SUSTAINABILITY REPORT 2021

CONSOLIDATED NON-FINANCIAL STATEMENT 2021
PURSUANT TO ITALIAN LEGISLATIVE DECREE 254/2016

2021

SEA MilanAirports

CONTENTS

LETTER TO STAKEHOLDERS

2021 saw SEA ramp up its efforts to integrate sustainability metrics into its business strategy and to develop a long-term vision for ESG topics.

Although we found ourselves in difficult economic and financial circumstances, and though the aviation market has been weakened significantly by the ongoing pandemic, we have continued to strengthen our commitment to sustainability.

> *Nothing is more powerful than an idea whose time has come*
>
> *Victor Hugo*

We set goals and took on responsibilities that would have been easier to achieve if flights had recovered more quickly and we had access to more resources to aid our critical transition to smarter and greener methods of operating.

But that did not stop us from pursuing ambitious goals.

The most significant of these was our decision to bring forward our goal of fully decarbonising all airport operations under our direct control by twenty years compared to the target set by the EU Climate Law.

Malpensa and Linate represent two of the nine European airports that have so far set themselves the target of achieving net zero emissions by 2030. This commitment was formalised when we obtained Airport Carbon Accreditation (ACA) Level 4+ (the highest level). The ACA is a voluntary CO_2 emissions reduction programme involving around 200 continental airports. It is promoted by ACI Europe, the European Airport Association.

For the SEA Group, this project involved making the decision to immediately discontinue relations with the current energy supply system. In autumn 2021, we launched a tender for the sale of our subsidiary SEA Energia, which previously ensured our airports were energy self-sufficient through the management of two co-generation plants.

Although this is the least harmful way of producing energy from fossil fuels, in terms of limiting climate-changing emissions (as evidenced by its inclusion in the list of energy transition activities considered compatible with the EU's climate objectives), it is no longer consistent with the radical nature of our commitments, and we have decided to start a new chapter as a consequence. We will soon collaborate with a new energy partner to identify the best electricity and heat supply solutions. This will keep us on the steep path towards reducing our emissions, while also allowing us to keep our ACA 4+ certification.

But we intend to do much more than that.

We are laying the foundations to contribute to the full decarbonisation of aviation by establishing joint lines of research with other European airports, fuel producers, and leading international aircraft manufacturers.

We know that the transition to cleaner, quieter air travel will be long and complex, and that it requires airports to play their part now and ready themselves for when the share of aircraft powered by sustainable fuels, electricity, and hydrogen starts to increase.

In addition to this "innovation package", SEA also intends to be one of the first European airports to develop urban air mobility solutions. We are laying the groundwork to launch very short-haul flights (30-50 km) at Malpensa Airport in 2026, with a fleet of electric planes that will be able to take off and land vertically, thus helping us to fulfil passenger and cargo mobility needs in large urban areas. This form of transportation will significantly decongest roads and has a reduced impact on the environment (CO_2, air quality, noise).

Further testing our ability to combine sustainability with business is the Malpensa Master Plan, which defines the airport infrastructure that needs to be implemented by 2035 to cope with expected traffic patterns. The Plan foresees the expansion of the airport's cargo area. If we do not take action is this regard, these areas will become saturated within a few years and it will be impossible to satisfy the growing global logistic-commercial needs of Northern Italy's production basin.

We understand that the concerns of local stakeholders must be heard when assessing potential development options for strategic infrastructures such as airports. Developments such as these are characterised by a fallout of environmental

externalities concentrated in the immediate area, and by significant socio-economic benefits distributed over a much larger geographical area (Malpensa's cargo catchment area extends over 70,000 m^2).

Our position is clear: integrating sustainability into the business models of airport managers also involves respecting and defending the public interest.

And expanding Malpensa's Cargo City is a matter of public interest, as is reflected in the numbers.

In 2021 (a year in which passenger traffic remained drastically below pre-pandemic levels, while cargo experienced record growth), Group turnover attributable to the cargo segment did not exceed 15% of the total, and employees working in the cargo area comprised 7% of the total workforce.

Against this backdrop, the import-export value that transited through Malpensa (Euro 42.9 billion, +6.4 billion on 2020 and +0.7 billion on 2019) corresponds to about 5% of all foreign trade in Italy.

According to the LIUC Observatory, the overall economic effect of Cargo City on Northern Italy's productive system was equal to Euro 14.8 billion, employing over 85,000 staff.

As such, for every Euro 1 million of turnover generated by SEA in the cargo sector, the Italian economic system produced Euro 280 million, while SEA employees in the sector contributed to another Euro 457 million.

That being said, we are well aware that serving the general interest by providing air infrastructure that is well-connected to markets that are relevant to our production system also requires us to know how to protect other collective assets in parallel, such as the integrity of the natural ecosystem.

We have made a major commitment on this last front, actively collaborating with institutions and other local stakeholders.

Again, numbers are the best way to demonstrate this fact.

We have reduced the area of airport expansion to a minimum (halving it compared to initial recommendations) and have devised a compensation plan that will return five times as much high-quality natural land to the local community in exchange for the land we would need to use.

The overall result of this operation would increase the ecosystem value index of the affected area by 50%, compared to its current value.

We are also working to mitigate another environmental issue related to the project, i.e., the increase in night-time noise due to increased cargo activity. The next tariff plan will double tariffs applied to noise emitted by flights at certain times of night.

The examples cited above prove that the reflections initiated by SEA's senior management team in 2021 - regarding the need to breathe more life into sustainability actions and give them more depth of vision - will continue. These reflections will take place both internally - by cultivating a conviction that no project is strictly technical and will inevitably have implications and repercussions that call for it to be opened up to discussion with stakeholders - and in relations with the general public, with whom we will continue a conversation on our future development options according to a logic of systemic repercussions and benefits.

Although 2022 has not begun with a return to stability - but rather the presence of additional complicating factors - we will do our absolute best to give weight to our initiatives and commitments, in the conviction that our foresight will pay off.

Chairperson **Michaela Castelli**

Chief Executive Officer **Armando Brunini**

METHODOLOGICAL NOTE

The SEA Group (hereinafter also the "Group") has published an annual Sustainability Report since 2010.

The 2021 Non-Financial Statement (hereinafter the "NFS") - now in its fifth edition - concerns the Group's performance during the year ended December 31, 2021, in accordance with Legislative Decree No. 254/2016. Pursuant to Article 5 of this Decree, it takes the form of a separate report that includes specific language so as to be considered an NFS as per the regulatory requirements.

This NFS was prepared in compliance with the "Global Reporting Initiative Sustainability Reporting Standards" and the "Airport Operators Sector Disclosures", defined in 2016 and 2014 respectively by the Global Reporting Initiatives (GRI), and the relative updates, according to the "in accordance - Core" option. The GRI Content Index has been included at the end of the document, with the aim of providing a full account of the coverage of the GRI indicators associated with each topic identified as material.

The document has been prepared as necessary to ensure an understanding of business activity, its performance, results and impact on the topics deemed material set out in Article 3 of Legislative Decree No. 254/2016.

The non-financial disclosures contained in the NFS reflect the principle of materiality or relevance, a key characteristic of the GRI Standards that is also defined in the reference legislation: the materiality analysis process is described in the "Defining the materiality matrix" section. In 2021, the materiality analysis underwent a light review and was subsequently presented to the Control, Risks and Sustainability Committee on March 3, 2022.

This document thus contains a description of the major policies applied by the undertaking, the management models and results achieved by the Group in 2021 (January 1 to December 31) relating to the topics expressly cited in Legislative Decree No. 254/2016 (environmental, social, personnel-related, respect for human rights and the fight against corruption), as well as the main risks identified, generated or incurred, relating to the above topics and management methods.

It should be noted that human rights are taken into account within the context of personnel and supply chain management. In this regard, SEA has established procedural and organisational safeguards to manage and monitor issues relating to applicable legislation.

Water consumption and anti-corruption are adequately disclosed in this report under the respective material topics of "Infrastructure Development Compatible with Biodiversity and Reduced Land Consumption" and "Strategic Vision Oriented to Long-Term Value".

The financial reporting scope is the same as for the Group's 2021 Consolidated Financial Statements.

The scope of information and data regarding social and environmental aspects includes companies consolidated line-by-line in the Group's 2021 Consolidated Financial Statements.[1]

We also note that, with reference to the sale of SEA Energia planned for the first half of 2022, the workforce breakdowns for SEA Energia at December 31, 2021 are shown separately. Figures for 2020 have also been restated to ensure that data can be compared over time and for reasons of clarity.

On December 20, 2021, a new company 100% owned by SEA was incorporated. The company designs, supplies, and assists with use of ICT systems. In 2021, however, there were no significant changes related to the Group's supply chain.

To allow data to be compared over time, data for 2020 and 2019 have also been included. It should, however, be noted that some data are shown for the two-year period as a whole.

In the interest of a proper account of performance, and in order to ensure that the figures are reliable, the use of estimates has been kept to a minimum and any estimates presented have been based on the best available methods, as appropriately disclosed.

Data published in the previous NFS are also indicated in this document, where necessary.

This report was approved by the Board of Directors on March 23, 2022.

[1] *For the list of Group companies consolidated line-by-line, reference should be made to sections 2.4 - Consolidation method and principles, and 2.5 - Consolidation scope and changes in the year of the Explanatory Notes to the SEA Group Consolidated Financial Statements.*

The document also uses the following terms:

- SEA for SEA S.p.A.
- SEA Energia for SEA Energia S.p.A.
- SEA Prime for SEA Prime S.p.A.

This Statement was subject to an opinion on its compliance by Deloitte & Touche ("limited assurance engagement" according to the criteria indicated by the ISAE 3000 Revised standard). The verification was carried out according to the procedures indicated in the "Independent Auditors' Report" included in this document.

The Group's CSR Function may be contacted for information regarding the NFS: Sebastiano Renna - Head of Corporate Social Responsibility e-mail: sebastiano.renna@seamilano.eu.

This document is also available from the SEA Group's website, www.seamilano.eu in the section "Sustainability".

COMPANY OVERVIEW

Company Overview

COMPANY

SEA (Società Esercizi Aeroportuali) Group manages the Milan airport system based on a forty-year agreement signed in 2001 with ENAC, which renewed the previous concession of May 7, 1962. The parent company SEA SpA is a joint stock company, incorporated and registered in Italy.

The Malpensa and Linate airports are among the top ten in Europe by passenger volume and among the top five by cargo volume, whereas at the national level the Milan airport system is Italy's second-largest in terms of passenger traffic and number-one in the cargo segment and general aviation.

KEY FACTS

Foundation of SEA: May 22, 1948
Registered office: Milan Linate Airport - 20090 Segrate (MI)
Milan company registration office No.: 00826040156
Share capital: Euro 27,500,000
No. Group workers at December 31, 2021: 2,709

HIGHLIGHTS 2021

Total revenues: Euro 349.0 million
EBITDA: Euro 31.7 million
Net profit: Euro -77.9 million
Passengers: 13.9 million
Aircraft movements: 158.5 thousand
Cargo: 743.1 thousand (tons)

SEA and the Group companies manage and develop the airports of Milan Malpensa and Milan Linate, guaranteeing services and related activities, such as the landing and take-off of aircrafts, the management of airport security and the development of commercial services for passengers, operators and visitors, through a wide and differentiated offer.

Via its subsidiary SEA Energia, SEA Group produces enough electricity, heat and district cooling to cover its energy needs, and transfers unused residual energy to third parties.

In 2021, a tender was published for the sale of 100% of SEA Energia and for the assignment of thermal energy and electricity supply contracts.

Mission

The mission of SEA is to create value for all parties directly involved in the Group activities: shareholders, customers, employees, and its stakeholder audience as a whole.

This is achieved through providing services and solutions which serve the growing demands of the market, ranging from passengers to airlines, airport operators and the commercial partners at Malpensa and Linate airports.

The airport infrastructures managed by SEA ensure air access to the major international destinations for a large number of users and are located in one of the most developed catchment areas in Europe - providing a key hub for economic growth in the North Italy region as a whole.

The services provided by SEA are guaranteed by the management and development of secure and cutting-edge infrastructure, placing a central focus on the development of the host community and environmental protection.

Ownership

The share capital of SEA SpA amounts to Euro 27,500,000, comprising 250 million shares of a par value of Euro 0.11, of which 137,023,805 Class A shares, 74,375,102 Class B shares and 38,601,093 other shares. The Class A shareholders upon majority divestment must guarantee Class B shareholders a right to co-sale. Class A shareholders have a pre-emption right on the sale of Class B shares.

SEA, following the issuance of the bond designated "SEA 3 1/8 2014-2021" on April 17, 2014 and the admission to listing of the notes on the regulated market organised and managed by the Irish Stock Exchange, qualified as a Public Interest Entity (PIE) as defined in Article 16, paragraph 1, letter a) of Legislative Decree No. 39/2010. This status was maintained through a new Euro 300 million bond issue completed in October 2020 and listed on the regulated market of the Irish Stock Exchange (Euronext Dublin).

Public Shareholders

8 entities/companies	
Municipality of Milan (*)	54.81%
Municipality of Busto Arsizio	0.06%
Other public shareholders	0.08%
Total	**54.95%**

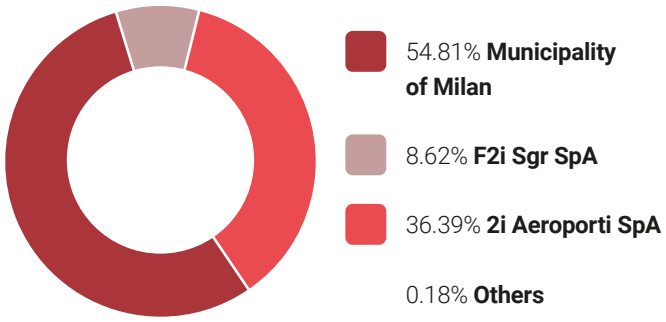
Private Shareholders

2i Aeroporti SpA	36.39%
F2i Sgr SpA (**)	8.62%
Other private shareholders	0.04%
Total	**45.05%**

(*) *Holder of Class A shares*

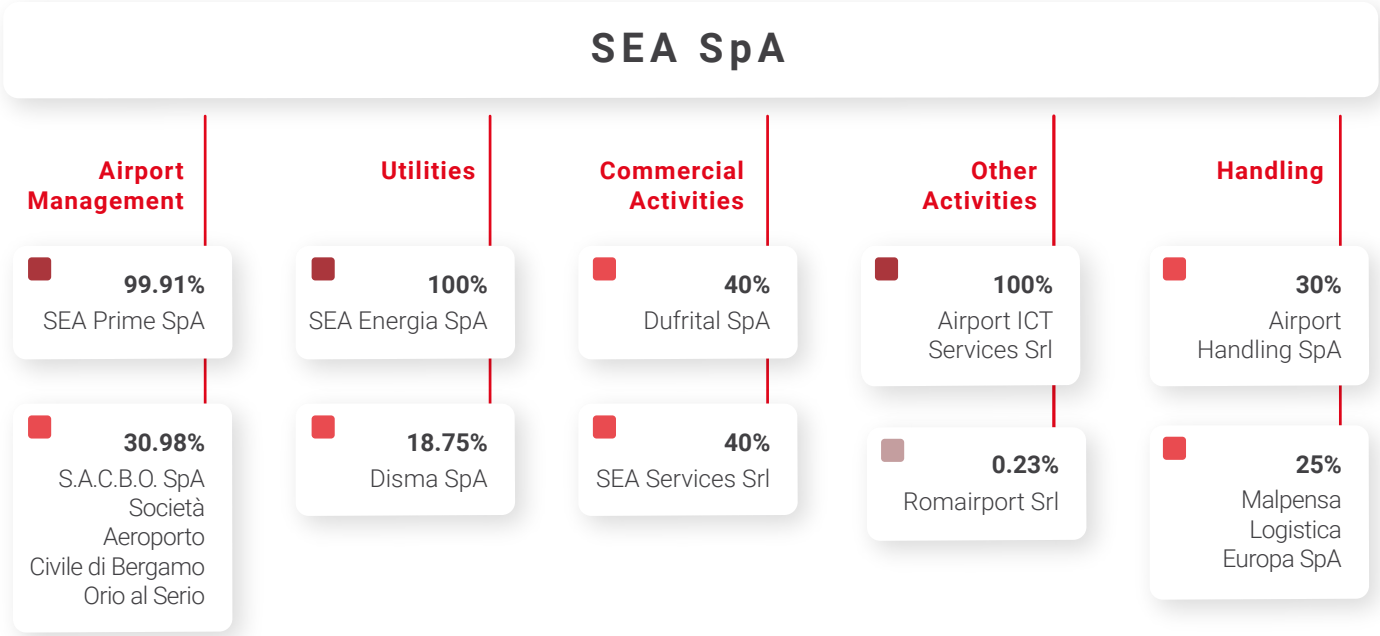
(**) *On behalf of F2i - second Italian Fund for infrastructure*

Share Capital Structure



SEA GROUP STRUCTURE AND INVESTMENTS IN OTHER COMPANIES

Direct investments of SEA S.p.A. as of December 31, 2021



- *Controlling shareholding*
- *Associate*
- *Investment in other companies*

Note: The company Airport ICT Services S.r.l. was incorporated on December 20, 2021.

Value creation model

SEA considers the successful generation of corporate value to be highly dependent on its ability to formulate effective responses to pressures deriving from the context in which it operates (the aviation sector is one of the industries most conditioned by external trends), by virtue of the conscious and balanced management of the capital governing the generation of said value. Increasing shareholder value is a goal which involves extensive co-interests with the socioeconomic players active in the regions in which SEA operates. The Group manages infrastructure capable of ensuring global accessibility and connectivity that act as catalysts within the local socioeconomic context for of trade, tourism, foreign investment, and the productivity of the manufacturing system.

Value creation model

BUSINESS AREAS

COMMERCIAL AVIATION

Aviation Business

- Management, development and maintenance of airport infrastructure and equipment
- Aircraft arrival and departure services
- Airport security services

Revenues generated by a regulated fee system comprising:

- Airport fees
- Fees for the use of centralised infrastructure
- Security fees
- Fees for the use of check-in desks and spaces by carriers and baggage handlers

Non-Aviation Business

- Wide and varied range - managed both directly and under license to third parties - of commercial services for passengers, operators and visitors to the airports
- Real estate business

Revenues:

- Market fees for business conducted directly by the Group
- Royalties (percentages on revenues generated by third parties, often with a guaranteed minimum)
- Income from warehouses, space and office rentals to Cargo business operators, such as cargo handlers, transport companies and couriers

GENERAL AVIATION

Full range of services relating to business traffic

ENERGY

Generation and sale of electric and thermal energy to third parties

RESOURCES

INFRASTRUCTURAL CAPITAL

- Physical assets directly managed by the company (terminals, runways, warehouses, car parks, etc.)
- Network of roads giving access to the airports

FINANCIAL CAPITAL

- Debt capital
- Equity

HUMAN CAPITAL

- Employees and collaborators

SOCIAL AND RELATIONAL CAPITAL

- Customer portfolio
- Supply chain management
- Socioeconomic features of the areas served
- Quality of stakeholder relations (reputation, engagement, customer satisfaction)

NATURAL CAPITAL

- Air
- Water
- Soil and biodiversity
- Climate

INTELLECTUAL CAPITAL

- Technology used in operating processes
- Innovation in customer service provision

OUTPUT

- Volume of passenger and cargo traffic
- Volume of commercial offer (No. of shops, F&B, Cargo Services, E-Commerce, Parking, Advertising)
- Quality of passenger services
- Aviation safety
- Structure and size of supply spin-offs
- Provision of Corporate Citizenship

OUTCOME

- Air connectivity created for the region
- Socioeconomic impact:
  - Direct
  - Indirect
  - Spin-off
  - Catalytic (International trade, Tourism, Business localisation)

VALUE CREATED

- Economic performance of business areas
- Economic value generated and distributed to stakeholders

OPERATING ENVIRONMENT

REGIONAL ECONOMIC SITUATION

Lombardy

- GDP 2021 vs. 2020: +6.6%
- Manufacturing production: +15.6% vs. 2020
- Unemployment rate: 5.5% (vs. 6.1% 2020)
- New businesses: 57 thousand (+19% vs. 2020)

Source: Assolombarda

AIR TRANSPORT MARKET

- World pax traffic: -51% vs. 2019
- European pax traffic: -59% vs 2019
- -1.4 billion pax at European airports vs. 2019
- World airport losses: USD 83 billion
- European cargo traffic: +21.8% (+7.7% vs. 2019)

Source: ACI World ACI Europe

INTERNATIONAL TOURISM DYNAMICS

- 415 million international arrivals (+4% vs. 2020; -72% vs. 2019)
- International arrivals in Europe: +19% vs. 2020 (-63% vs. 2019)
- GDP global tourism: USD 1,900 billion (USD 3,500 billion in 2019)
- Average revenue/arrival: USD 1,500 (USD 1,300 in 2020)

Source: UNWTO

REGULATORY FRAMEWORK

"FIT for 55" package

- SAF usage at airports from 2% in 2025 to 63% in 2050
- Electricity to power aircraft on standby at airports from 2025
- Phased introduction of taxation on jet fuel and electricity used for intra-EU flights (excluding cargo flights) over a 10-year period (2023-2033)
- Phasing out free emission allowances to carriers by end of 2026

Source: EU Commission

INTERNATIONALISATION OF THE REGIONAL ECONOMIC SYSTEM

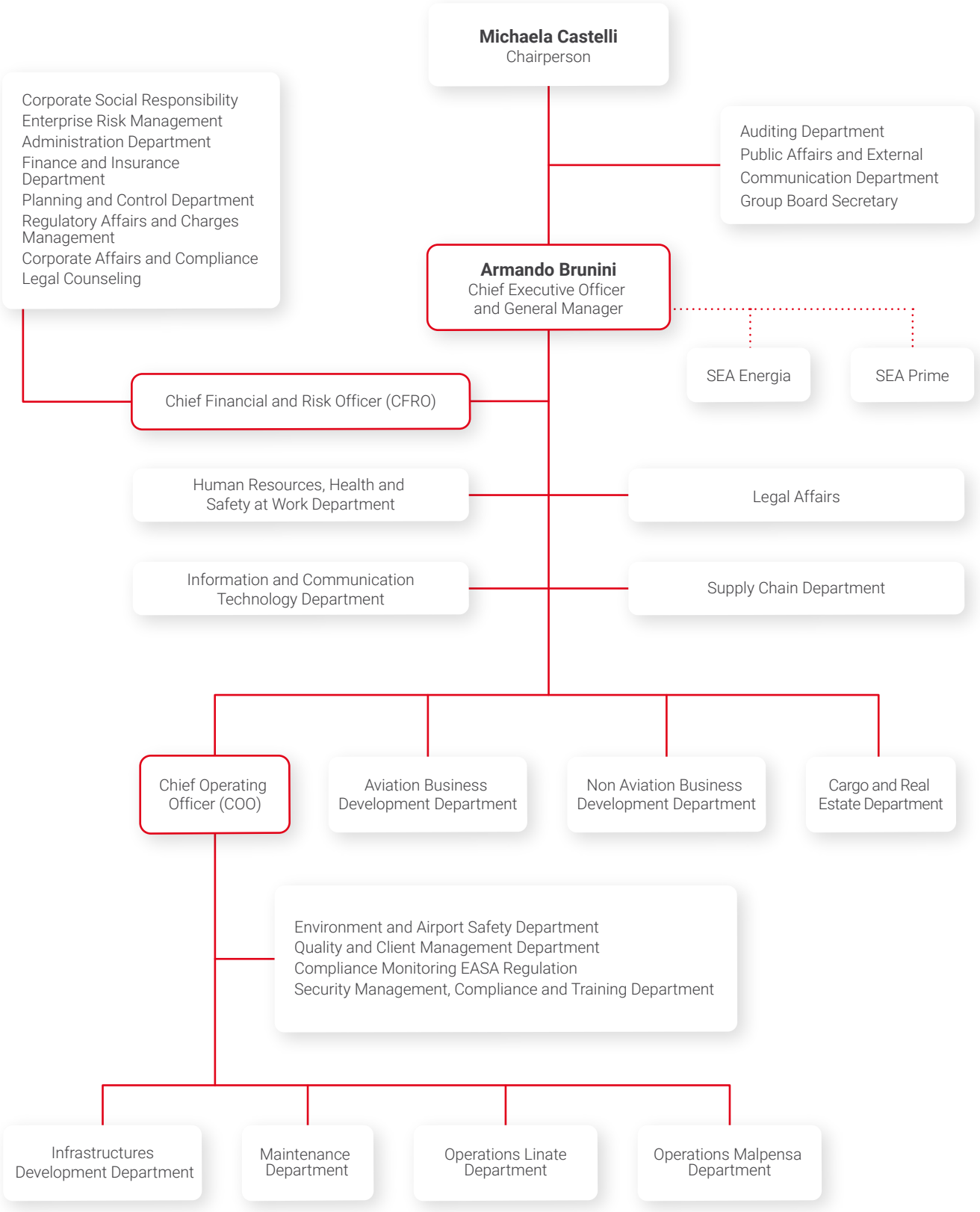
- In the first 9 months of 2021, Lombard exports increased 4.8% compared to the pre-Covid period
- Lombardy's exports are mostly driven by European countries (+7.1% in January-September 2021) vs +2.3% to non-EU countries
- 31% of Italy's 3,500 medium-sized manufacturing companies are located in Lombardy

Source: Assolombarda

Organizational structure

The SEA organization is structured into various departments and staff functions, each of which is subject to the control of the Chairperson, Chief Executive Officer and General Manager.

Department structure



SEA Group Airport System

LINATE AIRPORT

Linate Airport occupies a total area of approximately 350 hectares in the south-eastern part of the Province of Milan, extending into the municipalities of Peschiera Borromeo, Segrate and Milan. Forlanini Park, one of the major urban parks in Milan, and the Idroscalo lake adjoin the airport.

The airport is dedicated primarily to a frequent flyer type client, on domestic and international routes (these latter both within the European Union and outside). In 2021, Linate handled 5.4% of passengers, 7.1% of aircraft movements and 0.2% of cargo in Italy.[2]

MALPENSA AIRPORT

Malpensa Airport is located in the south-west of Varese province, 48 km from Milan, with rail connections to the city and a road system, including a motorway, which connects the airport with the major regions of Northern Italy and Switzerland. The airport covers 1,220 hectares within 7 municipalities: Somma Lombardo, Casorate Sempione, Cardano al Campo, Samarate, Ferno, Lonate Pozzolo and Vizzola Ticino. All airport's grounds are within the Lombard Park of the Ticino Valley, the largest regional park in Italy, created in 1974.

In 2021, Malpensa managed 12.5% of overall movements, 11.9% of passenger traffic and 68.6% of cargo transported in Italy.[3]

[2] *Source: Assaeroporti (www.assaeroporti.it).*

[3] *Source: Assaeroporti (www.assaeroporti.it).*

LINATE AIRPORT

73
No. check-in desks

24
No. departure gates

18.2%
Terminal surface area dedicated to commercial activity

16,800 m²
Cargo warehouse surface area

80-100,000 tons/year
Cargo movements capacity

45,362
Movements (+59.1% vs. 2020, rank Ita 3°)

4,307,134
Passengers (+91.3% vs. 2020, rank Ita 7°)

1,320
Cargo (tons/year)
(+72.6% vs. 2020, rank Ita 17°)

	LIN	ITA
Cargo	0.2%	
Passengers	5.4%	
Aircraft movements	7.1%	

3
No. car parks

3,026
No. parking spaces reserved for passengers

Cogeneration station

24 MWe
installed electric capacity

18 MWt
installed thermal capacity

350 ha
Surface area

2
No. runways

46
No. aircraft stands

MALPENSA AIRPORT

T1 4 — **T2** 1
No. car parks

T1 6,729 — **T2** 6,131
No. parking spaces reserved for passengers

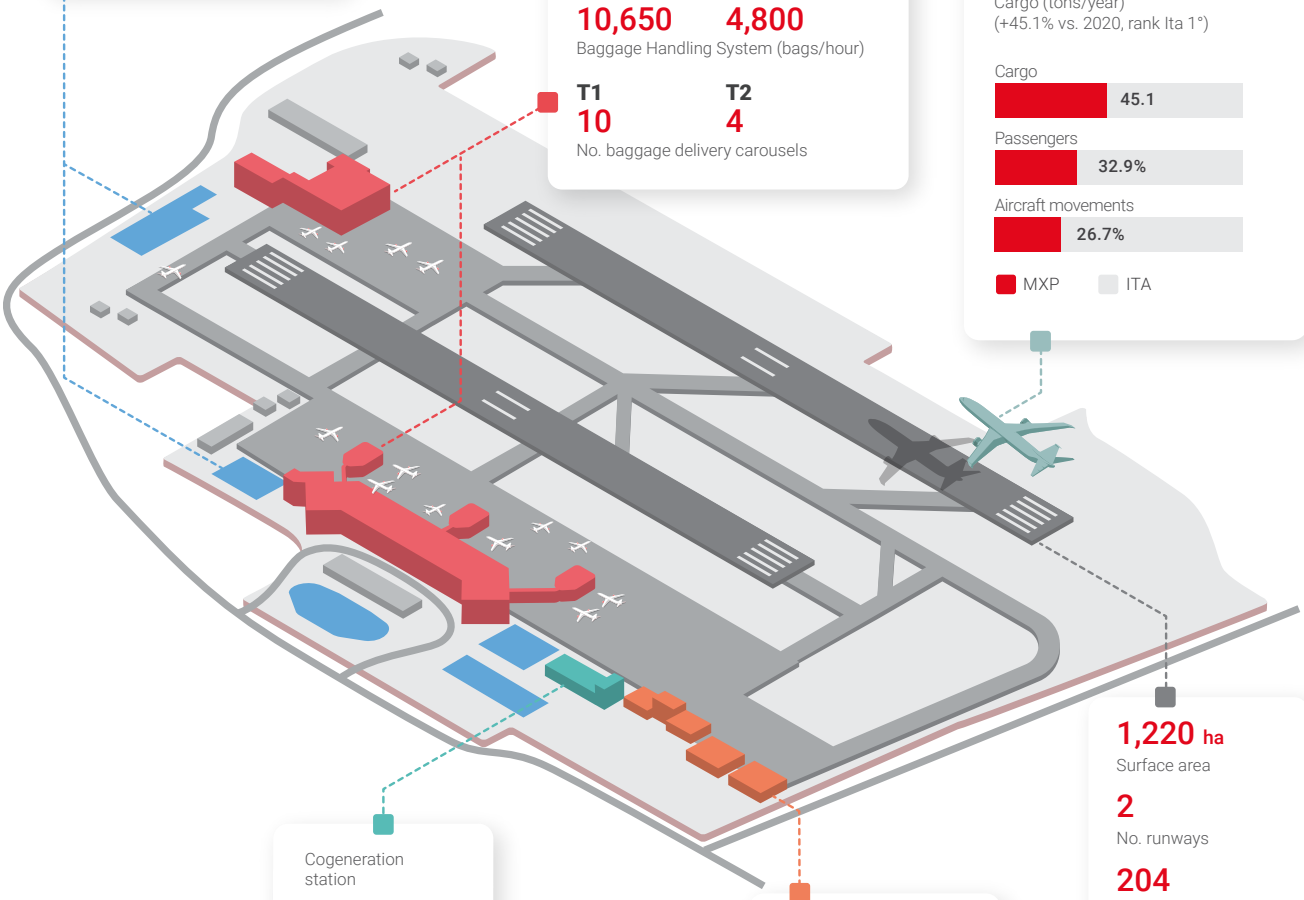
T1 291 — **T2** 35
No. check-in desks

T1 61 — **T2** 23
No. boarding gates

T1 8.5% — **T2** 12.2%
Terminal surface area dedicated to commercial activity

T1 10,650 — **T2** 4,800
Baggage Handling System (bags/hour)

T1 10 — **T2** 4
No. baggage delivery carousels



113,099
Movements (+26.7% vs. 2020, rank Ita 1°)

9,572,168
Passengers (+32.9% vs. 2020, rank Ita 2°)

741,774
Cargo (tons/year)
(+45.1% vs. 2020, rank Ita 1°)

1,220 ha
Surface area

2
No. runways

204
No. aircraft stands

Cogeneration station

70 MWe
installed electric capacity

62 MWt
installed thermal capacity

700-750,000
tons/year
Cargo movements capacity

CORPORATE GOVERNANCE

The Corporate Governance structure is voluntarily based (as SEA is not a listed company) on the recommendations and principles of the "Self-Governance Code for listed companies" of Borsa Italiana. The SEA Corporate Governance structure is based on a traditional model and is composed by the following bodies:

- The Shareholders' Meeting, which represents the interests of all shareholders and with a duty to take the most important decisions for the company - appointing the Board of Directors, approving the financial statements and amending the By-Laws;
- The Board of Directors, which operates through the Executive Directors and Directors with representative powers. A Control, Risks and Sustainability Committee, a Remuneration Committee and Ethics Committee have been set up within the Board;
- Board of Statutory Auditors.

The structure of powers and duties complete the Governance structure.

Board of Directors

The Board of Directors of SEA is composed of 7 executive and non-executive members. The Board of Directors in office as of December 31, 2021 was appointed by the Ordinary Shareholders' Meeting of April 19, 2019. The Company is not subject to particular rules in terms of the composition of the Board of Directors in relation to minority shareholders or the number of Independent Directors. The Board of Directors of SEA has established the remuneration of the Chairman, the Vice Chairman and the other Directors on the basis of that agreed by the appointing Shareholders' Meeting. The remuneration of the Board of Directors in 2021 was Euro 645 thousand.

The Board of Directors plays a central role within the company's organisation. The Board is responsible for the strategic and organisational choices undertaken and exercises, within the corporate scope, all powers which by law or through the By-Laws are not expressly reserved to the Shareholders' Meeting and therefore carries out the ordinary and extraordinary administration of the Company.

Structure of the Board of Directors and of the SEA Committees as of December 31, 2021

	Board of Directors			Control, Risks and Sustainability Committee	Remuneration and Appointments Committee	Ethics Committee	Indep.	Age group	
Office	**Members**	**Executive**	**Non-Exec.**	*	*	*		**30-50**	**>50**
Chairperson	Castelli Michaela		X			X	X		X
Vice Chairman	Corritore Davide		X		X	X	X		X
CEO/GM	Brunini Armando	X							X
Director	Barletta Pierfrancesco		X	X			X	X	
Director	Giangualano Patrizia		X	X			X		X
Director	Mazza Rosario		X	X	X		X	X	
Director	Rovelli Luciana		X		X		X	X	

** Membership of the Board member on the Committee.*

The Board monitors the general operating performance, particularly in relation to conflicts of interest, paying specific attention to information received from the Chairman and from the SEA Control, Risks and Sustainability Committee, in addition to periodically reviewing results in comparison with forecasts. In addition, the Board of Directors examines and approves the operations of strategic, economic, equity or financial significance, the strategic, industrial and financial plans of the Company and the Group in general, the corporate governance system and the Group structure.

SEA's By-Laws, in compliance with the legislative provisions, comprehensively cover gender diversity within the Board of Directors and Board of Statutory Auditors. The self-assessment process recommended by the Self-Governance Code is also used as a tool to assess diversity levels and the adequacy of the professional skills possessed by the Board of Directors. The competent company department created a questionnaire, which was used as an essential tool for directing and assisting the Board of Directors through the self-assessment process. The questionnaire was submitted to the Remuneration and Appointments Committee, which suggested it be sent to Directors in a meeting on February 26, 2020. The results of the self-assessment process were examined by the Board of Directors on May 4, 2020, resulting in an overall positive opinion in terms of how the corporate boards were composed and functioned.

INTERNAL COMMITTEES TO THE BOARD OF DIRECTORS

The Board of Directors of SEA, in line with the recommendations of the Self-Governance Code, has internally set up through resolutions additional committees comprised of Non-Executive Independent Directors, with proposal and consultation functions and has set the number of members and relative duties. These committees regularly carry out their duties through meetings, with minutes prepared and maintained by the Company.

Meetings held by the Board of Directors and the Committees in 2021

Board of Directors	Control, Risks and Sustainability Committee	Remuneration and Appointments Committee	Ethics Committee
12	7	3	3

For the discharge of their duties, the committees may access the information and company departments necessary. The committees may in addition utilize external consultants, within the budget limits approved by the Board. The Board of Directors has set up:

- the Ethics Committee, chaired by a non-Executive Director;
- the Remuneration and Appointments Committee;
- the Control, Risks and Sustainability Committee.

Board of Statutory Auditors

The Board of Statutory Auditors comprises 5 Statutory Auditors and 2 Alternate Auditors. Two Statutory Auditors are included by law: one of which as Chairman of the Board appointed by the Treasury Ministry and the other by the Ministry for Infrastructure and Transport. The appointment of the remaining three Statutory Auditors and the two Alternate Auditors takes place through the slate voting system, presented by shareholders with holdings of at least 20%. The Statutory Auditors are appointed for a period of three years (and may be re-elected), which expires on the date of the Shareholders' Meeting called for the approval of the financial statements relating to the final year in office.

Structure of the SEA Board Of Statutory Auditors at December 31, 2021

Office	Members	In office from	In office until
Chairperson	Cotroneo Rosalba	16/11/2016	Approval 2021 FS
Statutory Auditor	Discepolo Daniele	29/07/2021	Approval 2021 FS
Statutory Auditor	Giussani Stefano Giuseppe	29/07/2021	Approval 2021 FS
Statutory Auditor	Pozzoli Stefano	19/04/2019	Approval 2021 FS
Statutory Auditor	Scuteri Valeria	19/04/2019	Approval 2021 FS
Alternate Auditor	Coppola Antonia	19/04/2019	Approval 2021 FS
Alternate Auditor	Contessi Daniele	19/04/2019	Approval 2021 FS

** Daniele Discepolo and Stefano Giuseppe Giussani were appointed Statutory Auditors at the Shareholders' Meeting on July 29, 2021, following the resignation of Statutory Auditors Andrea Manzoni and Rosalba Casiraghi.*

In 2021, the total remuneration of the Board of Statutory Auditors was Euro 251 thousand.[4]

Systems of powers and duties

On January 8, 2019, the Board of Directors appointed a Chief Executive Officer to whom powers were granted for the ordinary management of the Company, within certain limits, and with the faculty to sub-delegate the appointed powers, as well as to implement directives voted on by the Board of Directors. This power system is based on a clear and formalised internal structure, subdivided into distinctive units, each one with a specifically identified and respective line of hierarchical subordination, roles and responsibilities.

Remuneration of management

SEA's remuneration policy reflects its position as a service-based company focused on operating performance excellence and the quality of the service provided to customers, in order to align the corporate interest with the objective of creating value for shareholders.

The policy seeks to attract, motivate and retain highly qualified and skilled individuals, capable of achieving the Groups' objectives: The variable incentive system (MBO) for Group Management is in line with new strategic targets and seeks to further its achievement. The variable remuneration component recognises the results achieved, drawing a correlation between performance and remuneration. The annual objectives are pre-set by the budget approved by the Board of Directors and allocated to the positions in relation to the result and responsibility areas of each role. Group profitability is the principal objective of Management, shared at all levels and is the condition upon which the individual bonus is based. In addition to economic-financial aspects, performance is also measured on the achievement of objectives linked to ESG topics. The objectives assigned to senior managers on environmental protection, dialogue with and the safeguarding of employees, and customer service level indicators are linked to these topics. In line with 2020, and as a result of the significant economic distress in which the Company found itself due to the pandemic, a decision was made to continue with suspension of the management incentive programme in 2021.

[4] With regard to the comprehensive nature of the remuneration awarded to public sector managers - Article 24, Paragraph 3 of Legislative Decree No. 165/2001 - the remuneration owed to Ms Cotroneo is paid directly to the Ministry for the Economy and Finance so that it may be added to the fund used to finance the remuneration and performance of managers.

Internal control system

SEA's internal control and risk management system was recently reorganized, adopting the Enterprise Risk Management (ERM) Model as a reference, comprising regulations, procedures and an organizational structure aimed at monitoring:

- the efficiency and effectiveness of the business processes;
- the reliability of financial disclosure;
- compliance with law, regulations, the By-laws and internal procedures;
- the safeguarding of the company's assets.

ORGANISATION AND MANAGEMENT MODEL AS PER LEGISLATIVE DECREE NO. 231/01

In 2003, SEA adopted an "Organisation, Management and Control Model" in line with the provisions of Legislative Decree No. 231/2001, taking into account the Guidelines published by Confindustria for the proper and transparent conduct of business.

The current Organisation and Management Model was approved by the Board of Directors on March 25, 2021, and includes all the offences covered by Legislative Decree No. 231/2001, as of November 2021. The Model summarises the actions undertaken by the Company with regard to the Decree. The Model also indicates the procedures adopted to prevent the offences listed under the Decree, which could result in the company's administrative liability.

