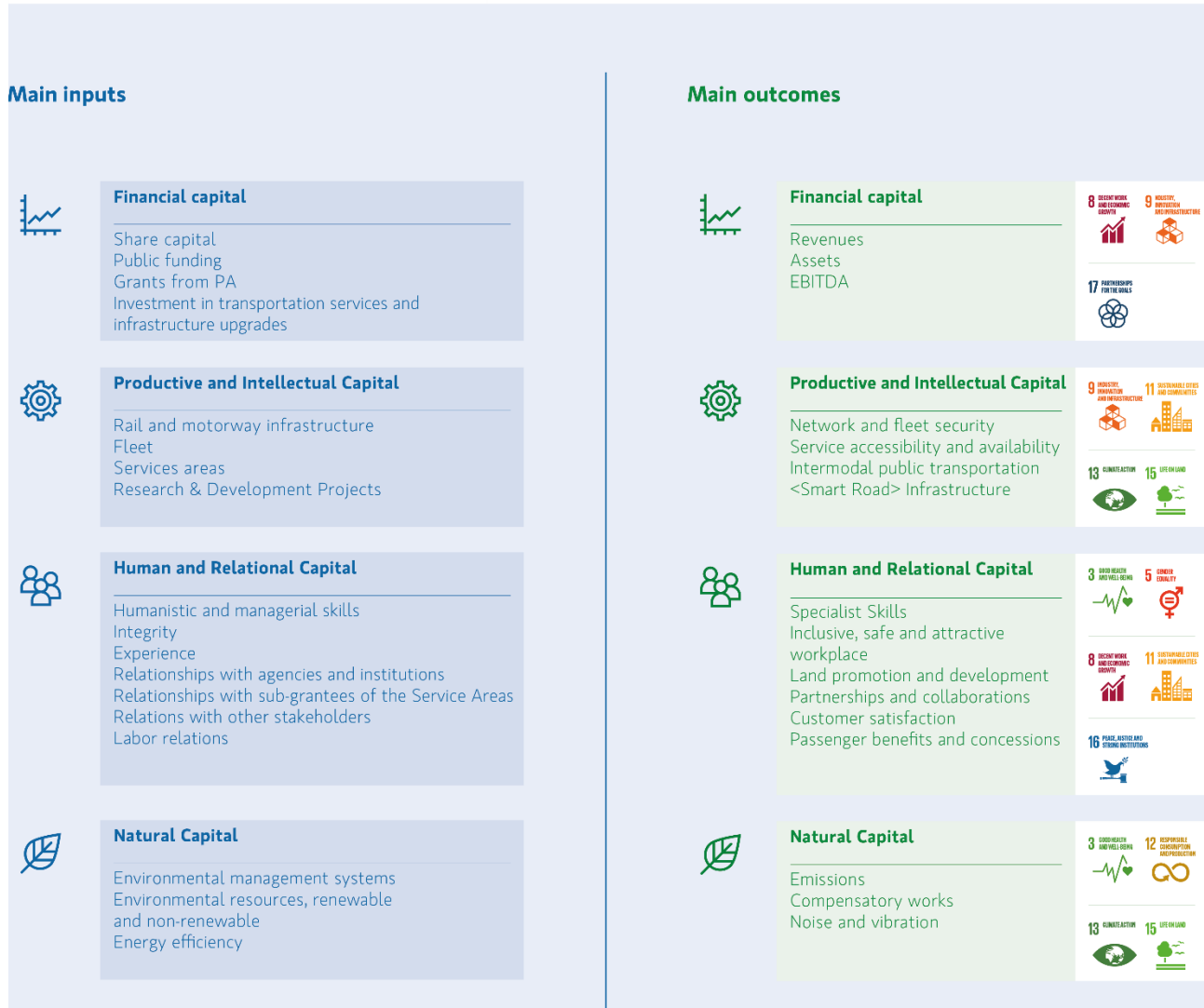
Top Global Risks attributable to environmental and social phenomena according to the Global Risk Report 2024 (misinformation and disinformation, extreme climate events, social polarization, cyber threats, international armed conflicts).

**European Taxonomy**

Classification system for environmentally sustainable economic activities that enables investors to make informed choices and encourages private investment in sustainable activities.

**CSRD**

Expansion of the scope of companies involved in sustainability reporting from NFRD, on which limited assurance and the use of a single reporting standard (ESRS) is imposed.



## 3. Sustainability at FNM

### 3.1 Sustainability Governance and its structure

GRI 2-9, 2-12, 2-13, 2-14, 2-18

It has become necessary to integrate Environmental, Social and Governance (ESG) criteria with regard to the definition of strategic guidelines and policies and risk management, in order to enable the Group to share specific medium/long-term information with its stakeholders and satisfy the information requirements of financial markets. The **FNM Group** has reinforced its commitment to Corporate Social Responsibility by developing its own Governance system, in line with the new Corporate Governance Code to ensure its compliance with relevant legislation.<sup>11</sup>

ESG issues, including strategy, impacts, action plans, targets, performance KPIs and the set of documents (procedures, regulations and policies) are addressed and approved during Board meetings. Furthermore, the Board of Directors approves and monitors the implementation of the objectives of the FNM Group's 2021-2025 Strategic Plan, establishes a financing programme to support the sustainable investment plan and approves the materiality analysis for the Non-Financial Statement - Sustainability Report.

The Committees described below constitute the oversight mechanisms whereby the Group manages ESG issues and are responsible for decision-making and supervision of the organisation's impacts on the economy, the environment and people.

#### **COMMITTEE FOR SOCIAL AND ETHICAL RESPONSIBILITY**

Internal Board Committee tasked with promoting an ethical and environmental corporate policy, in line with the Group's sustainability strategy and by monitoring the economic, environmental and social expectations of Group stakeholders. The Committee also has the task of overseeing the process of preparing the Sustainability Report-NFS, approving its materiality analysis and, in general, the contents before submission to the Board of Directors. In addition, the Committee reviews and monitors the progress made in the 2021-2025 Strategic Plan with regard to sustainability aspects, and monitors national environmental and social responsibility initiatives and participation in them by **FNM Group Companies** in order to consolidate their reputation. Finally, it promotes the dissemination of the Code of Ethics and Conduct and the Anti-Corruption Policy to all recipients, and proposes their updating to the Board of Directors, in order to adapt them to regulatory developments and national and international best practices.

#### **COMMITTEE FOR CONTROL, RISK AND RELATED PARTY TRANSACTIONS**

An internal Board Committee with advisory and proposal-making functions, which has the task of supporting, by means of an adequate preliminary activity, the assessments and decisions of the Board of Directors relating to the internal control and risk management system, including concerning non-financial risks, as well as those relating to the approval of periodic financial reports. The Risk Committee meets throughout the year to discuss sustainability issues, present risk management results and tackle the results of the materiality analysis.

#### **REMUNERATION COMMITTEE**

The Board of Directors is also supported by the Remuneration Committee, which supports the Board in drafting and updating the Remuneration Policy. The Committee also performs proposal and advisory functions, including the periodic assessment of the adequacy, consistency and practical

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<sup>11</sup> For more information, please see Directive 2014/95/EU, Legislative Decree 254/2016 and the new Corporate Governance Code for listed companies prepared by Borsa Italiana S.p.A.



application of the Remuneration Policy. This document distinguishes between the fixed and variable remuneration components and sets clear and comprehensive financial and non-financial performance targets for the Group’s executive functions, including sustainability and climate change objectives.

### SUSTAINABILITY REPORT-NFS STEERING COMMITTEE

Launched at the end of 2015, the Committee is overseen by the CSR-Sustainability Department and comprises members of the Committee for Social and Ethical Responsibility and a representative from each of the main corporate areas of FNM S.p.A. and one representative from each of the companies included in the scope of the Sustainability Report-NFS. The Report Steering Committee is asked to participate in the process of stakeholder engagement and definition of risks related to sustainability issues, as well as to take part in the Sustainability Report-NFS project with regard to annual data collection.

### CSR-SUSTAINABILITY DEPARTMENT

Established in January 2017, it has the aim of overseeing and coordinating the FNM Group’s CSR and Sustainability policies in collaboration with the Strategy and Development Department, also responsible for the definition of ESG strategic guidelines. The Department – which has been reporting directly to the Administration, Finance and Control Department since 2019 – undertakes management, planning and scheduling activities with the participation of all organisation units, in addition to promoting the adopting of sustainability principles. In particular, the function:

- Defines and manages the non-financial reporting process in order to provide a clear representation of the impacts of key business activities, while integrating specific indicators from international rating agencies, and monitoring the Sustainability KPIs of the 2025 Strategic Plan and alignment with the requirements of EU Reg. 2020/852 on the Taxonomy for Sustainable Finance;
- promotes actions on sustainable mobility, environment and energy efficiency, through the coordination of the internal permanent working group on environmental performance reporting (GHG emissions, energy consumption indicators);
- shares FNM’s best practices with local and international networks and associations, playing an active role for the achievement of the 2030 Agenda’s SDGs.

Distribution of Sustainable development course completion percentage	
Business	% completion
Motorways	89%
Ro.S.Co. & Services	77%
Railway infrastructure	78%
Road passenger mobility	85%
<b>Total FNM Group</b>	<b>82%</b>

The **FNM Group** believes that its commitment to sustainability must start from within, through activities to raise awareness and training, to the culture of sustainability. In this context, internal training courses are organised on the topics of CSR-Sustainability, sustainable mobility and the environment, with the distribution of a manual of best practices in the company. During 2023 the FNM CSR-Sustainability Department designed and created an online e-learning course entitled “Sustainable development: the evolution of sustainability and the tools to be adopted in the company”, dedicated to the staff of FNM S.p.A. and all of the Group Companies in the scope of the Consolidated Non-Financial Statement. This course, aimed at developing skills on sustainable knowledge, practices and behaviours to reconcile the FNM Group’s economic objectives with environmental and social ones and guide sustainability strategies, was successfully completed by more than 80% of the employees invited to participate.



**FNM** was ranked fifth among the “extra top 100” companies in the Integrated Governance Index 2023, an analysis model that measures the degree to which ESG factors are integrated into corporate strategies. For several years now, FNM has occupied the top positions in this special ranking, testifying to the centrality of environmental, social and governance sustainability issues for the Group.

## 3.2 Group Policies linked to the management of ESG topics

GRI 2-24, 2-25

Defining clear company policies is fundamental for the Group so that all company functions are aware of the principles that inspire behaviour and the guidelines adopted by the Group in its strategic decisions.

In order to fully integrate sustainability within the company's regulatory system and take a snapshot of the current situation of compliance of company documentation with the requirements of Legislative Decree 254/2016, the Group continued the Sustainability Roadmap Policy project, aimed at mapping policies at Group level and identify existing gaps, as witnessed by the formalisation of the **Environmental Sustainability Policy** and the **FNM Group Sustainability Policy**. The latter was adopted in 2023 and establishes a commitment to the most integrated management possible of ESG impacts, risks and opportunities and the union between competitiveness, sustainability and responsibility.

In order to meet the additional disclosure requirement established by the new CSRD directive, a gradual and eventual integration of Group policies is expected in 2024, through a broader formalisation of certain ESG aspects required by the ESRS Standards.

To date, the Group has formalised the following policies.

### **Sustainability Policy**

**Objectives** → The FNM Group Sustainability Policy aims to represent the set of commitments made by FNM on environmental, social and governance issues. This policy is aimed at all stakeholders, presenting the values and principles that inspire FNM's sustainable and responsible development. It represents a central element of the Group's integrated sustainability strategy, as an expression of the commitments that guide the relevant sustainability initiatives on which FNM periodically reports. The Sustainability Policy, in accordance with the objectives of the Strategic Plan, promotes the consistency of the Group's programmes, projects, activities and processes with ESG criteria. These criteria are mainly translated into commitments to reduce its environmental impact and monitor and manage the risks associated with climate change, and to promote the development of people while respecting the principles of inclusiveness and diversity.

### **Environmental Sustainability Policy**

**Objectives** → The FNM Group's Environmental Sustainability Policy is an important tool for orienting and guiding business processes. This policy defines the general principles and enshrines the Group's commitment to promoting new forms of integrated and sustainable mobility and minimising the impact on the environment. The policy aims to foster the energy transition process by adopting environmentally friendly standards in design, construction and maintenance choices concerning infrastructure, aimed at optimising energy consumption and improving its efficiency, while also creating social value for communities.

## **Diversity Policy**

**Objectives** → FNM has adopted a Diversity Policy with regard to the composition of the Board of Directors<sup>12</sup> and the Board of Statutory Auditors. The policy sets out the optimal composition for the administrative body to effectively fulfil its duties, taking decision that benefit from the contribution of a range of qualified, diverse points of view, which enables it to examine issues for discussion from different perspectives. Diversity, also in terms of gender, takes the form, for example, of the inclusion of women in management roles directly subordinate to the CEO.

## **Remuneration Policy**

**Objectives** → Through the Remuneration Policy<sup>13</sup>, the Group defines the guidelines that all corporate bodies must observe when determining the remuneration of members of the administrative body, of the General Manager and of Key Management Personnel. These include variable remuneration, which is linked to clear and objectively measurable financial and non-financial nature performance targets (MBO<sup>14</sup> and LTI<sup>15</sup>).

## **Anti-Corruption Policy**

**Objectives** → FNM's Anti-Corruption Policy identifies the principles and guidelines to prohibit and prevent the engagement in any corrupt conduct, through the identification of rules of conduct, measures and oversight mechanisms to prevent risk, in accordance with the principle of "zero tolerance" of corruption, which ensures compliance with Anti-Corruption Laws and the culture of integrity.

## **Conflict of Interests Management Regulation**

**Objectives** → The Regulation defines the framework for the prevention and management of conflict of interest situations that may involve directors, members of the Board of Statutory Auditors and Supervisory Bodies and all employees. All addressees have an obligation to avoid personal and/or family interests that may be prejudicial to those of the companies, disclose situations of potential or actual conflict of interest that concern them, and act transparently, with fairness and honesty, safeguarding the Group's interests.

## **Health and safety policy**

**Objectives** → This policy defines measures and procedures to ensure high performance in occupational health and safety inside and outside the workplace. In this sense, the document acts as a guide and a concrete commitment of the Group with respect to this issue. The policy translates into an increased focus on risk management, the planning of mitigation plans, and the continuous implementation of employee awareness-raising and training activities.

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<sup>12</sup> Recently confirmed by means of resolution of the FNM S.p.A. Board of Directors of 11 March 2020, in compliance with the content of Article 123-bis, paragraph 2, letter d-bis of Legislative Decree no. 58 of 24 February 1998 ("TUF"). In the wake of the fact that the Shareholders' Meeting of 21 May 2018 appointed a new administrative body, the Group deemed it appropriate to ask the Board of Directors to confirm the Diversity Policy in relation to the composition of the administrative body and the Board of Statutory Auditors.

<sup>13</sup> Examined and approved by the FNM S.p.A. Board of Directors on 15 March 2023

<sup>14</sup> Management by Objectives: a managerial approach based on the definition of specific, measurable objectives to be achieved within a given period of time

<sup>15</sup> Long-Term Incentive: a remuneration component to incentivise and reward managers and other key employees in the long term, often linked to the achievement of long-term performance targets

### **Guidelines for Sustainable Purchasing**

**Objectives** → These guidelines offer recommendations for promoting the adoption of environmental and social sustainability criteria within the purchase process (Green Procurement) of companies belonging to the FNM Group.

### **Policy for managing dialogue with shareholders and stakeholders**

**Objectives** → In compliance with Principle IV and Recommendation no. 3 of the Borsa Italiana Corporate Governance Code, the objective of the FNM Engagement Policy is to enhance and foster the relationship between the Company, the financial community and the markets by building, maintaining and developing a constant, proactive and trusting relationship with Shareholders and Stakeholders, promoting dialogue activities that help align the interests of the latter with those of the Company, in order to foster the stability of investments and the sustainable success of the Company and the Group in the medium/long term.

### **Taxation Operating procedure**

**Objectives** → The procedure describes the procedures and behavioural principles to be followed to ensure the correct management of tax-related activities.

### **Extraordinary Transactions (M&A) Procedure**

**Objectives** → For FNM, the procedure defines the roles, responsibilities, operating procedures and authorisation levels to be respected for the acquisition and disposal of companies or corporate shareholdings and also other extraordinary transactions. Activities include feasibility, opportunity and due diligence analyses, also with regard to environmental and social sustainability aspects.

### **Operating procedure for the Drafting of the Sustainability Report-NFS**

**Objectives** → Operating procedure relating to the system for collecting data and information that go into this Sustainability Report-NFS.

### **Management systems and certifications**

The FNM Group's commitment to implementing, certifying and maintaining its voluntarily adopted Management Systems continues, with the aim of continuing to improve the Group's performance, also using these tools to strengthen risk management in its "environmental" and "occupational health and safety" components.

The following table shows, for the various Group companies, the certification areas with regard to the management systems adopted:

	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018	ISO 50001:2018	UNI EN 13816:2002	ISO 39001:2012	ISO/IEC 27001:2013	ISO 37001:2016
FNM								X
FERROVIENORD	X	X	X					X
FNM Autoservizi	X	X	X	X	X	X		X
E-Vai								X
NORD_ING	X		X					X
ATV	X	X	X			X	X	X
Malpensa Intermodale and Malpensa Distripark								X
Milano Serravalle-Milano Tangenziali (MISE)	X	X	X					X
Trenord	X	X						X

#### Level of coverage:

% revenues	91%	91%	91%	3%	3%	13%	10%	100%
% employees	89%	88%	89%	7%	7%	37%	30%	98%

#### KEY: CERTIFIED MANAGEMENT SYSTEMS

ISO 9001	Quality Management System
ISO 14001	Environmental management system
ISO 45001	Employee health and safety management system
ISO 50001	Energy management system
UNI EN 13816	Local public transport service quality management system
ISO 37001	Anti-corruption management system
ISO 39001	Road traffic safety management system
ISO/IEC 27001	Information security management system

(\*) FNMPAY has no certification systems as at 31.12.2023

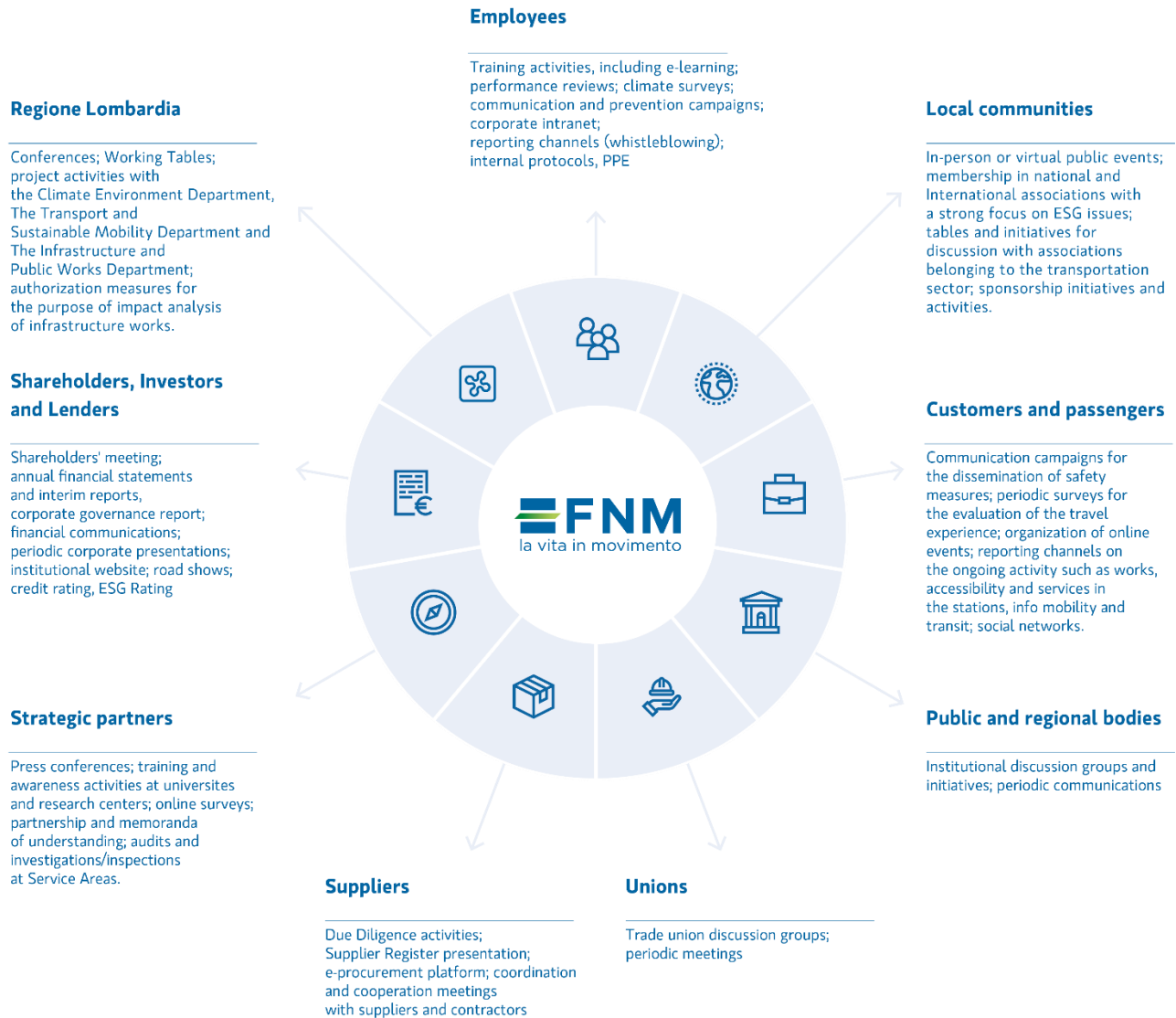
Among the main innovations with respect to 2022 in the area of management systems and certifications, **MISE** obtained the ISO 14001 certification for the Environmental Management System in January 2023 and embarked on the project to implement an anti-corruption management system according to UNI ISO 37001:2016, which will lead to certification in February 2024. Furthermore, during 2023, courses were held for the qualification of **MISE's** internal auditors for the Anti-Corruption certification scheme, and a new resource was hired to strengthen the Management Systems Office. The head of the Management Systems Office is an auditor certified in the Quality, Occupational Health and Safety, Environment, Energy and Anti-Corruption schemes.

### 3.3 Stakeholder engagement

GRI 2-12, 2-28, 2-29

The FNM Group is committed to continuous and constructive dialogue with its stakeholders, involving different categories through engagement and listening initiatives. This confirms the Group’s central role as a catalyst in facilitating the sharing of ideas and best practices, aiming to improve the services offered to communities and quality of life in the areas where it operates.

#### Stakeholder map



During these moments of discussion, stakeholders have the opportunity to share their views on different topics. In recent years, the key role of local public transport (LPT) in sustainable urban mobility has been highlighted as a responsible alternative to individual travel, offering economic, social and environmental benefits to communities. Most stakeholders value the impact that FNM can have in the energy transition, especially through long-term investments in the areas of the hydrogen supply chain, urban regeneration and technological innovation.

During 2023, opportunities to exchange ideas continued as part of the Framework Agreement signed with Bicocca University with the students of the Level I Master's degree programme "Sustainability in Law, Finance and Management SiLFiM" with the usual FNM contribution on the role of sustainable mobility at the heart of the ecological transition. The students confirmed their enthusiasm and participation, bringing up issues linked to the importance of technological development supported by investment in research and development and the need for companies to structure efficient and effective communication in order to reach communities and young people.

Work also continued within the working groups of the Committees promoted by the international association UITP, particularly in the Sustainable Development Committee chaired by FNM, where the following main topics were discussed: the contribution of the LPT system to the achievement of the 2030 Agenda goals and the urgency of action in the realm of climate change and renewable energy in the transport system. Within the Global Compact network, FNM participated in the first edition of the Working Group on Sustainable Procurement, with the support of Edison. The occasion offered a space for thematic analyses, the exchange of experiences and peer learning on the topic of sustainable supply chain management.

FNM's participation in the annual conference promoted by ESG Governance Lab (Etica News) was also confirmed for 2023, where key corporate governance issues are explored in depth through focus groups and workshops, this year concentrating on the new CRSD directive and ESG due diligence obligations.

Lastly, in September FNM participated in the Sustainability Week organised by Borsa Italiana and Infrastructure & Energy Day, during which the company had the opportunity to interface with a group of investors interested in learning more about the Group's ESG initiatives, in order to assess their impact in terms of long-term strategy and enhancement.



### 3.4 Materiality analysis and ESG risks

GRI 2-25, 3-1, 3-2, 3-3

To identify the material topics for the Group, the results of the engagement process initiated in 2022 were consolidated in 2023. In particular, it should be noted that no new business activities were carried out by the Group, and the environmental and socio-economic context did not change to the extent that new material topics and impacts were defined.

#### **Materiality analysis: methodological approach**

The GRI Standards (2021) provide a methodological approach to the materiality analysis, focusing on the concept of the organisation's impact on the economy, environment, people and human rights. This established methodology provides a basis for explaining the Group's contribution to the sustainable development of the country to external stakeholders.

Based on an analysis throughout the value chain, the Group has identified and mapped its impacts. The objective was to understand the context and assess the effects generated with regard to key business relationships, the area of sustainability, ESG risks and opportunities, and stakeholder expectations.

The impacts identified were clustered and traced back to the 18 material topics specific to FNM's business model and subdivided in turn into 5 categories: "Environmental responsibility", "Governance, integrity and Economic Responsibility", "Human resources", "Responsibility to customers, infrastructure and transport systems", "Social responsibility (community) and supply chain", in turn linked to the 4 areas set forth in Legislative Decree 254/2016.

In line with prior years, aspects related to issues such as Business Strategies, Economic and Financial Performance and Contributions to the Public Administration and Corporate Governance, Compliance and Risk Management are considered in the materiality analysis as fundamental, material elements "in themselves" and, therefore, are not subject to assessment.


The materiality analysis performed in 2022 resulted in the stakeholder assessment of the significance of the positive or negative impacts directly related to FNM's business activities and generated outside the organisation. With regard to internal stakeholder engagement, the assessment involved representatives of the top management and the front lines of the Parent Company and the subsidiaries and investee companies, including Trenord. The survey was then extended to an audience of external stakeholders, including a selected panel from academia, NGOs, foundations, the media, industry representatives and the motorway sector.

Based on the assessment of the significance assigned by stakeholders of the correlated impacts, the material topics were then classified by priority in decreasing order of significance. The list of 18 topics was confirmed by the Social Responsibility and Ethics Committee on 29 November 2023, to meet the requirements of the GRI Universal Standards 2021.

## Results of the 2023 materiality analysis

Prioritisation of material topics	
1 Sustainable infrastructure management	10 Intermodality and integration of services
2 Energy consumption, emissions into the atmosphere and climate change	11 Sustainable procurement
3 Quality of service and customer safety at the station and in transit (Security and Safety)	12 Respect for diversity and inclusion
4 Talent attraction and human capital development	13 Technological and digital innovation
5 Health and safety in the workplace	14 Systemic risk management and business resilience
6 Managing noise and vibrations	15 Ethics and Integrity in Business
7 Welfare per i dipendenti	16 Waste management
8 Employee welfare	17 Safeguarding biodiversity
9 Accessibility of services and infrastructures	18 Management of water resources

 Environmental responsibility	 Governance, integrity and Economic Responsibility	 Human resources	 Responsibility to customers, infrastructure and transport systems	 Social responsibility (community) and supply chain
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Sustainable infrastructure management is identified as an aspect of utmost significance within the materiality analysis, considering the ESG impacts during the infrastructure design, construction and use phases, and aiming to ensure the efficient use of resources in the infrastructure life cycle.

The topics of energy consumption, atmospheric emissions and climate change are closely interrelated, representing a significant challenge for the Group, through strategies that contribute to the goal of reducing consumption and emissions, such as procurement from low-emission energy sources and technological modernisation of infrastructure and the fleet.

Noise and vibration management is particularly important, especially in the motorway segment. The issue of employee welfare has gained in significance in light of the growing awareness of the need for work-life balance and as a lever for attracting talent and supporting employees' families. Human capital development is also managed as a priority through concrete opportunities for personal and professional development, in line with market requirements.

The accessibility of services and infrastructure is also considered amongst the main issues, aiming to guarantee full usability without architectural discrimination.

Other priority issues include service quality, customer safety in stations and on the move, and occupational health and safety, which are considered fundamental to ensuring a high quality service and promoting an internal culture of safety.

The management of systemic risks and business resilience are also recognised as issues to be monitored on an ongoing basis, to maximise business value and reduce their potential effects, as are business ethics and integrity, reflecting the FNM Group’s commitment to operating in a regulated market.

## RISKS AND MATERIAL TOPICS

In line with the Corporate Governance Code and international best practices, the Risk and Continuity Management department, in cooperation with the CSR-Sustainability department, maps the key risks related to the areas identified by Legislative Decree 254/2016 and, thus, the material topics identified by the Group, every year, following a uniform methodology for ESG risk assessment and mitigation.

The 2023 Enterprise Risk Assessment enhanced the integration of the process with ESG aspects through the review of the areas of application of Legislative Decree 254/2016 and the introduction of specific material ESG topics for the Group, as outlined below:

Relevant area of Legislative Decree 254/2016 - Environmental	
Energy consumption, emissions into the atmosphere and climate change	
Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Increase in extreme natural events and adverse weather situations</li> <li>• Adverse changes in energy-related costs</li> <li>• Tools/means with a high environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated personnel on call 24 hours a day</li> <li>• Staff training and awareness-raising for emergency management</li> <li>• Constant monitoring of the state of the railway network and detection of critical issues</li> <li>• Extraordinary maintenance and design of civil works in adverse weather situations</li> <li>• Constant monitoring of motorway pavement conditions</li> <li>• Monitoring of energy prices and conclusion of variable price contracts</li> <li>• Tariff increases for the service provided</li> <li>• Moral suasion activities</li> <li>• Funded investments</li> <li>• Constant monitoring of new low environmental impact technologies</li> </ul>
Protection of biodiversity. Managing noise and vibrations. Waste management. Management of water resources.	
Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Failure to comply with environmental impact standards and regulations</li> <li>• Damage to the environmental matrix through pollution</li> <li>• Abnormal increase in vibration and noise in the vicinity of railways</li> <li>• Noise pollution above regulatory levels</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring of and adaptation to applicable legislation</li> <li>• Obtaining ISO certifications for environmental protection</li> <li>• Monitoring of water consumption, waste production and noise levels</li> <li>• Installation of noise barriers along the managed railway and motorway network</li> <li>• Biodiversity protection monitoring audits</li> <li>• Training and awareness-raising of personnel involved in waste and emergency management</li> <li>• Periodic adjustment of railway infrastructure components for vibration management</li> <li>• Investments for the construction of noise barriers at the most exposed population centres</li> </ul>

## Relevant area of Legislative Decree 254/2016 - Social

### Quality of service and customer safety at the station and in transit (Security and Safety)

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Failure to meet quality standards and delays in the execution and completion of a new project</li> <li>• Safety of railway and motorway infrastructure and road and rail vehicle traffic (Safety)</li> <li>• The commission of violent acts towards users and terrorist acts at stations (Security)</li> </ul>	<ul style="list-style-type: none"> <li>• Constant monitoring of the state of the railway and motorway networks and civil works</li> <li>• Prompt detection and reporting of any critical issues detected along the route</li> <li>• Investment in the modernisation of rolling stock and infrastructure</li> <li>• Preliminary checks to verify supplier economic and financial stability</li> <li>• Adoption of surveillance tools to monitor and prevent vandalism and violence</li> <li>• Road accident monitoring and root cause analysis</li> <li>• User awareness-raising activities</li> </ul>

### Accessibility of services and infrastructures

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Difficult access to the network and transport for disabled users</li> </ul>	<ul style="list-style-type: none"> <li>• Coordination with railway companies on the basis of their respective responsibilities</li> <li>• Accessibility monitoring by the structure</li> <li>• Constant updating of the website</li> <li>• Definition of obligations with respect to the Transport Regulatory Authority (ART)</li> <li>• User awareness-raising</li> <li>• Fleet renewal</li> </ul>

### Intermodality and integration of services

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Failure to develop “ecostations”</li> <li>• Delays in the delivery of ordered electric and hybrid vehicles</li> <li>• Failure to develop the Sacconago terminal for cargo interchange</li> </ul>	<ul style="list-style-type: none"> <li>• Established relationships with the administrations involved in the “ecostations” project</li> <li>• Possible reorganisation of the car sharing service using vehicles intended for other business lines such as long-term rental</li> <li>• B2B customer needs analysis regarding intermodal freight transport</li> <li>• Development of ancillary services for B2B customers for intermodal freight transport</li> </ul>

## Technological and digital innovation

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>Inability to take advantage of opportunities deriving from innovation</li> <li>Unavailability of hardware infrastructure</li> <li>Cyber attacks</li> </ul>	<ul style="list-style-type: none"> <li>Investment in the share capital of innovative start-ups</li> <li>Investment in the Corporate Partners I Fund of CDP Venture Capital Sgr</li> <li>Increasingly higher technological standards</li> <li>Obtaining new financial resources to implement new technologies</li> <li>Cloud system implementation and integration</li> <li>Uninterruptible power supplies to ensure the availability of hardware infrastructure</li> <li>Emergency testing in the case of hardware infrastructure problems</li> <li>Implementation of IT protection systems</li> <li>Use of Google workspace (guarantees high levels of protection e.g. two-factor authentication, document storage in the cloud)</li> <li>Training courses on IT security issues</li> </ul>

## Sustainable infrastructure management

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>Inadequate infrastructure quality standards in terms of sustainability in the design and construction phase</li> </ul>	<ul style="list-style-type: none"> <li>For safety-relevant and/or strategic materials, the Group uses certified suppliers</li> <li>Adoption of the FNM Group's Guidelines for Sustainable Purchasing</li> <li>Service conferences with stakeholders affected by the work in question</li> </ul>

## Dialogue with stakeholders and development of the local area

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>Difficulties in the Sustainability Reporting process</li> <li>Incorrect approach to the communication strategy towards financial stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability governance: dedicated corporate structures, regulations and procedures</li> <li>Approval of the materiality matrix and correlation with the main risks connected to the areas identified by Legislative Decree 254/2016</li> <li>Monitoring the drafting of the Sustainability Report through auditor review</li> <li>Experienced internal team dedicated to the management of the Group's reputation and stakeholder awareness analysis</li> <li>Team with consolidated experience in areas relating to non-financial reporting, discussion with CFOs and internal structures and coordination with external advisors</li> <li>Focus groups with key stakeholders</li> <li>The maintenance of an ongoing, transparent and trustworthy relationship with the financial market is ensured by the Investor Relations Department, which works in agreement with the Company's top management</li> <li>Adoption of a policy for dialogue with shareholders and stakeholders (Engagement Policy)</li> <li>Adoption of the "Regulation for internal management and public disclosure of documents and information regarding FNM S.p.A. and the establishment, management and maintenance of the registers of people who have access to it"</li> <li>Participation in ESG ratings</li> </ul>

## Sustainable procurement

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Inadequate/poor reliability of suppliers due to non-compliance with contractual principles and terms in terms of both performance and ethical behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Contractual clauses for acceptance of the principles of the Code of Ethics and the Model pursuant to Legislative Decree 231/2001 by the supplier</li> <li>• Sustainable Procurement Policy</li> <li>• Inclusion, where possible, of bonus criteria for sustainability aspects</li> <li>• Contractual standards and general conditions for contracts, services and supplies</li> <li>• Supervisory Body activities</li> <li>• Segregation of responsibilities</li> <li>• Ongoing staff training</li> <li>• Preliminary activities carried out by the Legal Department</li> </ul>

## Relevant area of Legislative Decree 254/2016 - Fight against active and passive corruption

### Ethics and integrity in business

Main risk factors	Main management methods
<ul style="list-style-type: none"> <li>• Non-compliance with legislation concerning corruption offences</li> <li>• Failure to protect against data breaches, fraud and theft</li> </ul>	<ul style="list-style-type: none"> <li>• 37001:2016 certified Management System</li> <li>• Code of Ethics and Conduct of the FNM Group</li> <li>• Adoption of a Model pursuant to Legislative Decree 231/2001</li> <li>• Staff information and training activities</li> <li>• Whistleblowing channel</li> <li>• Disciplinary system</li> <li>• Audit activities</li> </ul>

### Systemic risk management and business resilience

<ul style="list-style-type: none"> <li>• Cyber attacks</li> <li>• Malfunctioning of information systems and unavailability of hardware infrastructure</li> <li>• Miscommunication in the event of a crisis</li> </ul>	<ul style="list-style-type: none"> <li>• Password Management, Penetration Testing and Vulnerability Scan</li> <li>• Firewall systems between networks and with the outside world</li> <li>• Staff training and awareness-raising with respect to cyber risk</li> <li>• Service monitoring systems</li> <li>• Use of cloud/external systems</li> <li>• Controlled access</li> <li>• Uninterruptible Power Supply (UPS) and generators</li> <li>• Experienced in-house crisis management team and “Group Crisis and Communication plan” project</li> </ul>
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## Relevant area of Legislative Decree 254/2016 - Issues relating to staff

### Talent attraction and human capital development Employee welfare

#### Respect for diversity and inclusion

##### Main risk factors

- Difficulties in obtaining specialised resources and loss of key personnel
- Non-compliance with laws and regulations around worker rights, diversity and equal opportunities

##### Main management methods

- Company promotion activities on various channels in order to attract talent
- Company climate monitoring and focus on corporate welfare
- Definition of succession plans for technical skills to retain know-how and expertise
- Introduction of staff appraisal systems based on results achieved against set targets (Management by Objectives)
- Internal development and training of staff to share company know-how
- Mapping of transversal skills

## Area of Legislative Decree 254/2016 - Health and safety

### Health and safety in the workplace

##### Main risk factors

- Safety of railway and motorway infrastructure and road and rail vehicle traffic (Safety)
- Commission of violent acts against staff (Security)

##### Main management methods

- Prompt detection and reporting of any critical issues detected
- Constant monitoring of the state of the railway and motorway networks and civil works
- UNI ISO 39001:16 certified Road Safety Management System
- Road accident monitoring and root cause analysis
- Cooperation with law enforcement in the event of serious traffic accidents
- Supervisory Body activities and level II and III audits to certify compliance with Legislative Decree 81/08
- Investment in the modernisation of rolling stock and infrastructure
- Adaptation to the requirements for ISO 45001 Certification
- Analysis and assessment of near misses
- Adoption of staff protection measures
- Establishment of a Security Plan for employees in the case of aggression

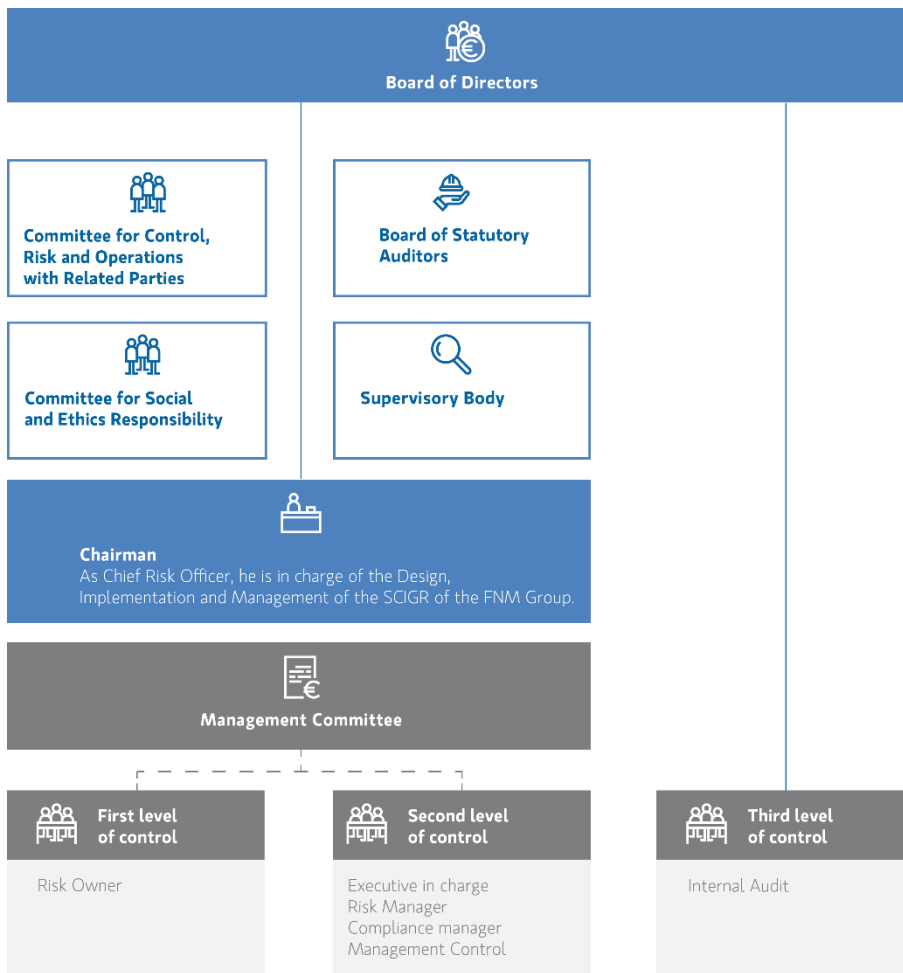
### 3.5 Risk governance model

GRI 2-23, 403-3

FNM prepares and adopts an Enterprise Risk Management (ERM) process as an integral part of its System of Internal Control and Risk Management (SCIGR) aimed at identifying, measuring, managing and monitoring the key risks of its business. The process is structured according to international best practices and standards (e.g. UNI ISO 31000:2018, CoSo framework), as well as internal regulations approved by the Board of Directors.

Prior to starting Enterprise Risk Management (ERM) activities, the Group’s Board of Directors defines the risk appetite, indicating the level and types of risk the Group is willing to take on in order to achieve its strategic objectives. The ERM process is structured into several steps, such as the context analysis and assessment of external and internal factors, the comprehensive mapping of risk scenarios, the analysis of inherent and residual risk, the weighting and identification of priority risks, management through actions to address the risk, constant monitoring of the risk profile and the associated progress, and, finally, the representation of the overall risk profile and its effects to the management bodies.

The main figures involved in Group ERM are:



**Legenda:**

- Governing bodies
- Preliminary and support activities
- Control executors



In 2023, important goals were achieved, including the integration of the Risk Assessment with sustainability areas. Specifically, the Risk Register was correlated with the sub-areas defined with the CSR-Sustainability Department, in compliance with Legislative Decree 254/2016. In addition, the implementation of the “Integrated risk” software was completed, aimed at streamlining the ERM process also through the use of ergonomic graphical interfaces and the creation of semi-automatic reporting.

The degree of resilience of the business model to the consequences of exceptional and unpredictable events is a crucial issue. In this context, **Group Business Continuity** continues to be strengthened. In 2023, the “Crisis Communication Management” project, aimed at strengthening procedures for responding to events with potential reputational damage for stakeholders, was concluded. A new regulation for managing communication in crisis situations has been drawn up, and the “Supply Chain Risk Analysis” project, which aims to strengthen the process of assessing and monitoring the resilience of FERROVIENORD’s supply chain, is being launched. This activity includes the creation of a model to analyse and evaluate critical suppliers and identify crucial supplies. The objective is to ensure business continuity while preserving service safety and regularity, and to identify appropriate strategies to strengthen the resilience of the company’s supply chain.

Strengthening the risk management system also includes identifying, understanding and controlling emerging risks, i.e., those risks characterised by unfamiliar and continuously evolving components, which could have a significant impact in the medium term with respect to the Group’s financial position and business model. For further details, please refer to the Management Report.

### **Role and responsibilities of the Board of Directors in risk management**

The Chair of the Board of Directors, called upon to act as Executive director responsible for supervising the functioning of the Internal Audit and Risk Management System (SCI GR), oversaw the identification of the main corporate risks, promptly reporting to the Control and Risk Committee on any problems and critical issues that emerged in the performance of his activities or of which he became aware. The Committee also submits to the Board of Directors, which is responsible for guiding and assessing the adequacy of the SCI GR, the annual work plan prepared by the Internal Audit Function, after receiving the opinion of the Control and Risk Committee. In order to promptly detect anomalies and critical issues arising in the performance of operational activities, through the SCI GR, control activities are established across every operational level. To this end, the **FNM Group**, also based on the risks managed, sets up specific control activities and monitoring processes aimed at ensuring SCI GR effectiveness and efficiency over time and preventing and identifying operating errors, irregularities and/or fraudulent acts.

In its report to the Board of Directors of 15 March 2023 and 19 October 2023, the Internal Audit Function noted that no anomalous situations, critical issues or shortcomings emerged that would jeopardise the adequacy, full operation and effective functioning of the Group’s SCI GR, understood in its complexity.

### 3.6 Compliance, ethics and integrity

GRI 2-15, 2-23, 2-26, 3-3

In carrying out its operating activities, the **FNM Group** recognises the importance of ethical business conduct. Indeed, compliance with the Code of Ethics and Conduct is essential to maintain a high level of reliability with respect to stakeholders; conversely, any violation may cause negative reputational or financial impacts. In order to better manage the issue of responsible business conduct, in 2023 the Group set out objectives in this area, including:

1. continuous training on Legislative Decree 231/01 (and whistleblowing), Code of Ethics, FNM Anti-Corruption Policy for its employees;
2. anti-corruption due diligence on significant third parties for the Group;
3. the closure within 4 weeks, where possible, of the preliminary investigation phase, aimed at verifying the validity of the content, relating to any reports received in accordance with the Whistleblowing procedure;
4. the preparation of the 2023 Anti-Corruption Audit Plan and the performance of audit activities.

In addition, the Compliance Function, together with the Internal Audit Function, began activities to update the Anti-Corruption Risk Assessment and Models 231 of the Group Companies.

#### **The Code of Ethics and Conduct**

The **FNM Group's** Code of Ethics and Conduct (Code of Ethics<sup>16</sup>) adopted by the FNM Board of Directors sets out the behavioural principles and rules recognised and shared by those who operate in the name of or on behalf of the Group. The document promotes and encourages the practice of whistleblowing, the reporting by workers of irregularities, fraud or violations of regulations in force, governed within a specific procedure and in each company's Model 231.

#### **Model 231 and anti-corruption**

In relations with third parties, the Group applies the principles of the Code of Ethics and in 2023 the Compliance Function conducted "reputational due diligence" on third parties. Furthermore, for greater transparency in disclosure, the Group adopted an Internal Dealing Code, which governs disclosure and conduct obligations in financial transactions.

The Anti-Corruption Policy, which is the responsibility of and has been approved by the Group's Board of Directors, also stipulates that no contributions may be made to political parties, movements, committees and political or trade union organisations, non-profit organisations, foundations or organisations in any way related to political parties and trade unions, their representatives and/or candidates.

#### **Reporting channels**

Reports of alleged breaches of the Code of Ethics, the Model pursuant to Legislative Decree 231/2001 and the FNM Anti-Corruption Policy can be forwarded to the Supervisory Body (SB) of

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<sup>16</sup> Document available for consultation at [https://www.fnmgroupe.it/sistema\\_governance/](https://www.fnmgroupe.it/sistema_governance/)

each Group company through the whistleblowing portal, the link for which is located on the Company's website in the "Governance/Governance Systems" section.

The reporting channel extends to a broad range of users; in fact, the Group Whistleblowing Procedure specifies that its recipients are all persons linked to FNM and Group companies through a contractual relationship, such as Group employees, related parties and suppliers.

During 2023, 3 reports were received on alleged violations of the FNM Code of Ethics, Model 231 and Anti-Corruption Policy, which were handled by the SB of the company concerned with the support of the Internal Audit Function. The preliminary investigation phase, aimed at verifying whether or not the content of these reports was well-founded, was completed within 4 weeks of receipt of the reports and was concluded with the finding that the reports were unfounded in view of the fact that the content of the reports did not contain any facts that could be qualified as potentially critical or relevant in terms of Legislative Decree 231/anti-corruption matters.

During the year, compulsory e-learning training courses continued on anti-corruption, 231, the Code of Ethics and "Management of relations with the PA", available to all FNM Group employees.

### **Privacy and regulatory adjustments**

The Boards of Directors of the companies delegated the Chair or another member of the Board of Directors the power to oversee the privacy obligations as per Regulation (EU) 2016/679 (GDPR) and Legislative Decree no. 196/2003. The companies **E-VAI**, **FERROVIENORD**, **FNMA** and **FNMPAY** have appointed their own external Data Protection Officer (DPO), an expert privacy lawyer.

**ATV**, in compliance with article 37 of the GDPR, also has a Data Protection Officer, Cepas UNI 11697:2017 certified, renewed in 2023, and has adopted the Privacy Organisational Model (POM) and the associated procedures. Training on Model 231, GDPR and whistleblowing for newly recruited staff continued in 2023. The Board of Directors adopted the FNM Conflict of Interests Regulation and adapted the internal forms.

In addition, Group 37001 certification for anti-corruption was confirmed for the year and the Whistleblowing procedure was adopted.

**FNM's** Compliance Function provides privacy advisory services to the Group and its subsidiaries, sending out a quarterly Compliance newsletter that includes legislative updates and relevant court rulings. E-learning training on privacy is mandatory for all employees. The Privacy Officer performs continuous updating through thematic courses, the Data Protection Authority website and subscriptions to relevant newsletters. A specific reporting channel has been set up via the [privacy@fnmgroup.it](mailto:privacy@fnmgroup.it) channel, as set forth in art. 13 of the GDPR.

In 2023, the "Personal Data Management (Privacy)" Regulation, the "Privacy Personal Data Management" Procedure and the Privacy Organisational Chart were adopted by the Group in implementation of Regulation (EU) 2016/679 (GDPR), Legislative Decree 196 of 2003 as amended, and the respective measures of the European Data Protection Authorities. In addition, the Privacy Officer obtained certification as a "Privacy Manager" according to the CEPAS Certification Scheme for "professionals operating in the field of personal data processing and protection in accordance with UNI 11697/2017 and UNI/PDR 66:2019 (SCH73)".

## Conflicts of interest

The **FNM Group** is committed to ensuring that decisions are made in the sole interest of the company, avoiding influence from private interests or relationships. In order to prevent, where possible, or mitigate conflicts of interest, the segregation of duties and responsibilities is ensured, taking into account the nature of activities and the associated risks. In fact, the SCIGR helps to ensure the necessary separation between operational and control functions, reducing conflicts of interests in the assignment of responsibilities.