The Supervisory Board is allocated the role of overseeing the functioning of, compliance with and updating of the Model. It was appointed by the Board of Directors on May 22, 2019 and comprised four members at December 31, 2021, (an SEA Director without operational powers, two independent external members, one of whom functions as Chairperson of the Board, and an internal member - Auditing Director). The Supervisory Board complies with the prerequisites of independence and autonomy, professionalism and continuity in its actions and is invested with the powers to initiate and to control, as well as availing of sufficient financial resources to carry out its actions. The Company has a dedicated channel for employees, corporate bodies and third parties to report unlawful conduct or situations, including anonymously, to the Supervisory Board - even if there is only a potential risk or offence (so-called "Whistleblowing"). This channel guarantees the confidentiality of the reporting party's identity in accordance with Law 179 of 2017.

The components of SEA's 231/2001 Model, which integrate the General Section and the Special Section, are:

- the Ethics Code;
- risk mapping;
- the corporate organisational system;
- the corporate procedural system;
- the system of authority and signatory powers;
- the operating control system;
- the reward and sanction system;
- communication and employee training;
- the company IT system;
- the corporate governance system;
- the control activities.

The SEA Supervisory Board met 8 times in 2021; minutes were drawn up for each meeting. The Organisation and Management Model includes offences relating to occupational health and safety, the environment, the violation of human rights and associated preventive measures adopted by the company to prevent them, in addition to all the other offences envisaged by Legislative Decree No. 231/2001 and relative preventive protocols. The Group companies SEA Energia and SEA Prime also adopted their own Organisation and Management Model pursuant to Legislative Decree No. 231/2001 and appointed their own Supervisory Board. The Supervisory Boards of SEA and its subsidiaries, SEA Energia and SEA Prime, perform audits, including through the Auditing Department, on the suitability and effectiveness of protocols adopted by the Company to prevent the offences set out in the Decree.

RISK MODEL

The creation of sustainable value for stakeholders cannot exclude taking risks, which is a fundamental component of doing business. The SEA Group, in its capacity of airport operator, is exposed to a broad spectrum of potential risks impacting on the achievement of the business strategies. In order to reduce exposure to such events, the Group adopted specific processes and procedures to safeguard airport safety and the quality of services offered, for the protection of tangible and intangible assets of interest to stakeholders and to ensure the long-term creation of value.

To better support and integrate the aforementioned

systems, the SEA Group has introduced an Enterprise Risk Management (ERM) model, which takes inspiration from the main national and international best practice (e.g. the Self-Governance Code for Listed Companies, the CoSO ERM - Integrating with Strategy and Performance). The objective of this model is to identify and assess homogeneously and transversally the risks linked to the development of corporate activity, and those which may have a significant impact on the medium-long-term sustainability of the business. It also ensures the constant monitoring of these risks, in order to support management strategic choices, decision-making processes and stakeholder assurances. The ERM model, drawn up in the ERM Policy approved by the Board of Directors in 2017, is based on an approach that spans all types of risk/opportunities that may be significant to the Group, and targets the risks/opportunities with the greatest impact on SEA's strategic objectives and corporate value drivers.

The SEA Group Risk Model is a list of all the potential risks to the Company, and consists of four categories:

- external risks
- operating and business risks
- financial risks
- legal and compliance risks.

The Risk Model also included specific risk categories in the Environmental, Social and Governance areas in order to facilitate the identification and analysis of ESG risks. Identified events are assessed and subsequently "prioritised" on quali-quantitative metrics in terms of impact, probability of occurrence and maturity of the risk management system. Said assessment takes into account the mitigation actions in place to manage individual risk events. Impact is assessed on the basis of four different dimensions: economic-financial, HSE (Health, Safety, Environment), reputational, and operational factors.

The SEA Group also has well-established ad hoc controls that deal with specific management systems in compliance with sector regulations. The risks monitored by these controls are related to the environment, health and safety in the workplace and corruption. As part of each certification process (ISO 14001, ISO 50001, ISO 45001, ISO 27001 and ISO 37001), in fact, the Group carries out specific risk identification, assessment and management activities which in conjunction with the activities of continuous improvement and the policies implemented, allow the Company to effectively manage them.

The risk prioritisation methodology was updated in 2020 to acknowledge the need to assign greater importance to short-term financial risks in light of the pandemic, which has significantly influenced the Group's results and business activities.

ETHICS CODE AND ETHICS COMMITTEE

The SEA Ethics Code - a component of the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 - was adopted for the first time in April 2000, and was most recently approved by the Board of Directors on December 21, 2020. The Ethics Code identifies the ethical principles and rules of conduct that SEA intends to embrace in its activities and which must be followed by the members of the corporate bodies, employees and collaborators linked to SEA and its Group companies by employment contracts of any nature (including occasional or temporary), as well as other specific categories of stakeholders (e.g., customers, suppliers, and business partners), which are required to comply with certain rules of conduct set out in the Ethics Code and formalised through specific provisions in the relevant contracts.

The rules of the Ethics Code are an essential part of the contractual obligations of the Company's management, employees and collaborators. Therefore, conduct that is in violation of the rules constitutes an infringement of the diligence obligation required by the applicable National Collective Bargaining Agreements (CCNL).

For other stakeholders, compliance with the provisions of the Ethics Code is a prerequisite for establishing and/or continuing their relationship with SEA. SEA has set up an Ethics Committee that is designated to ensure the Ethics Code's dissemination, compliance, correct interpretation and updating. As of May 22, 2019, the Committee is composed of the Chairperson representing the Company's Board of Directors (who functions as Chairperson of the Committee), a Non-Executive Director and managers from the *"Human Resources, Health and Safety at Work"* and *"Auditing"* departments. The Ethics Committee met 3 times in 2021 to discuss the dissemination and implementation status of the Code.

The subsidiaries SEA Energia and SEA Prime have adopted their own Ethics Codes inspired by the principles expressed in SEA's "Code". These Ethics Codes were approved by the companies' respective Boards of Directors on July 22, 2021. The subsidiaries have appointed the Ethics Committee of the parent company as

their own Ethics Committees.

Circulation of the Organisation and Management Model pursuant to Legislative Decree No. 231/2001 and the Ethics Code continued in 2021 through the following initiatives:

- the updating of information relating to the various components of the Model on the Company Intranet and in the HR section;
- uploading of the Ethics Code and the Organisation and Management Model to the dedicated Intranet sections for new hires;
- publication on the Company Intranet of an updated version of the 231/01 risk mapping.

In 2021, information and training on Legislative Decree No. 231/2001 and the SEA Model was structured as follows:

- a refresher on the Decree, Organisation and Management Model, and anti-corruption measures for Executives;
- training on the Decree and on the Organisation and Management Model, anti-corruption measures, and Whistleblowing to 8 newly appointed Executives and middle managers of "sensitive areas" by members of the Supervisory Board;
- training sessions dedicated to newly hired managers and employees (9);
- training session dedicated to managers and employees in sensitive areas (20);
- launch of an e-learning course on the Organisation and Management Model pursuant to Legislative Decree No. 231/2001, the Ethics Code, and anti-corruption measures (with a final test) for administrative employees in December 2021 (completed by 90 employees by December 31, 2021);
- information/training brochures for all employees (excluding Executives) on the 231/2001 Model, anti-corruption measures, and whistleblowing, distributed via the Company Intranet, with a "read and sign" notification.

ANTI-CORRUPTION POLICY

SEA, aware of the adverse effects of corrupt practices on economic and social development within its operating scope, is committed to prevent and counteract the occurrence of offences in the performance of its activities. For SEA, the prevention of corrupt practices, in addition to being a legal obligation, represents one of the principles which marks how the Company acts, also in view of the strategic importance of the sector in which it operates and the importance of the legal and social framework in which its business is rooted. The corruption prevention policy is expressed through a process which SEA has adopted through:

- the Ethical System, whose components - Ethical Vision, Diamond of Values and the Principles of Relationships with Stakeholders - constitute strategic policies and are designed to identify the decision-making values and principles to which the company aspires and undertakes to consistently preserve in pursuing its mission;
- the Ethics Code, which defines the principles and rules of conduct which must inspire the work of the Company, its employees and collaborators, members of its corporate bodies and, more generally, its stakeholders;
- the Organisation and Management Model pursuant to Legislative Decree No. 231/2001 that also includes corruption offences.

SEA's Corruption Prevention Policy requires staff to adhere to the principles of transparency, clarity, integrity, and correctness in the performance of their activities. Specifically, in business dealings, behaviours and practices that are even potentially illegal or collusive, as well as attempts at bribery and favouritism, direct or indirect solicitation for personal and career advantages for oneself or for others and, more generally, acts that violate applicable regulatory provisions, are prohibited.

SEA proposes to apply correctness, fairness, integrity, loyalty and professional rigour to operations, behaviours and the way of working both in internal relations and in relations with external parties, by paying the utmost attention to full compliance with the law, in addition to the observance of company procedures.

A focus on ethics (transparency, loyalty and honesty in the behaviour toward external and internal parties) is an indispensable approach for credibility in SEA's conduct toward shareholders/investors, customers and, more generally, the entire civil and economic context in which they operate, in order to transform the knowledge and appreciation of the values that widely inspire the company's mode of operation into competitive advantage. Those who work in the name and on behalf of SEA are aware that they are resorting to punishable offences, in the event of corrupt behaviour and violation of the law on corruption - on the criminal level, the administrative level and the disciplinary level (in accordance with the provisions of the national

collective bargaining agreements). SEA also requires its "Business Partners" to comply with applicable laws, including Legislative Decree No. 231/2001, the Ethics Code and the Organisation and Management Model as per Legislative Decree No. 231/2001 - General Section, on the basis of clauses with which non-compliance will result in the contract's rescission. SEA considers reporting as an effective tool to counteract corruption and encourages the reporting of suspected corruption through dedicated "whistleblowing" channels. SEA guarantees that no employee shall be sanctioned, fired, demoted, suspended, or discriminated against for having refused to adopt unlawful conduct, even if such refusal were to result in adverse consequences for the Company's business, or for having made a report in good faith of any alleged corruption or violation of the SEA Corruption Prevention Management System.

Management System for the Prevention of Corruption

Confirming its commitment to the prevention and combatting of illegal practices, SEA has drawn up a document containing "Anti-corruption measures pursuant to Law No. 190/2012", approved by the Board of Directors on February 6, 2020. The document contains the measures adopted by SEA to prevent the offences subject to Law No. 190 of November 6, 2012 on the "Provisions for the prevention and repression of corruption and illegal acts in the public administration". These measures complement the Organisation and Management Model as per Legislative Decree No. 231/2001, as indicated in the Guidelines issued by the National Anti-Corruption Authority (ANAC) in November 2017.

The "Anti-corruption measures pursuant to Law No. 190/2012" include prevention measures for the corruption offences provided for in the Management System for the Prevention of Corruption, approved by the Board of Directors on February 22, 2018 and certified on March 8, 2018 according to the UNI ISO 37001:2016 "Anti-bribery Management System" standard issued by TUV Italia. The certificate was renewed until March 2024 following an audit conducted by the certifier in September 2021.

An analysis of company processes was carried out as part of the activities relating to SEA's Management System for the Prevention of Corruption and the 231/2001 Model of SEA and of the subsidiaries SEA Prime and SEA Energia, in order to identify the risks linked to corruption. 41 audits were also carried out (14 of which at SEA, 14 at the subsidiary SEA Prime and 13 at the subsidiary SEA Energia) - which also focused on the auditing of processes with a potential risk of corruption and the suitability and effectiveness of associated procedures. No critical issues emerged.

In 2021, information and training on anti-corruption measures and the SGPC was structured as previously described for Legislative Decree No. 231/2001 and the SEA Model.

Anti-Corruption Focal Point

The Company has employed an Anti-Corruption Coordinator since 2014, a role currently filled by the Corporate Affairs and Compliance Legal Counselling Manager. The Anti-Corruption Coordinator also acts of behalf of the subsidiaries SEA Energia and SEA Prime.

The anti-corruption focal point deals with any communication on corruption, including toward third parties; the role, prerogatives and responsibilities are therefore not comparable with those provided for by applicable legislation in relation to the Anti-Corruption Manager (namely, the person in charge pursuant to Law 190/2012).

WHISTLEBLOWING

SEA has launched an IT reporting platform, managed by an "external provider", through which employees and third parties can make (whistleblowing) reports, including anonymously, on, for example, alleged violations of law, of corporate procedures or regulations, of rules of professional conduct, of the principles of the Ethics Code, of the Organisational Management Model, as per Legislative Decree No. 231/2001, or of the Corruption Prevention Management System. The IT platform can be accessed via the Corporate Governance section of the website www.seamilano.eu or via the corporate intranet. The platform guarantees the confidentiality of personal data and the contents of reports in accordance with law. The management of the reporting is governed by a specific company procedure. The IT platform was made available to the subsidiaries SEA Energia and SEA Prime in 2020.

COMPLIANCE WITH LAWS AND REGULATIONS

Regulatory compliance is ensured by the various corporate functions within their sphere of competence, with the support of specialist assistance from the Legal Affairs Department.

In 2020, no pending actions were registered in relation to competition and antitrust, nor were any significant

penalties recorded for non-compliance with laws or regulations, or for defaulting on environmental and social obligations. Moreover, no corruption cases were confirmed during the year.

TAX POLICY

The SEA Group has adopted an Ethics Code and a Ethics System with the aim of establishing conditions to ensure the principles of maximum transparency, clarity, fairness, integrity and equality are observed when carrying out business activities in order to safeguard the interests of stakeholders and establish efficient working methods in compliance with current legislation. The Code represents SEA's core belief system and also provides a basis for the Group's approach to tax management.

In this regard, the SEA Group company's tax policy has the following objectives:

- to ensure the correct determination and timely settlement of taxes due by law, together with the execution of the related declaratory obligations;
- to minimise the tax risk - understood as the risk of violating tax regulations or the abuse of the principles and purposes of the tax system.

To this end, the companies of the SEA Group abide by the values of honesty and integrity with regard to tax management, based on an awareness that revenues deriving from taxes constitute an important contribution to Italy's economic and social development.

In fact, the SEA Group considers taxes to be an operational business expense that must be managed as such in accordance with the principle of legality and with the aim of safeguarding corporate assets, pursuing the primary interest of generating value for shareholders, satisfying the interests of all stakeholders, and maintaining SEA's reputation.

The SEA Group therefore seeks to comply with the tax regulations in place in Italy and in the countries in which it operates, based on its interpretation of the regulations, so that it may manage related tax risks responsibly, ensuring that the spirit and purpose of the tax regulations or legal system in place are observed.

If tax legislation is not sufficiently clear or unambiguous, the Tax Management department will provide a reasonable interpretation based on the principle of legality and making use, if necessary, of external consultants.

In defence of its corporate interest and shareholders, the SEA Group considers it legitimate to uphold - including in its defence - its reasonable interpretation of the tax regulations if interpretative discrepancies arise with the competent tax authority.

Finally, with a view to full cooperation, the SEA Group pursues a fair and transparent relationship with the tax authorities and provides its support in the event of audits on the Group companies or on third parties.

SUSTAINABILITY SCENARIO AND STRATEGY

SUSTAINABILITY SCENARIO

In addition to arising from a growing awareness of the important role played by social and environmental variables in generating long-term value, SEA's sustainability strategy is also partly the result of investigations into the stimuli and pressures of its context of reference.

In recent years, an increasing number of institutions, market players, and organisations in the air transport sector have begun to prepare regulatory measures, frameworks, guidelines, recommendations and signs of change from an "ESG" perspective.

Pressure to do so persisted in 2021 despite the severe crisis resulting from the pandemic. The main elements of this scenario are classified and briefly described below.

EVOLUTION OF THE SUSTAINABILITY SCENARIO FOR THE EUROPEAN AVIATION SECTOR

I - Governments Norms & Policies

- "Sustainable and Smart Mobility Strategy"
- "Fit for 55": impact on air travel (Excise duties on jet fuel, Re-FuelEU, ETS reform)

EASA

- Introduction of ICAO Balanced Approach to Noise
- Issue environmental standards for aircraft

FRANCE
GERMANY
SPAIN
AUSTRIA
NETHERLANDS
UNITED KINGDOM

- Carbon tax on flights
- Limitations on domestic air routes
- Development of high speed railway
- Accelerated SAF rollout plans for domestic flights
- Lack of environmental authorisation for airport Master Plans (Paris CDG, Heathrow, Nantes, Bristol, Marseille, Lisbon)

SEA

II - Aviation Industry Policies

AIRPORT CARBON ACCREDITATION
Introducing Levels 4 and 4+

DESTINATION 2050
Reducing aviation emissions through aircraft innovation, ATM, SAF/E-fuel, offsetting

EU PACT FOR SUSTAINABLE AVIATION

- Public support for production/dissemination of SAF1
- Funding for low-emissions aircraft
- Incentives for fleet renewal
- SES revision and maintenance of EU ETS/CORSIA
- Contributions to airport projects for energy efficiency, renewable energy, electric mobility on airport grounds

SUSTAINABILITY STRATEGY FOR AIRPORTS
Strategic framework promoted by ACI Europe to guide the ecological, social and economic sustainability of airports

III - Financial Institutions Expectations

Sustainable Finance Taxonomy

- Corporate Sustainability Reporting Directive - 2024
- Share of Revenues, CAPEX and OPEX aligned with the Taxonomy for the areas "Climate Mitigation" and "Climate Adaptation" included in Sustainability Report - Q1 2022
- Exclusion of investments in airport infrastructure expansion from EIB eligible financing

European Investment Bank

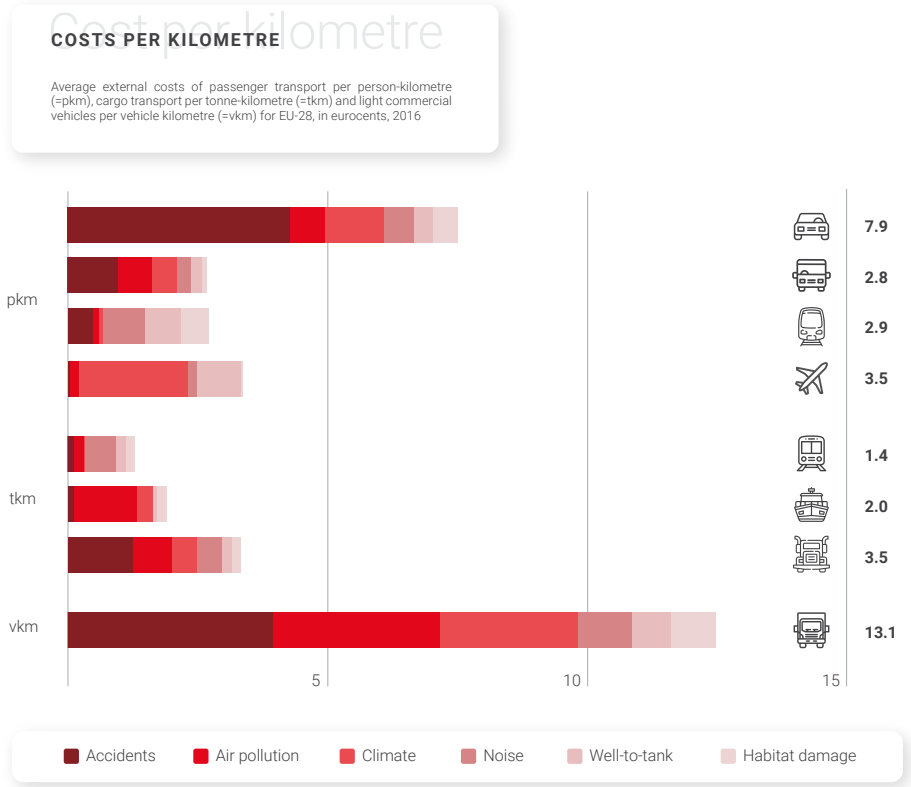
Climate Bank Roadmap 2021-2025

Source: SEA

IMPACT OF TRANSPORT AND ROLE OF THE AVIATION INDUSTRY

The transport system generates several externalities that impact the general public. These include damage caused by climate change, air pollution, traffic accidents, and noise, among others things. These costs vary depending on the means of transportation.

Comparing the Socio-Environmental Externalities Generated by Different Modes of Transport



Source: European Mobility Atlas 2021

According to research published in the European Mobility Atlas in 2021, in the EU-28, total external costs for road, rail, inland waterways, air, and maritime transport (excluding congestion costs, because they are not calculated for all modes of transport) amounted to Euro 716 billion in 2016, corresponding to 4.8% of total GDP.

Congestion costs amounted to an additional Euro 271 billion (delay costs generated by road transport). Total external costs, including congestion costs, thus amounted to Euro 987 billion.

If we take into account all the main social and environmental externalities generated by the various forms of transport (accidents, air pollution, climate-altering emissions, noise, loss of biodiversity), on the whole, air transport is aligned - in terms of cost/passenger/km (PKM) - with forms of transport that are commonly perceived as “sustainable”, such as the train (Euro cent 0.6 difference).

Air transport generates fewer socio-environmental costs than all other forms of transport in terms of accidents, noise, and damage to natural habitats.

The result for air travel is an average of the data for short-, medium-, and long-haul flights to and from European airports. Average costs between these distance classes range from Euro cent 4.3 per PKM for short-haul flights, to Euro cent 2.8 per PKM for medium-haul, and Euro cent 3.2 per PKM for long-haul flights. The primary cost drivers behind external aviation costs are the LTO cycle for the total flight (which is greater for short-haul flights), aircraft size, fuel consumption, and load factor.

DEVELOPMENT OF ESG TRENDS IN THE AVIATION SECTOR

The Role Played by ESG Topics in Airport Ratings

ESG factors are increasingly influencing the assessment of airports by analysts and financial professionals. Below is a representation of the main variables used by a leading rating agency to assess the credit quality of airports.

SWOT analysis of ESG topics impacting airport ratings

STRENGTHS

- The pandemic has acted as a catalyst for investment to raise the standards of safety at airports, with positive impacts on the overall level of passenger service (seamless travel).
- Airports more proactive than airlines in investing in decarbonisation and clean energy transition.

WEAKNESSES

- The aviation industry as a whole is more exposed than ever to increasingly frequent and profound risks of disruption, with less performance stability than other businesses operating on regulated markets.
- Air transport is considered "difficult to decarbonise" and its progress towards a green future depends on technologies that will reach commercial maturity in 15-20 years at the earliest.

OPPORTUNITIES

- Use of green financial instruments in the aviation sector to fuel investments in line with the green transition is still low Airports ahead of airlines.
- Physical climate hazards will not significantly impact aviation facilities in the short term. Operators have time to carry out adaptation and resilience measures.

THREATS

- Increased environmental transition risks, with the possibility of increases in fiscal and regulatory action that could affect traffic volumes.
- Increases in opposition to airport expansion by communities and local authorities on the basis of GHG emissions and noise concerns.
- Possible spread of lifestyles and work (remote working) that reduce the propensity to fly for environmental reasons.

Source: S&P Global Ratings "Environmental, Social, And Governance: How COVID-19 And ESG Factors Are Weighing On Airports' Credit Quality"

"Fit for 55" Legislative Package

The EU has introduced a new climate target for 2030: net greenhouse gas (GHG) emissions must fall by 55% compared to 1990 (a more ambitious target than the previously defined -40%).

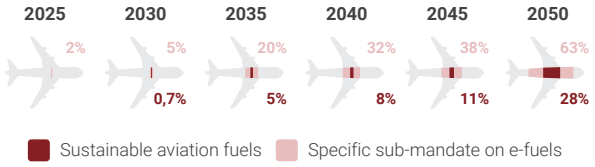
To align EU policies with this goal, on July 14, 2021, the European Commission issued a major legislative package called "Fit for 55", which includes several measures relevant to airports and the air transport industry. This initiative is particularly important because it shifts the focus of global climate action from 2050 to 2030.

Airports are direct addressees of one of the four main directives in the package, namely the "Alternative Fuels Infrastructure Directive", which provides for the mandatory supply of electricity by airports to aircraft parked at gates to avoid the use of auxiliary power units (APUs), which have a significant impact on GHG emissions and local air pollution.

The EU's "Fit for 55" package - the main implications for the airport industry

RE-FUEL EU AVIATION

NEW TARGETS FOR SUSTAINABLE AVIATION FUEL
(as % of fuel mix)



IMPACT ON AIRPORTS

- Obligation for fuel suppliers until the end of 2029
- From 2030 airports will be responsible for compliance
- Airports must guarantee the necessary infrastructure to manage the new fuel

ALTERNATIVE FUELS INFRASTRUCTURE DIRECTIVE

Obligatory supply of electricity to aircraft in stand-by at airports:

- From January 1, 2025 for stationary aircraft at gates
- From January 1, 2030 for stationary aircraft in any external location

Member states will define plans to introduce the infrastructure to power electric/hydrogen-powered aircraft.

IMPACT ON AIRPORTS

- Until 2030, any type of fixed or mobile interface may be used, including those powered by diesel
- From 2030, only fixed ground electricity supply or electrically powered mobile machinery will be allowed

ETS AVIATION REVIEW

- One-off reduction of the emissions ceiling and higher annual reductions
- Gradual elimination of free emissions portion for carriers by the end of 2026
- EU ETS continues for intra-EU flights and CORSIA applies for non-EU flights
- Institution of a separate ETS for buildings (fuel and heating) and road transport from 2025

IMPACT ON AIRPORTS

- The general lowering of the emissions ceiling and the introduction of an ETS system for buildings and road transport could lead to an increase in costs for airports

ENERGY TAXATION DIRECTIVE

Gradual introduction of taxation on jet fuel and electricity used for intra-EU flights (except cargo flights) over a ten year period (2023-2033):

- The minimum tariff applicable after the transition period will be Euro 10.75/GJ
- Alternative fuels (advanced biofuels, e-fuels) and electricity would be subject to a minimum rate of 0 during the transition period and Euro 0.15/GJ thereafter

IMPACT ON AIRPORTS

- IATA estimates that the proposed tax level would translate into a 90% increase in the price of fuel for intra-EU flights by 2033

Source: SEA

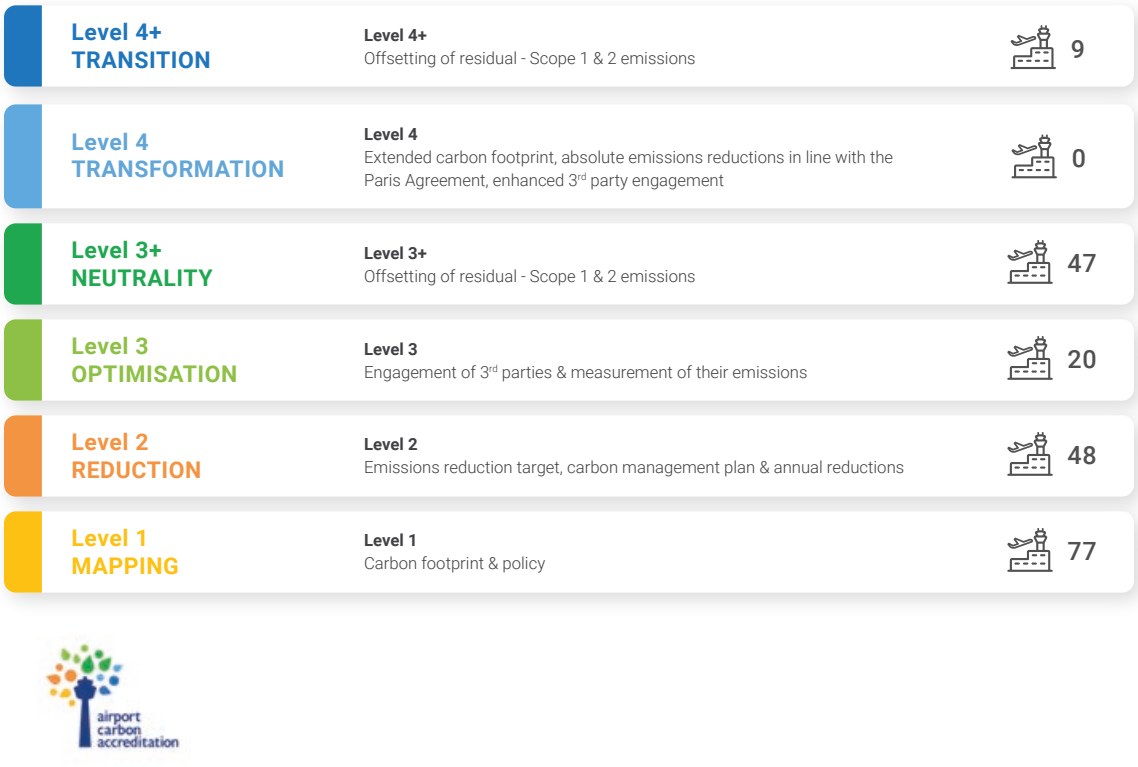
"GREEN" AIR TRANSPORT MARKET DYNAMICS

The Decarbonisation Commitments of European Airports

The airport industry's first commitment to achieving net zero carbon emissions by 2050 was launched by ACI Europe June 2019 and confirmed in May 2021.

Based on the traffic volumes recorded in 2019 and the estimated aggregate carbon footprint of European airports, a total 3.14 million tonnes of CO_2 emissions will be eliminated per year as soon as all airports reach the net zero threshold.

The Journey of European Airports Towards Achieving Decarbonisation



Source: ACI Europe, Airport Carbon Accreditation

242 European airports have committed to achieving net zero emissions by 2050 at the latest, compared to 211 that made this commitment before the pandemic.

These 242 airports accounted for 68% of European passenger traffic in 2019.

More than half of the total number of signatories (i.e., 149) defined stricter objectives, formally committing to achieving net zero emissions before 2050 (between 2025 and 2045).

Of these, 10 (all within the Swedish airport network managed by Swedavia) had already achieved net zero CO_2 by the end of 2020, while 84 other airport managers (including SEA) have brought forward the timing of their targets to 2030, despite the devastating impact of the ongoing COVID-19 pandemic. Airport Carbon Accreditation (ACA) is the platform provided by ACI Europe to support the achievement of these commitments. Currently, only nine airports have formalised their commitment to net zero CO_2 by achieving ACA Level 4 or 4+ certification.

THE PROGRESS MADE BY THE AVIATION INDUSTRY TOWARDS ACHIEVING DECARBONISATION

For the aviation industry, achieving net zero emissions by 2050 will require careful planning and decisive action by all players in the supply chain.

Success will be tied to the effective combination of new technologies and processes. Most projections involve a mix of different solutions:

- short-haul flights will increasingly depend on the development of electric and hydrogen technologies
- sustainable aviation fuels (SAF) will continue to be essential, at least in the medium term, and particularly for medium and long-haul flights, which account for the majority of the industry's CO_2 emissions.

The development of green power technologies for air transport

Type of flight	2025	2030	2035	2040	2045	2050
Regional 50-100 seats 30'-90' flight 3% of industry CO_2 emissions	SAF	Electric Hydrogen (fuel cell) SAF	Electric Hydrogen (fuel cell) SAF	Electric Hydrogen (fuel cell) SAF	Electric Hydrogen (fuel cell) SAF	Electric Hydrogen (fuel cell) SAF
Short range 100-150 seats 45'-120' flight 24% of industry CO_2 emissions	SAF	SAF	SAF First types of hydrogen power supply	Hydrogen (fuel cell) SAF	Hydrogen (fuel cell) SAF	Hydrogen (fuel cell) SAF
Medium Range 100-250 seats 60'-150' flight 43% of industry CO_2 emissions	SAF	SAF	SAF	SAF First types of hydrogen power supply	SAF First types of hydrogen power supply	SAF First types of hydrogen power supply
Long haul +250 seats +150' flight 30% of industry CO_2 emissions	SAF	SAF	SAF	SAF	SAF	SAF

Source: Air Transport Action Group, Waypoint 2050, 2021

Electric and hydrogen propulsion systems will initially be deployed on small aircraft covering shorter routes. As technologies improve, hydrogen, electric, or hybrid propulsion will be deployed on aircraft seating up to 150 people, with a flight time of less than 120 minutes. These routes account for 27% of the industry's current CO_2 emissions, while the remaining 73% of emissions are generated by larger aircraft flying medium - to long-haul. Sustainable aviation fuels (SAF) are a potential solution for these routes and will complement electric/hydrogen on shorter flights.

The Role of SAF and Projected Usage Trends

Sustainable aviation fuels (SAF) will continue to be essential, at least in the medium term, and particularly for medium and long-haul flights. Compared to conventional jet fuel, SAF can reduce CO_2 emissions by up to 100%, depending on the feedstock and production technology used. There is also evidence that SAF can contribute to improving local air quality. SAF is now available as a drop-in solution that is compatible with existing aviation systems and airport infrastructure, providing a significant practical and financial advantage over other decarbonisation options. It can currently be used in all aircraft at up to a 50% blend.

ATAG estimates that 330-445 million metric tonnes of sustainable aviation fuels (SAF), along with technology and operational improvements, will be required for the global aviation industry to achieve net zero carbon emissions by 2050.

Some studies calculate that aviation will be able to access enough feedstock to produce about 180 million tonnes of SAF per year. According to IATA, global SAF production amounted to about 100 million litres in 2021, which is equal to 0.1% of all aviation fuel used. However, several airlines have committed to increasing this figure to 10% by 2030. By 2022, sustainable aviation fuel (SAF) is expected to be one of the fastest growing segments in the biofuels industry. SAF will account for an increasing share of the aviation fuel market as mandates in EU member states stimulate demand and new production facilities are brought into operation.

Overview of the prospects for the deployment of Sustainable Aviation Fuel

CATALYSTS

The EU's ReFuelEU Aviation package includes a mandatory 2% SAF quota by 2025, rising to 63% by 2050. For synthetic aviation fuels, the quota will be 0.7% by 2030 and 28% by 2050.

Renewable electricity can be used to produce SAF through the Power-to-Liquids approach. This approach uses hydrogen from electrolysis and carbon captured from the atmosphere as feedstock and thus is not limited by the availability of bioenergy.

Rapid technological progress will reduce the overheads associated with SAF.
By 2050, the average cost of SAF is estimated at USD 760-900 per tonne, within the historical cost range of fossil fuels.

SAF also provides climate benefits other than those linked to CO_2, such as reduced emissions of sulphur dioxide and particulate matter. Greater carbon reduction and consideration of these non-CO_2 benefits will further support the value of SAF over fossil fuels.

While more than 90% of oil and gas production takes place in just 22 countries around the world, the SAF industry will need to harness feedstocks in nearly every country, improving energy security, independence, and resilience for many nations.

This investment will create or support approximately 13.7 million jobs.
Bioenergy investments are very effective at creating jobs, with 23 people employed today for every one million dollars invested in bioenergy over the past decade, compared to only 2.7 jobs per million invested for solar investments and 1.1 for wind power.

OBSTACLES/CRITICAL ISSUES

IATA estimates the cost of SAF to be 2 to 4 times that of fossil fuels, although a note from Air France-KLM points out that the differential could be 4 to 8 times the cost of kerosene.

The SAF production industry will require 5,000 to 7,000 renewable fuel refineries by 2050. These will typically be built near raw material sources, with an average capacity of about 100,000 tons/year. Building this infrastructure will require USD 1,080-1,450 billion annually. This represents approximately 6% of historical annual capital spending on oil and gas.

Most production is likely to use the Alcohol-to-Jet (AtJ) and Fischer-Tropsch (FT) methods. Although nearly all of today's production uses the HEFA method, constraints on raw materials will limit this to 6%-8% of required capacity.

Aviation will only have access to sufficient bioenergy for 41%-55% of the total SAF required. This is because multiple sectors will compete for its use. As a particularly difficult sector to decarbonise, aviation should be prioritised for use, but should not expect exclusivity.

Source: ATAG - Waypoint 2050, Fueling Net Zero, 2021

THE CO_2 OFFSETTING MARKET[5]

Voluntary carbon markets allow CO_2 emitters to offset their unavoidable emissions by acquiring carbon credits generated by initiatives to remove or reduce GHG emissions from the environment.

A carbon offset is a tool that reduces one tonne of carbon dioxide in the atmosphere.

Capturing one tonne of CO_2 emissions is equivalent to the amount absorbed by about 50 trees in one year. Companies that are unable to meet their GHG emissions targets can purchase carbon offset credits by investing in environmental projects designed to avoid, reduce, or remove carbon emissions.

Global trade in offsets grew by nearly 30% from 2020 to 2021 and is set to grow further following the COP26 summit in Glasgow, which discussed the introduction of long-awaited rules for a centralised global offset market.

[5] *Source: Ecosystem Marketplace Insights Report, Markets in Motion - State of the Voluntary Carbon Markets 2021.*

This new wave of demand for carbon offsets is driven by the proliferation of "net zero" business strategies and other climate goals, along with the growing recognition that carbon offsets will play a key role in achieving the Paris Agreement's climate goals.

Companies generally purchase carbon credits as part of their "net zero" business strategies.

Buying offsets is an interim solution to allows companies to become carbon neutral more quickly as they work to decarbonise their operations fully in the medium-to-long term.

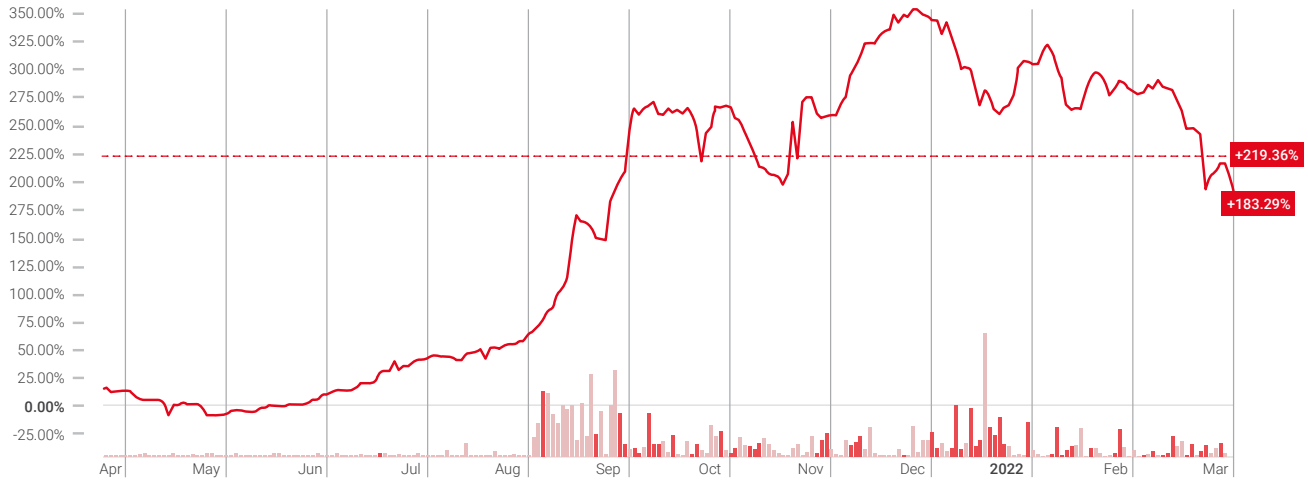
The total value of the monitored market in 2020 was USD 473 million, which is the highest annual value since 2012.

As of August 31, 2021, market transactions had already surpassed USD 748 million, meaning that it is very likely 2021 recorded the highest annual value ever, potentially exceeding USD 1 billion. The volume of voluntary carbon offsets traded reached a record high of 188.2 million metric tonnes of CO_2 equivalent in 2020 (up 80% from 2019), which is particularly interesting considering that 2020 was the year of the COVID-19 pandemic.

Even more sustained was market growth in 2021. Just eight months into the year, trading volumes of carbon offsets in the voluntary market had grown 27% (compared to the 2020s as a whole) to 239.3 million metric tonnes equivalent, all while global economies continue to reel in the aftermath of the pandemic.

Soaring demand for voluntary carbon offsets is driving up prices and causing a supply crunch as companies and investors rush to buy credits that offset GHG emissions. Growing interest in offsets - which represent a tonne of carbon that has been permanently avoided or removed from the atmosphere - has tilted the market in favour of sellers after years of low prices.

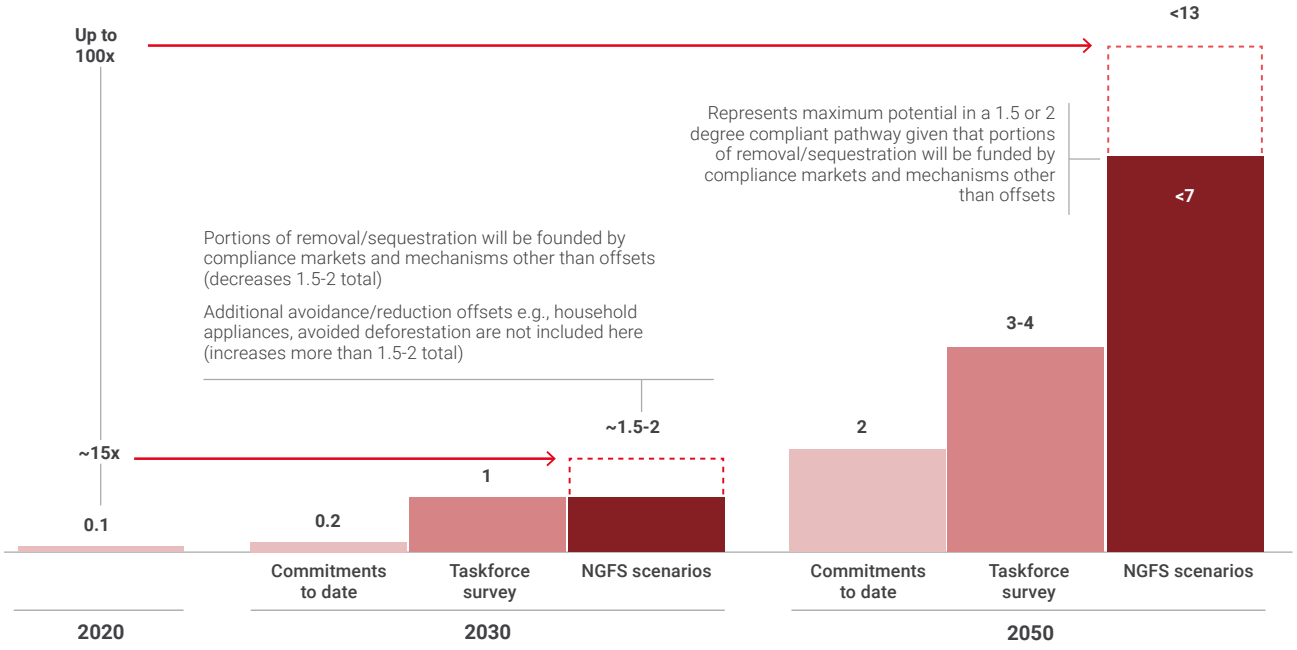
2021-2022 price trends in voluntary carbon markets



Source: carboncredit.com

According to a 2021 World Bank report, prices for a carbon credit in voluntary markets start at less than USD 1 per tonne and can go as high as USD 137 per tonne. However, almost half of emissions are priced below USD 10 per tonne. Rabobank, a Dutch multinational financial services bank, reports that renewable energy projects have the lowest average prices (USD 1.4 per tonne) while forestry and land use projects sit in the highest band (USD 4.3 per tonne).

Voluntary demand scenarios in 2030 and 2050, $GtCO_2$ per year



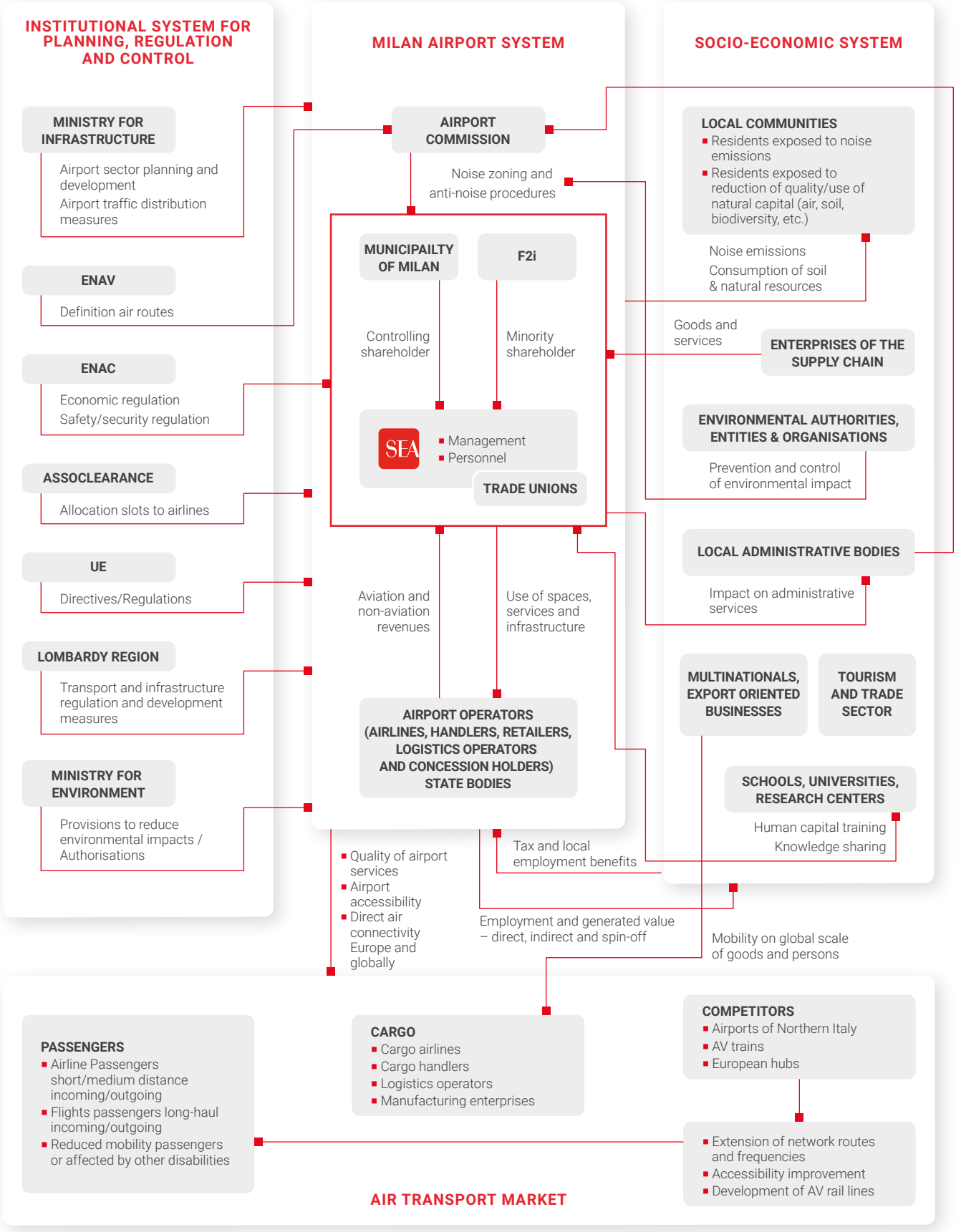
According to the Taskforce on Scaling Voluntary Carbon Markets [6] - an initiative spearheaded by Mark Carney, UN Climate Action Specialist and former Governor of the Bank of England - in order to support rapid decarbonisation, voluntary action through carbon markets will need to increase 15-fold (0.1 to 1.5-2 Gts CO_2 of carbon credits) by 2030 and 100-fold (7-13 Gt CO_2 of carbon credits per year) by 2050 compared to the levels recorded in 2020. Given the above, many companies may find that directly reducing their emissions is the most cost-effective way to stick to their public decarbonisation goals. European regulators are working on stricter rules for offset certifications. But what will determine prices? According to a BloombergNEF report,[7] the availability of allowances and the types of projects and activities considered suitable for generating carbon offsets will determine prices on the supply side. The profile and number of people who want (or need) to buy carbon credits will determine prices on the demand side. If all types of offsets were to continue to be allowed, including those that avoid emissions (as opposed to removing them), the market will become overloaded with largely worthless credits.

[6] *https://www.iif.com/tsvcm.*

[7] *https://about.bnef.com/blog/carbon-offset-prices-could-increase-fifty-fold-by-2050/.*

SUSTAINABILITY STRATEGY

SEA GROUP 1ST LEVEL STAKEHOLDER MAP



Socioeconomic ecosystem

In its role as a public transport infrastructure manager, SEA is committed to acquiring the issues concerning the interests and expectations of its stakeholders in a planned and structured manner, and to correctly evaluating and including them in its decision-making process.

This is applicable to extension works at terminals, in making available spaces and services to airport operators and in ensuring the maximum synergy between all airport operators to guarantee continuous, safe and efficient flights for passengers.

The map indicates our 1st level main stakeholders, i.e. those with whom we develop the most direct and close relations.

Sustainable development vision

SEA pursues a strategy of creating value, protecting shareholders' return on capital, based on the following principles:

- prioritizing choices that help grow the Company's value in the medium to long term;
- constantly striving to align financial objectives with the quality of the connectivity offer delivered to the region, due to the public interest role underpinning the role carried out;
- careful systematic analyses and assessments of both strategic and operational risks;
- support for systematic interaction with stakeholders for the definition and the implementation of our development plans, whilst seeking to create widespread benefits and minimizing negative externalities.

ESG strategy and sustainability governance model

SEA's ESG strategy aims to govern social and environmental business variables, enhancing relationship dynamics with stakeholders so that the latter, rather than simply receiving a share of the value generated by the Company, can become real and truly qualified contributors to the main strategic choices which significantly impact them. This objective is the most practical response to the serious and delicate interdependencies which characterise choices and decisions for Companies such as the SEA - who are required to design, realise, develop and manage airport transport infrastructure - and which significantly impact on its medium to long-term results.

Sustainability governance model

FIRST LEVEL STRATEGIC FRAMEWORK	**WHO WE WANT TO BE** ▪ Mission ▪ Business Plan	**HOW WE WANT TO DO IT** ▪ Ethical Vision ▪ Diamond of Values ▪ Principles of Stakeholder Relationships

SECOND LEVEL
CORPORATE POLICIES & TOOLS
	HOW WE WORK
	▪ Org. Model Legs. Dec. 231/01
	▪ Ethics Code
	▪ Self-Governance Code of listed companies
	▪ Certified Management Systems:
	  ▪ ACA, ISO 14001, EMAS, ISO 50001
	  ▪ OHSAS 18001/ISO45001
	  ▪ DASA REGISTER
	  ▪ TUV Italia Service Certification
	  ▪ ISO 27001
	  ▪ ISO 37001
		HOW WE MAKE DECISIONS
		▪ Materiality Matrix
		▪ Sustainability Plan
		▪ Sustainability Committee
		▪ Corporate Citizenship
		▪ Stakeholder Engagement

THIRD LEVEL VALUE ACCOUNTING	**HOW MUCH VALUE** ▪ Financial Report	**WHICH VALUE** ▪ Non-Financial Statement ▪ Airport Economic Footprint

At SEA, responsibility for dealing with ESG issues at a board level is entrusted to the Control, Risks and Sustainability Committee. A Sustainability Committee was established at a managerial level and entrusted with the following tasks:

- to examine the trends of the main sustainability indicators, including in reference to other comparable airport operators;
- to evaluate the effectiveness of the actions taken, and to examine potential improvement actions to be taken.

The Committee is chaired by the Chief Executive Officer/General Manager and makes use of the CSR department's technical office, which oversees technical logistics and planning matters. In addition to the CEO, the Sustainability Committee is composed of the Chief Financial and Risk Officer, the Chief Operating Officer and the Directors of the following departments: *Administration, Aviation Business Development, Cargo and Real Estate, Environment and Airport Safety, Human Resources, Infrastructures Development, Maintenance, Non-Aviation Business Development, Operations Linate, Operations Malpensa, Public Affairs and External Communication, Quality and Client Management, Security Management, Compliance and Training, Supply Chain, ICT and Innovation, Corporate Affairs and Compliance Legal Counselling, Corporate Social Responsibility, Health and Safety at Work* and by representatives of the subsidiaries SEA Energia and SEA Prime.

In 2021, ESG topics were addressed by the Management Committee and involved the definition of a 2022-2026 Sustainability Plan, which was approved by the Board of Directors on December 20, 2021.

STRATEGY DRIVERS

The ESG strategy developed by SEA in the last few years is based on four principal operational pillars:

Integrated decision-making

Moving from a "set of actions and projects devoted to sustainability" to a "sustainable strategy," empowering the management team to adopt a consistent approach, with the aim of accentuating the capacity to single out the interrelationships between business dynamics and the set of contextual and scenario variables, and ultimately improve the quality of corporate decision making.

SEA aims to gradually incorporate socio-environmental sustainability issues into its Vision, strategic options, business plans, budgets, risk system, and how it measures managerial performance. The aim is to guarantee the company's ability to create long-term value while taking into account all the variables that affect it.

Listening and Stakeholder engagement

Periodically, SEA carries out sample surveys with corporate stakeholders subdivided into categories, to assess their perception of the quality of the relationships with the SEA, to assess SEA's management skills and the direct impact of its actions on them. In addition to these surveys - especially in connection with the launch of important projects such as the Master Plans - meetings were arranged to engage with the most representative corporate stakeholders. The involvement of internal and external stakeholders in recent years was of particular importance in the implementation of company projects such as the development of the Ethics Code, The Social Challenge, Mind the Future and the Family Audit.

Measuring impacts

Accountability in relation to strategies, processes and impact is not restricted to solely creating a Sustainability Report. A 10-year partnership with the Centre for Territorial and Industry Development of the LIUC Business School is in place, which measures more precisely and reliably the socioeconomic externalities created by Malpensa and Linate airports on various territorial scales. The goal, on the one hand, is to acquire in-depth knowledge of the economic role played by the airports in the local and national context and on the other, to support informed methods of engaging with the region.

Social Citizenship

A Corporate Citizenship Policy was developed in 2012 and a detailed procedure was launched in 2019 to govern the ways in which the company plans, manages and reports on its donations and sponsorships. The policy was created to define efficient and progressive strategic social and organic investment strategies in sync with the Company's business profile. The social investments realised in the last eight years have reaffirmed that SEA's role as a company is not limited to the optimal management of its airports but also entails the ability to create symbiotic relationships:

- with the region hosting its infrastructures;
- with non-profit associations which seek to respond to local communities;
- with SEA personnel, not just viewed as employees, but as citizens who, outside their work, see their involvement in good causes as an important part of their own personal development.

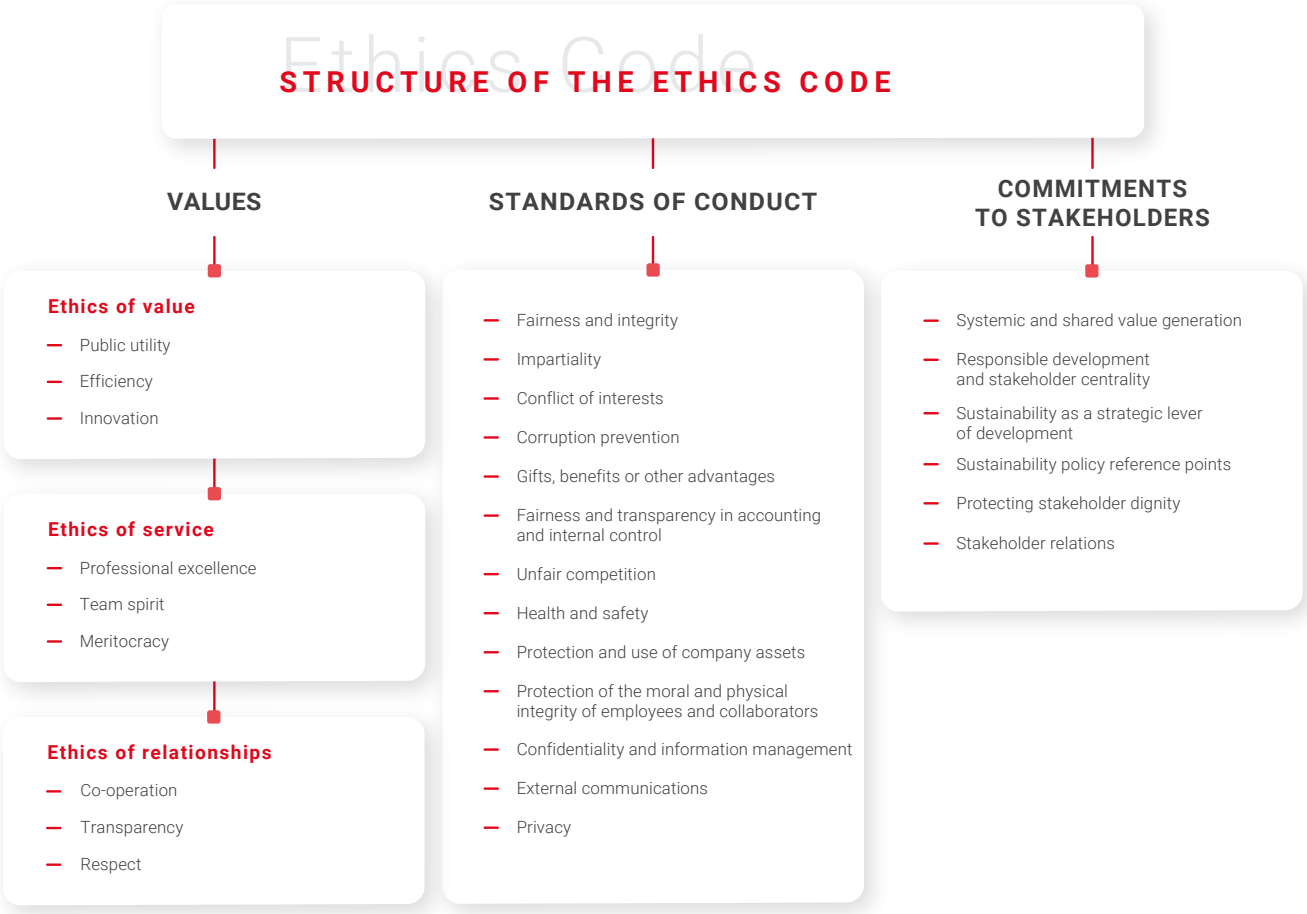
Ethics Code

The new Ethics Code, was approved by the SEA Board of Directors at its meeting on December 21, 2020, is in line with the purpose, values and principles of the Ethics System, which have been promptly applied and are expressed in detail in the Ethics Code.

The document consists of three main sections:

1. Company Values and Ethical Vision.
2. The conduct rules to be followed by recipients of the Code which, in most cases, are enshrined in law.
3. Commitments to stakeholders.

A further section defines the mechanisms for distributing, implementing and monitoring the Code, listing the channels in place to report violations.



Diamond of Values

THE DIAMOND OF VALUES

SEA's values mainly relate to the consolidation of the best practices deployed over time, which have supported the organisation in the various phases of its development.

However, they are also paradigms capable of creating desired practices, which are not yet fully implemented but which are necessary to manage the challenges that come with change.

As a whole, the values imply the concept of the Company being "part of a complex and interdependent system" within the context in which it operates.

Materiality matrix

WHAT IS MATERIALITY?

Materiality is the extent that a given element of the Company-stakeholder relationship can influence the capacity to create value. These are the two characteristics that need to be considered to assess the materiality of an element of the Company's business:

- does it produce significant impacts from a financial, social or environmental point of view?
- does it substantially influence stakeholder assessments or decisions relating to the Company?

In defining materiality, strong emphasis is placed on both external stakeholders and members of management representative of SEA, given that their reasonable expectations and interests must be taken into account as an important reference point. Through a joint Company-stakeholders assessment of the relevance of these factors in terms of impact on their mutual point of view, as well as their usefulness, a range of items are defined that constitute the areas of primary commitment for sustainable development.

MATERIALITY ASSESSMENT

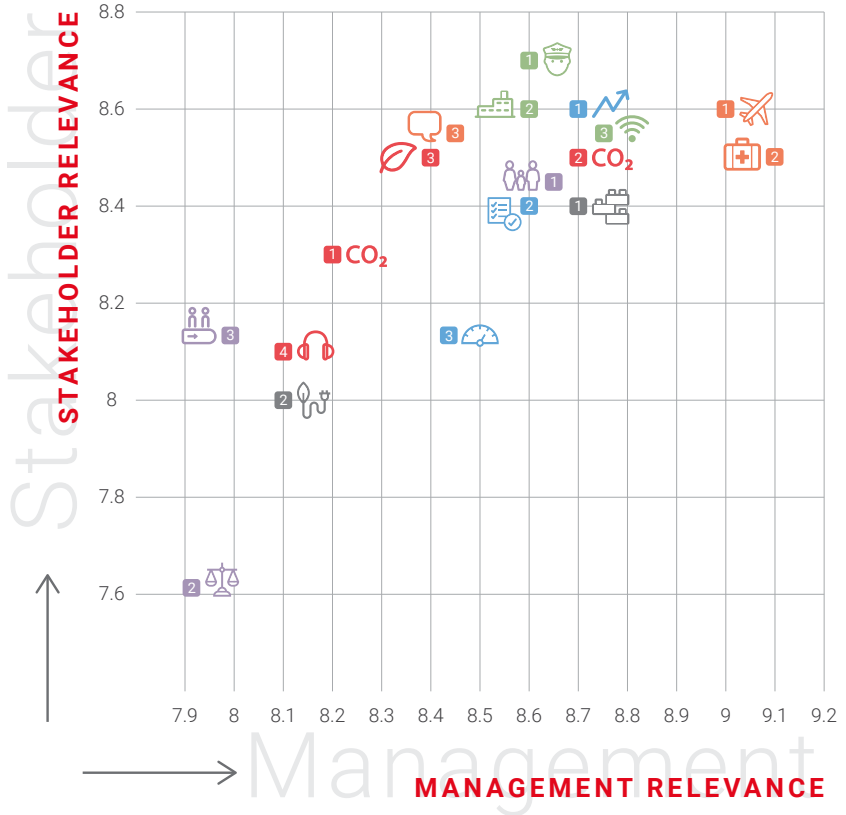
The materiality matrix was reviewed in 2020 following the profound disruption to air transport caused by the pandemic. The process was divided into the following steps:

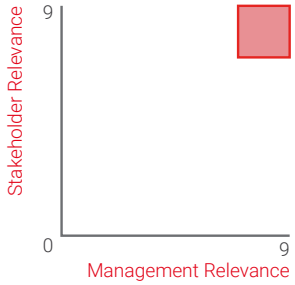
- Mapping of material topics;
- Approval of the mapping by top management;
- Assessment and prioritisation of the topics by both stakeholders and SEA management (in parallel);
- Definition of the draft materiality matrix and its dissemination with the Sustainability Committee and the Control, Risks and Sustainability Committee;
- Approval of the materiality matrix by the SEA Board of Directors.

In 2021, the materiality analysis underwent a light review and was subsequently presented to the Control, Risks and Sustainability Committee on March 3, 2022.

Sharing and Approval of the Board

The draft materiality matrix presented to SEA's Board of Directors covered 15 topics, which were identified during the process of updating the materiality 2020's matrix. The BoD decided to add three additional topics, namely: initiatives to reduce the gender gap, the inclusion of ESG performance in the MBO system, and talent retention & acquisition. The final version of the materiality matrix was approved by the Board of Directors on December 21, 2020 and includes 18 topics covering all six categories of reference.





MATERIALITY MATRIX 2021

Pillars	Materiality Issues	SDGs
Integrated Governance	1 Strategic vision oriented to long-term value 2 Definition and updating of a Strategic Sustainability Plan 3 Insertion of ESG performance in the management incentive system (MBO)	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
Infrastructural Capital	1 Low-impact construction methods inspired by the circular economy 2 Promotion of sustainable mobility	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
Natural Capital	1 Reduction of direct CO_2 emissions and pollutants 2 Initiatives to reduce indirect CO_2 emissions 3 Infrastructure development compatible with biodiversity and reduced land consumption 4 Actions to contain noise impact	7 AFFORDABLE AND CLEAN ENERGY; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION; 15 LIFE ON LAND
Human Capital	1 Employment protection and minimising the social downsizing impact 2 Initiatives to reduce the gender gap 3 Talent retention & acquisition	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH
Social and Relational Capital	1 Re-launch of air connectivity to support the local area 2 Paying the utmost attention to health and safety when managing customer experiences 3 Structured methods of stakeholder communication and involvement	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES
Intellectual Capital	1 Technological innovation in safety and security management 2 Collaborative airport ecosystem to improve quality, efficiency, and safety 3 Digitisation to improve passenger service quality	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES

Alignment of Pillars, Material Topics and Sustainable Development Goals

SEA is committed to the 2030 Agenda for Sustainable Development promoted by the UN.

An assessment was carried out to identify which of the 17 Sustainable Development Goals were relevant to the company's business activities, in order to align its strategic vision with the material topics that support the pursuit of this vision and commitment to the 2030 Agenda.

Issues of the materiality matrix

Integrated Governance

Strategic vision oriented to long-term value

Adoption of the strategic planning mindset and approaches that take into account all variables capable of influencing the medium to long-term business objectives' achievement and sustainability and of improving corporate management's envisioning and scenario planning capacity.

Definition and updating of a Strategic Sustainability Plan

Commitment to structuring an ESG goals plan as linked to future Industrial Plans. This will form a qualitative complement and will oversee the management of non-financial capital.

Insertion of ESG performance in the management incentive system (MBO)

Systematic integration of ESG variables in the management incentive system to align the contents of the business strategy and sustainability strategy with performance bonuses.

Infrastructural Capital

Low-impact construction methods inspired by the circular economy

Commitment to the gradual introduction of sustainable infrastructure construction protocols, based on the renewability of materials, the absence of toxic or harmful substances, the potential to reduction building maintenance and operating costs and the potential to reuse end-of-life materials.

Promotion of sustainable mobility

Commitment to the development of sustainable mobility solutions (public transport, electric vehicles, etc.) adequate in terms of times and ease of use. Promotion of collaboration with transport agencies and public institutions, to increase accessibility, especially rail accessibility, to the airports with the related reduction in the use of private vehicles.

Natural Capital

Reduction of direct CO_2 emissions and pollutants

Commitment to a series of actions - from reducing energy consumption, to introducing an electric airport vehicle fleet, to acquiring energy from renewable sources - to contain and reduce CO_2 emissions at the airport.

Initiatives to reduce indirect CO_2 emissions

Activation of partnerships with airport stakeholders to initiate or accelerate processes to reduce the overall carbon footprint of the airport grounds generated by sources other than those directly controlled by the operator.

Infrastructure development compatible with biodiversity and reduced land consumption

Commitment to evaluate all technological and process innovations (both air-side and land-side) that allow the operational capacity of infrastructures to be increased without physical expansion and to study - through dedicated partnerships - the most effective solutions to safeguard the integrity of the eco-interested systems, where the physical expansion of the airport grounds is unavoidable.

Actions to contain noise impact

Constant and efficient monitoring of aircraft noise at the airports and implementation of mitigation solutions for the benefit of the territory, collaborating with ARPA (the Regional Protection Environmental Agency) and under its close supervision, in order to reduce the inconvenience resulting from the future increase of all types of aviation activities.

Human Capital

Employment protection and minimising the social downsizing impact

Adoption of labour cost containment measures that minimise social impact, maintain professionalism, and respect the fundamental prerogatives of workers.

Initiatives to reduce the gender gap

Foster the transformation of corporate culture, giving rise to organisational processes that are more oriented towards inclusivity and gender equality.

Talent retention & acquisition

Render the company profile more attractive to new talent by launching professional development and empowerment initiatives that stabilise the retention index and allow the Company to effectively plan managerial promotions.

Social and Relational Capital

Re-launch of air connectivity to support the local area

Gradual recovery of an adequate direct air connectivity index - once the critical phase of the pandemic is over - with the areas of the world which represent a potential source of prosperity for the region.

Paying the utmost attention to health and safety when managing customer experiences

Ongoing actions to combat the spread of the pandemic, including the implementation of measures based on regulations and best practices with the aim of protecting passengers and operators from the virus. Always guarantee that the highest levels of health and safety are maintained when carrying out airport operations, promoting the gradual recovery of passenger traffic.

Structured methods of stakeholder communication and involvement

A commitment to promote effective communication processes with internal and external stakeholders to promote discussions, teamwork and create a collective knowledge-base. The cultivation of a development process in consultation with relevant stakeholders (carriers, retailers, regulatory authorities, institutions, businesses, municipalities), making it possible to identify sustainable solutions to combat challenges to the business and to share the benefits, the costs and the risks in managing the airports fairly and efficiently.

Intellectual capital

Technological innovation in safety and security management

Adoption of technological solutions to render passenger travel inside the airport safer and easier, guaranteeing a pleasant, touchless (i.e., avoiding contact with surfaces) and seamless experience, with a consequent reduction in congestion and waiting times.

Collaborative airport ecosystem to improve quality, efficiency, and safety

Development of partnerships with other airport players to optimise operations, achieve efficiency, effectively manage unforeseen events, and improve the quality of passenger services.

Digitisation to improve passenger service quality

Development and implementation of high value-added services that improve airport comfort and maximise the customer experience.

Corporate Citizenship

The main points of our "Corporate citizenship" policy are:

- the value of the Company's corporate citizenship is defined more by the robustness of its link with the company's strategy than by the quantity of resources invested;
- the corporate citizen activities are carried out in order to protect the interests of:
  - shareholders, in relation to the most correct, efficient and beneficial use of employees by management;
  - the non-profit stakeholders, in relation to the need for transparency and objectivity in terms of the criteria under which the company chooses its partners for social investment;
  - it is defined by the Company itself in terms of its own credibility and reputation to act transparently in accepting requests for contributions from non-profit organizations;
- the touchstone of our corporate citizenship activities revolves around the financed project, whose credentials (completeness, endorsement by national and international institutions, scalability, clarity

of objectives, measurability and accountability) are added to those of its proponents;

- projects in line with the identity, features and distinctive characteristics of SEA are preferred, which carries out an active role (not simply a donator, but rather a partner) in the management of initiatives, considering therefore, as important factors for the choice of the project the possibility to mobilise the involvement of employees, in addition to the opportunity to reconcile the needs within the region of the airports with international dimension initiatives.

Main non-financial risks

The most significant risks inherent to ESG issues are shown below.

Risk categories	Risk description	Prevention/mitigation measures
The risk of temporary or prolonged interruptions to business processes caused by strikes, natural events, or faults, etc.	Interruptions in activities and services may be generated by a wide range of events of more or less prolonged duration, giving rise to various impacts on airport operations and Group economics. Critical impacts on the Group's business may be caused by exceptional events, such as pandemics, wars, volcanic eruptions, which may lead to a collapse in the demand for air transport. Company activities could also be interrupted by a strike by third-party employees working at the airport, by personnel dedicated to air traffic control services, or by public emergency service operators, or by the incorrect provision of services by third parties.	Operational back-up plans and investments in training have been made by airlines. External contracts could also be activated.
Risks associated with the design and/or execution of investments in the maintenance/construction of airport infrastructures	The new Malpensa Master Plan, currently undergoing approval by the competent bodies, constitutes the Group's main long-term infrastructure development planning tool. To date, the Environmental Impact Assessment (EIA) procedure is still in progress. The Master Plan envisages expanding the current site to the south to build new infrastructure for the cargo sector. A negative outcome would make it impossible for the Group to pursue the infrastructure developments necessary to support growth.	SEA pays great attention to its relations with neighbouring communities, participating in roundtables with institutions and directly supporting regional compensation interventions and social initiatives to support local communities.
Risks associated with the amount of noise produced by aircraft taking off and landing, the management of noise compensation/ reduction initiatives, and relations with local communities	If not properly managed, the levels of noise pollution generated by Malpensa due to the traffic growth foreseen in the Master Plan (which is currently being approved) could impact the airport's sustainability and growth in the short-to-medium term and generate higher compensation costs for the Company.	SEA is committed to noise mitigation initiatives on various fronts, such as the introduction of penalising tariffs for the noisiest aircraft and the optimisation of runway usage scenarios in agreement with ENAV.
Risks associated with a failure to meet CO_2 emissions reduction targets	Together with other airports belonging to the ACI Europe network, SEA has committed to the NetZero 2030 target of zero CO_2 emissions by 2030. Regulations and industry trends on NetZero are constantly evolving. The roadmap for decarbonisation is driven by the EU Climate Law, which must be monitored closely to comply with regulations and to maintain a suitable stance with respect to stakeholder expectations and competitors.	Linate and Malpensa participate in the Airport Carbon Accreditation (ACA) certification programme. In addition, a Sustainability Plan has been defined and contains the relevant targets. The investments required to become sustainable might qualify for public funding (e.g., the Recovery Fund/Horizon 2020/ Green Deal).
Risks associated with air, water and soil pollution	Environmental risks include risks generated by Group activities with potential environmental effects that may significantly affect Group operations.	These risks are managed and constantly monitored by the Environmental Management System. For further information, refer to the paragraph on our environmental and energy policies.
Risks related to extreme weather events that affect airport assets	Potential storms, cloudbursts, and very heavy snowfall could cause significant damage to airport assets and disrupt airport operations as a consequence. In turn, said disruption could result in the deterioration and/or interruption of customer services, which could have serious consequences for the airport's reputation and business.	In recent years, work has been carried out to improve infrastructure (e.g., whitewater disposal systems at stands, overflow for roof covers, and disposal wells on roundabouts). Further works on water disposal systems are expected, and a request for co-financing through European funds is in progress.

Risk categories	Risk description	Prevention/mitigation measures
ESG legislation developments: sectoral and non-sectoral legislation on social, environmental, and governance topics	The introduction of mandatory supply chain analysis using ESG criteria is being studied at EU level. Some uncertainty still surrounds the extent of the obligations that will be imposed, as well as the responsibilities and related penalties that may be introduced. There is a risk that these requirements will overburden the Company's supply chain procedures.	Despite the uncertain scope of the regulation, research is already underway to integrate ESG topics into existing supplier qualification and assessment processes.
	Both European and national institutions have been paying more attention to the commitments undertaken with regard to climate change (the Paris Agreement, COP26) in recent years, including a reduction of greenhouse gas emissions. Current trends could lead to the introduction of measures that negatively impact the competitiveness of air transportation, including: - the introduction of fiscal and economic policies to compensate for pollution, which would result in higher ticket prices and a potential drop in demand; - the allocation of public resources to support sectors that compete with air transport (e.g., rail).	SEA is committed to reducing emissions through partnership agreements with third parties. Initiatives include the provision of SAF at airports and the development of a hydrogen supply chain as part of its NetZero 2030 pathway.
Risks associated with the management and development of the necessary skills/resources for carrying out business activities (e.g., selection, training, retention, internal communications, engagement) and the management of relations with trade unions	An ageing Company population could affect operations due to reduced efficiency/productivity, increased absenteeism, and/or health problems.	A generational turnover plan is being implemented to help prevent the average company age from rising.
	This difficult period for the air transport sector could result in the loss of key personnel, which would impact Company operations.	A Retention Plan to mitigate this risk is in place.
	Planned staff development initiatives may not achieve the expected engagement results.	The Company has implemented communication initiatives to improve engagement and transparency.
Risks associated with the management and disposal of waste generated by airport operators, retail establishments in the terminals, employees, etc.	Increasing the rate of separate waste collection is one of the objectives the Group has set itself with a view to reducing waste and pollution. These objectives refer to all waste generated on the premises by the activities of the airport manager, contractors, and airport operators, excluding waste generated by airlines. If difficulties were encountered when involving third parties, it would not be possible to achieve the waste sorting targets defined in the Sustainability Plan.	A comparison with other airports to identify the best operating practices is underway. Improvement actions cover areas in which contractor and tenant processes are managed by SEA.
Risks related to higher costs for initiatives to reduce/offset CO_2 emissions	ACA 4+ Certification - recently obtained by Linate and Malpensa airports - requires the airport manager to purchase green energy certificates and carbon credits to offset emissions that cannot be reduced. The hard market environment, caused primarily by an increase in demand for these certificates, means that there is a significant risk of incurring higher costs to meet emissions reduction targets.	Key indicators and price curves for certificates of origin and carbon credits are closely monitored. Industry scenarios are incorporated into the Business Plan.

Other considerations

Considering the nature and the geographic location of the activities carried out by the Group, as well as the preparatory controls for obtaining mandatory airport passes for anyone working in the airport, we do not indicate any human rights breach risks regarding the supply chain. Legal and compliance risks are related to compliance with internal policies and regulations (e.g. personnel conduct not in line with the company's ethical values, failure to respect delegated powers), and applicable general laws and regulations (e.g. failure to comply with privacy and data protection legislation). The potential risks of corruption offences are managed by the Group through the adoption of its 231 Model and ISO 37001. For further information, please see the "Internal control system" paragraph.

Resources

RESOURCES

INFRASTRUCTURAL CAPITAL

SEA's Infrastructural Capital covers all forms of physical capital that define SEA's operational capacity and how it carries out its business.

This includes both physical assets managed directly by the company (terminals, runways, warehouses, car parks, etc.) and those not managed by the company but that form part of its airports' "value proposition" (roads, railway access to airports, etc.).

Airport infrastructure development

The investments in the development of the airport infrastructure are enacted in compliance with the specific programming instruments, subject to the control and approval of ENAC, which governs operations within the two airports.

MASTER PLAN

The Master Plan is a long-term planning tool based on a prediction of how the airport will develop over time (in terms of role, traffic, types of flights served, the needs expressed by the region, etc.). It identifies and describes the general situation, analyses the use of different airport areas, and identifies the main work to be carried out, assigning different priority levels and quantifying the extent of the investment required.

The Master Plan prepared by the Airport Manager is approved by the Ministry for Ecological Transition through an Environmental Impact Assessment (EIA), while the technical-aviation aspects are approved by ENAC. The authorisation process concludes with an urban compatibility check on the proposed work, the results of which are disclosed during a Services Conference attended by all of the bodies involved in the airport's development.

INVESTMENTS PLAN

Short- and medium-term work is carried out based on the Investment Plan, which was produced as part of the Regulatory Agreement. This document, which replaces the Four-Year Action Plan, previously requested by the Italian Civil Aviation Authority (ENAC), identifies the projects the Manager intends to carry out, in line with the details contained in the Master Plan. It has a shorter time frame than the latter (ten years overall, describing work planned for the first five years in more detail). The Investments Plan also includes necessary work that is not expressly defined in the Master Plan but is consistent with the general development forecasts contained therein. All documentation on the new 2022-2031 Regulatory Agreement was sent to ENAC in October 2021 (with additional notes forwarded in December following the authority's specific request for further information) and is still being assessed.

The Master Plans and Investments Plans annexed to the Regulatory Agreement define work directly carried out by the manager, other SEA Group companies, or third parties operating at the airport (ENAV, airlines, government agencies, commercial operators, handlers, etc.).

OTHER PLANNING TOOLS

Other planning tools devised in compliance with ENAC regulations include the Airport Utilisation Plan - which describes work that could affect the operational characteristics of passenger terminals - and the Extraordinary Maintenance Plan, which describes all upgrade, renovation, and development work carried out on existing buildings, installations and infrastructures.

These plans are drawn up on an annual basis and were submitted to ENAC in 2021, except for the Terminal 2 Utilisation Plan, as the building remained closed due to the significant drop in traffic caused by the pandemic.

In 2021 ENAC issued new guidelines on preparing and presenting Extraordinary Maintenance Plans, which will come into force in 2022. The authority also sent a circular letter to airport management companies on the matter of Terminal Operational Development Plans, which will replace Terminal Utilisation Plans in the new year. The authority has modified their contents and the time frames for their preparation.

DEVELOPMENT OF INFRASTRUCTURE INVESTMENTS

In the 2019-2021 three-year period investments were carried out for a total value of Euro 249.4 million, principally focused on the development of infrastructure, in order to improve the service offered to passengers and the cargo transport service, guaranteeing high quality, security and operational efficiency levels and protecting the environment to an even greater degree.

Infrastructural investments (Euro millions)

	2021	2020	2019	Total 2019-2021
Malpensa Terminal 1	11.2	10.5	18.5	40.2
Malpensa Terminal 2	0.1	6.5	1.9	8.5
Malpensa Cargo	1.5	0.6	1.1	3.2
Linate	9.5	20.5	24.2	54.2
Flight infrastructure	16.2	3.5	34.0	53.7
Various actions	7.6	16.2	30.4	54.2
Plant & Equipment	4.2	7.2	24.0	35.4
Total	**50.3**	**64.9**	**134.1**	**249.4**

Note: the total does not include the "IFRS 16 fixed assets" account amounting to Euro 11.9 million for 2019, Euro 2.9 million for 2020, and Euro 4.7 for 2021; in addition, the 2020 value includes Euro 6.7 million relating to SEA Energia.

Source: SEA

INVESTMENTS AT MALPENSA AIRPORT

As in the previous year, work carried out at the airport in 2021 was significantly impacted by the ongoing pandemic and the consequent drop in demand for air transport, which resulted in the postponement of several planned investment activities.

In particular, the transfer of all passenger traffic to Terminal 1 led to the closure of Terminal 2 and the suspension of all work on the building and related infrastructure.