The FNM Group recently updated the “Conflict of Interests Management” Regulation to establish rules of conduct in situations of conflict of interests, involving directors, members of the Board of Statutory Auditors, members of the Supervisory Bodies and employees. The objective is to provide a reference framework for the prevention and management of actual or potential conflicts of interest within the FNM Group.

The Corporate Governance Report also indicates the number of director or statutory auditor roles held by the person in question in other financial, banking or insurance companies or any company of significant size listed in regulated markets, included those located abroad.

In the area of corruption risk management, **MISE** has implemented several measures, such as the adoption of the Code of Ethics, the Anti-Corruption Policy and the “Conflict of Interests Management” Regulation. It also introduced an Organisation, Management and Control Model (MOGC), revised the Whistleblowing Procedure and began preparations to obtain ISO 37001:2016 certification by 2024. With the support of a consulting firm, it also conducted a risk assessment, gap analysis and 37001 action plan. Training courses on the Code of Ethics, Legislative Decree no. 231/01 and anti-corruption were held during the year. A revision of the MOGC in the light of new predicate offences is planned for 2024. Finally, regular discussions with the Group Risk Manager are maintained to strengthen the integrated control culture.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The Italian Constitution guarantees freedom of association and the right to collective bargaining, enshrining the right of citizens to associate freely.

Article 18 outlines the labour market in accordance with the principle of freedom of association and the right to working conditions that respect personal dignity. Italy has ratified several International Labour Organisation (ILO) conventions to address the issue of forced labour, pledging to prevent and eliminate it.

Article 39 of the Constitution enshrines the right to trade union membership and the right to strike, while article 40 establishes fundamental labour protection principles.

In its Code of Ethics and Conduct, the Group undertakes not to have any relations with persons engaged in child exploitation or criminal organisations. Through the Guidelines for Sustainable Purchasing, the Group promotes ethical purchasing choices based on respect for human rights throughout the supply chain, following the ISO 20400:2017 (Sustainable Procurement Guidance) standard.

## 4. Governance and responsible and ethical business conduct

### 4.1 Corporate bodies

GRI 2-9, 2-10, 2-11, 2-12, 2-16, 2-17, 2-18, 2-19, 2-20, 405-1

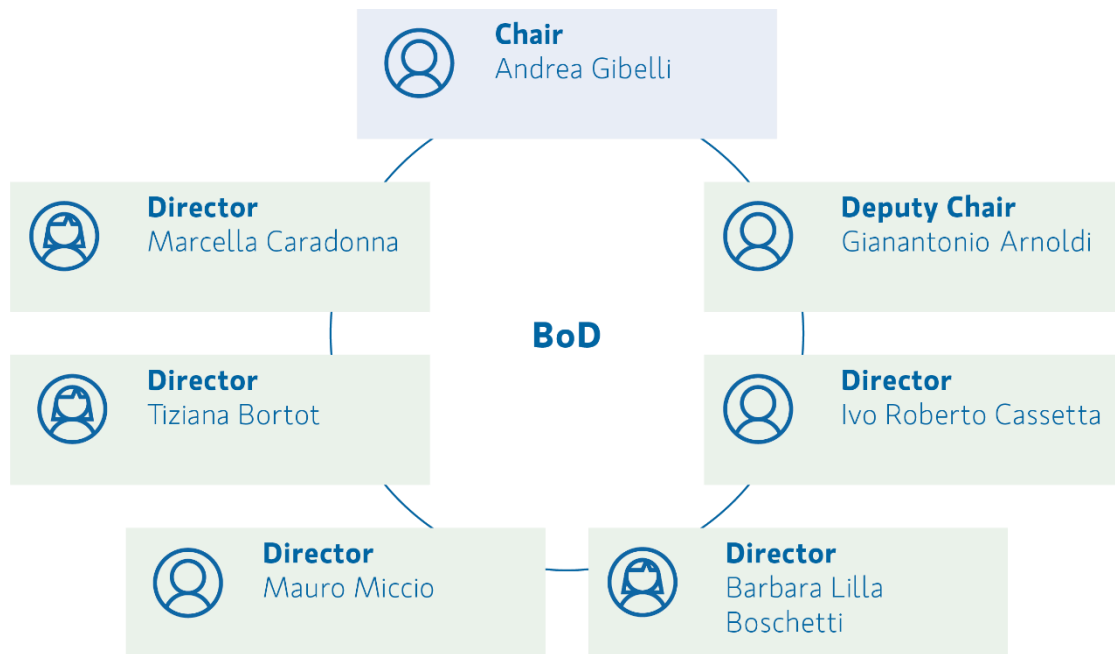
The Corporate Governance system represents the foundation of FNM's business model, significantly contributing to the achievement of the company's results, flanked by the corporate strategy and a specific governance system dedicated to sustainability. Over the years, the Group has constantly adapted its corporate model, moving towards best practices and basing its management on the principles of ethics, integrity and transparency.

The Corporate Governance structure of **FNM S.p.A.** is set up according to the traditional Italian model, with a Board of Directors (BoD) appointed by the Shareholders' Meeting. This body is responsible for economic-strategic decisions and control activities. The Directors of FNM are appointed on the basis of lists submitted by shareholders with a shareholding equal to that established by Consob, pursuant to Article 147-ter, paragraph 1, of Legislative Decree 58/1998 and in compliance with the provisions of the Issuers' Regulation approved by resolution No. 11971 of 14 May 1999, as amended. The lists are filed at the registered office at least 25 days prior to the date of the Shareholders' Meeting called upon to approve the appointment of the Directors.

At the Shareholders' Meeting on 30 April 2021, the corporate bodies were appointed for the financial years 2021-2023. The next appointment is planned during the April 2024 Shareholders' Meeting. Currently, the Board of Directors consists of seven directors, including one appointed to represent minority shareholders.

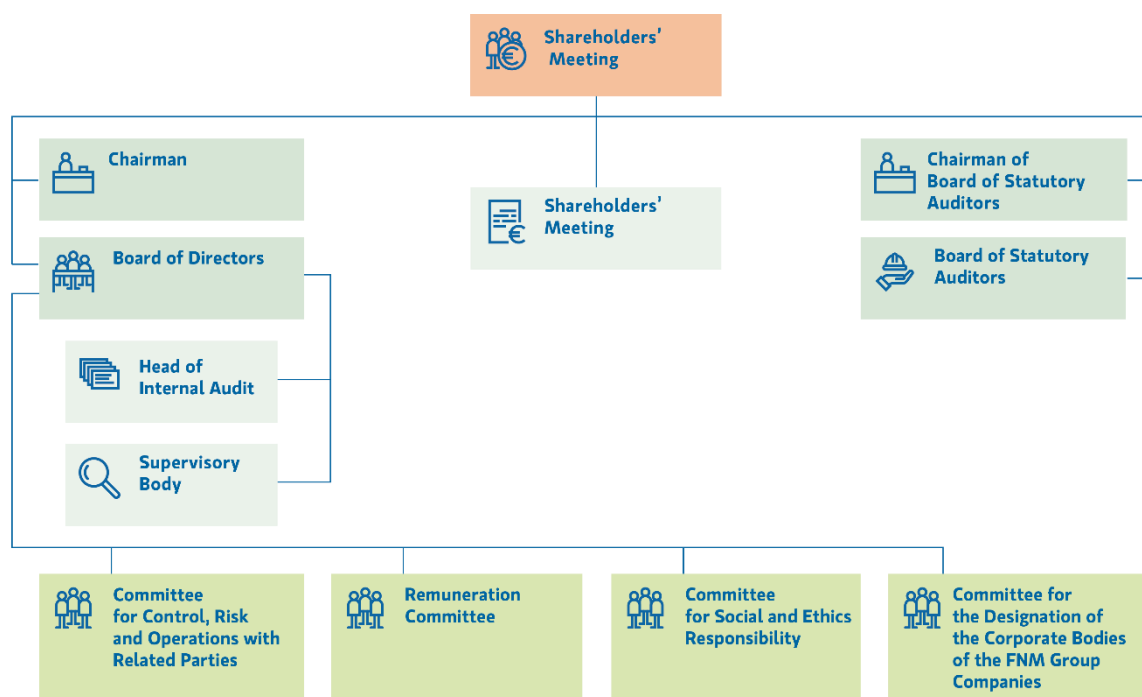
The Board of Directors aims to include diverse professional profiles, recognising the importance of the complementarity of experiences, skills, styles and cultures for its proper functioning. This objective is combined with diversity in terms of gender, age and seniority in office. The Diversity Policy ensures an appropriate balance of expertise and gender representation within the Board of Directors.

The Group Diversity Policy reflects on the optimal structure of the administrative body to maximise decision-making effectiveness by promoting the diversity of perspectives. This Policy was implemented through a self-assessment, providing for the Board to have an optimal composition of 7 members, the majority non-executive and independent, and ensuring gender representation of 2/5 of the total number of members. It values diversity as a key element for long-term corporate sustainability, integrating expertise in various sectors and different experiences, in the fields of transport, infrastructure, governance, finance and social responsibility.



The Board of Directors delegates Group management powers to the Chair, without establishing an Executive Committee or appointing a Chief Executive Officer, ensuring that he is a figure with adequate experience and authority within the Group’s business sectors. The Board is supported by four Committees responsible for providing advice and proposals: Social Responsibility and Ethics; Remuneration; Control, Risk and Related Party Transactions; and Designation of the corporate bodies of the FNM Group companies<sup>17</sup>. The Board of Statutory Auditors, consisting of three Statutory Auditors and two Alternate Auditors, completes the governance structure. The Board of Directors is responsible for the assessment and management of financial and non-financial risks, as well as for the approval of this Sustainability Report-NFS, after consultation with the Social Responsibility and Ethics Committee and the Control and Risk Committee. Furthermore, the highest governing body regularly discusses sustainability topics with the relevant Committees and approves the Internal Audit function work plan.

<sup>17</sup> In line with the indications of the Corporate Governance Code and the Consob Regulation on related party transactions (Resolution no. 17221 of 12 March 2010).



Remuneration policies, in addition to being an issue of interest to shareholders, represent an issue of accountability. The Remuneration Policy of the FNM Group makes it possible to provide stakeholders with an adequate representation of each of the items that make up remuneration, highlighting their consistency with the company's strategy and with the results obtained during FY 2023.

**Remuneration Policy: guiding principles geared towards value creation over time and sustainability**

The FNM Group's Remuneration Policy, inspired by the principles of the Corporate Governance Code and the Resolution, draws a distinction between fixed and variable remuneration components. The variable component is linked to a long-term time horizon and is disbursed on a deferred basis. Variable remuneration is based on clear and measurable objectives, both financial and non-financial, including Corporate Social Responsibility (CSR). In fact, the FNM Group defines objectively measurable ESG objectives, which are correlated to managers' variable remuneration. The Remuneration Policy ensures transparency in the incentive system and ensures the attraction and retention of the necessary expertise, allowing for prudent risk management. As of 2022, the Long Term Incentive (LTI) Plan was also launched to increase the focus on sustainability goals, as a value for the general public.

In particular, the performance objectives, on which the payment of the short-term variable component (MBO) depends, are divided into annual objectives concerning (i) economic-financial-income aspects, relating to the company and to be calculated on a consolidated and adjusted basis; (ii) ESG aspects, relating to the individual or the company; and (iii) the implementation and completion of strategic projects, relating to the individual or the company. ESG objectives are set with a variable weight on the total. On the other hand, performance objectives, on which the payment of the medium/long-term variable component (LTI) depends, will have a four-year duration based on the duration and objectives of the Group Strategic Plan. Key management personnel are assigned 2 objectives, one economic-financial, concerning the company, the other ESG, relating to the individual or the company, each with a weight of 50%. The LTI plan includes as an ESG indicator a target "True Value", understood as the value generated by the group's activities, capable of detecting net economic, social and environmental externalities and supporting corporate decisions aimed at creating shared value according to the "True Value" measurement methodology.

## Sustainable finance

**FNM** promotes open, transparent, truthful and correct dialogue with the financial market, in compliance with the current regulatory provisions on information transparency, equal treatment, the prohibition of selective disclosure of information, market abuse and privileged information, with the aim of creating sustainable value in the medium/long term. In this regard, the Company makes use of the Investor Relations Function, reporting directly to the Administration, Finance and Control Department, with the aim of ensuring an ongoing relationship between the Group, its shareholders, rating agencies, institutional investors and other operators in the financial community through timely, clear and consistent communication.

The activity of the Investor Relations Function takes into account international best practices and is carried out in compliance with EU and national regulations, as well as with corporate provisions including, by way of example, the Regulation of Markets organised and managed by Borsa Italiana S.p.A. and the relative Instructions, the Policy for managing dialogue with shareholders and stakeholders (Engagement Policy) and the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 of FNM S.p.A. and the Group Companies.

In 2023, financial communication activities continued, targeting both equity and fixed income investors. In total, the Group participated in seven events during the year and met with about 35 investment funds in both one-to-one and group settings.

In terms of the macroeconomic scenario, the issues of greatest interest to investors concerned the impact on the Group's performance and future outlooks of rising inflation and interest rates. Particular attention was paid to Milano Serravalle - Milano Tangenziali (MISE), both in terms of performance and the update of the 2020-2024 Economic and Financial Plan and the renewal of the motorway concession expiring in October 2028, as well as the renewal of the Trenord Service Agreement. At consolidated level, the main issues addressed were the financial strength and refinancing strategy of the Bond maturing in October 2026, the implementation of the Group Investment Plan as outlined in the 2021-25 Strategic Plan and the confirmation of the Dividend Policy.

ESG issues were also frequently addressed, particularly with reference to governance structure, diversity, occupational safety, resilience against extreme weather events, hydrogen trains as part of the H2iseO project, the development of service areas for hydrogen fuelling of road vehicles and FILI Project urban regeneration.

In continuity with previous years, **FNM** organised conference calls with institutional investors and financial analysts when it published its annual, half-yearly and quarterly results. The Company continued to promptly inform shareholders and potential investors of any action or decision that could have a significant effect on their investment by publishing price-sensitive press releases and constantly updating its website with documentation in Italian and English.



## 5. The value shared by the FNM Group

### Taxonomy

#### THE EUROPEAN TAXONOMY REGULATION ON ENVIRONMENTALLY SUSTAINABLE ECONOMIC ACTIVITIES

With a view to achieving climate neutrality by 2050, the European Union is committed to promoting balanced economic growth and ensuring a high level of environmental protection and improvement. To achieve this goal, the EU intends to direct investments towards private companies and other legal entities whose activities can be considered environmentally sustainable, in order to meet the objectives set by the European Green Deal. It is in this context that the classification system or “taxonomy” of environmentally sustainable activities has been established.

The European Taxonomy, introduced by **Regulation (EU) 852/2020** and applicable as of 1 January 2022, defining an unambiguous and integrated classification system at European level, classifies economic activities that may be potentially aligned with the six environmental objectives<sup>18</sup> defined by the European Union:

1. Climate change mitigation;
2. Climate change adaptation;
3. Sustainable use and protection of water and marine resources;
4. Transition to a circular economy;
5. Pollution prevention and control;
6. Protection and restoration of biodiversity and ecosystems.

On 27 June 2023, the regulatory framework of the EU Taxonomy was enhanced by the introduction of **two new Delegated Acts**: EU Regulation 2023/2485 (“Amendment to the Climate Delegated Act”) and EU Regulation 2023/2486 (“Environment Delegated Act”). The new acts **expand and refine the EU Taxonomy framework**, making the landscape of sustainable economic activities more comprehensive and defining the technical criteria for assessing them. EU Regulation 2023/2485 extends the economic activities already considered in EU Regulation 2021/2139, determining criteria for the identification of eligibility and the assessment of alignment for the Taxonomy’s first two environmental objectives. EU Regulation 2023/2486 focuses on the technical criteria and indicators relating to the remaining four environmental objectives, and also makes amendments to EU Regulation 2021/2178, which governs the information that companies must provide on their environmentally sustainable activities.

#### REPORTING OBLIGATIONS AND GENERAL PRINCIPLES FOR DEFINING KPIS

Companies subject to the obligation to publish a Non-Financial Statement, like the FNM Group, are required to disclose the following performance indicators (**KPIs**):

- the proportion of **Turnover**, i.e., the total revenues associated with the economic activities listed in Delegated Regulation (EU) 2021/2139, broken down by the 6 objectives.

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<sup>18</sup> Article 9 of EU Regulation 2020/852, which establishes the taxonomy’s environmental objectives.

- the proportion of **CapEX**, i.e., the additions to tangible and intangible assets during the financial year considered before depreciation, amortisation, write-downs and any revaluation, including those resulting from restatements and reductions in value, occurring during the financial year in question, associated with the economic activities listed in Delegated Regulation (EU) 2021/2139, broken down by the 6 objectives.
- the proportion of **OpEX**, i.e., the operating expenses relating to research and development, routine maintenance and building renovation measures, short-term rentals, maintenance and repairs, as well as any other direct expense relating to the day-to-day maintenance of property, plant and equipment, either by the company or by third parties to whom these tasks are outsourced, necessary to ensure the continuous and effective operation of these assets.

In particular, KPIs must be reported for both *taxonomy-eligible* activities, which potentially contribute to the achievement of the environmental objectives, and *taxonomy-aligned* activities, which actually contribute to the achievement of taxonomy objectives. In compliance with the above-mentioned Regulation, an “eligible” activity may also be considered “aligned” if it meets the following criteria:

- the **technical screening criteria** described in the Delegated Acts, which make it possible to determine the conditions under which an economic activity contributes substantially to a specific environmental objective;
- the “**DNSH**” - **Do No Significant Harm criteria**, which determine whether the economic activity does not cause significant harm to any of the other environmental objectives.
- the **Social Minimum Safeguards**, in this case, the organisation has to prove through its implemented procedures that it ensures compliance with principles in the following areas of application: human rights, corruption, taxation and competition.

For the year 2023, with regard to European Taxonomy reporting, non-financial companies such as the FNM Group are required to report eligible economic activities for all six objectives, and those considered aligned only for the first two objectives (Climate Change Mitigation and Climate Change Adaptation). As of the 2024 reporting year, the reporting obligation for economic activities, both eligible and aligned with the European Taxonomy, will be extended to all six environmental objectives.

## THE TAXONOMY FOR THE FNM GROUP

The FNM Group, understanding the relevance of the regulatory context enriched in 2023 in relation to the European Taxonomy, expanded the analysis dedicated to it last year, breaking the process down into 3 main phases:

- Regulatory analysis and contextualisation of the Taxonomy with respect to the Group’s different operating segments.
- Definition of the scope of analysis and mapping of Taxonomy-eligible activities: in this phase, following the definition of the scope of analysis and the reference Business Units, all Taxonomy activities were mapped, integrated with the activities relating to the 4 new objectives added in 2023.
- Verification of technical requirements, DNSH and Minimum Safeguards for each eligible activity, in order to identify aligned activities (for all companies in the identified scope).

Please note that, with regard to the DNSH on climate change referring to Appendix A and the Minimum Safeguards, the analyses were carried out at FNM Group level.

These activities involved the business structures of the companies included in the scope of analysis. The results of these analyses are summarised in the table below and in full in the tables in the Appendix, which follow the templates provided by Delegated Regulation (EU) 2023/2486. Pursuant to Regulation (EU) 852/2020, all consolidated companies have been included for Taxonomy reporting purposes, so the scope analysed overlaps with that of the information in the consolidated financial statements.

### TAXONOMY KPI<sup>19</sup>

The eligible economic activities of the **FNM Group** as of 31/12/2023, in line with the Climate and Environment Delegated Acts and the Amendment to the Climate Regulation, relate to the following objectives: Pollution Prevention and Control, Transition to a Circular Economy and Climate Change Mitigation, in accordance with Article 8 of the Taxonomy Regulation and Article 10 of the Delegated Act. In contrast, Taxonomy-aligned economic activities only fall under the Climate Change Mitigation objective.

### Proportion of Turnover, CapEx and OpEx of European Taxonomy-eligible and aligned activities - 2023

	TURNOVER	CAPEX	OPEX
<b>TOTAL</b> (Euro/thousands)	776,006	71,049	58,224
Percentage of Taxonomy- <b>eligible</b> economic activities	45.5 %	54.2 %	54.3 %
Percentage of Taxonomy- <b>aligned</b> economic activities	6.2 %	17.6 %	0%
Percentage of Taxonomy-non-eligible economic activities	54.5 %	45.8 %	45.7 %

For more details, the tables of EU Regulation 852/2020 can be found in the annexes at the end of the document

### Eligibility analysis<sup>20</sup> of the FNM Group's activities

Pursuant to the Taxonomy, all the activities carried out by the **FNM Group** were mapped in order to identify the business activities that could be in line with those in the annexes of the Delegated Regulations also with reference to the NACE codes of the Group's economic activities. The analysis was carried out on all six taxonomic environmental objectives, taking care to avoid the risk of double counting.

In 2023, a critical review of the analysis already carried out in previous years was conducted in light of the most recently published regulatory updates and interpretation documents (FAQs). At the same time, Delegated Regulation (EU) 2023/2485, which defines new activities for the Climate Change Mitigation and Climate Change Adaptation objectives, and Delegated Regulation 2023/2486, which defines eligible activities for the remaining four environmental objectives, were analysed.

In particular, Activity 6.15 "Infrastructure that allows low carbon transport by road and public transport", included in 2022 in the eligible activities as regards motorway tolls, which could already generate doubts, if taken literally, as it would establish eligibility criteria only for that infrastructure that contributes directly and substantially to climate change mitigation, was considered non-eligible in the FNM Group's European Taxonomy analysis for the year 2023, causing a decrease in the

<sup>19</sup> Art. 8 (2) of the Taxonomy Regulation in conjunction with Art. 10 (4) of the Delegated Act.

<sup>20</sup> Sec. 1.2.2.1 (a) of Annex I to Article 8 of the Delegated Act.

percentage of Eligible Turnover. This choice was based on a critical analysis of the documents issued during the year, which led the FNM Group in a precautionary manner not to include activity 6.15 amongst those that contribute to climate change mitigation.

The FNM Group reserves the right to reconsider its assessments and interpretations in future reporting periods, in order to take into account any changes in the regulatory framework or further clarifications that may be issued in the meantime by national and European authorities or trade associations. Furthermore, the FNM Group, pending further regulatory developments, is engaged in continuous improvement of the activities necessary to ensure complete and accurate compliant reporting.

### List of European Taxonomy-eligible activities for the FNM Group for the year 2023

Objective: Pollution prevention and control
2.1 Collection and transport of hazardous waste
Objective: Transition to a circular economy
2.2 Production of alternative water resources for purposes other than human consumption
2.3 Collection and transport of non-hazardous and hazardous waste
3.1 Construction of new buildings
3.2 Renovation of existing buildings
3.4 Maintenance of roads and motorways
3.5 Use of concrete in civil engineering
Objective: Climate change mitigation
3.2 Manufacture of equipment for the production and use of hydrogen
4.1 Electricity generation using solar photovoltaic technology
6.1 Passenger interurban rail transport
6.2 Freight rail transport
6.3 Urban and suburban transport, road passenger transport
6.4 Infrastructure for personal mobility, cycle logistics
6.14 Infrastructure for rail transport
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in the parking spaces attached to buildings)
7.7 Acquisition and ownership of buildings

### Alignment analysis of the FNM Group's activities

The activity **“6.1. Passenger interurban rail transport”** contributes substantially to the Climate Change Mitigation objective for the year 2023, respecting the technical screening criteria defined in the Regulation and at the same time the Do No Significant Harm (DNSH) criteria, in addition to respecting the Minimum Safeguards (MS).

Aligned activity **“6.1 Passenger interurban rail transport”**, specifically concerning the purchase, rental and lease of trains and locomotives (“rolling stock”) for rail transport on the major passenger

networks distributed mainly in the Lombardy area, met the technical criterion “a) the trains and passenger coaches have zero direct (tailpipe) CO<sub>2</sub> emissions”, as they are electric.

### **Analysis of Do No Significant Harm (DNSH) criteria**

For the classification of the Taxonomy-aligned activity “6.1. Passenger interurban rail transport”, the FNM group is required to verify that the above-mentioned activities comply with the Do No Significant Harm (DNSH) criteria, i.e., do not cause harm to the other 5 Taxonomy objectives, according to specific criteria set forth in the Regulation.

An analysis of the DNSH criteria for each applicable environmental objective to which the economic activity makes a substantial contribution is presented below.

### **Climate change adaptation**

As concerns the alignment of activity 6.1. Passenger interurban rail transport, the DNSH criterion relating to **Adaptation to Climate Change** requires companies to demonstrate the presence of i) a sound analysis of physical climate risks that may affect business performance, ii) an analysis of climate vulnerability and iii) an analysis to identify relevant adaptation solutions to reduce the risks identified.

In 2023, a climate risk analysis was initiated that allowed us to identify the main acute and chronic physical risks relating to temperature, wind, water and solid mass. Through the study of possible climate scenarios (Intergovernmental Panel on Climate Change scenarios from RCP 2.6, which is in line with a temperature increase of less than 1.5°C by 2100, to RCP 8.5, which corresponds to an increase of more than 4°C), climate risk exposures were assessed by considering and mapping, through the respective geographical coordinates, a list of the FNM Group’s assets (railway stations, motorway barriers, offices, depots and garages) and considering time horizons up to 2050. Risk projections were based on international global climate databases (e.g., IPCC, Copernicus), over various time horizons: short (2025), medium (2030-2040) and long term (2050), ensuring compliance with the DNSH (Do No Significant Harm) requirements for Climate Change Adaptation.

### **Transition to a circular economy**

As concerns the alignment of activity “6.1. Passenger interurban rail transport”, the DNSH criterion relating to the “Transition to a circular economy” objective specifically requires the activity to introduce measures for waste management, according to the waste hierarchy, especially in maintenance phases. However, maintenance of the rolling stock in question is not considered for the definition of aligned activities, since it is not one of the activities managed by FNM.

In addition, the FNM Group has implemented specific measures, such as the reuse of existing seat materials within its TAF trains, which are being revamped, in the amount of 41%. In particular, revamping allows for an extension of the useful life of the rolling stock ranging from 5 to 12 years depending on the type of rolling stock, with a view to a circular economy and therefore asset reuse.

### **Pollution prevention and control**

The DNSH criteria relating to the “Pollution prevention and control” objective are linked to the emission limits set forth in Annex II of Regulation (EU) 2016/1628 of the European Parliament and

of the Council, applied to engines for locomotive propulsion (RLL) and engines for railcar propulsion (RLR). These criteria are not applicable in the context of activities “6.1. Passenger interurban rail transport” of the Group, as the rolling stock used, considered for alignment, employs an exclusively electric propulsion system and, therefore, does not generate any impact in terms of emissions. Finally, it should be noted that, in accordance with the Taxonomy Regulation, the verification of compliance with the Do No Significant Harm (DNSH) criteria for the remaining two environmental objectives **Sustainable use and protection of water and marine resources** and **Protection and restoration of biodiversity and ecosystems** is to be considered “not relevant” due to the nature of the activity “6.1. Passenger interurban rail transport”.

### Minimum Safeguards

As mentioned above, in order to define an economic activity as Taxonomy-aligned, the Taxonomy requires compliance with minimum safeguards. Article 18.1 of the EU Taxonomy Regulation describes Social Minimum Safeguards as procedures implemented by a company to ensure that its economic activities are aligned with a set of internationally recognised standards.

The FNM Group carries out business activities in accordance with the OECD Guidelines for Multinational Enterprises and in compliance with the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the eight fundamental conventions identified in the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

In particular, FNM has adopted a Code of Ethics that refers to the rules deriving from the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions as well as the respective internal regulations recently updated with the “Anticorruption Law” (Law No. 190 of 6 November 2012) as amended, aimed at prosecuting phenomena of corruption committed in Italy.

The 4 areas identified by the *Platform on Sustainable Finance*<sup>21</sup> were considered: Human Rights; Corruption; Taxation; Competition. In order to identify, manage and mitigate risks linked to the above-mentioned issues, the FNM Group has adopted Policies, Management Models, prevention actions and remediation mechanisms.

The Group is committed to and protects human rights through its policies and code of ethics. It is also a signatory of the United Nations Global Compact and has adhered to the 10 founding principles relating to human rights, working conditions, the environment and the fight against corruption.

In its external relations with suppliers and subcontractors, the FNM Group applies the principles contained in the Code of Ethics, and again in 2023 the “due diligence” activity aimed at third parties continued. However, in this context it should be noted that any purchase made by the Purchasing department is validated by the Compliance department before proceeding with the awarding of the contract. In order to ensure greater transparency in disclosure, the Internal Dealing Code has been approved and adopted, which governs disclosure and conduct obligations relating to financial transactions.

The Group’s commitment to anti-corruption and anti-bribery is enshrined and included in the Anti-Corruption Policy and the Code of Ethics. An ISO 37001-certified Anti-Corruption Management System has been adopted, and there is an anti-corruption audit plan, a whistleblowing system for the anonymous reporting of potential issues and a training programme involving Group employees

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<sup>21</sup> In October 2022, the Platform on Sustainable Finance published a Report on Minimum Safeguards, identifying four “Substantive” or “Core” Topics with which MS compliance must be associated, which are to be assessed at entity/group level and not at individual economic activity level. In the June 2023 document, the European Commission indicates that “For further informal advice on best practices, users are invited to consult the Final Report on Minimum Safeguards of the Platform on Sustainable Finance [...]”.

across a number of levels. Finally, the FNM Group specifies in its Code of Ethics that it does not make contributions to political or trade union parties, movements, committees and organisations. During the year, there were no final convictions against the FNM Group relating to issues of unfair competition, tax evasion episodes, bribery/corruption events or episodes of human rights and workers' rights violations. In this respect, there were also no incidents or unlawful acts attributable to corruption or violations of the Code of Ethics

## 5.1 Financial capital

### The main investments

GRI 3-3, 203-1

**Gross investments made with equity** by the FNM Group totalled EUR 72.1 million compared to EUR 145.5 million in the previous year, and are itemised as follows:

- investments in the **Motorway** segment amounting to EUR 26.5 million (EUR 58.9 million in 2022) mainly related to the upgrading of S.P.46 Rho-Monza, extraordinary maintenance on the Po bridge viaduct and the start of work on upgrading the safety barriers and lighting on the A51;
- investments in the **Ro.S.Co.& Services** segment for EUR 18.3 million, of which EUR 14.0 million in rolling stock, primarily due to the acceleration of modernisation activities involving TAF trains leased to Trenord (see section 5.2 for further details);
- investments in the **Road Passenger Mobility** segment of EUR 21.6 million (EUR 26.7 million in 2022), mainly attributable to the purchase of 68 buses, of which 11 electric buses;
- investments classified in the **Rail Infrastructure** segment amounting to EUR 5.7 million (EUR 8.0 million in 2022), relating to the car park at the Affori station and the expansion of the Sacconago Terminal.

The **financed investments** managed by the FNM Group on behalf of the Lombardy Region in accordance with the Programme Contract and the Service Agreement held by FERROVIENORD include EUR 195.3 million relating to railway infrastructure modernisation and the supply of airport rolling stock (EUR 63.1 million in 2022).

FERROVIENORD's execution of Trenord's **rolling stock renewal programme** on behalf of the Lombardy Region also continued, with the delivery of 58 new trains, bringing the total to 144 trains out of a total of 214 planned by 2025 (see section 5.2 for more details).



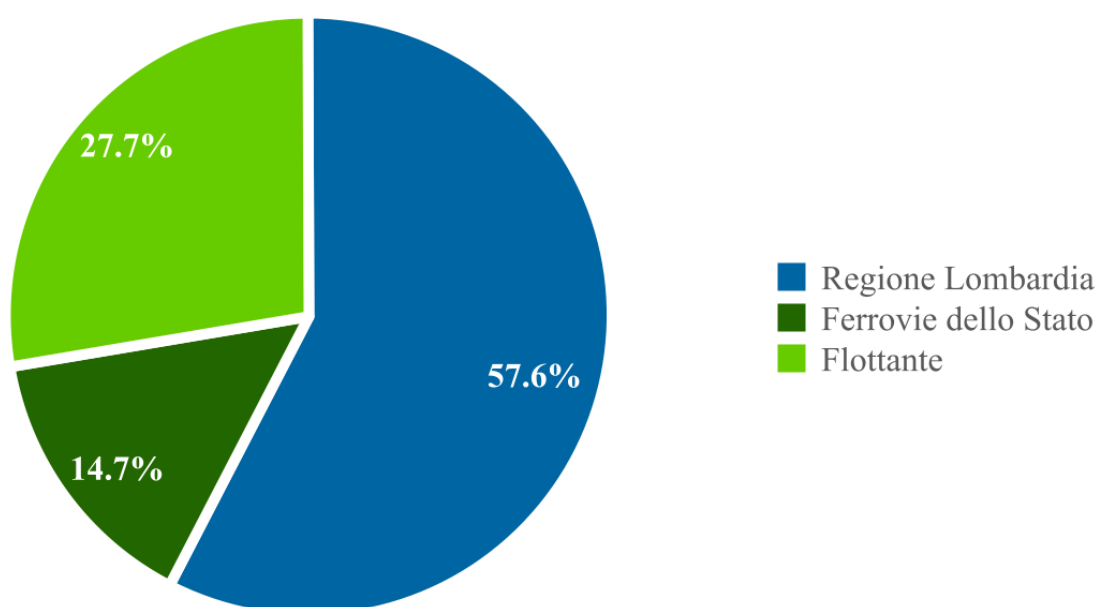
## Funding sources: Public Administration and shareholders

GRI 2-1, 2-6, 201-4

FNM is a joint-stock company listed since 1926 on the Euronext Milan market (EXM, formerly Mercato Telematico Azionario - MTA) organised and managed by Borsa Italiana.

As at 31 December 2023 the share capital amounted to EUR 230,000,000.00, corresponding to 434,902,568 ordinary shares with no par value.

At the same date, to the best of the Company's knowledge based on the communications received in accordance with Article 120 of the Consolidated Law on Finance ("TUF") and other available information, the shareholder structure of the Company showed the following material shareholdings:



The Company's creditworthiness has been evaluated as investment grade by two leading rating agencies, with Fitch assigning it a rating of BBB with stable outlook and Moody's assigning it a rating of Baa3 with stable outlook, unchanged compared to 2021.

Both ratings also apply to the EMTN Programme (Euro Medium Term Note Programme), the constitution of which was approved on 16 September 2021, and the EUR 650 million bond issue placed on 13 October 2021.

For further information, please refer to the notes published on the Agencies' websites, and in the Investor > Debt and Credit Rating > Credit Rating section of the Group's website.

**FNM** confirms its commitment to improving and expanding its dialogue with the financial community by promoting opportunities for meetings and discussions with the top management, both nationally and internationally, aimed at providing updates on the evolution of the infrastructure and mobility services sector, the macroeconomic context in which the Group operates and business developments. Market disclosure activities are carried out in accordance with the applicable regulations governing the handling of inside information and the provisions of the Regulation for internal management and public disclosure of inside information.

### **FNM in Sustainability ratings**

Investors are increasingly active on the issue of responsible investment, and ESG ratings are a key element used by the financial community to steer their investment decisions towards companies with lower risks and greater opportunities in the Environmental, Social and Governance (ESG) sphere. ESG ratings are developed by specialised agencies that collect information from public sources and require companies to fill out assessment questionnaires. Again in 2023, FNM was voluntarily subjected to assessment by Sustainalytics and CDP (Climate survey area). In particular, in November, Sustainalytics gave FNM an ESG rating of 6.6, an improvement on its score of 7.4 in 2022. FNM is thus confirmed amongst the top 40 companies rated by Sustainalytics worldwide (around 15,600) and in 5th place among the 183 entities active in the transport infrastructure sector, thanks to its positive assessment of risk management with regard to the sustainability of services, community relations, occupational health and safety and anti-corruption. The result of the 2023 CDP questionnaire, received in February 2024, shows an improvement compared to the previous year in the survey areas relating to emission reduction initiatives and low-emission services, Scope 3 emissions reporting and climate risk disclosure.

By virtue of the specific nature of its operating activities, the FNM Group also receives third-party resources disbursed in the form of contributions and fees paid by various Public Administration entities, mainly related to railway concessions and fees for local public transport services.

The main contributions and other forms of financial assistance received from Public Administration (PA) from 2023 to 2021 are listed below.

<b>EUR mln</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Public funding received	667,358	462,044	256,632

\* The comparative figures have been restated as the relevant quantification methods have been revised.

## Tax transparency

GRI 207-1, 207-2, 207-3

In line with its sustainability strategy, FNM acts according to the values of honesty and integrity in the management of its tax activity, with the awareness that tax revenues constitute one of the main sources of contribution to the economic and social development of the country in which the Company operates.

FNM considers taxes to be a cost variable of the business activity, which, as such, must be managed, also by identifying the most effective solutions for the optimisation of the tax burden, in compliance with the principle of legality, with the aim of safeguarding the company's assets and pursuing the primary interest of creating value for shareholders in the medium-long term.

The Board of Directors and Top Management guide the dissemination of a corporate culture marked by the values of honesty and integrity and the principle of legality. To this end, they rely on the support of the internal control functions and the Finance, Tax and Insurance Function (Administration, Finance & Control Department) to ensure compliance with tax regulations, ensuring the timely detection and assessment of tax risks and playing a role in guiding, coordinating and controlling the Group entities.

The FNM Group maintains behaviour oriented towards compliance with the applicable tax regulations, interpreted in a manner that conforms to the principles of the tax system and the underlying rationale of regulations, in order to ensure responsible tax risk management. This is with the ultimate aim of efficiently and effectively balancing the objective of satisfying the legitimate interests of all stakeholders with respect for the law and protection of the interests of the community.

As a company, FNM has an obligation to its shareholders and stakeholders not to pay more tax than is legally due, ensuring in all cases that it obtains legitimate tax savings and avoids undue tax advantages.

In addition, as part of the "Tax Control Framework" project, the FNM Group is currently awaiting the publication of the implementing decrees of the 2023

Delegation Law for the reform of the tax system, which contains measures intended to strengthen and extend the cooperative compliance regime. The goals of the legislature are to broaden the number of taxpayers able to access it, establishing additional bonus effects in addition to those currently in place in favour of "virtuous" taxpayers and introducing operational simplifications.

The FNM Group's tax policy is therefore characterised by a strong orientation towards tax risk control and compliance, consistent with the provisions of current legislation and national and international best practices. The management of the tax variable is based on a proactive, rather than reactive, approach, in accordance with the Group's ethical principles. The purpose of this approach is to outline how tax risk is to be effectively detected, measured, managed and controlled, in order to:

1. preserve the primary interests of the Group;
2. maximise development opportunities where possible;
3. achieve tax compliance.

**Reporting of taxes paid**

	2023	2022	2021
<b>FNM Group</b>			
<i>Property, plant and equipment other than cash and cash equivalents</i>	EUR 1,717,222	EUR 1,782,267	EUR 1,576,672
<i>Corporate income taxes paid on a cash basis</i>	EUR 30,919	EUR 18,122	EUR 14,810
<i>Corporate income taxes accrued on profits/losses</i>	EUR 23,517	EUR 28,270	EUR 17,143

Please note that the 2021 figures in the table above differ from those published in the previous Sustainability Report-NFS because MISE and MISE Engineering, which entered the scope in February 2021, were also included in the calculation.

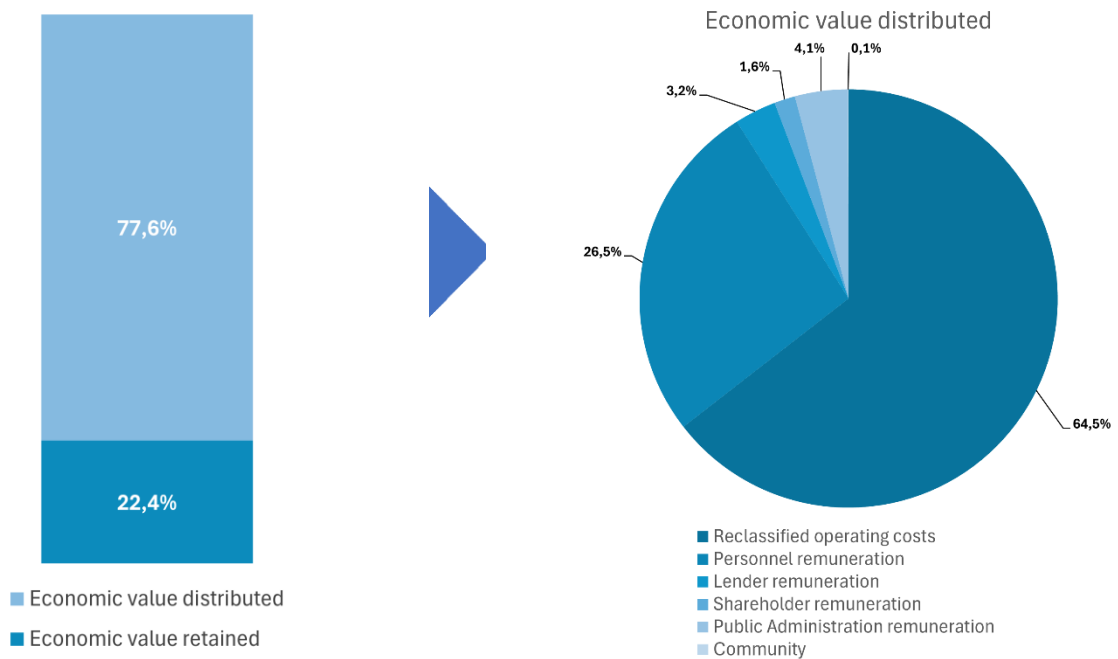
## Economic value generated and distributed

GRI 2-6, 201-1

The creation of economic value is extremely important for the Group, as it makes it possible to guarantee long-term sustainability and the possibility of constant investment. In 2023, the economic value generated was EUR 796.7 million, an increase of 11% over the previous year, and represents a summary of the main results achieved and the impact generated in economic and employment terms.

The value includes remuneration to employees, the payment of taxes to the public administration, financial expenses to lenders and the distribution of dividends to shareholders. Finally, the “Reclassified Operating Costs” item includes the value of costs incurred for raw materials, consumer materials, reclassified other operating costs, costs for services and financed investments.

Specifically, the economic value distributed by the Group to its stakeholders amounts to approximately EUR 617.9 million, up by 11.5% compared to 2022.



Aware of its role in the local area, in 2023, the **FNM Group** contributed around EUR 560 thousand to local communities, an increase of 12% over 2022, channelling most donations to non-profit organisations and social and cultural projects. In the association context, the Group supported the development of the associations it belongs to through its membership fees of nearly EUR 1.4 million, a 58% increase over 2022 (against a substantial increase in the number of associations in which it participates), including membership fees and voluntary contributions.

## Sustainable procurement

GRI 2-4, 3-3, 2-6, 204-1, 308-1, 414-1

The **FNM Group** considers procurement to be an activity of strategic importance, essential to guarantee high quality services and reduce environmental and social impacts on the environment and the community in which it operates. To minimise potential negative impacts, the Group pays particular attention to the selection of certified products and qualified suppliers and establishes:

- requirements for admission to tenders that identify an economic capacity proportional to the value of the assignment;
- technical capacity requirements aimed at proving the quality of the goods (e.g. RFI certified products used for railway infrastructure maintenance), services and works (e.g. possession of certifications relating to international technical standards relevant to the subject of the assignment);
- suppliers enrolled in qualification systems that guarantee compliance with technical-economic requirements even before being invited to submit an offer;
- technical specifications that guarantee the possibility of raising objections against suppliers in the event of non-compliance.

In compliance with the Public Contracts Code (Legislative Decree 36/2023), the FNM Group adopts public procedures for the majority of works, service and supply contracts.

Suppliers are selected by means of open procedures, qualification systems, market survey notices or through the Supplier Register<sup>22</sup>. Supplier rotation is ensured according to the number of invitations received in previous procedures. For contracts of particular importance, pre-qualification criteria, such as references and professional experience, may be introduced. In addition to economic criteria, “offer technical prestige” assessment criteria are also applied in relation to the product/service subject to the tender process.

Since the approval in 2018 of the Guidelines for Sustainable Purchasing for the adoption of environmental and social sustainability criteria in the purchasing process, FNM has started customising the e-procurement platform and completed its integration with SAP HANA management system. The development of the e-procurement platform made it possible to formalise measurement KPIs, integrate private tenders and sales and implement electronic signatures.

Through the Guidelines for Sustainable Purchasing, Group companies are encouraged to develop a priority list to identify products, services or professionals with sustainability criteria. These criteria may include environmental, social, climate, recyclability and circular economy aspects. Supplier selection is based on the ability to perform the work and the evaluation of experience and competence in environmental and social aspects. Suppliers must therefore demonstrate their technical and professional capacity, including environmental management and the traceability of their supply chain. It is emphasised that the definition of requirements for sustainable procurement must consider the market context and relevant environmental and social laws.

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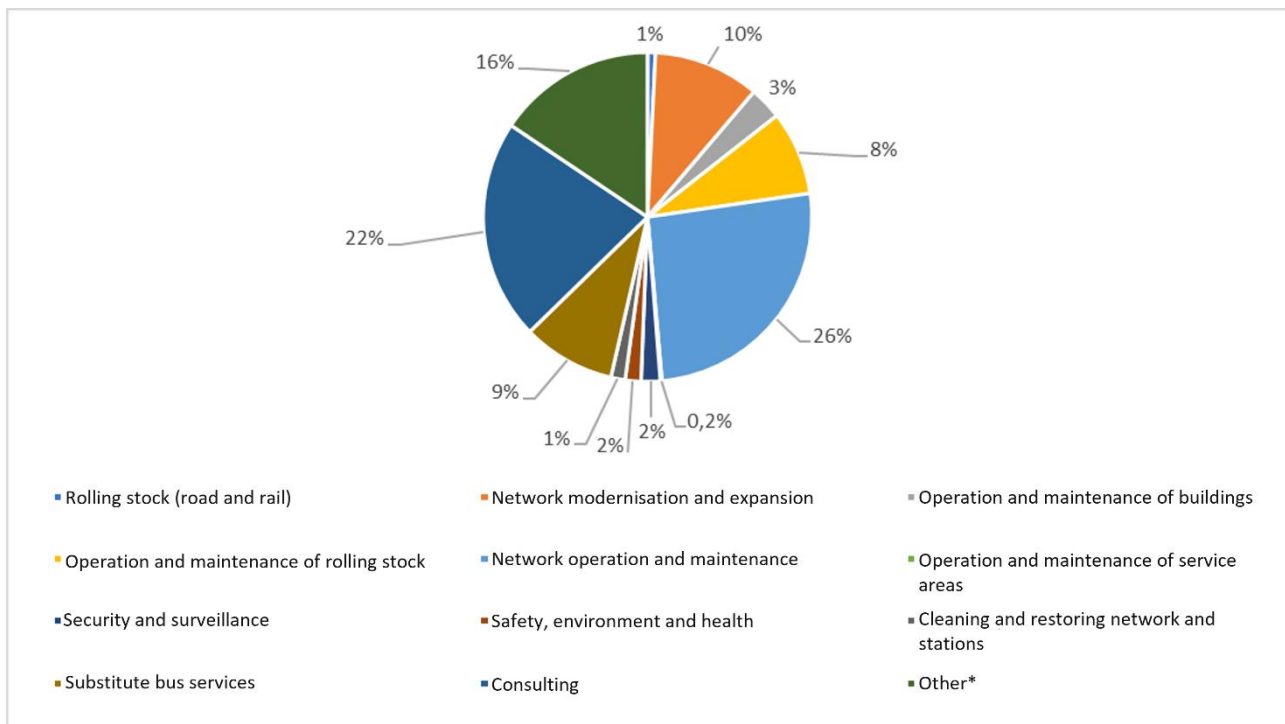
<sup>22</sup> The FNM Group’s Supplier Register was set up via Regulation 11 on the Establishment and Management of the Register of Economic Operators for the Allocation of Contracts for the Supply of Goods and Services of 16/05/2019.

The Group is also committed to implementing a Vendor Rating system to rectify any problems and formulate challenges for a fair evaluation of supplier performance. In particular, **FERROVIENORD** is developing procedures to ensure technical-administrative compliance in the supply chain of goods managed in the warehouse.

**MISE** too, with a view to full integration with the FNM Group, uses the e-procurement platform for invitation procedures below the EU threshold and from 2023 also for acquisition procedures. In 2023, MISE also confirmed participation in the FNM Group’s Supplier Register and for certain product categories, the economic operator must demonstrate its possession of certain certifications (e.g., ISO 14001 and 45001) when registering.

**Environmental and social sustainability criteria integrated into the supply chain: FNM Group**

The graph below shows the 1,282 tender processes managed by **FNM** and **MISE** in 2023 broken down by the main supply categories.



\* It should be noted that the “Other” category includes supplies relating to other internal activities including, by way of example, translation, supply of water bottles and plastic jugs and new IT equipment, training courses, insurance/supplementary healthcare policies, organisation of events/advertising/communications.

The data do not include supplies of the company ATV

**Procedures subject to environmental and social criteria\*\***

	2023	2022	2021
Supplies	70%	68%	96%
Works	99%	95%	98%
Services	25%	35%	10%
<b>Total</b>	<b>81%</b>	<b>75%</b>	<b>87%</b>

\*\* Following a methodological refinement, the data for 2022 were recalculated to also include MISE and MISE Engineering.