The work carried out on the airport's airside infrastructures exclusively concerned:

- upgrading existing areas and projects related to the objectives of maintaining/increasing the levels of safety and operational functionality at the airport;
- extraordinary maintenance on runway 17L/35R, consisting of the extensive repaving of approximately two-thirds of its length, and the repaving of taxiway sections D and E;
- upgrading several bright visual aids (replacement of optical guides that guarantee the correct positioning of aircraft parked at satellite B; upgrading all projectors in airside light towers with LEDs, etc.), which improved system functionality and reliability and achieved significant levels of energy efficiency;
- introduction of an advanced surface movement guidance and control system (ASMGCS) for aircraft and vehicles in manoeuvring and movement areas.

Work was carried out to improve functionality, safety, and the level of comfort offered to passengers at Terminal 1. Specifically:

- the roll-out of self-service bag drop desks at check-in desks;
- the continuation of plans to upgrade and standardise all public toilets;
- the installation of new equipment for checking in hold baggage, bringing the BHS system into line with ECAC (European Civil Aviation Conference) Standard 3;
- anti-earthquake works on the roof and unification and updating of the fire detection system;
- work related to the pandemic (modification of operational areas, changes to passenger routes and signs, creation of testing areas, green pass checks, etc.).

In the cargo area, work concluded on the entry into service of a new DHL warehouse, work was carried out on offices and changing rooms in the FedEx warehouse, and the fire prevention system in the ALHA-MLE cargo building is in the process of being upgraded. In addition, Amazon's operations have been transferred to a cargo warehouse in the northern area of the site, which is now once again up and running.

Finally, investments made in 2021 included extraordinary maintenance work on networks and systems, and the installation of new electric vehicle charging points on the airside, etc.

INVESTMENTS AT LINATE AIRPORT

The demolition and reconstruction of Building F was completed in 2021. Once new ground-floor boarding areas and a new area dedicated to security checks had been opened in 2020, new waiting areas for departing passengers, retail and refreshment areas, and toilets were also opened to the public.

The main operational upgrade work on the terminal concerned:

- the renovation of most check-in areas;
- the construction of a new connection area with the metro station and new vertical connections between the arrivals and departures floors;
- installation of a self-service bag drop area;
- work to upgrade and standardise public toilets;
- several minor projects related to the management of passenger flows due to the restrictions and controls imposed by the pandemic.

The new F Building in the Linate passenger terminal has obtained BREEAM certification, which attests to the building's high levels of environmental sustainability.

The most significant work involving airside infrastructures concerned:

- upgrades to some existing infrastructure flooring;
- works to adapt remote control systems for bright visual aids;
- reclamation works on former Polytechnic buildings in the west area of the site;
- fire prevention upgrades on SEA Prime hangars;
- commencement of preparations prior to the construction of a new control tower;
- adaptation of the water collection and treatment plant on the eco-island.

Planned work includes the building of Hangar 10 for general aviation aircraft in the western area of the airport (which has also been designed with a view to achieving BREEAM certification) and the construction of a new fuel depot, which will also be able to process SAF (sustainable aviation fuel), thus encouraging the use of fuels that will reduce the environmental impact of air transport.

Linate's Master Plan

Linate's new Master Plan, which was drawn up in 2016, covers the period up to 2030 and defines several projects to improve the airport's operational functionality and the quality of service it provides. The Plan also intends to diversify the types of services on offer to the local area, without, however, intervening significantly on the capacity of subsystems due to the fact that traffic volumes are expected to remain largely unchanged and the high levels of urbanisation expected.

In January 2017, ENAC issued its technical approval, and the following month the Ministry for Ecological Transition was asked to begin the Environmental Impact Assessment procedure. During the assessment process, SEA was asked to prepare and submit extensive documentation in response to observations and requests for in-depth study expressed by the Technical Commission EIA, which incorporated requests submitted by the local area, associations, and the general public. After receiving a favourable opinion from the Ministry for Culture, the EIA procedure was concluded successfully in December 2019, and the appropriate Ministerial Decree was issued.

In August 2020, ENAC requested that the procedure begin to assess compliance with urban planning regulations. This final approval phase also concluded successfully, and the measure was issued by the Ministry for Infrastructure and Sustainable Mobility in July 2021.

The "Malpensa 2035" Master Plan

The Master Plan currently in force at Malpensa was introduced in 1985. In 2009, SEA presented a new Master Plan to ENAC, which described the airport's expected development up until 2026, based on traffic forecasts, and envisaged a gradual increase in the capacity of the airport's various infrastructures.

After obtaining a positive technical opinion from ENAC, the Master Plan was withdrawn before the Environmental Impact Assessment procedure was completed, as the framework of referenced had substantially changed in the meantime (due to the de-hubbing of Alitalia).

In 2015, SEA launched a new research phase based on an updated assessment of the airport's operational features (paying particular attention to the runway system's capacity), the definition of a new operating

environment, new traffic forecasts, a precise and updated analysis of the environmental characteristics of the area surrounding Malpensa, and a new definition of the development needs of the airport's various subsystems. Specific stakeholder information and engagement activities were also conducted during this period.

The new Master Plan, which covers the years up to 2035, obtained technical approval from ENAC in 2019.

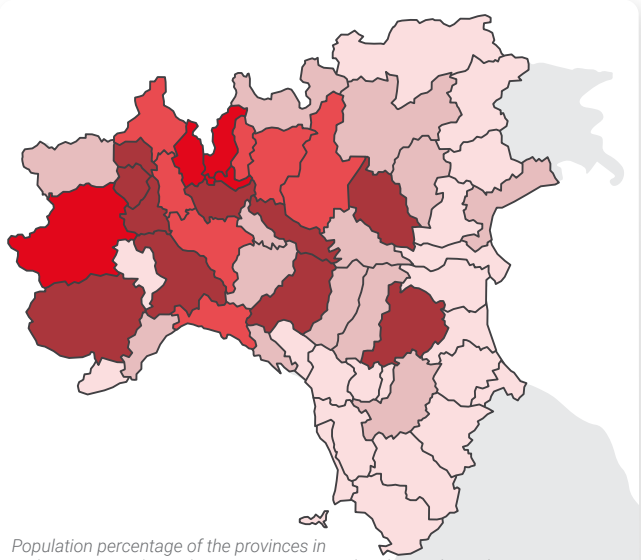
At the same time, preparations were completed on the new Environmental Impact Study, and in July 2020, ENAC forwarded this documentation to the Ministry for Ecological Transition in its capacity as the Proposing Entity, requesting the start of the EIA procedure. In April 2021, after taking note of the observations expressed by local bodies, associations, and the general public, the EIA Technical Commission tasked with analysing the Master Plan asked SEA to submit new documents in addition to those already drafted, submitted and published in November 2021, launching a new phase for the presentation of potential observations.

We are currently waiting for the Ministry for Ecological Transition to complete its assessments and, if a positive conclusion is reached, we will begin the procedure to verify urban compliance by convening a Services Conference.

Catchment area of the airport system

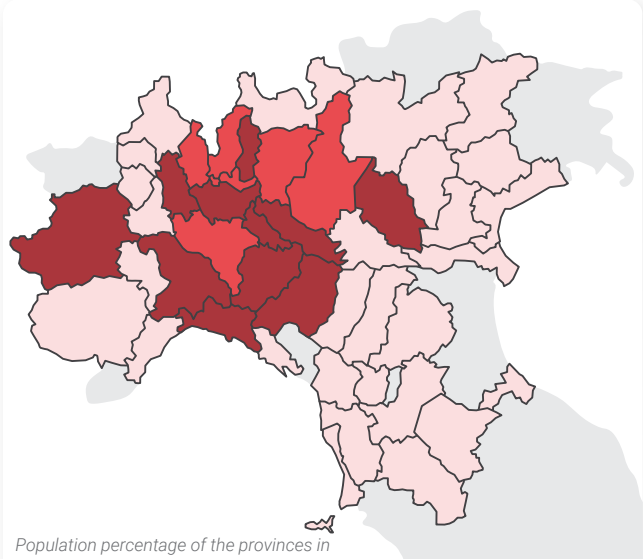
The Milan airport system's catchment area principally comprises, in declining order of attractiveness, the Milan metropolitan area, the Region of Lombardy and north-western Italy. It also extends - albeit with a lesser ability to capture demand - to the regions of north-eastern Italy, Emilia Romagna, Tuscany, and the Swiss Canton of Ticino.

Malpensa airport's catchment area



Population percentage of the provinces in Malpensa airport's catchment area compared to the total population. Source: Prepared by SEA using CLAS 2016 and ISTAT survey data

Linate airport's catchment area



Population percentage of the provinces in Linate airport's catchment area compared to the total population. Source: Prepared by SEA using CLAS 2016 and ISTAT survey data

Capacity

The capacity of an airport, which in Italy is established by ENAC with the involvement of the interested parties, is established based on the capabilities of the individual airport, which in turn depend on:

- the air navigation sector plan, which concerns the operating and control capacity of the air traffic overseen by ENAV;
- the runway system and related infrastructure, in particular aprons and terminals;
- traffic demand factors;
- environmental restrictions, such as anti-noise procedures and the suspension of flights during hours of darkness.

The airport capacity is expressed by a certain number of movements per hour (with a "movement" concerning the take-off or landing of an aircraft, independently of the type of traffic). The capacity of the Milan airports has been established by ENAC as 88 movements/hour - as follows:

- Malpensa airport: 70 movements/hour (considering jointly take-offs and landings);
- Linate airport: 18 movements/hour (considering jointly take-offs and landings).

This breakdown of the movements per hour between Malpensa and Linate was established within the re-organization project of the Milan airport system, drawn up to facilitate the development of Malpensa.

CAPACITY OF MALPENSA AIRPORT

The capacity of Malpensa airport is subject to further limitations concerning:

- 39 similar movements (therefore movements of the same type, take-off or landings separately) and 31 opposing movements (therefore movements of a differing type, take-offs or landings jointly) every hour;
- 6/7 similar movements every 10 minutes, 6/7 similar movements in the subsequent 10 minutes (for a maximum of 13 similar movements every 20 minutes) and 5 opposing movements every 10 minutes.

The available time slots may be further developed in the future by airlines already operating out of the airport or by new airlines.

CAPACITY OF LINATE AIRPORT

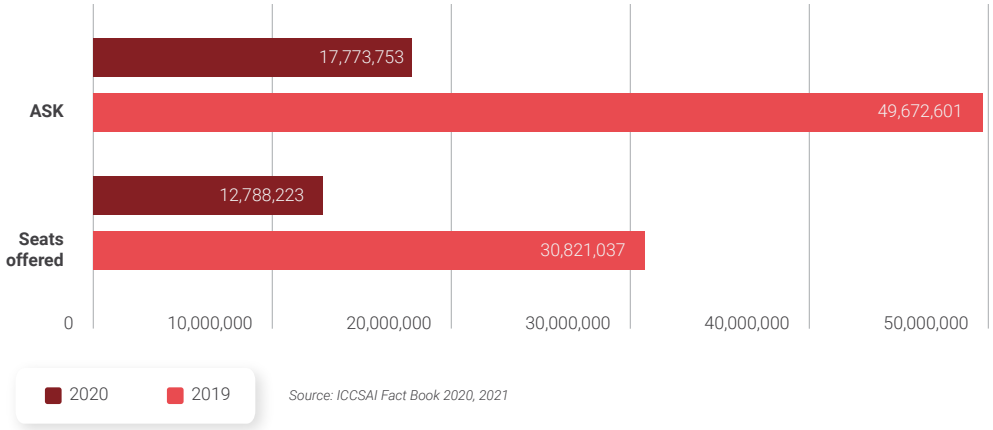
The Linate airport infrastructure is capable of managing a capacity of approx. 32 movements/hour, although traffic limitation is imposed by the "Bersani" and "Bersani bis" Decrees which establish a cap of 18 movements/hour. This capacity was fixed for commercial flights, without including regional continuity agreement flights (therefore flights to and from particular regions located off the Italian mainland, such as Sicily and Sardinia, which guarantee flights with the main peninsular airports) and General Aviation flights.

AIR TRANSPORT SUPPLY

The impact of the pandemic and the consequent restrictions on travel have severely affected air transport supply. The ASKs (Available Seat Kilometres) offered in the Milan urban area dropped by 64% between 2019 and 2020. ASKs correspond to the total seats available on each flight, multiplied by the number of kilometres flown: a measure of an airport's capacity in terms of passenger transport supply. The seats offered by the overall airport system - inclusive of Malpensa, Linate and Orio al Serio - dropped by 58.5%.

Despite this, Milan's urban area has demonstrated some resilience in terms of air connectivity, placing seventh in the European rankings, ahead of metropolitan areas such as Lisbon, Zurich, Rome, and Barcelona.

Air transport supply in the Milan metropolitan area (ASK thousands)



Source: ICCSAI Fact Book 2020, 2021

The resilience of Milan's airport system correlates with the resilience of cargo activity during the pandemic. The "preighter" phenomenon (passenger aircraft adapted to transport cargo) allowed Malpensa airport to rank as one of the top ten busiest airports in Europe in terms of WLU (a transport unit that considers both passengers and cargo) in 2020.

Malpensa recorded a devastating drop in both the absolute number of ASKs (-69% on 2019) and the non-EU ASKs on offer compared to the total number of ASKs, which traditionally stands at around 70% but was down 10% in 2020 compared to 2019.

Air transport supply at Malpensa airport (.000)

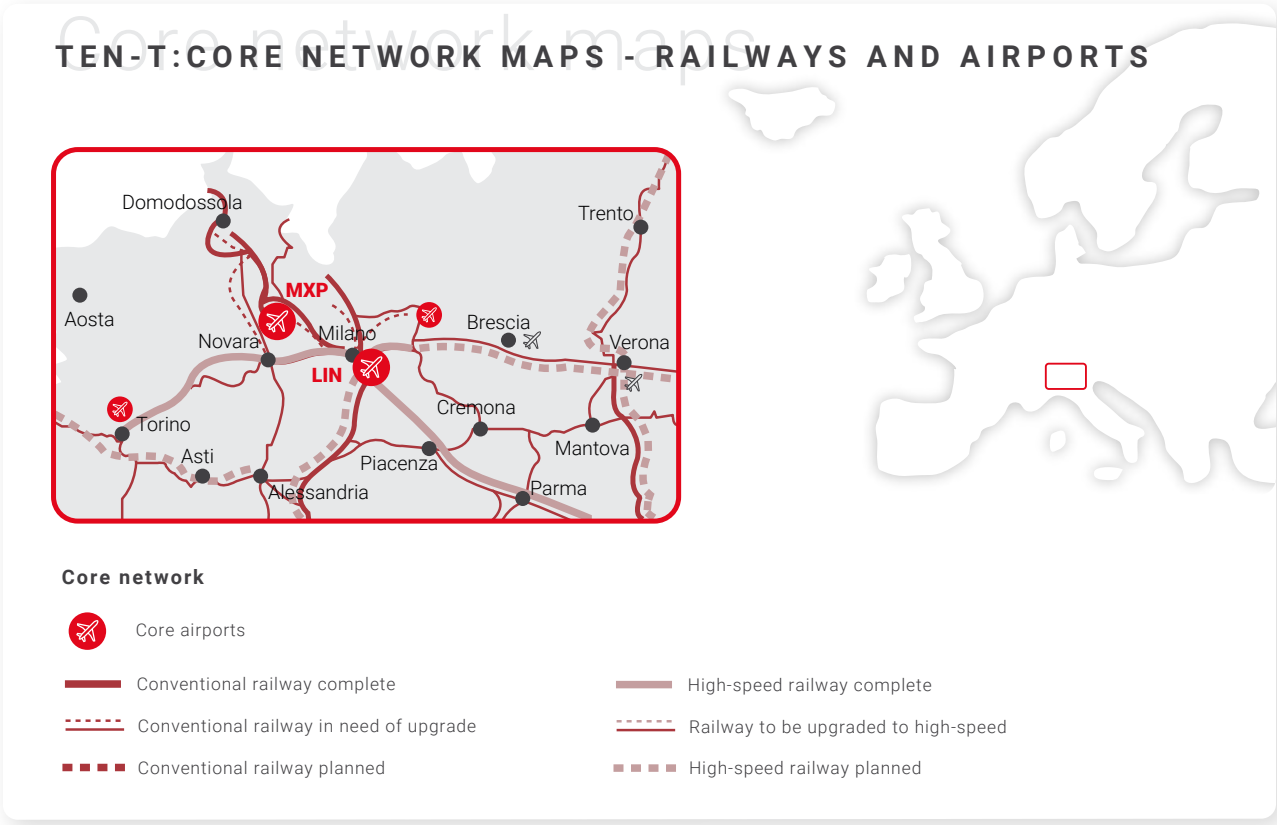
	2020	2019
ASK	11,579,831	37,344,826
ASK inter-EU	4,599,419	11,528,158
ASK non-EU	6,980,412	26,816,668
ASK non-EU/ASK total	60.3%	71.8%

Source: ICCSAI Fact Book 2020, 2021

At the same time, the resilience of the cargo sector (which only recorded a 6.2% drop on 2019 in 2020) allowed Malpensa to rise from eleventh to ninth place in the European rankings.

Accessibility to airports in the European, national and regional project framework

Milan Linate and Malpensa are the two leading airports in Lombardy and in the areas surrounding Milan, but also in a larger macro-region extending from central and northern Italy to Switzerland. Improving the connectivity of both airports within this large area - through a system of services and infrastructures that guarantees safe, efficient, and innovative accessibility for all - is an enabling factor in the competitive and sustainable growth of the airports themselves.



Source: Elaboration by SEA on maps issued with EU Regulation No. 1315/2013 of the European Parliament and Council

The plan to improve road and rail accessibility at Linate and Malpensa is included in the regional, national and European connectivity development strategies. In fact, both airports are viewed as "core" hubs in the Trans European Transport Network (TEN-T) and are connected to other network elements through multi-modal links. Improving these inter-modal connections between airports and other transport infrastructures is a priority of the European strategy[8] to promote the competitiveness and sustainable development of EU countries. At national level, integrating the TEN-T network guidelines and the National Airport Plan criteria with the infrastructure annex to the 2021 Economic and Financial Document places Milan's Linate and Malpensa airports in the first-level SNIT airport network, for which several projects are underway to improve (rail) accessibility by connecting the airport network to the railway and/or metro network to increase the modal share of access to airports by public transport.

[8] *Regulation (EU) No. 1315/2013 of the European Parliament and Council of December 11, 2013, on the EU guidelines for Trans European Transport Network developments.*

Rail accessibility improvement initiatives involving Milan's airports

Description	Airport	2021 EFD Annex Table
Connections to airports in some main urban hubs via metro or the RFI network (Naples, Milan Linate, Genoa, Lamezia Terme, Bergamo, Florence, Venice, Catania) through the creation of interchange stops or improvements to their accessibility or integration	Milan Linate	Priority programmes - Airports (Table A.4.1) Programmes to be submitted to feasibility projects - Airports (Table A.4.3)
Strengthening of railway services connected to Malpensa (Rho-Gallarate, South connection, North connection)	Milan Malpensa	Programmes to undergo a project review - Airports (Table A.4.2)

Source: 2021 Economic and Financial Document, Annex "Ten years to transform Italy - Strategies for sustainable and resilient infrastructure, mobility, and logistics".

At a regional level, the specific objective of improving the airport's supra-regional integration and international competitiveness - identified in Lombardy's Regional Mobility and Transport Programme - is a response to the more general goal of improving connectivity in Lombardy in order to strengthen its competitiveness and socio-economic development. This objective is expressed through two separate strategies for Milan's airports:

- to foster Malpensa's development as a primary airport serving Northern Italy in its role as an international and intercontinental gateway
- to strengthen Linate's role as a city airport, taking advantage of its strategic location in the metropolitan area.

Both strategies foresee the completion of works to provide efficient and multi-modal accessibility and to optimise road and rail connections and shared transport services.

System of actions defined in the PRMT

	Actions
Railway infrastructure and regional railway service	F6 - Accessibility to Malpensa
	F9 - Rho-Gallarate expansion
Car-metro-tram service, cableways and complementary mobility	T2 - New Milan metro lines M4 Lorenteggio/San Cristoforo-Linate

Source: The Lombardy Region's 2016 Regional Mobility and Transport Plan (PRMT)

MEANS OF PASSENGER GROUND TRANSPORT TO MILAN'S AIRPORTS

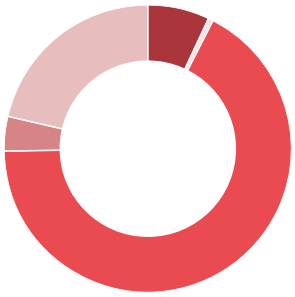
The impact of the pandemic on people's transport habits can still be felt in 2021, and also applies to the ways in which passengers use modes of transport and services to reach airports.

Both airports recorded a significant increase in the number of people travelling to the airport in a private vehicle: +10% at Linate compared to 2019, to the detriment of taxis and buses, whose shares fell by 8% and 2% respectively; Malpensa, meanwhile, recorded an 8% increase, with a 9% drop in the use of buses, and a 1% drop in taxis.

The use of trains to and from Malpensa was up 1%.

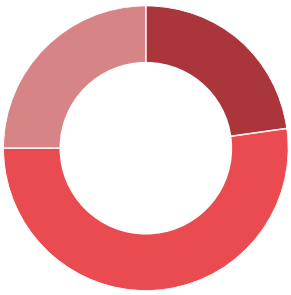
Means of passenger ground transport to Milan's airports

MALPENSA



- **7% BUS** ▼ -9 p.p.
- **67% CAR** ▲ +8 p.p.
  (62% own and third-party; 5% hired)
- **4% TAXI** ▼ -1 p.p.
- **21% TRAIN** ▲ +1 p.p.
- **1% OTHER** ▲ +1 p.p.

LINATE



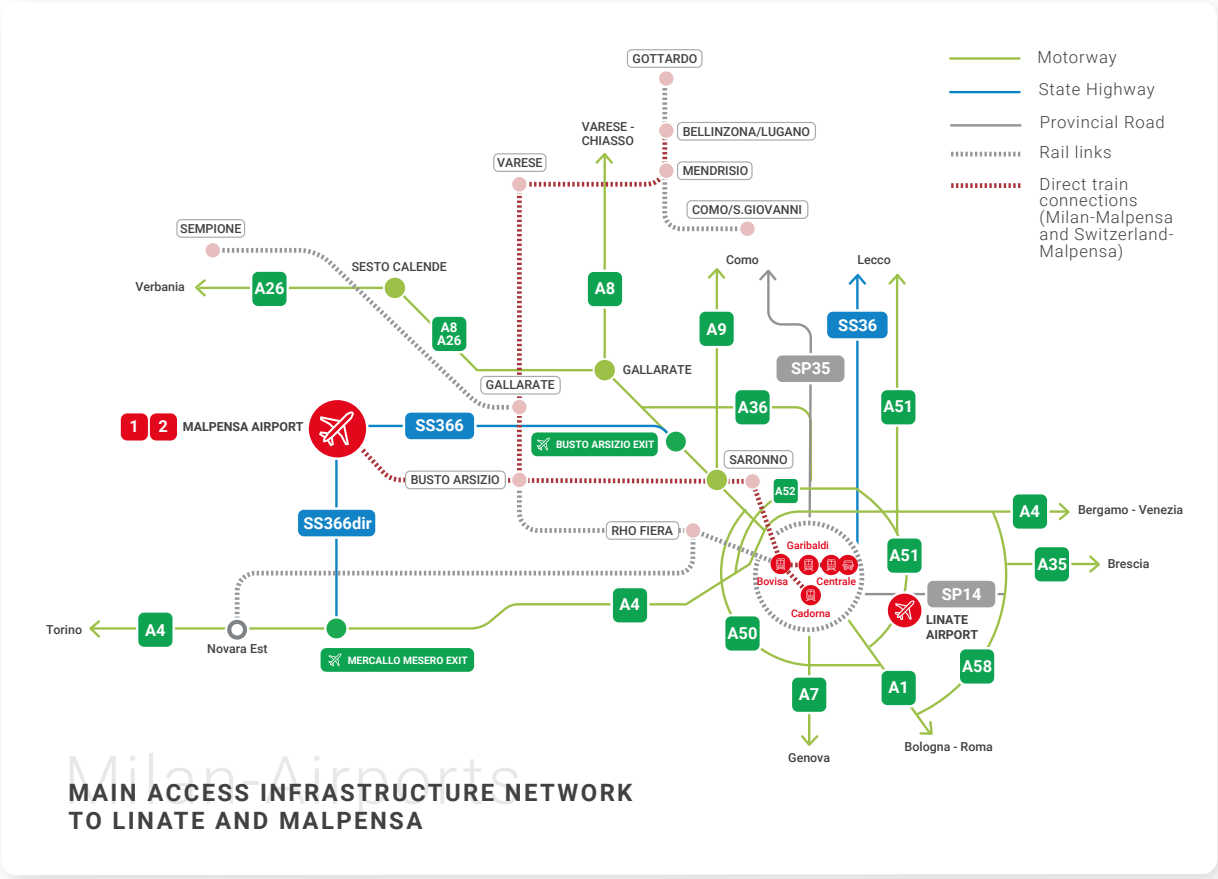
- **23% BUS** ▼ -2 p.p.
- **52% CAR** ▲ +10 p.p.
  (44% own and third-party; 8% hired)
- **25% TAXI** ▼ -8 p.p.

Source: profile of passengers using the Milan system in 2021 vs 2019, processed by SEA using DOXA data

CURRENT AND FUTURE ACCESSIBILITY OF LINATE AIRPORT

Main Access Infrastructure Network to Linate and Malpensa

Linate Airport is one of Italy's main city airports and is being called upon to respond to new challenges and opportunities within a context of continuous evolution, both with reference to accessibility to the Milan and regional metropolitan areas, and with reference to new production and commercial hubs, which will be built in the area adjacent to the airport (Westfield). As such, Linate will become a gateway for public transport travel thanks to the new M4 metro line, and the new network and services defined by the Milan, Monza, Brianza, Lodi and Pavia Bacin Programme.



MAIN ACCESS INFRASTRUCTURE NETWORK TO LINATE AND MALPENSA

New local public transport network in the area surrounding Linate, as defined in the LPT Agency's Basin Plan for the Milan, Monza-Brianza, Lodi, and Pavia basins

Line	Developments
Route 38: Linate Airport - Dateo S.	Extension
Route 73: Linate Airport - Duomo M1-M3	Cancelled, with the entry into operation of M4
Route 73/: S. Felicino - Duomo	Number changed to 973, the route will link Pioltello Limito FS to Linate M4
Route Z409: Rodano - Limito - Segrate S. Felice	The direct route to Linate airport has been cancelled and will now involve an interchange with Route 973. Route 409 will connect Rodano - Pioltello Limito - Pioltello Malaspina
Route 183: Linate Airport - Hydroscalo	Still in operation (unchanged)
Route 923: S. Raffaele Hospital - Linate Airport	Urban route in the City of Segrate (expected to be continued)
Route 901: Linate M4 - Peschiera Borromeo - Milano San Donato M3	Extension
Route 927: Vimodrone - Segrate - Linate M4	New route

Source: SEA data based on the LPT Agency's Basin Plan for the Milan, Monza-Brianza, Lodi and Pavia basin (2018)

ROAD ACCESSIBILITY

Linate airport is currently accessible solely via road, from both the city centre and outlying areas, through the Milan ring road system - the foundation for all major road infrastructure serving the local area and connecting to the national motorway system.

Main bus connections with Linate airport

Line
Route 73: Linate - Duomo M1/M3
Route 73/: S. Felicino - Duomo M1/M3
Route Z409: Rodano - Limito - Segrate S. Felice
Route 183: Linate - Idroscalo
Route 923: Linate - S. Raffaele Hospital
Linate - Milan Lambrate - Milano Centrale
Linate - Milan Dateo - Milano Centrale
Linate - Monza
Linate - Bergamo - Siena
Linate - Bergamo - Savona
Linate - Bolzano - Genoa

The airport is connected to the city via a metropolitan public transport route and two shuttle services departing from Milan Central Station. Additional urban and suburban public transport routes connect the airport to neighbouring municipalities. Other public transport services connect Linate to other cities.

The user base for Linate airport primarily consists of the entire central portion of the region of Lombardy. This area is characterised by significant road congestion due to the central role played by Milan in the regional economic system. Accordingly, various efforts to develop and enhance the existing infrastructure system have been planned.

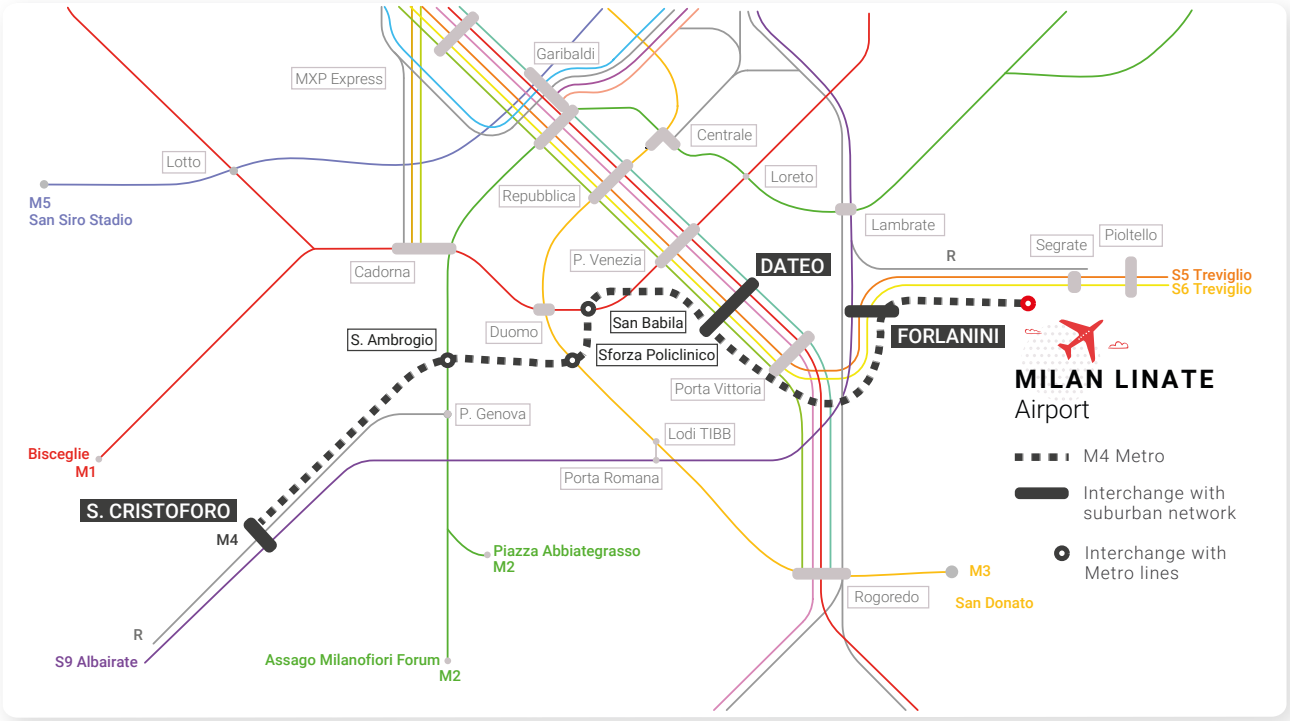
Developments envisaged for road accessibility to Milan Linate: main road works

Road segment	Action
SP415 Paullese	Upgrading and improvement of the section between Peschiera Borromeo and Crema - lots 3 and 4
Cassanese Bis	Creation of a new link to the town of Segrate (as an alternative to SP103 Cassanese) by means of a dual carriageway with two lanes in each direction of travel between the transport hub and Pioltello
SP15b	Upgrading of SP15b, including the multi-level junction near Linate airport and the Idroscalo-Tribune multi-level junction
Pedemontana Lombarda Motorway	Completion of sections B2 and C
	Completion of section D
Pedemontana- BreBeMi inter-connection	Construction of a two-way motorway and five motorway junctions to connect the two road networks
A4 Milan -urban section	Creation of fourth dynamic lane
A51-SS415 ring road	"Olympics Decree": adaptation of the Mecenate junction on the Milan East Ring Road (A51)

Sources: Updated transport study attached to the Linate Master Plan, 2021; "Infrastructural works planned for Lombardy" by the Lombardy Region (https://www.infrastrutturetracciati.servizirl.it/)

ACCESSIBILITY BY RAIL

In 2021, work was completed on the first operational section of the new M4 metro system, which links Linate Airport to Forlanini railway station, stopping along the way in Repetti. The section has not yet entered into service.



Completion of the metro line to San Cristoforo (scheduled for 2023) will connect Linate directly and more quickly to Milan's east-west transport network. The new metro line will also allow passengers to change onto suburban railway lines at Forlanini, Dateo, and San Cristoforo, thus integrating the airport into the regional rail transport network. The number of passengers and employees travelling to the airport by car is expected to reduce significantly when the M4 line opens. It will also reduce the amount of traffic on the airport's access roads - and the related polluting atmospheric emissions - limiting congestion and reducing travel times for vehicles not travelling to/from the airport.

To integrate public transport services by road with the M4 rail transport service, SEA is planning to build the Milan Linate Intermodal Hub, which will connect different modes of transport and will be located in the area between Viale Forlanini and the new M4 line. The hub will feature innovative technology, navigable routes, and a resilient structure that will be able to adapt to new mobility needs, while also hosting additional innovative, sustainable, and shared mobility services (e.g., electric bike sharing and car sharing, etc.). These works will help enhance the role of Linate Airport as a transport hub in the urban network, expanding its purpose beyond that of an air transport access terminal.

DEVELOPMENTS ENVISAGED FOR RAIL ACCESSIBILITY FOR MILAN LINATE

Developments envisaged for rail accessibility for Milan Linate

Section	Description
Milan metro line M4 (San Cristoforo FS-Linate) or the "Blue Line"	The line will extend across the city for approx. 15 KM from west to east, optimising not only the airport connection but, more generally, also that with the entire metro and urban rail system. Construction work on the Linate stop and the Forlanini FS-Repetti-Linate section has been completed
Milan East Gate Hub	The project involves the construction of a new intermodal "Segrate Porta Est" rail-to-road station, which will be connected to Linate airport via the extended M4 metro line
Rogoredo FN/M3 station - Forlanini station	Olympics Decree: new tram service between Rogoredo FN/M3 station and Forlanini station in Milan
Brescia-Verona HS/HC line	Olympics Decree: new railway works in progress. Length: 47.6 km, maximum speed: 250 km/h, maximum gradient: 12/mile, power supply: 3000 V DC, signalling: ERTMS-L2

Sources: Updated transport study attached to the Linate Master Plan, 2021; "Infrastructural works planned for Lombardy" by the Lombardy Region (https://www.infrastrutturetracciati.servizirl.it/)

The infrastructure development involving the area adjacent to the airport include the Milan East Gate Hub project, which envisages the construction of a new high-speed railway station in Porta serving the railway link to the east of Milan. This link will become an interchange hub between suburban, long-distance, high-speed, and local public transport services. The project will also connect the new station to Linate Airport by extending the M4 metro line, thus building a functional relationship between Linate's airport services and high-speed services on the Milan-Venice route. The second phase of the technical-economic feasibility project for the Milan East Gate Hub has obtained 50% co-financing from the European Commission as part its CEF Transport Reflow Call in 2019. The time scale for completion of the works is 2028.

CURRENT AND FUTURE ACCESSIBILITY OF MALPENSA AIRPORT

Malpensa is a strategically important airport and boasts the most significant long-haul destination network in Northern Italy's airport system. The medium-long term will see Malpensa strengthen its role as a point-to-point intercontinental airport able to attract leading international airlines, especially for long-haul flights. This move is mainly the result of two factors. Firstly, international routes are expected to experience the highest growth rates in the coming years, for which Malpensa will become the leading airport in the "macro-region" of Northern Italy. Secondly, Malpensa offers airlines the ideal conditions to introduce more advanced business models, allowing them to significantly expand their catchment areas by implementing new organisational strategies, such as the improvement of "operational bases" for low-cost airlines, and the implementation of various forms of alliance, code-sharing, and transit support. These traffic trends will also result in changes to the passenger mix. In terms of outgoing trips, the share of passengers travelling from further afield to Malpensa is expected to increase, due to the growing international and intercontinental role played by the airport, which serves the northern macro-region. Similarly, there is expected to be an increase in the number of incoming international passengers needing to use services and modes of transport other than their own cars to leave Malpensa Airport once they arrive. For these reasons, it will be necessary to develop a modern and efficient airport connection system comprising a network of rapid, integrated and resilient road infrastructures, and an integrated railway network at a regional, supra-regional and international level, thereby strengthening shared rail transport services.

ROAD ACCESSIBILITY

The main access road network to Malpensa comprises the A8 and A4 motorways, which join the SS336 state road leading directly to the airport.

The road system is used both by private vehicles - such as cars, hotel shuttles, and tourist buses - and by a plethora of collective public transport systems and individual transport systems: bus services, taxis, NCC (chauffeured car-hire), and car-sharing options.

Main bus connections with Malpensa Airport

Line
Malpensa - Linate
Malpensa - Bergamo/Orio al Serio
Malpensa - Milano Centrale
Malpensa - Turin
Malpensa - Novara
Malpensa - Domodossola
Malpensa - Lake Maggiore
Malpensa - Genoa
Malpensa - Gallarate/Castelnovate
Malpensa - various cities (Bologna, Livorno, Rome, Frankfurt, Lugano, Zurich, etc.)

In the coming years extensive infrastructural investments are scheduled for the Lombardy rail network - a priority for the development and competitiveness of Malpensa - whose conclusion should have a positive impact on the quality of connections with airport, both in terms of journey time reduction and ease of access. Some works will be financed by the Olympics Decree to render mobility along roads connecting the Olympic sites safer and more efficient.

Developments envisaged for road accessibility for Milan Malpensa

Road segment	Description of the work
SS336: Upgrades to Busto Arsizio - Gallarate-Cardano	Olympics Decree: upgrades to the road between Busto Arsizio and Gallarate-Cardano
SS341 bypass and Gallarate link road	The project involves creating a bypass to the SS341 Gallarate road, which will comprise a two-lane section in each direction between the A8 motorway and the SS336 road (the Gallarate link road), in addition to a single-lane section between the SS336 road and the Municipality of Vanzaghello. The Malpensa development works included in the Framework Regulatory Agreement are critical in guaranteeing the flow of traffic from the A36 (Pedemontana) motorway to Malpensa. ICEP must approve the Gallarate road link section
Pedemontana Lombarda Motorway	Completion of sections B2, C, D, VA 13+14, and the Varese 2 and Como 2 bypasses
Sempione SS33 bypass between Rho and Gallarate	Creation of a bypass to the west of the residential areas along Sempione Regional Road 33, which comes off the Milan Western Ring Road at the Rho junction, and will eventually join the future bypass to Regional Road 341
SS336dir	A southward extension of the SS 336 section, beyond the Magenta link road to the A4 Milan-Turin motorway, towards the Tangenziale Ovest (West Ring Road) with branching to Vigevano
A4 Turin-Venice	Upgrading of the A4 Turin - Venice urban segment and creation of a flexible fourth lane
Somma Lombardo ring road and Besnate-Malpensa connection	The project aims to create a road that bypasses Somma Lombardo and connects the SS33, SS336 and SP49 through the construction of an additional segment called the "Besnate-Malpensa connection"
Milan-Rho-Monza A52 North Ring Road	Motorway Development of the existing Rho-Monza road link at the A8 (Baranzate)-A52 (Paderno, Dugnano) segment, with the construction of a two-lane roadway in both directions, plus emergency hard shoulders and a parallel road for local traffic
SP40 bypass	SP40 bypass (from SP14, to Via Aspesi in Samarate, to the new SS341)
"Milano Laghi" A8	Creation of a fifth lane on the "Milano Laghi" A8 motorway

Source: Updated transport study attached to the Malpensa Master Plan, 2021; "Infrastructural works planned for Lombardy" by the Lombardy Region (https://www.infrastrutturetracciati.servizirl.it/)

ACCESSIBILITY BY RAIL

As for rail accessibility, Malpensa airport is currently accessible via two direct connections:

- from Milan via the Malpensa Express operated by Trenord, consisting of 146 daily return trips, of which 68 are to/from Milan's Centrale Station, and 48 to/from its Cadorna Station, for an overall frequency of 4 trains per hour from two stations, or one train every 15 minutes. The minimum travel time from Milan Cadorna to Terminal 1 is 37 minutes. All the routes will operate with new rolling stock designed specifically for an airport service, with good services and high levels of comfort;
- from Ticino via the Tilo S50, operated by Trenord and the Swiss Federal Railways (FFS), with 38 daily round trips on the Bellinzona-Lugano-Mendrisio-Varese-Malpensa route and a train every hour. The travel time between Biasca and Malpensa is 2 hours and 16 minutes. When the Ceneri Base Tunnel comes into operation in April 2021, the journey time between Lugano and Bellinzona will be reduced by around 15 minutes.

The infrastructure measures deemed crucial by SEA to encourage the integration of Malpensa into the local and medium/long-distance transport network include the construction of the Malpensa T2-Gallarate railway connection and the development of the Rho - Gallarate line.

Developments envisaged for rail accessibility for Milan Malpensa

Section	Description of the work
Upgrades to the RHO-Gallarate Line	Quadrupling of the Rho-Parabiago section, junction "Y" between the FNM line and the RFI line, and upgrading of the section up to Gallarate. The works will directly connect two of the Lombardy economic system's most significant points: the new Rho-Pero Events centre and Milan Malpensa airport. Development of the section between Parabiago and Gallarate, with the quadrupling of the line, will follow
Malpensa Terminal 2 national rail network connection	Olympics Decree: completion of works to extend the electrified double track at Malpensa Terminal 2 by approximately 4.6 km in the direction of the Gallarate junction and 1.1 km in the direction of Casorate Sempione

Source: "Railway accessibility at Malpensa - In-depth evaluation of the scenarios in 2024, 2026 and 2030", Bocconi University - GREEN; December 2020; "Planned infrastructure works in Lombardy" - Lombardy Region (https://www.infrastrutturetracciati.servizirl.it/)

The development of a railway network is an enabling factor that will help reduce the bottlenecks limiting current operations, while the consequent reconfiguration of the service as a whole will make it possible to exploit the new infrastructure network to its full capacity. The funding allocated by the Italian government and the European Union for the construction of new railway connections between Lombardy's three main airports and the RFI and FNM networks, highlights an important functional and organisational integration strategy to link the two modes of transport, accelerated by a desire to optimise the network in time for the 2026 Winter Olympics.

In fact, improvements to Malpensa's railway accessibility - and to the new rail link between Terminal 2 and the Sempione RFI Line in particular - will play a strategic role in the transport connections planned for the Milan-Cortina 2026 Winter Olympics and have been added to the list of essential works. The works will extend the airport's catchment area and will provide certain services that rail access from the south to Milan Malpensa alone would not be able to support. Integrating the RFI and FNM lines will also provide an opportunity to connect the Mediterranean TEN-T to the Reno-Alps corridor, with the intention of enhancing the role played by Milan Malpensa's railway station as a potential interchange hub for medium and long-term services.

NATURAL CAPITAL

All environmental resources that are involved in the airport processes, both in terms of input and as receptors of polluting emissions (climate, water, soil, air, biodiversity, and waste), and that are therefore subject to potential degradation or a decrease in stock, with a knock-on effect on the ecological balance. This includes noise emissions, which also involve a strong socio-relational component.

Environmental and energy policy

It is a precise commitment adopted by SEA to combine the fundamental value of protecting our environmental heritage with development. Its environmental and energy policy is based on the following principles:

- extensive compliance with regulatory requirements;
- an ongoing commitment to improving the environmental and energy performance;
- education and involvement of all actors involved in the airport system for a commitment towards respecting and protecting the common heritage represented by the environment in which it works;
- priority given to the purchase of products and services which adopt similar environmental sustainability parameters, with particular attention to energy saving, the reduction of atmospheric and noise emissions and water conservation;
- identification of sources and controls of CO_2 emissions produced, both direct and indirect, through the involvement of the stakeholders, in order to reduce greenhouse gas emissions in line with the Kyoto protocol and subsequent international agreements and conventions;
- a constant level of monitoring and verification of the processes related to the energy, atmospheric emission, noise and water cycle aspects, and in general the various phenomenon concerning interaction with the ecosystem;
- a highly developed system of listening and communication with a wide range of external actors to ensure transparency and sharing.

The commitment to reduce environmental impacts increases the need to integrate key issues of environmental management into the strategies and economic/financial management of the Company. Through periodic monthly committees, SEA provides stakeholders working in the aviation sector with information on the environment and operational safety externally, this ensures a correct relationship with the local territory and institutions.

Environmental externalities

CO_2 EMISSIONS

SEA has been committed for over a decade to reducing its carbon footprint through a series of measures and interventions for the control and reduction of direct and indirect CO_2 emissions at the airport, and in particular those deriving from direct activities.

Airport Carbon Accreditation

Since 2009 SEA has been a member of the Airport Carbon Accreditation initiative launched by ACI Europe (Airport Council International) to promote airport contribution to the fight against climate change. The project required the introduction of a series of actions for the control and reduction of direct and indirect CO_2 emissions by Airport Managers, operators, aircraft and by all those working within the airport system. In November 2020 the Airport Carbon Accreditation programme added an additional level of accreditation to expand the opportunities for airport operators to demonstrate their commitment to reducing absolute greenhouse gas emissions. The programme now includes the following levels:

- *1 Mapping* - checking of emissions under the direct control of the Airport Manager (scope 1 and 2);
- *2 Reduction* - creation of an emission reduction plan (scope 1 and 2);
- *3 Optimisation* - calculation of the emissions produced by the airport stakeholders and their involvement in the reduction plans (scope 3);

- *3+ Neutrality* - the achievement of Carbon Neutrality in terms of emissions under the direct control of the Airport Manager (Scopes 1 and 2), with the purchase of offsets.
- *4 Transformation* - The additional level has been introduced to commit member airports to the absolute reduction of scope 1 and 2 emissions according to a trajectory that must still achieve the "net zero" objective by 2050. Commitments relating to scope 3 have also been strengthened through the adoption of a specific Stakeholder Partnership Plan;
- *4+ Transition* - As with level 3+, this level is achieved by neutralising residual emissions through the purchase of offsets.

In 2021 both SEA airports were awarded Airport Carbon Accreditation Level 4+, having devised a plan to reduce absolute scope 1 and 2 carbon emissions. In line with its ACA accreditation, SEA is committed to reducing its direct emissions and achieving "net zero" by 2030.

NetZero2050

In June 2019, SEA committed to the "NetZero2050" resolution promoted by ACI Europe, which requires its 500 members to reach "net zero" CO_2 emissions by 2050.

This commitment is accompanied by a need for the aviation sector to develop a shared long-term goal and vision towards achieving zero carbon emissions.

Operators at zero emissions airports will not be able to purchase offset credits to achieve neutrality. Offsetting is considered a temporary measure to deal with residual emissions, which airports will gradually have to replace with the use of renewable energy as new technologies and decarbonisation opportunities arise. NetZero2050 has been signed by over 200 airports managed by more than 47 airport operators in 42 European countries. As such, SEA and the European airport industry are aligning themselves with the Paris Agreement and the latest reports from the IPCC, which reaffirm the need to guarantee a temperature rise of no more than 1.5°C.

CO_2 emissions trend

Carbon dioxide emissions are subdivided as follows:

Scope 1 - Direct emissions associated with sources owned or controlled by the Group's companies, such as fuels used for heating and operational means necessary for airport activities.

Scope 2 - Indirect emissions associated with the generation of electricity or thermal energy acquired and consumed by the Group's companies.

Scope 3 - Other indirect emissions deriving from the activities of the Group's companies but produced by sources not belonging to or not controlled by the companies themselves. Scope 3 emissions include:

- the LTO (Landing Take Off) cycle of aircraft - emissions from aircraft owned/operated by carriers;
- emissions from machinery for ground handling activities and handler management;
- emissions from vehicles used by passengers and cargo for access to the airport;
- emissions from employee business trips.

The increase in (scope 1, 2 and 3) emissions recorded in 2021 was due to the slight increase in traffic during the COVID-19 pandemic. The same caution should also be applied to the interpretation of performance in the tables set out below.

GHG intensity of the SEA Group (tons/turnover Euro millions*)

	2021			2020			2019		
	Malpensa	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**
Scope 1	574.0	605.2	**584.3**	579.2	800.7	**640.3**	227.5	347.5	**256.4**
Scope 2 Location-based	1.8	0.5	**1.4**	1.1	0.5	**0.9**	1.0	0.3	**0.8**
Scope 1 + Scope 2 Location-based	575.8	605.6	**585.7**	580.3	801.2	**641.2**	228.5	347.8	**257.2**
Scope 3	2,126.3	1,066.4	**1,774.1**	1,393.6	710.6	**1,205.3**	2,009.8	881.8	**1,738.7**

(*) Group turnover net of IFRIC.

Source: SEA

CO_2 emissions of the SEA Group (tons)

	2021		2020		2019	
	Malpensa	**Linate**	**Malpensa**	**Linate**	**Malpensa**	**Linate**
Scope 1	124,644	65,401	107,830	56,730	122,172	59,051
Scope 2 Location-based	391	49	199	33	529	43
Scope 2 Market-based	690	87	335	55	809	66
Scope 3	461,749	115,240	259,426	50,350	1,079,163	149,840

Note: The "Table of national standard parameters: coefficients used for the inventory of CO_2 emissions in the UNFCCC national inventory" (average values for years 2018-2020) emission factors were used for Scope 1 emissions in 2021. This data can be used for the calculation of emissions from January 1, 2021 to December 31, 2021 for natural gas and heating oil and, in line with previous years, the emission factors of the "GHG Protocol: Transport Tool V2_6" for transport diesel and petrol, while urea emissions have been calculated specifically.

The reporting standard used (GRI sustainability reporting standards 2016) establishes two different calculation methods for Scope 2 emissions, "Location-based" and "Market-based." The "location-based" method requires the use of average national emission factors related to the specific energy mix used to produce electricity. The emission factor used for electricity was updated for 2021 [259.8g CO_2/kWh. Source: "Efficiency and decarbonisation indicators for Italy's energy system and electricity sector" ISPRA 343/2021] compared to the one used for 2020 [277.6 gCO_2/kWh. Source: "Atmospheric emission factors for gases in Italy's electricity sector and the main European countries" ISPRA 317/2020].

The market-based approach uses emission factors based on the contractual agreement for the provision of electricity. Given the absence of specific electricity agreements between the companies of the Group and the suppliers (e.g., a guarantee of origin purchase), for this calculation an emission factor related to the national "residual mix" was used, which for Italy in 2021 was 458.57 gCO_2/kWh, Source: AIB's European Residual Mixes 2020 (Ver. 1.0, May 31, 2021); in 2020 equal to 465.89 gCO_2/kWh, Source: AIB's European Residual Mixes 2019.

From 2020, the total for Scope 3 emissions will comprise the following items and will be calculated as follows: employee business trips, fuel consumption of third-party vehicles (Source: Transport Tool, V2_6), LTO cycles (Sources: EMEP/EEA Air Pollutant Emission Inventory Guidebook, 2016 1.A.3.a Aviation, Annex 5, Master Emission Calculator 2016; ICAO Aircraft Engine Emissions Databank), employee access to the workplace, passenger and cargo access to airports. For Scope 3 emissions relating to employee business and commuter travel, it should be noted that the data used for the calculation have been estimated. The aforementioned Scope 3 emissions are those calculated to obtain Airport Carbon Accreditation using methods recognised and verified by the accreditation system. It should be noted, however, that due to the pandemic, the ACA Programme Manager (WSP) will not consider carbon emissions for the year 2020, using 2019 as the reference year for accreditation purposes.

It should also be noted that both Linate and Malpensa airports have been accredited to the new top level (4+ - Transition) of the Airport Carbon Accreditation Programme since 2021. With the introduction of this new level, the ACA has overhauled the methodology for calculating the carbon footprint of airports (including new sources of scope 3 emissions) and has devised a plan to substantially reduce the direct carbon emissions of Airport Managers. The 2021 scope 3 emissions reported in this NFS have been calculated using ACA Level 3+ methodology so that the figures can be compared with previous years, and as a result, they are not certified by WSP. Next year, emissions will also be reported in the NFS using the 4+ Transition methodology devised by the Airport Carbon Accreditation Programme.

Finally, we note that scope 1, 2 and 3 emissions are expressed in tonnes of CO_2.

Source: SEA

The values for direct emission intensities, as a proportion of turnover, are still higher than in 2019 (but lower than in 2020) as a result of the drastic drop in revenues related to the pandemic.

The table below, on the other hand, shows the emissions produced by the Airport Manager (SEA SpA) in order to highlight that the greater share of emissions in airport activities derives mainly from indirect scope 3 emissions, on which SEA may only exercise influence and increase awareness as a consequence of its governance and control "profile".

CO_2 emissions of SEA SpA (tons)

	2021			2020			2019		
	Malpensa	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**
Scope 1 and 2	96,329	18,295	**114,624**	86,107	15,937	**102,044**	100,518	20,368	**120,886**
Scope 3	461,749	115,240	**576,988**	259,426	50,350	**309,776**	1,079,163	149,840	**1,229,003**

Note: Scope 1 and 2 emissions are categorised as methane gas consumption for energy production. Scope 3 data also includes data relating to SEA Energia employees and are therefore equal to the Group's scope 3 emissions.

Source: SEA

GHG intensity of SEA SpA (kg/unit of traffic)

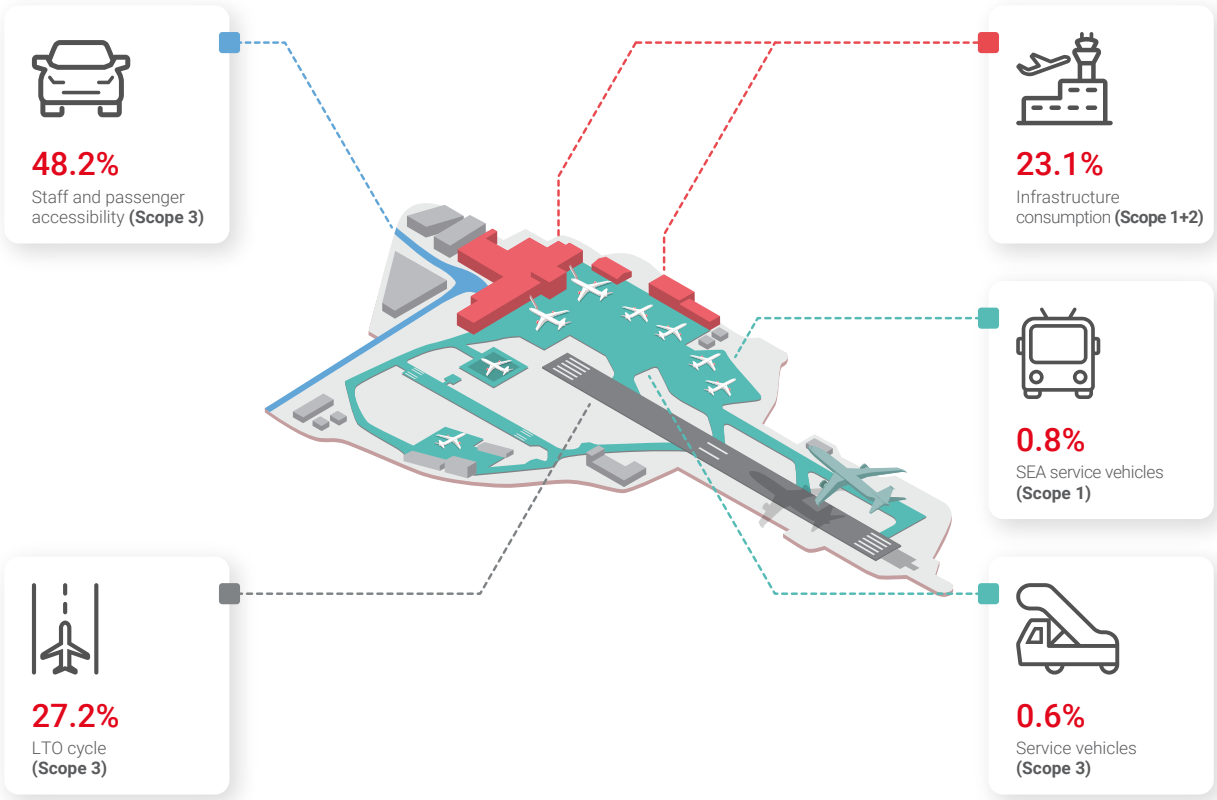
	2021			2020			2019		
	Malpensa	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**	**Malpensa**	**Linate**	**Total**
Scope 1 and 2	5.7	4.2	**5.4**	7.0	7.1	**7.0**	2.9	3.1	**3.0**
Scope 3	27.2	26.7	**27.1**	21.1	22.3	**21.3**	31.6	22.7	**30.2**

Note: per traffic unit means the number of passengers plus goods transported (where 1 pax is equivalent to 100 kg of goods).

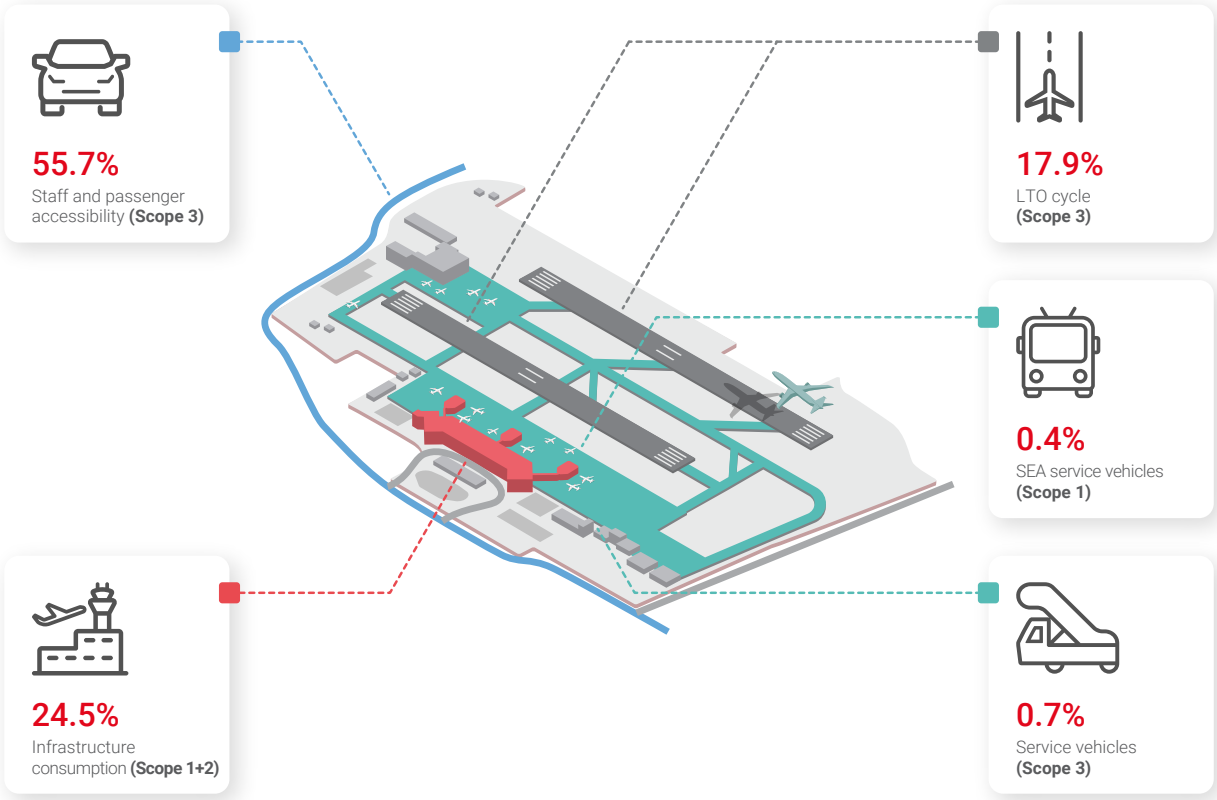
Source: SEA

Breakdown of SEA SpA CO_2 emissions into Scope 1, 2 and 3 (% of total emissions)

LINATE AIRPORT 2020

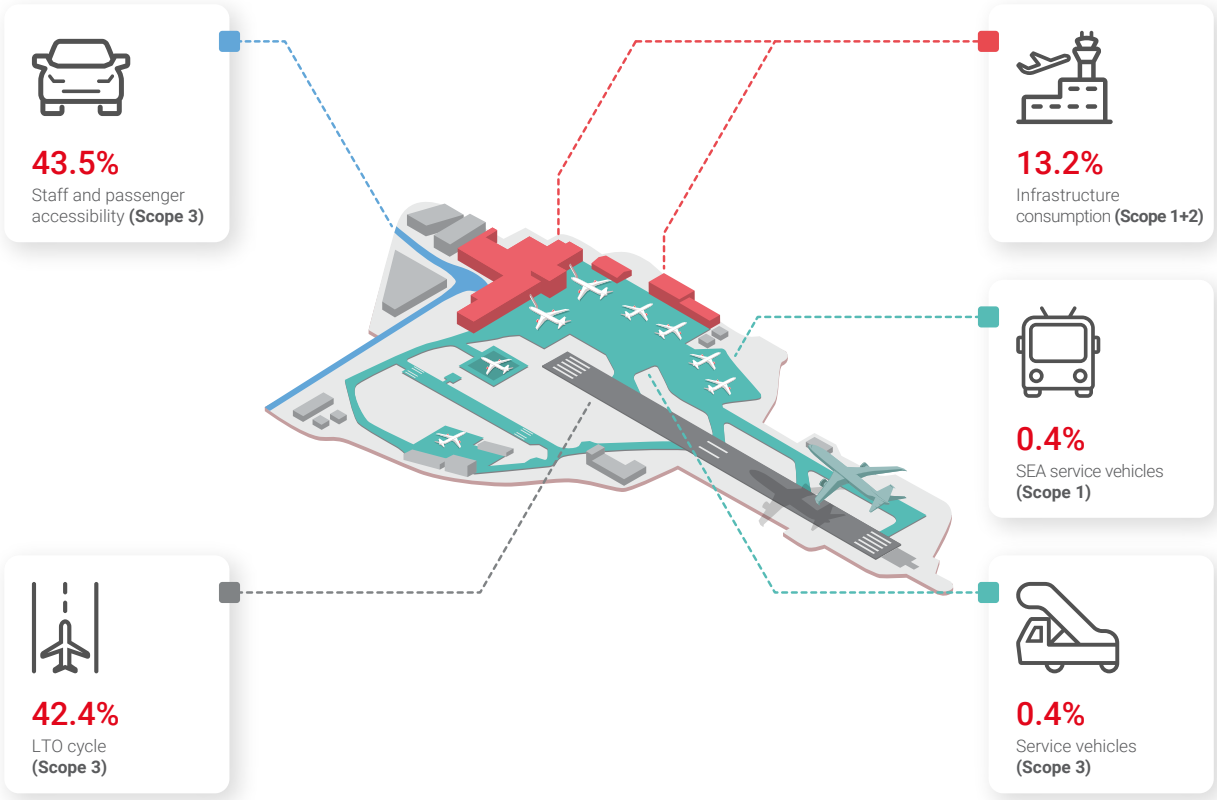


MALPENSA AIRPORT 2020

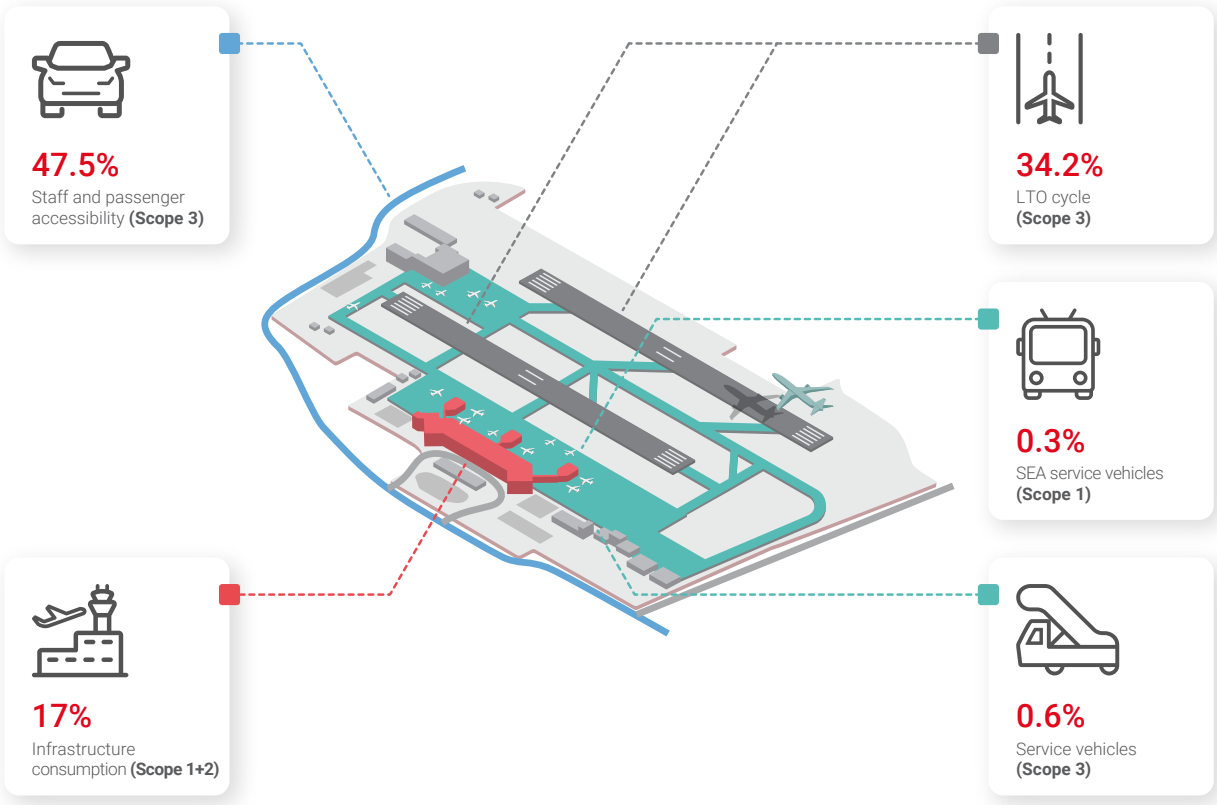


Source: SEA

LINATE AIRPORT 2021



MALPENSA AIRPORT 2021



Source: SEA

The largest share of total CO_2 emissions resulting from airport activities falls into the scope 3 category and primarily relates to the landing/take-off (LTO) cycle of aircraft, the transportation of passengers and employees to/from airports, and the travel of handlers across the airport grounds. Scope 3 accounts for 82.3% of emissions at Malpensa and 86.3% at Linate. The emissions produced under the responsibility of the Airport Manager (scope 1 and 2 - airport energy consumption and use of vehicles for airport activities) account for 17% of the total at Malpensa and 14% at Linate (the percentage was 9% for Malpensa and 12% for Linate prior to the pandemic in 2019).

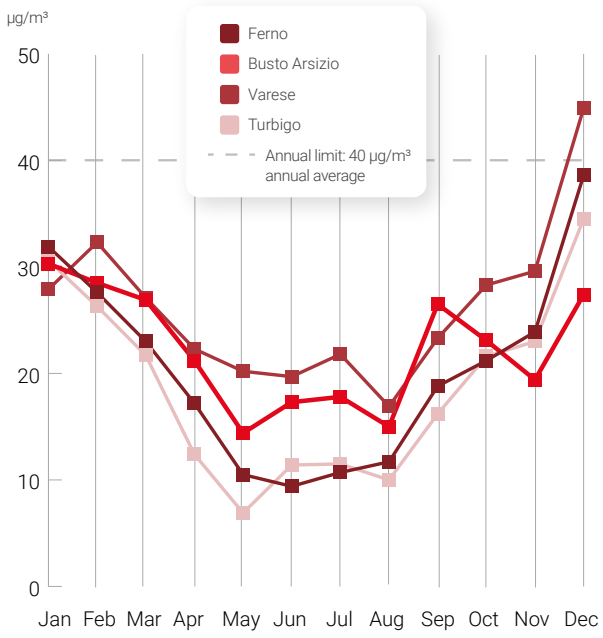
AIR QUALITY IN THE MALPENSA AREA

The atmospheric impact of airport activities relates to a series of main emission sources, including vehicular traffic inside and outside of the airport grounds, means used for loading, unloading and ground handling operations and aircraft movements and their Landing and Take-Off (LTO) cycles.

SEA is not directly involved in and cannot control airline-specific processes, such as the technological evolution of fleets, their emissions efficiency or the definition of flight routes and scenarios. Nor can it directly control the amount of external vehicular traffic, which is closely correlated with the level of intramodality of the territorial context in which the airport is located. To ensure effective air quality control the Regional environmental protection agency of Lombardy (ARPA) monitors on a daily basis the presence of atmospheric pollutants across the entire region through 158 monitoring stations. In the province of Varese, the air quality recording network comprises 7 fixed stations, 2 mobile stations and 4 gravimetric sampling instruments for the measuring of soft dust. The average figures, established by the daily results published by ARPA for the Malpensa area, are collected from a monitoring station in the immediate vicinity of the airport (Ferno) and from the other stations located in urbanised areas (Busto Arsizio and Varese) while the Turbigo control unit is indicative of air quality in the areas south of Malpensa airport.

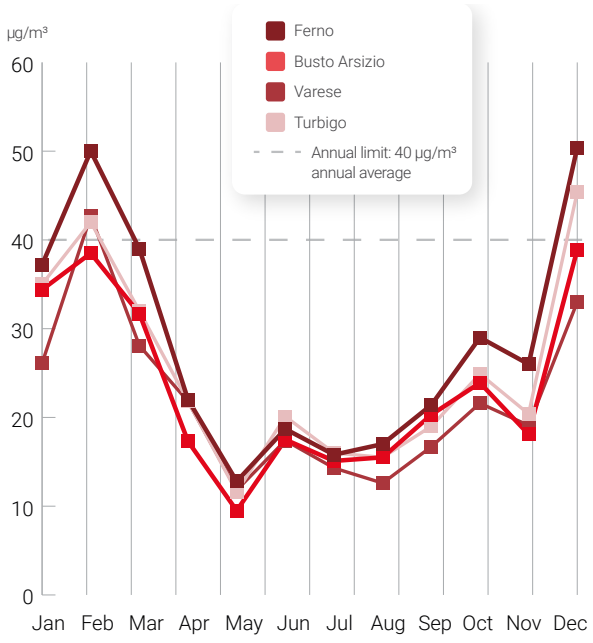
Mono-nitrogen oxide in general (NOx) is produced during the combustion process due to the reaction which, at high temperatures, takes place between nitrogen and oxygen in the air. Therefore, these oxides are directly emitted into the atmosphere following all high temperature combustion processes (heating plant, vehicle motors, industrial combustion, power stations, etc.), by oxidization of the atmospheric nitrogen and, only to a small degree, by oxidization of the oxygen particles contained in the combustible utilized.

Malpensa surrounding area monitoring - Average nitrogen dioxide (NO_2) monthly values



Source: Arpa Lombardia, 2021

Malpensa surrounding area monitoring - Average particle (PM10) monthly values

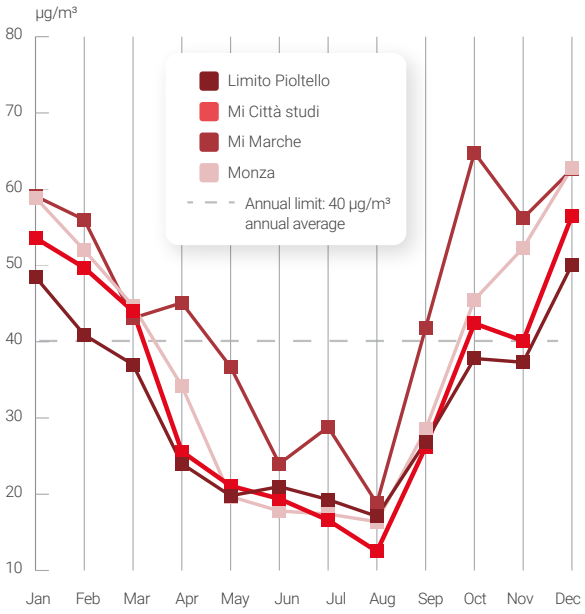


Source: Arpa Lombardia, 2021

AIR QUALITY IN THE LINATE AREA

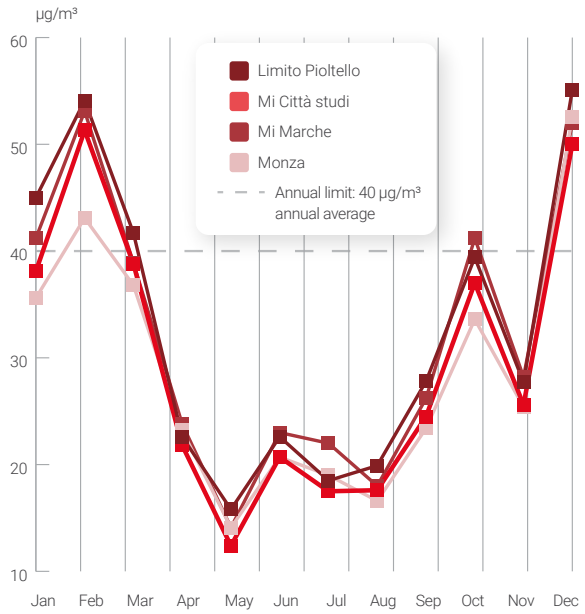
For Linate the average monthly values are considered, established by monitoring stations in the immediate vicinity of the airport (Limito-Pioltello) and of other stations in urban areas (Milan-Città Studi, Milan-Marche, Monza). Overall, based on the range of data collected from the areas neighbouring the two Milan airports, over the years - although the airports comprise a significant source of emissions - no significant differentiation exists between the quality of air compared with other areas of the provinces.

Monitoring of the areas surrounding Linate - Average nitrogen dioxide (NO_2) monthly values



Source: Arpa Lombardia, 2021

Monitoring of the areas surrounding Linate - Average particle (PM10) monthly values



Source: Arpa Lombardia, 2021

All stations recorded more or less the same levels of NO2 and PM10, demonstrating that air quality and pollutant concentration levels are largely in line with the rest of the Lombardy region.

NOISE EMISSIONS

Since 2001, SEA has guaranteed the monitoring of aeronautical noise origin at the airports of Linate and Malpensa, in compliance with current national legislation. The monitoring system is equipped with 14 permanent field stations (10 at Malpensa and 4 at Linate) and 4 mobile stations, the latter used for specific studies. SEA operates in collaboration and under the strict control of ARPA (Environmental Regional Protection Agency) in order to improve the monitoring actions and protect the areas which surround its airports. Italian Ministerial Decree of October 31, 1997 defined the index to be used for the measurement of airport noise as the Level of Assessment of Airport Noise, or '*Livello di Valutazione del Rumore Aeroportuale* (LVA)'. Furthermore, it classified three zones around each airport by maximum thresholds of admitted noise, varying according to human settlement types:

- **ZONE A:** The LVA index is set from 60 to 65 dB(A). There are no limits on this category.
- **ZONE B:** The LVA index is set from 65 to 75 dB(A). The LVA index is set from 65 to 75 dB(A), for areas of agricultural, livestock breeding, industrial, commercial, office, tertiary and similar activities.
- **ZONE C:** The LVA index may exceed the value of 75 dB(A) produced exclusively by activities functionally connected to the airport infrastructure.

Exposure to Linate airport noise emissions

In consideration of landing and take-off routes, the municipalities affected by aeronautical noise are: Milan, Peschiera Borromeo, Segrate, San Donato Milanese, San Giuliano Milanese, Pioltello, and, partially, Vimodrone. The following data represents the 2016 update to Linate's noise mapping in relation to population and buildings within the various noise zones in terms of day-evening-night noise exposure (LDEN), measuring the overall nuisance over a 24-hour period, and of night-time noise exposure (LNIGHT).

Strategic noise mapping will be updated using 2021 data for the fourth cycle of the END (Environmental Noise Directive EC/49/2002) and will remain valid for the next five years.

Linate - LDEN and LNIGHT exposure

db LDEN bracket	Population	Buildings	db LNIGHT bracket	Population	Buildings
55-59	22,317	2,168	50-54	15,916	1,380
60-64	14,043	1,185	55-59	483	250
65-69	469	213	60-64	1	7
70-74	1	7	65-69	0	0
Over 75	0	1	Over 70	0	0

Source: SEA

Based on population exposure data for each of the neighbouring municipalities in relation to 60-65 dB and 60-75 dB airport noise assessment level (LVA) zoning, it emerges that the greater impact is on populations in the municipalities of Segrate, San Donato and San Giuliano.

Exposure to Malpensa airport noise emissions

The Malpensa airport grounds are located in the municipalities of Cardano al Campo, Casorate Sempione, Ferno, Lonate Pozzolo, Samarate, Somma Lombardo and Vizzola Ticino. However, considering landing and take-off routes, other municipalities in the provinces of Varese, Novara and Milan are also affected by aeronautic noise.

The following data represents the 2016 update to Malpensa's noise mapping in relation to population and buildings within the various noise zones in terms of day-evening-night noise exposure (LDEN), measuring the overall nuisance over a 24-hour period, and of night-time noise exposure (LNIGHT).

Malpensa - LDEN and LNIGHT exposure

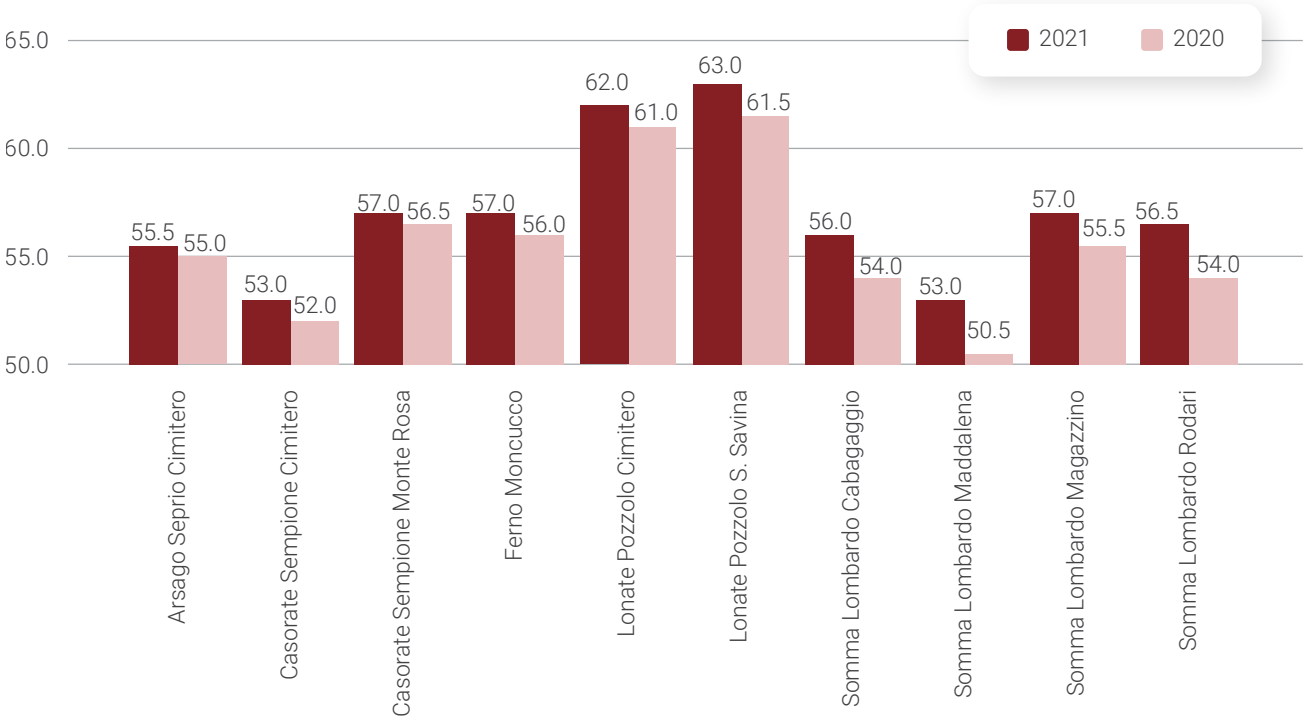
db LDEN bracket	Population	Buildings	db LNIGHT bracket	Population	Buildings
55-59	29,467	17,248	50-54	13,219	7,947
60-64	2,760	2,416	55-59	756	955
65-69	535	507	60-64	104	235
70-74	2	60	65-69	0	20
Over 75	0	0	Over 70	0	0

Source: SEA

Based on population exposure data for each of the neighbouring municipalities in relation to 60-65 dB and 60-75 dB airport noise assessment level (LVA) zoning, it emerges that the greater impact is on populations in the municipalities of Somma Lombardo and Lonate Pozzolo. The boundaries of each zone are identified by the Airport Commissions, according to Italian Ministerial Decree of October 31, 1997. The Linate Commission approved zoning in 2009, while the Malpensa Commission is continuing works with the collaboration of all stakeholders.