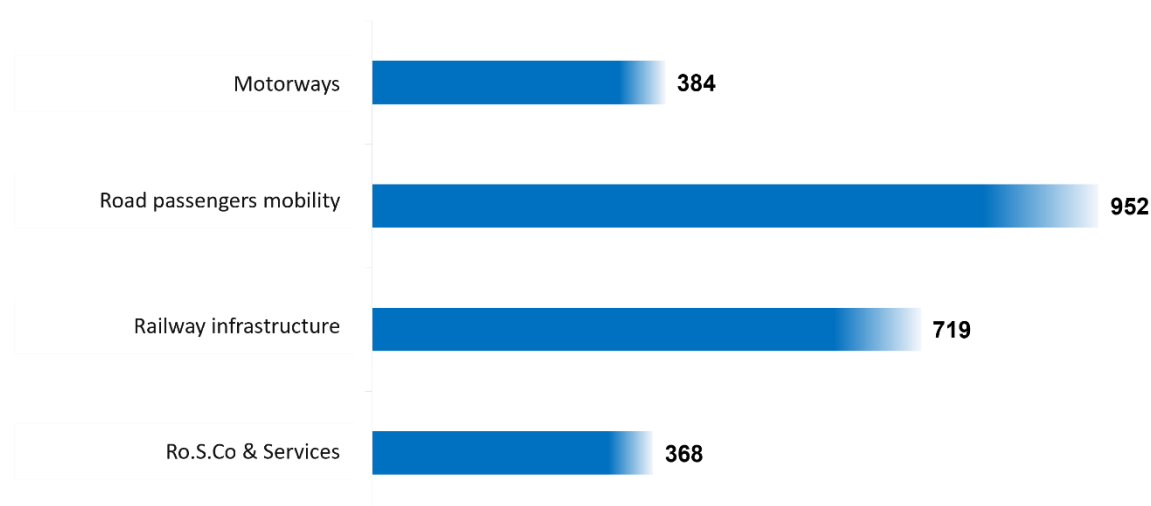
In 2023, 81% of the tenders launched complied with environmental and social criteria, with a total economic value of approximately EUR 952 million out of a total of roughly EUR 1,179 million. As

regards tenders above the EU threshold, the Group prioritises suppliers who are in possession of the ISO 14001 Environmental Management System and SA 8000 Social Responsibility certifications, where applicable. SA 8000 certification is required for labour-intensive tenders, while social clauses are implemented in order to promote employment continuity in the event that there is a new winner.

During the year, the **FNM Group** managed supplier relationships with 2,423 suppliers, with total supplies purchased from third parties valued at EUR 788.2 million (+4% over 2022).

It should be noted that again in the course of 2023, due to the continuing global economic crisis and rising prices of raw materials and many semi-finished products, requests were received for the revision of contract prices and it was difficult to obtain offers for extended supply periods (exceeding one year).

**NUMBER OF ACTIVE SUPPLIERS BY SEGMENT, YEAR 2023**



In line with previous years, the majority of procurement is from suppliers operating in Italy, in 2023 the percentage is 89.5%, up slightly from 88.1% in 2022. The group's total procurement is up year-on-year as well, by 3.5%.

**VALUE OF THE FNM GROUP'S PURCHASES BY SEGMENT (EUR)**

	2023		2022	
	Italy	Other countries	Italy	Other countries
Motorways	124,066,728	-	78,104,993	-
Railway infrastructure	495,189,551	77,257,791	469,256,192	33,778,967
Road passenger mobility	61,463,061	4,792,917	93,916,758	187,044
Ro.S.Co. & Service	24,770,490	648,177	29,124,854	56,944,777
<b>Total</b>	<b>705,489,830</b>	<b>82,698,885</b>	<b>670,402,797</b>	<b>90,910,787</b>



## 5.2 Production and intellectual capital

### Motorways

GRI 3-3, 203-1

The FNM Group is present in the Motorways sector thanks to FNM's 100% controlling shareholding in **Milano Serravalle - Milano Tangenziali (MISE)**.

**MISE** is the concessionaire for the design, construction and management of the A7 Serravalle-Milan Motorway and the North, East and West Milan Ring Roads pursuant to the concession agreement signed on 7 November 2007, expiring on 31 October 2028, between MISE, as concessionaire, and ANAS S.p.A. (subsequently replaced by the Ministry of Infrastructure and Transport), as the Awarding Body. Specifically, the total length of the motorway infrastructure under concession is 184.9 km<sup>23</sup> of which 124.1 km with three lanes.

The motorway section managed by MISE includes the A7 section (a "closed" motorway system with entry and exit gates) and the Milan ring roads (a "semi-closed" motorway system with toll barriers) with entry and exit gates equipped with the Telepass service.

Motorway toll booths (no.)			
	2023	2022	2021
Entry gates	8	8	9
Entry gates with Telepass service	6	6	6
Manual exit gates	20	20	27
Exit gates with automatic payment system	39	39	34
Exit toll gates with dedicated Telepass gates	10 toll booths of which 28 gates with Telepass service	10 toll booths of which 28 gates with Telepass service	10 toll booths of which 28 gates with Telepass service

**Milano Serravalle Engineering S.r.l.**, a wholly-owned subsidiary of the motorway concessionaire Milano Serravalle-Milano Tangenziali, is an engineering company specialised in the design of motorway and road infrastructure and plants, the planning of maintenance on the same infrastructure, project management and safety coordination during the design phase, as well as the execution and inspection of motorway infrastructure.

In 2023, toll-paying traffic recorded a total of 3,156 million vehicles/kilometres travelled, an increase of 6.0% compared with 31 December 2022.

The figure stands at approximately 2,534 million vehicle-km with an increase of 7.6% compared to the year 2022 for light vehicles, while heavy vehicles recorded a value of approximately 621 million vehicle-km, in line with the previous period.

### Safety and Accidents

Traffic Wardens and Road Managers provide assistance to travellers in critical situations, such as accidents, traffic jams or narrowing of the carriageway. Activities in the Road sector follow detailed operational procedures, informing users through Variable Message Signs (VMS). During 2023, the

<sup>23</sup> The total length of the network in operation increased by 5.8 km following the opening to traffic of the upgraded S.P. 46 Rho-Monza (northern ring road of Milan).

service levels of Traffic Wardens and Road Managers were updated and a free toll-free number for real-time traffic information was activated. In addition, coordination between law enforcement, rescue and Road Manager activities is ensured by Radio Information Centre Operators through an integrated management centre.

During the course of the year, 30,661 interventions were carried out, 53% of which were by partner organisations and the remaining 47% by traffic wardens.

Traffic warden service (No.)			
	2023	2022	2021
Traffic wardens	70.3*	62	62
Number of Road Managers	6.5*	5	5
Number of interventions performed	30,661	26,825	25,154
<i>by the Traffic Wardens</i>	14,328	11,496	11,733
<i>by other partners (ACI, VAI, IMA and SI24)</i>	16,333	15,329	13,421
Warden interventions on accidents	3,222	2,758	2,297
Warden interventions due to traffic jam reports	366	414	889
Warden interventions for user rescue and support	7,266	5,456	5,538
Other warden interventions	3,474	2,841	3,009

(\* ) average number per year

In 2023, the number of accidents recorded on the network under concession (A7, A50, A51 and A52) increased compared to 2022 (+15%). The biggest increases were on the A7 and A52 (+17%) and A51 (+11%) sections. The increase in the number of accidents is attributable to higher rainfall (rain events +73% compared to the year 2022, which recorded low rainfall), the higher number of vehicle-km recorded during the year and the increase in vehicle-km following the opening of the Rho-Monza (A52) at the end of 2022. The increase in accidents also concerned accidents with injuries +11%, while there was a marked decline in fatal accidents, which fell from 7 in 2022 to 1 in 2023.

Accident data (with injuries and fatalities) are certified annually by the Traffic Police for each six-month period.

The accident rate of 57.45% is calculated as the number of accidents per 100 million vehicle-km and, consistent with the rise in vehicle-km, rose compared to 2022 (53.23%). The company ensures road safety through continuous monitoring of infrastructure conditions, in terms of asphalt, barriers, lighting and signage, and the relative repair and maintenance work, as well as by constantly informing users on the website, call centre and VMSs about traffic conditions and weather hazards, and by disseminating messages to raise awareness of proper driving behaviour.

Accidents on passenger/freight routes									
	2023			2022			2021		
	Total	With wounded	Fatal (*)	Total	With wounded	Fatal (*)	Total	With wounded	Fatal (*)
A7 Mi Serravalle	380	98	0	325	101	4	289	93	2
West Ring Road	651	228	1	566	189	2	560	202	3
East Ring Road	451	166	0	407	153	1	368	118	-
North Ring Road	335	117	0	286	106	0	269	94	-
Total network	1,817	609	1	1,584	549	7	1,486	507	5

(\*) In accidents in which, in addition to a possible fatal outcome, there are also wounded individuals, the figure will only be calculated from the events/accidents with a fatal outcome. The figure for Radio Information Centre operations in 2022 is adjusted to 42,762 instead of 47,623.

**MISE** provides security services to customers through the annual submission of emergency plans to the relevant authorities. These plans address critical issues relating to long-term road works, changes in route configuration and winter snow phenomena. In order to ensure suitable safety and traffic conditions, the company prepares and agrees upon action plans with the relevant authorities and bodies involved. For activities in response to winter weather, such as snow, the company has special vehicles and equipment and, in case of near-zero temperatures, activates the prevention service with salt spreaders along the transit network. 2,759 tonnes of salt were consumed in 2023.

Winter equipment (no.)			
	2023	2022	2021
Equipment / Weather stations*	15	15	15
of which basic control units	6	6	6
of which for fog	2	2	2
of which for ice	3	3	3
of which for ice and fog	4	4	4
Operating vehicles (snowploughs, salt spreaders)	192	191	189
Operators	35	32	30

(\*) The weather equipment refers to local data collection stations (weather stations) used for both normal traffic management and during the winter season for the management of ice prevention and snow removal operations. It also includes 6 base stations that provide data such as temperature, humidity, precipitation type and intensity.

The technical, organisational and management measures established in the Emergency Plans serve to counteract any unfavourable conditions and to ensure the safe movement of traffic with adequate information to the travelling public. The Plan, drawn up on the basis of the “guidelines” issued by the Ministry of the Interior and AISCAT (Italian Association of Toll Motorways and Tunnels Operators), specifies the various conditions resulting in “alert codes” and the resulting measures to

be taken. Also in this area, in 2021 **MISE** signed an agreement with the Italian Red Cross for the deployment of personnel in cases where it is necessary, dedicated social and health assistance for transit users in cases of congestion and blockage of traffic flows due, for example, to critical weather events.

The total number of weather events recorded in 2023 rose compared to the previous year, with a significant increase in rain events (+73%) and a decrease in fog events (-56%).

#### Weather events – years 2023 - 2021

	2023			2022			2021		
	Total	Rain	Fog	Total	Rain	Fog	Total	Rain	Fog
A7 Mi Serravalle	168	133	35	138	84	54	126	80	46
West Ring Road	142	136	6	101	77	24	108	89	19
East Ring Road	133	130	3	97	80	17	97	88	9
North Ring Road	120	120	0	64	58	6	71	68	3
<b>Total network</b>	<b>563</b>	<b>519</b>	<b>44</b>	<b>400</b>	<b>299</b>	<b>101</b>	<b>402</b>	<b>325</b>	<b>77</b>

Affiliated workshops such as ACI, IMA, VAI and SI24 provide assistance in the event of mechanical failure or vehicle recovery due to accidents on all licensed routes. The company has specific contracts to ensure that emergency vehicles are present at permanent construction sites or in road disturbance situations, as well as fixed oversight mechanisms involving heavy-duty trucks to restore safety and passability during winter snowfall events. The activities carried out by the workshops include repairs on the motorway, refuelling of liquids and fuel, and transport or towing to the closest workshop at the nearest possible exit.

#### Rescue management (no.)

	2023	2022	2021
Number of authorised mechanical workshops in coordination with the Radio Information Centre	38	36	29
Number of Medical Rescue interventions	284	278	237
Number of events monitored and managed by the Radio Information Centre	47,097	47,623	41,538
Number of SOS posts (every 2 km)	168	162	164
Number of emergency stopping areas	184	184	139
Number of Webcams along the motorway network	155	140	136
Number of variable message signs (VMS)	152	143	147
of which mobile	66	47	46

As far as motorway maintenance is concerned, **MISE** monitors the pavement index (Ipav) as an indicator for the definition of the quality of the structural state in terms of adherence and evenness of the motorway surface, with a discrete value of 68.93 Ipav (class between B and C). The motorway

network has around 867.3 km of safety barriers and around 28 km of noise barriers and is equipped with 16 LED sequential curve signalling systems.

### Service areas and the new sub-concession contracts

In 2018, **MISE** launched a public tender to improve products and service quality in motorway service areas and foster competition in terms of price, operators and brands. During the technical bidding phase, the main criteria related to user service, sustainability and energy efficiency, including aspects such as building insulation, the use of alternative energy, offering environmentally friendly fuels and services devoted to people, children and pets.

The signing of new sub-concession contracts, which started at the beginning of 2021, continued during the year and, as at 31 December 2023, the takeover of 31 lots (13 oil-fuel stations, 14 food-refreshment outlets and 4 Driven lots) in 17 service areas had been finalised. In 2023, a number of facility upgrading and service enhancement projects began. Once the lot has been awarded, MISE will be responsible for conducting monthly inspections to verify compliance with the tender requirements, such as guaranteed fuel distribution points, services offered to users, prices displayed to customers and the conditions of pavement and green areas.

MISE manages 19 service areas, of which 14 will include LPG refuelling areas, 4 CNG, 19 petrol and diesel and 3 electric recharging. Most areas offer a cafe service (18) and in some cases a restaurant service as well (4). Each area has parking spaces reserved for the disabled and for cars, trucks and buses. In total, there are 1,010 parking spaces for users. All service areas are equipped with toilets, 84% of which are equipped for babies.

Main service area characteristics (No.)		
	2023	2022
Refuelling service	19	19
Electric vehicle charging service	3	2
Total recharge points	15	12
Mechanical assistance	1	1
Camper service	7	7
Refreshment locations	18	18
Market	18	18
Hotels	1	1
Toilets with showers	12	12
Dedicated areas for animals	3	3
Wi-fi service	17	17
ATM service	2	2

## Ro.S.Co. & Services

GRI 3-3, 203-1, 302-4

This segment refers to sectors of activity in which FNM operates directly. It includes the leasing of rolling stock to investee companies operating in the collective transport and freight transport sectors, as well as the supply of centralised services to companies belonging to the **FNM Group**, including digital payment services provided by the **FNMPAY** platform.

At 31 December 2023, **FNM's** fleet consisted of 102 trains (98 owned and 4 leased), divided by type (electric trains and locomotives) and user (**Trenord, DB Cargo Italia**).

<i>Fleet</i>	<i>Number of rolling stock</i>	<i>Type</i>	<i>Fuel type</i>	<i>User</i>
TAF	25	Passengers	Electric	Trenord
TSR	19	Passengers	Electric	Trenord
Coradia and CSA	18	Passengers	Electric	Trenord
TILO ETR	9	Passengers	Electric	Trenord
DE520	4	Rescue/Manoeuvre	Diesel	Trenord
EFFISHUNTER	4	Rescue/Manoeuvre	Diesel	Trenord
E474	1	Freight	Electric	DB Cargo Italia
E483	8	Freight	Electric	DB Cargo Italia
E494 (TRAXX DC3)	4 (leased by Railpool)	Freight	Electric and Last Mile	DB Cargo Italia
DE520	10	Freight/Shunting	Diesel	DB Cargo Italia
<b>Total</b>	<b>102</b>			

### TILO trains contribute to the FNM Group's energy saving objective

With a view to the ongoing quest for greater electricity savings, it is important to emphasise that the decision to purchase nine TILO trains allows for a reduction in energy consumption of around 5% compared to the previous fleet. Thanks to the adoption of a package of software modifications, it was indeed possible to ensure:

1. an optimisation of the traction drive operation;
2. the modulation of the gear selector (adaptation of the traction/braking characteristic);
3. the activation of "hibernation" mode;
4. hysteresis (or differential) switching of the compressor and air consumption (bioreactor with vent valve);
5. ventilation efficiency gains.

Through two different simulations and with the same number of kilometres travelled, we estimate annual savings for the fleet of:

1. 521,110 kWh in Switzerland with railway electrification systems using alternating current at about 15 kilovolts;
2. 465,300 kWh in Italy with railway electrification systems using alternating current at about 3 kilovolts.

The annual energy savings of the nine TILOs is therefore 986,410 kWh, which equates to a reduction in CO<sub>2</sub> emissions of around 524 tonnes (conversion factor of 0.531 kg CO<sub>2</sub> per kWh - source MITE).

## The new Ro.S.Co. fleet

In 2023, the Group continued its commitment to renewing the existing fleet, with an investment of about EUR 12 million for the modernisation of the High Frequency Train (TAF) passenger fleet and the DE520 locomotives for freight transport (the total investment in the two TAF and DE520 fleets is about EUR 47.5 million). In particular, TAF train modernisation makes a significant contribution in environmental terms, such as lower electricity consumption (estimated at -15%) and the reuse of 41% of the seat materials replaced during revamping. The table below shows the characteristics of the new rolling stock purchased directly by FNM to be leased to the investee companies operating in the LPT and freight sector (Trenord and DB Cargo) belonging to the Ro.S.Co. segment.

	CHARACTERISTICS OF NEW RAIL ROLLING STOCK	
	OWN FUNDS	
Company	FNM	FNM
Type of power supply	Electric Interoperable Dual-voltage Italy - Switzerland (TILO)	Hydrogen
Capacity	Medium capacity	Medium capacity
Constructor	Stadler	Alstom
Number of new trains	9 trains	14 trains
	<i>delivered</i> 9 trains (delivered between 2020 and 2022)	-
	<i>being delivered</i> Deliveries completed in 2022	6 to be delivered in 2025 2 to be delivered in 2026 remaining 6 trains to be ordered
Length (m)	104.9	96.7
No. of train bodies	6	4
Seats	244	>240
Standing	411	N/A
Doors per side	12	4
Maximum speed (km/h)	160	140
Toilets	2	2
Key technology	LED lighting, Wi-Fi, 220V and USB plugs, passenger information systems, energy measuring, people counters, cameras, remote diagnostics system, smart video surveillance, ERTMS/ETCS safety system.	
Accessibility	Retractable platforms at ground level to facilitate access.	
Environmental benefits	<ul style="list-style-type: none"> <li>• LED lighting, WiFi, bike stations and electric e-bike outlets;</li> <li>• mobile platforms to ensure accessibility for people with reduced mobility;</li> <li>• circulation safety system (ERTMS/ETCS);</li> <li>• reduction in electricity consumption;</li> <li>• noise reduction, regenerative braking to recovery electricity;</li> <li>• elevated rates of reusability (96%) and biodegradability (95%) of materials.</li> </ul> <p>More specifically, the diesel/electric trains are powered by a PowerPack equipped with two hi-tech, low-emissions diesel engines (Stage V with SCR catalyst) which can also use biodiesel to reduce emissions and battery packs. While the trains are travelling to storage and stations, the batteries enable the diesel engines to be turned off, with zero environmental impact.</p>	

## ERTMS technology terminates in Lombardy

FNM has been engaged since 2019 in technical working groups with the Ministry of Transport and the infrastructure manager RFI to develop the national plan for the implementation of the new

ERTMS/ETCS on-board technology system on national infrastructure and plans for the installation of the SSB (On-board Subsystems) on fleets in operation.

During 2022, RFI activated the ERTMS L2 Trackside Subsystem on the Chiasso-Desio and Novara-Rho sections providing regional services.

In 2023, trackside/train integration processes were completed for FERROVIENORD's Caravaggio, Donizetti and Colleoni trains on the Novara-Rho section. For FNM's TILO trains, L1 trackside/train integration processes were completed on the Chiasso and Luino border lines. The relevant authorisations are expected to be obtained in 2024.

Other trackside/train integration programmes are experiencing delays due to the complex procedures required by the TISs (Technical Interoperability Specifications). Simplifications in rolling stock authorisation procedures were therefore requested from RFI and ANSFISA.

In the meantime, FNM applied for EUR 7.15 million in 2020 from the European CEF Blending funds. The funding will be provided after the new fleet being purchased by FNM and FERROVIENORD is equipped with ERTMS safety systems by the year 2024.

### The services of FNMPAY

FNMPAY is a Payment Institution authorised by the Bank of Italy and enrolled in the Register of Payment Institutions, which is 100% controlled by FNM S.p.A. Launched in 2020, its aim is to provide digital payment solutions in line with the FNM Group's strategy. As the FNM Group's centre of competence on payments, it develops innovative technologies such as blockchain and tokens to improve the user experience. It currently offers services such as Acquiring, POS Terminals and Transit Gateway, continuing with the acquiring started in 2023.

### The FNM Group together with Trenord in the H2iseO Project



**H<sub>2</sub>iseO**  
ITALIAN HYDROGEN VALLEY

un progetto di  
**FNM** **FERROVIENORD** **TRENORD**

«H2iseO Hydrogen Valley»:  
an Italian hydrogen-based industrial value chain for a sustainable mobility system in Valcamonica, a UNESCO World Heritage Site, along the non-electrified Brescia-Iseo-Edolo railway line

The **FNM Group** is engaged in the promotion of the H2iseO project, which aims to develop a Hydrogen Valley in Valcamonica, starting from the use of hydrogen in local public transport. The project involves the purchase of 14 hydrogen-powered trains for the Brescia-Edolo railway line to replace the current diesel-powered trains. In this regard, in December 2020, FNM entered into a Framework Agreement with Alstom for the supply of 30 bi-directional hydrogen-powered trains and signed the first Executive Contract for the first 6 trains, which are under construction: the first one will be delivered in early 2024 for trial runs and, following the trials, all trains will enter commercial service between the end of 2024 and the beginning of 2025. On 22 December 2023, FNM and Alstom signed a second Executive Contract for the supply of two more hydrogen trains. For these and the other 6 trains (the order for which has yet to be formalised), entry into commercial service is planned for 2026.



Three CO<sub>2</sub>-free renewable hydrogen production, storage and distribution plants will also be built (in Iseo using Steam Reforming technology with the use of biomethane, renewable electricity and CO<sub>2</sub> capture; in Brescia and Edolo using electrolysis technology starting with electricity from renewable sources), which are scheduled to be activated in the first half of 2025 for the Iseo plant and by the first half of 2026 for the Brescia and Edolo plants. The project also calls for the construction of a mobile refuelling plant and a train depot and maintenance plant in Rovato, which is scheduled to be commissioned when the train trial runs begin, as well as the technical and infrastructural upgrading of the stations involved. To this end, the company FNM Power S.r.l. was established in 2022, which will be active in the field of hydrogen production and distribution plants, also with reference to the subsequent operational phase.

The conversion to hydrogen of the mobility chain in Valcamonica is completed with the replacement of the entire fleet currently used by FNM Autoservizi in the area with 40 hydrogen-powered buses.

The total investment is currently estimated at EUR 392.4 million and takes into account price and design updates. Railway investment amounts to EUR 362.4 million, of which EUR 177.6 million for plants and infrastructure and EUR 184.8 million for trains. The former will be financed with funds made available by the Lombardy Region (EUR 80.1 million, allocated to the project during 2022) and by the NRRP (EUR 97.2 million, acquired in March 2023). With regard to investments in trains, on the other hand, the 8 trains purchased by FNM will be financed with own funds for EUR 98.3 million, 5 trains will be financed with resources allocated in 2023 under the Government - Lombardy Region Cohesion Agreement for EUR 68.6 million, while the remaining train in the second lot may be financed with additional public resources, or alternatively with own funds. The investment for the replacement of the buses is estimated at EUR 30 million, not yet funded.

The FNM Group has fully achieved, ahead of schedule, the first objective necessary to obtain NRRP funding. In fact, all contracts for works financed by the NRRP were signed ahead of the deadline for the first monitoring milestone (30 June 2024). For all of these works, the final or executive design has already been started. For railway works on the Iseo plant, work is already in progress. The second project milestone relating to "Delivery of Works" is set by 31 August 2024, while the third and fourth milestones relate to "50% Work Progress" by 30 June 2025 and "Completion of Works" by 30 June 2026, respectively.

### **SerraHydrogenValle Project**

The SerraHydrogenValle project, is a synergistic and complementary extension of the H2IseO project and aims at developing, in the area of MISE's competence, the first hydrogen refuelling motorway network in Italy through the creation of a motorway corridor with 5 hydrogen refuelling stations (at 3 disused service areas and 2 former toll booth stations), and in particular:

- 2 stations along the A51 Tangenziale Est (eastern ring road) of Milan, in Carugate (Carugate Est and Carugate Ovest);
- 1 station along the A50 Tangenziale Ovest (western ring road) of Milan, in Rho (Rho Ovest);
- 2 stations along the A7 Milan-Genoa motorway, in Tortona (Tortona Est and Tortona Ovest).

The project, whose investment costs are estimated at a total of EUR 55.4 million, aims to support the construction of infrastructure for the distribution of alternative energy carriers, contributing to the decarbonisation of transport along the Trans-European Transport Networks (TEN-T), where the Mediterranean corridor and the Rhine-Alps corridor intersect. Moreover, the A7 motorway is the

reference route for all heavy transport connecting the Port of Genoa (Italy's main port) to the industrial areas of Lombardy.

The investment had access to two sources of grant funding: (i) under the NRRP relating only to the Carugate East and West and Tortona West stations for a total contribution of EUR 15.0 million (EUR 4.9 million for the Carugate East area; EUR 4.8 million for the Carugate West area and EUR 5.3 million for the Tortona area), and (ii) under the CEF tender with reference to the Carugate East and West, Tortona East and West and Rho West stations. Subsequently, in January 2024, in light of a memo from the MIT, which sent a new FAQ to operators on the ability to combine funding, new analyses were performed and a discussion was requested with the Project Adviser of CINEA (the agency that manages CEF contributions on behalf of the European Commission). At the end of February 2024, the CINEA contact person, following internal consultation, announced that it would not be possible to fund projects already financed by the NRRP. However, as only three hydrogen refuelling stations for automotive use out of the five planned received NRRP funding, the Project Adviser instructed it to proceed with an amendment to the Grant Agreement, limiting the CEF subsidy to the other two refuelling stations (Tortona East and Rho West) not supported by NRRP grants. The budget for the CEF subsidy, currently at EUR 13.7 million for the five stations, will be recalibrated accordingly. The draft request to amend the Grant Agreement to be submitted to the Project Adviser of CINEA is currently being prepared.

At the end of March 2023, the tender called by **MISE** in December 2022 for the executive design and construction of the five hydrogen refuelling stations was awarded, thus achieving the first monitoring milestone established for the projects financed with NRRP resources. In addition, following the above-mentioned award, in May 2023 a framework agreement was signed for the executive design and the implementation of works. The executive design was completed in October, and upon completion of execution and verification activities, it was then forwarded to the Awarding Body and, in December, works for two refuelling areas were delivered.

Commercial operations are scheduled to start in the second half of 2025. Any further improvements will follow a modular approach, integrating production and increasing distribution capacity according to demand trends. At a later stage, the project will allow for the potential installation of a photovoltaic plant for the production of renewable electricity, connected to an electrolyser for the production of hydrogen from renewable sources.

## Railway infrastructure

GRI 3-3, 416-2

Through **FERROVIENORD**, the **FNM Group** manages a railway network measuring 330 km, split between the Milan Branch (222 km) and the Iseo branch (108 km), of which 215 km electrified, plus 125 facilities (stations, stops and shunting yards), of which 116 serving passengers<sup>24</sup>.

Extension of railway line			
Network	Entire network	Milan branch	Iseo branch
Network extension (km)	<b>330</b>	222	108
Electrified network (km)	<b>215</b>	215	N/A
Circulation tracks (km)	<b>533</b>	418	115.4
Single track station (no.)	<b>29</b>	14	15
Double track station (no.)	<b>51</b>	35	16
Three or more track station (no.)	<b>29</b>	25	4
Parks, depots and terminal tracks (km)	<b>42</b>	33	9

Installations for railway service (No.)			
Plants	Entire network	Milan branch	Iseo branch
Facilities managed by FERROVIENORD	<b>125</b>	87	38
Stations with travellers service	<b>116</b>	81	35
Moving facilities	<b>62</b>	41	21
Stops	<b>63</b>	46	17
Warehouses and factories	<b>4</b>	3	1
Active interconnections with RFI	<b>4</b>	4	0
Stations equipped with car-sharing facilities	<b>24</b>	24	0
Stations with bus interchange	<b>92</b>	66	26
Stations with lake transport links	<b>5</b>	2	3
Stations equipped with Metro interchange	<b>3</b>	3	0
Stations with airport interchange	<b>2</b>	2	0

### Railway Infrastructure segment fleet

FERROVIENORD's execution of Trenord's rolling stock renewal programme on behalf of the Lombardy Region continued in 2023, for an investment of 1.7 billion, with the delivery of 58 trains, therefore amounting to 144 trains (67%) out of a total of 214 planned by 2025. The radical renewal of the fleet has a strong bearing on social sustainability, because it positively affects the experience of people who access the regional rail service every day.

The table below shows the characteristics of the new rolling stock purchased by FERROVIENORD, designated by the Lombardy Region as the entity responsible for the purchase of rolling stock with

<sup>24</sup> Attachment 1 of the Service Agreement of 31/12/2023.

the latter's funds on the basis of a rolling stock purchase programme financed by the Region and granted for use to Trenord.

CHARACTERISTICS OF NEW RAIL ROLLING STOCK				
LOMBARDY REGION FUNDS				
Company	FERROVIENORD	FERROVIENORD	FERROVIENORD	FERROVIENORD
Type of power supply	Electric	Electric	Electric	Diesel/electric
Capacity	High capacity (short train)	High capacity (long train)	Medium capacity	Medium capacity
Constructor	Hitachi Rail Italy	Hitachi Rail Italy (*)	Alstom (**)	Stadler
Number of new trains	48 Caravaggio	70 Caravaggio + 5 Rock	51 Donizetti + 10 Pop	30 Colleoni
<i>delivered</i>	30 Caravaggio	5 Rock 44 Caravaggio	10 Pop 30 Donizetti	25 Colleoni
<i>being delivered</i>	4 in 2024 14 in 2025	16 in 2024 10 in 2024	20 Donizetti in 2024 1 Donizetti in 2025	5 in 2024
Length (m)	109.6	136.8	84.20	66.80
No. of train bodies	4	5	4 (51 Donizetti + 7 Pop) + 3 (3 Pop)	3
Seats	466	598	263	168
Standing	449	575	255	160
Doors per side	8	10	4	3
Maximum speed (km/h)	160	160	160	140
Toilets	2	2	2	1
Key technology	LED lighting, Wi-Fi, 220V and USB plugs, passenger information systems, energy measuring, people counters, cameras, remote diagnostics system, smart video surveillance, ERTMS/ETCS safety system.			
Accessibility	Retractable platforms at ground level to facilitate access.			
Environmental benefits	<ul style="list-style-type: none"> <li>• LED lighting, WiFi, bike stations and electric e-bike outlets;</li> <li>• mobile platforms to ensure accessibility for people with reduced mobility;</li> <li>• circulation safety system (ERTMS/ETCS);</li> <li>• reduction in electricity consumption;</li> <li>• noise reduction, regenerative braking to recovery electricity;</li> <li>• elevated rates of reusability (96%) and biodegradability (95%) of materials (***)</li> </ul> <p>More specifically, the diesel/electric trains are powered by a PowerPack equipped with two hi-tech, low-emissions diesel engines (Stage V with SCR catalyst) which can also use biodiesel to reduce emissions and battery packs. While the trains are travelling to storage and stations, the batteries enable the diesel engines to be turned off, with zero environmental impact.</p>			
	(*) the Hitachi Rock and Hitachi Caravaggio trains have the same technical characteristics.			
	(**) the Alstom POP and Alstom Donizetti trains have the same technical characteristics.			

### **Infrastructure enhancement: Malpensa T2-RFI Sempione rail link**

Construction work is in full swing on the new rail link between Milan Malpensa Airport's Terminal 2 and the Sempione railway line. The work, the project of which is promoted by FERROVIENORD in partnership with SEA, will allow for the railway ring around Malpensa to be closed and will make it possible to expand the airport's catchment area, through a reorganisation of services in the region's north-west quadrant. A more effective and faster connection between the airport and the city of Milan will also be ensured, contributing significantly to reducing travel times and improving sustainability. Project execution was approved on 31 January 2023 and the construction sites opened in February. One year on, many works have been carried out, including the completion of the 1,700-metre artificial tunnel. Work progress since February 2023 is currently at 22%. The new rail link is scheduled for completion in July 2025. The railway route was designed to limit the local impact as much as possible. Ongoing environmental monitoring is in place for fauna, flora, noise, vibration, atmosphere and groundwater.

### **Bovisa Node Modernisation and Infrastructural Enhancement Final Project**

In 2023, the project to modernise and upgrade Bovisa node infrastructure passed the verification and validation phase. The project calls for the construction of four new tracks to the west and two intersection tracks to the northwest of Bovisa station, with adaptations and expansions of the rail bed and the passenger building, as well as the installation of a photovoltaic system on the roof of the building. One of the planned works is the construction of a new overhead structure on the RFI line crossing the FERROVIENORD line, south of Bovisa station. In addition, demolitions and adaptations are planned, including the demolition of the maintenance team building, DHW systems and the existing electrical substation. The project also includes the upgrading of the railway's electrical traction equipment, with the creation of a new electrical substation to replace the existing one, as well as signalling work with the new Computerised Central Apparatus.

In the execution of infrastructural and new construction activities, the companies follow regulations in force governing procedures for the completion of public works and works of public interest.

In 2023, FERROVIENORD continued to be committed to the construction of secure bicycle parking facilities. The expansion of bicycle parking stations (free, secure and video-monitored bicycle parking spaces) at railway stations in 2023 saw the opening of the Mozzate and Malnate bicycle parking stations. At the end of 2023, there was a total of 28 active bicycle parking stations (for a total of 2,146 bicycle parking spaces), of which 22 bicycle parking stations with access using the Io Viaggio card.

Furthermore, in order to guarantee the intermodal road-rail exchange for public transport customers, there are 76 parking areas at stations, 64 of which are entrusted to municipalities on a free loan for use, for a total of over 125 thousand square metres and about 3,600 parking spaces offered<sup>25</sup>

During the year 2023, FERROVIENORD continued its dialogue with municipal administrations for the free loan of an additional three spaces at the Cadorago and Saronno Sud stations and the Pilzone di Iseo toll station in the municipality of Iseo. At the end of 2023, more than 11,000 square metres of station premises have been leased under more than 80 loan agreements.

Accessibility is a key focus of our approach to infrastructure management. During 2023, work continued on raising the platforms, specifically track 1 at Iseo and Capo di Ponte was completed, and also in December 2023 the new Brescia Violino stop was opened to the public. As at 31 December 2023, there were 112 accessible facilities<sup>26</sup> (independently or with assistance), including 2 new ones

<sup>25</sup> Stations actively serving passengers were used to calculate the parking areas.

<sup>26</sup> Stations are split into three categories based on the level of accessibility they guarantee for passengers with disabilities or reduced mobility through existing facilities and the possibility for FERROVIENORD staff to provide assistance: a)

compared to 2022. Lifts were activated in Galliate and Meda in 2023. In 2024, the platforms at the Bornato-Calino, Borgonato, Provaglio Timoline, Cogno-Esine, Pian di Borno and Piancamuno Gratacasolo facilities are expected to be raised.

<b>ACCESSIBILITY OF THE STATIONS</b>			
<b>STATIONS (no.)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
“Easy to access” stations	112	110	97
<i>of which in the Milan branch</i>	82	81	81
<i>of which in the Iseo branch</i>	30	29	16
Stations with raised platforms across the whole network	95	93	91
Stations with lifts across the entire FERROVIENORD network	48	47	46

### **Quality of service and customer safety at the station and in transit**

One of the key objectives is to guarantee the security and safety of passengers and employees against all possible threats, regardless of whether they are on trains, on buses, in stations, in the street or in bike and car parking areas.

#### **Security**

All stations are constantly monitored by a fixed and itinerant surveillance system, coordinated by a central hub which is manned 24 hours a day. In Milan branch stations, there are 19 guards, and anti-graffiti initiatives have been launched in 9 stations. Sworn security guards are on permanent duty at the service locations and assistance services for users with reduced mobility have been increased and refined, and new assistance personnel have been trained in the case of broken-down lifts. In addition, the agreement with the Railway Police was renewed in 2023.

#### **Circulation safety**

All railway activities, including the running of trains and facility management, are accompanied by a careful assessment of risks and impacts linked to hazardous events. Risks are identified and managed according to detailed procedures, such as the “Management of Railway Operation Safety Risks” managed within

**Surveillance and security systems along the railway line and in other buildings owned by the Group, 2023.**

**218 Digital Video Recorders (DVRs) of which:**

- 194 DVRs for the Milan branch
- 24 DVRs for the Iseo branch

**2,684 Closed circuit cameras (CCTVs) of which:**

- 2,434 CCTVs for the Milan branch
- 250 CCTVs for the Iseo branch

**501 Help Points (HPs) of which:**

- 452 HPs for the Milan branch
- 49 HPs for the Iseo branch

#### **LEVEL CROSSINGS**

- 220 Entire network
- 109 Milan branch
- 111 Iseo branch

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stations equipped for autonomous access (absence of architectural barriers); b) stations equipped for assisted access (presence of architectural barriers that can only be overcome with the help of service personnel); c) stations with no accessible access (presence of architectural barriers that cannot be overcome or other movement limitations).

the Dangerous Events Register. In 2023, 104 risk analyses were performed to assess the safety level of railway infrastructure and consider possible modifications.

In the event of emergencies, management is entrusted to a dedicated procedure with the possibility of formulating specific Emergency and First Aid Plans. These plans are drawn up by working groups designated by the Management with the support of the Technical Department's Organisational Structures. Aspects such as training courses, professional skills and drills are evaluated. Railway emergencies can be reported to the Central Supervision Post via rapid communication channels, including network Help Points. If required by the specific emergency alert received, the Circulation Coordinator Manager also contacts the public emergency services.

In 2023, the consolidation of the requirements introduced by the European Union with the "IV Railway Package" continued. In particular, **FERROVIENORD** retained its Safety Authorisation for the network lines interconnected to the national railway infrastructure and the Certificate of Approval for functionally isolated network lines. The relative certifications were issued by ANSFISA in April 2023. All regulatory deadlines concerning safety in railway operations were met on time, in accordance with the timetables set by the applicable regulatory framework.

At present, all Milan branch lines have been equipped with the Train Running Control System (SCMT), and all Iseo branch lines have been equipped with the Driver Support System (SSC). To further boost the safety level, in 2024 the SSC is scheduled to be replaced with the SCMT on the Brescia - Iseo section, and new equipment will be activated which detects the temperature of the bushings and brakes of trains in circulation.

### **Logistics terminal management**

MALPENSA INTERMODALE, incorporated in December 2018 and operating at the Sacconago terminal in the municipality of Busto Arsizio (VA), provides terminal services in the intermodal transport sector. The Group's presence in the freight sector represents a journey with ample margin for growth, in terms of quality, innovative and sustainability, for the benefit of the economy.

The company receives complete trains and manages their movement by means of self-propelled cranes, positioning the ITUs (intermodal transport units) in the storage locations, or it provides direct delivery to the customer. The Sacconago/Busto Arsizio (VA) terminal, equipped with two operational tracks, has an area of about 48,000 square metres and benefits from a service and logistics area of over 200,000 square metres.

In 2023, the company and the Belgian operator Move Intermodal continued to work in synergy on the new railway solution that will connect the Busto Arsizio and Ferentino (province of Frosinone) rail yards. The initial frequency is three roundtrips/week with arrival and departure from Sacconago three times a week. The traffic is therefore characterised both by flows of raw materials and semi-finished products that from Benelux will reach companies in central Italy entirely by rail, as well as finished products that will return to Lombardy and northern Europe directly via the FNM station, without any transfer by road. Companies in the area will be able to exploit intermodal traffic, thus contributing to the development of increasingly sustainable transport in terms of reducing emissions, congestion and accidents. The door-to-door connection between Genk and Ferentino made it possible to avoid the emission of roughly 280 tonnes of CO<sub>2</sub> for the year 2023.

Also thanks to the signing of the memorandum of understanding in May 2021 between the FNM Group and SEA Aeroporti Milano, cooperation on issues related to rail-air intermodality, logistics and sustainable mobility continued in 2023. The aim of the protocol is to carry out initiatives to enhance the Sacconago railway terminal and for the logistic development of Malpensa Distripark serving Milan Malpensa Airport's Cargo City, thus reducing road volumes.

The project calls for the transport of parcels between Malpensa and Milan Cadorna via the Malpensa Express train service and involves logistics operators for the management of air shipments, allowing for pick-ups and deliveries at Milan Cadorna station.

Characteristics of the Sacconago Intermodal Terminal	
	2023
Current square metres of area	48,000
<i>% dedicated to the intermodal area</i>	74%
<i>% office, maintenance, services</i>	26%
Square metres of area established in the Regulatory Plan	200,000
Total square metres of area	248,000
No. operational tracks with a length of 600 m	2
Pick-up and delivery tracks, electrified and with capacity from 625 m to 695 m	3
Electrified shunt line with a length of 650 m	1
RFI network - Busto Arsizio interconnection (Distance in km)	3
RFI network - Novara interconnection (Distance in km)	19
RFI network - Seregno interconnection (Distance in km)	35
Handling cranes (acquired under lease)	3
Locotractor (acquired under lease and rental)	1

**MALPENSA DISTRI PARK** is instead entrusted with the real estate development of the areas adjacent to the Sacconago Terminal, which is key to the management of intermodal connections in the cargo sector handled by Malpensa Intermodale.

By virtue of market expansion and continuous developments, as of the second half of 2023 Malpensa Distripark also took over the MTO (Multimodal Transport Operator) function, thus making it possible to organise complete transport from the loading point to last mile delivery.



## FNM Autoservizi

**FNM Autoservizi** is committed to strengthening the network of bus/train links at stations and promoting transport to boost local tourism. An investment of more than EUR 2.3 million was earmarked for the implementation of the single integrated ticketing system for the Varese, Brescia and Como areas, with a view to covering 100% of the bus service with Electronic Ticketing Systems (ETS). In the 2022-2023 two-year period, the system began being tested and office staff were being trained in the management of operation and ticketing data.

### Tickets and passes directly on smartphones, a more convenient and secure system

Since 2020, it has been possible to purchase FNM Autoservizi tickets directly from a smartphone using the myCicero app. With the same app, it is possible to plan trips using other means of public transport by consulting timetables and stops, in addition to being able to park in many Italian cities (including Rome, Milan, Bologna, Florence, Naples, Palermo and many others). In 2023, 683,054 tickets were sold, with a monthly average of around 57,000 tickets of which 36,864 were sold via the myCicero app (71% more than in 2022).

**FNM Autoservizi** considers service accessibility to be an issue of fundamental importance, with the objective of guaranteeing a progressive improvement in the service by, for example, equipping all vehicles with a low-floor platform, perfecting the information systems available to customers and facilitating the process of purchasing tickets.

In order to guarantee good service, FNM Autoservizi has certified its integrated management system according to the UNI EN 13816:2022 standard (Safety and quality in passenger transport services). The adoption of this standard underscores FNM Autoservizi's desire to identify the implicit and explicit expectations of customers with respect to the quality of the public transport service provided, so as to also assess their perception and implement improvement actions in order to reduce the gap between the quality provided and the quality perceived by users.

In 2023, there was a 6.6% increase in bus-km travelled compared to 2022. Passengers carried increased by 8.8% compared to 2022, but were still 7.5% lower than in 2019.

FNM Autoservizi service characteristics			
	2023	2022	2021
LPT network extension (km)	749.9	749.9	741.6
LPT network extension (geographical extension)	Provinces of Varese, Como and Brescia	Provinces of Varese, Como and Brescia	Provinces of Varese, Como and Brescia
Number of Local Public Transport routes	19	19	19
Passengers transported(*)	approx. 3.7 million	approx. 3.4 million	approx. 1.94 million
Km travelled by the fleet (**)	5.8 million	5.5 million	5.1 million

\* Estimated figures based on passes and tickets sold in 2023.  
 \*\* The figure refers to total km: LPT and charter service (rentals and train replacement).

In terms of safety, the installation of the Automatic Vehicle Monitoring (AVM) system was completed across the entire fleet, and each agent was provided with credentials to access on-board systems for operating data accounting and reporting. In 2023, the AVM system was tested, which also makes it possible to constantly check and monitor delays reported by travelling personnel.

As part of its personnel training, **FNM Autoservizi** is committed to completing the training cycle on safe and eco-friendly driving and the risk of aggression in 2024. Road safety and the risk of aggression are two of the main safety risks for drivers.

<i>No. of vehicles</i>	<b>THE FNM Autoservizi FLEET (*)</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Bus fleet</b>	<b>163</b>	<b>158</b>	<b>148</b>
<i>of which EURO II-III</i>	17	37	59
<i>of which EURO IV</i>	6	6	6
<i>of which EURO V</i>	36 (of which 4 EEV)	32 (of which 4 EEV)	31 (of which 4 EEV)
<i>of which EURO VI</i>	104	83	52
<b>of which entered into service during the year</b>	<b>25</b>	<b>33</b>	<b>7</b>
<b>Number of buses placed out of service</b>	<b>26</b>	<b>23</b>	<b>0</b>

(\*) As at 31.12.22, 12 buses were out of service and not yet scrapped. As at 31.12.23 there are 6 out-of-service buses (without number plates and without any distances travelled) that will be scrapped in 2024.

<i>km travelled</i>	<b>THE FNM Autoservizi FLEET</b>	
	<b>2023</b>	<b>2022</b>
<b>Bus fleet</b>	<b>5,805,389</b>	<b>5,444,562</b>
<i>of which EURO II-III</i>	423,148	1,027,406
<i>of which EURO IV</i>	259,229	311,759
<i>of which EURO V</i>	966,044	949,077
<i>of which EURO VI</i>	4,156,968	3,156,320

The progressive renewal of vehicles, with 25 new buses entering service in 2023, and efficient bus inspection and maintenance, guarantee increasingly high safety levels. These are better performing buses from the environmental and emissions perspective, 21 Euro 6 buses and 4 Euro 5/Euro 5 EEV buses, with an average age of 3 years, 17 of which newly registered.

The company continuously monitors consumption and favours the use of vehicles with the highest energy performance and the least pollutants; in fact, during 2023, Euro VI buses, which have a reduced environmental impact, were used for 72% of the kilometres travelled, resulting in an average reduction of pollutants per kilometre of around 20%.

## Azienda Trasporti Verona (ATV)

**Azienda Trasporti Verona (ATV)** manages the Local Public Transport service by road in Verona and its province (with some lines also reaching the provinces of Trento, Vicenza, Rovigo and Mantua). It also operates in the rental and commercial services sector.



In 2023, passengers increased by 19.5% compared to 2022. However, compared to 2019, the target year that has been used for comparative purposes since the beginning of the emergency period, the number of passengers is still 9.8% lower.

In the extra-urban segment, there was a significant increase (+12%) in the number of passengers on the Lake Garda service in the May-October period compared to 2022. With the resumption of passenger traffic, the industry-wide problem of the difficulty in finding drivers becomes even more pronounced, which may have negative implications on the service level set forth in the service agreement.

Features of the Azienda Trasporti Verona service			
	2023	2022	2021
Urban routes on workdays (no.)	21	20	20
Urban routes on evenings and holidays (no.)	9	9	9
Routes managed in the Province of Verona (no.)	74	77	77
Urban service user catchment (no. residents)	344,200	344,200	344,200
Non-urban service user catchment (no. residents)	1,250,000	1,250,000	1,250,000
Urban network extension (km)	355 weekday; 185 holiday	366 weekday; 241 holiday	366 weekday; 241 holiday
Non-urban network extension (km)	3,670	3,825	3,825
Number of km actually travelled by the fleet (mln)	19.2	21.02	19.3
Number of passengers transported (mln)	66.2	55.4	46.2

ATV-Azienda Trasporti Verona adopts different solutions to guarantee reliability and safety. The activities include, by way of example, safety-edge anti-crush systems, the ECE R66 rollover crashworthiness certification, the installation of Electronic Braking Systems (EBS) and Electronic Stability System (ESP).

Following on from actions undertaken, the Body-cam service (new devices for inspection patrol personnel which include handheld devices integrated with personal video cameras) continues to be used as part of ticket checks and an internal quick-response team is ready to provide maximum support and assistance to operating staff in the event of aggression or dangerous situations while on board.

In addition, recently acquired vehicles are equipped with ADAS devices, including emergency braking and lane keeping.

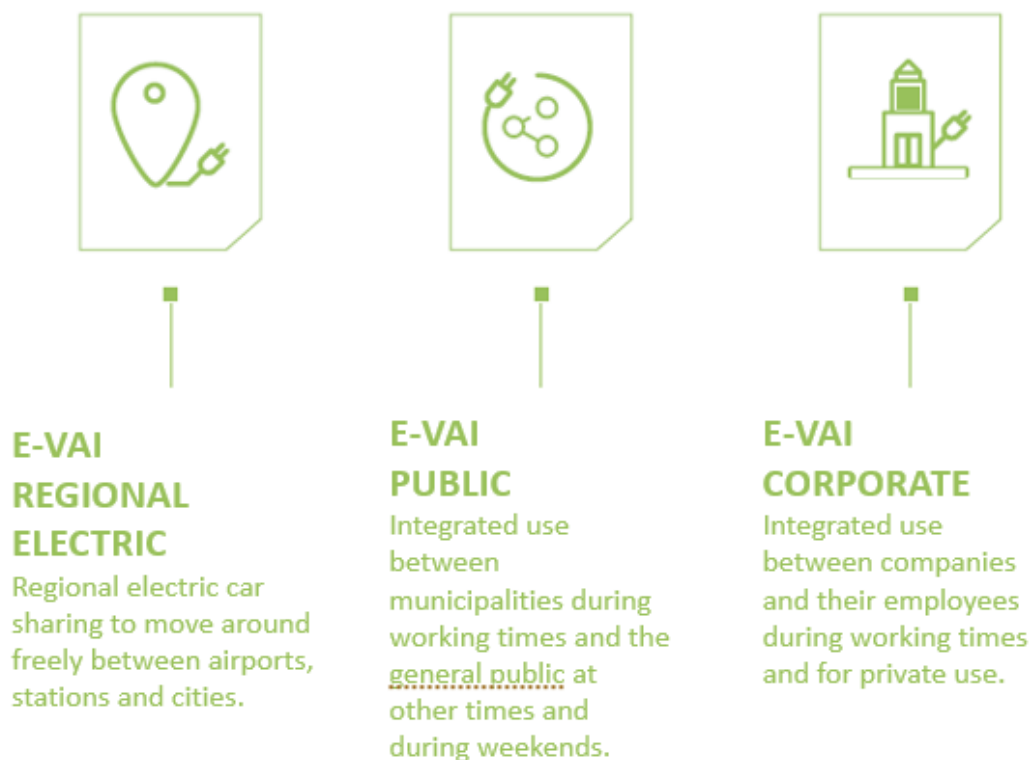
THE ATV FLEET			
<i>No. of vehicles</i>	2023	2022	2021
<b>Bus fleet</b>	<b>560</b>	<b>544</b>	<b>527</b>
<i>of which EURO II-III</i>	213	247	271
<i>of which EURO IV</i>	4	4	4
<i>of which EURO V</i>	123 (of which 100 EEV)	123 (of which 100 EEV)	119
<i>of which EURO VI</i>	209	170	133
<i>of which ELECTRIC</i>	11	0	0
<b>of which entered into service during the year</b>	<b>51</b>	<b>37</b>	<b>0</b>
<b>Number of buses placed out of service</b>	<b>35</b>	<b>48</b>	<b>5</b>

THE ATV FLEET		
<i>km travelled</i>	2023	2022
<b>Bus fleet</b>	<b>21,039,344</b>	<b>21,996,233</b>
<i>of which EURO II-III</i>	5,631,347	7,492,058
<i>of which EURO IV</i>	38,860	48,702
<i>of which EURO V</i>	4,750,057	5,654,133
<i>of which EURO VI</i>	10,455,647	8,801,340
<i>of which ELECTRIC</i>	163,434	0

**ATV** is among the first companies in the FNM Group to have invested in the purchase of vehicles powered by alternative fuels, such as methane. The company's goal is to expand its electric vehicles in the urban fleet and natural gas vehicles in the suburban fleet. To date, 35.5% of buses are CNG vehicles, while 2% are electric.

## E-Vai

The road transport offering is supplemented by **E-Vai** car sharing, which is integrated with the rail service and the main airports in Lombardy. The service currently includes four models:



*\*As of 2023, the E-Vai Easy station service is incorporated into E-Vai Corporate.*

In 2023, 28,015 new customers were activated for a total of 138,529 users. With a view to integrating the services offered, for each new Public customer, the company has often activated a new Regional Electric car park in order to expand the pool of users and their trips. To date, 66 municipalities are served.

The numbers of car sharing			
	2023	2022	2021
Car sharing hires	88,870	93,981	76,505
Average daily hired hours*	11.01	11	6.56
Annual rental hours*	247,505	286,427	93,500
Average Km per rental	96	89	68.62
Average Km for electric vehicle rental	96	89	70.35

\* The rental hours refer only to the Regional electric model

The basis of **E-Vai's** service is the clear preponderance of electric vehicles. At 31 December 2023 the fleet consisted of 381 vehicles, of which 370 were electric (97%). However, in the course of 2023, as energy costs continued to rise, there was a resulting increase in vehicle fleet operating costs. As far as the automotive world is concerned, international events and the lack of regional incentives have triggered sharp price increases.

New GPS/GPRS satellite control units were installed on all cars in the fleet. With a view to expanding the offer and services provided, E-Vai awarded the tender procedure for the procurement of eco-stations and is in the process of awarding the e-bike systems for bike sharing.

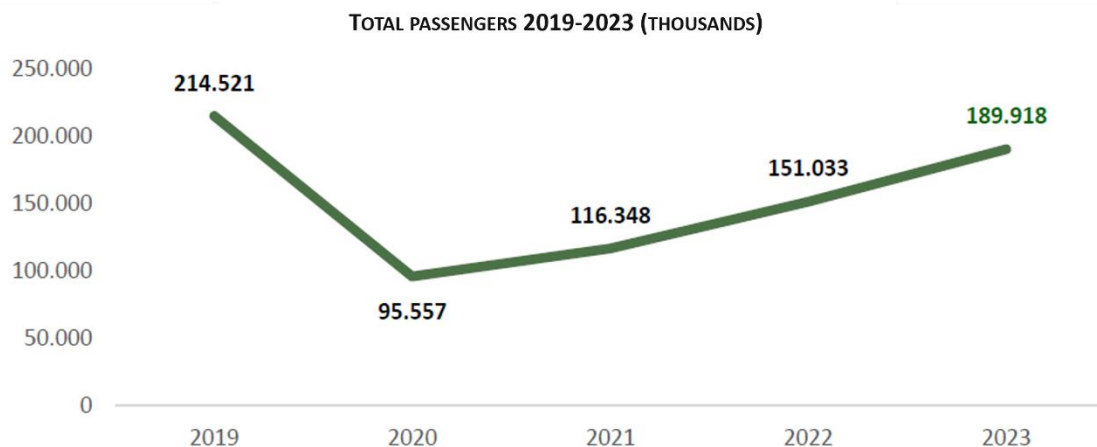
Rail transport (Trenord)

GRI 3-3

**Trenord** is dedicated to public rail transport in Lombardy, the region with the highest demand for mobility in Italy. The year 2023 was characterised by a significant recovery in mobility demand, although it has not yet risen back to pre-Covid levels. Since January, there has been a steady growth in the number of travellers, with peaks of up to 800 thousand daily travellers and an average of almost 650 thousand daily travellers, still about 15% below pre-Covid levels. Demand for tourist travel, on the other hand, is booming: more and more travellers are using the train to reach Lombardy’s tourist resorts in a sustainable way, with an increase of around 20% compared to 2022.

**40.7** million  
train-km

In 2023, the company guaranteed service to roughly 190 million passengers, about 26% more than 151 million in the previous year, carrying an average of 700 thousand passengers on weekdays. Production in terms of train-km, i.e. the total commercial km travelled by all trains that ran, amounted to 40.7 million, up by 4.9% compared to 2022.



In order to monitor changes in mobility demand on a broad scale, **Trenord** has devised the Darwin project, which makes it possible to specifically describe mobility supply and demand in detail and also analyse their interaction. The project relies on Big Data to perform analyses and simulations using information from a range of sources. The platform used concentrates the reading on journeys “within train reach”, i.e. those between municipalities or between zones into which larger municipalities are divided.

According to the platform’s forecasts, by 2032, daily trips in Lombardy will increase from 14.2 to 15.1 million. This increase will also be reflected in the services operated by **Trenord**, which will plan its offer according to actual mobility needs, also with a view to greater customer satisfaction and in an attempt to counteract, as much as it can, the potential increase in traffic congestion.

## Integrated Fare System

During the year, the company implemented the rechargeable electronic CHIP ON PAPER (CoP) solution for all tickets, highlighting its commitment to an integrated and intermodal mobility system. CoP, intended to be progressively adopted by all Local Public Transport (LPT) companies across Lombardy, will serve as a key tool for the more efficient management of integrated tariff systems. This technology offers a single ticket that can be used across all LPT companies, enabling monitoring and providing data on service utilisation. This will contribute to improved service planning and useful data for revenue sharing. Together with the regulatory changes regarding the fixed date of rail fare tickets and the updating of sales systems, including the implementation of new self-service facilities, these efforts consolidate the company's objectives centred on focusing on the customer and improving the user experience in accessing mobility services. The effectiveness of these actions is reflected in Trenord's sales figures, marking steady growth in integrated tickets in 2023, recording an increase of +20% in STIBM Milan and Monza and Brianza, and +35% on "lo viaggio ovunque in Lombardia" and "lo viaggio ovunque in provincia".

Trenord's attention to the issues of inclusion and equal opportunities for travellers with reduced mobility is reflected in the continuous evolution of solutions designed to make the travel experience not only comfortable, but also accessible, to everyone who uses it. In 2023, more than 24,000 customers used the boarding and alighting service to assist passengers with reduced mobility, an increase of around 25% compared to 2022.

over **24,000**  
customers who used the  
boarding and alighting service

Over **218,000** sqm  
of graffiti removed in 2023

Trenord continues with care and responsibility in its daily commitment to guarantee the safety of customers and travelling personnel from any action, behaviour or event that could be classified as violence, crime, vandalism, physical or verbal aggression or objectionable behaviour.

With the increase in passenger flows, the risks of accidents due to aggression, vandalism and crime are on the rise, and Trenord has stepped up coordination with local law enforcement and Security Control Room activities. An office active 24 hours a day for coordination and joint control with Institutional, Public Rescue and Civil Protection offices. In 2023, information exchanges continued with local law enforcement, including for the management of flows and travel during sporting events, and major national and international events.

## ADDITIONAL ACTIVITIES IN 2023 IN THE AREA OF SECURITY:

### **PROTECTION OF MATERIAL INTEGRITY AND GENERAL PREVENTION**

To improve the safety level of control personnel

### **SUPPORT TO LAW ENFORCEMENT DURING EVENTS OR EMERGENCIES**

For the protection of public order and safety, combating unlawful actions and behaviour and/or activities resulting from accidents taking place in the railway area

### **PRESENCE ON BOARD TRAINS AND IN STATION AREAS**

For the timely verification of reports received via the Focal Point App, to support law enforcement and front-line staff, particularly with reference to Assistance and Control resources

### **SURVEILLANCE OF FACILITIES, SITES AND SERVICE AREAS**

To ensure not only protection from damage and critical phenomena, but also more trains available for the service

### **PROMOTING SAFETY IN FACILITIES**

To increase daily company facility and site access control for employees of Trenord and external companies

### **STAFF AND PASSENGER ASSISTANCE ON BOARD TRAINS**

To prevent and deter irregular behaviour or the commission of offences and to counter fraud, damage and acts of sabotage

With regard to the sensitive issue of aggression, the occurrence of such phenomena is constantly monitored and monthly meetings are held with the Prevention and Protection Service and the trade unions to analyse and assess episodes of violence directed at on-board personnel.

In order to promote a strong safety culture, psycho-physical self-defence training courses were provided to on-board staff, especially train conductors. In addition, specific courses were organised at Compartimento Polfer Lombardia, focusing on the topic of security, with a particular focus on the tools to be adopted to ensure the safety of travellers and employees.



GRI 3-3

The **FNM Group** adopts a strategic approach hinging on innovation, technology and sustainability, which are fundamental for competitiveness and growth. In compliance with the 2021-2025 Strategic Plan, the aim is to become a driver of innovation at systemic level, through the creation of an ecosystem centred on the development of services and technological research.

In 2023, the **FNM Group** worked on the development of the Innovation Function, thanks also to the entry of new resources, with the aim of creating a steering committee for all FNM innovation and development projects. A Digital & Innovation Ambassadors Committee was also set up, consisting of members of different business functions, with the aim of creating and strengthening the dissemination and contamination of the culture of innovation across the entire Group.

The scouting of innovative solutions was further developed and a number of start-ups were selected with which feasibility studies and experiments are ongoing on the topics of employee engagement, advanced payments and predictive maintenance.

In this context, during 2023 the FNM Group also started to evaluate the adoption of digital solutions based on Artificial Intelligence (AI) applied to transport infrastructure management.

Also thanks to the use of “no-code” technology solutions<sup>27</sup> and the training of employees in basic digital skills, it was possible to start digitalising some internal processes and procedures. Indeed, technological and digital development promote the simplification and facilitation of work processes, improving employee mental and physical well-being while also enhancing work-life balance, as well as bringing an economic benefit to the company and the Italian economy.

In 2023, the FNM Group promoted activities connected to its membership in the National Centre for Sustainable Mobility (CNMS) foundation, which brings together 24 universities, the National Research Council and 24 large companies in the mobility and infrastructure sector to promote the green and digital transition. The Centre, based on the “Hub&Spoke” model, is a dynamic system revolving around the MOST Hub, with 14 Spoke Leaders around it, which, in their interaction, foster cooperation with the national and local ecosystem. FNM participates in 6 of the Centre’s 14 Spokes, in the areas of railway transport, network connection and smart infrastructure, innovative services, urban mobility, logistics and innovative fuels, such as hydrogen. FNM has initiated research projects for these Spokes, internally and in cooperation with the other entities involved, including universities, research centres and private companies, designating contact persons and setting up a unit for administrative coordination with the Hub.

Furthermore, consistent with the 2021-2025 Strategic Plan, FNM is active in the development of complementary digital platforms for the implementation of the Mobility as a Community (MaaC) strategic paradigm as an enabling tool of the new digital mobility, focusing on the mobility needs of communities. With this in mind, the company FNMPAY was established in 2020 in the area of digital

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<sup>27</sup> Platforms and tools that enable the creation of software applications without requiring code to be written. They offer visual wizard interfaces and/or drag-and-drop tools to simplify development, allowing users to design and customise applications in an intuitive way, thus making the creation of digital solutions more accessible.

payment services, initially focusing on the Group's captive companies. The MaaC strategy includes equity investments in Busforfun.Com S.r.l. ("Busforfun"), Sportit S.r.l. ("Sportit") and Mbility S.r.l. ("Mbility"), innovative companies active in the fields of road mobility, winter sports and cycle tourism.

Mbility, in which FNM acquired a 30.77% shareholding at the end of December 2023, is a company that facilitates the availability and increases the offer of transport services, including accompanied transport, for vulnerable or disabled people through a proprietary digital platform that can be used by all specially equipped and medical transport operators.

### **FNM enters the Corporate Partners I Fund of CDP Venture Capital Sgr**

In 2023, **FNM S.p.A.** and **CDP Venture Capital Sgr** signed an agreement for the development of innovative start-ups and SMEs by the entry of the Integrated Group for sustainable mobility in Lombardy into the Corporate Partners I Fund, a multi-segment fund involving the main industrial and financial players in order to stimulate the growth of the innovation ecosystem in Italy in the strategic energy, manufacturing, services and infrastructure sectors.

In particular, with an investment of EUR 10 million, the **FNM Group** entered the InfraTech segment of the **CDP Venture Capital Sgr** Corporate Partners I Fund, which specialises in research into technological solutions applicable to infrastructure, such as infrastructure design and planning and the monitoring, management and control of construction sites and infrastructure thanks to innovative solutions and technologies based on applications of artificial intelligence and the internet of things, robotics and new materials.

Through this investment, **FNM** joined the advisory board of the segment together with the previous corporate partners.

Participation in the fund is consistent with the objectives of the **FNM** Group's 2021-2025 Strategic Plan, which will involve cumulative investments over the period of EUR 11 million in technological innovation and data management projects. In addition, the investment in the Corporate Partners I Fund represents an opportunity to grow the FNM Group's business model through active collaboration with **CDP Venture Capital Sgr** and other industry companies, combined with easy access to a diversified group of start-ups and visibility into emerging trends in technological innovation and development.

## INNOVATION IN THE MOTORWAY SEGMENT

### Partnerships with Universities and Academia

The partnership with Sacred Heart Catholic University of Piacenza was completed for the study and research of innovative solutions for the management of motorway green areas (Active Green Management Project) aimed at mitigating environmental impacts by experimenting innovative growing techniques.

The partnership with the Polytechnic University of Milan for the research and testing of an automatic motorway infrastructural elements monitoring system by means of high-tech vehicles and advanced data processing will continue in 2024.

Within the scope of EU funding and the NextGenerationEU initiative for the year 2023/2024 under the NRRP, PhD programmes were launched with leading academic institutions and research organisations:

- Doctorate in Psychology, Linguistics and Cognitive Neuroscience with the University of Milan Bicocca with a view to investigating the interaction between psychology, neuroscience and road safety in order to develop innovative strategies to prevent accidents due to distractions and incorrect driving behaviour.
- “The challenge of sustainable mobility, rethinking Milan’s ring roads for the ecological transition” PhD in collaboration with the Polytechnic University of Milan with the aim of focusing on rethinking sustainable mobility as a transformative opportunity for urban and landscape regeneration.

The tutoring activities of the Executive Master in Innovability® Management - EMIIM by ALTIS and Cetif Catholic University also came to an end.

### Polverino pilot project in cooperation with the non-profit company Ecopneus

MISE has joined the Ecopneus sustainability project, which consists of introducing a percentage of recycled tyre powder into the bitumen for asphaltting motorways. The project, which started in 2023, includes a test phase in 2024 to assess its compatibility on a large scale. The introduction of this process will bring environmental benefits, including improved absorption of the noise from vehicle traffic and an increase in asphalt durability, also reducing waste.

## Road and infrastructure safety

In terms of Technological Development, a study was started on sensors for monitoring the tightening of metal structures such as selected overhead signs along the A7, A50 and A52. IoT sensor technology allows infrastructure tightening (screws, bolts) to be checked remotely, simplifying maintenance and preventing structural risks. Testing has also begun in order to identify technologies to automatically recognise defects and anomalies in the pavement, and work is underway to study the technologies used to evaluate possible scenarios in terms of sustainability. Through its parent company FNM, MISE participates in the research project, co-funded by the NRRP, of the National Centre for Sustainable Mobility (MOST) in relation to Spoke 7 (CCAM, Connected Networks and Smart Infrastructure). Spoke 7 is one of the 14 research areas oriented towards developing safe and sustainable mobility for people and goods, decongesting transport networks, decarbonising the environment and reducing pollutant emissions through the use of green fuels and increasing the resilience and efficiency of all road networks. The duration of the project is 3 years (2023-2025).

*Some of the Group companies’ main Research and Development Projects in the delivery and internal assessment phases as of 31 December 2023:*

Project name	Description and objectives
<b>RAILWAY INFRASTRUCTURE MANAGEMENT – FERROVIENORD (Control Room Maintenance)</b>	
<b>Digitalisation of working processes</b>	Implementation of handheld software to replace paper forms in work team training, operational control and plant reporting. The system can be integrated directly with SAP and offers tangible benefits, including digitalising procedures and reducing hard copy record management costs.
<b>Rolling stock diagnostics</b>	Development of remote diagnostic system and ground platform for the maintenance of the new trains (Donizetti, Colleoni and Caravaggio), aiming to prevent breakdowns and optimise maintenance, as well as to monitor the fleet in real time.
<b>Diagnostic Trolley</b>	Development of new trolley for surveying track geometries during production. Evaluation under way for a system to collect all diagnostic data. The diagnostic trolley is already in production and consideration is being given to the opportunity of integrating it with a catenary survey system.

<b>Network development planning and programming</b>	In 2023, new software was introduced to comprehensively manage the process, monitoring all project phases, including design, procurement, execution and testing. This system includes the monitoring of deadlines, timelines, stakeholders, documentation and funding. The system was activated in December, after being set up and tested during the year, with the phasing out of the old monitoring system.
<b>BIM development</b>	Hardware/software acquisition for BIM, integration with SAP maintenance and staff training. Documentation introduced for BIM required in major contracts. Number of BIM orders increased to 20 in 2023, using ACDat (ACC software).
<b>RAILWAY INFRASTRUCTURE MANAGEMENT – FERROVIENORD (stations)</b>	
<b>Station Control Room / PSIM</b>	Development of a “PSIM” platform to co-ordinate security systems in the station, including remote command, remote control and security devices. Currently, the project is in the testing and implementation phase. A dedicated ITT unit is conducting checks on the reports, working with the supplier to resolve any errors in the IT system.
<b>Extension of accessibility to PRMs of systems in the entire Network</b>	The new maintenance contract for lifting platforms has improved accessibility for people with reduced mobility (PRM), including the purchase of mobile ramps and wheelchairs. These aids make it possible to achieve 96% accessibility throughout the Network. The devices were installed in 2023 and are regularly operational. The training of dedicated personnel was also a priority, with a particular focus on security guards.
<b>PASSENGER ROAD TRANSPORT – E-VAI</b>	
<b>AI Virtual Agent project development</b>	During 2023, the Company progressed with the project to develop artificial intelligence for Customer Service using the EVA platform. Dialogue between EVA and users was optimised, improving response efficiency and the overall experience. An advanced statistical system was implemented to analyse interaction flows and monitor KPIs.
<b>CRM development</b>	In 2023, the Sugar CRM underwent a major evolution, with the consolidation of version 12 and specific training of company departments. Many functions were added via API for car sharing, focusing primarily on customer service and sales. The aim was to transform the CRM into a Business Intelligence dashboard, giving teams a more detailed and interactive view of information.
<b>RAIL TRANSPORT - TRENORD</b>	
<b>Remote diagnostics systems</b>	The implementation of remote diagnostics systems will improve maintenance effectiveness and efficiency, directly benefiting service quality. It will also enable train drivers to get immediate assistance from Trenord’s Help Desk. Currently, remote diagnostics development projects are underway on new and existing trains, with a specific focus on the TSR and TAF fleet.

## E-Vai’s involvement in European planning

In 2023, E-VAI promoted the CNMS project, managed by the MOST Foundation, as part of Mission 4 “Education and Research”. The project focuses on “Urban Mobility” infrastructure, aiming to provide zero-emission shared mobility services through the installation of IoT sensors in vehicles. In addition, the E-VAI production chain won a regional tender in Lombardy to create an eco-station in Bollate. Finally, as technical provider of the Snap4city project, E-VAI is collaborating with the University of Florence to test car sharing with “golf car” vehicles in Sesto Fiorentino, with the aim of assessing people’s willingness to use the service and measuring the financial sustainability of shared transport. Additional details can be found at: <https://www.centronazionalemost.it/most.html#image1-z>

## FILI, new anthropisation project

The FILI project, one of the largest urban and suburban regeneration projects in Europe, promoted by FNM, FERROVIENORD and Trenord, together with the Lombardy Region, was presented on 2 July 2021 at the Lombardy Region premises. The project calls for upgrading and renovating the main FERROVIENORD connection centres located on the Milan-Malpensa line, a key corridor for the Milan-Cortina 2026 Olympics.

The main updates for the year 2023 are provided below:

**Milan Cadorna Station:** the project calls for the creation of a Synthetic Hanging Forest of approximately 72,000 square metres that will be developed from Milan Cadorna Station to Domodossola Station which will produce oxygen for Milan through the use of advanced biotechnology.

In July 2022, a major international financial group submitted a public-private partnership proposal, which was approved due to its relevance and consistency with the urban regeneration and sustainability objectives of the FNM Group's 2021-2025 Strategic Plan. The proposal was subsequently forwarded to the Lombardy Region in February 2023, initiating an administrative procedure that resulted in a "Conference of Representatives" being convened in October 2023. Two sub-working groups, legal/judicial/administrative and urban planning/environmental, were activated in order to provide the necessary elements for the formalisation of the Programme Contract in 2024. On 7 December 2023, the "Development and Cohesion Agreement" was signed between the State and the Lombardy Region, providing EUR 150 million in funding for the intervention, drawn from Development and Cohesion Fund (FSC) resources.

**Milano Bovisa Station:**

The station is expected to house the new sustainable headquarters of the FNM Group, located near an important mobility hub. As part of the "Reinventing Cities" project, the new building will contribute to urban renewal. As things currently stand, total funding for Milan Bovisa is expected to exceed EUR 150 million; a tender with a basic value of EUR 110 million is in the process of being awarded, and design studies are underway to identify solutions that are consistent, on one hand, with the requirements deriving from the Services Conference and, on the other, with the framework of available funding.

**Saronno Station:** FERROVIENORD will carry out a project with a significant urban impact on the city of Saronno, which includes the reorganisation of the technological and maintenance infrastructure hub at Saronno Centro with the aim of achieving high standards of functionality and safety and improving accessibility and viability. The final project was approved at the Services Conference in November 2023. The executive project is currently being finalised with the aim of publishing the call for tenders by mid-2024. At the same time, discussions are underway with the Municipality of Saronno and private parties for correlated urban planning initiatives in other areas of Saronno (Saronno South Station and the "former Isotta Fraschini" area).

**Busto Arsizio Station:** an urban and environmental redevelopment programme has been established, which will involve the relocation of car parks to a multi-storey building, allowing large areas of green space to be used for collective activities, thus connecting the north and south of the city. In the "Development and Cohesion Agreement" between the State and the Lombardy Region mentioned above and signed on 7 December 2023, funding of EUR 26 million is also earmarked for the initiative, again drawn from FSC (Development and Cohesion Fund) funds. Preparatory verification and design activities are expected to begin in 2024.

**"Piantalali" large-scale planting plan:** the project calls for reforestation in the Lombardy industrial triangle between Milan, Varese and Como, in a vast area crossing 24 municipalities in two provinces of Lombardy. An important nature-based project to be implemented in areas adjoining and near stations, aimed at improving the comfort of railway service users and environmental resilience, without reducing the modal interchange function. In 2023, work on areas in the municipalities of Cormano and Paderno Dugnano was completed, while work on areas in the municipalities of Gerenzano, Castellanza and Rescaldina has begun and is in progress.

**Cycle-superhighway:** the redevelopment project envisages a 54 km cycle superhighway that will connect Milano Cadorna station with Malpensa airport without interruption. At present, the initial “Saronno - Solaro” section is being planned, to be used as a pilot project for the entire initiative.

**Main numbers of the project:**

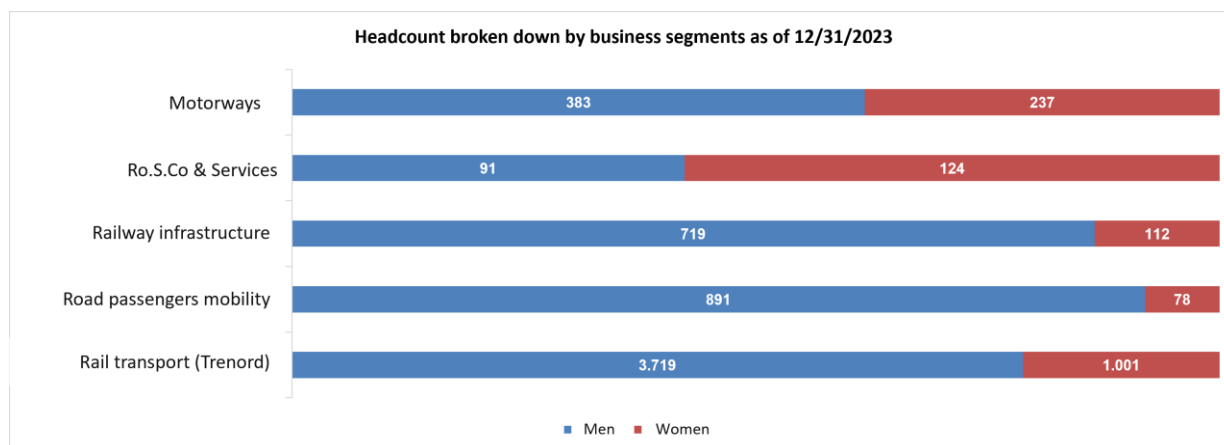
- approximately EUR 500 million of investments in public works;
- creation of a 54 km cycle superhighway between Milano Cadorna station and Malpensa;
- construction of 72,000 square metres of Synthetic Hanging Forest at Milano Cadorna station;
- development of 4 connection points;
- 188,300 sqm area of stations involved (equivalent to 722 tennis courts);
- thousands of hectares of area involved in the planting initiative (Piantalalì project);
- 2 million sqm of total surface area of the FILL project.

### 5.3 Human and relationship capital

#### Development of human capital within the Group

GRI 3-3, 2-7, 401-1, 405-1

The current human resources structure reflects a gradual reorganisation of existing structures aimed at ensuring consistency and continuity in personnel management.



The **FNM Group** has 2,635 employees (-9.4% compared to 2022) and 59 external associates (+73.5% compared to 2022)<sup>28</sup>. The change is mainly related to the removal from the scope of La Linea and Martini Bus. It should also be noted that in 2023, 14.7% of female staff held the position of manager or middle manager, representing 32.4% of total managerial or middle managerial employees. Again in 2023, Trenord confirmed its commitment to supporting employment. The company provides jobs for 4,720 people (+1.1% compared to 2022), the majority of whom are drivers and train conductors (52%, 418 of whom are women). The workforce is 21.2% female, +5% compared to 2022.

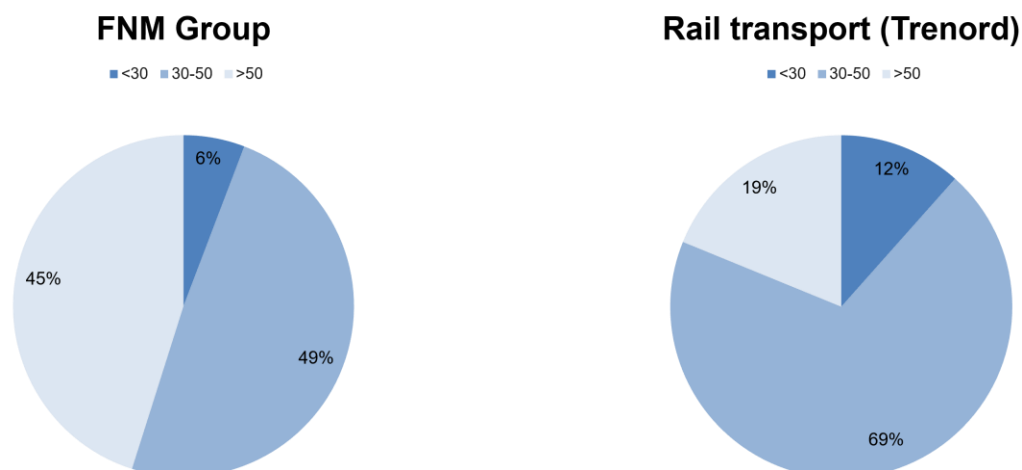
#### PERSONS BY CLASSIFICATION AND GENDER

	Men	Women	Total
<b>FNM Group</b>	<b>2,084</b>	<b>551</b>	<b>2,635</b>
Executives	48	10	58
Middle managers	121	71	192
Office workers	578	355	933
Blue collar workers	1,337	115	1,452
<b>Rail transport (Trenord)</b>	<b>3,719</b>	<b>1,001</b>	<b>4,720</b>
Executives	22	2	24
Middle managers	133	44	177
Office workers	2,871	949	3,820
Blue collar workers	693	6	699

Both the **FNM Group** and **Trenord** have high numbers of staff in the 30-50 age group.

<sup>28</sup> External associates refer to staff hired directly by the FNM Group in various capacities (interim staff, interns, freelancers and project-based associates).

## FNM Group and Trenord workforce by age range as of 31/12/2023



The **FNM Group** promotes a company culture that contributes to professional and personal satisfaction. This includes promoting job stability. In order to implement these principles, the FNM Group has always almost exclusively hired staff on permanent contracts.

### Staff recruitment process

During 2023, requests for new resources in the **FNM Group** increased due to retirements, resignations, new business needs and reorganisations. The selections involve various figures, including office workers, engineers, station operators, movement directors, maintenance staff, designers and bus drivers.

The search for technical and more specific profiles, such as bus drivers, was supported by Distretto Italia (ELIS Consortium) and specialised outside recruiting companies. For more junior profiles, on the other hand, the **FNM Group** is focusing its efforts and initiatives on employer branding and attraction, especially in order to attract recent secondary school and university graduates. The incoming turnover rate was 7.9% in 2023, down from 2022, following the sale of La Linea and Martinibus, which had a high annual turnover. In addition, it should be noted that although the outgoing turnover rate, which stands at 8.6%, was lower than in 2022, it is higher than the incoming one, causing a reduction in the Group's workforce. This effect is in addition to the sale of the subsidiaries La Linea and Martinibus.

During 2023, **MISE** continued its collaboration in partnership with universities in Lombardy aimed at selecting young professionals.

There continue to be critical issues linked to the search for and recruitment of highly qualified profiles, especially in the road transport segment, resulting in longer selection times because of shortages and difficulties in finding the required resources. **ATV** has invested heavily in recruitment, fine-tuning selection notices for apprentices that obtain qualifications paid for by the company. Furthermore, in view of the best practice tested in 2022 in cooperation with ENAC Veneto, a further IFTS project was approved, offering a free technical specialisation course for drivers. In that regard, ATV also made the expertise it had gained available to the network of Veneto LPT companies that were interested in adopting the project.

**98.6% of FNM Group and Trenord staff are hired on permanent contracts.**



As far as **Trenord** is concerned, the company continued to move forward with the initiatives already started in 2022 aimed at mitigating the risks associated with human resources development. These include:

1. promoting a managerial culture based on a shared leadership model;
2. mapping strategic corporate positions and the role of the Succession Planning Committee to identify possible resources for coverage/replacement and the associated development initiatives;
3. implementing a bonus system to incentivise managerial performance;
4. introducing a structured onboarding process to support new hires.

**INCOMING TURNOVER RATES BY GENDER AND AGE**

	Women	Men	<30	30-50	>50
<b>FNM Group</b>	7.1%	8.1%	48.4%	7.9%	2.6%
<i>Motorways</i>	5.9%	14.4%	73.0%	15.4%	2.7%
<i>Ro. S. Co.</i>	8.1%	6.6%	36.4%	6.6%	4.8%
<i>Railway infrastructure</i>	4.5%	6.1%	35.4%	4.4%	1.5%
<i>Road passenger mobility</i>	12.8%	7.1%	50.0%	8.5%	2.8%
<b>Rail transport (Trenord)</b>	8.3%	4.6%	21.9%	3.8%	0.9%

**OUTGOING TURNOVER RATES BY GENDER AND AGE**

	Women	Men	<30	30-50	>50
<b>FNM Group</b>	4.7%	9.6%	18.3%	6.1%	10.1%
<i>Motorways</i>	5.9%	9.1%	27.0%	4.3%	8.0%
<i>Ro. S. Co.</i>	4.0%	2.2%	0.0%	2.5%	4.8%
<i>Railway infrastructure</i>	3.6%	6.4%	18.5%	3.2%	8.1%
<i>Road passenger mobility</i>	3.8%	13.2%	15.0%	10.9%	13.9%
<b>Rail transport (Trenord)</b>	2.5%	4.8%	6.4%	2.1%	11.0%

**Gradual personnel management digitalisation process**

New remote working arrangements, adopted by most Group companies (FNM, FERROVIENORD, FNM Autoservizi, NORD\_ING and E-VAI), are based on a “smarter” reconsideration of how work is done, even in person, eliminating constraints and inadequate models to move towards more flexible and intelligent forms of organisation by exploiting technology.

This is where the Go2Cloud project, which has now concluded, fits in. By sharing workstations in the Cloud, it makes it possible to further strengthen the possibility of dematerialising analogue processes and delocalising business activities.

In addition, to facilitate communication, the meeting room booking process has been digitalised, and the rooms themselves are equipped with state-of-the-art devices that can optimally connect in-person and remote users as well as external guests.

Lastly, the “Smartphone for All” project has been completed, making a fundamental tool available to all staff to support process and activity digitalisation. A “dual zone” option is currently being integrated, which will allow users to segregate the device into two simultaneous but technically “separate” partitions (one private and one work) with the benefit of reducing the waste of materials and resources.

## Diversity and inclusion

GRI 3-3, 405-1

The **FNM Group** confirms its commitment to preserving the diversity of every individual, recognising the value it brings to business processes and the internal climate. Adopting an inclusive approach, the company refuses any form of discrimination on the basis of ethnic origin, skin colour, gender, sexual orientation, religion, nationality, age, political opinion, trade union affiliation, marital status, physical or mental disability and any other status or personal characteristic.

During 2023, investment initiatives supporting inclusion and diversity were pursued, with a specific focus on training linked to skills built up through motherhood/fatherhood and webinars focused on Diversity & Inclusion issues, working with external partners (e.g. Lifeed).

During 2023, **MISE** organised several employee events focusing on topics such as gender-based violence and cancer prevention. In the course of 2024, the company will launch the Institute for the Blind's "Employment support for people with sensory disabilities" project. At **ATV**, the first steps have been taken in the direction of gender certification through discussions with other companies in the sector that are moving in this direction. There has been a substantial increase in the number of women employees amongst new hires, including as drivers.

### **Life Based Value Programme - Your resources in the face of change**

The FNM Group and Trenord were the first Italian companies in the railway transport industry to join the Life Based Value projects, which focus on parenting and employee well-being. Between November 2022 and June 2023, FNM adapted the offer through workshops based on the MultiMe®Finder, a self-discovery tool developed with the Kellogg School of Management, which enables employees to explore life roles and skills. This facilitates the transfer of talent between the personal and professional spheres. Participants were provided with access to self-coaching on the Lifeed platform. 156 people from the FNM Group were involved, of whom 32 completed the courses.

**FNM** supports its employees through life's most important moments. In the case of maternity, FNM and Trenord top up the 80% maternity pay guaranteed by the National Social Security Institute (INPS) to full pay for the obligatory five-month leave period and for all at-risk pregnancies. Trenord promotes equal opportunities and professional development, ensuring well-being through the "people caring" model. Initiatives include training relating to parenthood, care support, smart working, flexible working hours, structured welfare and mental health services. The company complies with regulations on hiring protected categories and offers support to employees at crucial moments in their lives.

**FNM S.p.A. 44.8%\*** of professional figures are women (senior and middle management)

*\* The figure refers to the company*

### **Pay and performance assessment system**

The process for determining staff remuneration is based on the provisions of the National Collective Bargaining Agreement and the second-level company contract. In addition, the FNM Group and Trenord have established an internal operating procedure governing promotions, raises and performance bonuses.

In 2023, the performance bonus and MBO (Management by Objectives) programme<sup>29</sup> involved a total of 430 people, of whom 266 were office workers, with corporate indicators and function and team objectives, while the MBO programme involved 126 middle managers and 38 managers<sup>30</sup> with the assignment of corporate as well as individual objectives. In addition, with the aim of increasing awareness of CSR-Sustainability objectives, it was indicated that at least one CSR and Sustainability objective should be included in the Manager and Middle Manager assessment system, giving priority to transversal projects involving multiple internal functions.

With respect to the **Motorways Segment**, the MBO system for **MISE** is governed by an internal restricted distribution policy, which is intended to evaluate company management on the basis of the results achieved against pre-established objectives, which are linked to MISE's Financial Plan and ESG matters. These incentives are divided into two corporate objectives, assigned by the Board of Directors and equal for all, consisting of EBITDA and an additional objective set year by year, accounting for 40% of the bonus; the remaining 60% is divided into at least three individual, position-specific objectives. In 2023, MBO bonuses were awarded to 10 Managers (91% of total managers). **MISE Engineering** does not currently have an MBO programme, but one will be introduced beginning in 2024. **ATV** has an MBO incentive programme for its four managers. The objectives are divided into general common objectives (50%) linked to the EBITDA parameter and individual objectives (50%) linked to improvement and/or innovation projects.

#### Employee training and development

GRI 3-3, 404-1, 403-5, 404-3

Training and human capital development continue to be a strategic priority, with a focus on the technical-professional aspect and an increasing emphasis on soft skills.

Whenever possible and compatible with organisational requirements, classroom training was carried out in order to restore the sense of community and facilitate interaction and integration, even between colleagues in different functions.

**FNM** has set up an Innovation Ambassadors Committee to foster the focus on innovation, offering training focusing on acquiring an innovative mindset. **FNM Autoservizi** has set up an internal academy to train 14 interns in the role of bus drivers, integrating technical skills with modules on soft skills. At **TRENORD**, a skills assessment project was launched, involving staff hired over the last five years, to assess transversal skills, relational style and motivation, with a view to supporting personal and professional growth.

#### The importance of listening and training at FNM and FERROVIENORD

**FNM** has launched training initiatives on interpersonal communication, managing emotions, employee relations and time optimisation. These topics will be further analysed through a dedicated Listening training project involving all Group company managers in 2024.

In 2023, **FERROVIENORD** extended its training activities, which were initially aimed at specific figures such as unit heads, maintenance service heads and technical department staff. The main topics regarded manager-collaborator communication (according to the "manager as a coach" model), with a focus on managing feedback processes. Based on positive feedback, the intention is to replicate the evaluation and listening model and extend it to other professional roles.

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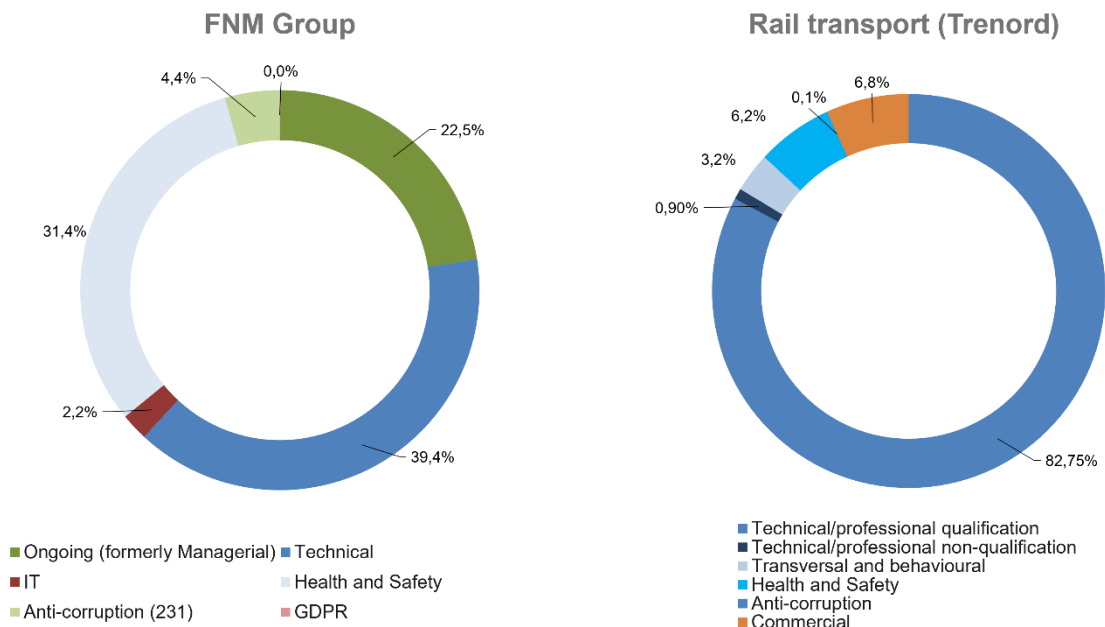
<sup>29</sup> The MBO programme managed centrally by FNM S.p.A. covers the following corporate scope: FNM, FERROVIENORD, FNMPAY, Malpensa Intermodale, E-Vai, Nord\_Ing and FNM Autoservizi.

<sup>30</sup> Excluding managerial staff joining as of 1 August 2023 and/or seconded to other Group companies or entities.

**Rail transport (Trenord)**

Mobility is at the centre of a great transformation, Trenord is one of its main players and staff training is essential to support the transformation. The 2023 training plan focused on four main objectives: strengthening technical skills, developing soft skills, promoting a culture of continuous growth and supporting the all-round Leadership Model. Training covered both new recruits and existing staff, with a particular focus on digital skills through courses on Microsoft applications and ICT topics. Adapting to the new ways of working, some training activities were delivered in blended mode, combining virtual classrooms and in-person sessions.

**FNM Group and Trenord training provided by subject area (% percentage on total hours)**



**Summary data on training courses provided, year 2023**

**FNM GROUP**

56,565 hours of training delivered  
 21.5 hours per capita  
 39.4% technical training

**Rail transport (TRENORD)**

321,831 hours of training delivered  
 68.9 hours per capita  
 approximately 84% technical and professional training, for obtaining qualifications and otherwise

## Employee welfare

GRI 3-3, 401-2, 403-6



In 2023, **FNM** continued to be committed to and focused on welfare initiatives, moving more and more towards a “people caring” model. Welfare is understood as a tool to strengthen the sense of belonging, motivation and a stable relationship between the company and employees. In 2023, an “expanded well-being” programme was launched that focuses on the real needs of employees and takes into account all spheres of their lives to improve their motivation, engagement and well-being. The offer was expanded with the introduction of Long Term Care insurance cover in the event of non-self-sufficiency and the launch of the Care Manager service. Participation in the FNM Pension Fund has been extended to dependents and new financial investment lines have been introduced in addition to the existing insurance segment.

MEMBERS OF FNM GROUP AND TRENORD CORPORATE BODIES AS OF 31 DECEMBER 2023

Number of members	FNM Group			Trenord			Open positions/Retirees		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Pension Fund <sup>33</sup>	1,232	1,220	1,184	4,282	4,187	3,848	591	493	476
Mutual benefit fund <sup>34</sup>	1,201	1,206	1,157	4,237	4,111	3,791	515	493	478
Company recreational club (CRA)	1,239	1,225	1,191	4,444	4,313	4,009	355	373	462

The company population is actively involved in listening processes addressed to the company management, through surveys and focus groups, also in favour of WIP - Welfare Important People, with initiatives and training courses aimed at improving knowledge and skills. These efforts were recognised with the SMAU 2023 Innovation Award, an acknowledgement of the high value of market-transforming innovation.

During 2023, **MISE** promoted a number of work-life balance promotion initiatives, such as the Bimbi in azienda event, which in 2023 also involved the Assago and Traffic Police offices. Like every year, six scholarships were made available for the children of employees who obtained their secondary school diploma or university degree in the last year. The company worked to further improve the supply as well as the usability of personal services, through both the welfare portal and the activation of services and agreements. At the same time, a tender was launched for the renewal of the welfare platform provider in view of the expiry of the contract. For 2024, **MISE** intends to expand its initiatives with a focus on blood donation, in collaboration with Avis Milano.

In order to continue its process of human resources development, an analysis of the degree of corporate Employability was carried out in 2023 with the support of the University of Milan Bicocca. The results prompted the company to implement targeted actions with the development of group workshops in 2024. During the year, the company also worked to improve the comfort of common areas with the creation of a fully equipped refreshment area and other shared spaces (meeting rooms, welcoming reception area).

<sup>31</sup> FNM Group data refers to the following companies: FNM, FERROVIENORD, FNM Autoservizi, NORD\_ING and E-Vai.

<sup>32</sup> Pension Fund data refers to all those registered with all funds offered by Trenord.

<sup>33</sup> The Pension Fund also has an “Open Positions” category that refers to terminated former employees who have decided to keep their positions open.

<sup>34</sup> The Mutual Benefit Fund and Recreational Club also include the “Pensioner” category, which refers to persons/pensioners who have been registered with the organisation as employees for at least 10 years. CRA retirees have no registration limitations.

## Industrial relations

### GRI 2-30

Relations and negotiations with trade unions are managed in accordance with the principles of transparency, fairness and current laws. The FNM Group guarantees freedom of association to all employees and applies collective bargaining agreements to all employees.

In the course of 2023, the contract amendments set forth in the national collective bargaining agreement renewal for the Railway/Tram Sector signed in 2022 were fully implemented. At company level, certain organisational solutions in the **FERROVIENORD** Circulation sector were managed with second-level agreements. Amendments relating to the corporate bodies were approved in order to bring them into line with regulations in force on the matter.

Compared to the previous year, the implementation of agreed content relating to smart working was maintained and the bonus remuneration of **FNM, FERROVIENORD and NORD\_ING** staff, focusing on productivity and performance bonuses, was revised, in order to make it more aligned with current operating trends.

The changes made to welfare initiatives were maintained, focusing on pension fund contributions, meal vouchers and performance bonus conversion opportunities.

### Health and safety

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

All **FNM Group companies**<sup>35</sup> and **Trenord** have adopted an Occupational Health and Safety Management System certified according to the new UNI ISO 45001 standard.

In line with the requirements of the Management System, during the year health and safety trends are evaluated during regular meetings, audits and indicator analyses, with the identification of corrective actions and improvement targets. These include the promotion of the culture of safety, awareness campaigns, Safety Days and the purchase of protective equipment.

In 2023, 68 injuries were recorded in the **FNM Group**, a 15% reduction compared to 2022, and an 8.1% reduction compared to 2021. The analysis of injuries in recent years has shown, on one hand, a decrease in the overall number of cases, attesting to the positive impact of prevention policies, but on the other hand it reveals an increase in accidents linked to a inattentiveness in situations that can be linked to specific areas, such as distraction in managing preliminary and final construction site operations, inattention when moving around at workplaces and all of the dangers associated with road accidents.

Worker participation and consultation on occupational health and safety mainly takes place through the Workers' Safety Representatives (RLS) identified at the individual companies. The RLSs attend the annual periodic meeting, the review meeting (only for **FERROVIENORD and NORD\_ING**), as well as the quarterly meetings identified by the OHS MS.

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<sup>35</sup> With the exception of the company Malpensa Intermodale. Specifically, FERROVIENORD is responsible for the occupational health and safety activities of FNM, NORD\_ING, E-Vai and FNMPAY.

However, workers can also report anonymously (e.g. on near misses) through special boxes distributed throughout the network. Further communication takes place through security notice boards, bi-annual newsletters or emails.

Group companies actively promote health and safety courses to improve the management system. The mandatory aspect goes beyond legal compliance, aiming to develop a corporate culture of safety through annual training courses for all employees. An online course on the OHS MS with the use of avatars is emphasised, to encourage safe behaviour in dangerous situations.

For the motorway segment, **MISE** created a course on BBS (Behaviour Based Safety), introducing a different approach for dealing with Safety and Prevention by focusing directly on people’s behaviour through a process of observation and feedback. The entire Prevention and Protection Service, the supervisors and the Safety Coordinators (CSE) participated in the initiative. In this area, **MISE** completed the actions set forth in the respective Health and Safety Training Plan implemented in 2022, also in relation to the numerous recruitments that affected all company divisions.

For the railway infrastructure segment, in 2023 **FERROVIENORD** promoted the safety culture through a campaign that included a launch video, 7 cartoons in different working environments and a concluding video. In addition, safety days were organised with a multimedia approach, using augmented reality, escape rooms and company videos, to raise staff awareness of occupational health and safety.

Other actions in 2023 included the testing of an air-bag vest for protection even below two metres and a course on the use of manhole lifters. Training on the use of semi-automatic defibrillators continued after the installation of 126 AEDs throughout the network.

HOURS OF HEALTH AND SAFETY TRAINING

	2023	2022	2021
<b>FNM Group</b>	<b>15,038</b>	<b>17,510</b>	<b>16,430</b>
<i>Motorways</i>	3,446	5,201	3,486
<i>Ro. S. Co.</i>	699	605	369
<i>Railway infrastructure</i>	9,140	7,558	8,902
<i>Road passenger mobility</i>	4,588	4,146	3,673
<b>Rail transport (Trenord)</b>	<b>20,106</b>	<b>13,100</b>	<b>11,538</b>

With reference to the **motorway segment**, in 2023, accidents maintained the same numerical incidence as the previous year, but there was an increase in the number of days of temporary disability with a prognosis of more than 40 days, which occurred in 60% of episodes. The causes of accidents are not directly related to work activities, but rather to distraction, unintentional overconfidence and long duration, often related to the fact that workers are no longer young and therefore are less reactive.

### Investigating the causes of accidents

**MISE** conducted a detailed survey during the year on the correlation between accidents and advanced worker age, analysing the trend over the last three years and dividing the population into uniform groups according to risk level and age group (18-34, 35-54, 55 and over). The data point to an increase in accidents as age increases, both in absolute terms and in terms of abstention from work, with the greatest impact in the oldest age group. Some of the suggested containment measures were:

- establishing forms of turnover in the higher-risk sector, including through job replacement beyond a certain age threshold;
- integrating age-related issues into training plans, needs assessments, scheduling and educational tools;
- considering the possibility of encouraging generational turnover with the tools provided by law, accompanied by requalification and training programmes aimed at ensuring the adaptation of skills.