The solutions identified in recent years were consolidated and a shared reference scenario was defined in 2021. Comparison and analysis activities were conducted on the scenario approved in 2021 and the regional planning tools used by municipalities, which led to changes to noise curves in some municipalities. The objective is to approve zones by March 2022 and to begin the Strategic Environmental Assessment (SEA) procedure by sending the final draft devised by the Commission to the Ministry for Ecological Transition.

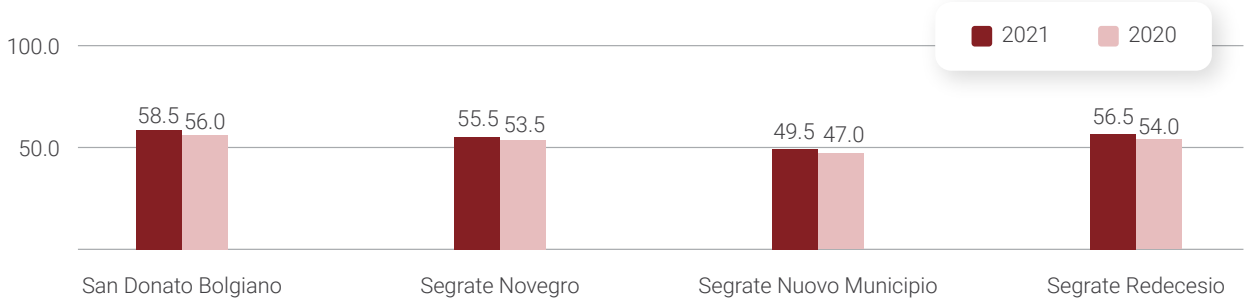
Malpensa - noise monitoring LVA dB(A) (*)



Source: SEA

Note: LVA - Livello di Valutazione Aeroportuale: calculated, in accordance with Ministerial Decree 31/10/1997 - Airport noise measurement methodology, based on the AEL data relating to the three weeks with highest traffic identified in 2021.

Linate - noise monitoring LVA dB(A) (*)



Source: SEA

Note: LVA - Livello di Valutazione Aeroportuale: calculated, in accordance with Ministerial Decree 31/10/1997 - Airport noise measurement methodology, based on the AEL data relating to the three weeks with highest traffic identified in 2021.

(*) The data shown in the figures are awaiting validation by the Lombardia Regional Agency for the Protection of the Environment (ARPA), which controls the airport noise monitoring network according to national legislation.

Monitoring data continued to be influenced by the COVID-19 pandemic in 2021. Slightly higher levels were recorded in 2020 due to the increase in traffic, despite remaining below 2019 at most stations. The acoustic data detected by the monitoring stations is analysed with the aid of a special information system.

By using the radar paths of individual flights provided by the Italian National Flight Assistance Agency (ENAV), it is possible to distinguish aircraft noise from background noise. Detailed information on the noise emissions and operations of SEA airports may be consulted in a specific section of the website www.seamilano.eu.

DISCHARGES AND SPILLS

Management of discharges

The management of water discharge is principally related to the civil sewage filtering and collection systems (or related systems) from the airport infrastructure and from the meteorological wash away of impermeable areas. The collection and separation of domestic sewage from all buildings present at the airport is assured at Malpensa by the sewage network which delivers sewage to the San Antonio consortium filter system, while the Linate sewage network is linked to the Peschiera Borromeo filter system. Waters discharged into the sewer system (sewage and treated first rain waters) are subjected to systematic quality controls. At both airports the quality of the sewage is within the limits established by environmental regulations, as indicated in the tables reporting the parameters monitored.

Linate - Sewer discharge data

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2021	2020	2019	
COD	mg/l	61.1	92.0	101.6	500
BOD5	mg/l	28.2	49.5	45.7	250
Total phosphorus	mg/l	2.8	1.7	2.4	10

Source: SEA

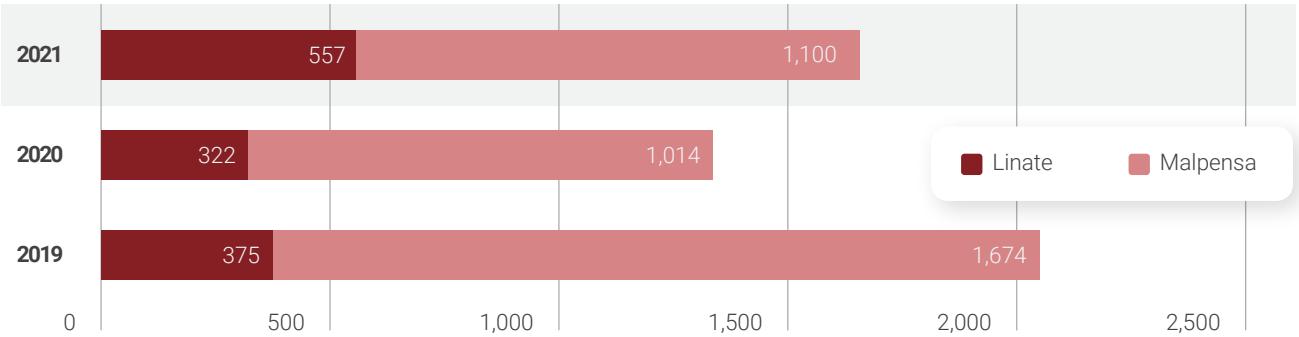
Malpensa - Sewer discharge data

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2021	2020	2019	
COD	mg/l	87.0	118.7	177.0	500
BOD5	mg/l	38.3	49.0	75.8	250
Total phosphorus	mg/l	2.6	2.3	3.5	10

Source: SEA

The following table reports the waste water disposed of through sewerage, with the remaining quantities disposed of.

Water discharge into the sewer system (Ml)



Note: The discharges were estimated as equal to the total withdrawals from wells, net of estimated losses from the water transport network.
Source: SEA

De-icing treatment, relating to the defrosting of aircraft during the winter and when required by the airlines, is carried out at dedicated stands, equipped with a system for the collection of any water discharge from the activities and is treated as special waste. At the beginning of the 2018 winter season, a new de-icing fluid management system was activated at Malpensa, providing for its treatment and final discharge into sewerage. In 2021, waste was managed as part of the plant's maintenance system and thus its disposal was not handled by SEA.

De-icing liquid drained (tons)

	2021	2020	2019
Malpensa	0	0	0.6
Linate	304	235	260.5

Source: SEA

Meteorological water from the airports is collected in service water vessels (Linate) and in the underground area (Malpensa), before, for the areas covered by the regional regulations, the separation of the first flush water (treated with oil removal systems and collected in public drainage collectors).

Linate - Characteristics of the surface water discharge

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2021	2020	2019	
Chromium VI	mg/l	0.01	0.01	0.01	0.2
Copper	mg/l	0.01	0.01	0.01	0.1
Lead	mg/l	0.01	0.01	0.01	0.2
Zinc	mg/l	0.11	0.06	0.12	0.5
Total hydrocarbons	mg/l	0.3	0.1	0.1	5.0

Source: SEA

Before final deliveries, meteoric waters are subjected to periodic quality checks for the parameters shown in the following tables, with qualitative characteristics amply compliant with relevant environmental regulations.

Currently, water re-usage systems are not in place at the airports. Together with other major European operators, we are exploring many aspects related to Water Saving systems and the possible re-usage of meteorological water, in order to save water and rationalise consumption.

Malpensa - Characteristics of the soil discharges

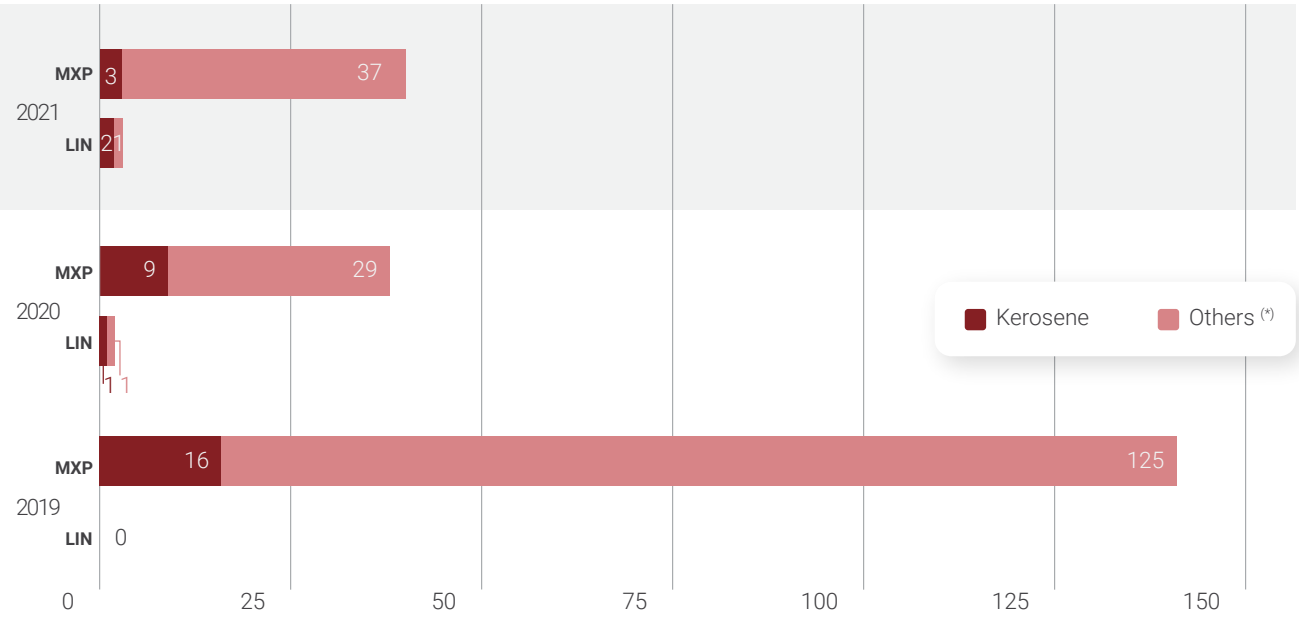
Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2021	2020	2019	
Ph	pH unit	7.35	7.1	7.2	8.0
COD	mg/l	14.7	17.8	22.6	100.0
BOD5	mg/l	10.7	10.4	11.4	20.0
Total suspended solids	mg/l	6.9	6.3	8.5	25.0
Total phosphorus	mg/l	0.1	0.1	0.2	2.0
Lead	mg/l	n.d.	0.01	0.01	0.2
Chromium VI	mg/l	0.01	0.01	0.01	0.2
Copper	mg/l	0.01	0.01	0.01	0.1
Total hydrocarbons	mg/l	0.0	0.1	0.1	5.0
Zinc	mg/l	0.08	0.04	0.09	0.5
Total surfactants	mg/l	0.2	0.3	0.2	0.5

Source: SEA

Management of spillages

We commit to closely considering and ensuring the correct management of potential spillages. In the case of the accidental spillage of fuel or oil in operational areas, runways and stands, procedures are in placed to intercept fluids before they reach the meteorological water drainage systems. A specific procedure applicable to the terminal movement areas is in place at the airports in compliance with environmental protection regulations.

Significant spills (No.)



(*) *Spillages of hydraulic oil from aircraft, of hydraulic oil from operating vehicles and spillages of gasoline from operating vehicles.*
Source: SEA

In these conditions, SEA departments are deployed to co-ordinate the cleaning, reclamation and restoration actions in the affected areas, and the compliance and security conditions after any containment in the affected area of spreading by the laying of a sufficient number of oil absorbent panels by the Fire Services.

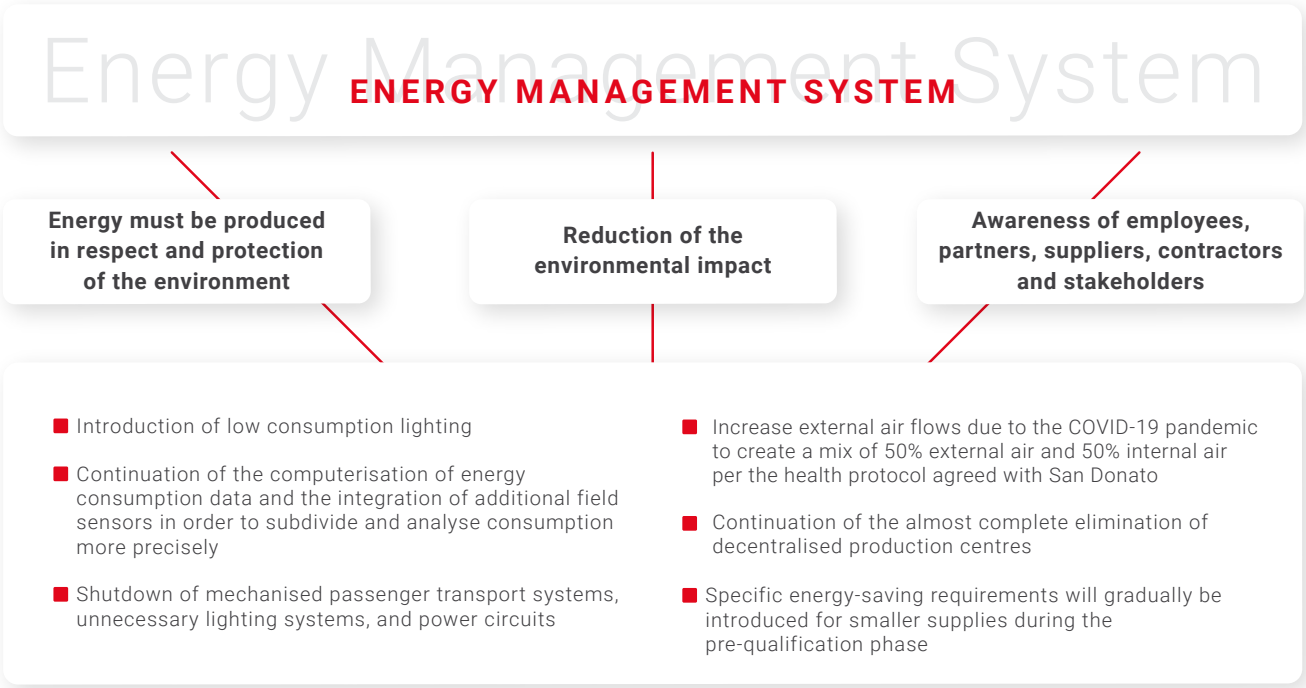
The waste generated by the cleaning operation for each airport is transported to specific airport ecological islands, as established by company procedures, in compliance with environmental protection, safety and workplace hygiene rules. The spillages taken into consideration were those considered significant, in particular those which involved areas equal to or greater than 20 m^2.

The trend is in line with traffic recovery levels in 2021. It is important to underline that these are absolute values unrelated to the number of movements, making the phenomenon frequency almost insignificant. None of these events had any impact on airport safety.

Consumption of natural resources

ENERGY CONSUMPTION

As part of SEA's Energy Management System and ISO 50001 certification, SEA Group's energy consumption management is based on the following principles:



SEA Group energy consumption

	2021		2020		2019	
Unit	**Malpensa**	**Linate**	**Malpensa**	**Linate**	**Malpensa**	**Linate**
Petrol (GJ)	3,202	1,151	3,208	1,064	5,017	1,649
Heating oil (GJ)	2,436	-	2,449	-	1,717	-
Methane (GJ)	2,188,162	1,151,822	1,888,748	997,283	2,135,154	1,037,861
Motor vehicle diesel fuel (GJ)	16,517	6,337	16,234	6,548	29,616	10,262
Electricity acquired (GJ)	5,418	680	2,586	427	6,024	489
Refrigeration energy sold (GJ)	14,606	-	12,684	-	20,199	-
Thermal energy sold (GJ)	9,262	407,516	8,413	393,508	12,902	332,083
Electricity sold (GJ)	387,893	234,813	239,077	180,673	247,445	193,179
Total (GJ)	**1,803,973**	**517,661**	**1,653,050**	**431,140**	**1,896,983**	**524,999**

Note: Conversion co-efficient sources used: Table of national standard parameters: coefficients used for the inventory of CO_2 emissions in the UNFCCC national inventory (average values for years 2018-2020). This data can be used for the calculation of emissions from January 1, 2021 to December 31, 2021 for natural gas and heating oil and, in line with previous years, the emission factors of the "GHG Protocol: Transport Tool V2_6" for transport diesel and petrol. For electricity and thermal energy, the translation coefficient utilised is equivalent to 0.0036 GJ/kWh (Source: GRI Sustainability Reporting Guidelines, Version 3.1). The values for SEA Energia's consumption of transport diesel have been estimated based on the expenses recorded for the year, while SEA's consumption of methane has been estimated for the last three months of 2021.

Source: SEA

Co-generation/tri-generation stations are in operation at both airports, constantly generating energy savings that benefit our Group, the quality of the environment and the inhabitants of neighbouring areas. These stations offer high efficiency services which allow the generation of savings both for the Company and for clients which, thanks to the use of district heating, achieve savings from heat recovery.

In 2021, the total value of consumption recorded by both airports increased by 11.4% compared to 2020 due to the recovery of airport activities.

Energy intensity (GJ/unit of traffic)

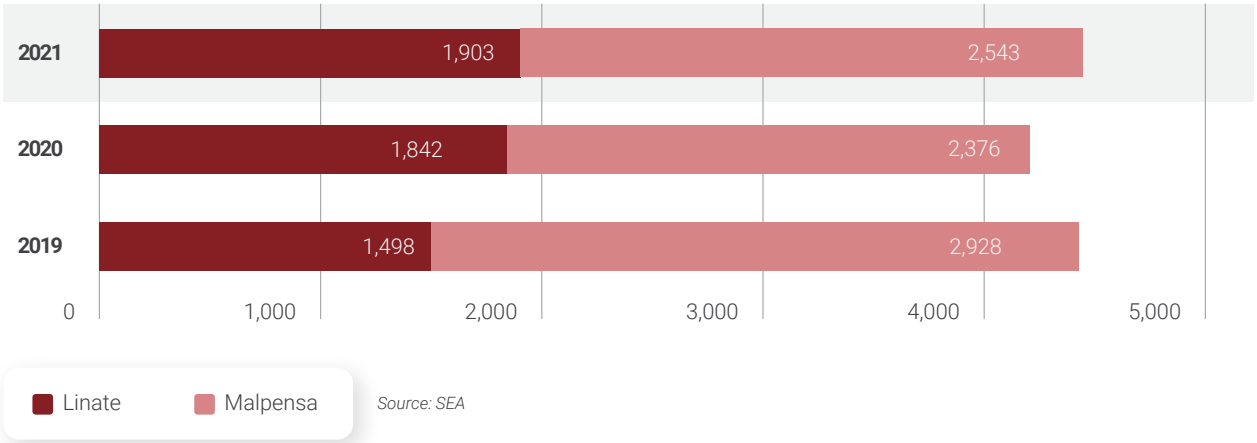
Internal energy consumption	Malpensa	Linate	Total
2019	0.06	0.08	0.06
2020	0.13	0.19	0.14
2021	0.11	0.12	0.11

Note: per traffic unit means the number of passengers plus goods transported (where 1 pax is equivalent to 100 kg of goods).
Source: SEA

WATER CONSUMPTION

SEA has full autonomy over its water supply following the construction of a series of artesian wells within the airport grounds. The principal water sources utilised are aquifers, to which seven wells located at Malpensa and eight wells located at Linate are linked. For Malpensa, the aquifer has a depth of approx. 55 metres (water table measurements carried out using piezometers), while for Linate the aquifer has a depth of approx. 4 metres for wells with a depth of about 35 metres, while drinking wells have a depth of about 100 metres. The water drawn from wells at the airport sites of Malpensa and Linate are distributed for consumption through internal aqueducts. The chemical/physical and quantitative control, in addition to the consumption rationalisation activities, ensure the highest level of attention to resource management. Increased water requirements registered at Linate pertain to higher low-value water consumption (superficial aquifer) used for the "cooling and conditioning" requirements of the airport infrastructure. The quality of the water distributed through the airport aqueducts was subject, in addition to inspections by the Sanitary Board, to an internal programme of bi-monthly checks, which includes the evaluation of the numerous chemical/physical and microbiological parameters. The parameters analysed are significantly lower than the maximum levels permitted by law and highlight the good quality of the water distributed at both airports, both from a chemical and micro-biological viewpoint.

Water consumption (Ml)



Source: SEA

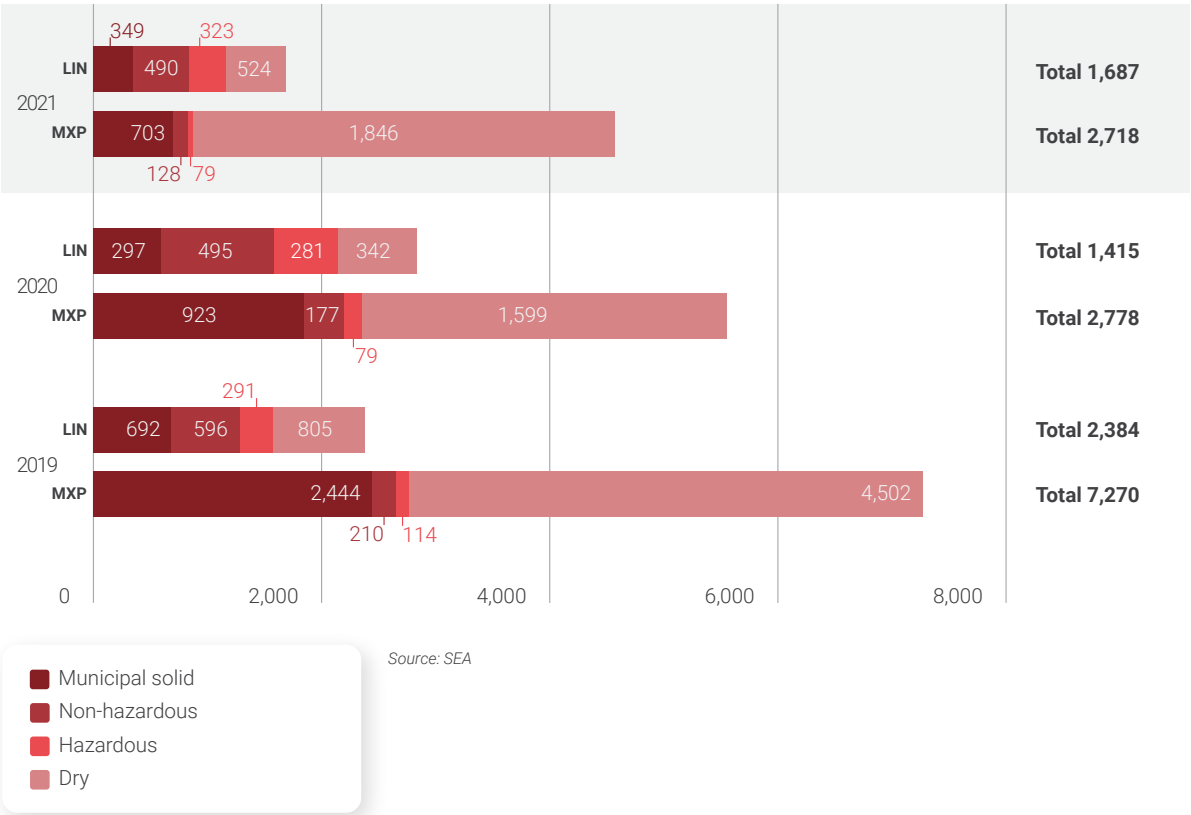
The increase in water consumption at Linate is owed to the use of heat exchange wells due to the installation of larger refrigeration units, which consume more water. These refrigeration units, which are water cooled, boast higher efficiency and lower energy consumption than air-cooled fridges. Water is directed to the seaplane base to replenish the aquifer. The increase recorded at Malpensa Airport is partly due to work to resurface the runway and partly to the resumption of traffic at Terminal 1.

WASTE MANAGEMENT

Waste produced through airport office management, aircraft cleaning, infrastructure maintenance and commercial and catering activity are largely in line with that produced in general urban areas and are broken down into:

- Municipal solid waste and similar from cleaning and waste collection activities in air terminals, auxiliary buildings and aircraft. This waste is collected in dumpsters and bins, appropriately distributed across the airport and disposed of by companies appointed by the relevant regional administrations. Municipal solid waste concerns the dry portion and the separated portions;
- Hazardous special waste (waste oil, oily emulsions, oil and diesel filters, sanitary waste, etc.) and non-hazardous waste (ferrous scrap metal, expired drugs, alkaline batteries, etc.) from SEA maintenance activities;
- Waste from meals consumed by passengers on board aircraft which are managed and disposed of directly by the catering companies and not handled by the airport manager.

Waste produced by type (tons)



Source: SEA

Despite still feeling the effects of the pandemic, Malpensa Airport produced a total of 2,718 tonnes of waste in 2021, which is in line with the previous year. Meanwhile, Linate Airport produced a total of 1,687 tonnes of waste, which is a slight increase on 2020. Again in 2021, SEA confirmed its commitment to the separated collection of municipal urban waste at the Linate and Malpensa airports. Currently, separated collection is implemented for: paper, cardboard, wood, glass, plastic, metal, toner, organic waste and batteries at the areas of the terminal open to the public. Separate waste collection was equal to 39.5% at Linate and 43.5% at Malpensa.

% Separated collection

	2021	2020	2019
Malpensa	43.5	49.7	48.7
Linate	39.5	53.6	51.4

Note: The methods used to calculate separate waste collection percentages changed in 2021 and the data for 2019 and 2020 have therefore been restated. For data on previous years, please refer to the 2020 Non-Financial Statement.

Source: SEA

All special waste produced is separated by type, with specific contracts with companies authorized for the management of such (for example: IT equipment, oils, emulsions, irons, paints, etc.). It is therefore entirely separated by type and disposed of, recycled according to the applicable regulations and the technological standards of the treatment plant to which it is conferred. The dry residual portion of urban waste produced at both airports is disposed of in energy recovery thermal-destruction plant; the separated portion of waste is however allocated to specific recovery and recycling plant (disposal collection and transport or recovery by the Municipality). Special waste is predominantly transferred, depending on its specific characteristics, to recovery plants. In case of waste with unsuitable properties (e.g. sewage purging), the waste is transferred to final disposal plants for collection, transport and disposal or recovery by specialized or authorized companies.

BIODIVERSITY AND SOIL CONSUMPTION

One of the key factors in the sustainable development of airports managed by SEA (and Malpensa, in particular) consists of conservation measures for the biodiversity present in natural areas adjacent to the airports themselves and land use efficiency, which translates into a commitment to assess and implement technological solutions and processes that allow an increase in the operational capacity of our airports without physically expanding the infrastructure beyond the currently occupied area.

The biodiversity features of areas surrounding the Malpensa and Linate airport infrastructures have been assessed. The results are detailed below, taking into account the following elements:

IUCN Red List of Threatened Species

The IUCN Red List of Threatened Species (also known as the IUCN Red List) is a comprehensive inventory of information on the threats, ecological requirements and habitats of more than 128,918 species and the conservation actions that can be taken to reduce or prevent extinction. It is based on an objective system for assessing the extinction risk of a species based on past, present and anticipated threats.

The IUCN Red List of Threatened Species recognises several categories of species status:

- Extinct (EX): species for which the last individual has died or for which systematic and time-appropriate investigations have not been able to record a single individual;
- Extinct in the Wild (EW): species whose members only survive in captivity or as artificially sustained populations well outside their historical geographic area;
- Critically Endangered (CR): species that have an extremely high risk of extinction following a rapid population decline of 80% to +90% in the last 10 years;
- Endangered (EN): species that have a very high risk of extinction in the wild due to rapid population decline of 50% to +70% in the last 10 years
- Vulnerable (VU): species that have a high risk of extinction due to rapid population decline of 30% to +50% in the last 10 years;
- Near Threatened (NT): species that are close to qualifying as threatened or that could meet the criteria for threatened status in the near future;
- Least Concern (LC): species that are categorised as "pervasive" and abundant after careful consideration;
- Data Deficient (DD): species for which there is a lack of available data on the risk of extinction.

Worldwide Database on Protected Areas

The World Database on Protected Areas (WDPAs) is a joint project between UN Environment and the International Union for Conservation of Nature (IUCN), managed by the UN's Environment World Conservation Monitoring Centre. Data for WDPA are collected by international convention secretariats, governments, and collaborating NGOs. WDPA uses the IUCN definition of a protected area as the primary criterion for its database entries.

Worldwide Database of Key Biodiversity Areas

Key Biodiversity Areas (KBAs) are "sites contributing significantly to the global persistence of biodiversity", in terrestrial, freshwater and marine ecosystems. Sites qualify as global KBAs if they meet one or more of 11 criteria, grouped into five categories: threatened biodiversity, geographically restricted biodiversity, ecological integrity, biological processes, and irreplaceability.

Airport biodiversity assessment

Because of its location within Ticino Park, Malpensa Airport must manage a more significant biodiversity situation. As emerges from the Environmental Impact Study carried out in relation to the 2035 Master Plan, there are three types of habitat classified by Directive 92/43/EEC in the area affected by the proposed airport

expansion: European dry heaths, old Acidophilus oakwood of sandy plains with *Quercus robor*, and semi-natural dry grasslands. Studies show that the presence of these elements - and the moorland in particular - give the area a high value in terms of conservation and the environment, and that a lack of management activities is causing their gradual degradation. The work proposed in the 2035 Master Plan would lead to a reduction of these habitats, with repercussions on the local fauna (about 40 species). Most severely impacted would be a species of bird (*Anthus campestris*) and three lepidoptera (*Coenonympha oedippus, Maculinea arion, Zerynthia polyxena*), which are at risk of extinction. A particularly complex aspect is the presence of the Brugo moorland in this area. The proposed airport expansion involves two additional elements: the moorland's protected habitat status, and the presence of woodland. The first element represents a criticality in terms of the Environmental Impact Assessment, while the second relates to the need to draw up a Landscaping Report and implement mitigation measures pursuant to Regional Law 31/2008 (compensation for lost specimens in agreement with the Park Association - e.g. replanting on a ratio of 1:3).

Biodiversity indicators

	Malpensa area	**Linate area**
IUCN Red List (species that are potentially present within 50km of the airport grounds)	1,218 (+68) of which: ■ 6 (-1) critically endangered ■ 22 (+5) endangered ■ 61 (+3) vulnerable ■ 77 (+1) near threatened ■ 990 (+58) least concern ■ 62 (+2) data deficient	1,186 (+47) of which: ■ 6 (-1) critically endangered ■ 18 (+3) endangered ■ 51 (-1) vulnerable ■ 76 (-3) near threatened ■ 973 (+47) least concern ■ 62 (+2) data deficient
Protected Areas (WDPAs)	170	92
Key Biodiversity Areas (KBAs)	9	6

Source: Integrated Biodiversity Assessment Tool (IBAT); www.ibat-alliance.org

SEA has identified four action areas in response to the comments made by the authorities on the EIA procedure for the 2035 Master Plan:

- limitation of the expansion area to areas strictly necessary for technical-operational functionality;
- optimisation and modification of SP14, which must remain in place to provide road continuity in the local area;
- maintenance of biodiverse areas and their enhancement within the future airport grounds;
- restitution (compensation) of lost woodland, reintroduction of moorland and redevelopment of wooded areas adjacent to the new airport grounds.

Regardless of the authorisation process for SEA's 2035 Master Plan, it has launched the experimental "Recovery, Redevelopment and Conservation of the Linate Heath" project with a view to strengthening constructive relationships with the region and confirming its concern for biodiversity. This project seeks to define a technical protocol for the heath's recovery, with the potential to replicate it in other areas. During 2019, an agreement was finalised with the Defence Ministry and the State Property Agency to intervene in the areas affected by field testing with the necessary vegetation maintenance works. The agreement was signed in the first half of 2020 and work subsequently began and proceeded smoothly in 2021, despite the delays caused by the pandemic. Activities will continue into 2022, in the third of three planned years of field testing. Within this context of collaboration, SEA has made an agreement with Ticino Park to set up a technical roundtable on sustainable management issues at Malpensa airport. The agreement was approved by the Park Management Board in December 2020 and was formalised in January 2021. Three roundtable meetings were held, primarily to identify the topics currently most conducive to the development of joint projects.

HUMAN CAPITAL

Size and characteristics of the workforce, and the policies put in place for its empowerment (training, growth, health and safety, diversity) and engagement (welfare, communication, benefits).

Organisational management

Personnel management was significantly affected by the COVID-19 pandemic in 2021, which heavily impacted both operations and staff activities.

Traffic and the activities directly or indirectly related to it varied considerably, with drastic drops recorded in the first few months of the pandemic, followed by a limited recovery in the summer months. These factors made it necessary to carefully modify use of the Extraordinary Temporary Lay-off Scheme, which proved to be an effective and indispensable means of containing personnel costs.

The Extraordinary Temporary Lay-off Scheme applied to the entire company population, together with other cost containment measures. A range of initiatives was implemented depending on the type of employee, and for shift workers and non-shift workers in particular, for a total of approximately 1.35 million hours.

As the pandemic progressed, the Company devised specific policies on the use of remote work. Remote work was not restricted at all for those involved in the project in the first half of 2021, which featured a nationwide lockdown. A limit of one day per week of remote work was subsequently reintroduced in October. In-office work has always been governed by protocols to protect employees.

The need to contain employee costs and find new ways of working that were compatible with the pandemic was accompanied by the need to devise plans to keep employees engaged, despite the critical situation. During 2021, training initiatives dedicated to various segments of the Company population were organised on the issues of managing emotions during complex situations and remote team leadership. Communication plans were also devised to ensure everyone received constant updates on the Company's plans.

STAFF MANAGEMENT PLAN AS A CONSEQUENCE OF THE PANDEMIC

Based on the traffic conditions recorded beginning in 2020 and into 2021 - and on the forecasts shared by all major international air transport organisations, according to which traffic will not recover to pre-COVID-19 levels until 2024 - SEA devised a staff management plan to be implemented in the medium-term. This plan gave rise to a Framework Agreement - signed at the beginning of 2021 and redrafted in October - between SEA, trade unions, and Workers' Representative Bodies, which identifies the contributions each party agrees to make to jointly manage a 550-person reduction in the workforce between 2021 and 2025, with a view to adopting the best ways to safeguard individuals.

Three action levers will be implemented to make labour costs sustainable:

- temporary lay-off schemes;
- accelerated retirement;
- incentivised voluntary departures.

Two other management levers will be implemented within the same time frame, including the targeted hiring of young people with new skills and the reinforcement of the corporate welfare system.

Temporary lay-off schemes

The Integrated Framework Agreement provides for the use of social security schemes for the entire SEA population in 2021 and until September 2022.

In particular, the Extraordinary Temporary Lay-off Scheme was activated from March 16, 2020 to March 15, 2021, followed by the Extended Temporary Lay-off Scheme from March 16, 2021 to June 6, 2021 (12 weeks), and from June 7, 2021 to December 18, 2021 (28 weeks). SEA will make use of the Extraordinary Temporary Lay-off Scheme for all shift and non-shift staff from January 10 to September 23, 2022.

Accelerated retirement

Beginning in October 2022 - and until the end of 2025 - a new "accelerated" retirement plan will be rolled out and will involve the termination of employment relationships earlier than the pension window, up to a maximum of 32 months in advance. Said "acceleration" will be achieved thanks to the NASpI (New Social Insurance for Employment) period, which will guarantee the continuity of contributions to help intercept the pension window. SEA will award a gross incentive to individuals who opt for this new retirement plan (in addition to an allowance in lieu of a notice period), to be determined as follows:

- a base incentive equal to one month of their gross salary;
- a sum comprising NASpI and a contribution paid for by the Air Transport Fund, up to 100% of their monthly salary.

Incentivised voluntary departures

This agreement provides for the launch of an incentivised voluntary departures scheme, reserved for a maximum of 30 non-shift workers who do not meet the pension requirements. The plan will be rolled out in October 2022 and will not be automatic. Requests will be subject to approval.

Turnover

Due to the emerging scenario, SEA confirms its desire to pursue the (pared down) renewal of the company's generational mix in its Framework Agreement, in line with a 1:4 replacement ratio. The plan provides for around 100 new hires, namely young people and those in possession of new skills.

Welfare

With the hope of giving a renewed impetus to SEA's comprehensive welfare system - reinforcing the pillars of bilaterality and inclusivity that have characterised the platform since its launch - the Framework Agreement commits the parties to review the content issued by the NOISea Association and the Assistance Fund in order to update, enhance and verify the sustainability of experiences involving the airport community.

People management policies

SEA interacts with its employees in full compliance with legislation protecting workers and working conditions, guaranteeing the right to working conditions that fully respect the dignity of individuals. In this regard, measures are actively employed to prevent all conduct that may be discriminatory or damaging to individuals, safeguarding personnel from acts of physical and psychological abuse, sexual harassment, intimidation and hostile attitudes in work relations, both internally and externally.

SEA is also committed to opposing all forms of illicit work and requires that employees and contractors report any behaviour or action in violation of the principles of legitimate employment, for the protection of themselves, their colleagues and the company. It also promotes actions aimed at supporting the growth and professional development of personnel, with particular attention to issues of gender, age and disability.

On an organisational level, the hierarchy framework is considered functional to the effectiveness and efficiency of the organisation, and, consequently, to the pursuit of corporate objectives. Accordingly, the SEA's managerial style is founded on the development of mutual trust, on the transparency of intentions and on openness to dialogue, and opposes abuses of authority, bias and the pursuit of undue personal benefit through the leveraging of hierarchical position.

Group employees [9]

As of December 31, 2021, the total human resources of the Group amounted to 2,659 employees (2,709 including temporary staff), down by 92 employees since the end of 2020 (-3.3%). Women represented almost 29% of employees, predominately concentrated in administrative and front-end roles, and distributed among total staff as follows: 4% Executives-managers, 23% white-collar, and less than 2% blue-collar.

The predominance of men in manual roles is motivated by specific legislation on airport operations, which penalises women over men.

[9] In view of the sale of SEA Energia by the SEA Group, the figures for the workforce as of December 31, 2021 are shown separately with respect to the Group.

Personnel by role classification and gender as of December 31 (No.)

	2021					2020				
	Female	Male	Total	SEA Energia	Total Group	Female	Male	Total	SEA Energia	Total Group
Executives	5	39	**44**	1	45	6	43	49	1	**50**
Managers	103	169	**272**	2	274	103	179	282	2	**284**
White-collar	612	1,074	**1,686**	22	1,708	629	1,108	1,737	23	**1,760**
Blue-collar	44	586	**630**	2	632	44	611	655	2	**657**
Total	**764**	**1,868**	**2,632**		**2,659**	**782**	**1,941**	**2,723**		
SEA Energia	5	22	27	27		5	23	28	28	
Total Group	**769**	**1,890**	**2,659**		**2,659**	**787**	**1,964**	**2,751**		**2,751**

Note: SEA Energia's staff are broken down by role classification and gender, as follows: 1 male Executive, 2 male managers, 22 office staff (5 women, 17 men in 2021, and 18 men in 2020) and 2 male workers.

Source: SEA

Personnel and external collaborators by location and gender as of 31 December (No.)

	2021					2020				
	Female	Male	Total	SEA Energia	Total Group	Female	Male	Total	SEA Energia	Total Group
Linate	340	786	**1,126**	9	**1,135**	348	814	1,162	9	**1,171**
Malpensa	433	1,123	**1,556**	18	**1,574**	441	1,157	1,598	19	**1,617**
Total	**773**	**1,909**	**2,682**			**789**	**1,971**	**2,760**		
SEA Energia	5	22	27	27		5	23	28	28	
Total Group	**778**	**1,931**	**2,709**		**2,709**	**794**	**1,994**	**2,788**		**2,788**

Note: SEA Energia's staff are all employees and are broken down by office and gender as follows: 9 at Linate (1 woman and 8 men) and 18 at Malpensa (4 women, 14 men in 2021 and 15 men in 2020).

Source: SEA

Empowerment policies

TRAINING

In 2021, the health emergency continued to severely impact the methods used to provide training and implement development projects, hindering the option of participating in person. Nevertheless, participation in online activities and some face-to-face events during the summer months have allowed us to continue to provide training, where needed.