#### RATE OF ACCIDENTS AND EMPLOYEE FATALITIES (AT WORK AND EN ROUTE) BY GENDER

	Men	Women	Total
<b>FNM Group</b>			
Recordable accident rate	16.0	13.6	15.6
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.0	0.0	0.0
<i>Motorways</i>			
Recordable accident rate	7.3	26.1	14.1
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.0	0.0	0.0
<i>Ro.S.CO</i>			
Recordable accident rate	0.0	0.0	0.0
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.0	0.0	0.0
<i>Railway infrastructure</i>			
Recordable accident rate	11.9	10.4	11.7
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.0	0.0	0.0
<i>Road passenger mobility</i>			
Recordable accident rate	23.8	8.4	22.7
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.0	0.0	0.0
<b>Rail transport (Trenord)*</b>			
Recordable accident rate	28.8	35.2	30.0
Accidental death rate	0.0	0.0	0.0
Rate of accidents with serious consequences (excluding deaths)	0.2	0.7	0.3

\* Rail transport (Trenord) accident rates include 4 COVID-19 cases, of which 3 men and 1 woman.

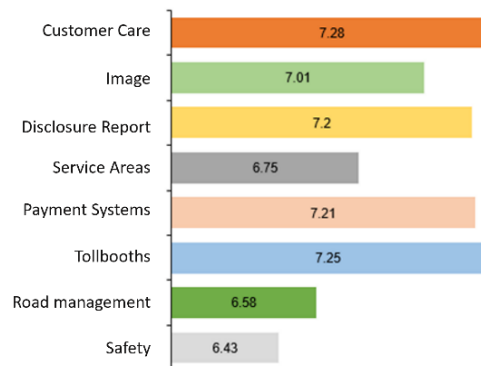


## Customer satisfaction

GRI 2-6, 3-3, 413-1

Guaranteeing the highest levels of service quality and customer satisfaction is one of the primary objectives of the **FNM Group**. The Group pays particular attention to ensuring compliance with contracts signed<sup>36</sup> with Lombardy Region, to constantly monitoring its services and to maintaining ongoing dialogue with stakeholders as part of efforts to develop its social and relationship capital.

Regarding the motorway segment, in 2023 **MISE** developed a communication plan based on the results of a corporate image survey, aiming to reflect the evolutionary path undertaken. The activities include the renewal of the brand and the resulting review of the entire coordinated image, the organisation of events on innovation, safety and sustainability, the updating of the website, the definition of a communication activity via social networks based on a specific publishing plan and a campaign on road safety, including specific projects for schools. The actions are managed by the Communication and External Relations Service, involving the corporate structures and following a specific procedure that defines the responsibilities, flows and operations of the various activities. In 2023, the Customer Care Department conducted a customer satisfaction survey involving at least 1,000 respondents on various topics relating to motorway services, with a focus on safety, traffic management, toll booths and payment systems, information, service areas, customer care and sustainability.



As the party responsible for managing services in stations, and fully aware that the quality of these services is directly linked to customer well-being, **FERROVIENORD** strives to ensure that services progressively improve both in terms of security and structure and as regards the surrounding areas, as part of the objective of transforming simple stations into places for all customers to enjoy. In this context, complaints regarding FERROVIENORD services and activities represent a precious source of information on the needs, dissatisfaction and preferences of the public. This information is combined with other data to aid in the definition of action plans designed to resolve critical issues and ensure constant service improvement. The “FERROVIENORD TI ASCOLTA” service was also active in 2023. Thanks to the website [www.ferroviennord.it](http://www.ferroviennord.it), 610 cases were managed (+26% compared to 2022).

<sup>36</sup> Reference to the Service Agreement signed by FERROVIENORD in 2014 and to the “Programme Contract for investments and extraordinary maintenance on the regional rail network under concession to FERROVIENORD between the Lombardy Region and FERROVIENORD for the period 28/07/2016 - 31/12/2022”.

## New signage and station furnishings

Work continued on upgrading the FERROVIENORD stations in keeping with the rules shared across the entire Group on logo, colour and font use. As of 2023, Milan branch stations have been upgraded with the refurbishment of waiting rooms, facades, adaptation to the guidelines set forth in the Spaces Manual and the implementation of new outdoor furniture and signage. Work has started and is still in progress to adapt Iseo Branch stations with the new furnishings.

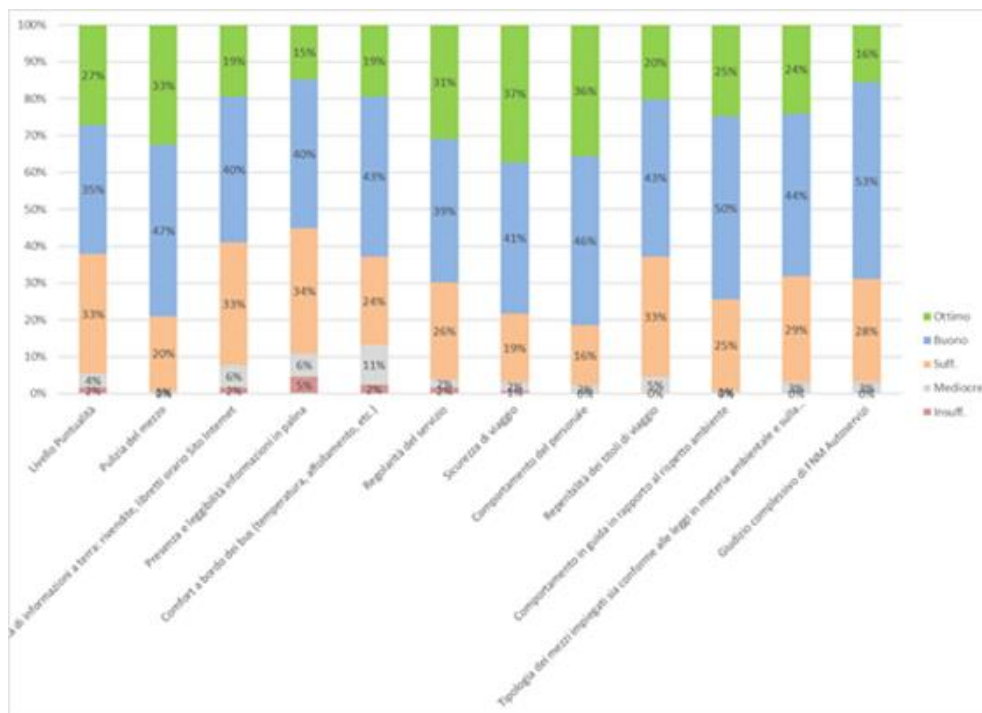
Redefining station visual identity is aligned with the Group’s vision and mission, which focus on people, urban health and environmental and economic sustainability “to create social value and foster local productivity”.



The placement of technological facilities dedicated to the delivery of online purchases continues, with the installation of new lockers in stations. At the end of 2023, 60 Amazon lockers and 29 Inpost lockers were active in the network. Utilisation figures are showing sharp growth: more than 380,000 parcels collected at Amazon lockers (140,000 in 2022) and nearly 189,700 delivered through Inpost lockers (50,000 in 2022).

As in previous years, in 2023 **FNM Autoservizi** conducted a customer satisfaction survey on the service provided, submitting the “Sixty Seconds” questionnaire to participants. Participants were asked to rate certain service aspects on a scale ranging from 1 (not good enough) to 5 (excellent), in order to gather information on customer travel types and dynamics. Considering that the bus lines surveyed change cyclically every year, the analysis showed an overall satisfaction index of over 95%. The main elements being assessed include cleanliness, availability of information, availability of tickets and driving style, in relation to safety as well as the environment.

At the same time, a further customer satisfaction survey was launched in 2023 by a specialised external company, which administered questionnaires to 3,000 passengers to assess user service expectations and perceptions. The results are shown below:



For companies operating in the Local Public Transport sector, ensuring a positive customer experience is crucial. Understanding what customers' opinions and needs are is essential to structuring targeted offers and communications.

Also for **ATV**, it is essential to identify what the real strengths and weaknesses of its services are. The 2022 customer satisfaction analysis (carried out in March 2023) involved the three services offered: urban, extra-urban and the Municipality of Legnago, focusing on the lines with the most traffic. Approximately 1,400 interviews were conducted at stops, concentrating on aspects such as following routes and stops, punctuality, frequency, crowding and the overall assessment of ATV. The overall assessment of ATV's work was again positive, with a satisfaction index of 7.24 out of 10 points.

### Summary of the results of ATV's customer satisfaction survey

<b>7.75</b>	<b>6.98</b>	<b>7.08</b>	<b>7.16</b>	<b>7.21</b>
Compliance with routes and stops	Punctuality	Service frequency	Onboard comfort	Respect for the environment



In order to respond to ever-increasing demand with a higher quality service limiting the number of refusals, **E-VAI** decided to reconfigure its rates by raising the rental cost but including more kilometres (from 50 to 70 km) in both hourly and daily rates.

This change generated a decrease in the number of users, reduced the number of refusals and left the turnover basically intact compared to 2022.

At year-end, **E-VAI** conducted a survey to measure the 2023 satisfaction index and obtained an overall score of around 84.5%.



In 2023, two surveys were carried out by means of face-to-face interviews on board trains on all 40 routes in the Lombardy region and in the neighbouring Canton of Ticino.

Overall, the surveys carried out in 2023 made it possible to define **Trenord's** customer profile and changes in behaviour compared to previous years. In particular, the average age was 38 years and a high level of schooling was confirmed, as well as the fact that the train is the most used means of transport by those travelling for study and work.

Surveys carried out during 2023 show a clear recovery in the use of rail service, with 51% of travellers choosing the train for work, 24% for study, 19% for leisure and 5% for medical visits.

A change in travel habits has also been noted, with an increase in the frequency of travel compared to previous years, with more than half of travellers using the Trenord service every day of the week.

Finally, the results of the second half of 2023 show that more than 90% of customers are satisfied (vs. 80% in 2022) with the Trenord service, with over 70% of them saying they were very satisfied (vs. 58% in 2022), while customer ratings

Around **100 thousand different customers** use the Trenord App every day.

regarding the comfort of the means of transport and service availability were very positive.

Furthermore, in 2023 the Trenord App, which represents the most dynamic digital channel for interaction with customers in terms of communication, engagement and sales, reached high levels of use and was enhanced with new functions in order to become a more useful, efficient and effective tool for customers.

Community and value sharing: projects and initiatives in the territory

GRI 2-28, 3-3, 413-1

During 2023, the **FNM Group** consolidated its presence on social media thanks to significant growth in its community in its five existing profiles and the opening of the new Spotify channel.

Social Media	2023
<b>Facebook</b>	13,431 Followers 160 Posts
<b>Twitter</b>	492 Followers 102 Tweets
<b>LinkedIn</b>	8,585 Followers 156 Posts
<b>YouTube</b>	493 Subscribers 81 videos uploaded 373,268 views
<b>Instagram</b>	2,004 Followers 151 Posts
<b>Spotify</b> with the categories: “Essential” and “Travel to the future”	91 Followers 544 views

In 2023, **FNM** organised 41 events focusing on sustainable mobility, intermodal transport, the energy transition with hydrogen energy, urban regeneration and social cohesion. These initiatives have consolidated the Group’s commitment to a sustainable society, contributing to the achievement of the SDGs and promoting environmentally sustainable practices and the transformation of urban spaces.

Events such as the FILI project road show and the “From smart city to senseable city” conference highlighted the Group’s role in creating resilient and sustainable communities, even beyond national borders, with participation in the UITP Global Summit in Barcelona.

The company presented hydrogen trains at Expo Ferroviaria 2023, reaffirming its commitment to clean energy sources and driving Italy towards sustainable mobility. Participation in events such as “Hydrogen Forum” with iSole24Ore Eventi, the conference on “Italy in evolution. The energy transition” organised by Ansa, and the Natural GeographicFest “What is natural capital?” emphasised the importance of sustainability in the Strategic Plan.

**FNM** intensified relations with local communities, with the presentation of the H2iseo project at a meeting with local stakeholders in Iseo and Sale Marasino (BS). The company has positioned itself as a promoter of concrete change through its commitment to the environment and support of renewable energy.

In addition to being at the forefront of sustainable infrastructure technologies, the Group recognises the value of local traditions, not only in the present but also in the preservation of historical roots that help to define the identity of the regions involved. In this regard, a cultural heritage route was initiated under the name “Essential. Anything but simple, marginal, superfluous”, promoting the sharing of values and traditions and addressing mobility and sustainability issues from multiple points of view thanks to the contributions of selected guests from the world of culture, art and science. In addition, exhibitions such as “Travelling Gaze” provide an artistic reflection on the interconnection between human beings, the environment and travel.

In summary, the Group emerges as a key player in the positive transformation of the energy landscape, mobility and urban life, by combining innovation, sustainability and the promotion of cultural heritage to help build a more harmonious and environmentally friendly future.

In 2023, **FNM's** support to social and sporting activities included:

- Varese Basketball;
- Adopt-a-Statue;
- Ba Classica;
- BaBook;
- Lago di Garda Lombardia Consortium;
- Bicocca University;
- Milaneseiana;
- Rimini Meeting;
- The musical chapel;
- Civil Week;
- Fondazione per la Sussidiarietà;
- Coldiretti Event.

In terms of local relations, **ATV's** main objective remains that of establishing synergies and collaborations with organisations that constitute significant attractors, especially in the Lake Garda area. The aim is to continue and strengthen the development of the extra-urban lines in service in that area, which are particularly popular with tourists. Examples of this are the relations established in recent years with Federalberghi del Garda, tourist promotion offices in the Province, concerts and festivals (Arena di Verona, Fondazione Atlantide Teatro Stabile di Verona and Verona Mountain Film Festival) and amusement parks (Gardaland, Parco Natura Viva).

### **Promotion of local areas and resources**

In 2023, Trenord saw growth in tourism, becoming a key player in Lombardy. The 20% increase in leisure traffic exceeded post-COVID forecasts for commuting. New products and effective promotion led to a record 25% in bundle ticket sales. Collaborations with Lonely Planet and Snowit improved the tourism offer, while participation in trade fairs such as TTG in Rimini and BIT in Milan generated market interest. In 2023, the partnership with Snowit was consolidated, expanding the destinations to 5 ski resorts. The Malpensa Express service, which offers a train service of one train every 15 minutes, recorded over 4.3 million passengers in 2023, an increase of 24% compared to 2019. Participation in trade fairs and the increase in the modal share of the Malpensa Express to 19% in 2023 reflect Trenord's commitment to supporting rail connectivity.

## 5.4 Natural capital

A business model to support the fight against climate change

GRI 2-4, 302-1, 302-2, 302-3

Climate change is the major global emergency of our time. The goal of achieving climate neutrality is essential and constitutes a complex but achievable challenge which offers opportunities for a prosperous and resilient economy. In a context in which the impacts of climate change are becoming increasingly evident for individuals and infrastructure, it is crucial to take concrete steps to reduce environmental impacts and ensure the well-defined adaptation to ongoing changes. In 2023, the **FNM Group** renewed its commitment to involving all corporate structures to promote a reduction of energy consumption, encourage sustainable mobility and monitor its greenhouse gas emissions.

According to Copernicus, the European satellite monitoring programme, 2023 was considered the hottest year in Italy, with significant impacts on water availability, public health and food systems<sup>37</sup>. This situation underscores the importance not only of reducing greenhouse gas emissions, but also of investing in infrastructure resilience to climate change.

The National Recovery and Resilience Plan allocated around EUR 25 billion to improve the railway network, reflecting the need to address climate challenges<sup>38</sup>. Climate impacts on global infrastructure could cause significant economic losses, with costs estimated at over USD 4 trillion by 2100 according to the IPCC. In Italy, the costs associated with climate risks for transport infrastructure could exceed EUR 21 billion by 2080.

Transport network vulnerability to extreme weather events, exacerbated by climate change, could adversely affect economic development and the health and safety of people. In contrast, the reduction of emissions by 55% by 2030 and the goal of zero net emissions by 2050, as proposed by the Intergovernmental Panel on Climate Change (IPCC), require considerable investment, especially in the transport system, which is responsible for 30% of total greenhouse gas emissions.

In this context, the FNM Group demonstrates its commitment to addressing the climate challenge by expanding its reporting of Scope 3 greenhouse gas emissions, which according to the UK Global Compact account for around 70% of total emissions for many businesses<sup>39</sup>.

This strategic decision is in preparation for the identification of any actions needed to reduce Scope 3 emissions, as well as the definition of a pathway to set ambitious reduction targets, in line with Science-Based Target Initiative (SBTi) guidelines.<sup>40</sup>

### Focus: Climate risk analysis

In 2023, the Group began a climate risk analysis to identify the main physical risks associated with catastrophic natural events and long-term climate change linked to temperature, wind, water and solid mass (e.g. storms, floods, soil degradation and landslides) in order to mitigate any potential impacts on business operations.

The analysis showed that there are no high-risk scenarios considering the time horizon to 2050. This analysis may support the choice of investments for mitigation measures where high climate risks are identified. These investments may include infrastructure resilience strategies put into place to adapt to current and future climate risks, such as the use of technological solutions capable of monitoring risks in the areas identified, enabling real-time data transmission and machine-learning-based forecasting.

## Energy

GRI 2-4, 3-3, 302-1, 302-2, 302-4

The energy consumption of the **FNM Group** is presented below for each business segment.

	ENERGY CONSUMPTION (GJ)		
	2023	2022	2021
<b>Electricity</b>			
<b>FNM Group</b>	<b>118,061</b>	<b>124,563</b>	<b>117,645</b>
<b>Motorways</b>	<b>51,067</b>	<b>54,392</b>	<b>46,490</b>
<i>of which from renewable sources</i>	25,711	20,839*	169
<b>Railway infrastructure</b>	<b>53,746</b>	<b>56,863</b>	<b>60,264</b>
<i>of which from renewable sources</i>	53,145	56,100	59,443
<b>Road passenger mobility</b>	<b>13,248</b>	<b>13,308</b>	<b>10,891*</b>
<i>of which from renewable sources</i>	2,681	2,782*	934*
<b>Rail transport (Trenord)</b>	<b>2,178,177</b>	<b>2,066,924</b>	<b>2,187,873</b>
for Traction	2,121,418	2,010,157	2,127,610
for facilities and offices and vehicle traction	56,759	56,767	60,263
<b>District heating</b>			
<b>FNM Group</b>	<b>3,620</b>	<b>3,625</b>	<b>2,972</b>
<b>Motorways</b>	<b>3,199</b>	<b>3,232</b>	<b>2,417</b>
<b>Railway infrastructure</b>	<b>422</b>	<b>393</b>	<b>555</b>
<b>Road passenger mobility</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Rail transport (Trenord)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Diesel</b>			
<b>FNM Group</b>	<b>302,985</b>	<b>385,227</b>	<b>370,423</b>
<b>Motorways</b>	<b>21,723</b>	<b>21,855</b>	<b>20,975</b>
for Traction	12,254	13,161	11,813
for facilities and offices	9,469	8,694	9,162
<b>Railway infrastructure</b>	<b>12,879</b>	<b>13,808</b>	<b>15,504</b>
for Traction	11,895	12,460	13,613
for facilities and offices	983	1,348	1,890
<b>Road passenger mobility</b>	<b>268,384</b>	<b>349,564</b>	<b>333,945</b>
for Traction	268,384	349,564	333,945
<b>Rail transport (Trenord)</b>	<b>307,533</b>	<b>294,770</b>	<b>303,234</b>
for Traction	305,865	292,641	300,331
for facilities and offices	1,668	2,129	2,902
<b>Petrol</b>			
<b>FNM Group</b>	<b>1,683</b>	<b>1,642</b>	<b>798</b>
<b>Motorways</b>	<b>930</b>	<b>632</b>	<b>388</b>
<b>Railway infrastructure</b>	<b>217</b>	<b>277</b>	<b>0</b>
<b>Road passenger mobility</b>	<b>537</b>	<b>732</b>	<b>410</b>
<b>Rail transport (Trenord)</b>	<b>412</b>	<b>0</b>	<b>0</b>
<b>Methane Gas</b>			
<b>FNM Group</b>	<b>253,569</b>	<b>268,295</b>	<b>245,923</b>
<b>Motorways</b>	<b>3,503</b>	<b>3,581</b>	<b>5,431</b>
for facilities and offices	3,503	3,581	5,431
<b>Railway infrastructure</b>	<b>5,593</b>	<b>11,726</b>	<b>12,746</b>
for facilities and offices	5,593	11,726	12,746
<b>Road passenger mobility</b>	<b>244,473</b>	<b>252,987</b>	<b>227,746</b>
for Bus traction	231,377	238,329	213,949
for facilities and offices	13,096	14,658	13,796



Rail transport (Trenord)	128,230	134,413	159,616
<b>TOTAL ENERGY CONSUMPTION</b>			
<b>FNM Group</b>	<b>679,919</b>	<b>783,351</b>	<b>737,762</b>
Motorways	80,422	83,692	75,701
Railway infrastructure	72,855	83,068	89,069
Road passenger mobility	526,642	616,591	572,992*
<b>Rail transport (Trenord)</b>	<b>2,614,352</b>	<b>2,496,108</b>	<b>2,650,722</b>

\*Following a methodological refinement and a more precise assessment of energy from renewable sources, the figures marked were recalculated for the years 2022 and 2021.

The conversion factors set out in the UK Department for Energy Security and Net Zero's standard parameters – which are updated every year – were used to convert energy consumption data into GJ.

#### ENERGY CONSUMPTION CONVERSION FACTORS

	2023	2022	2021
kWh	0.0036	0.0036	0.0036
GJ/tonne (diesel)	45.412	45.278	45.127
tonne/cm (methane)	0.0008	0.0008	0.0008
GJ/tonne (methane)	50.43	50.080	49.893
tonne/l (diesel)	0.0008	0.0008	0.0008
GJ/tonne (petrol)	45.580	45.998	46.176
tonne/l (petrol)	0.0007	0.0007	0.0007

Electricity consumption related to the Milano Serravalle - Milano Tangenziali **Motorways segment** is mainly attributable to the management of the infrastructure network, primarily for street lighting. The lighting is used for visibility in carriageways, junctions, yards, barriers, toll booths, warehouses and maintenance centres, with the ultimate aim of ensuring safety during night-time travel and in tunnels on the sections under concession. In addition to lighting, a significant amount of energy, mainly of electrical origin with a small part from fossil fuels (natural gas, heating fuel oil), is used for workplace air conditioning, covering both the winter and summer period. In order to reduce energy consumption, MISE has been ISO 14001 certified with an environmental management system and a dedicated office since 2023. In addition, the Company is in the process of replacing existing lamps with energy-saving LED technology, continuing a process started earlier. This process affects the tunnels and underpasses of all sections under concession and along the A7 motorway from Milan to the barrier beyond the Tortona junction. The same type of work (replacement with LED lamps) will be

#### FNM Group energy intensity indicators

**0.35 KJ/mgl pkm**

Energy intensity per traction/passenger kilometre (\*)  
→ Road passenger transport

**876.2 GJ/M€**

Energy intensity per million euros of revenues → FNM Group

\* - The data concerning the intensity per passenger-kilometre concern the companies belonging to road passenger transport FNM Autoservizi and ATV.  
- The figure for passengers transported is the official one that ATV communicates in its financial statements and in all the reports required by the Provincial LPT Government Authority and the Veneto Region. Passengers transported are calculated by means of usage multipliers agreed over the years with the Veneto Region and the Municipality of Verona (for urban transport).  
- Service kilometres include those covered by company and subcontracted vehicles as well as third-party operating buses.  
- The number of passengers takes into account both occasional trips and periodic passes.

done on light towers in station yards and the outdoor lighting of the Service Areas located along the motorway sections. This work will reduce consumption from public lighting.

In line with the ecological transition, in the course of 2024 **MISE** will begin a number of projects for the construction of photovoltaic power generation plants, which will expand the current share of self-produced energy obtained from small-scale photovoltaic plants, located at the head office, the West Milan tollgate and the Gropello tollgate, the latter of which began operating in 2022. In 2024, it is expected that 100% of purchased electricity will be certified green (Guarantee of Origin).

**ELECTRICAL ENERGY (kWh) - Motorways**

	2023	2022	2021
Electricity purchased	14,087,000	15,032,665	12,866,845
Self-generated electricity used	98,346	76,232	46,917

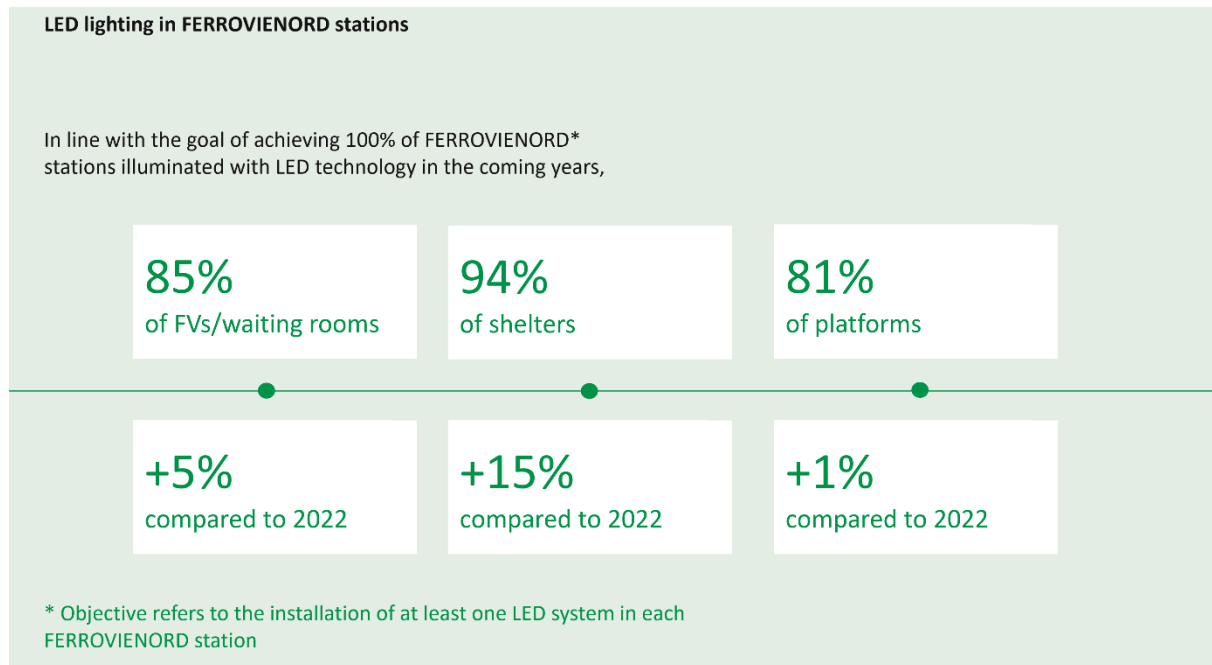
Electricity consumption associated with running the **Railway Infrastructure** business segment network, stations and offices refers to medium- and low-voltage electricity. This energy is used for station lighting and air conditioning, for railway network technological equipment and for heating railway switches in winter and for lifts and escalators. In 2023, the Company’s total energy consumption was in line with that of 2022.

During 2023, energy prices returned to stable values, although prices remained much higher than in 2021. For the tender for the year 2024, the reintroduction of a fixed-price purchase method is planned. For 2024, the share of energy with Guarantee of Origin is confirmed at 99%, in line with the target of 100% in 2025, as set forth in the FNM Group’s 2021-2025 Strategic Plan. This shift will also allow for a significant reduction in Scope 2 (Market-based) emissions, which will be reduced to zero.

69% of the electricity consumed in 2023 for rail infrastructure management, road passenger mobility and motorways came from renewable sources. The Rail Infrastructure and Motorways segments play an important role in this context, contributing significantly to this result thanks to the share of renewable energy, supported by contracts entered into with a “Guarantee of Origin”.

**ELECTRICAL ENERGY (kWh) - Railway infrastructure**

	2023	2022	2021
Medium-/low-voltage electricity purchased	14,746,393	15,567,214	16,495,833
Medium-/low-voltage electricity self-produced and consumed	16,000	16,000	16,000



For the **Road Passenger Mobility** segment, electricity consumption generated by FNM Group companies is mainly related to offices and facilities.

**ELECTRICAL ENERGY (kWh) - Road passenger mobility** <sup>41</sup>

	2023	2022	2021
Electricity purchased	3,680,085	3,662,795	2,997,613
Self-generated electricity used	0	33,911	27,710
Self-generated electricity sold	0	0	2,964

As far as **FNM Autoservizi** is concerned, efficient electricity consumption is promoted by a progressive optimisation of existing facilities and employee awareness-raising initiatives (including office workers, operational staff and maintenance personnel). To this end, a training campaign on responsible energy use was carried out in 2023, for office workers as well as operational staff and maintenance personnel. In the same year, specific information leaflets were distributed to office workers, focusing on energy saving and rational energy use.

With regard to periodic facility maintenance, **FNM Autoservizi** continues with the process of replacing low energy efficiency lighting fixtures with LED devices.

As far as **ATV** is concerned, all routine maintenance and replacements of safety valves in compressed air systems were carried out in 2023. In order to limit line losses and reduce energy consumption, the company plans to replace all pressure reducers at one of the company's main sites as well as lighting fixtures during 2024.

Within the segment, there is no longer any self-generation of electricity following the disposal of La Linea and Martinibus.

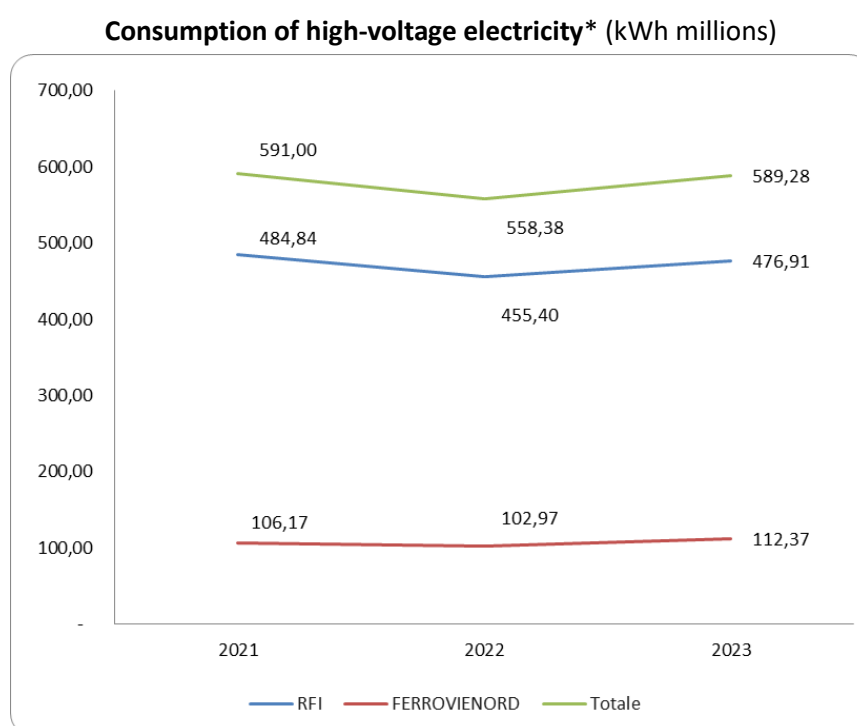
**E-VAI's** electricity consumption is exclusively related to the consumption of the electric cars in its fleet, which are used by end users for its car sharing service.

<sup>41</sup>Electricity total does not include E-Vai's share.

In 2023, there was an increase in the use of the B2C service and consequently a higher consumption of electricity, which comes exclusively from renewable sources.

ELECTRICAL ENERGY (kWh) - E-Vai			
	2023	2022	2021
Electricity for recharging electric vehicles..	744,589	616,386	189,133

**Trenord** trains travel on the **FERROVIENORD** and **RFI** networks. As regards the consumption of the FERROVIENORD network, in the Milan branch trains are powered by the supply – by FERROVIENORD – of high-voltage electricity into the electrical traction conductors. Energy is transferred to the railway companies operating on the line, such as Trenord, DB Cargo Italia and SBB, in order to power propulsion engines and all auxiliary systems on board trains.



\*Data relating to electricity demand includes electricity consumption associated with the functioning of Trenord trains travelling on the FERROVIENORD network and the Italian Railway Network (RFI).

High-voltage electricity consumption associated with train transport is predominantly linked with powering rolling stock. In 2023, more latest generation rolling stock with a lower environmental impact (more energy efficient) was introduced, in continuity with the previous year.

ELECTRICAL ENERGY (kWh) - Rail transport (Trenord)			
	2023	2022	2021
Medium-/low-voltage electricity purchased (for facilities and offices and vehicles)	15,766,466	15,768,616	16,739,741

<sup>42</sup>Electricity consumption by offices is shown in the “Network Management” section of this chapter.

In order to reduce the energy consumption resulting from train traction, in 2023 **Trenord** finalised the educational training module for raising driver awareness of energy-saving driving style, and the relative delivery methods were defined. It will be made available to train newly recruited drivers during European licence courses.

In addition to in the traction area, Trenord promotes energy efficiency initiatives in its facilities. By 2023, by continuing with the replacement of lighting fixtures with LED technology, the company achieved energy savings of 60% in places such as ticket offices, offices, warehouses and maintenance site exterior areas.

Specific interventions in Milan Fiorenza, Cremona, Lecco and Novate Milanese have helped to reduce Trenord's overall electricity consumption, with Milan Fiorenza seeing a decrease of 4% compared to the previous year, which now amounts to around 273 thousand kWh per month. LED lit areas in the company's facilities, particularly in Milan Fiorenza and Novate Milanese, now cover over 80% of exterior areas. Similar work was done on 70% of interior spaces in Cremona, Iseo and Lecco.

In addition, the process of gradually transforming staff mobility to zero impact continued: Trenord's vehicle fleet consists of 42 electric vehicles, including cars and minivans, and 20 vehicles with endothermic engines. There are also 23 hybrid cars for business and personal use. The charging stations installed to date, 12 in all, cover 100% of the maintenance sites.

In addition, in the final quarter of 2023, energy diagnosis reporting was conducted in accordance with Legislative Decree 102/2014, focusing on Trenord's fleet and maintenance sites in Milan Fiorenza, Novate Milanese and Cremona. The aim was to obtain a detailed overview of energy use at the various sites, providing a complete snapshot, identifying any critical issues and proposing actions to improve the efficiency of energy resource use, with ensuing economic benefits.

At the same time, in line with previous practices and where applicable, Trenord is considering entering into green option contracts with electricity suppliers for new asset users.

Other energy carriers, such as diesel, methane gas and petrol, are used by Group companies mainly for heating their offices and for fleet traction.

As far as heating diesel and methane gas are concerned, **MISE**'s scope includes both company offices and the motorway infrastructure. It should be noted that, compared to last year, there was an increase in diesel (+10%) and, at the same time, a slight decrease in methane gas (-3%) used by infrastructure.

The offices are heated via district heating and toll stations are heated with methane gas and diesel, for a total of 13 heating plants (8 diesel and 5 methane). In 2023, the Binasco tollgate heating plant was decommissioned. The system was replaced with an electrically powered heat pump heating system.

In the course of 2024, **MISE** will develop a project to replace the diesel-fuelled heating plants at the West Milan barrier with electricity-powered heat pump systems. Every year this replacement will eliminate the direct emission into the atmosphere of pollutants and CO<sub>2</sub> produced by the combustion of around 170,000 litres of diesel.

#### METHANE, DIESEL FUEL AND PETROL CONSUMPTION FOR TRACTION AND HEATING - Motorways

	2023	2022	2021
Diesel for directly controlled vehicle traction (litres)	323,990	344,667	309,351*
Petrol for directly controlled vehicle traction (litres)	27,302	18,451	11,289
Diesel for heating (m <sup>3</sup> )	250,377	227,686	239,948
Methane gas for heating (m <sup>3</sup> )	87,376	90,069	136,748

\*The highlighted figure has been recalculated

**MISE's** fleet consists of both rented and owned cars and vans. It consists of 143 vehicles, including vans used for traffic service and traffic police cars, and more than 80% of the cars and vans are diesel-powered. To promote vehicle efficiency, the Company, among other initiatives, uses a Corporate Fleet Management service aimed not only at enhancing utilisation patterns, but also optimising management costs. In particular, it uses Fleeway, a dedicated software that allows the company to collect all the information it needs for fleet management.

The **Railway Infrastructure segment** uses **methane gas and diesel** to heat its offices and railway stations.

#### CONSUMPTION OF METHANE GAS AND DIESEL FOR HEATING - Railway infrastructure

	2023	2022	2021
Methane gas for heating (m <sup>3</sup> )	139,495	294,901	320,950
Diesel for heating (litres)	26,000	35,300	49,500

The consumption of diesel, which is managed through a fuelling station in Saronno, has increased for construction vehicles due to the increased work done on the network. Consumption monitoring has been enhanced with a management programme for accurate control and an automatic system for autonomous refuelling. In February 2023, a probe was installed in the diesel tank to constantly monitor fuel levels.

With regard to the consumption of the company's operating vehicles, there was a decrease of about 13% compared to the previous year.

#### DIESEL CONSUMPTION FOR TRACTION - Railway infrastructure

	2023	2022	2021
Diesel for the traction of service rolling stock and directly controlled vehicles (litres)	314,520	326,323	356,512
<i>For the traction of service vehicles</i>	106,695	87,420	94,458
<i>For directly controlled vehicle traction</i>	207,825	238,904	262,054

The Group's diesel consumption figures decreased significantly, partly due to the disposal of La Linea and Martinibus. The consumption of methane gas on the other hand decreased slightly as the companies **FNM Autoservizi** and **ATV** made the largest contribution to consumption.

#### METHANE AND DIESEL FUEL CONSUMPTION FOR TRACTION - Road passenger mobility

	2023	2022	2021
Diesel for bus traction (litres)	7,068,242	9,111,773	8,701,942
Methane gas for bus traction (m <sup>3</sup> )	5,764,033	5,989,211	5,380,977

**FNM Autoservizi** has launched several targeted projects, including an information campaign on sustainable driving called “EcoDriving”, the purchase of new, higher performance buses and strategic fleet management, making more frequent use of higher efficiency buses compared to the less efficient ones that will be gradually decommissioned by the company. Thanks to the virtuous actions taken, diesel consumption was reduced by 3.7% in 2022.

**OTHER CONSUMPTION - Road passenger mobility**

	2023	2022	2021
Diesel for directly controlled vehicle traction (litres)	27,958	42,899	43,489
Petrol for directly controlled vehicle traction (litres)	15,751	21,384	11,938
Methane gas for heating (m <sup>3</sup> )	326,651	368,641	347,389
Methane gas for directly controlled vehicles (m <sup>3</sup> )	7,150	4,440	6,160

In the **Road Passenger Mobility** segment, in 2023 **ATV** continued its fleet modernisation work, which had begun in 2022 and included a large number of Euro VI diesel buses in the suburban fleet.

**Trenord** primarily uses diesel for fuel both for its fleet of railcars on non-electrified lines and for its rail-replacement buses. In 2023, the fuel consumption of the endothermic vehicle fleet increased by 5% compared to 2022. At the end of 2023 the bus fleet was modernised with vehicles with lower fuel consumption, and the remaining fleet (owned by third parties), also at the end of 2023, consisted of diesel and petrol vehicles, with the expected introduction of hybrid vehicles in 2024.

**DIESEL FUEL CONSUMPTION FOR TRACTION AND HEATING (litres) - Rail transport (Trenord)**

	2023	2022	2021
Diesel for train traction	7,182,223	6,750,863	7,169,555
Diesel for replacement bus traction	888,573	901,362	666,930
Diesel for directly controlled vehicle traction	16,437	28,731	28,676
Diesel for heating	44,105	55,883	76,000
<b>Total</b>	<b>8,131,338</b>	<b>7,736,839</b>	<b>7,941,161</b>

At the buildings used by Trenord, methane boilers are mainly used, and at the Milan Fiorenza, Pavia, Sondrio and Bergamo plants there are also diesel boilers: consumption in 2023 decreased compared to 2022, thanks to the energy-saving measures implemented, such as the replacement of the Milan Fiorenza boiler with a more efficient one. Temperatures in the last year, which were milder than in 2022, also contributed to the decrease in consumption.

**METHANE GAS CONSUMPTION FOR HEATING (m<sup>3</sup>) - Rail transport (Trenord)**

	2023	2022	2021
Methane gas for heating	3,198,211	3,392,004	4,019,047

## Emissions

GRI 2-4, 3-3, 305-1, 305-2, 305-3, 305-4, 305-7

### FNM Group carbon intensity indicators

**0.021 gCO<sub>2</sub>e/mgl pkm**

Carbon intensity for traction/passenger-kilometre (\*) - Road passenger transport

**54.7 tonnes CO<sub>2</sub>eq/M€**

Carbon intensity per million euros of revenues - FNM Group

\* - The data concerning the intensity per passenger-kilometre concern the companies belonging to road passenger transport FNM Autoservizi and ATV.

- The figure for passengers transported is the official one that ATV communicates in its financial statements and in all the reports required by the Provincial LPT Government Authority and the Veneto Region. Passengers transported are calculated by means of usage multipliers agreed over the years with the Veneto Region and the Municipality of Verona (for urban transport).

- Service kilometres include those covered by company and subcontracted vehicles as well as third-party operating buses.

- The number of passengers takes into account both occasional trips and periodic passes.

In order to standardise energy consumption at Group level, a methodology was developed by FNM for standardising emission contributions and a shared procedure was finalised for calculating emissions, used from 2020 reporting onwards. The calculation methodology can be found on p. 154. The table below shows the trend in direct and indirect greenhouse gas emissions over the last three years, in compliance with GRI standards.

#### GREENHOUSE GAS EMISSIONS BY SCOPE (t CO<sub>2</sub> eq)\*

	2023	2022	2021
<b>Scope 1</b>			
<b>FNM Group</b>	<b>37,545</b>	<b>43,357</b>	<b>41,179</b>
<i>Traction (natural gas, road and rail diesel, petrol)</i>	32,515	38,468	36,261
<i>Heating (methane gas and diesel)</i>	1,864	2,213	2,375
<i>Refrigerant gases</i>	3,165	2,676	2,544
<b>Motorways</b>	<b>2,059</b>	<b>1,802</b>	<b>1,933</b>
<i>Traction (natural gas, road diesel, petrol)</i>	935	965	854
<i>Heating (methane gas)</i>	853	792	914
<i>Refrigerant gases</i>	271	45	165
<b>Railway infrastructure</b>	<b>1,240</b>	<b>1,598</b>	<b>1,748</b>
<i>Traction (Road and Rail Diesel)</i>	889	914	977
<i>Heating (methane gas and diesel)</i>	352	684	770
<i>Refrigerant gases</i>	-	-	-
<b>Road passenger mobility</b>	<b>34,245</b>	<b>39,957</b>	<b>37,499</b>
<i>Traction (natural gas, road diesel, petrol)</i>	30,691	36,589	34,430
<i>Heating (methane gas)</i>	659	736	690
<i>Refrigerant gases</i>	2,895	2,632	2,379
<b>Rail transport (Trenord)</b>	<b>30,235</b>	<b>29,295</b>	<b>31,043</b>
<i>Traction (methane gas and diesel)</i>	23,662	22,369	22,852
<i>Heating (methane gas and diesel)</i>	6,573	6,927	8,191
<i>Refrigerant gases</i>	-	-	-



Scope 2			
FNM Group			
	Location Based	9,070	9,270 9,332
	Market Based	4,909	5,950 7,472
Motorways	Location Based	4,032	4,162 3,781
	Market Based	3,459	4,490 6,062
Railway infrastructure	Location Based	4,047	4,151 4,714
	Market Based	108	125 147
Road passenger mobility	Location Based	991	957 837
	Market Based	1,342	1,335 1,263
Rail transport (Trenord)			
	Location Based	162,894	149,993 169,726
	Market Based	263,319	246,889 265,985

#### TABLE KEY

The calculation methodology and the emission factors used are specified in a dedicated paragraph at the end of the Appendix.

The conversion factors provided by the Italian Institute for Environmental Protection and Research (ISPRA) in the "National Inventory Report" were used to calculate Scope 1 and Scope 2 Location Based emissions. For the calculation of Scope 2 Market Based emissions, the emission factor for the national residual mix (AIB - European Residual Mixes) was used.

Key definitions:

- **Scope 1:** direct emissions due to the consumption of diesel, methane gas and petrol used to power rolling stock (rail and road) and to heat network infrastructure and offices [Scope 1 of the Greenhouse Gas Protocol (GHGP)].
- **Scope 2:** indirect emissions deriving from the consumption of electricity and district heating purchased from the grid [Scope 2 of the Greenhouse Gas Protocol (GHGP)].
- **Location based:** the "Location Based" methodology involves the use of average emission factors relating to specific national power generation energy mixes.
- **Market based:** the market-based methodology calculates emissions while taking into account procurement policies and specific contractual agreements signed with the electricity supplier, such as – in the case of the FNM Group – Guarantees of Origin of the electricity (exclusively renewable sources) provided for charging points for E-Vai vehicles.

\*Data for the years 2021 and 2022 were restated following a refinement in indicator calculation methodologies.

In the fight against climate change, **road passenger mobility** companies consider not only the renewal of their fleet, but also the training of their employees in the correct behaviour to prevent atmospheric pollution, to be of particular importance.

The rolling stock of **FNM Autoservizi** has been supplemented by 62 Euro V and Euro VI buses, with the simultaneous decommissioning of 28 lower performance buses, this renewing more than 40% of the fleet in the 2021-2023 period.

As far as **E-Vai** is concerned, the basis of the service is the clear preponderance of full electric vehicles, which account for 90% of the total fleet and guarantee zero emission impact, as 100% of the energy for recharging the cars comes from certified renewable sources. The increase of electric cars in the E-Vai fleet has therefore brought environmental benefits in terms of emissions avoided, as a consequence of the reduction in the number of private cars on the road. In 2023, some 605,681 tCO<sub>2</sub> were avoided, for a total of 4,842,890 km travelled.

0 CO<sub>2</sub> emissions  
Scope 2 - market  
based for E-Vai  
sustainable mobility

100% of energy for  
charging stations  
from certified  
renewable sources

In 2023, **Trenord**'s energy intensity index with respect to passenger-km transported was 508 GJ/mln pkm (564 GJ/mln pkm in 2022, -11%).

In 2023, **Trenord** signed and initiated the Framework Agreement with A2A for the implementation of district heating at the Milan Fiorenza maintenance site. Under normal circumstances, this initiative will allow for:

- a reduction in thermal energy consumption of around 50%;
- a reduction in electricity consumption of around 30% as a result of the introduction of cogeneration;
- a reduction in CO<sub>2</sub> emissions estimated at around 48%;
- a positive impact in terms of pollutant emissions relating to plant energy efficiency.

The initiative is aligned with the strategic policies of the "Regional Energy Environment and Climate Programme" (PREAC) and the company's 2023-2033 Sustainability Plan.

In 2023, the Company also concluded the implementation of an innovative and sustainable initiative to improve office air quality, starting from the Milan Fiorenza experimental site, by installing devices to purify the environment from micropollutants (e.g. PM, NOx, VOC, bacteria) and monitoring them. The initiative received the SMAU 2023 Innovation Award.

In 2023, the commissioning of a new boiler in Milan Fiorenza improved energy efficiency and reduced emissions. The postponement of the start of the heating season in some Lombardy municipalities, including Milan, has further decreased the environmental impacts of heating. Despite some losses due to adverse weather conditions, Trenord maintained the approximately 1,400 trees planted at 6 sites and 2 depots during the year. This initiative, part of the company's decarbonisation process, supports biodiversity and improves the environmental quality of company premises, including their natural climate control.

For Trenord, "sustainable mobility" means not only modernising its rolling stock, but also reducing its carbon footprint with the goal of having a 100% electric company car fleet available for employees. In addition, at the Camnago, Iseo and Novate maintenance sites, 100% of the electricity supply comes from renewable sources: the initiative has avoided the emission into the atmosphere of around 58 tonnes of CO<sub>2</sub>.

### Scope 3 Emissions

In order to have a more complete understanding of the real impact of greenhouse gases resulting from the Group's operations, the process of calculating Scope 3 indirect emissions was consolidated and refined in 2023, with the expansion of reporting to 8 Scope 3 categories, compared to the 4 already reported in 2022, also with a view to facilitating a forthcoming submission of Climate Change Emission Reduction Targets according to the criteria of the SBTI-Science Based Targets Initiative (SBTI is a partnership, promoted by the UN Global compact, World Resource Institute, CDP-Carbon

Disclosure project and WWF, created with the intention of supporting organisations in the transition to a low-carbon economy).

In order to identify the reporting categories, a relevance analysis was carried out, which, by means of predetermined criteria, made it possible to first identify the applicable categories and then the relevant categories to be included in reporting. The findings confirmed the need to report on categories 1, 2, 3, 4, 5, 6, 7 and 15, relating to: “Purchased goods and services”, “Capital goods”, “Fuel and energy related activities”, “Upstream transportation” (of supplies purchased by the Group), “Waste generated in operations”, “Business travel”, “Employee commuting” and “Investments” (see table below).

Categories 9, 10, 11, 12, 14, relating to “Downstream transportation and distribution”, “Processing of sold products”, “Use of sold products”, “End-of-life treatment of sold products”, “Downstream leased assets”, and “Franchises” have been assessed as not applicable as FNM Group S.p.A. is a company that provides services and not physical products and therefore they were excluded. Relevance criteria such as size, influence, risk or opportunity, sector guidance, outsourcing and employee engagement were assessed for each Scope 3 category. For each of these criteria, a score was assigned on the basis of relevance (slightly relevant, moderately relevant, highly relevant).

In line with the non-financial sustainability reporting scope, the data required to calculate emissions were collected for all companies within the FNM Group scope. For each Scope 3 category, the methodology that could ensure the highest calculation accuracy was used, consistent with the quality of the data obtained, following the GHG Protocol guidelines. The following calculation approaches were used for the Scope 3 categories indicated: Average-data method, for category 1 (Purchased goods and services) and category 5 (Waste generated in operations), with the possibility of identifying physical data such as weights and volumes; Distance-based, for category 4 (Upstream transportation) and categories 6 and 7 (Business travel and Employee commuting), with the possibility of estimating distances travelled; Spend-based, for category 1 (Purchased goods and services), category 2 (Capital goods) and category 15 (Investments), where only economic data are available. It should be noted that the Scope 1, 2, 3 emissions associated with Trenord’s activities, due to the relevance of the business within the FNM Group, have been included in category 15 (Investments) of the Group’s Scope 3 (i.e., operating control) at 50%, in accordance with the company’s shareholding.

#### GREENHOUSE GAS EMISSIONS BY SCOPE 3 CATEGORY (t CO<sub>2</sub> eq)

	2023	2022	2021
<b>Category</b>			
<b>FNM Group</b>	<b>476,021</b>	<b>16,900</b>	<b>16,646</b>
1. Purchased goods and services	33,824		
2. Capital goods	200,651		
3. Fuel and energy-related activities	7,751	9,757	9,337
4. Upstream transportation	1,695		
5. Waste generated in operations	587	677	876
6. Business travel	251	176	143
7. Employee commuting	5,606	6,290	6,290
15. Investments - Total	225,655		
15. Investments - FNM Group	40,440		
15. Investments - Trenord	185,215		

The results show that Scope 3 accounts for the majority of the **Group’s** total emissions (92%). In particular, the most impactful categories are those related to the acquisition of capital goods (category 2) and investments (category 15), in which Trenord is included as specified above.

Category 2 (Capital goods) includes emissions upstream in the value chain relating to the production of capital goods purchased or acquired by the company during the reporting period. These data show that this category represents one of the main sources of emissions, contributing around 50% of the total Scope 3 emissions, of which the main share is attributable to the acquisition of rolling stock by Ferrovienord S.p.A. This category in general is characterised by a certain volatility as it is strongly correlated with acquisitions during the reporting year.

The calculation of emissions for category 15 (Investments) was based on the financial data concerning the FNM Group’s investments during the reporting year. About 226,000 tCO<sub>2</sub>e can be attributed to this category, 82% of which is due to Trenord’s activities.

The main business segments responsible for the Group’s emissions are, therefore, the railway infrastructure segment (41%), which accounted for 193,527 tonnes of CO<sub>2</sub>e in its Scope 3 in 2023, and the Ro.S.Co. segment (49%), which accounted for 234,551 tonnes of CO<sub>2</sub>e in its Scope 3, mainly due to its shareholding in Trenord. For more details, please see the section: “Calculation methodology for emissions” present in the Appendix.

### Other polluting emissions into the atmosphere

Within the **Railway infrastructure segment**, at the network’s facilities, ozone-depleting substances can only be found in air-conditioning systems using R22 refrigerant gas in four facilities on the Milan branch and one on the Iseo branch.

As concerns the companies operating in the **Road transport segment** (FNM Autoservizi and ATV), they are committed to reducing other emissions of gases linked to exhaust fumes through fleet renewal, regular vehicle maintenance and strategic fleet use, privileging the use of higher performance buses. The emissions produced by FNM Autoservizi and ATV result mainly from the public transport service provided.

**OTHER POLLUTANT EMISSIONS (t) - Road passenger mobility**

	2023	2022	2021
CO	33.74	39.22	39.91
NO <sub>x</sub>	121.30	143.67	146.24
VOC	12.28	12.69	12.17
CH <sub>4</sub>	9.56	8.92	8.25
N <sub>2</sub> O	0.43	0.4	0.32
PT	9.32	10.82	11.01
SO <sub>2</sub>	0.08	0.09	0.09

*CO: carbon monoxide, produced where not enough air is present during combustion;*

*NO<sub>x</sub>: 98% NO and 2% NO<sub>2</sub>, deriving from combustion processes;*

*VOC: “Volatile Organic Compounds”, includes several chemical compounds whose molecules exhibit high volatility;*

*CH<sub>4</sub>: methane*

*N<sub>2</sub>O: nitrous oxide, long-lived greenhouse gas*

*PT: particulates, substances dispersed in the air which represent the form of pollution with the biggest impact in urban areas.*

*SO<sub>2</sub>: sulphur dioxide, formed in the combustion process by oxidation of the sulphur present in solid and liquid fuels (coal, fuel oil, diesel oil).*

In order to better manage its fleet, **FNM Autoservizi** regularly monitors the consumption of each individual bus and organises its service in such a way so as to favour the use of the least polluting

vehicles with the highest energy performance. In particular, in 2023, 72% of the kilometres travelled were with Euro VI buses, which have a reduced environmental impact. This resulted in an average reduction of around 20% of pollutants per kilometre.

In 2023, **ATV** acquired 51 new buses, 11 of which were electric. Compared to 2022, which had already seen a major fleet renewal (37 new buses), PM2.5 was reduced by 14% and PM10 by 9%.

## Water

GRI 3-3, 303-1, 303-2, 303-3, 306-1

The **FNM Group** mainly uses water resources for hygiene/sanitary purposes, for cleaning stations and vehicles and for maintenance activities. The majority of the water resources used are guaranteed by the connection to the public water system, in compliance with standards and regulations in force on the matter. In 2023, there was an overall decrease in water withdrawal.

WATER WITHDRAWALS BY SOURCE (m<sup>3</sup>)

	2023	2022	2021
<b>FNM Group</b>	<b>290,325</b>	<b>312,727</b>	<b>286,463</b>
Motorways	34,986	43,730	35,963
Railway infrastructure	223,804	242,254	226,045
Road passenger mobility	31,535	26,743	24,455
<b>Rail transport (Trenord)</b>	<b>312,722</b>	<b>317,097*</b>	<b>319,235</b>

\*The 2022 figure was restated following a refinement in the withdrawal accounting method.

Within the Integrated Management System, in order to reduce the water consumption of all of the company's users and monitor consumption data more precisely, system indicators have been identified. The wastewater discharges of the **FNM Group** and **Trenord** belong to the category of domestic discharges of water consumed for hygiene purposes. On the other hand, there are no industrial discharges. During 2023, data were collected to monitor water consumption according to Integrated Management System indicators. 100% of water used for hygiene/sanitary purposes is discharged into the sewer system, while water used for washing yards is instead treated using oil-water separation systems.

As far as **MISE** is concerned, like every year, analyses were carried out on effluents discharged into surface water bodies, both compulsory (as they derive from the SEA - Single Environmental Authorisation) and optional, at sites where discharge authorisation is not required by law. No surpassing of legal limits was identified.

In order to maintain a high level of water consumption control, **FNM Autoservizi** takes internal readings of the water meters of all depots every six months.

For **ATV**, improvements and modernisations are planned in 2024 that will affect rainwater in the Via Torbido and Garda yards.

Water consumption in the **Rail Transport** segment is primarily attributable to industrial and hygiene/sanitary uses. Train maintenance and cleaning is a significant factor, including external washing, graffiti removal and WC water supplies. Hygiene/sanitary consumption, linked to the presence of staff in production sites, offices and ticket offices, also contributes to this consumption. The water is mainly supplied by aqueduct, except for the Cremona site which uses a private well. In

2023, despite an increase in production and the commissioning of new, longer trains, there was a slight decrease in consumption thanks to improved leak management and an increase in water recovery. In addition, water consumption continues to be monitored, including periodic surveys and data analysis to identify anomalies and reduce waste.

## Waste

GRI 3-3, 306-1, 306-2, 306-3

The waste generated by the office activities of **FNM Group Companies** is equivalent to urban waste. Other types of waste come from specific operations, such as spent batteries of electric vehicles, materials from railway infrastructure maintenance and depots, and residues from the maintenance and cleaning of rail and road vehicles.

The quantity of **waste disposed of** varies significantly from year to year due to the fact that it derives from extraordinary processes linked to multi-year network maintenance plans.

### WASTE PRODUCTION (kg)

	2023	2022	2021
<b>FNM Group</b>	<b>4,856,868</b>	<b>10,434,818</b>	<b>6,203,540</b>
<i>Motorways</i>	<b>562,423</b>	<b>242,656</b>	<b>338,021</b>
Non-hazardous waste	555,415	236,180	335,183
Hazardous waste	7,008	6,476	2,838
<i>Railway infrastructure</i>	<b>3,559,030</b>	<b>9,514,036</b>	<b>5,546,916</b>
Non-hazardous waste	3,057,232	8,581,253	5,426,909
Hazardous waste	501,798	932,783	120,007
<i>Road passenger mobility</i>	<b>735,415</b>	<b>678,676</b>	<b>318,553</b>
Non-hazardous waste	82,210	60,055*	146,401
Hazardous waste	653,205	618,071	172,202

\*The 2022 figure was restated following a refinement in the accounting method.

Special emphasis is placed on waste management in the **Motorways segment** Environmental Management System. The Operating Instructions for the management of the different waste under the responsibility of Milano Serravalle were revised and shared during specific training sessions with the operational staff working daily in the street. A contract is currently being awarded for the supply of a construction site weighbridge to be located at a temporary storage facility, which will allow for effective control over the actual weight of vehicles transporting waste.

Waste generated by the **Railway Infrastructure** segment results from maintenance activities on the network, such as ordinary/extraordinary maintenance work on railway infrastructure components. During 2023, as a result of improved organisation and coordination of technical interventions on the railway infrastructure, there was a significant decrease in the production of this waste, which is collected in a timely manner upon notification of the departments that produce it. These organisational improvements make it possible to comply with the terms for temporary waste storage, which must not exceed three months. The waste is managed by companies with which pick-up contracts have been entered into, which were preceded by thorough quality checks on the companies participating in the tenders. The same companies submitted all of the required certifications before activities began. Unfortunately, it is not possible to implement measures to prevent the generation of waste in this sector as it is related to the safety that railway maintenance

activities can bring. However, it is the Company’s responsibility to monitor activities that result in waste being sent for recycling. In this context, TAF train revamping resulted in the reuse of 41% (by weight) of the replaced seat materials and the recycling of 19.8 tonnes of materials. A total of about 71 tonnes of material is expected to be reused by the end of the project.

Initiatives are implemented in the **Road Passenger Mobility segment** companies to improve waste management in individual depots. **FNM Autoservizi** stores special waste temporarily at the warehouse and/or workshop and then transports it to a specialised final disposal company. This hazardous and non-hazardous waste from various activities such as maintenance, fleet modernisation and the office, includes used oil, iron, steel, filtration materials, batteries, paper and packaging. All maintenance work is centralised at the Saronno workshop, with any spills managed by a local water treatment plant. An internal team controls storage areas and monitors collection operations, while the external supplier is chosen through a tender procedure in which the necessary requirements and authorisations are checked.

At **ATV**, a separate training course was held in 2023 for waste management officers (supervisors) and workshop operators with the aim of consolidating the awareness of all players on the subject, from the proper execution of waste collection to management while in storage and correct packaging for shipment.

**Rail Transport** waste, mainly from railway vehicle maintenance, can be classified as both special and municipal waste. Waste is managed through recovery or disposal by private service providers or municipal companies. In 2023, there was a significant preference for recovery as the final destination of waste generated at company sites, following industry best practices and promoting the circular economy. The introduction of closed-loop toilets for the new fleet has increased the wastewater on board; there is currently no planned method of recovery, but effective disposal is expected. However, the new trains contribute to more sustainable waste management: made of innovative materials, they enable up to 97% reusability, reducing waste at their end-of-life.

**WASTE PRODUCTION (kg) - Rail transport (Trenord)**

	2023	2022	2021
<b>Rail transport (Trenord)</b>	<b>2,802,885</b>	<b>2,489,914</b>	<b>3,227,697</b>
Non-hazardous waste	2,563,198	2,122,069	2,278,190
Hazardous waste	239,687	367,845	949,507

## Biodiversity

GRI 3-3, 304-1, 304-2, 304-3, 413-2

Road and rail infrastructure, together with the rail transport service, constitute the FNM Group's operating area with the greatest impact on the landscape and biodiversity. While the expansion of routes is beneficial for the local communities, it is also essential to mitigate the impacts on the landscape and for the protection of fauna.

The **Motorways segment** is committed to protecting ecosystem biodiversity by sustainably developing new projects, protecting and promoting the development and growth of natural heritage.

In this regard, a collaboration with the Lombardy Foundation for the Environment is being defined to assess the naturalistic-ecological value of abandoned or derelict areas, i.e. portions of areas that were acquired by Milano Serravalle to build new infrastructures and/or adapt existing ones and that are no longer usable by other parties.

In June 2023, seven soil gas monitoring campaigns were successfully completed, four of them in cooperation with ARPA (Regional Agency for Environmental Protection). Furthermore, in November 2023 a Site-Specific Risk Analysis was submitted to the authorities, proposing the waterproofing of the green area to prevent the leaching of residual pollution by rain events, contributing to permanent safety by capping.

An agreement with Environmental Emergency Response (PIA) ensures a rapid intervention in the event of any pollutant spillage incidents. As confirmation of this, three accidents involving diesel spills were effectively managed in 2023. Two cases were closed within the year, one through self-certification and environmental investigations, the other through investigations in cooperation with ARPA. For the third site, a pilot project is being developed for the on-site degradation of hydrocarbons in the soil, using an innovative product.

In general, to avoid causing negative impacts on biodiversity, the selection of the project site is crucial. Where interference is detected, MISE takes all possible measures to minimise potentially negative impacts. In the event of residual negative impacts, MISE plans mitigation actions, contained in the plan of mitigation measures or restoration actions, where possible, on the portion of the site interfered with.

Also, the **Railway Infrastructure segment** assesses risks and the relative degree of impact on the environment, basing designs on the idea of minimising impacts on biodiversity. The different environmental components are in fact monitored with special Environmental Monitoring Plans approved by the competent bodies.

In keeping with this policy, it was necessary to carry out *post-operam* supporting works, including:

- The Malpensa T1 and T2 rail link, for which environmental compensation and mitigation works were carried out in Ticino Natural Park, recognised as a UNESCO heritage site. In 2023, NORD\_ING carried out maintenance on green areas by pruning, grassing and planting over 250,000 m<sup>2</sup> of mitigated areas.
- The T2 Malpensa-RFI Sempione rail link, which includes an executive project with monitoring to be performed both during and after the work. Since April 2023, fauna and flora in the affected forest areas have been under active monitoring; at the beginning of 2023, groundwater monitoring activities were carried out prior to the work.



- *Piantalali*, an initiative for the planting of trees in the Lombardy municipalities crossed by the **FERROVIENORD** railway network. The initial phase concerns an area of approximately 41 thousand hectares covering 24 municipalities in two provinces of Lombardy. The works in the municipality of Paderno were completed in early 2023 and works are ongoing in the municipalities of Castellanza, Gerenzano, Busto Arsizio and Rescaldina.
- The Milan Cadorna cycle superhighway, for which the technical and economic feasibility project for the first section of the cycle superhighway in Saronno on the decommissioned Saronno Solaro railway line is currently being drafted.
- The elimination of the former Casello 53 level crossing in Cittiglio, which includes the construction of an overpass over the railway line with mitigation works and ecological underpasses for fauna. The final project will be discussed in the first half of 2024.

Through the restoration of green areas, a reconnection of the land is promoted, allowing both fauna and the population to enjoy the forest again, through restoration activities with native species, the removal of invasive species and the clearing of abandoned waste.

### *Noise and vibrations*

GRI 3-3, 413-2

The noise impact of **FNM Group** and **Trenord** activities stems largely from the transit of trains and car traffic connected to the railway and motorway infrastructure, which is particularly significant in built-up urban areas.

In the **Motorways segment**, **MISE** is required to draw up road noise mapping with an indication of sizes and traffic flows, a characterisation of the surrounding area, information on spatial planning and other main sources of noise. In addition to the noise limitation programmes implemented in the past, the Company must report on the noise containment and abatement plan to manage noise pollution issues and their effects.

Initiatives aimed at managing and reducing noise emissions associated with networks include:

- Periodic analysis of the noise impact in areas neighbouring the infrastructure;
- direct intervention on the noise source;
- Interventions along the noise propagation pathway, such as natural or artificial noise barriers integrated into the environment;
- interventions at noise receivers;
- The opening of the new A52 motorway section with the “sound tunnel” to protect buildings from aerodynamic noise;
- Noise and atmospheric monitoring based on the Environmental Monitoring Plan included in the SP 46 Rho-Monza Redevelopment Project.

During 2023, direct actions to limit the impacts of construction sites continued along the line of propagation. In particular, new noise barriers were erected along the coplanar route built as part of the redevelopment of the SP 46 Rho-Monza. The new barriers added to and completed the noise barrier infrastructure included in the project to accompany the infrastructure work.

The **Rail Infrastructure segment** is committed to adopting direct solutions on the tracks through both the use of noise reducers and rail lubrication systems and emissions analysis and monitoring.

In the course of 2023, activities were carried out connected to noise, vibration and atmospheric impact studies and landscape and forestry authorisations of projects included in the Programme Contract and falling in sensitive areas.

During the year, **NORD\_ING** concluded several significant projects, such as the acoustic study for the new Saronno technology hub and the project for doubling the Gemonio Cittiglio railway, with the associated road works. It also integrated noise and traffic studies for the new streets in Seveso, laying the basis for possible improvement and mitigation actions. The Railway Infrastructure segment plans to initiate noise, vibration and atmospheric impact studies, together with landscape and forestry authorisations, for projects included in the Programme Contract, especially in sensitive areas.

At **FERROVIENORD**, as provided for by Legislative Decree no. 194/05, action plans were drawn up to manage noise pollution problems for the main railway lines on which more than 30,000 trains pass every year.

The **Railway Infrastructure segment** has been monitoring the issue of railway noise management for many years, with the aim of reducing disturbances, acting firstly on noise sources and then on the transmission path from the source to the receptor, intervening in decreasing order of importance on rolling stock, network infrastructure and noise propagation paths, by modernising the fleet and equipment with improved acoustic performance and constructing barriers and sound-absorbing coverings.

Furthermore, the **Railway Infrastructure segment** has also sought to increase the awareness of the contractors involved in track renewal and gravel recovery, in order to reduce the discomfort of those living near the railway premises affected by maintenance activities.

In the **Road Passenger Mobility segment**, **FNM Autoservizi** manages noise and vibration through an integrated risk assessment and management system. This includes measurement campaigns and continuous fleet renewal with latest generation buses. A depot noise assessment campaign to monitor noise pollution is planned for 2024. In addition, frequent recommendations were given to drivers to reduce stopping with the engine running.

**ATV** also regularly reaffirms organisational arrangements to ensure appropriate behaviour to protect the local community and the environment. In 2023, mitigation measures were implemented at the San Bonifacio depot to reduce night-time noise. Subsequently, further measures were taken to reduce the potential disturbance during reversing manoeuvres.

## 6. Outlook

In 2024, the results of the motorway segment are expected to be supported by the consolidation of traffic demand, which reached pre-pandemic levels in 2023, and the tariff increase effective from 1 January 2024. In line with the stabilising trend seen in 2023, LPT passenger volumes will also continue to recover in 2024, but are expected to remain lower than in 2019.

The Group's results will benefit from the effect of the acquisition of Viridis, an operator in the field of power generation from renewable sources, consolidated as of 23 February 2024.

In light of these reflections, the forecasts for the FNM Group, including the results of Viridis, are as follows in 2024:

- revenue growth of 1-5% compared to 2023 (broadly in line on a like-for-like basis)
- adjusted EBITDA up 5-10% on 2023 (broadly in line on a like-for-like basis)
- adjusted EBITDA/revenue up slightly on 2023.

Net financial debt is expected to be in the range of EUR 850 to 900 million at the end of the year. This takes account of the effects of the acquisition of Viridis and investments for the year, currently estimated at EUR 150-200 million, driven mainly by motorway capex and the development of renewable energy production activities. The adjusted NFP/EBITDA ratio is therefore expected to be in the range of 3.5x-4.0x.

For Trenord – measured according to the equity method – transport demand is also expected to recover further compared to 2023, with volumes gradually reaching pre-pandemic levels over a period of a few years. The investee company continues to constantly monitor all the main KPIs regarding the performance of the service, passengers, receipts and the cost-revenue ratio.

## 7. The value generated by the FNM Group<sup>43</sup>

In the context of current global challenges such as the climate crisis and geopolitical instability, the FNM Group recognises the importance of an integrated approach to sustainability, which harmonises the economic, environmental and social dimensions.

The FNM Group has therefore embarked upon a path of environmental and social sustainability in order to improve its positive externalities and reduce negative ones. This path led to the adoption of the 2021-2025 Strategic Plan, which integrates ESG objectives within the Group’s business strategy.

In order to provide a comprehensive overview of the value generated, KPMG’s True Value methodology has been adopted since 2020 to assess and quantify the economic, environmental and social impacts of the activities carried out.

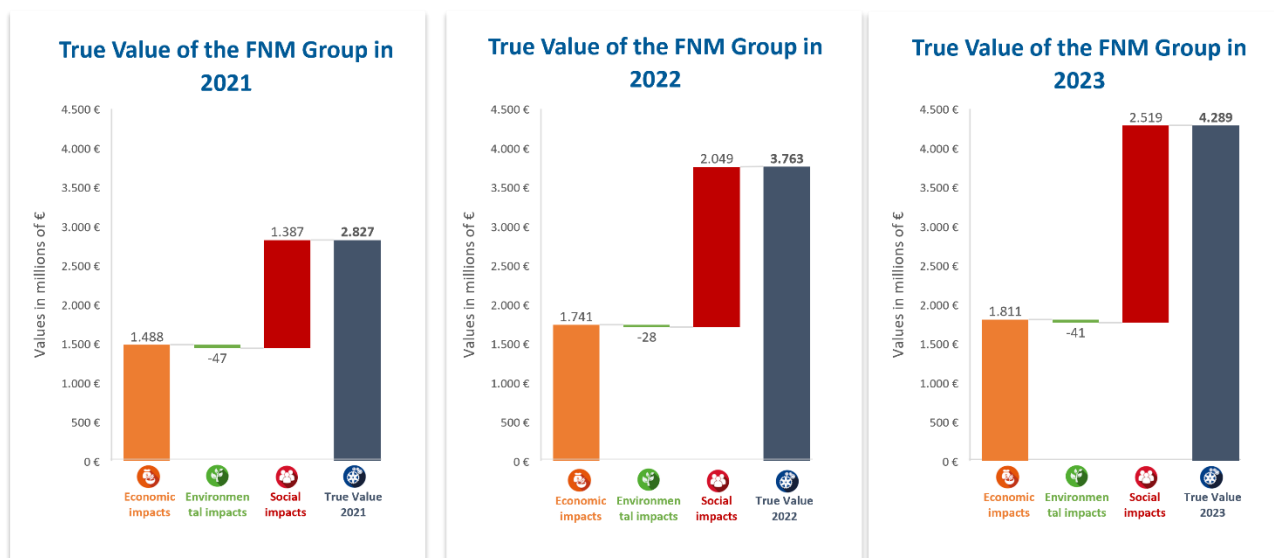
### 7.1. Impacts generated by the FNM Group

The True Value model adopted by the FNM Group determines the “true value” that the Group contributes to society by quantifying and monetising, in terms of benefits and costs, the economic, social and environmental impacts of its various business areas, ranging from railway infrastructure management to the motorway sector. This model considers both direct and indirect impacts, i.e. those impacts that are generated “upstream” (e.g. value added along the supply chain) and “downstream” (e.g. the costs saved by passengers who opt for the transport services offered by the FNM Group rather than a private vehicle) of the Group’s activities. The model also provides a full and balanced view of operations by considering both positive and negative impacts. Please refer to the table in the appendix for an in-depth description of the impacts identified.



<sup>43</sup> The True Value model and the quantification of the economic, social and environmental impacts calculated through its application are not subject to limited audit by PricewaterhouseCoopers S.p.A.

In 2023, the FNM Group's True Value grew by 52% compared to 2021 and 14% compared to 2022<sup>44</sup> for the most part due to the resumption of the use of the Group's services by passengers/users, confirming the positive trend. There was an increase in spending by travellers using the Malpensa Express service for business or tourism in Italian destinations reached by air, which was less significant in past years due to the pandemic crisis. In addition, sponsorship activities and initiatives carried out in favour of local communities, which have contributed to increasing the perception of the FNM Group's positive contribution to the well-being of the reference geographical areas and to supporting local economies. This synergy of factors led to an increase in value in 2023 despite the removal of La Linea and Martini Bus from the scope of consolidation, which had been present in 2021.



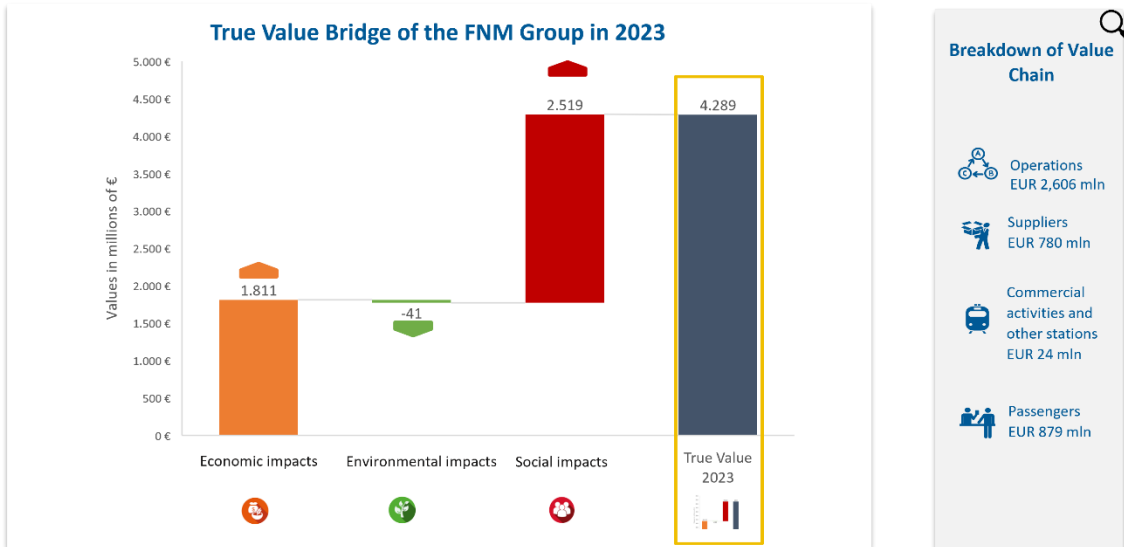
## 7.2. Impacts generated by the FNM Group in 2023

In 2023, the FNM Group supported significant value generation, highlighting the effectiveness of its activities in the transport sector and its positive impact on the community and the environment. Generating a total value of around EUR 4.3 billion, the contribution was spread across the various business segments: Ro.S.Co. & Services, railway infrastructure, road passenger mobility and motorway infrastructure. Most of the value comes from social impacts, which account for 59% of the total, or about EUR 2.5 billion. In fact, thanks to its infrastructure and transport services, the FNM Group provides the community with an efficient alternative to the use of private cars, resulting in reduced road congestion and improved safety. Moreover, throughout the managed road sections, residents have a higher level of safety than slower-moving alternatives with fewer safety devices. The value of economic impacts, approximately EUR 1.8 billion, underscores the Group's ability to generate value added through its direct activities with a positive impact for the activated supply chain and, ultimately, for the entire country.

With respect to environmental value, despite the increase in the frequency of services in 2023 compared to previous years, the direct and indirect environmental impact of the FNM Group

<sup>44</sup>Evaluation carried out for internal purposes only

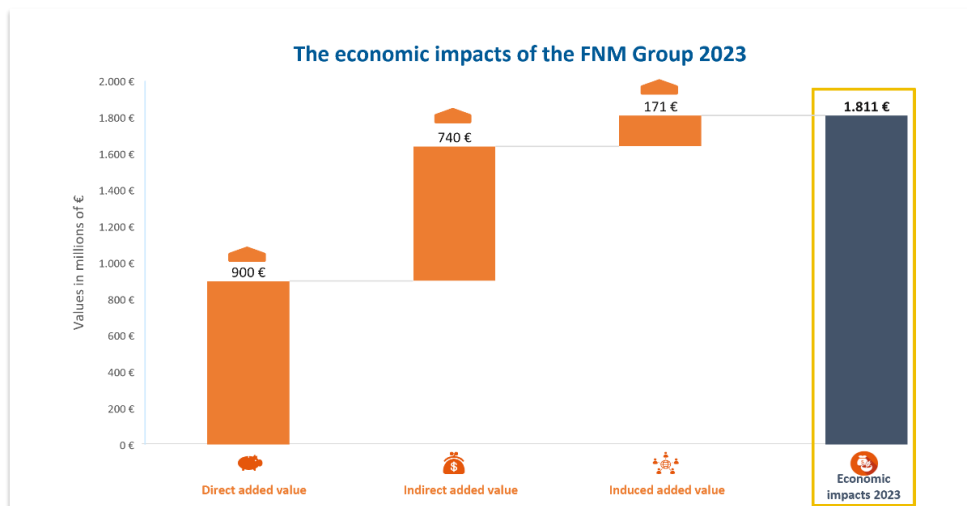
between energy consumption and avoided impacts is almost neutral, slightly negative. In any case, the FNM Group is committed to mitigating the negative impacts of its activities on the environment through practices and initiatives that bring positive value, demonstrating its key role in promoting sustainable mobility.



### 7.3. The economic impacts of the FNM Group

The economic value generated by the FNM Group consists of:

- Direct value added, representing the Group’s operations, of EUR 900 million in 2023.
- Indirect value added, representing the value generated throughout the supply chain (helping to support some 11,984 jobs in the supply chain of goods and services), amounting to EUR 740 million in 2023.
- Indirect and induced value added, represented by the value added generated by consumer spending enabled by the income earned by workers employed directly and indirectly by the FNM Group, which resulted in value added in the entire national economy of approximately EUR 171 million.



## 7.4. The environmental impacts of the FNM Group

The FNM Group’s environmental impacts can be divided into two categories: operational impacts (closely related to the operation of trains, buses, car sharing services and infrastructure management) and avoided impacts (resulting from reduced pollution due to passengers choosing to use public transport rather than private transport or to use higher speed motorways, thus avoiding an additional burden on the environment).

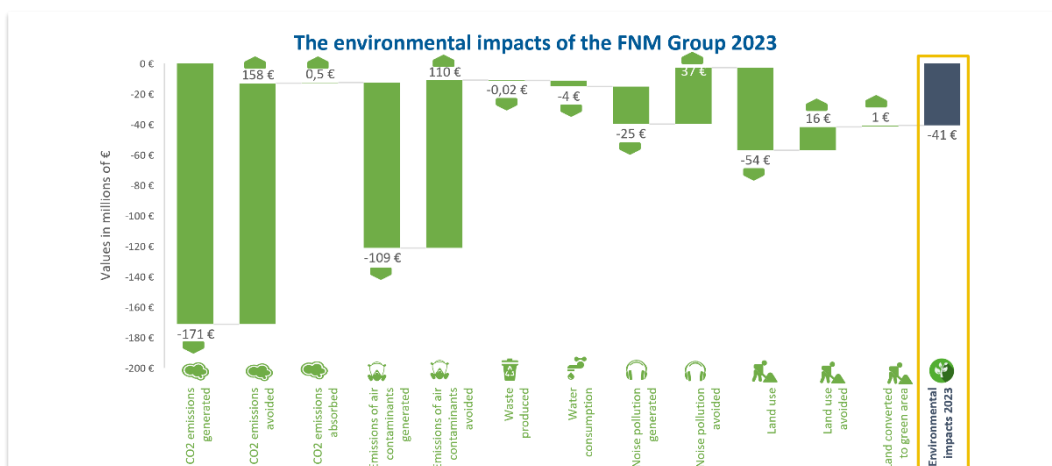
The overall environmental impact of the FNM Group has been estimated at a total cost of approximately EUR 41 million. The main environmental impacts include direct and indirect CO<sub>2</sub> eq emissions. The CO<sub>2</sub> eq emissions avoided due to passenger preference for FNM Group public transport services over the use of private cars and the travel of vehicles on the road sections under management rather than alternative routes generated a positive value of EUR 158 million. Indeed, driving cycle analyses have confirmed that the use of “motorway” routes leads to lower emissions than mixed routes<sup>45</sup>.

However, total CO<sub>2</sub> eq emissions were around 1.2 million tonnes<sup>46</sup>, resulting in a negative environmental impact of EUR 171 million, generating a slight negative balance between avoided and generated emissions.

Similar considerations apply to emissions of air contaminants, including NMVOCs, NH<sub>3</sub>, SO<sub>2</sub>, NO<sub>x</sub>, PM<sub>10</sub> and PM<sub>2,5</sub> which, unlike CO<sub>2</sub> emissions, had an overall positive impact of EUR 1.4 million. For this type of air contaminants, the emissions generated directly and indirectly by the FNM Group were lower than those avoided.

Noise pollution, generated by the Group’s vehicle traffic, generated a negative environmental impact of EUR 25 million, while that avoided, thanks to the transport of passengers who preferred to use the Group’s services as an alternative to private vehicles, generated a positive value of EUR 37 million.

The use of land by the Group through the railway and motorway network under management, facilities and railway stations resulted in an environmental cost of approximately EUR 54 million.



<sup>45</sup> For an in-depth look at the emission factors associated with different driving cycles, please refer to the database of average emission factors for road transport in Italy.

<sup>46</sup> It should be noted that the CO<sub>2</sub> emissions illustrated in this section differ from those reported in chapter “5.4 Natural capital”. This difference can be attributed to the inclusion, for True Value calculation purposes, of emissions from Trenord, which were not considered in the previous analysis.

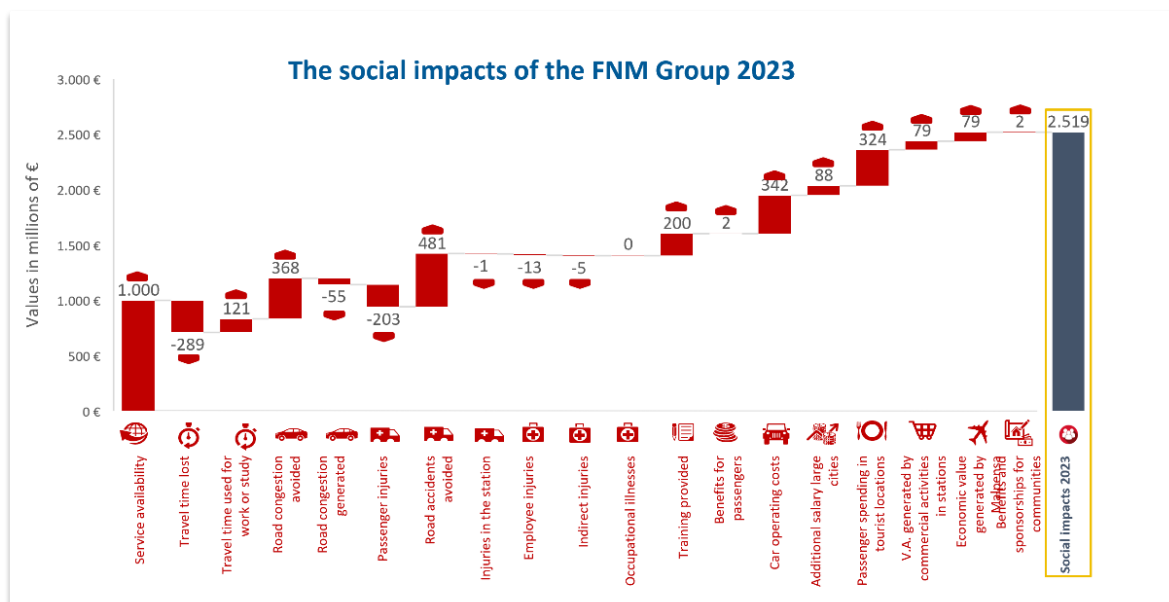
## 7.5. The social impacts of the FNM Group

The social impacts generated by the FNM Group in 2023, quantifiable at around EUR 2.5 billion, represent value added for employees, suppliers, passengers and the community at large. The most important factor in determining this exceptional result is the availability of the services offered by the Group, which is valued at approximately EUR 1 billion. This element, which constitutes a fundamental part of the total value contributed by the Group, reflects the collective benefit deriving from the FNM Group's ability to connect people and places through an extensive transport network, facilitating travel for work, study, tourism and leisure. During 2023, the rail, bus and car sharing services offered enabled a total of 5.3 billion kilometres of travel, underscoring the Group's important role in facilitating sustainable mobility and increasing quality of life in the communities it serves.

The use of the transport services offered by the FNM Group has led to significant reductions in road congestion and the number of accidents. In particular, it is estimated that the use of the FNM Group's services rather than private vehicles or other transport options has generated economic savings of EUR 368 million due to reduced inconvenience to the general public in terms of time wasted in traffic, and EUR 481 million due to the reduction in accidents. These figures confirm the efficiency of the Group's services in promoting transport alternative to private vehicles and contributing to safer and more sustainable mobility, also thanks to the management of motorways and suburban roads, which has contributed to a decrease in accidents.

Another significant benefit offered by the Group to its passengers and the community in 2023 was car operating cost savings. Those who opted for the FNM Group's transport services, despite having the alternative of a car, saved around EUR 342 million (in maintenance and fuel costs).

Passenger/user (motorway travellers and car-sharing users) injuries while travelling constitute one of the main negative social impacts for the Group, with an estimated cost of approximately EUR 203 million. This impact is mainly due to accidents along managed road sections and highlights the importance of continuing to invest resources to improve road infrastructure safety measures.





## Fact sheets

### Human capital

#### 2-9 Composition of the highest governing body

#### 405-1 Diversity and Equal Opportunities

The **FNM Group**, in compliance with the provisions of its articles of association adapted to Law no. 120/2011 and the subsequent implementing regulation adopted with Presidential Decree no. 251/2012, on the subject of “gender quotas” or “female quotas”, ensures that its management and control bodies are composed of persons belonging to both genders.

Role	Members	Executive (E) Non-executive (NE)	TUF independence	Gender	Year of birth	Participation in internal committees	Number of other roles*
<i>Chair</i>	Andrea Angelo Gibelli	E	NO	M	1967	Committee for the Designation of the Corporate Bodies of the FNM Group	0
<i>Deputy Chair</i>	Gianantonio Arnoldi	NE	YES	M	1958	Committee for the Designation of the Corporate Bodies of the FNM Group Control, Risk and Related Party Transactions Committee Remuneration Committee	0
<i>Chief Executive Officer</i>	Ivo Roberto Cassetta	E	NO	M	1962	-	0
<i>Director</i>	Marcella Caradonna	NE	YES	F	1959	Remuneration Committee Committee for Social and Ethical Responsibility	6
<i>Director</i>	Barbara Lilla Boschetti	NE	YES	F	1974	Control, Risk and Related Party Transactions Committee Committee for Social and Ethical Responsibility	3
<i>Director</i>	Tiziana Bortot	NE	YES	F	1965	Committee for the Designation of the Corporate Bodies of the FNM Group Control, Risk and Related Party Transactions Committee Remuneration Committee	0
<i>Director</i>	Mauro Miccio	NE	YES	M	1955	Committee for Social and Ethical Responsibility Lead Independent Director	0

*Number of meetings held during the reporting year: 16*

\*Offices of director or statutory auditor roles held by the person in question in other financial, banking or insurance companies or any company of significant size listed in regulated markets, included those located abroad (as required by the Format for the Report on Corporate Governance and Ownership Structures of Borsa Italiana and in line with the FNM Corporate Governance Report).

## 2-7 (a) Workforce

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>2,084</b>	<b>551</b>	<b>2,635</b>	<b>2,332</b>	<b>576</b>	<b>2,908</b>	<b>2,334</b>	<b>586</b>	<b>2,920</b>
<i>Motorways</i>	383	237	620	364	236	600	385	261	646
<i>Ro.S.CO</i>	91	124	215	82	120	202	75	116	191
<i>Railway infrastructure</i>	719	112	831	718	111	829	698	107	805
<i>Road passenger mobility</i>	891	78	969	1,168	109	1,277	1,176	102	1,278
<b>Rail transport (Trenord)</b>	<b>3,719</b>	<b>1,001</b>	<b>4,720</b>	<b>3,725</b>	<b>943</b>	<b>4,668</b>	<b>3,544</b>	<b>849</b>	<b>4,393</b>

## 2-7 (b) Composition of workforce

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>2,084</b>	<b>551</b>	<b>2,635</b>	<b>2,332</b>	<b>576</b>	<b>2,908</b>	<b>2,334</b>	<b>586</b>	<b>2,920</b>
Fixed-term	27	9	36	85	16	101	126	16	142
Permanent	2,057	542	2,599	2,234	560	2,794	2,210	568	2,778
Hours not guaranteed (*)	0	0	0	13	0	13	0	0	0
<b><i>Motorways</i></b>	<b>383</b>	<b>237</b>	<b>620</b>	<b>364</b>	<b>236</b>	<b>600</b>	<b>385</b>	<b>261</b>	<b>646</b>
Fixed-term	15	7	22	17	6	23	14	10	24
Permanent	368	230	598	347	230	577	371	251	622
Hours not guaranteed (*)	0	0	0	0	0	0	0	0	0
<b><i>Ro.S.CO</i></b>	<b>91</b>	<b>124</b>	<b>215</b>	<b>82</b>	<b>120</b>	<b>202</b>	<b>75</b>	<b>116</b>	<b>191</b>
Fixed-term	1	2	3	1	4	5	2	1	3
Permanent	90	122	212	81	116	197	73	115	188
Hours not guaranteed (*)	0	0	0	0	0	0	0	0	0
<b><i>Railway infrastructure</i></b>	<b>719</b>	<b>112</b>	<b>831</b>	<b>718</b>	<b>111</b>	<b>829</b>	<b>698</b>	<b>107</b>	<b>805</b>
Fixed-term	9	0	9	13	0	13	2	0	2
Permanent	710	112	822	705	111	816	696	107	803
Hours not guaranteed (*)	0	0	0	0	0	0	0	0	0
<b><i>Road passenger mobility</i></b>	<b>891</b>	<b>78</b>	<b>969</b>	<b>1,168</b>	<b>109</b>	<b>1,277</b>	<b>1,176</b>	<b>102</b>	<b>1,278</b>
Fixed-term	2	0	2	54	6	60	108	5	113
Permanent	889	78	967	1,101	103	1,204	1,068	97	1,165
Hours not guaranteed (*)	0	0	0	13	0	13	0	0	0
<b>Rail transport (Trenord)</b>	<b>3,719</b>	<b>1,001</b>	<b>4,720</b>	<b>3,725</b>	<b>943</b>	<b>4,668</b>	<b>3,544</b>	<b>849</b>	<b>4,393</b>
Fixed-term	123	68	191	162	107	269	81	21	102
Permanent	3,596	933	4,529	3,563	836	4,399	3,463	828	4,291
Hours not guaranteed (*)	0	0	0	0	0	0	0	0	0

(\*) Employees with non-guaranteed hours are employed by the company without a guaranteed minimum or fixed number of working hours (definition from GRI Standard 2-7(B) of 2001).

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>2,084</b>	<b>551</b>	<b>2,635</b>	<b>2,332</b>	<b>576</b>	<b>2,908</b>	<b>2,334</b>	<b>586</b>	<b>2,920</b>
Executives	48	10	58	44	10	54	37	11	48
Middle managers	121	71	192	114	58	172	112	59	171
Office workers	578	355	933	552	369	921	572	390	962
Blue collar workers	1,337	115	1,452	1,622	139	1,761	1,613	126	1,739
<b>Motorways</b>	<b>383</b>	<b>237</b>	<b>620</b>	<b>364</b>	<b>236</b>	<b>600</b>	<b>385</b>	<b>261</b>	<b>646</b>
Executives	8	3	11	9	2	11	6	2	8
Middle managers	21	16	37	18	14	32	23	15	38
Office workers	271	160	431	241	159	400	265	181	446
Blue collar workers	83	58	141	96	61	157	91	63	154
<b>Ro.S.CO</b>	<b>91</b>	<b>124</b>	<b>215</b>	<b>82</b>	<b>120</b>	<b>202</b>	<b>75</b>	<b>116</b>	<b>191</b>
Executives	23	5	28	17	6	23	13	7	20
Middle managers	29	34	63	27	27	54	26	28	54
Office workers	36	84	120	34	86	120	32	80	112
Blue collar workers	3	1	4	4	1	5	4	1	5
<b>Railway infrastructure</b>	<b>719</b>	<b>112</b>	<b>831</b>	<b>718</b>	<b>111</b>	<b>829</b>	<b>698</b>	<b>107</b>	<b>805</b>
Executives	11	-	11	12	0	12	12	-	12
Middle managers	54	15	69	49	12	61	46	10	56
Office workers	223	66	289	226	69	295	226	74	300
Blue collar workers	431	31	462	431	30	461	414	23	437
<b>Road passenger mobility</b>	<b>891</b>	<b>78</b>	<b>969</b>	<b>1,168</b>	<b>109</b>	<b>1,277</b>	<b>1,176</b>	<b>102</b>	<b>1,278</b>
Executives	6	2	8	6	2	8	6	2	8
Middle managers	17	6	23	20	5	25	17	6	23
Office workers	48	45	93	51	55	106	49	55	104
Blue collar workers	820	25	845	1,091	47	1,138	1,104	39	1,143
<b>Rail transport (Trenord)</b>	<b>3,719</b>	<b>1,001</b>	<b>4,720</b>	<b>3,725</b>	<b>943</b>	<b>4,668</b>	<b>3,544</b>	<b>849</b>	<b>4,393</b>
Executives	22	2	24	22	2	24	20	3	23
Middle managers	133	44	177	136	41	177	146	43	189
Office workers	2,871	949	3,820	2,830	893	3,723	2,696	795	3,491
Blue collar workers	693	6	699	737	7	744	682	8	690

## 2-7 (c) Composition of workforce

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>2,083</b>	<b>552</b>	<b>2,635</b>	<b>2,332</b>	<b>576</b>	<b>2,908</b>	<b>2,334</b>	<b>586</b>	<b>2,920</b>
Full-time employees	2,002	450	2,452	2,219	448	2,667	2,211	449	2,660
Part-time employees	81	102	183	113	128	241	123	137	260
<b>Motorways</b>	<b>383</b>	<b>237</b>	<b>620</b>	<b>364</b>	<b>236</b>	<b>600</b>	<b>385</b>	<b>261</b>	<b>646</b>
Full-time employees	335	173	508	318	170	488	323	191	514
Part-time employees	48	64	112	46	66	112	62	70	132
<b>Ro.S.CO</b>	<b>91</b>	<b>124</b>	<b>215</b>	<b>82</b>	<b>120</b>	<b>202</b>	<b>75</b>	<b>116</b>	<b>191</b>
Full-time employees	90	104	194	81	100	181	74	94	168
Part-time employees	1	20	21	1	20	21	1	22	23
<b>Railway infrastructure</b>	<b>719</b>	<b>112</b>	<b>831</b>	<b>718</b>	<b>111</b>	<b>829</b>	<b>698</b>	<b>107</b>	<b>805</b>
Full-time employees	717	107	824	716	105	821	696	100	796
Part-time employees	2	5	7	2	6	8	2	7	9
<b>Road passenger mobility</b>	<b>890</b>	<b>79</b>	<b>969</b>	<b>1,168</b>	<b>109</b>	<b>1,277</b>	<b>1,176</b>	<b>102</b>	<b>1,278</b>
Full-time employees	860	66	926	1,104	73	1,177	1,118	64	1,182
Part-time employees	30	13	43	64	36	100	58	38	96
<b>Rail transport (Trenord)</b>	<b>3,719</b>	<b>1,001</b>	<b>4,720</b>	<b>3,725</b>	<b>943</b>	<b>4,668</b>	<b>3,544</b>	<b>849</b>	<b>4,393</b>
Full-time employees	3,705	960	4,665	3,715	902	4,617	3,531	805	4,336
Part-time employees	14	41	55	10	41	51	13	44	57

## 2-8 (d) Non-employees

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>46</b>	<b>13</b>	<b>59</b>	<b>27</b>	<b>7</b>	<b>34</b>	<b>29</b>	<b>13</b>	<b>42</b>
Interns	21	10	31	2	2	3	9	8	17
Temporary workers	2	0	2	2	1	3	4	1	5
Project-based collaborators	11	3	14	8	4	12	11	4	15
Professionals (with VAT no.)	0	0	0	0	0	0	5	0	5
Other	12	0	12	0	0	0	0	0	0
<b>Motorways</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>4</b>
Interns	0	3	3	2	1	3	1	2	3
Temporary workers	0	0	0	0	1	1	0	1	1
Project-based collaborators	0	0	0	0	0	0	0	0	0
Professionals (with VAT no.)	0	0	0	0	0	0	0	0	0
Other	2	0	2	1	0	1	0	0	0
<b>Ro.S.CO</b>	<b>8</b>	<b>4</b>	<b>12</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>6</b>	<b>7</b>	<b>13</b>
Interns	2	1	3	0	0	0	0	3	3
Temporary workers	0	0	0	0	0	0	0	0	0
Project-based collaborators	6	3	9	5	4	9	6	4	10
Professionals (with VAT no.)	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
<b>Railway infrastructure</b>	<b>7</b>	<b>6</b>	<b>13</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>12</b>	<b>3</b>	<b>15</b>
Interns	5	6	11	0	0	0	8	3	11
Temporary workers	0	0	0	2	0	2	3	0	3
Project-based collaborators	2	0	2	1	0	1	1	0	1
Professionals (with VAT no.)	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
<b>Road passenger mobility</b>	<b>29</b>	<b>0</b>	<b>29</b>	<b>16</b>	<b>1</b>	<b>17</b>	<b>10</b>	<b>0</b>	<b>10</b>
Interns	14	0	14	0	1	0	0	0	0
Temporary workers	2	0	2	4	0	4	1	0	1
Project-based collaborators	3	0	3	3	0	3	4	0	4
Professionals (with VAT no.)	0	0	0	0	0	0	5	0	5
Other	10	0	10	9	0	9	0	0	0
<b>Rail transport (Trenord)</b>	<b>96</b>	<b>26</b>	<b>122</b>	<b>40</b>	<b>6</b>	<b>46</b>	<b>86</b>	<b>12</b>	<b>98</b>
Interns	91	26	117	37	6	43	82	11	93
Temporary workers	1	0	1	0	0	0	0	1	1
Project-based collaborators	4	0	4	3	0	3	4	0	4
Professionals (with VAT no.)	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