In 2021, a total of 51,000 training hours were provided to the SEA Group, of which 11,904 of non-mandatory training. Mandatory training (including training relating to work and airport safety) constituted approximately 77% of total training provided by the SEA Group in 2021. The (non-mandatory) employee training and development projects considered most important in 2021 included:

- "Time management in the era of remote work", which intended to raise people's awareness of the relationship between time and remote work, two variables that have strongly influenced the work and lives of employees this year;
- GDPR training on the data management regulation for 11 people and managers, while a larger group of more than 400 people attended a data processor course;
- Cyber security awareness for system administrators and IT employees, which sought to analyse a series of cyber scenarios, with the gradual adoption of mitigation measures. Participants learnt about the evolution of cybercrime through case studies describing the main cyber threats, and by sharing best practices on the data management regulation;
- Innovation Journey, which was a training course with the end goal of creating a dashboard/app for sharing data on certain KPIs, in the hope of encouraging employees to focus on the passenger experience. This project involved a cross-departmental group of 10 key people under 45 and focused on the use of new ways to manage innovation

activities based on case studies chosen by the senior management team, thus contributing to the cultural transformation of those involved;

- "Dear Customer, I am writing to you...", which was an initiative dedicated to improving the empathetic response capacity of the Complaints Management team;
- Diversity and Inclusion project, which saw 35 employees in an educational journey, which will conclude in 2022 with more than 1,600 hours of work and training provided.

Finally, the "Raise Your Gaze - 2020 edition" programme - which provided training to new hires under 35 years old - came to an end in 2021. A number of skills were developed, and the initiative saw the participation of approximately 20 senior managers in the role of mentors. At the closing event, prizes were awarded to those who developed the innovative Digital Wayfinding and Queue Monitoring projects, which will be implemented in real-life situations.

Average number of per capita training hours by gender & category

	2021			2020			2019		
	Female	**Male**	**Total**	**Female**	**Male**	**Total**	**Female**	**Male**	**Total**
Executives	18.7	23.6	**23.0**	1.9	15.9	**14.2**	29.7	50.7	**48.3**
Managers	13.4	10.7	**11.7**	8.3	9.8	**9.3**	17.2	19.8	**18.9**
White-collar	4.3	3.5	**3.8**	2.4	2.4	**2.4**	4.6	4.6	**4.6**
Blue-collar	0.2	2.1	**1.9**	1.0	2.1	**2.1**	3.4	5.1	**5.0**
Total	**5.4**	**4.1**	**4.5**	**3.1**	**3.3**	**3.3**	**6.4**	**7.3**	**7.0**

Note: The data does not include mandatory training hours. Source: SEA

GROWTH

Performance assessments were still limited to managerial grades; no performance management/incentive systems were implemented in 2021 due to the COVID-19 pandemic.

Skills assessment, meanwhile, is widespread and addresses all SEA staff.

Employees involved in formalised performance evaluation processes by gender and category (%)

	2021			2020			2019		
	Female	**Male**	**TOTAL**	**Female**	**Male**	**TOTAL**	**Female**	**Male**	**TOTAL**
Executives	0	0	**0**	0	0	**0**	100	100	**100**
Managers	0	0	**0**	0	0	**0**	40	32	**35**

Note: Percentages refer to Executives and managers involved in formalised assessment processes on the basis of the Group MBO process.
Source: SEA

TALENT MANAGEMENT

SEA's talent management process has been adopted to identify talent within SEA in processes of succession planning, talent scouting and appointment to positions of high responsibility in line with the company's future challenges. The approach adopted is to render the talent identification process more transparent and meritocratic, assign the role of talent-promoters to those responsible and ensure sharing of the talent management process.

At SEA, talent management is intended for "exclusive" talent and is business-driven, meaning that it aims to identify, within a limited segment of the company population, those who fit SEA's talent model:

- management personnel with performance management;
- specialists as a pipeline for middle management positions;
- middle managers as a pipeline for management positions.

In 2021, 13 candidates began and completed the talent management process for appointment to the position of Executive, appointment to the position of manager or coverage of the position.

EVALUATION PARAMETERS

- **PERFORMANCE**
  Level of achievement of objectives over a time period
- **ABILITIES**
  Possession of distinctive technical and behavioural characteristics
- **ENGAGEMENT**
  A professional bond that people feel with the company
- **DEVELOPMENT POTENTIAL**
  Ability to transform one's personality traits into applied skills
- **ASPIRATION**
  Individual drive to professional growth

PROCESS PHASES

HR
PROCESS KICK-OFF
Gathering applications

MANAGERS AND HR
EVALUATION
by managers. Findings shared with HR

HR AND CONSULTANCY
ASSESSMENT

HR
OVERVIEW OF FINDINGS

DHR
VALIDATION

HR
FEEDBACK
to managers

CONSULTANCY
FEEDBACK
to candidates

DIVERSITY

In 2021 the pay gap between men and women narrowed slightly, though it was more pronounced at the level of total remuneration (annual income). In the last two years, the temporary lay-off scheme and the scaling down of the management incentive system have affected job roles that are performed by varying percentages of women employees in different ways. In the Executive and manager categories this is partly due to the lower presence of women in senior management positions. In the white-collar category, the pay gap is reduced by a base salary, which tends to be higher for women staff, while in the blue-collar category, it is affected by the greater percentage of male shift workers and bonuses linked to inconvenient shift patterns.

Ratio of average salary and female/male income by category

	GAS 2021[a]	Income 2021[b]	GAS 2020[a]	Income 2020[b]
Executives & Managers	84%	73%	84%	83%
White-collar	102%	91%	103%	96%
Blue-collar	96%	85%	98%	96%

Note: In order to better represent the ratio of the average salary and the average income of women/men by professional category, the calculation methodology has been updated since 2021 and the 2020 values have been restated. The new methodology envisaged the weighting of the RAL and income on the weekly working hours provided for each employee.

(a) Ratio between average gross annual salary of women and men. Annual remuneration is considered to be the gross annual salary (GAS) paid to the employee on the basis of his/her specific duties or tasks.

(b) Ratio of Average annual income between women and men Gross annual income (GAI) is considered to be the gross annual salary plus annually variable amounts, such as bonuses related to individual performance, company productivity, night work supplements, overtime, paid holidays, attendance allowances, etc.

Source: SEA

In 2021, SEA launched a Diversity & Inclusion project and asked staff members to nominate themselves to participate. The working group tackles projects using a business case approach and occasionally asks the senior management team to participate in the definition of working areas and the assessment and validation of solutions and projects to be implemented. Senior Executives also participate in the training course as sponsors by means of videos uploaded to the Intranet; an accurate snapshot of the current situation is being created, after which solutions will be identified to create a culture of inclusion at all levels.

The group has chosen to use FORTH methodology as the working method for this project. FORTH is an innovative model that seeks to objectively devise solutions to be adopted and implemented over the next five years, both with regard to the well-being of employees and the wider airport community and passengers.

SEA also participated in Assolombarda's Project STEAMiamoci to promote practical action to close the gender gap, support the importance of women in business and culture, and find ways to increase their contribution and value. The first activity saw 10 female employees with STEM degrees from different Company divisions participate in the #ValoreD4STEM survey. Best practices were shared at an end-of-year meeting, at which SEA also presented its Raise Your Gaze and Diversity & Inclusion projects. With a view to involving younger employees in initiatives, SEA also launched the "Your Gate for Your Job" project in 2021. The project pools SEA's internal skills to the benefit of the local area, airport companies, and the school system, with the aim of bridging the gap between labour demand and supply. Three high schools currently participate in a training and work experience plan, which comprises visits to the airport, roundtable meetings, project work, and classroom training. The content of the plan was devised in collaboration with teaching staff and allows young people to learn more about SEA as a company, while also testing their theoretical knowledge of the airport. A team of teachers, trainers, and assessors has been identified to assist with the projects that pupils will present in spring 2022.

OCCUPATIONAL SAFETY

The corporate policy in relation to occupational health and safety for its employees and third parties (operators, users and passengers) present in the workplace environment is based on a number of principles:

- compliance with national, local and European legislation on occupational health and safety, and with SEA's requirements for the achievement of company objectives, including voluntary models, where applicable;

- the carrying out of prevention activities aimed at reducing workplace accidents, injuries and diseases, through the identification and elimination of hazards, the reduction of risks, the implementation of corrective measures and the management of potential emergencies, to the benefit of workers, third parties and the community in which SEA operates;
- information for all those present in the corporate environment on individual risks and the relative prevention and protection regulations adopted, as well as details on the organization responsible for safety and emergency management;
- employee development through information/training activities aimed at developing specific skills, which are key to making workers aware of their responsibilities and the need to operate in compliance with legislation and in-house operational regulations;
- the constant involvement of employees in activities implemented by SEA and its corporate health and safety objectives, encouraging their consultation and participation, while also making use of the support of Workers' Safety Representatives;
- the availability of economic and financial resources to search for new technical, organizational and procedural solutions that reduce risks and allow for greater efficiency when managing prevention activities;
- selection and monitoring of suppliers, also considering occupational health and safety aspects and promoting co-ordination activities for the management and resolution of any risk situations, with a view to mutual collaboration;
- promotion by the management team of initiatives aimed at spreading a culture of health and safety throughout the company, with the aim of encouraging interaction and collaboration between various actors to make business processes more efficient and the SGSSL more effective.

The SEA Group's role as an airport manager involves also a particular commitment towards workplace safety, which has benefited all operators, bodies and handlers, which in various roles are present at the airport.

UNI ISO 45001 certification

In 2021, SEA successfully renewed its Workplace Health and Safety Management System (SGSSL) certification according to the UNI ISO 45001:2018 standard. SEA constantly monitors the system through:

- 10 internal audits, one of which was conducted at Linate's F Building, in addition to 13 audits on agents; critical issues were analysed and corrective actions were shared with managers to reduce and control OHS risks;
- 116 OSH safety walks to audit occupational health and safety;
- 154 COVID-19 safety walks to assess the proper implementation of health emergency measures defined in the Company's Health and Safety Operating Protocols;
- 2 six-monthly Hygiene Risk Assessment follow-ups to assess the effectiveness and adequacy of the anti-COVID-19 measures implemented by SEA.

Employee participation in safety

Workers are involved in company health and safety activities through various channels:

- the institutional channel, on the basis of the relationship with the Worker' Safety Representatives. In this regard, in addition to the annual safety meeting, involvement takes place upon significant changes to the workplace organisation, spaces, machines and equipment and more in general following requests put forward by the Worker's Safety Representatives or, in certain circumstances, directly by workers;
- the online reporting channel for near misses, for all workers and with incentives for its use;
- the e-mail address sicurezza.lavoro.lin@seamilano.eu, to which all workers may write to report critical issues relating to health and/or safety in their workplace or in any other company environment, as well as to request clarification or ask questions regarding safety;
- interviews of workers performed during Workplace Health and Safety Management System audits.

In accordance with the regulation, the Worker's Safety Representatives of the SEA Group companies are elected and fully operational.

Number of Worker Safety Representatives (WSR)

Company	Linate	Malpensa	Note
SEA	6	5	No. 6 for production units with over 1,000 employees
SEA Prime	1		No. 1 representative in companies or production units up to 200 workers
SEA Energia	1	1	No. 1 representative in companies or production units up to 200 workers

Source: SEA

Safety activities carried out

Among the many activities carried out in 2021 we highlight in particular:

COVID-19 Emergency

The management of extraordinary activities that began in 2020 to combat the risk of COVID-19 continued in 2021 with updates to the following documents:

- Company Protocol and measures to combat and contain the spread of COVID-19 in the workplace, and consequent provisions for staff members, contractors, suppliers, visitors, and all third parties, modifying protection measures as the pandemic and regulatory situation progressed; Cleaning and Sanitation Protocols were also drafted;
- Airport Health and Safety Operating Protocols, which contain measures to minimise the spread of the virus among passengers and those (SEA, employees, authorities, etc.) working in the operating environment;
- provisions for managing the snow emergency and related adaptations to infrastructure with a view to the effective prevention of contagion;

and the following activities:

- assignment of the most suitable personal protective equipment to the professionals involved, as well as the provision of sanitising devices and instructions for their use;
- regulated management of common spaces and implementation of rules of conduct for the safe use of these spaces;
- renewal of "Hygiene-Synopsis" certification, developed at an international level by TUV Italia for Healthcare Operations Protocols and the Company Protocol, with regard to passenger management services in terminals, including general aviation, construction sites, and working environments;
- renewal of Airport Health Accreditation, which certifies that both airports offer all passengers and operators a safe stay at the airport, in line with the operational and health recommendations of ACI World, Airports Council International and ICAO, International Civil Aviation Organization.

Risk assessment

- update to the work-related stress assessment based on an analysis of the final 2020 data in accordance with the INAIL guidelines; the risk level is not significant for any professionals;
- Assessment of the risk of exposure to electromagnetic fields as a result of the introduction of new electric buses;
- completion of the radon gas measurement survey, the results of which will be available in 2022;
- updates to the potential exposure to biological "SARS-CoV-2" agents, with the implementation of a set of specific measures;
- update to the Risk Assessment for tasks affected by organisational changes;
- update to the list of Personal Protective Equipment required for work activities and to manage the COVID-19 emergency;
- technical assistance in preparing and updating interference risk assessment reports (DUVRIs) for the company departments that manage contracted activities;
- assistance provided to the divisions tasked with drafting the documentation requested by the control bodies concerning investigations into work-related injuries or specific cases of work-related ill health;

- management of relations with Worker Safety Representatives: exchange of information and communications, the management of reports, prior consultation on and the assessment of risks, their identification, planning, execution and verification of prevention in general, and with regards to the COVID-19 emergency in particular.

Other activities

- Monitoring of employee safety, in collaboration with radiation protection experts, through the use of specific environmental and personal dosimeters measuring ionising radiation related to the transit of radioactive packages, and through instrumental testing of the x-ray equipment present and in use by SEA personnel;
- 20 emergency drills at both airports (SEA and SEA Prime), and one coordinated test for ENAC's PPS. The tests yielded positive results in terms of knowledge of the emergency management plan, the procedures in place, timing, and responsiveness; among the personnel involved, proper anti-fire training and the identification of Emergency Management Personnel present on shift were verified;
- updates to the Fire Risk Assessment document for Malpensa Terminal 1, which comprises specific technical information on risks, activities, personnel, the outbreak of fires, and government measures.

Workplace Health and Safety Training

In 2021, Occupational Health and Safety activities continued in the same vein, taking into account the limitations imposed by the pandemic. The pandemic allowed some compulsory courses to be conducted in person, while also encouraging the use of alternative training methods using e-learning products on the LMS (Learning Management System) platform. SEA also engaged in distance learning, devising specific programmes and organising activities depending on the types of risk associated with workers.

Overall, 1,659 people participated in 7,560 hours of compulsory occupational health and safety training (992 people in person and 667 people via live distance learning).

The most significant courses by number of participants were:

- updates to employees qualified to use work equipment according to the Central Government-Regions Agreement of February 2, 2012;
- anti-fire training to maintain Workers' Safety Representative certification;
- updates to radioprotection training for security staff;
- refresher course for Safety Coordinators - Legislative Decree No. 81/08, Title IV;
- updates to the DUVRI (single document for the assessment of interference risks) course;
- occupational safety course for electric vehicles following the roll-out of electric buses at airports;
- refresher training for employee health and safety representatives, dedicated to workers' representatives;
- course on confined spaces and environments suspected of pollution;
- completion of a course on Category III PPE, confined spaces, and working at height, which began in 2020.

Occupational health services

Occupational medicine services are managed as follows:

1. **Advanced health examinations upon hiring.** Depending on the type of role for which the hiring process has been undertaken, checks are carried out to ascertain whether there are any working risks for which the law mandates health supervision. If this is the case, the individuals in question and the relevant documentation are sent to the health facility where the Company Doctors operate, where advanced health checks are carried out to establish whether the individual assigned is in any way unsuitable to the role. The same process applies when a worker is transferred to new duties.
2. **Periodic health examinations.** Every year, up-to-date lists are prepared of the workers who, within the framework of the duties performed and on the basis of the assessments conducted in the risk assessment document, are exposed to significant levels of particular risks for which the applicable legislation requires periodic health checks. The Company's occupational medicine service prepares the annual calendar of check-ups and performs periodic health examinations of the workers on the list. These seek to establish the absence of contraindications to the performance of the duties in question.

3. **Health examinations on request.** At the worker's request and where it may be correlated to the professional risks of the duties performed, health examinations are conducted to determine that there are no reasons that the worker cannot perform their role.
4. **Annual inspection by the Company-Appointed Doctor of work environments.** In view of improving worker protection measures and the participation of worker representatives in such initiatives, it has been decided to conduct two annual inspections of work environments, with the participation not only of the company-appointed doctors and RSPP (Health and Safety Officer), but also the RLS (Employees' Health and Safety representative).

Prevention and mitigation of impacts on business relationships

The Company implemented the following initiatives in this area:

- **General Technical Manual for commercial operators.** The objective is to provide guidelines for operators who are preparing to perform infrastructure work on airport spaces and who must therefore develop the related projects (new constructions or renovations of existing structures).
- **Verification of projects and works promoted by retailers in terminals.** Through an internal office, during the planning phase SEA verifies observance of regulations and company quality rules.
- **Specific Regulations** for the prevention and management of anti-fire aspects for the management of spaces assigned to retail and non-retail operators (entities, CNA, handlers).
- **Emergency and Evacuation Plans** for all buildings and the mixed-use areas in which it operates, including only minimally (documents available on SEA's website).
- **Measures taken on operators of commercial activities in relation to the risk of fire and impacts on health and safety.** All retailers are asked to complete a half-yearly declaration, signed by their operating superior (Store Manager) and the Health and Safety Officer and send it to the SEA Prevention and Protection Service, which keeps a record of it.
- **Annual on-site verification of some stores** identified according to their particular activities (e.g., food and non-food) and surface area occupied (e.g., presence or absence of warehouses) by the SEA Prevention and Protection service in collaboration with the individual representatives of the various activities (Store Managers and Health and Safety Officer).

Hazard identification, risk assessment, and incident investigation

SEA assesses risks systematically, selecting recognised approaches and methods and drafting the risk assessment document. This document, or a part of it, is updated following new regulations, modifications to production and/or organisational processes, modifications to or inclusions of new systems, vehicles and equipment that are significant for the purposes of worker health and safety, in the event of serious accidents or when the results of health surveillance indicate that it is necessary. The internal resources of the Prevention and Protection Service, duly trained and constantly kept up to date, oversee the process with the assistance of external professionals, where necessary.

The company process of analysis - risk assessment - setting of priorities for action and adjustments to eliminate and reduce risks for workers and third parties is also based on other methods that require considerable amounts of data to be collected. These include internal audit activities (including on a surprise basis), secondary activities on the premises of retail and non-retail stores and worksites, inspections and monitoring (safety walks), reports from Worker Safety Representatives and workers through the channels provided, data gathering on accidents/near misses, injury reports, interviews with workers, questionnaires devoted to specific issues to verify awareness. When particular and/or exceptional conditions occur, ad hoc processes are also adopted, as in the case of the COVID-19 emergency and the related preparation of the Company and Operating Health Protocols. The SEA Workplace Health and Safety Management System (SGSSL) is certified according to UNI ISO 45001:2018 and is fed a variety and range of inputs.

Injuries indicators

Group injuries indicators by location

		2021		2020		2019	
		Number	**Rate**	**Number**	**Rate**	**Number**	**Rate**
Recordable work-related injuries	Linate	11	8.23	6	4.83	25	12.85
	Malpensa	15	7.79	16	8.53	33	11.66
	Total	**26**	**7.97**	**22**	**7.06**	**58**	**12.15**
of which **Fatalities**	Linate	0	0	0	0	0	0
	Malpensa	0	0	0	0	0	0
	Total	**0**	**0**	**0**	**0**	**0**	**0**
of which **High-consequence injuries**	Linate	0	0	0	0	0	0
	Malpensa	0	0	0	0	1	0.35
	Total	**0**	**0**	**0**	**0**	**1**	**0.21**
Occupational illnesses	Linate	0	0	0	0	2	1.03
	Malpensa	0	0	0	0	1	0.35
	Total	**0**	**0**	**0**	**0**	**3**	**0.63**
No. hours worked	Linate	1,336,254		1,241,082		1,945,102	
	Malpensa	1,926,387		1,875,518		2,829,973	
	Total	**3,262,641**		**3,116,600**		**4,775,075**	

Note: This year marked the beginning of reporting of accident data using the new GRI Standard 403, published in 2018, replacing the 2016 version. For this reason, the 2019 figures have been reported according to the new indicator.

Accident indicators are calculated as follows:

- *Recordable work-related injuries rate: no. recordable work-related injuries /hours worked *1,000,000*
- *Fatalities rate: no. deaths due to workplace/hours worked *1,000,000*
- *Rate of injuries with serious consequences (excluding deaths): no. injuries with serious consequences (excluding deaths)/hours worked *1,000,000*
- *Occupational illness rate: no. cases of occupational illness/hours worked * 1,000,000*

Accident statistics concern all events which resulted in at least a half-day absence from work, in addition to the day of the accident.

The figures relating to occupational illnesses relates to cases reported in the year and not to the number of professional illnesses effectively recognised by INAIL for the same period.

Work-related injury with serious consequences mean a workplace accident that results in death or an injury from which the worker cannot recover, does not recover, or is not realistically expected to recover fully by returning to pre-accident health within 6 months.

Source: SEA

In addition, it should be noted that non-employees, but whose work and/or workplace is under the control of the Group (temporary staff) were also examined. Both in 2020 and in 2021 there were no accidents at work, deaths and occupational diseases related to these workers, of a total number of hours worked equal to 67,695 for 2020 and 73,707 for 2021.

There was a slight increase in the number of accidents in 2021 due to the gradual recovery of air traffic, and as a result of more operating staff being on duty. Among work-related injuries, those directly related to the performance of specific work tasks accounted for 50% of the total (13 cases), while the remaining 50% of events had nothing to do with the work carried out by workers, and were predominantly related to walking about (trips, slips, sprains, bumps, etc.). Meanwhile injuries directly related to work activities occurred for a wide variety of reasons, and mainly due an error in behaviour. A review of injuries did not reveal any particular and/or critical situations requiring specific targeted action, and the usual staff awareness-raising activities continued.

Engagement policies

WELFARE

SEA has constantly prioritised its employees over the years, and its commitment to developing and planning welfare initiatives and services continued into 2021, despite the effects of the pandemic, which dictated some of the methods employed to provide services, taking into account the technology at the Company's disposal, and the reduction in in-person activities. The following table summarises the access to services by employees (full-time and part-time) over the last three years. Temporary workers do not benefit from these services (with the exception of the flu vaccine).

"Sea per te": access to services

	No. Beneficiaries		
Initiative	**2021**	**2020**	**2019**
Health Fund (general)	1,513	1,553	1,786
Flexible hours	805	867	888
Anti-flu injections	492	584	216
Health Fund (check-up)	327	166	344
Summer camps	256	115	187
Study grants	179	761	648
Commuter transport	159	163	272
BLSD training	99	-	-
Leave for medical visits	69	117	270
Welfare services	48	55	122
Future Lab: Push to Open - Learning to Study	21	33	48
Donations for the children of deceased colleagues	6	-	-
Part-time parenting (annual average data)	3	4	6
Accident insurance	2	9	12
Access to services	-	42	28
Gift Vouchers	-	854	892
Trips for the elderly	-	-	107
Serology and saliva screening	-	1,672	-
Appointments with the nutritionist	-	-	162

Source: SEA

A new Digital Parents initiative has been set up as part of the Future Lab project dedicated to the education and employability of children. The initiative takes the form of an online training course that provides employees with children aged between 6 and 15 with useful tools on how to develop an aware and healthy approach to the use of digital devices. In addition, SEA continues to award scholarships, and efforts to digitise the process are currently underway. The project will allow information and documents on education-related initiatives to be uploaded to the Company Intranet. During the summer break, and in view of the positive feedback received last year, the Company partnered with the NoiSea Association to contribute to the costs of summer centres and camps for the children of employees.

The Company continued to partner with a nutritionist to promote a healthy lifestyle. The nutritionist provided employees with monthly columns, video interviews, and video recipes. In the area of health and prevention, the Company's yearly flu jab campaign continued into 2021, and a new BLSD training project on the use of defibrillators and resuscitation was conducted in May and June, for which participants received Regional Emergency Agency (AREU) certification. As regards commuting, employees continued to express their interest in annual season tickets for the ATM line and Trenord's Malpensa Express and IVOL lines. In the Assistance and Care area, the "Listening and Help" desk remained active at Linate and Malpensa, and SEA made use of the services of a social worker, who provided a telephone counselling service to employees in need.

In 2021, the launch of an important new solidarity initiative provided SEA with a way to actively support the children of employees who have passed away in the last two years. The initiative takes the form of a contribution to educational costs from primary school through to university, which is provided on an ongoing basis.

Supplementary Pension Fund

The Pension Fund of Società Esercizi Aeroportuali - FONSEA, an individual complementary Pension Fund for employees of the participating companies provides a complementary pension to the obligatory pension, in accordance with Legislative Decree No. 252 of 5/12/2005.

Pension Fund figures

Pension Fund	2021*	2020	2019
Number of subscribers	5,011	5,104	5,181
Net pension assets (Euro millions)	266	254	239
Net fund yield	2.11%	2.49%	2.55%

(*) 2021 data related to the number of subscribers are provisional pending the approval of the FONSEA financial statements.

Source: SEA

The Pension Fund is set up as a non-recognized association with legal personality and operates on the basis of defined contributions (the size of the pension is based on the contribution made and the relative yields). Subscription is free and voluntary. Participation in the supplementary pensions covered by Legislative Decree No. 252 of 5/12/2005 allows subscribers to benefit from a special tax treatment for contributions paid, yields received and benefits gained.

Contributions (workers employed after 28/04/1993 and registered from 01/01/2013)

	Contribution	
Post-employment benefit	**Newly-recruited worker**	**Company**
100% of Post-employment benefit matured (*)	1% on the table minimum, plus contingency indemnity and plus 12-month periodic increases Any additional voluntary contribution is calculated at the % of the gross assessable tax base	2.5% on the table minimum, plus contingency indemnity and plus 12-month periodic increases

(*) For newly-recruited staff

Parental leave

The welfare system guarantees the right of all mothers to benefit from the reduction of working hours to 5 hours per day until the end of the child's fifth year. The take-up of parental leave in 2021 remained largely in line with the figures for 2020, increasing slightly for women and decreasing slightly for men. Data shows how parental leave is also regularly and extensively utilised by fathers who increasingly assist mothers in taking care of the children.

Right and usage of voluntary leave (No.)

	2021		2020		2019	
	Female	**Male**	**Female**	**Male**	**Female**	**Male**
Right (1)	144	319	169	343	187	368
User (2)	58	103	60	118	87	175

(1) Voluntary leave may be requested for each child in the first 12 years of life (until the end of their twelfth year). Employees with children less than or equal to 12 years of age in the year considered have such a right.

(2) All those with such rights who have used at least one day of voluntary leave in the year are considered users.

Source: SEA

WORK-LIFE BALANCE: REMOTE WORKING

In 2021, remote working played a fundamental role in enabling most of SEA's functions to continue to operate even under the contingent restrictions on travel decided by the authorities during the various lockdowns. 736 employees currently engage in remote work, which is over 97% of people with work duties that are compatible with working from home.

There were no particular critical issues in the implementation of the project that began in 2018, creating continuity in the method of rendering service from the company workstation to the remote workstation.

In view of the drop in cases, in October SEA capped remote work at one day per week, subject to managerial approval, to ensure people gradually returned to the office.

CONCILIATION: FAMILY AUDIT

During 2016, the 'Family Audit' certification accreditation process was finalized.

The Family Audit certification is a management tool adopted on a voluntary basis by organizations, including private companies and public and non-profit bodies, that has the purpose of certifying a continuous commitment to a favourable work-life balance.

By adopting the Family Audit certification, the group intends to start a cycle of continuous improvement with the introduction of innovative organizational solutions, such as flexible work hours and smart working, and of a culture of work-life conciliation. In 2016, the Family Audit application process involved the design phase, implemented through the establishment of 2 separate internal working groups.

The Family Audit Working Group, made up of 17 employees from all professional roles, carried out analysis and proposed actions to improve work, life and family conciliation, taking into consideration a variety of family types.

A three-year platform comprising 28 conciliation measures was drawn up during the 6 meetings of the Working Group. The Management Working Group, made up of 8 managers from various departments and roles, played a leading role in assessing the proposals received, leading to the achievement of Basic Certification in February 2017.

In 2020, following the implementation of all the measures defined in the plan, the Three-Year Certification "Family Audit Executive" was obtained as the maintenance phase began. Below are the conciliation measures and results achieved.

	Measure	Results
COMPANY WELFARE	Redefinition of medical and health agreement parameters	A supplier (Previmedical) has been identified to manage reimbursements, which is equipped with an extensive network of contracted services. Check-up services have been updated and the number of sites was expanded along with the range of tests and appointments on offer.
	Feasibility study to verify how to broaden the definition of family by including "new families" in the description of company welfare beneficiaries	Traceability and census problems identified for non-nuclear families.
	Creation of a constant customer satisfaction system for services	In 2021, six surveys were issued to service users and the results were published on the Company Intranet (SEAnet).
	Identification of an area for the collection and delivery of packages and services	Assessments are still ongoing with regard to the offers provided by operators in the sector.
	Introduction of inter-company internships for the children of employees	All of the usual in-person welfare activities were suspended due to COVID-19.
NEW TECHNOLOGIES	Increase in the number of laptops	The Company's policy of assigning new and replacement laptops to administrative staff is still in place.
	Optimisation of access and passwords	Access to SEAnet for various devices using single sign-on (SSO) continued.
	Activation of a free wi-fi network for employees	Provision of a free Wi-Fi network for employee smartphones.
COMMUNICATION	Improved visibility of SEAnet for operations staff	A semi-annual report (June 30 and December 31) on access to SEAnet will be drafted and published in summary form on the portal from 2021 onwards.
	Creation of an area on the Intranet with FAQs on institutions and opportunities	Addition of new features and interfaces on SEAnet and launch of the SEA Lunch Box App to book meals during working hours.
WORK ORGANISATION	Reduced work hours	In 2021, 1,906 hours were used by 415 workers.
	Part-time dads	Two requests were received in 2021.
	Part-time offer for over 60s (extended to all employees)	One request was submitted by an employee in 2021.
	Company policy definition for organising family-friendly holidays for shift workers	In 2021, 652 days of "guaranteed holidays" available for use by shift personnel were provided.
	2-day special permit for new fathers	In 2021, 7 employees used the two additional days of special new paternity leave, for a total of 14 days taken.
	Annual meeting planning for shift-work services	Development of digital communication of the Microsoft Teams app for chatting, live events and video tutorials, including from smartphones.
	Periodic team meetings for non-shift-workers	Development of digital communication of the Microsoft Teams app for chatting, live events, document-sharing and video tutorials, including from smartphones.
	Study to increase rotation between administrative staff	An experimental job rotation initiative was launched, which saw three employees test themselves in another role in the department they belong to. The "Value of experience: employees tell all!" contest was launched on SEAnet in 2021.
	Activation of spaces for remote working/co-working	In 2021, there were three remote-working days at Linate and 10 days at Malpensa.
	Study for improved commuting and parking	Introduction of a shuttle service at Malpensa Terminal 2 for all employees. The service was temporarily suspended in March 2020 due to non-use of the remote parking area.
	Improved remote communication among personnel	Use of the online training channel - SEA Academy - and the Teams app to provide training content, updates and document-sharing.
	Remote working experiment	30,502 remote-working days were used in 2021, involving 762 employees.
REGIONAL WELFARE	Increase of equipped nursing restrooms	New toilets with a family room were opened at Linate Airport, in addition to two dedicated areas at Malpensa in the check-in and baggage reclaim areas.
	Maximising benefit of certification in the Sustainability Report	Annual publication of the Non-Financial Statement.
CORPORATE CULTURE, DIVERSITY AND EQUALITY	Intervention at a middle management level for the dissemination of a work-life balance culture	Involvement of all management staff in the start-up phase of the remote working project; meetings were held for informative purposes and to exchange information on topics relating to the management of human resources in terms of their work-life balance.
	Identification of guidelines for company growth	Use of a Job Posting tool to manage internal transfers. Numerous operational and administrative vacancies were posted in 2021.
	Improvement of the assessment system	Analysis is underway to create a "Smart" assessment system.
	Working group maintenance	Regular meetings carried out.

Source: SEA

Absenteeism

The total absenteeism rate for SEA Group employees in 2021 is more or less in line with 2020 (+0.03%). There was a slight increase in the absenteeism rate among women (+0.23% as an absolute value) at Malpensa Airport, in particular, where it rose from 3.9% in 2020 to 4.4% in 2021. The absenteeism rate remained in line with the previous year for men at Malpensa, and was slightly down at Linate, where it decreased from 3.2% in 2020 to 3.1% in 2021.

Work absence rate by gender and location

	2021	2020	2019
Linate	2.9%	3.0%	4.1%
Female	2.4%	2.4%	4.2%
Male	3.1%	3.2%	4.1%
Malpensa	3.5%	3.4%	3.8%
Female	4.4%	3.9%	4.4%
Male	3.2%	3.2%	3.6%

*Note: The work absence rate is calculated as follows: no. of days of absence/workable days*100.*

Only employees are included. Only unscheduled absences are considered (e.g. due to sickness or accidents), while those that are scheduled (e.g. holidays, maternity leave) are excluded.

Source: SEA

SOCIAL AND RELATIONAL CAPITAL

Provision of "enabling" intangible assets in terms of business management and development.

Said capital concerns both the characteristics of the reference context (economic vitality and degree of internationalisation of the area served), and the quality of relationship dynamics between SEA and stakeholders at all levels (corporate reputation, employee engagement, customer satisfaction, commercial policies towards customers and supply chain management).

Economic vitality and internationalisation of the region of reference

KEY FEATURES OF THE LOMBARD ECONOMY [10]

Lombardy is by far Italy's largest economy, with a GDP of almost Euro 401 billion in 2019, or 22.4% of the national total. Over the last twenty years, Lombardy has shown a capacity for growth (+13.3%) that is decidedly higher than the average recorded for Italy (4.0%) and its northern regions as a whole (+7.4%).

The region has a top-class manufacturing industry and is one of Europe's main economic drivers. The region's strengths are primarily owed to its dynamic production base and the local population's participation in the job market. Lombardy accounts for 19.3% of national employment (more than 4 million employed on average between January and September 2020).

Lombardy has a large labour market, possessing the same number of employed people as the 11 smallest regions in Italy combined.

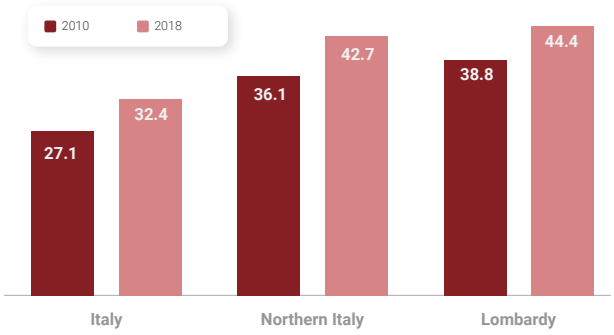
Lombardy's entrepreneurial landscape also features a considerable propensity for innovation.

Employment in the high-tech manufacturing and knowledge-intensive, high-tech services sectors accounts for more than 5% of all employment in the region, compared to a national average of less than 4%. In addition, over 3,200 (26.7%) of Italy's more than 12,000 innovative start-ups are located in Lombardy. The region boasts one of the highest rates of new, knowledge-intensive start-ups in Europe. In 2017, 39 innovative start-ups were created per 100,000 inhabitants in Lombardy, compared to just 28 in Germany's Baden-Württemberg state. In spite of the figures described above, and the region's size and economic significance, the COVID-19 pandemic and the measures implemented to counteract its spread are heavily impacting Lombardy.

The international scope of Lombardy's economy

Lombardy is home to 15.8% of Italy's active business, which account for almost 27% of the country's exports (around Euro 127 billion in 2019). The value of exports in the province of Milan alone is comparable to the whole of Piedmont or Tuscany. Thanks to the growth of its exports, Lombardy is starting to keep pace with some of Europe's most competitive regions, but it is still some way off the Euro 200 billion exports generated by Baden-Württemberg.

Degree of the manufacturing sector's openness to trade (%)*



[10] *Source: CDP - Five points of excellence to inspire the relaunch of Lombardy's economy, February 2021.*

** Please note: the rate is calculated based on the sum of total exports and imports of intermediate goods in the manufacturing sector as a percentage of GDP.*

Foreign trade is particularly important for the regional production system because it accounts for more than 40% of the turnover of manufacturing companies, compared with less than a third for German counterparts.

The degree of internationalisation of the Lombard economy and the location of the main markets of interest for local economic operators are significant indicators for the evolution of originating air transport demand. The last decade has seen a shift in the focus of Lombard companies towards areas of the world with stronger overall growth, as evidenced by a net increase in trade relations with the USA (+86.9%) and China (+74.8%) from 2008 to 2019. Lombardy's penchant for international trade slots in well to the post-pandemic situation unfolding in the cargo sector, thus making the region an excellent candidate for driving Italy's economic recovery, including by intercepting the local and European value chains that will inevitably be defined in the post-pandemic world.

Lombardy's economy in 2021[11]

Lombardy's growth beat all forecasts in 2021. The latest forecasts stand at +6.6% compared to a 8.9% drop in 2020. Forecasts predict further growth of 4% in 2022, which will see the region return to 2019 levels, if confirmed.

Lombardy's industry sector performed better than Italy as a whole, consolidating the growth of production activities beyond pre-COVID levels. Lombardy's manufacturing sector closed 2021 with quarterly growth (+2.3% compared to the previous quarter) in line with annual trends (+11.2%). In 2021, Lombardy's manufacturing output grew by 15.6% compared to 2020 and by 4.3% compared to 2019.

In Lombardy's manufacturing industry, most sectors recorded higher production levels than before the pandemic, with the exception of the fashion system and, to a lesser extent, the paper and printing sector.

2021 also saw business initiatives recover at a livelier pace in Lombardy than in Italy as a whole, with 57,177 new companies registered with the Chamber of Commerce in 2021 (+19% compared to 2020 vs. +13.8% in Italy), a number close to the peak figure recorded in 2019 (58,313, -1.9%).

In the first nine months of 2021, Lombardy's export industry recorded a performance of +4.8% compared to pre-COVID levels. Lombardy's exports are mostly driven by European countries (+7.1% in January-September 2021 vs. +2.3% in non-EU destinations). In Q3 2021, the number of people employed in Lombardy continued to increase (+88 thousand compared to 2020) for the second consecutive quarter. The unemployment and inactivity trends recorded in the previous quarter have reversed by -25 thousand and -93 thousand respectively. In January 2022, the number of hours authorised for temporary lay-off scheme payments in Lombardy fell to 12 million, which was the lowest level recorded since the beginning of the pandemic, together with October 2021. The number of new companies founded in Lombardy in 2021 (57,177) far exceeded the slowdown recorded in 2020, and is close to the peak recorded in 2019 (-1.9% vs. -5.8% in Italy as a whole). Within the region, in 2021, the production levels of Milan's industries were up 3.9% on pre-COVID figures, with performance levels coming in only slightly below those recorded for Lombardy as a whole (+4.3%). In 2021, a record number of new companies were founded in Milan (24,946 new business initiatives, comprising just under half of the total for the region), marking a growth of 19.8% compared to 2020 and 0.2% compared to 2019. This encouraging performance was also supported by the founding of 2,651 innovative start-ups in the city (almost 20% of the Italian total and +332 in the last year alone), operating mainly in ICT and advanced services.

At the start of 2022, companies have a less positive outlook on the short-term growth of the economy compared to the end of 2021, both for Lombardy, Italy, and Europe as a whole. After reaching a peak in November 2021, the confidence levels of the manufacturing sector in Lombardy and the North-West of Italy took a hit in the months that followed due to the hike in energy prices and the serious shortage of inventories of raw materials and semi-finished products, which threatened to jeopardise the fulfilment of orders.

[11] *Assolombarda, Economy Booklet - February 2022.*

Aviation customer relations

Post-pandemic commercial policy towards aviation customers

SEA has formulated a particularly incisive commercial policy, adopted soon after the outbreak of the pandemic and designed to facilitate the resumption of operation of Malpensa airport and a swift recovery of passenger demand and connectivity. This policy places particular emphasis on the sustainability of the strategies to be pursued, promoting the use of passenger transport compatible with observance of a maximum environmental impact threshold, measured on the same capacity offered. The policy will cover the commercial period from November 2020 to October 2022 and will reward carriers interested in significantly expanding the number of flights they offer at Malpensa airport. With regard to short- and medium-haul traffic (where share is highest), the essential requirement for access to SEA's incentive mechanisms is the use of a low-noise impact fleet, which stands at weighted average noise levels for the airport of 1.6 decibels per space offered on an annual basis.

The policy's main objectives are as follows:

Long haul

- Recovery of operating capacity to 2019 levels within two years and increase in frequencies on routes operated in 2019.
- Development of new direct connections.
- Extension of the period of operation of seasonal routes (beyond one complete IATA season).
- Structural development of short- and medium-haul connections that support traffic flows in systematic connection to long-haul flights, within the framework of partnerships and network agreements concerning Malpensa.