## 405-1 Diversity and Equal Opportunities

EMPLOYEES BY AGE GROUP AND GENDER - 2023									
No. of people	Men			Women			Total		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
<b>FNM Group</b>	<b>123</b>	<b>1,055</b>	<b>906</b>	<b>30</b>	<b>238</b>	<b>283</b>	<b>153</b>	<b>1,294</b>	<b>1,189</b>
Executives	0	10	38	0	5	5	0	15	43
Middle managers	0	61	60	0	44	27	0	105	87
Office workers	34	294	250	10	164	181	44	459	431
Blue collar workers	89	690	558	20	25	70	109	715	628
<b>Motorways</b>	<b>29</b>	<b>130</b>	<b>224</b>	<b>8</b>	<b>78</b>	<b>151</b>	<b>37</b>	<b>208</b>	<b>375</b>
Executives	0	0	8	0	2	1	0	2	9
Middle managers	0	8	13	0	8	8	0	16	21
Office workers	17	113	141	5	62	93	22	175	234
Blue collar workers	12	9	62	3	6	49	15	15	111
<b>Ro.S.CO</b>	<b>6</b>	<b>58</b>	<b>27</b>	<b>5</b>	<b>63</b>	<b>56</b>	<b>11</b>	<b>121</b>	<b>83</b>
Executives	0	7	16	0	2	3	0	9	19
Middle managers	0	22	7	0	21	13	0	43	20
Office workers	6	27	3	5	39	40	11	66	43
Blue collar workers	0	2	1	0	1	0	0	3	1
<b>Railway infrastructure</b>	<b>56</b>	<b>442</b>	<b>222</b>	<b>9</b>	<b>54</b>	<b>49</b>	<b>65</b>	<b>496</b>	<b>271</b>
Executives	0	3	8	0	0	0	0	3	8
Middle managers	0	22	32	0	13	2	0	35	34
Office workers	8	130	85	0	31	35	8	162	120
Blue collar workers	48	286	97	9	10	12	57	296	109
<b>Road passenger mobility</b>	<b>32</b>	<b>426</b>	<b>433</b>	<b>8</b>	<b>43</b>	<b>27</b>	<b>40</b>	<b>469</b>	<b>460</b>
Executives	0	0	6	0	1	1	0	1	7
Middle managers	0	9	8	0	2	4	0	11	12
Office workers	3	24	21	0	32	13	3	56	34
Blue collar workers	29	393	398	8	8	9	37	401	407
<b>Rail transport (Trenord)</b>	<b>398</b>	<b>2,591</b>	<b>730</b>	<b>149</b>	<b>693</b>	<b>159</b>	<b>547</b>	<b>3,284</b>	<b>889</b>
Executives	0	9	13	0	1	1	0	10	14
Middle managers	0	49	84	0	22	22	0	71	106
Office workers	328	2,021	522	148	665	136	476	2,686	658
Blue collar workers	70	512	111	1	5	0	71	517	111

**EMPLOYEES BY AGE GROUP AND GENDER - 2022**

No. of people	Men			Women			Total		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
<b>FNM Group</b>	<b>134</b>	<b>1,176</b>	<b>1,023</b>	<b>23</b>	<b>267</b>	<b>286</b>	<b>157</b>	<b>1,443</b>	<b>1,309</b>
Executives	0	13	31	0	5	5	0	18	36
Middle managers	1	55	58	0	36	22	1	91	80
Office workers	19	285	249	11	178	180	30	463	429
Blue collar workers	114	823	685	12	48	79	126	871	764
<b>Motorways</b>	<b>21</b>	<b>116</b>	<b>228</b>	<b>4</b>	<b>85</b>	<b>147</b>	<b>25</b>	<b>201</b>	<b>375</b>
Executives	0	1	8	0	1	1	0	2	9
Middle managers	0	7	11	0	6	8	0	13	19
Office workers	7	98	137	4	69	86	11	167	223
Blue collar workers	14	10	72	0	9	52	14	19	124
<b>Ro.S.CO</b>	<b>4</b>	<b>55</b>	<b>23</b>	<b>3</b>	<b>63</b>	<b>54</b>	<b>7</b>	<b>118</b>	<b>77</b>
Executives	0	8	9	0	3	3	0	11	12
Middle managers	0	19	8	0	18	9	0	37	17
Office workers	4	26	4	3	41	42	7	67	46
Blue collar workers	0	2	2	0	1	0	0	3	2
<b>Railway infrastructure</b>	<b>63</b>	<b>440</b>	<b>215</b>	<b>11</b>	<b>53</b>	<b>47</b>	<b>74</b>	<b>493</b>	<b>262</b>
Executives	0	3	9	0	0	0	0	3	9
Middle managers	0	21	28	0	10	2	0	31	30
Office workers	5	138	83	2	34	33	7	172	116
Blue collar workers	58	278	95	9	9	12	67	287	107
<b>Road passenger mobility</b>	<b>46</b>	<b>565</b>	<b>557</b>	<b>5</b>	<b>66</b>	<b>38</b>	<b>51</b>	<b>631</b>	<b>595</b>
Executives	0	1	5	0	1	1	0	2	6
Middle managers	1	8	11	0	2	3	1	10	14
Office workers	3	23	25	2	34	19	5	57	44
Blue collar workers	42	533	516	3	29	15	45	562	531
<b>Rail transport (Trenord)</b>	<b>430</b>	<b>2,559</b>	<b>736</b>	<b>128</b>	<b>668</b>	<b>147</b>	<b>558</b>	<b>3,227</b>	<b>883</b>
Executives	0	9	13	0	1	1	0	10	14
Middle managers	0	47	89	0	20	21	0	67	110
Office workers	341	1,973	516	126	643	124	467	2,616	640
Blue collar workers	89	530	118	2	4	1	91	534	119

**EMPLOYEES BY AGE GROUP AND GENDER - 2021**

No. of people	Men			Women			Total		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
<b>FNM Group</b>	<b>115</b>	<b>1,190</b>	<b>1,030</b>	<b>21</b>	<b>275</b>	<b>290</b>	<b>136</b>	<b>1,465</b>	<b>1,320</b>
Executives	0	12	25	0	5	6	0	17	31
Middle managers	1	56	55	0	39	20	1	95	75
Office workers	20	294	258	12	185	193	32	479	451
Blue collar workers	94	828	692	9	46	71	103	874	763
<b>Motorways</b>	<b>18</b>	<b>130</b>	<b>237</b>	<b>9</b>	<b>97</b>	<b>155</b>	<b>27</b>	<b>227</b>	<b>392</b>
Executives	0	1	5	0	1	1	0	2	6
Middle managers	0	9	14	0	8	7	0	17	21
Office workers	8	110	147	6	74	101	14	184	248
Blue collar workers	10	10	71	3	14	46	13	24	117
<b>Ro.S.CO</b>	<b>3</b>	<b>54</b>	<b>18</b>	<b>2</b>	<b>62</b>	<b>52</b>	<b>5</b>	<b>116</b>	<b>70</b>
Executives	0	8	5	0	3	4	0	11	9
Middle managers	0	18	8	0	20	8	0	38	16
Office workers	3	26	3	2	38	40	5	64	43
Blue collar workers	0	2	2	0	1	0	0	3	2
<b>Railway infrastructure</b>	<b>50</b>	<b>429</b>	<b>219</b>	<b>8</b>	<b>55</b>	<b>44</b>	<b>58</b>	<b>484</b>	<b>263</b>
Executives	0	2	10	0	0	0	0	2	10
Middle managers	0	18	28	0	9	1	0	27	29
Office workers	6	139	81	3	39	32	9	178	113
Blue collar workers	44	270	100	5	7	11	49	277	111
<b>Road passenger mobility</b>	<b>44</b>	<b>577</b>	<b>556</b>	<b>2</b>	<b>61</b>	<b>39</b>	<b>46</b>	<b>638</b>	<b>595</b>
Executives	0	1	5	0	1	1	0	2	6
Middle managers	1	11	5	0	2	4	1	13	9
Office workers	3	19	27	1	34	20	4	53	47
Blue collar workers	40	546	519	1	24	14	41	570	533
<b>Rail transport (Trenord)</b>	<b>346</b>	<b>2,437</b>	<b>761</b>	<b>74</b>	<b>634</b>	<b>141</b>	<b>420</b>	<b>3,071</b>	<b>902</b>
Executives	0	7	13	0	2	1	0	9	14
Middle managers	-	52	94	0	23	20	0	75	114
Office workers	270	1,889	537	72	606	117	342	2,495	654
Blue collar workers	76	489	117	2	3	3	78	492	120



## 401-1 Turnover

## NEW STAFF HIRED BY AGE AND GENDER

No. of people	2023				2022				2021			
	Men	Women	Total	Incoming turnover rate	Men	Women	Total	Incoming turnover rate	Men	Women	Total	Turnover rate
<b>FNM Group</b>	<b>168</b>	<b>39</b>	<b>207</b>	<b>7.86%</b>	<b>329</b>	<b>50</b>	<b>379</b>	<b>13.03 %</b>	<b>238</b>	<b>48</b>	<b>286</b>	<b>9.79%</b>
<30	58	16	74	48.37%	76	14	90	57.32 %	58	15	73	53.68%
30-50	83	19	102	7.89%	193	32	225	15.59 %	131	27	158	10.78%
>50	27	4	31	2.61%	60	4	64	4.89 %	49	6	55	4.17%
Incoming turnover	8.06%	7.08%	7.86%		14.10 %	8.68 %	13.03 %		10.19%	8.19%	9.79%	
<b>Motorways</b>	<b>55</b>	<b>14</b>	<b>69</b>	<b>11.13%</b>	<b>29</b>	<b>8</b>	<b>37</b>	<b>6.16 %</b>	<b>27</b>	<b>18</b>	<b>45</b>	<b>6.97%</b>
<30	21	6	27	72.97%	13	3	16	64.00 %	16	7	23	85.19%
30-50	27	5	32	15.38%	15	5	20	9.95 %	7	9	16	7.05%
>50	7	3	10	2.67%	1	0	1	0.27 %	4	2	6	1.53%
Incoming turnover	14.36%	5.91%	11.13%		7.95 %	3.39 %	6.16 %		7.01%	6.90%	6.97%	
<b>Ro.S.CO</b>	<b>6</b>	<b>10</b>	<b>16</b>	<b>7.44%</b>	<b>8</b>	<b>8</b>	<b>16</b>	<b>7.92 %</b>	<b>7</b>	<b>6</b>	<b>13</b>	<b>6.81%</b>
<30	1	3	4	36.36%	2	2	4	57.14 %	2	1	3	60.00%
30-50	2	6	8	6.61%	4	6	10	8.47 %	4	5	9	7.76%
>50	3	1	4	4.82%	2	0	2	2.60 %	1	0	1	1.43%
Incoming turnover	6.59%	8.06%	7.44%		9.76 %	6.67 %	7.92 %		9.33%	5.17%	6.81%	
<b>Railway infrastructure</b>	<b>44</b>	<b>5</b>	<b>49</b>	<b>5.90%</b>	<b>58</b>	<b>14</b>	<b>72</b>	<b>8.69 %</b>	<b>34</b>	<b>8</b>	<b>42</b>	<b>5.22%</b>
<30	22	1	23	35.38%	28	5	33	44.59 %	10	5	15	25.86%
30-50	18	4	22	4.44%	29	8	37	7.51 %	24	3	27	5.58%
>50	4	0	4	1.48%	1	1	2	0.76 %	0	0	0	0.00%
Incoming turnover	6.12%	4.46%	5.90%		8.08 %	12.61 %	8.69 %		4.87%	7.48%	5.22%	
<b>Road passenger mobility</b>	<b>63</b>	<b>10</b>	<b>73</b>	<b>7.53%</b>	<b>234</b>	<b>20</b>	<b>254</b>	<b>19.89 %</b>	<b>170</b>	<b>16</b>	<b>186</b>	<b>14.54%</b>
<30	14	6	20	50.00%	33	4	37	72.55 %	30	2	32	69.57%
30-50	36	4	40	8.53%	145	13	158	25.04 %	96	10	106	16.61%
>50	13	0	13	2.83%	56	3	59	9.92 %	44	4	48	8.07%
Incoming turnover	7.07%	12.82%	7.53%		20.03 %	18.35 %	19.89 %		14.44%	15.69%	14.54%	
<b>Rail transport (Trenord)</b>	<b>171</b>	<b>83</b>	<b>254</b>	<b>5.38%</b>	<b>336</b>	<b>120</b>	<b>456</b>	<b>9.77 %</b>	<b>300</b>	<b>48</b>	<b>348</b>	<b>7.92%</b>
<30	71	49	120	21.94%	184	73	257	46.06 %	121	20	141	33.57%
30-50	95	31	126	3.84%	146	46	192	5.95 %	170	25	195	6.35%
>50	5	3	8	0.90%	6	1	7	0.79 %	9	3	12	1.33%
Incoming turnover	4.60%	8.29%	5.38%		9.02 %	12.73 %	9.77 %		8.47%	5.65%	7.92%	

**STAFF WHO INTERRUPTED/ENDED THEIR EMPLOYMENT BY AGE AND GENDER**

No. of people	2023				2022				2021			
	Men	Women	Total	Outgoing turnover rate	Men	Women	Total	Outgoing turnover rate	Men	Women	Total	Outgoing turnover rate
<b>FNM Group</b>	<b>201</b>	<b>26</b>	<b>227</b>	<b>8.61%</b>	<b>330</b>	<b>61</b>	<b>391</b>	<b>13.44 %</b>	<b>242</b>	<b>32</b>	<b>274</b>	<b>9.38%</b>
<30	26	2	28	18.30%	32	7	39	24.84 %	22	1	23	16.91%
30-50	69	10	79	6.11%	146	22	168	11.64 %	101	12	113	7.71%
>50	106	14	120	10.09%	152	32	184	14.06 %	119	19	138	10.45%
Outgoing turnover	9.64%	4.72%	8.61%		14.14 %	10.59 %	13.44 %		10.36%	5.46%	9.38%	
<b>Motorways</b>	<b>35</b>	<b>14</b>	<b>49</b>	<b>7.90%</b>	<b>50</b>	<b>33</b>	<b>83</b>	<b>13.81 %</b>	<b>18</b>	<b>10</b>	<b>28</b>	<b>4.33%</b>
<30	9	1	10	27.03%	9	5	14	56.00 %	0	1	1	3.70%
30-50	5	4	9	4.33%	18	8	26	12.94 %	6	3	9	3.96%
>50	21	9	30	8.00%	23	20	43	11.47 %	12	6	18	4.59%
Outgoing turnover	9.14%	5.91%	7.90%		13.70 %	13.98 %	13.81 %		4.68%	3.83%	4.33%	
<b>Ro.S.CO</b>	<b>2</b>	<b>5</b>	<b>7</b>	<b>3.26%</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>2.48 %</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>2.62%</b>
<30	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%
30-50	0	3	3	2.48%	0	1	1	0.85 %	0	0	0	0.00%
>50	2	2	4	4.82%	1	3	4	5.19 %	1	4	5	7.14%
Outgoing turnover	2.20%	4.03%	3.26%		1.22 %	3.33 %	2.48 %		1.33%	3.45%	2.62%	
<b>Railway infrastructure</b>	<b>46</b>	<b>4</b>	<b>50</b>	<b>6.02%</b>	<b>38</b>	<b>10</b>	<b>48</b>	<b>5.79 %</b>	<b>31</b>	<b>5</b>	<b>36</b>	<b>4.47%</b>
<30	11	1	12	18.46%	3	1	4	5.41 %	4	0	4	6.90%
30-50	15	1	16	3.23%	14	5	19	3.85 %	10	1	11	2.27%
>50	20	2	22	8.12%	21	4	25	9.54 %	17	4	21	7.98%
Outgoing turnover	6.40%	3.57%	6.02%		5.29 %	9.01 %	5.79 %		4.44%	4.67%	4.47%	
<b>Road passenger mobility</b>	<b>118</b>	<b>3</b>	<b>121</b>	<b>12.49%</b>	<b>241</b>	<b>14</b>	<b>255</b>	<b>19.97 %</b>	<b>192</b>	<b>13</b>	<b>205</b>	<b>16.03%</b>
<30	6	0	6	15.00%	20	1	21	41.18 %	18	0	18	39.13%
30-50	49	2	51	10.87%	114	8	122	19.33 %	85	8	93	14.58%
>50	63	1	64	13.91%	107	5	112	18.82 %	89	5	94	15.80%
Outgoing turnover	13.24%	3.85%	12.49%		20.63 %	12.84 %	19.97 %		16.31%	12.75%	16.03%	
<b>Rail transport (Trenord)</b>	<b>178</b>	<b>25</b>	<b>203</b>	<b>4.30%</b>	<b>155</b>	<b>26</b>	<b>181</b>	<b>3.88 %</b>	<b>193</b>	<b>23</b>	<b>216</b>	<b>4.92%</b>
<30	26	9	35	6.40%	19	3	22	3.94 %	16	4	20	4.76%
30-50	63	7	70	2.13%	42	9	51	1.58 %	29	3	32	1.04%
>50	89	9	98	11.02%	94	14	108	12.23 %	148	16	164	18.18%
Outgoing turnover	4.79%	2.50%	4.30%		4.16 %	2.76 %	3.88 %		5.45%	2.71%	4.92%	

**EMPLOYEES REGISTERED WITH TRADE UNIONS**

No. of people	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>1,244</b>	<b>186</b>	<b>1,430</b>	<b>1,267</b>	<b>206</b>	<b>1,473</b>	<b>1,314</b>	<b>201</b>	<b>1,515</b>
<i>Motorways</i>	131	69	200	135	74	209	142	81	223
<i>Ro.S.CO</i>	22	27	49	20	26	46	18	25	43
<i>Railway infrastructure</i>	466	55	521	461	57	518	415	49	464
<i>Road passenger mobility</i>	625	35	660	651	49	700	739	46	785
<b>Rail transport (Trenord)</b>	<b>2,605</b>	<b>608</b>	<b>3,213</b>	<b>2,547</b>	<b>582</b>	<b>3,129</b>	<b>2,474</b>	<b>557</b>	<b>3,031</b>

## 403-9 Injuries

No. of injuries	EMPLOYEE INJURIES								
	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<i>FNM Group</i>									
Number of accidents recorded	57	11	68	66	14	80	62	12	74
<i>of which in the workplace</i>	43	7	50	52	6	58	44	7	51
<i>of which while travelling</i>	14	4	18	14	8	22	18	5	23
Number of deaths as a result of accidents	0	0	-	0	0	0	0	0	-
<i>of which in the workplace</i>	0	0	-	0	0	0	0	0	-
<i>of which while travelling</i>	0	0	-	0	0	0	0	0	-
Number of accidents with serious consequences (excluding deaths) <sup>47</sup>	0	0	-	0	0	0	0	1	1
<i>of which in the workplace</i>	0	0	-	0	0	0	0	1	1
<i>of which while travelling</i>	0	0	-	0	0	0	0	0	-
Number of hours worked	3,555,768	811,740	4,367,508	3,925,506	852,834	4,778,340	3,934,574	871,420	4,805,994
<b>Recordable accident rate</b>	16.0	13.6	15.6	16.8	16.4	16.7	15.8	13.8	15.4
<b>Accidental death rate</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>47</sup></b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.2
<i>Motorways</i>									
Number of accidents recorded	4	8	12	8	6	14	5	7	12
<i>of which in the workplace</i>	2	7	9	8	3	11	3	3	6
<i>of which while travelling</i>	2	1	3	0	3	3	2	4	6
Number of deaths as a result of accidents	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of accidents with serious consequences (excluding deaths) <sup>47</sup>	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of hours worked	545,118	306,601	851,720	531,193	326,111	857,304.32	558,783	339,195	897,977
<b>Recordable accident rate</b>	7.3	26.1	14.1	15.1	18.4	16.3	8.9	20.6	13.4
<b>Accidental death rate</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>47</sup></b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Ro.S.Co</i>									
Number of accidents recorded	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of deaths as a result of accidents	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of accidents with serious consequences (excluding deaths) <sup>47</sup>	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0

<sup>47</sup>Serious injury is defined as an accident at work that results in death or injury from which the worker cannot recover, does not recover, or it is unrealistic to expect them to recover fully by returning to their pre-accident state of health within 6 months.

Number of hours worked	156,085	193,299	349,385	133,271	185,512	318,783	130,582	183,917	314,498
<b>Recordable accident rate</b>	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Accidental death rate</b>	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>83</sup></b>	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Railway infrastructure</i>									
Number of accidents recorded	15	2	17	10	0	10	18	2	20
<i>of which in the workplace</i>	12	0	12	9	0	9	11	1	12
<i>of which while travelling</i>	3	2	5	1	0	1	7	1	8
Number of deaths as a result of accidents	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of accidents with serious consequences (excluding deaths) <sup>83</sup>	0	0	0	0	0	0	0	1	1
<i>of which in the workplace</i>	0	0	0	0	0	0	0	1	1
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of hours worked	1,258,709	192,509	1,451,219	1,237,779	167,577	1,405,356	1,247,392	184,989	1,432,381
<b>Recordable accident rate</b>	11.9	10.4	11.7	8.1	0.0	7.1	14.4	10.8	14.0
<b>Accidental death rate</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>83</sup></b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.4	0.7
<i>Road passenger mobility</i>									
Number of accidents recorded	38	1	39	48	8	56	39	3	42
<i>of which in the workplace</i>	29	0	29	35	3	38	30	3	33
<i>of which while travelling</i>	9	1	10	13	5	18	9	0	9
Number of deaths as a result of accidents	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of accidents with serious consequences (excluding deaths) <sup>83</sup>	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of hours worked	1,595,855	119,331	1,715,185	2,023,264	173,634	2,196,897	1,997,818	163,320	2,161,137
<b>Recordable accident rate</b>	23.8	8.4	22.7	23.7	46.1	25.5	19.5	18.4	19.4
<b>Accidental death rate</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>83</sup></b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Rail transport (Trenord)									
Number of accidents recorded	171	51	222	169	44	213	157	33	190
<i>of which in the workplace</i>	145	45	190	140	35	175	137	30	167
<i>of which while travelling</i>	26	6	32	29	9	38	20	3	23
Number of deaths as a result of accidents	0	0	0	0	0	0	0	0	0
<i>of which in the workplace</i>	0	0	0	0	0	0	0	0	0
<i>of which while travelling</i>	0	0	0	0	0	0	0	0	0
Number of accidents with serious consequences (excluding deaths) <sup>83</sup>	1	1	2	2	1	3	0	0	0
<i>of which in the workplace</i>	1	1	2	1	0	1	0	0	0
<i>of which while travelling</i>	0	0	0	1	1	2	0	0	0
Number of hours worked	5,939,460	1,450,626	7,390,086	5,870,809	1,299,541	7,170,350	5,723,094	1,232,791	6,955,885
Number of total accidents excluding COVID-19 cases	171	51	222	166	43	209	143	33	176
<b>Recordable accident rate</b>	28.8	35.2	30.0	28.8	33.9	29.7	27.4	26.8	27.3
<b>Accidental death rate</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Rate of accidents with serious consequences (excluding deaths)<sup>83</sup></b>	0.2	0.7	0.3	0.34	0.77	0.42	0.0	0.0	0.0

**Calculation methodologies:**

- Accident frequency index: (no. of recordable accidents at work/no. of hours worked) x 1,000,000.
- Accident frequency index for accidents with serious consequences (no. of recordable occupational accidents with serious consequences/no. of hours worked) x 1,000,000.
- Death frequency index (no. of deaths resulting from accidents at work/no. of hours worked) x 1,000,000.

## 404-1 Training

### TRAINING PROVIDED BY PROFESSIONAL CATEGORY

No. of hours	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>45,636</b>	<b>10,929</b>	<b>56,565</b>	<b>55360</b>	<b>8576</b>	<b>63936</b>	<b>30,016</b>	<b>6,832</b>	<b>36,848</b>
Executives	863	193	1,055	598	114	711	320	79	399
Middle managers	4,629	2,705	7,335	3,957	1,213	5,170	1,951	1,054	3,004
Office workers	10,499	6,167	16,666	12,777	4,581	17,358	7,626	3,817	11,443
Blue collar workers	29,645	1,864	31,509	38,029	2,669	40,697	20,120	1,883	22,002
<b>Motorways</b>	<b>8,639</b>	<b>4,234</b>	<b>12,873</b>	<b>7,209</b>	<b>4,134</b>	<b>11,343</b>	<b>6,056</b>	<b>3,455</b>	<b>9,511</b>
Executives	259	57	315	386	26	412	74	6	80
Middle managers	1,445	804	2,249	642	443	1085	837	450	1,287
Office workers	3,773	2,711	6,484	3585	2390	5975	3,453	1,787	5,240
Blue collar workers	3,163	662	3,825	2596	1275	3871	1,692	1,212	2,904
<b>Ro.S.CO</b>	<b>1,646</b>	<b>2,331</b>	<b>3,977</b>	<b>1,152</b>	<b>614</b>	<b>1,766</b>	<b>419</b>	<b>413</b>	<b>831</b>
Executives	228	114	342	75	83	158	76	61	136
Middle managers	610	857	1,467	878	151	1,029	124	187	310
Office workers	808	1,351	2,158	198	377	575	220	154	373
Blue collar workers	0	10	10	1	5	5	0	12	12
<b>Railway infrastructure</b>	<b>27,261</b>	<b>3,152</b>	<b>30,413</b>	<b>39,905</b>	<b>2,974</b>	<b>42,879</b>	<b>17,391</b>	<b>2,042</b>	<b>19,433</b>
Executives	282	0	282	117	0	117	128	1	129
Middle managers	2,079	767	2,845	2,225	496	2,720	676	269	945
Office workers	5,225	1,497	6,722	8,677	1,423	10,099	3,710	1,360	5,070
Blue collar workers	19,676	888	20,564	28,887	1,056	29,942	12,877	412	13,289
<b>Road passenger mobility</b>	<b>8,091</b>	<b>1,213</b>	<b>9,303</b>	<b>7,095</b>	<b>855</b>	<b>7,949</b>	<b>6,151</b>	<b>923</b>	<b>7,073</b>
Executives	94	22	116	20	5	25	42	12	54
Middle managers	496	278	774	213	124	337	315	148	463
Office workers	694	609	1,303	317	392	709	244	517	760
Blue collar workers	6,807	304	7,111	6,546	334	6,879	5,551	247	5,797
<b>Rail transport (Trenord)</b>	<b>261,681</b>	<b>60,150</b>	<b>321,831</b>	<b>213,529</b>	<b>82,242</b>	<b>295,769</b>	<b>267,321</b>	<b>53,791</b>	<b>321,112</b>
Executives	217	6	223	226	28	254	596	92	688
Middle managers	3,852	1,016	4,868	2,332	657	2,988	4,174	1,137	5,310
Office workers	198,043	59,107	257,150	196,256	81,549	277,805	246,849	52,559	299,408
Blue collar workers	59,569	21	59,590	14,715	8	14,722	15,702	4	15,706

TRAINING PROVIDED BY SUBJECT AREA

No. of hours	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>45,779</b>	<b>11,054</b>	<b>56,833</b>	<b>55,361</b>	<b>8,575</b>	<b>63,936</b>	<b>30,016</b>	<b>6,832</b>	<b>36,848</b>
Ongoing (formerly Managerial)	8,718	4,081	12,799	8,592	1,362	9,954	3,335	1,814	5,149
Technical	19,901	2,483	22,384	31,165	3,254	34,419	11,830	2,122	13,952
IT	723	526	1,250	639	334	973	322	445	767
Health and Safety	15,038	2,836	17,873	14,274	3,236	17,510	14,184	2,246	16,430
Anti-corruption (231)	1,396	1,120	2,516	616	269	885	345	205	550
GDPR	5	8	13	75	120	195	0	0	0
<b>Motorways</b>	<b>8,639</b>	<b>4,234</b>	<b>12,873</b>	<b>7,209</b>	<b>4,134</b>	<b>11,343</b>	<b>6,056</b>	<b>3,455</b>	<b>9,511</b>
Ongoing (formerly Managerial)	1,430	472	1,902	694	631	1,325	437	402	839
Technical	2,578	1,510	4,088	2,237	1,478	3,715	2,814	1,386	4,200
IT	576	374	951	496	181	677	277	397	674
Health and Safety	2,675	771	3,446	3,553	1,648	5,201	2,384	1,102	3,486
Anti-corruption (231)	1,381	1,107	2,488	154	76	230	144	168	312
GDPR	0	0	0	75	120	195	0	0	0
<b>Ro.S.CO</b>	<b>1,666</b>	<b>2,339</b>	<b>4,005</b>	<b>1,152</b>	<b>614</b>	<b>1,766</b>	<b>419</b>	<b>413</b>	<b>831</b>
Ongoing (formerly Managerial)	1,337	1,881	3,218	792	127	919	200	235	435
Technical	0	0	0	0	0	0	0	0	0
IT	0	88	88	36	144	180	0	0	0
Health and Safety	329	371	699	304	301	605	206	163	369
Anti-corruption (231)	0	0	0	20	42	62	13	15	27
GDPR	0	0	0	0	0	0	0	0	0
<b>Railway infrastructure</b>	<b>27,353</b>	<b>3,309</b>	<b>30,662</b>	<b>39,906</b>	<b>2,973</b>	<b>42,879</b>	<b>17,391</b>	<b>2,042</b>	<b>19,433</b>
Ongoing (formerly Managerial)	3,879	1,063	4,942	4,174	172	4,346	623	585	1,208
Technical	15,708	872	16,580	28,920	1,764	30,684	8,545	736	9,281
IT	0	0	0	0	0	0	0	0	0
Health and Safety	7,767	1,374	9,140	6,558	1,000	7,558	8,190	712	8,902
Anti-corruption (231)	0	0	0	254	37	291	33	9	42
GDPR	0	0	0	0	0	0	0	0	0
<b>Road passenger mobility</b>	<b>8,122</b>	<b>1,173</b>	<b>9,294</b>	<b>7,095</b>	<b>855</b>	<b>7,949</b>	<b>6,151</b>	<b>923</b>	<b>7,073</b>
Ongoing (formerly Managerial)	2,072	666	2,738	2,932	432	3,364	2,075	592	2,667
Technical	1,615	101	1,716	8	12	20	471	0	471
IT	147	64	211	107	9	116	45	48	93
Health and Safety	4,268	321	4,588	3,859	287	4,146	3,404	269	3,673
Anti-corruption (231)	15	13	28	189	115	303	156	14	169
GDPR	5	8	13	0	0	0	0	0	0
<b>Rail transport (Trenord)</b>	<b>261,681</b>	<b>60,150</b>	<b>321,831</b>	<b>213,528</b>	<b>82,241</b>	<b>295,769</b>	<b>267,321</b>	<b>53,791</b>	<b>321,112</b>
Qualification-based technical-professional	226,684	39,626	266,310	179,221	60,838	240,059	233,403	40,393	273,795
Non-qualification based technical-professional	2,187	710	2,897	7,585	2,617	10,202	7,676	3,751	11,427
Cross-company and behavioural	5,406	5,013	10,419	2,079	1,461	3,540	6,526	2,667	9,192
Health and Safety	17,523	2,583	20,106	10,530	2,570	13,100	9,617	1,921	11,538
Anti-corruption	130	50	180	0	0	0	0	0	0
Commercial	9,751	12,168	21,919	14,113	14,755	28,868	10,100	5,060	15,160

## 404-3 Performance assessment

### FNM GROUP STAFF INVOLVED IN THE ASSESSMENT PROCESS

No. of people	2023*			2022*			2021*		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>FNM Group</b>	<b>253</b>	<b>177</b>	<b>430</b>	<b>246</b>	<b>175</b>	421	<b>231</b>	<b>171</b>	402
Executives	32	6	38	26	7	33	24	8	32
Middle managers	80	46	126	76	35	111	71	38	109
Staff in professional areas 2 and 3	141	125	266	144	133	277	136	125	261
<b>Ro.S.CO</b>	<b>79</b>	<b>119</b>	<b>198</b>	<b>76</b>	<b>119</b>	195	<b>65</b>	<b>117</b>	182
Executives	19	5	24	11	6	17	8	7	15
Middle managers	29	33	62	29	27	56	26	28	54
Staff in professional areas 2 and 3	31	81	112	36	86	122	31	82	113
<b>Railway infrastructure</b>	<b>164</b>	<b>56</b>	<b>220</b>	<b>159</b>	<b>53</b>	212	<b>158</b>	<b>50</b>	208
Executives	10	0	10	12	0	12	12	0	12
Middle managers	44	13	57	40	8	48	41	7	48
Staff in professional areas 2 and 3	110	43	153	107	45	152	105	43	148
<b>Road passenger mobility</b>	<b>10</b>	<b>2</b>	<b>12</b>	<b>11</b>	<b>3</b>	14	<b>8</b>	<b>4</b>	12
Executives	3	1	4	3	1	4	4	1	5
Middle managers	7	0	7	7	0	7	4	3	7
Staff in professional areas 2 and 3	0	1	1	1	2	3	0	0	0

\* The data refers to staff of FNM, FNMPAY, FERROVIENORD, FNM Autoservizi, NORD\_ING, MXP Intermodale and E-Vai. The other companies in the FNM Group and Trenord have a valid assessment system based around different procedures and rules, described in detail in section 5.3.

## GRI 2-28 THE MAIN ASSOCIATIONS TO WHICH THE GROUP BELONGS:

Associations	Main objectives
<b>ACAP</b>	An association that <b>motorway and tunnel concession companies and consortia</b> have gradually joined, which provides assistance and advice on labour relations and the application of the national agreement.
<b>AISCAT</b>	Association that brings together companies, organisations and consortia that have been granted concessions for the <b>construction or operation of motorways or road tunnels</b> in Italy, dealing with issues relating to the planning, design, construction, operation, maintenance and management of motorways and tunnels.
<b>Aspen Institute Italy</b>	Private, independent non-profit association founded with the aim of deepening the discussion, the exchange of knowledge, information and values on the <b>most topical problems and challenges of politics, economics, culture and society</b> .
<b>Assolombarda</b>	Assolombarda is the association of <b>companies operating in the Metropolitan City of Milan</b> and the provinces of Lodi, Monza and Brianza, Pavia. Its purpose is to protect the interests of member companies and offer specialist consultancy services.



<b>ASSTRA</b>	Association of <b>local public transport</b> companies <b>in Italy</b> . It aims to represent the needs and interests of public transport operators in the appropriate institutional, national and international forums.
<b>Consorzio ELIS</b>	A consortium company that promotes the technical training of young people, encouraging their <b>transition to work</b> through training initiatives that express the social responsibility of the entire consortium community.
<b>ECH2A European Clean Hydrogen Alliance</b>	European Clean Hydrogen Alliance is a project planned by the current European Presidency to accelerate the <b>decarbonisation of industry</b> and consolidate industrial leadership in Europe in the <b>hydrogen</b> sector.
<b>Fondazione per lo Sviluppo Sostenibile [Foundation for Sustainable Development]</b>	Foundation of reference for the main sectors and key players of <b>green economy, circular economy</b> and <b>sharing mobility</b> .
<b>United Nations Global Compact</b>	<b>UN</b> -sponsored association for the promotion of a culture of corporate citizenship, which encourages companies to create a <b>sustainable economic, social and environmental framework</b> that can ensure that everyone has the opportunity to share in its benefits.
<b>IGI Large Infrastructure Institute</b>	Research Centre founded for the purpose of the in-depth analysis of the themes of <b>public procurement</b> , international contact point for the debate on the evolution and impacts related to the legislation on public works.
<b>The European House - Ambrosetti</b>	Group of professionals that offers management consulting, constant refresher courses, research activities, workshops and forums, to keep up with the challenges of the future.
<b>UITP</b>	International Public Transport Association that brings together operators, public authorities, scientific institutes and workers with the aim of promoting an <b>efficient and sustainable model of Public Transport</b> in the world.
<b>D value</b>	Business association promoting <b>gender balance</b> and an <b>inclusive culture</b> for business growth in the country.
<b>MOST</b>	Member of the CNMS "Centro Nazionale per la Mobilità Sostenibile" (National Centre for Sustainable Mobility) foundation, consisting of 24 universities and 24 large companies active in the field of mobility and infrastructure, with the aim of supporting the green and digital transition of the sector with a view to sustainability, ensuring the industrial transition and supporting local institutions in the implementation of modern, sustainable and inclusive solutions.

**CER**

Community of European Railway and Infrastructure Companies (CER) which brings together nearly 70 railway undertakings, their national associations, as well as infrastructure operators and vehicle leasing companies with the aim of supporting a better business and regulatory environment for European railway operators and infrastructure companies.

Natural capital

303-3 Water withdrawal

**WATER WITHDRAWALS BY SOURCE**

<b>m<sup>3</sup></b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>FNM Group</b>	<b>290,325</b>	<b>312,727</b>	<b>286,463</b>
Groundwater (well)	10,814	6,744	7,872
Third-party water resources (public water system)	279,511	305,983	278,591
<b>Railway infrastructure</b>	<b>223,804</b>	<b>242,254</b>	<b>226,045</b>
Groundwater (well)	0	0	-
Third-party water resources (public water system)	223,804	242,254	226,045
<b>Road passenger mobility</b>	<b>31,535</b>	<b>26,743</b>	<b>24,455</b>
Groundwater (well)	10,814	6,744	7,872
Third-party water resources (public water system)	20,721	19,999	16,583
<b>Motorways</b>	<b>34,986</b>	<b>43,730</b>	<b>35,963</b>
Groundwater (well)	0	0	-
Third-party water resources (public water system)	34,986	43,730	35,963
<b>Rail transport (Trenord)</b>	<b>312,722</b>	<b>317,097*</b>	<b>319,235</b>
Groundwater (well)	9,105	6,700*	1,450
Third-party water resources (public water system)	303,617	310,397	317,785

\*The 2022 figure was restated following a refinement in the withdrawal accounting method

306-3 Waste by type and method of disposal

<b>WASTE PRODUCTION</b>			
<b>kg</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>FNM Group</b>	<b>4,856,868</b>	<b>10,435,368</b>	<b>6,203,490</b>
Non-hazardous waste	3,694,857	8,878,038	5,908,494
Hazardous waste	1,162,011	1,557,330	294,997
<b>Motorways</b>	<b>562,423</b>	<b>242,656</b>	<b>338,021</b>
Non-hazardous waste	555,415	236,180	335,183
Hazardous waste	7,008	6,476	2,838
<b>Railway infrastructure</b>	<b>3,559,030</b>	<b>9,514,036</b>	<b>5,546,916</b>
Non-hazardous waste	3,057,232	8,581,253	5,426,909
Hazardous waste	501,798	932,783	120,007
<b>Road passenger mobility</b>	<b>735,415</b>	<b>678,676</b>	<b>318,553</b>
Non-hazardous waste	82,210	60,605	146,401
Hazardous waste	653,205	618,071	172,152
<b>Rail transport (Trenord)</b>	<b>2,802,885</b>	<b>2,489,914</b>	<b>3,227,697</b>
Non-hazardous waste	2,563,198	2,122,069	2,278,190
Hazardous waste	239,687	367,845	949,507

## Calculation methodology for emissions

The following formula was used to calculate total direct (Scope 1) and indirect (Scope 2) emissions, expressing in equivalent tonnes of CO<sub>2</sub>:

$$\text{Tonnes of CO}_2\text{eq} = \text{Tonnes of CO}_2 + 27.9 \times \text{Tonnes of CH}_4 + 273 \times \text{Tonnes of N}_2\text{O}$$

CO<sub>2</sub> equivalent is calculated as the sum of emissions of the three greenhouse gases: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O (as suggested by the GRI Standard indicators - 305-1 Direct (Scope 1) GHG emissions and 305-2 Indirect (Scope 2) GHG emissions). In order to obtain the equivalent quantity of CO<sub>2</sub> for CH<sub>4</sub> and N<sub>2</sub>O gas, these are multiplied by their Global Warming Potential over 100 years (27.9 for CH<sub>4</sub> and 273 for N<sub>2</sub>O), as defined by the sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

The direct (Scope 1) and indirect (Scope 2) CO<sub>2</sub>e emissions were calculated using the methodology proposed by the Italian Banking Association (ABI) in the “Guidelines on the application of Global Reporting Initiative (GRI) indicators in banks”, of December 2022. To ensure accuracy and representativeness, the emission factors indicated in the “National Inventory Report 2022 - Italian Greenhouse Gas Inventory 1990 - 2019”, issued by the Italian Institute for Environmental Protection and Research (ISPRA) were used for Scope 1. The emissions factors used in the calculation are different for emissions deriving from static combustion (heating) and traction combustion (road or rail). Scope 1 also includes emissions from refrigerant gases, used in the road and motorway segments, which were calculated by using as multipliers the GWPs provided by the IPCC in the report “Climate change 2021: the physical science basis, IPCC Sixth Assessment Report”.

For Scope 2 emissions, the decision was instead made to apply both calculation methods proposed by GRI: “Location-based” and “Market-based”. For the calculation of Scope 2 emissions with the Market-based methodology, the European Residual Mixes 2021 emission factors were used (source AIB: 2022); the methodological refinement calls for the use of more precise emission factors than those previously used (ISPRA - National Inventory Report). In the Location Based methodology on the other hand, the emission factors indicated in the “National Inventory Report 2022 - Italian Greenhouse Gas Inventory 1990 - 2019”, issued by the Italian Institute for Environmental Protection and Research (ISPRA) were used, reflecting the carbon intensity of the Italian electricity grid considering the Italian energy mix (renewables and non-renewables).

For the calculation of emissions for each Scope 3 category, the methodology that could ensure the highest calculation accuracy was used, consistent with the quality of the data obtained, following the GHG Protocol guidelines.

With regard to methodology, where it was possible to retrieve physical data such as weights and volumes, the average-data methodology was chosen, where only economic data were available the spend-based methodology was applied and where it was possible to estimate distances travelled the distance-based methodology was used.

Accordingly, the following methodological approaches were used for the Scope 3 categories indicated: for categories 1 (Purchased goods and services) and 5 (Waste generated in operations) the Average-data method, where it was possible to identify physical data such as weights and volumes; for categories 4 (Upstream transportation) and 6 and 7 (Business travel and Employee commuting) the Distance-based methodology, where it was possible to estimate the distances travelled; for categories 1 (Purchased goods and services), category 2 (Capital goods) and category 15 (Investments), the Spend-based methodology, where only economic data were available. It should be noted that 50% of Scope 1, 2 and 3 emissions associated with Trenord’s business, due to the relevance of the business in the FNM Group, have been included in category 15 (Investments) of the Group’s Scope 3 (i.e., operating control).

In the sections that follow, we set out details of energy consumption for each business segment (2020-2023), as shown in the following table:

Corresponding paragraph	Key data reported	Corresponding company
RAILWAY INFRASTRUCTURE	<p><b>Consumption of medium- and low-voltage electricity</b> by the railway network and stations</p> <p><b>Consumption of electricity by the Milano Cadorna facility (*)</b></p> <p><b>Consumption of methane gas and diesel</b> for heating and the traction of rolling stock and vehicles</p> <p><b>Scope 1 and Scope 2 emissions into the atmosphere</b></p>	<p>FERROVIENORD, MALPENSA INTERMODALE</p> <p>FERROVIENORD NORD_ING Trenord</p> <p>FERROVIENORD, MALPENSA INTERMODALE</p> <p>Scope 1 FERROVIENORD</p> <p>Scope 2 FNM FERROVIENORD NORD_ING Trenord</p>
Ro.S.Co. and SERVICES	<p><b>Consumption of electricity by the Milano Cadorna facility (*)</b></p>	FNM
ROAD PASSENGER MOBILITY	<p><b>Consumption of medium- and low-voltage electricity</b> for facilities and offices</p> <p><b>Consumption of electricity for recharging electric vehicles (E-Vai)</b></p> <p><b>Consumption of diesel and methane for the traction of buses</b></p> <p><b>Other consumption (diesel, petrol, methane gas) for vehicles</b></p> <p><b>Consumption of methane gas for heating</b></p> <p><b>Scope 1 and Scope 2 emissions into the atmosphere</b></p>	<p>FNM Autoservizi ATV La Linea (including Martini Bus) E-Vai</p>
RAIL TRANSPORT (Trenord)	<p><b>Consumption of high voltage electricity</b> for train traction</p> <p><b>Consumption of medium and low voltage electricity</b> for facilities and offices</p> <p><b>Consumption of diesel</b> for the traction of rolling stock (trains, buses and vehicles) and for heating</p> <p><b>Consumption of methane gas</b> for heating</p> <p><b>Scope 1 and Scope 2 emissions into the atmosphere</b></p>	Trenord

(\*) Energy consumption data for the Cadorna site also include a FNM S.p.A. quota. Data for FNM only is not representative of the impact of the Ro.S.Co. and Services segment. Data on leased locomotives is not available and is therefore not included in the environmental data parameter used for reporting.

No. category	Category Name	Category definition	Calculation method and source of conversion factors
1	Purchased goods and services	Emissions from the extraction, production and transportation of goods and services purchased or acquired by the reporting company in the reporting year, not otherwise included in Categories 2-8	<i>Average data method</i> Ecoinvent, DEFRA factors  <i>Spend based method</i> Eurostat NACE-EEIO factors
2	Capital goods	Emissions from the extraction, production and transportation of capital goods purchased or acquired by the reporting company in the reporting year	<i>Spend based method</i> Eurostat NACE-EEIO factors
3	Fuel and energy-related activities (not included in Scope 1 or 2)	Emissions deriving from the extraction, production and transportation of fuels and energy purchased or acquired by the reporting company in the reporting year, not already accounted for in Scope 1 or 2	<i>Average data method</i> DEFRA factors
4	Upstream transportation and distribution	Emissions deriving from transportation and distribution of products purchased by the reporting company in the reporting year, between the company's suppliers (tier 1) and its own operations in vehicles and facilities not owned or controlled by the reporting company  Emissions deriving from third-party transportation and distribution of services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics and third-party transportation and distribution between the company's facilities	<i>Distance based method</i> DEFRA factors
5	Waste generated in operations	Emissions deriving from the disposal and treatment by third parties of waste generated in operations owned or controlled by the reporting company in the reporting year (in facilities owned or controlled by third parties)	<i>Average data method</i> Ecoinvent factors
6	Business travel	Emissions from the transport of employees for company activities in vehicles owned or managed by third parties during the reporting year	<i>Distance based method</i> DEFRA factors

7	Employee commuting	Emissions from the movement of employees from their homes to their workplaces in the reporting year by means not owned or operated by the reporting company	<i>Distance based method</i> DEFRA factors
15	Investments	Emissions associated with the reporting company's investments in the reporting year, not already included in Scope 1 or Scope 2	<i>Spend based method</i> Eurostat NACE-EEIO factors

## Correlation table between areas of the Decree, material topics and GRI indicators

Category	Material topics	Legislative Decree 254/2016	GRI Reference standards	Perimeter of impacts	Role of the FNM Group
Environmental responsibility	Energy consumption, emissions into the atmosphere and climate change	Environmental	302: Energy (2016) 305: Emissions (2016)	FNM Group, Trenord	Direct
	Managing noise and vibrations	Environmental	-	FNM Group, Trenord	Direct
	Management of water resources	Environmental	303: Water and Water Discharge (2018)	FNM Group, Trenord (operating sites, maintenance sites and depots)	Direct
	Waste management	Environmental	306: Water Discharges and Waste (2016)	FNM Group, Trenord (operating sites, maintenance sites and depots)	Direct
	Safeguarding biodiversity	Environmental	304: Biodiversity (2016)	FNM Group, Trenord, Local administrations (Municipalities, Provinces and Lombardy Region)	Direct



<b>Governance, integrity and economic responsibility</b>	Ethics and integrity in business	Anti-Corruption, Respect for human rights	205: Anti-Corruption (2016) 207: Taxes (2019)	FNM Group	Direct
	Systemic risk management and business resilience	Anti-corruption, Respect for human rights, Environmental, Social, Personnel-related	-	FNM Group	Grant
<b>Human resources</b>	Talent attraction and human capital development	Relating to staff	401: Employment (2016) 402: Worker-Management Relations (2016) 404 Training and education (2016)	FNM Group, Trenord	Direct
	Employee welfare	Relating to staff	401: Employment (2016)	FNM Group, Trenord	Direct
	Respect for diversity and inclusion	Personnel-related, Respect for human rights	405: Diversity and Equal Opportunities (2016)	FNM Group, Trenord	Direct
	Health and safety in the workplace	Relating to staff	403: Health and safety in the workplace (2018)	FNM Group, Trenord	Direct

<b>Responsibility towards customers, infrastructure and transport systems</b>	Accessibility of services and infrastructures	Social	203: Indirect economic impacts (2016)	FNM Group, Trenord	Direct
	Service quality and customer safety at the station and while travelling (Security & Safety)	Social	416: Customer health and safety (2016)	FNM Group, Trenord, Public safety authorities	Direct
	Technological and digital innovation	Social	-	FNM Group, Trenord	Direct
	Intermodality and integration of services	Environmental, Social	-	FNM Group, Trenord, Local administrations, Customers and travellers	Grant
<b>Social responsibility (Community) and Supply chain</b>	Dialogue with stakeholders and development of the local area	Anti-corruption, Social	201: Economic performance (2016) 413: Local Communities (2016)	FNM Group, Trenord, Local administrations	Grant
	Sustainable procurement	Environmental, Social, Anti-corruption, Respect for human rights	204: Procurement practices (2016) 308: Supplier Environmental Assessment (2016) 414: Social rating of suppliers (2016)	FNM Group	Direct
	Sustainable infrastructure management	Environmental, Social	-	FNM Group, Trenord, Lombardy Region	Direct Indirect (funding from Lombardy Region)

GRI content index

**GRI content index “in compliance”**

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				OMITTED REQUIREMENTS	REASON	EXPLANATION
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	2-2 Entities included in the organisation’s sustainability reporting	6-7, 10-12				
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2-9 Governance structure and composition	24-26, 45-48, 137				
2-10 Nomination and selection of the highest governance body	45-48				
2-11 Chair of the highest governance body	45-48				
2-12 Role of the highest governance body in overseeing the management of impacts	24-26, 31-32, 45-48				
2-13 Delegation of responsibility for managing impacts	24-26				
2-14 Role of the highest governance body in sustainability reporting	24-26				
2-15 Conflicts of interest	42-44				
2-16 Communication of critical concerns	45-48				
2-17 Collective knowledge of the highest governance body	45-48				
2-18 Evaluation of the performance of the highest governance body	24-26, 45-48				
2-19 Remuneration policies	45-48				
2-20 Process to determine remuneration	45-48				

2-21 Annual total compensation ratio	165	<p>The ratio of the annual total remuneration of the highest paid person to the average annual total remuneration of all employees (excluding the aforementioned person) was 14.6 times in 2023.</p> <p>The ratio of the percentage increase in the annual total remuneration of the highest paid person to the average percentage increase of the annual total remuneration of all employees (excluding the aforementioned person) was approximately half (0.45 times) in 2023.</p>			
2-22 Statement on sustainable development strategy	4-5				
2-23 Policy commitments	13, 40-44				
2-24 Embedding policy commitments	27-30				
2-25 Processes to remediate negative impacts	27-30, 33-39				
2-26 Mechanisms for seeking advice and raising concerns	42-44				
2-27 Compliance with laws and regulations	165	<p>In 2023, there were no significant instances of non-compliance with laws and regulations nor did the Group receive significant penalties or fines.</p>			

	2-28 Membership associations	31-32, 109-110, 152-154				
	2-29 Approach to stakeholder engagement	31-32				
	2-30 Collective bargaining agreements	102				
<b>Material topics</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-1 Process to determine material topics	6-7, 33-39				
	3-2 List of material topics	6-7, 33-39				
<b>Energy consumption, emissions into the atmosphere and climate change</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 112-125				
<b>GRI 302 - Energy - 2016 version</b>	302-1 Energy consumption within the organisation	112-119				
	302-2 Energy intensity	113				
	302-3 Reduction of energy consumption	112-119				
<b>GRI 305 - Emissions - 2016 version</b>	305-1 Direct (Scope 1) GHG emissions	120-121				
	305-2 Energy indirect (Scope 2) GHG emissions	120-121				
	305-3 Other indirect (Scope 3) greenhouse gas (GHG) emissions	122-124				
	305-4 GHG emissions intensity	120				
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	124				
<b>Management of water resources</b>						

<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 125-126, 154				
<b>GRI 303 - Water and Effluents - 2018 version</b>	303-1 Interaction with water as a shared resource	125-126				
	303-2 Management of impacts related to water discharge	125-126				
	303-3 Water withdrawal	125-126, 154, 167	The FNM Group does not operate in areas of high water stress.	Detailed parameters for the categories "freshwater" and "other types of water" are not monitored.	All water withdrawal is from the aqueduct network	
<b>Waste management</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 126-127, 155				
<b>GRI 306 - Waste - 2020 version</b>	306-1 Waste generation and significant waste-related impacts	126-127				
	306-2 Management of significant waste-related impacts	126-127				
	306-3 Waste generated	126-127, 155				
<b>Safeguarding biodiversity</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 128-129				

<b>GRI 304 - Biodiversity - 2016 version</b>	304-1 Operational sites owned, leased, managed in (or adjacent to) protected areas and areas of high biodiversity value outside protected areas	128-129				
	304-2 Significant impacts of activities, products and services on biodiversity	128-129				
	304-3 Protected or restored habitats	128-129				
<b>Ethics and integrity in business</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 42-44, 59-60				
<b>GRI 205 - Anti-Corruption - 2016 version</b>	205-3 Confirmed incidents of corruption and actions taken	168	There have been no incidents or unlawful acts attributable to corruption, nor violations of the Code of Ethics			
<b>GRI 207 - Taxes - 2019 version</b>	207-1 Approach to tax	59-60				
	207-2 Tax governance, control and risk management	59-60				
	207-3 Stakeholder engagement and management of tax concerns	59-60				
<b>GRI 417 - Marketing and labelling - 2016 version</b>	417-2 Incidents of non-compliance concerning product and service information and labelling	168	In 2023, there were no instances of non-compliance with laws and regulations relating to communication and marketing activities including advertising, promotions and sponsorships			



<b>GRI 418 - Customer privacy - 2016 version</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	169	There were no complaints in 2023 regarding privacy breaches and loss of customer data			
<b>Talent attraction and human capital development</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 95-97				
<b>GRI 401 - Employment - 2016 version</b>	401-1 New employee hires and turnover	97, 145-146				
<b>GRI 402 - Labour Management/Relations - 2016 version</b>	402-1 Minimum notice period for operational changes	169	The companies of the FNM Group and Trenord apply the provisions of the National Collective Bargaining Agreement (CCNL) for Railway Activities, Motorway and Tunnel Concession Companies and Consortia and Commerce, which includes those references			
<b>GRI 404 - Training and education - 2016 version</b>	404-1 Average hours of training per year per employee	99-100, 150-151				
	404-3 Percentage of employees receiving regular performance and career development reviews	99-100, 152				
<b>Employee welfare</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				

<b>GRI 401 - Employment - 2016 version</b>	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	101-102				
<b>Respect for diversity and inclusion</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 95-99				
<b>GRI 405 - Diversity and Equal Opportunities - 2016 version</b>	405-1 Diversity of governance bodies and employees	45-48, 95-99, 137, 142-144				
<b>Health and safety in the workplace</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 102-104				

<b>GRI 403 - Occupational health and safety - 2018 version</b>	403-1 Occupational health and safety management system	102-104				
	403-2 Hazard identification, risk assessment, and incident investigation	102-104				
	403-3 Occupational health services	102-104				
	403-4 Worker participation, consultation, and communication on occupational health and safety	102-104				
	403-5 Worker training on occupational health and safety	102-104				
	403-6 Promotion of worker health	102-104				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	102-104				
	403-8 Workers covered by an occupational health and safety management system	102-104				
	403-9 Work-related injuries	104, 147-149, 171	Over the last four years, there were no deaths among contract workers for the companies Ferroviennord and MISE. In 2023, MISE recorded five accidents amongst contract workers, of which one with serious consequences (excluding death), while the number of accidents amongst FERROVIENNORD contractors was three.			

	403-10 Work-related ill health	102-104				
<b>Accessibility of services and infrastructures</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 75-88				
<b>GRI 203 - Indirect economic impacts - 2016 version</b>	203-1 Infrastructure investments and services supported	56, 65-74				
<b>Dialogue with stakeholders and development of the local area</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39, 105-110				
<b>GRI 413 - Local Communities - 2016 version</b>	413-1 Activities involving community involvement, impact assessments and development programmes	105-110				
	413-2 Activities with significant potential and current negative impacts on local communities	128-129				
<b>GRI 201 - Economic performance - 2016 version</b>	201-1 Economic value directly generated and distributed	61				
	201-4 Financial assistance received from the government	57-58				
<b>Sustainable procurement</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>GRI 204 - Procurement practices - 2016 version</b>	204-1 Proportion of spending on local suppliers	62-64				

<b>GRI 308 - Supplier environmental assessment - 2016 version</b>	308-1 New suppliers that were screened using environmental criteria	62-64				
<b>GRI 414 - Supplier social assessment - 2016 version</b>	414-1 New suppliers that have been evaluated using social criteria	62-64				
<b>MATERIAL TOPICS NOT COVERED BY GRI INDICATORS</b>						
<b>Service quality and customer safety at the station and while travelling (Security &amp; Safety)</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>Managing noise and vibrations</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>Systemic risk management and business resilience</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>Technological and digital innovation</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>Intermodality and integration of services</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				
<b>Sustainable infrastructure management</b>						
<b>GRI 3 - Material topics - 2021 version</b>	3-3 Management of material topics	33-39				

## ADDENDUM TO THE TAXONOMY SECTION

### European Taxonomy: KPI calculation methodology and context information

According to the Taxonomy, the Group's Taxonomy-aligned and/or eligible activities are represented through three key performance indicators ("KPIs") structured according to the specifications set forth in Article 8 of the Delegated Regulation:

- turnover;
- capital expenditure ("CapEx");
- operating expenses ("OpEx").

Please note that for the current reporting year, comparative data with the previous period will be presented as regards both eligibility and alignment. As already mentioned, the eligibility and alignment of the Group's economic activities were verified with reference to the climate change mitigation objective: the KPIs referring to this objective are presented below.

The eligible economic activities of the **FNM Group** as at 31/12/2023 are mainly attributable to sector "6. Transport" relating to the Climate Change Mitigation objective, but compared to the previous year they also include activities relating to the 4 new objectives in line with the Delegated Regulations on Climate and Environment and the Amendment to the Climate Regulation, in particular in relation to the objective Pollution Prevention and Control and Transition to a Circular Economy.

With regard to activity 6.3 Urban, suburban and road passenger transport, since there is no specific and unambiguous definition of suburban transport, this type of transport has been included and deemed equivalent to long-distance bus services, since one of their characteristics is the connection of two or more municipalities within the same province.

#### Turnover

The numerator of the KPI corresponds to the Taxonomy-eligible and aligned turnover. The denominator of the KPI on the other hand corresponds to the total net turnover realised by the Group, as defined in the 2023 Consolidated Income Statement and in accordance with IAS 1.82 (a): please refer to the Group's annual consolidated financial statements for more information on this amount.

#### CapEx

The Taxonomy defines capital expenditure (CapEx) as increases recorded in tangible, intangible and right-of-use assets during the year, before considering depreciation, amortisation, impairment and revaluation. It also includes increases in tangible and intangible assets resulting from corporate mergers.

The numerator of the KPI represents the share of capital expenditure linked to eligible activities, possibly aligned, while the denominator is the total of such expenditure. According to the Taxonomy, CapEx may include:

- capital expenditure relating to assets or processes associated with Taxonomy-eligible/aligned economic activities (category A par. 1.1.2.2. Annex I Art. 8 Delegated Act);
- capital expenditure that is part of a plan intended to expand Taxonomy-aligned economic activities or to allow for similar economic activities to be aligned with the Taxonomy (“CapEx plan”), according to the conditions set forth in the second paragraph of point 1.1.2.2. of Annex I of the Article 8 Delegated Act;
- capital expenditure relating to the purchase of products from Taxonomy-eligible economic activities and individual measures that enable the Group’s activities to achieve low carbon emissions or greenhouse gas reductions (category C par. 1.1.2.2. Annex I Art. 8 Delegated Act).

It should be noted that there were no increases attributable to acquisitions through business combinations as defined in point 1.1.2. of Annex I of Delegated Regulation (EU) 2021/2178.

In addition, it should be noted that there is no CapEx belonging to the following categories:

- IAS 40 “Investment Property”, paragraph 76, letters a) and b) (for the fair value model);
- IAS 40 “Investment Property”, paragraph 79, letter d), subpoints i) and ii) (for the cost model);
- IAS 41 “Agriculture”, point 50, letters b) and e)

### **OpEx**

According to EU Regulation 2021/2178, operating expenses are considered to be direct non-capitalised costs relating to building renovation, research and development, short-term lease, maintenance and repair. In addition, any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced are also part of the same scope. Research expenses not capitalised, but expensed in the income statement, were also identified. The method used to identify the FNM Group’s operating expenses involves analysing all accounts in the management accounting system and identifying all items pertaining to the categories listed above.

## Template - Proportion of turnover from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (“Do No Significant Harm”)									
Economic activities	Code	Turnover	Proportion of turnover, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
<i>Text</i>		(€/000)	%	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T

### A. TAXONOMY-ELIGIBLE ACTIVITIES

#### A.1. Environmentally sustainable activities (Taxonomy-aligned)

Passenger interurban rail transport	CCM 6.1	47,916	6.2%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%		
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>47,916</b>	<b>6.2%</b>	<b>6.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>0%</b>		
of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	%	A	
of which transitional		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	%		T

#### A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	CE 3.1	2,112	0.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Renovation of existing buildings	CE 3.2	382	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	381	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Electricity generation using solar photovoltaic technology	CCM 4.1	23	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Passenger interurban rail transport	CCM 6.1	1,239	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.2%		
Freight rail transport	CCM 6.2	6,012	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%		
Urban and suburban transport, road passenger transport	CCM 6.3	93,862	12.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								18.6%		
Infrastructure for personal mobility, cycle logistics	CCM 6.4	2,148	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Infrastructure for rail transport	CCM 6.14	192,209	24.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								16.5%		
Infrastructure enabling low-carbon road and public transport	CCM 6.15	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								42.7%		
Acquisition and ownership of buildings	CCM 7.7	6,077	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%		
Collection and transport of hazardous waste	PPC 2.1	586	0.1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
<b>Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>305,032</b>	<b>39.3%</b>	<b>38.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>0.0%</b>								<b>90.9%</b>		
<b>A. Turnover of Taxonomy-eligible activities (A.1+A.2)</b>		<b>352,948</b>	<b>45.5%</b>	<b>45.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>0.0%</b>								<b>90.9%</b>		

### B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy non-eligible activities	423,057	54.5%
<b>TOTAL</b>	<b>776,006</b>	<b>100%</b>



## Template - Proportion of CapEx from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (“Do No Significant Harm”)									
Economic activities	Code	CapEx	Proportion of CapEx, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022	Category enabling activity	Category transitional activity
<i>Text</i>		(€/000)	%	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%		A	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Passenger interurban rail transport	CCM 6.1	12,482	17.6%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%		
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		12,482	17.6%	17.6%	0.0%	0.0%	0.0%	0.0%	0.0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0%		
of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	%	A	
of which transitional		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	%		T
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								%		
Production of alternative water resources for purposes other than human consumption	CE 2.2	1	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Renovation of existing buildings	CE 3.2	809	1.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Passenger interurban rail transport	CCM 6.1	12,482	17.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								74.5%		
Freight rail transport	CCM 6.2	1,513	2.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Urban and suburban transport, road passenger transport	CCM 6.3	10,892	15.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.1%		
Infrastructure for personal mobility, cycle logistics	CCM 6.4	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Infrastructure for rail transport	CCM 6.14	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9.7%		
Infrastructure enabling low-carbon road and public transport	CCM 6.15	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in the parking spaces attached to buildings)	CCM 7.4	353	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	CCM 7.7	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
<b>CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		26,050	36.7%	35.5%	0.0%	0.0%	0.0%	1.1%	0.0%								88.0%		
<b>A. CapEx of Taxonomy-eligible activities (A.1+A.2)</b>		38,532	54.2%	53.1%	0.0%	0.0%	0.0%	1.1%	0.0%								88.0%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>CapEx of Taxonomy non-eligible activities</b>		32,517	45.8%																
<b>TOTAL</b>		71,049	100%																

## Template - Proportion of OpEx from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (“Do No Significant Harm”)									
Economic activities	Code	OpEx	Proportion of OpEx, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022	Category enabling activity	Category transitional activity
Text		(€/000)	%	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes; No; N/A	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%		A	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	No	No	No	No	0%					
of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	No	No	No	No	%	A				
of which transitional		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	No	No	No	No	%					T
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL							%			
Production of alternative water resources for purposes other than human consumption	CE 2.2	9	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Collection and transport of non-hazardous and hazardous waste	CE 2.3	225	0.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Construction of new buildings	CE 3.1	268	0.5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Renovation of existing buildings	CE 3.2	69	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Maintenance of roads and motorways	CE 3.4	4,245	7.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Use of concrete in civil engineering	CE 3.5	3,624	6.2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.0%			
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	548	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Electricity generation using solar photovoltaic technology	CCM 4.1	8	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Passenger interurban rail transport	CCM 6.1	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.3%			
Freight rail transport	CCM 6.2	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.4%			
Urban and suburban transport, road passenger transport	CCM 6.3	3,898	6.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							31.7%			
Infrastructure for rail transport	CCM 6.14	18,554	31.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							17.1%			
Infrastructure enabling low-carbon road and public transport	CCM 6.15	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							45.4%			
Collection and transport of hazardous waste	PPC 2.1	99	0.2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL							0.0%			
<b>OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		31,618	54.3%	39.6%	0.0%	0.0%	0.2%	14.5%	0.0%							94.9%			
<b>A. OpEx of Taxonomy-eligible activities (A.1+A.2)</b>		31,618	54.3%	39.6%	0.0%	0.0%	0.2%	14.5%	0.0%							94.9%			
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
OpEx of Taxonomy non-eligible activities		26,606	45.7%																
<b>TOTAL</b>		58,224	<b>100%</b>																

## ANNEX XII (energy sector)

EU Regulation 2022/1214, amending EU Delegated Regulation 2021/2139, introduces methods for disclosing information relating to economic activities connected to nuclear energy and fossil gas. In the specific case of the FNM Group, an audit was carried out and no economic activities connected to nuclear energy and fossil gas were identified.

### Template 1- Nuclear and fossil gas related activities

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

### Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Templates 2, 3, 4 and 5 relating to ANNEX XII (energy sector) were not included in the specific case of the FNM Group, as there are no economic activities connected to nuclear energy and fossil gas.

FNM S.p.A.  
IL PRESIDENTE  
Aniela Giuelli



FNM S.p.A.  
DIREZIONE AMMINISTRAZIONE,  
FINANZA E CONTROLLO  
CFO  
dott. Eugenio Giavatto



CSR - Sostenibilità  
Il Dirigente

Dr.ssa Elisabetta Tromellini



Report of the independent auditors on the Consolidated Non-Financial Statement pursuant to art. 3, paragraph 10 of Legislative Decree 254/2016 and art. 5-quater of CONSOB Regulation no. 20267

**GRI 2-5**



**INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE No. 254/2016 AND ARTICLE 5 OF CONSOB REGULATION ADOPTED WITH RESOLUTION No. 20267 OF JANUARY 2018**

To the Board of Directors of FNM SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the “Decree”) and article 5, paragraph 1 g), of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of FNM SpA and its subsidiaries (hereinafter the “Group”) for the year ended 31 December 2023 prepared in accordance with article 4 of the Decree, and approved by the board of directors on 12 March 2024 (the “NFS”).

Our review does not extend to the information set out in the sections titled “Taxonomy” and “Addendum to the taxonomy section” of the Group’s NFS, required by article 8 of Regulation (EU) 2020/852.

**Responsibilities of the Directors and the Board of Statutory Auditors for the NFS**

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the GRI - Global Reporting Initiative Sustainability Reporting Standards defined in 2016 and updated to 2021 by the GRI - Global Reporting Initiative (hereinafter the “GRI Standards”), which they identified as the reporting standard.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary for an understanding of the Group’s activities, development, performance and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for identifying and managing the risks generated and/or faced by the latter.

***PricewaterhouseCoopers SpA***

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d’Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311



The Board of Statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

### **Auditor's Independence and Quality Control**

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In the period this engagement refers to our firm applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a comprehensive system of quality control including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Auditor's Responsibilities**

Our responsibility is to express a conclusion, based on the procedures we have performed, regarding the compliance of the NFS with the Decree and with the GRI Standards. We conducted our engagement in accordance with *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. That standard requires that we plan and perform procedures to obtain limited assurance about whether the NFS is free from material misstatement. Therefore, the procedures performed were less in extent than for a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and included inquiries, mainly of personnel of the Company responsible for the preparation of the information presented in the NFS, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS in relation to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation perimeter, in order to assess their compliance with the Decree;
3. comparison of the financial information reported in the NFS with the information reported in the consolidated financial statements of FNM Group;

4. understanding of the following matters:
- business and organisational model of the Group with reference to the management of the matters specified in article 3 of the Decree;
  - policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
  - key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under item 5 a) below;

5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of FNM SpA and with the personnel of FERROVIENORD SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a parent company level:
  - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidences;
  - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information;
- for FERROVIENORD SpA, which we selected on the basis of its activities, its contribution to the key performance indicators at a consolidated level and its location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the indicators.

### **Limited Assurance Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the NFS of the FNM Group for the year ended 31 December 2023 is not prepared, in all significant respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusion on the NFS of the FNM Group does not extend to the information set out in the sections titled “Taxonomy” and “Addendum to the taxonomy section” of the Group’s NFS required by article 8 of Regulation (EU) 2020/852.



### **Other Matters**

With regard to the True Value figures, illustrated in the chapter titled “7. The value generated by the FNM Group” and in the appendices to the “True Value Appendix” section of the NFS, we specify that, as indicated in the methodology note to the NFS, neither the model nor the quantification of the economic, social and environmental impacts calculated through its application were reviewed by us.

Milan, 28 March 2024

PricewaterhouseCoopers SpA

*Signed by*

Riccardo Proietti  
(Partner)

*This report has been translated from the Italian original solely for the convenience of international readers.*



## Appendix

### True Value Appendix

Below is a description of the impacts quantified in the True Value model.

Economic impacts			
Impact			Description
	Direct added value	Direct	It represents the value added generated by the <b>operating activities</b> carried out by the <b>FNM Group</b> .
	Indirect added value	Indirect	It represents the value added generated by the <b>operating activities</b> carried out by the <b>FNM Group</b> .
	Induced added value	Indirect	It represents the value added generated by <b>consumer spending</b> enabled by <b>income</b> earned by workers employed directly and indirectly by the FNM Group.
Environmental impacts			
Impact			Description
	Emissions of CO <sub>2</sub>	Direct	It quantifies the negative impact that the <b>emissions generated</b> by the FNM Group's direct energy consumption have on the climate and, consequently, on health, the environment and production activities. This includes the energy consumption of the facilities, the traction of the company car fleet, the traction of buses, car sharing, trains and replacement buses. In addition, the impact quantifies the benefits of <b>emissions avoided</b> through the use of buses and trains by passengers (as an alternative to private vehicles), emissions avoided through the use of electric car sharing and electric/hybrid vehicles in the company fleet (as an alternative to more polluting vehicles) and emissions avoided through <b>the revamping</b> of trains and locomotives. Finally, it quantifies the positive impact of <b>CO<sub>2</sub> absorption</b> thanks to tree planting.
		Indirect	Quantifies the negative impact that <b>emissions generated</b> by indirect energy consumption have on the climate and, consequently, on health, the environment and production activities. This includes the energy consumption of: the supply chain; commercial activities located in FNM Group railway stations; commercial activities located in service stations along managed road sections; RFI* stations served by Trenord; users' vehicles travelling on managed road infrastructure. In addition, the impact quantifies the benefits of avoided emissions thanks to the transit of vehicles on managed road sections as an alternative to slower-moving roads
	Emissions of air contaminants	Direct	Quantifies the negative impact at local level, with consequences on health and air quality, created by the <b>emissions of air contaminants</b> (NO <sub>x</sub> , SO <sub>2</sub> , PM <sub>2.5</sub> , PM <sub>10</sub> , NH <sub>3</sub> , NMVOC) <b>generated</b> by the energy consumption of: facilities, company car fleet, bus traction, car sharing, trains and replacement buses. It also quantifies the <b>emissions avoided</b> and the resulting positive benefits generated through the use of buses, trains and car sharing by passengers and through the use of electric/hybrid vehicles in the company car fleet.
		Indirect	Quantifies the negative impact at local level, with consequences on health and air quality, generated by the emissions of air contaminants (NO <sub>x</sub> , SO <sub>2</sub> , PM <sub>2.5</sub> , PM <sub>10</sub> , NH <sub>3</sub> , NMVOC) generated by the energy consumption of: the supply chain; commercial activities located in FNM Group railway stations; commercial activities located in service stations along managed road sections; RFI stations served by Trenord; users' vehicles travelling on managed road infrastructure. In addition, the impact quantifies the benefits of avoided emissions thanks to the transit of vehicles on managed road sections as an alternative to slower-moving roads

\*For RFI stations, the most significant railway stations in terms of passenger flow have been considered



### Waste produced

Direct	Quantifies the negative impact that waste produced by the FNM Group’s activities generates during the <b>incineration</b> and <b>landfill</b> degradation phases, harming the environment and health.
Indirect	Quantifies the negative impact generated by waste that is sent for incineration and to the landfill and that is produced by: commercial activities located in FNM stations; commercial activities located in service stations along managed road sections; RFI railway stations served by the Trenord service.



### Water consumption

Direct	Quantifies the negative impact due to the <b>depletion of the water resource</b> in the territory where the company operates as a result of company activities, although not to a considerable extent.
Indirect	Quantifies the negative impact due to <b>water consumption</b> attributable to commercial enterprises located in FNM stations, those located along the managed motorway sections, RFI railway stations served by the Trenord service and commercial enterprises located in them.



### Noise pollution




Direct	Quantifies the negative impact of <b>noise pollution</b> from trains and buses on people living near railways and roads, affecting their health and well-being. It also quantifies <b>the noise pollution avoided</b> by the use of trains and buses along the directly managed sections as an alternative to the car by FNM passengers.
Indirect	Quantifies the negative impact of noise pollution generated by the transit of user vehicles for people living near the road sections managed by the FNM Group, affecting their health and well-being. In addition, it quantifies the noise pollution avoided thanks to the use of users’ vehicles along managed road sections as an alternative to roads in urban centres.







### Land use

Direct	Quantifies the negative impact <b>generated on the ecosystem</b> by the land use of the facilities (including railway stations) and the FNM railway and road networks. It also quantifies the benefits generated by the use of trains and buses along the section directly managed by the FNM Group as an alternative to the car that reduce the land area devoted to road construction. The benefits of the <b>grassing</b> activities carried out by the Group are also taken into account.
Indirect	Quantifies the negative impact generated on the ecosystem by the use of land for the road network, the RFI rail network covered by rail service and RFI stations served by Trenord.

## Social impacts

Impact	Description
 <b>Service availability</b>	Direct It quantifies the value generated by the FNM Group’s transport services - through trains, buses and car sharing - which offer passengers the opportunity to move around and satisfy their needs. It also quantifies the value of the mobility offered by the transport services themselves through the measure “Willingness to Pay per Kilometre”, which expresses the actual value that a person places on the possibility of travelling.
 <b>Travel time</b>	Direct Quantifies the negative impact due to <b>travel time lost</b> due to train and bus delays and cancellations, and due to crowded trains that prevent passengers from carrying out their desired activities. It also quantifies the benefits generated by “ <b>useful</b> ” <b>travel time</b> in uncrowded trains that can be used by passengers to carry out profitable activities, such as working.
 <b>Road congestion</b>	Direct Quantifies the negative impact on the community in terms of time lost in traffic caused by <b>road congestion generated</b> by the transit of buses, car sharing cars and vehicles along the road sections managed. It also quantifies the benefits to the community due to the <b>avoided road congestion</b> that results from the use of LPT as an alternative to the car and the use of the road sections managed by the FNM Group as an alternative to sections with a slower traffic flow.

	<b>Passenger injuries</b>	Direct	Quantifies the negative impact due to passenger injuries while travelling on board the Group's fleet of vehicles (both as a result of rail and/or road accidents occurring, and as a result of accidental falls on board the vehicles) and along the road sections managed by the FNM Group and injuries at the station in terms of human, medical and administrative costs, as well as loss of productivity for the people impacted. Moreover, it quantifies the benefit to the community due to road accidents avoided thanks to the use of FNM Group vehicles as an alternative to the private car and thanks to the use of vehicles along the road sections managed.
	<b>Employee health and safety</b>	Direct	It quantifies the negative impact generated by <b>occupational injuries</b> and <b>illnesses</b> of employees in the workplace that result in costs to employees, the company and the community.
		Indirect	It quantifies the negative impact generated by <b>accidents in transit</b> for the FNM Group <b>employees, contract workers</b> , accidents affecting <b>employees of commercial enterprises</b> located in FNM stations and at service stations located along the road sections managed and employees of commercial enterprises located in RFI stations served by Trenord.
	<b>Training provided</b>	Direct	It quantifies the benefits generated by the training provided to FNM Group <b>employees</b> , which contributes to improving their <b>skills and productivity</b> , enabling them to cover roles at the same or higher level, should they decide to change employer (so-called employability).
	<b>Advantages and benefits for passengers</b>	Direct	Quantifies the benefits generated by the <b>offers, discounts, advantages and conventions</b> proposed by the FNM Group to its customers.
	<b>Avoided car operating costs</b>	Indirect	It quantifies the benefits in terms of avoided <b>car operating</b> costs (e.g. fuel, maintenance, motorway tolls, etc.) for those passengers who, despite being able to travel by private car, decide to use rail, bus and car sharing services.
	<b>Additional salary received in large cities</b>	Indirect	It quantifies the benefits generated for <b>commuters</b> who use the FNM Group's transport services on a daily basis to reach <b>large urban centres</b> where it is possible to obtain <b>remuneration</b> that is more competitive than that obtainable in their place of residence.
	<b>Passenger expenditure in tourist locations</b>	Indirect	Quantifies the LPT passenger expenditure generated in <b>tourist locations</b> reached by train or bus.
	<b>Value added generated by commercial activities in stations</b>	Indirect	Quantifies the <b>value added</b> generated in the <b>commercial enterprises</b> present in the <b>FNM railway</b> stations and the value added generated thanks to spending by FNM passengers in the <b>commercial enterprises</b> present in the <b>RFI stations served by Trenord</b> , as well as that generated thanks to the expenses incurred by passengers in service stations located along the managed road sections.
	<b>Economic value generated by Malpensa</b>	Indirect	Quantifies the <b>value added generated in Italy</b> by business or tourism spending by <b>Malpensa Express passengers</b> in the locations reached by air within national borders
	<b>Benefits and sponsorships for local communities</b>	Direct	Quantifies the <b>economic surplus generated</b> , through leased premises, for the benefit of entities carrying out <b>activities of high social value</b> . It also quantifies the <b>sponsorships given</b> to the local community.

## Information about out-of-scope companies- Investee companies of FNM

Information is provided below about the investees of FNM Spa, with the exception of Nord Energia Spa in liquidazione, Omnibus Partecipazioni Srl, by virtue of its role as a holding company, and Mbility, acquired at the end of 2023.

### BusForFun

<b>Business sector</b>	Sustainable mobility, booking services and related activities
<b>Registered Office</b>	Via Jacopo Salamonio 3 - Venice post code 30175
<b>Employees</b>	32
<b>Core business</b>	Tailor-made digital mobility platform integrating multiple transport services



### Organisation profile

BusForFun Business is Europe's leading company in integrated mobility solutions. The technology developed is focused on building optimised routes to meet the needs of communities in a sustainable and safe manner. Through its advanced technology and close collaboration with event organisers, detailed transport planning and the application of FlexyMob's integrated solutions, the company offers customised services that enhance the experience of participants. In addition, it supports companies in managing employee transport, including by defining a Commuting Plan (PSCL).

BusForFun is committed to reducing CO<sub>2</sub> emissions and aims to achieve Net Zero by 2030, with the transition to an "all-electric" and hydrogen fleet through a national network of Operating Partners.

### Certifications

- **ISO 14001:2015:** Planning and provision of bus transport services on national and international lines. Provision of rental services with driver
- **ISO 9001:2015:** Planning and provision of bus transport services on national and international lines. Provision of rental services with driver



### The company business

The Company's main revenue comes from the sale, or rental, of the FlexyMob platform and all correlated services, as well as from the sale of integrated mobility solutions, to companies, trade fairs, event organisers and major sporting events, which wish to use the booking and purchase service to reach their destination. The other main revenue comes from the sale or rental of the Commuting portal and the related services, as well as the booking and sale of seats for commuting shuttle services. Other revenues come from the percentage obtained from service providers that join the platform by providing their own resources.

FlexyMob has served a broad range of customers at prestigious events such as the Cortina Ski World Cup, Milano Marathon, Rome Marathon and the World Fencing Championships, demonstrating reliability and versatility in mobility management for high-profile events.

## Projects

In 2023, the company invested in research and development to expand its skills in smart mobility management, using technology to analyse and organise transport services, ensuring the safe management of seats on each vehicle. The success of BusForFun Business is mainly due to investments in digitalisation to achieve the company’s goal of offering and developing a dynamic mobility concept, continuing to invest in integrating all services in a single digital portal, with machine learning algorithms to improve transport service efficiency.

The company uses data analysis to predict the volume of participants at events and optimise bus planning. It uses software to manage complex logistics, including the coordination of transport services and personnel planning. Machine learning algorithms improve predictions and optimisations with increasing data.

In 2023, with the entry into new markets in the Iberian Peninsula and Switzerland, further implementations were necessary. The Spanish market is estimated at 1.2 billion with an annual growth rate of 3% over the next five years. BusForFun extended its services in Switzerland and consolidated contracts with cross-border commuters. The ticket market in Switzerland is valued at EUR 1.88 billion with a CAGR of 3% over the next five years.

In both countries, expected growth is fuelled by a number of factors, such as interest in cultural and sporting events, the adoption of new technologies and the development of online retailers, as the live events segment generates substantial revenue and employment opportunities. The ticket markets are controlled by a few companies that offer a broad range of events.



## Responsibility to people

The Company offers its employees a number of corporate benefits:

- personal services
- health insurance
- meal vouchers
- welfare hub platform

	Data relating to staff as of 31/12/2023			Data relating to staff as of 31/12/2022		
	Men	Women	Total	Men	Women	Total
Executives	2	0	2	2	0	2
Middle managers	1	0	1	1	0	1
Office workers	12	17	29	12	16	28
<b>Total</b>	<b>15</b>	<b>17</b>	<b>32</b>	<b>15</b>	<b>16</b>	<b>31</b>



## Responsibility towards the environment and the local area

BusForFun is very sustainable. The platform developed represents a new way of travelling and getting around in order to make a significant contribution to the environment, avoiding CO<sub>2</sub> emissions as much as possible and changing people's habits. By using FlexyMob, the company demonstrates a concrete commitment to the environment, reducing CO<sub>2</sub> emissions and improving quality of life. A dedicated algorithm has also been developed that calculates the service's ecological footprint, focusing on the tonnes of CO<sub>2</sub> saved, to assess environmental impacts and monitor energy efficiency. This tool is crucial for companies wishing to promote sustainability and is essential for shaping strategies, enhancing their activities and promoting social and environmental responsibility policies.

Finally, by optimising employee travel with the use of the platform, BusForFun makes it possible to achieve significant energy and economic savings by only activating runs that have received bookings, adapting vehicle capacity to the number of passengers actually transported.

## DB Cargo Italia

<b>Business sector</b>	Railway freight transport Freight segments: Iron and steel, paper, chemicals, oil and car industries, various goods
<b>Registered Office</b>	Milan Widespread coverage of the network 7 shunting hubs; 14 railports; more than 70 junctions and loading/unloading points
<b>Employees</b>	472 (-2%) compared to 2022
<b>Core business</b>	Logistics and goods handling services



### Organisation profile

**DB Cargo Italia (DBCI)** offers logistics and freight movement services, mainly in Italy using the infrastructure network managed by the Italian Railway Network (RFI). It uses electric and diesel locomotives.

<i>Services offered by DB Cargo Italia</i>		
Full train transport	Single wagon or less-than-trainload transport	Additional services
This service provides clients with an entire train, guaranteeing high capacity and efficient freight transport times.	This service is recommended for clients who need to transport a lower quantity of goods.	Services on top of railway transport which may include shunting services, railway logistics consultancy and load safety.

The year 2023 saw a contraction in volumes due to several factors, such as: uncertain international political/economic situation, rising raw material costs, infrastructure works in Italy and abroad, strikes and increased competitiveness of other modes of transport and especially road transport

### Certifications

- **Railway licence** issued by **MIT** (Ministry of Infrastructure and Transport);
- **Single Safety Certificate** issued by **ERA** (European Railway Agency), for RFI and FERROVIENORD infrastructure, and for the Modane border facility, renewed on 09/12/2021, valid until 08/12/2026;
- **Safety Certificate** issued by the **FOT** (Swiss Federal Transport Office) for the Chiasso border facility, also valid until 08/12/2026;
- **Authorised Economic Operator Certificate**;
- **SQAS (Safety and Quality Assessment Sustainability) certification** as a logistics service provider in the chemical sector;
- **ISO 9001** (Quality), **14001** (Environment) and **45001** (Occupational Health and Safety) certifications issued by **Dekra**.



## The company business

In terms of “less-than-trainload” rail transport, DB Cargo Italia operates mainly in Northern Italy but has a growing presence in Central and Southern Italy too.

The “less-than-trainload” rail transport network includes 7 shunting hubs, 14 railports and over 70 connections or loading and unloading points across Italy, of which 13 districts are served by full train traffic.

The DB Cargo Italia fleet is composed of 42 locomotives, 16 of which run on diesel and 26 are electric. The entire fleet of electric locomotives is composed of locomotives no more than 18 years old, with an average age of under 10 years.

To ensure railway safety, all line traction trains are equipped with electronic train control systems.

Lastly, the Company has continued its process of digitalisation with the aim of increasing the efficiency and safety of operative staff management, locomotive fleet management and pulled wagon management.

### Railport system for intermodality management

DBC AG, the Parent Company, oversees road-based last-mile logistics for clients who do not have a railway connection using its railport system. Railports are multi-functional connected centres designed to ensure the efficient transhipment of freight between road and rail transport. This allows clients to reduce the size of their warehouses and replace road transport with a hybrid solution in which the majority of transport is handled via rail. DB Cargo Italia takes care of all aspects of rail freight transport, including reaching the railports, in the most efficient manner for the customer.



## Responsibility to people

DB Cargo Italia, as a DBC AG Group Company, participates in the company climate survey every two years, which is aimed at all employees.

	Dati relativi al personale al 31.12.2023			Dati relativi al personale al 31.12.2022		
	Uomini	Donne	Totale	Uomini	Donne	Totale
Dirigenti	3	3	6	3	2	5
Quadri	17	3	20	17	2	19
Impiegati	50	18	68	48	19	67
Operai	373	5	378	386	4	390
<b>Totale</b>	<b>443</b>	<b>29</b>	<b>472</b>	<b>454</b>	<b>27</b>	<b>481</b>

### Code of Conduct

DB Cargo Italia has adopted the Code of Conduct of its parent company DBC AG. In accordance with Global Compact principles, the document sets out the ethical standards that must be adhered to both internally and externally. The document represents an essential criteria for collaborations with other companies, strategic partners and suppliers, who must commit to respecting the content. Furthermore, all suppliers engaging in significant activities related to safety are subject to audits.

### Welfare initiatives:

- Welfare platform: since 2018, DB Cargo Italia has given eligible employees the opportunity to use the welfare programme to purchase goods and services;
- Training: in addition to ongoing staff training with safety activities, DB Cargo Italia offers its employees access to training programmes in house and in collaboration with the parent company DBC AG and the FNM/Trenord Group, not only for the professional area, but also for the personal sphere.





## Responsibility towards the environment and the local area

The company continues all initiatives to reduce its energy consumption by modernising its fleet of electric and diesel locomotives.

<i>Data regarding energy consumption<sup>48</sup></i>					
Type	Unit of measurement	2023	2022	2021	2020
Electric locomotives	GWh	47.3	45.1	36.6	28.9
Office electric utilities <sup>49</sup>	GWh	0.1	0.1	0.0	0.0
Office gas utilities <sup>2</sup>	Scm	23,000.0	23,000.0	0.0	0.0
Diesel locomotives	litres	461.0	524.0	604.0	600.0
Company cars	litres	15.0	15.0	15.0	20.0

In accordance with Legislative Decree no. 102/2014, in 2023, an Energy Audit was carried out on 2022 energy consumption to reveal possible areas where action can be taken to reduce consumption and the associated running costs expected in the coming years.

Finally, the DB AG Group, of which DB Cargo Italia is a member, initiated and concluded a noise reduction programme that by 2020 resulted in 100% of the wagons in its fleet being equipped with silenced brake shoes.

In 2022, **DB Cargo Italia** joined the “Sustainability network” proposed by the DB Group: a network of all the group’s companies in Europe working together in a project called “Green transformation”, aimed at achieving environmental objectives, including the supply of 100% renewable energy in DB depots and buildings.

By 2024, the diesel locomotive fleet of the entire DB Cargo Group is expected to be converted to use exclusively biofuels.

For the new Milan Lancetti site, which became operational in June 2022, several environmental performance improvements were implemented, including waste separation and a reduction in energy consumption.

<sup>48</sup> Data obtained via processes which required the use of estimates.

<sup>49</sup> Values in years prior to 2022 referred to operating depots, excluding the headquarters.

NordCom

<b>Business sector</b>	ICT - System Integrator and Solution Provider
<b>Registered Office</b>	Milan
<b>Employees</b>	107
<b>Core business</b>	Projects implemented: <ul style="list-style-type: none"><li>- activation of Security Operations Centre (SOC) for FNM including FortiSIEM and Darktrace</li><li>- activation of Distributed Denial of Service (DDOS) protection</li><li>- activation of the Metallic backup system</li><li>- development of management applications</li><li>- development of functions on applications aimed at the railway market</li><li>- updating of applications to migrate them to the cloud</li></ul>



### Organisation profile

**NordCom** has been a well-established Digital Company for over 20 years, offering customised solutions for Transport Companies and Public Administration entities, facilitating their digital transition.

Its main areas of operation are Public Transport, Fibre Optics and Services for Public Administration.

### Certifications

- **UNI EN ISO 9001:2015** – Quality certification
- **UNI CEI ISO 27001:2017** – Information Security Management System
- **ISO 37001:2016** – Anti-Corruption Management System
- **UNI/PdR 125:2022** on Gender Equality.



### The company business

#### ICT infrastructure and software solution development

NordCom, specialising in digital solutions for public transport and mobility, focused its technical activities in 2023 on the Go2Cloud project, which aims to move FNM application management infrastructure to the cloud, with the introduction of the Azure environment alongside GCP for hardware management outside the on-premises data rooms. One highlight was the transfer and upgrade to the Hana version of the FNM Group's SAP HR in the Google Cloud environment. In parallel, the upgrade of Wifi infrastructure at the Cadorna office improved the user experience and strengthened security.

In addition, NordCom contributed to the Monza ASST network optimisation plan, while the management of software development processes focused on pre-sales to Group companies and Trenord, with constant interaction between Technical Leaders, Product Owners and the Commercial area for customer offers. Prominent among the many initiatives is the redevelopment of the RAMOS product for the operational management of rolling stock circulation, with the design of the new product in the second half of 2023 and the consolidation of technical documentation by January of this year.

Other appealing initiatives developed for Trenord in 2023 include:

- New dematerialised control centre for Ramos,
- Migration of Lupin (Trenord reporting) to the cloud,
- Integration of new COP (Chip on Paper) tickets for Trenord,
- Trenord reporting monitoring dashboard,
- RBT integration for managing tax code and postal results, injunctions,
- Integration of application monitoring with Grafana and Google Chat (internal).

As far as the FNM Group is concerned, the following projects were conducted in 2023:

- Construction Site Access Management Evolutions (Phase 1),
- ART - KPI calculation for TN,
- NordING Portal,
- FNMA Portal,
- FN Station Cleanliness Monitoring Management System.

As far as the “Management Systems” area is concerned, as usual, project activities were essentially concentrated on the SAP S/4 HANA management system consolidation and evolution phase. During 2023, the SAP environment was involved in development and updating activities in the following areas:

- Development of Asset Management KPI reports for Ferroviennord,
- Trenord SAP BO upgrade,
- FNM SAP HCM upgrade,
- FNM OpenText upgrade,
- Linear asset and Ferroviennord georeferencing,
- Ferroviennord maintenance planning,
- FNM RAR revenue management,
- FNM EH&S module migration.

With reference to the External Market, the year 2023 was characterised by the development and marketing of solutions dedicated to the world of transport. In particular, the Innovation Area continued the process of in-house design and development of mobility-related solutions, creating solutions concerning: ticketing, infomobility, MaaS (Mobility as a Service), IoT and penalty process digitalisation.

The common objective of the proposed solutions is the digitalisation of processes and the improvement of the provision of the mobility service, with a view to making the concept of smart mobility and sustainable mobility a reality. Research and development activities continue, with a view to identifying and carrying out possible innovative solutions for transport companies in order to simplify processes and improve the passenger experience.

Among the success stories of the year, the following achievements stand out:

- MaaS system licence for the Municipality of Naples
- Level-crossing monitoring system for Ferrovie Circumetnea
- Infomobility system for the Municipality of Caltanissetta and the Municipality of Ragusa

- EasyFine system for penalty flow management for ANM Naples, COTRAL Rome and Linee Lecco



## Responsibility to people

During 2023, the following main initiatives were carried out:

- *Academy Java 2023*: a group of recent university/secondary school graduates were offered the opportunity to train through a classroom and on-the-job training course with a view to a subsequent final placement in the company;
- *Tech & Personal Competence Assessment*: all employees were involved in an assessment process aimed at recognising each one's technical and personal abilities in order to best leverage their skills;
- *"Children in the office"*: to improve work-life balance, the children of employees were able to join their parents for a day at the company.

The company also continued its investment in training. More than 453 hours of training were provided in 2023, with an investment of more than EUR 55 thousand.

The Company also obtained the UNI/PdR 125:2022 Certification on Gender Equality.

## New trade union agreements

In 2023, a new agreement valid for an indefinite period of time on smart working was concluded with the trade unions. It establishes that employees may make use of up to 12 flexible working days per month and 3 days per week, with the possibility of scheduling up to 12 (or 15 for employees with minor children) additional days. In addition, additional weeks of flexible working are provided for specific cases such as pregnancy, paternity, return after illness and SLD.

During 2023, 21 workers were hired leading to the following business framework.

	Data relating to staff as of 31/12/2023			Data relating to staff as of 31/12/2022		
	Men	Women	Total	Men	Women	Total
Executives	2	1	3	2	1	3
Middle managers	14	2	16	14	2	16
Office workers	66	22	88	56	17	73
Total	82	25	107	72	20	92



## Responsibility towards the environment and the local area

In 2023 NordCom strengthened its path towards sustainability, which can be summarised in these main actions:

- Producing the first edition of the Sustainability Report;
- Adopting a farm beehive in Abruzzo, providing the beekeeper with a 3Bee "Hive-tech" system to monitor the hive, with the relative environmental and social benefits of reducing bee mortality by 30%, thus protecting 300 thousand bees;

- Partnership with the Fondazione per lo Sviluppo Sostenibile [Foundation for Sustainable Development];
- Creating the “Sustainability, environmental responsibility and operational tools” course held by FNM for the entire company population;
- Implementing sustainability policies in the Welfare area;
- Continuing activities correlated with the signing of the Lombardy protocol for sustainable development of the Lombardy Region;
- Participating in the activities of the UITP Sustainability Committee and Innovation Committee;
- Participating in the International Climate Conference - COP28

## Sportit

<b>Business sector</b>	Travel Sport Tech
<b>Registered Office</b>	Piazza Santa Francesca Romana, 3 – 20129 Milan
<b>Employees</b>	30
<b>Core business</b>	Online travel agency in the Travel Sport Tech sector



### Organisation profile

Sportit, founded in 2016, is a company with a team of 30 people and an Advisory Board consisting of top managers and former professional athletes.

Snowit operates through the first digital platform to bring together all services related to winter sports and the mountains. Snowit offers winter holiday services in over 130 locations, including accommodation, ski passes, lessons and equipment rental. With the Snowitcard, users can ski in more than 50 locations.

With more than 500 partner companies that have chosen it to sell their services, Snowit is the only digital marketplace in an otherwise highly fragmented and poorly digitalised market, offering the public the best customised offers in the sector, without any fixed costs, but saving time by booking online and avoiding unnecessary queues or lengthy telephone calls with individual merchants.

Following the positive feedback received concerning the Snowit platform and the observation that its highly flexible and scalable technology can also be applied in other sectors, Bikeit was born in 2022. Bikeit is the platform that aggregates all of the services needed by cycle tourists, from the most experienced to the more casual, and is able to build customised routes based on individual user needs: from the number of kilometres one wishes to cover each day, to the duration of the holiday, from the cycling level and experience to the type of equipment one wishes to rent. The system then puts together a package, which can be customised by adding hotels, services such as insurance or luggage transport, experiences such as visits to museums, wellness experiences and wine and food tasting, to create a truly unforgettable holiday on two wheels.

In December 2021, the FNM Group acquired a 33% stake in the share capital of Sportit.

The range of digital platforms dedicated to sports enthusiasts expanded in 2023 with the birth of Tribala, a solution for purchasing organised group trips dedicated to enthusiasts of various sports

such as kite surfing, scuba diving, cycle tourism, skiing and snowboarding, 4x4 off-roading and many others, always with the presence of a Tribala sports expert, the “Guru”.



### The company business

Sportit is an Online Travel Agency operating in the B2C segment via the Snowit, Bikeit and Tribala platforms, using a typical marketplace business model where the different partners pay Sportit a commission on sales.

In the July 2022 - June 2023 period, Sportit recorded record sales of over EUR 16 million, expected to grow to over EUR 23 million in the future.

The company’s future development plans include improvements in technical platforms for customers and B2B partners, the development of cycle tourism, international expansion with the acquisition of new customers and offers abroad. They also aim to develop a sustainable mobility and tourism project via a digital platform to aggregate various modes of transport alternative to private vehicles, connecting cities and valleys in the Alpine region.



### Responsibility to people

	Data relating to staff as of 31/12/2023			Data relating to staff as of 31/12/2022		
	Men	Women	Total	Men	Women	Total
Executives	0	0	0	0	0	0
Middle managers	0	0	0	0	0	0
Office workers	18	12	30*	18	9	27*
Blue collar workers	0	0	0	0	0	0
<b>Total</b>	<b>18</b>	<b>12</b>	<b>30*</b>	<b>18</b>	<b>9</b>	<b>27*</b>

*\*(includes permanent and fixed-term employees + 2 administrators/founders)*

### Resource management

Sportit promotes a culture of sharing and open discussion between resources, valuing their diversity and encouraging reciprocal feedback. The organisational structure based on functional teams and cross-functional committees fosters collaboration. Objectives and strategic initiatives are defined during monthly meetings, while results are shared at plenary meetings. All employees can benefit from remote working (“smart working”) for up to two/three days a week. Company retreats focusing on sports, physical activity and outdoor team building are organised every year in the mountains or at the seaside in order to improve team cohesion.

### Health and safety

The company adopts all occupational safety standards and holds regular refresher courses.

### Training

There are many training opportunities, ranging from on-the-job training for junior staff to dedicated training courses for apprentices or interns, to more structured training opportunities provided by external organisations for employees who want to fortify certain skills or work on individual areas for improvement.



## Responsibility towards the environment and the local area

### **Snowitcard: the low environmental impact ski pass card**

Sportit has always been committed to environmental sustainability, especially in the mountains. Through the Snowit platform, it has created a system that allows ski and snowboard enthusiasts to use a single ski pass in all ski resorts in the Snowit network. This card is reusable and has no expiry date, thus eliminating the need to print new plastic ski passes for each use. In addition, Snowit developed a Snowitcard made entirely of recycled wood with the ski pass chip inside, avoiding the use of plastic.

### **Sustainable mobility to mountain resorts**

The main project on Sportit's sustainability agenda is mobility. In particular, Snowit carried out two initiatives in 2023 to improve the accessibility of mountain resorts:

- **Ski and Snowboard Trips with Tribala by Snowit:** one- or multi-day travel packages that include bus transport, ski pass, insurance and other services such as accommodation or ski rental to users who want to reach ski resorts in a sustainable manner by choosing an all-inclusive package to share their passion for winter sports with other users at a highly affordable price.
- **Snow Trains:** Sportit has provided Trenord with its digital platform for booking Snow Train packages for five ski resorts (Madesimo, Chiesa Valmalenco, Aprica, Piani di Bobbio and Domobianca) and contributed to the strategic development of the service and its promotion through its community to foster the culture of sustainable access to holiday resorts thanks to the Train + Skipass + Other Services packages offered to customers.