Short and medium haul

- Positioning of a fleet of at least three additional narrow-body aircraft based at Malpensa with primary use of the airport.
- Long-term development plans at the airport for at least one million seats offered (two-way/year), with year-on-year planned growth rates.

With the goal of fostering the development of direct long-haul connections and disincentivising the development indirect traffic to long-haul destinations, the incentive plans exclude (in terms of capacity offered and passengers carried) all short- and medium-haul services offered using scheduled flights to hubs with volumes of over 20 million passengers a year (measured at December 31, 2019) and/or routes that fall within the scope of joint ventures pertaining to other long-haul sectors. This limitation excludes carriers that fall within the scope of short- and medium-haul incentive plans as they market and carry only point-to-point traffic on the route.

All-cargo services

- Creation of new operating bases in Malpensa (at least 1,000 flights a year with all-cargo aircraft based at the airport) or development of activity at existing bases.
- For non-based carriers, increase in the frequency of flights operated from the airport, with long-haul flights to strategic markets.
- New carriers operating long-haul flights to strategic markets.

PRINCIPAL PASSENGER AIRLINES OPERATING AT MALPENSA

At December 31, 2021, 106 airlines were present at Malpensa Airport (-7% vs. 2020).

The presence of all major international carrier alliances continued:

- As of December 31, 2021, Star Alliance represented 11% of passenger traffic (12% in 2020);
- At the end of 2021, Sky Team and One World accounted for 7% and 4% respectively (13% and 5% in 2020) of Malpensa's passenger traffic.

As of December 31, 2021, Malpensa Airport connected to 137 domestic and international destinations, 24% more than in 2020 (180). The list of the 10 leading airlines in terms of the overall number of passengers highlights the leading position of easyJet, which represents 29.2% of Malpensa passenger traffic. The English company confirmed the role of Milan as an important European base.

Malpensa - Top 10 passenger airlines (% traffic)

Carrier	2021	2020	2019
easyJet	29.2	29.4	27.1
Ryanair	20.9	13.2	9.0
Wizz Air	13.6	5.6	2.1
Lufthansa	2.7	4.1	4.8
Vueling Airlines	2.6	2.7	3.6
Neos	2.6	3.3	2.8
Emirates	2.6	2.8	3.3
Turkish Ailines	2.2	1.7	1.7
Air France	1.9	2.0	1.7
Air Europa Lineas Aereas	1.6	1.2	1.1
Other airlines (*)	20.1	34.0	42.8

(*) The traffic share of "Other carriers" for the years 2019 and 2020 changed due to a variation in the top 10 carriers.

Source: SEA

PRINCIPAL PASSENGER AIRLINES OPERATING AT LINATE

As of December 31, 2021, Linate airport hosted 20 airlines (15 in 2019) and connected with 37 airports, both domestic and inter-EU. Linate operations were significantly impacted by the Alitalia Group, which in 2021 represented 58.6% of traffic. The table highlights the 10 leading airlines operating from Linate in 2021 as a percentage of overall passenger numbers.

Linate - Top 10 passenger airlines (% traffic)

Carrier	2021	2020	2019
Gruppo Alitalia/ITA (*)	58.6	73.0	62.7
easyJet	7.4	5.5	8.2
Iberia	4.9	3.8	4.8
Wizz Air	4.8	-	-
Lufthansa	4.3	4.7	4.3
Volotea Airlines	4.1	-	-
Air France	3.5	1.8	2.0
KLM	3.2	0.7	1.0
British Airways	2.9	5.8	8.1
Blue Air	1.4	0.0	0.7
Other airlines (**)	4.9	4.7	8.2

(**) The traffic share of "Other carriers" for the years 2019 and 2020 changed due to a variation in the top 10 carriers.

(*) Alitalia suspended operations on October 14 and was replaced by ITA, which entered into operation on October 15, 2021

Source: SEA

PRINCIPAL CARGO AIRLINES

42 "all cargo" airlines were operating out of Malpensa airport at December 31, 2021. Overall, all-cargo flights (freighters and couriers) reported a 45.3% increase in volumes.

Malpensa - Volumes moved by the main cargo airlines (tons)

Carrier	2021	2020	2019
European Air Transport	145,850	62,031	27,317
Cargolux Group	92,188	78,648	82,199
Qatar Airways	61,783	47,913	40,288
Federal Express Corporation	44,818	38,437	36,287
Air China	38,539	16,478	-
ASL	37,546	37,722	17,522
Turkish Airlines	25,859	21,488	19,698
Silk Way Group	23,708	20,938	22,134
Korean Air	19,904	17,858	10,398
Air Bridge Cargo Airlines	17,546	20,636	49,005
Nippon Cargo Airlines	16,718	12,734	18,751
Ethiad Airways	13,105	9,207	867
Asiana Airlines	12,480	16,418	13,859
Cathay Pacific Airways	7,803	10,888	9,268
Others	99,293	41,014	25,187
Total "all cargo" activities (*)	**657,137**	**452,410**	**372,780**
Total Malpensa cargo activities	**741,550**	**511,292**	**544,978**

(*) The figure concerns volumes moved within "all cargo" activities only

Source: SEA

The Malpensa cargo business is distributed among a large number of carriers; in 2021, 85% of the total cargo transported was shared by 14 airlines. The highest growth was recorded by European Air Transport (135.1% increase over 2020) and Air China (133.9% over 2020), followed by Etihad Airways (+42.3%), and Nippon Cargo Airlines (+31.3%).

Malpensa - % of cargo moved by the leading 10 cargo airlines

Carrier	2021	2020	2019
European Air Transport	21.5	12.5	5.1
Cargolux Group	12.4	15.4	15.1
Qatar Airways	10.1	11.9	12.2
Federal Express	6.5	7.5	6.7
Air China International	5.3	3.5	2.8
Asl Airlines Ireland	5.1	7.4	3.3
Turkish Airlines	3.9	4.5	4.7
Etihad Airways	3.9	3.5	1.6
Silk Way West Airlines	3.2	4.1	4.1
Korean Air Ltd	2.7	3.6	2.4
Other airlines (*)	25.4	26.1	42.0

(*) The traffic share of "Other carriers" for the years 2018 and 2019 changed due to a variation in the top 10 carriers.

Source: SEA

Relations with non-aviation customers

Retail plays a fundamental role in SEA's commercial strategy for the enhancement of end-consumer experiences. Within the Non-Aviation Commercial Department, the "Retail Operations Management" team provides ongoing support to commercial tenants regarding airport infrastructures, maintenance, the management of individual and common assets (e.g. site preparation activities, servicing, maintenance needs, access cards), and the monitoring and enhancement of performance indicators for the achievement of common goals. This is developed through frequent contacts and a series of activities, including half-year brand meetings, weekly point-of-sale visits and day-to-day and headquarters-led trend analyses, as part of a structured business review system focused on main indicators, such as performance, customer flows and so on. A number of training and informative courses are also proposed on various topics of interest, for example, Chinese culture or visual merchandising, and in-depth assessments are provided, such as through mystery shopper surveys.

Post-pandemic commercial policy towards non-aviation customers

To support those commercial partners affected by the health emergency, and to mitigate its economic and financial consequences, SEA adopted a number of "relief" measures, implemented through contractual addenda, which partially and temporarily modify the original terms of pre-existing agreements. In particular, favourable conditions were formulated for tenants, such as the suspension of guaranteed minimum conditions and the adjustment of fixed fees (e.g., spaces rental). Renegotiation was necessary due to the temporary closure of the terminals in which the players operate.

Passenger profile

Passenger profiling is carried out at SEA airports via monthly surveys, based on specific sampling quotas for the three terminals (Linate, Malpensa T1, Malpensa T2). The total number of passengers interviewed in 2021 was 4,200. Those interviewed were selected according to a systematic procedure (one out of every 10) at the security control lanes, therefore in departures.

This procedure allows random selection and consequently is representative of the sample interviewed for each of the three terminals. The control of the samples (in the waiting of data) verifies destinations and the portions of passengers in transit, terminal by terminal and by quarter.

Passengers

MAIN CHARACTERISTICS OF SEA AIRPORT PASSENGERS IN 2021

Total number of passengers interviewed
4,200

	System
Male	63.5%
Average age	41 years
University culture	59.8%
Resident in Italy	77.3%
Average stay in the airport	139 minutes
Principal reason for travel	Business/study 39.5%

Source: Doxa

Customer Satisfaction

In 2020 and 2021, due to the extremely heterogeneous operations in the Milan airport system (which saw a series of openings and closings of airports and terminals during the year), customer satisfaction surveys, while partly conducted, yielded partial results that are not comparable to previous surveys. Accordingly, given the limited significance of this data, SEA has decided not to publish it.

Post-pandemic customer policy

In addition to its adverse impacts on traffic volumes, the COVID-19 pandemic resulted in a complete reconfiguration of the terminals, which called into question the traditional standards of quality and the customer experience. With passenger volumes at all-time lows due to COVID-19, SEA was forced to make significant operational adjustments and modifications to terminals on the basis of national legislation governing anti-COVID measures such as changes in layouts and terminal foot traffic flow, reduction of commercial services, review of procedures for the use of fundamental airport services such as check-in and boarding, baggage return, security screening operations, etc.

In addition, in further accordance with regulations, new measures were implemented for passengers and operators safety and health, such as increasing cleaning and sanitisation services at airport facilities, body temperature scanning at the terminal entrance, preparation of specific social distancing procedures ("keep your distance" stickers on the floor), reduction in the number of seats available, installation of protective Plexiglas barriers at all operating desks (check-in, ticket counters, gates, and lost and found) and, finally, the installation of dispensers in all parts of the terminal for the distribution of sanitising gel.

CUSTOMER RELATIONSHIP MANAGEMENT AND COMPLAINTS MANAGEMENT

Since 2010, SEA has used an innovative CRM platform developed to manage relations with our customers, who, as passengers, have different demands and expectations from other service users.

As of 2021, the SEA CRM platform had 5,338,782 members (new member trend up slightly compared to 2020). Of these, 27,350 members gave their consent to receive communications on airport news and initiatives, commercial communications and research questionnaires to learn about expectations and assessments and to guide the services on offer at SEA's airports.

Numerous channels are available for the reporting of complaints:

- website (www.seamilano.eu - "contacts" section);
- fax;
- form sent at the Info desk;
- letter.

SEA treats all complaints and issues reported on services offered with maximum attention and discretion and commits itself to respond in the shortest time possible, and however within 28 days of receipt of the communication. In addition to quality surveys, as Airport Manager, it analyses all complaints (even if only less than one third refer directly to the services or scope of expertise of the Group's companies), in order to address all critical elements reported in the airport system. The Customer Relationship Management system facilitates both passenger submission of complaints and the company's management of such complaints.

In 2021, 755 complaints were received, a slight increase (3%) on 2020. Many complaints related to the COVID-19 pandemic, in particular, ever-changing and country-specific restrictions and regulations led to problems checking the validity of travel documents at check-in desks and when boarding aircraft. In 2021, parking complaints (related to online parking bookings

not used in 2020) were down compared to 2020 and trends were in line with 2019 thanks to the implementation of several measures, such as the option to change booking dates on the website free of charge, the splitting of credit in the case of different amounts, with the automatic issue of a voucher, and a cancellation policy in case of non-departure.

Complaints classification by issue in 2021 (%)

Type	%
Baggage and lost & found	15
Security controls	14
Check-in, boarding	21
Flight operations	5
Parking	12
Comfort	7
Information	3
Retail	3
Other	20

Source: SEA

Supply chain management

Post-pandemic initiatives

As a consequence of the sharp decline in activity due to COVID-19, SEA also engaged in extensive negotiations with its suppliers to adapt contracts to the new levels of facility usage and traffic. Contractual addenda were signed governing the partial or total suspension of contractual services, as well as changes to payment amounts and postponement of payment deadlines.

PURCHASING POLICY

SEA considers its suppliers an integral part of the sustainability process. Therefore, in choosing partners, aspects relating to sustainability parameters are also assessed through the Register qualification process, in addition to considering the ability of the companies to offer products or services that are qualitatively and financially valid, their economic and financial solidity and compliance with regulatory obligations in the execution of their activities (among others the correct payment of contributions to employees - DURC).

The Supplier Register - which was completely overhauled in terms of the process and supporting IT system in 2018 - ensures the timely updating of information on suppliers, and the total digitisation of the process. The qualification process is valid for 3 years. To enable the SEA Group to benefit from a supply chain that also contributes to the achievement of sustainable development, assessment parameters are used when revising the qualification process, such as the possession of a Sustainability Report and specific references to human rights (e.g. equal pay; no discrimination; freedom of association and collective bargaining agreements; child labour) in the company Code of Conduct or in the Ethics Code. The main areas of supplier assessment are:

Environment

Environmental management system certifications of potential suppliers are evaluated (such as ISO 14001, the EMAS registration or ISO 50001) and the use of materials with low emissions or low energy consumption and the manner for selecting its suppliers in accordance with environmental characteristics.

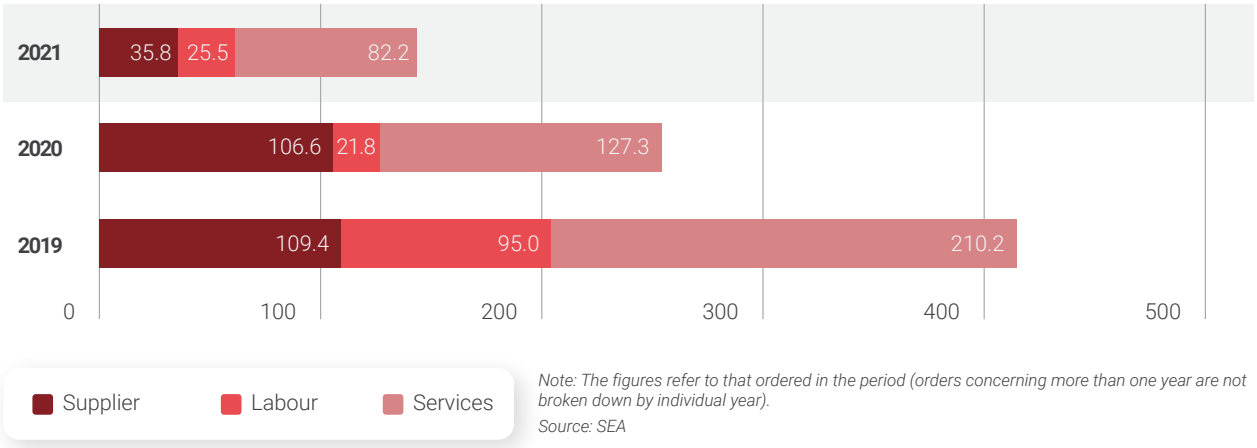
Safety

The level of attention and the management of safety profiles through the occupational health and safety management system (if certified in accordance with Legislative Decree 81/2008, under the UNI-INAIL guidelines or the OHSAS 18001 regulation) is analysed, in addition to the presence or otherwise within the company of a Prevention and Protection Service, the presence of a Safety Officer, who analyses the individual contracts/orders, whether at least once over the last three years the INAIL rate has reduced, in addition to the number of accidents reported over the last three years.

Corporate Social Responsibility

Supplier evaluation is based on the availability of certifications (ISO 9001) and on company initiatives to develop a socially responsible approach to the planning and management of the business, described through their Sustainability Report. Particular attention is given to the presence of company policies for the respect of human rights. In addition, particular attention is placed on the profile level regarding the organizational model as per Legislative Decree 231/2001, in addition to the adoption of an internal Conduct Code/Ethics Code by the supplier.

Order value by type (millions of Euro)



Note: The figures refer to that ordered in the period (orders concerning more than one year are not broken down by individual year).

Source: SEA

Total order volumes declined due to cost rationalisation policies as a consequence of the COVID-19 pandemic crisis.

CLASSIFICATION OF SUPPLIERS BASED ON CSR CRITERIA

In order to guarantee the effectiveness and efficiency of the process, but also to ensure transparency and equal treatment, procurement activities are substantially digitalised and dematerialised. A large part of the tender process is managed through the Group's electronic trading platform, while the process of qualifying and registering suppliers is completely dematerialised through its qualification portal. Through this portal, supplier candidates can manage all qualification stages online, from presentation to SEA's assessment and final registration in the qualified suppliers list. The portal also gathers all candidate information necessary for the subsequent execution of contracts. Supplier assessment, ahead of registration, is based on specific financial-technical and sustainability elements by category. In addition to these elements, a final assessment - based on a sample - is conducted on the activities carried out if the supplier is awarded the contract. The supplier portal is used for all Group tenders, with the exception of tenders above European thresholds, whose process is strictly regulated by EU regulations.

As of December 31, 2021, there were 909 suppliers in the SEA register. After being set up in 2018, the register's initial three-year validity period expired in 2021. As a result, the validity of 41% of suppliers expired at the end of 2020. Supplier sustainability improved compared to the previous year following the qualification process in 2021.

The sustainability profiles of registered suppliers as at December 31, 2021

Profile	Category	
Adoption of Ethics Code	341	38%
Endorsement of international conventions	23	3%
Benefit of INAIL tax reduction in the last three years;	178	20%
Sustainability Report	63	7%
Sustainability Report Certification	30	3%
EMAS Certification	22	2%
ISO 9001 certification	612	67%
ISO 14001 certification	288	32%
ISO 50001 certification	28	3%
Organisation Model pursuant to Legislative Decree No. 231/2001	226	25%
Appointment of Safety Officer for each contract/order	303	33%
References to Human Rights in the Ethics Code	235	26%
Occupational Health and Safety Management System	400	44%

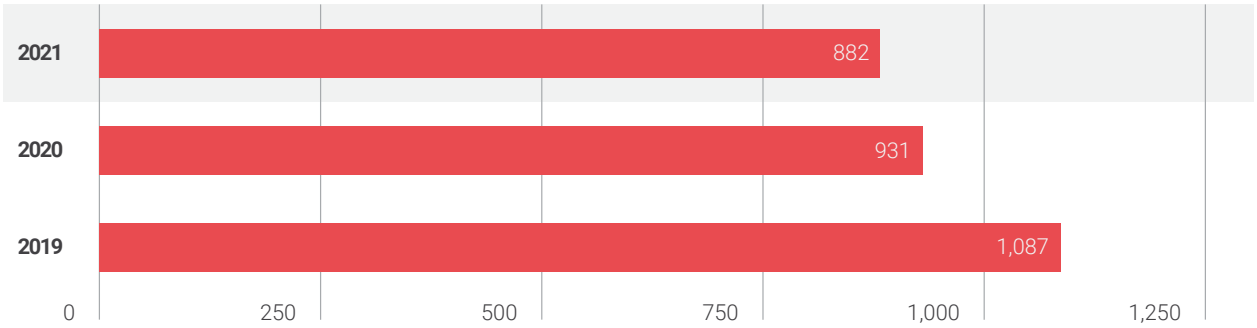
Source: SEA

SELECTION OF SUPPLIERS

The method for the selection of suppliers awarded contracts is based on the following major categories:

- Tender contracts for core activities of values higher than EU thresholds, which are entrusted through a European public call for tenders, with tender publication or public notice of the qualification system;
- Core activity contracts with values below EU thresholds or non-core contracts of any values, which are governed by SEA's internal 'Procurement Procedure'.

Total number of tenders awarded



Note: Tender winning companies are suppliers which achieved at least one of the requirements in the period (also on pre-existing orders). The data includes incentives granted to carriers.
Source: SEA

Regarding public tenders, candidate selection is made using several subjective qualification criteria, as well as economic, financial, technical and professional criteria, in compliance with the constraints set forth by Italian Legislative Decree No. 50/16, applicable to SEA in reference to special sectors, and in full compliance with the principles of the EU Treaty. In relation to the "core best offer" contracts, the internal procedure provides for the application of at least five Suppliers, among those included in the Suppliers' Register in compliance with the principle of rotation and considering their characteristics in line with specific contract to be awarded. Regarding non-core activity contracts, the procurement procedure provides for the invitation of at least three, five or seven suppliers, from those registered in the qualified supplier list, depending on contract value (Euro <100,000, >100,000, >1,000,000), in compliance with the rotation principle and taking into account the ability of suppliers in meeting the specific contract requirements. Suppliers awarded with contracts, in addition to meeting various contractual qualitative and performance constraints, must satisfy SEA's 'Environmental and Energy Management System' procedure. In terms of the protection of employees in executing their contracts, the workplace safety laws are strictly

enforced, with obligatory reporting of serious infractions and the application of sector labour contracts, including any supplementary contracts in force at the time or in the relevant locality where work is carried out. Compliance with regulatory contributions, ascertained during qualification, contract award and contract stipulation, are verified again during contract execution (via the so-called 'Consolidated Document of Contributory Regularity' - DURC).

In 2021, SEA introduced specific technical assessment parameters linked to ESG indicators into all tenders, which vary according to the market. Specifically:

- environmental protection and reduction of the carbon footprint;
- energy optimisation;
- use of products with a reduced environmental impact and high recycling rates;
- adherence to ethical principles on workforce management;
- recycling and reuse of materials;
- logistics with reduced CO_2 output;
- use of packaging made from recycled materials.

In addition, the SEA Group will require all participants to sign an Integrity Pact for some key tenders above certain thresholds to further encourage the adherence of suppliers to the principles of fair competition and proper tender management which inspire the SEA Group.

INTELLECTUAL CAPITAL

An intangible resource through which the company creates skills and innovative solutions that are beneficial to the development of its business. It embraces the technological capability inherent in organizational and operational processes, and the ways in which internal and external skills are applied to generate innovation.

Excellence in processes

Cultivating excellence means questioning quality and performance on an everyday basis, and adopting a conscious attitude to one's duties which is geared towards the achievement of both individual and shared objectives. SEA aims to ensure excellence in its processes through:

- the creation of both financial and public utility value, through management and development of efficient, functional, accessible and inclusive airport infrastructures;
- choices based on a careful assessment of environmental impacts and a commitment through research programs and international partnerships to identifying and designing innovative solutions to reduce the consumption of natural resources and limit emissions;
- focus on innovation as an elective response to the increasing complexity which characterizes the management of the business, and that increases Company risks;
- the search for efficiency, meaning the best use of Company resources and identifying the best conditions to use them.

Innovation projects

Over recent years, SEA has launched a series of projects focused on digital technology as a way to increase the effectiveness and efficiency of operating processes and the quality of services provided to customers and passengers. An overview of the main projects is shown in the following matrix.

The positioning of projects within the matrix is based on two variables, Innovation Reach and Market Impact.

The Innovation Reach axis ranks the projects by a progression from incremental improvements in existing processes to the creation of new core business products and services, through the expansion of existing product and service families, and the creation of new non-core and next-generation products and services.

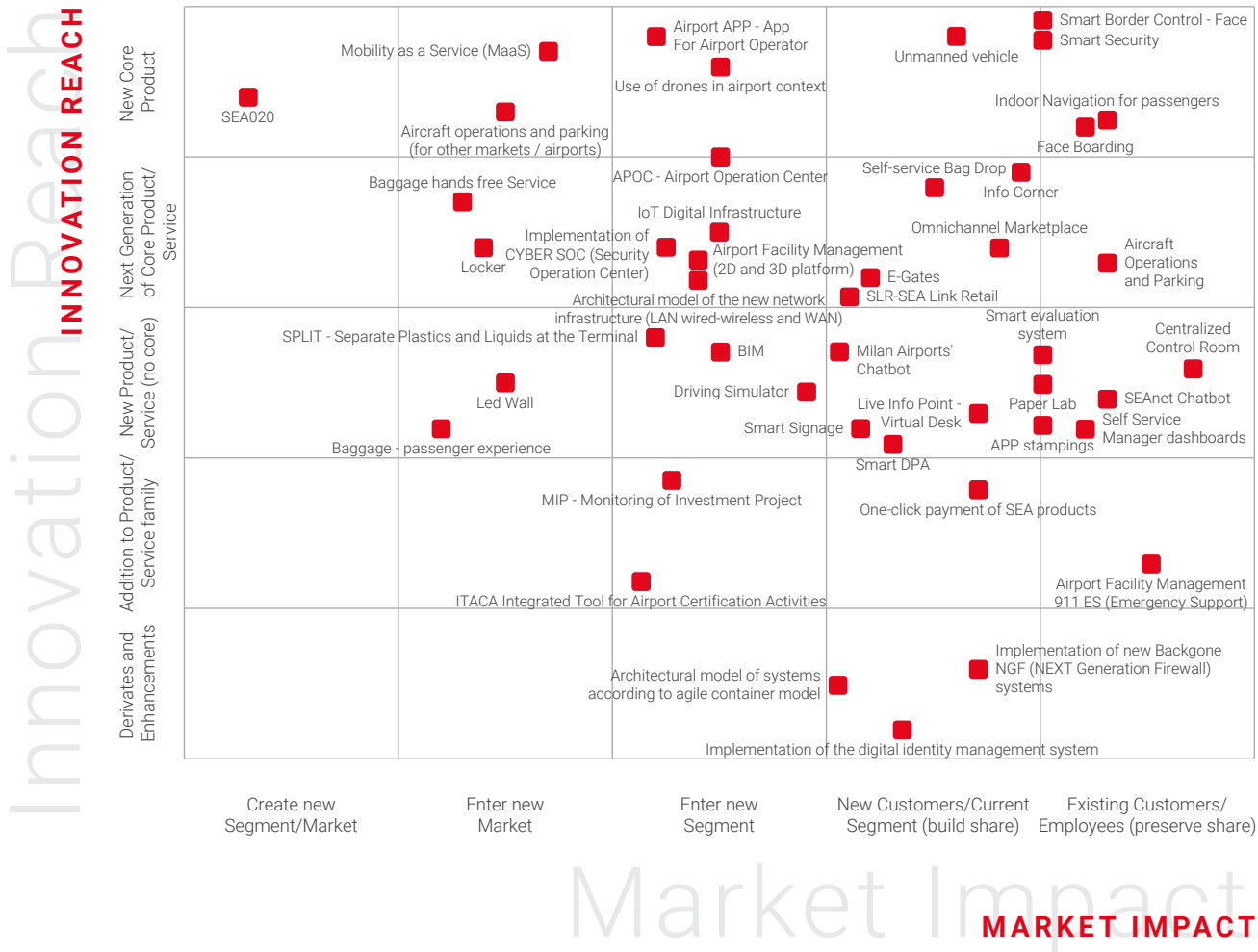
The Market Impact axis ranks innovation initiatives from those allowing the preservation of the current market share to those opening a new segment or market for SEA. Described below are the main innovation projects that have been implemented or are ongoing.

SAFETY AND PASSENGER SERVICE QUALITY INNOVATION

Despite being negatively impacted by the pandemic, in 2021, attention and development focused in particular on technological solutions adopted with the aim of rendering passenger travel inside the airport safer and easier by offering a pleasant touchless (i.e., avoiding contact with surfaces) and seamless experience that is more fluid by reducing congestion and waiting times. These innovations were added to and integrated into the digital ecosystem, customised for the various passenger types.

Substantial investments in the digital channel have enabled SEA to offer its customers a wide range of high quality value-added services. The various interventions are underpinned by the idea of simplicity. Simplicity that translates into speed, comfort and pleasure of use. A value-added simplicity that permeates the various contact channels between SEA and

Map of SEA's innovation projects



Source: SEA

passengers, including ChatBots, one-click e-commerce purchases and the integration of in-app wayfinding. The SEA ecosystem, known as MADE - the Milan Airport Digital Ecosystem - represents a constantly developing platform that makes it possible to design and implement new functions or applications. This evolutionary scenario is combined with the increasingly concrete use of cutting-edge technologies such as biometric recognition.

Systems for measuring body temperature and managing passenger flows have also been consolidated to comply with COVID-19 regulations.

Smart Gates

2021 saw additional scanners based on CT technology installed at Linate to improve the efficiency and efficacy of security operations and reduce waiting times at security checkpoints. EDS CB (Explosive Detection System for Cabin Baggage) machines to check hand luggage, allowing passengers to avoid opening their luggage to extract liquids, cremes and electronic equipment. Security checkpoints were also equipped with SAMD (Shoes Analyser Metal Detector) technology, which allows passengers not to remove their shoes. The new technology increases security control efficacy through automatic recognition of explosives based on 3D images, thereby reducing security control times. The heightened efficacy of security resulted in a decline in waiting times and the likelihood that congestion will occur. In addition, the trays used to store hand luggage are then sanitised after each use through the use of UVC lamps along the return route.

Linate is the first airport in Italy to adopt these controls for all departing passengers.

Anti-COVID-19 copper coatings

Where the airport cannot be made touchless, innovative solutions were used to prevent infection. SEA is carrying out a pilot project in collaboration with KME Italy to use saCup products, which are a certified line of antiviral coatings made from copper and brass - materials that are known for their antiviral and antibacterial properties. In 2021, all surfaces that came into the most contact with passengers at Linate airport - banisters, handles of baggage carts and shuttle handholds - were coated in copper. The Institute of Virology of the University of Pisa has certified that the viral load is neutralised by 100% in 60 minutes and reduced by 90% in just 10 minutes.

Smart toilet

"No need to knock" is the automated system implemented in Malpensa and being introduced in Linate that helps manage the flow of passenger access to toilets. It consists of sensors that detect the number of visitors and occupancy in real time, made visible through the monitors placed at the entrance to each group of bathrooms. The monitors indicate whether it is possible to enter or whether users must wait their turn. This smart toilet system also makes it possible to optimise management of toilet cleaning and maintenance.

E-Gates

The e-Gates system is based on the reading of biometric data from electronic passports. To optimise border checks at Linate and Malpensa departures and arrivals, manual police checks have been supplemented by automatic gates that query the databases of the various authorities in real time in order to identify European citizens and risk factors. To complete document and identity checks, passengers are allowed to cross the border only when the face match score between the photograph stored in their passport chips and the live images taken at the gate are above a certain minimum threshold. The e-Gates system complies with the common directives of the Central Immigration Directorate and the Ministry of the Interior Border Police, in harmony with the guidelines of the European Border and Coast Guard Agency FRONTEX.

Face Boarding

Face Boarding is an experimental project (now in operation) that allows passengers at Linate to carry out security and boarding checks via an innovative facial recognition system. The new technology is designed to reduce queues and boarding times and procedures. This means that passengers are freed from having to show their passports and boarding passes at the various check points inside the airport, and can, therefore, make their way more quickly and efficiently simply by showing their faces.

Passengers can always choose whether to use the new system or undergo the checks in the traditional manner. Face Boarding was active on an experimental basis until December 31, 2020, for certain passengers boarding Alitalia flights from Milan Linate to Rome Fiumicino. The new biometric scanners operate in full compliance with privacy regulations, with the acquired data stored for one year and not used for commercial purposes. No passenger photos are stored. The system temporarily detects only the biometric contours of the face used for passenger recognition. To further streamline procedures, a dedicated Android and iOS app that integrates the Face Boarding and electronic boarding pass systems has been launched. This technological innovation forms an integral part of airport restyling, which is designed to renovate the airport system to use the very best technology to welcome the millions of travellers passing through the Lombard capital every year.

ChatBot

SEA's constant commitment to innovating passenger communication tools led to the launch of its own ChatBot. The ChatBot is a virtual assistant operating 24 hours a day, seven days a week on various platforms. ChatBot makes it possible to talk naturally, discover restaurant and shop offers, check out the flight status and receive ongoing updates, query FAQs for information such as to whether it is possible to travel with animals, hand luggage type, transport of liquids or the needs of Passengers with Reduced Mobility and so much more. It is also possible to check the reward points balance, the purchases history or to request a Loyalty ViaMilano Program reward. In 2021, the Milan Airports ChatBot continued to perform well despite the drastic drop in flights, assisting passengers in their airport experience, before, during, and after their journey. Its popularity remained high and actually increased compared to 2020 (4.14/5 out of 13,525 ratings), as did its usage for key topics, such as flight info (42% unique users), COVID-19 (37%), FAQs (5%), and Operator Support requests (4%). The most commonly used languages remain Italian (77%) and English (21%). In 2021, the following data was recorded by type of channel:

FACEBOOK	GOOGLE VOCAL ASSISTANT	WIDGET BROWSER	APPLE BUSINESS CHAT
288,056 messages	160,931 messages	537,921 messages	272,779 messages
16,079 unique users	6,846 unique users	82,560 unique users	15,714 unique users

In 2021, a new ChatBot was launched on the Milan Malpensa Boutique website. The ChatBot can be used on browsers and pops up in the browsing window. The ChatBot only answers questions related to the boutique and has a different structure compared to previous versions. Another ChatBot is expected to be launched in 2022, which will answer questions related to e-Commerce and will be integrated into the new Milan Airports Store website.

IOT Strategy and Indoor Navigation

One of the digital strategy's most significant and central projects over the coming years will be the digitalisation of the physical space of our airport infrastructures through the introduction of new IoT technologies capable of enhancing interactions with airport passengers and operators. A platform was implemented which will centrally manage the sensors installed in the airports (e.g. Wi-Fi, cameras and beacons) and provide the company with information collected for the development of high added-value vertical applications. Big Data collected this way can be utilised to develop applications in B2C, B2B and Operations such as: targeted advertising based on the user's position (Proximity Marketing), the creation of predictive models in the area of security and operations, indoor navigation, heat maps of real-time airport presences, etc.

Trials of the above applications planned for Malpensa Terminal 1 were not conducted in 2021 due to the COVID-19 pandemic.

Virtual Desk

System to provide assistance to passengers through the telepresence of airport operators assigned to information desks. The aim is to monitor information desks at Linate and Malpensa in a more continuous and distributed way, increasing contact opportunities with passengers and customers while reducing the number of employees per positions manned, or the number or man hours worked per service availability hours. It is essentially another touchless service as passengers can acquire information and talk to a real operator on a video chat from a remote location.

One-click payments

In keeping pace with innovative technological trends, a new one-click payment system has been introduced. The new payment method will be available for both e-commerce and physical purchases online and at the airport.

Mobility as a Service (MaaS)

MaaS (Mobility as a Service) is a new way of understanding mobility and travel personalisation as intermodal, multimodal, integrated, real-time and tailored to the individual user. The system consists of an algorithm (not licensed by SEA) for calculating routes by public and private road or rail, optimised and customised for SEA customers. The algorithm is based on a database of over 20 transport companies operating around Milan's airports. The data is constantly updated via direct interfacing with the transport companies, and, when this is impossible, by manual means. The algorithm is queried by the wayfinding system owned by SEA and available on all SEA portals. On entering a destination or point of departure and selecting an airport, the user can see the available routes on a map and filter them according to their needs.

Self-service Bag Drop

A self-service solution that allows passengers to check their own baggage via automated bag drops connected to the general baggage sorting system. This is one of the most innovative airport technologies, integrating biometric recognition features and all touchless technologies. The system, which is integrated with the baggage sorting system, permits a faster passenger experience, while also facilitating social distancing aspects. At Linate, the system also allows passengers to perform all operations using just their smartphone, giving them a completely touchless experience.

App

The Milan Airports app is available for all Apple and Android devices in three languages: Italian, English and Chinese. The numerous exclusive features include:

- Real-time flight tracking
- Direct link to our ChatBot channel in Facebook Messenger
- Dedicated shopping experience and paperless receipts
- Complete list of restaurants and shops
- Useful information of various types
- Dedicated PRM services

In 2021, the Milan Airports app will be relaunched in a new guise. SEA has begun a complete graphical and conceptual restyling in order to guarantee its natural positioning among the best available airport apps. An integrated one-click e-commerce system and unique user experience will be the strengths of this new app.

WI-FI

SEA has been improving the Wi-Fi connection service at Linate and Malpensa airports since 2019. Via the new one-click access Wi-Fi system, passengers can browse the Internet for free, without time limits and at high speed. Immediate and multilingual access, without requiring a login, allows passengers to communicate quickly with loved ones and search for information on transport, the city of Milan and much more. The coverage and bandwidth of the Wi-Fi network has been further improved to 20Mb; this allows users to surf the web more quickly and to access multimedia applications and services.

Led Wall

Installation of large LED panels capable of creating an immersive experience and publishing content designed especially for passenger entertainment.

Website

SEA network sites include 17 sites which can be grouped into 4 large macro-areas:

Airports

MilanoMalpensa-airport
MilanoLinate-airport
MilanoMalpensaCargo
MilanoLinate-Prime

Brands and services

FlyViamilano
ViamilanoParking
ViamilanoProgram
Boutique.Milanairports
Area10Minuti
FamilyFriendlyAirport

E-commerce

ViaMilanoEshop
ParkWing
SeaParking
ClubSEA
White label (ie EasyJet)

Corporate

SeaMilano
Sea-energia

This development has made it possible for SEA to count on the following unique users and pages viewed:

Website	Page views	% change 2021vs2020	Sessions	% change 2021vs2020
Malpensa	13,424,869	14%	4,314,426	10%
Linate	4,451,223	69%	1,478,849	54%
Milan Airports eCommerce	3,799,733	103%	1,222,552	85%
ViaMilano Parking	382,999	20%	198,427	27%
Milan Airports	398,898	-38%	268,140	-1%
Parkwing eCommerce	190,479	29%	40,220	34%
SEA Club	13,878	60%	9,107	71%

Traffic data for 2021 show growth on all passenger sites, with the exception of Milan Airports, which is dedicated mainly to an international audience.

In 2021, the section dedicated to COVID-19 was one of the most visited of the airport portals, accounting for 10% of total page views for the Malpensa site. 68% of users access our portals using a mobile or tablet.

Green Innovation

SEA has been a proactive member of the Environmental Strategy Committee and of ACI Europe's (the European Airports Association) Technical and Operational Safety Committee for some time, also participating in specific work groups on environmental issues of particular impact (aircraft noise). It is also a partner of the NETLIPSE network (NETwork for the dissemination of knowledge on management and organisation of Large Infrastructure Projects in Europe). Over the years, our European presence has been strengthened, promoting project-based partnerships with key airport, regional and scientific entities, with a focus on energy, waste and water management, in addition to contributing to the development of maintenance and airport infrastructure control system concepts and procedures. This input continues to feed into the much-needed international dialogue and discussion on best practices to manage environmental issues.

OLGA (HOLystic Green Airports)

OLGA is a project that responds to the need to reduce the environmental impact of airports and aviation-related activities as a whole. The project seeks to accelerate the building of sustainable airports, while also making the most of the opportunities presented by the Olympic Games in Paris (in 2024) and Milan-Cortina (in 2026) to showcase the initiatives developed as part of the project. The consortium is led by Paris Airport, which performs the role of "lighthouse", while SEA participates with Malpensa Airport as a "fellow", together with Zagreb and Cluj airports. Four initiatives will be developed at Malpensa as part of the OLGA project, including in the Landside Transport, Access, and Multimodal Work Package fields. The objective is to make airport accessibility more sustainable and encourage intermodal passenger and cargo transport. The four initiatives include:

- the creation of low-carbon connections between airports and cities: a study will be conducted on expected transport levels in view of the Milan-Cortina 2026 Olympic Games and on the creation of potential new sustainable connections between Malpensa Airport - the intercontinental gateway for the event - and sports venues. The project also includes the showcase of an electric bus service - powered by green hydrogen produced by Malpensa - which will connect the airport to one of the venues;
- the evolution of MaaS for the Milan-Cortina 2026 Olympic Games: this tool - which has been developed by SEA to plan travel to/from Milan's airports - will be updated with a section on the Olympic Games. The tool will provide passengers with information on all of the transport solutions - including intermodal and green methods - available to reach Olympics venues from Malpensa (and vice versa);
- the optimisation of road cargo transport capacity to/from the airport: an IT system will be developed that will allow road hauliers to "share" any remaining capacity in their vehicles to/from Malpensa; by optimising capacity in this way, SEA will be able to reduce the number of HGVs on roads to the airport, in addition to CO_2 emissions as a result;
- the transport of cargo by train between the airport and the city centre: the Smart Parcels On Train (SPOT) project will allow small parcels to be transported quickly from Malpensa to Cadorna (and vice versa) on the Malpensa Express, using existing passenger services. The delivery service will be fast and reliable, as it will not be affected by road congestion and will be able to make use of existing services, which run every 30 minutes in both directions, with a journey time of 37 minutes. This will also help to reduce the number of HGVs on the road, and their emissions.

ClimOp: Climate assessment of innovative mitigation strategies towards Operational improvements in Aviation

The project has a duration of 42 months and seeks to evaluate, define and support the implementation of mitigation strategies to promote and implement operational improvements, in order to minimise the negative effects of air transport on climate change. SEA is engaged in the second phase of the project, which involves a complete analysis of the implementation chain of the identified mitigation strategies and - based on the impact that the selected operational improvements will have on climate change - the second set of operational improvements will be defined as a basis for the required mitigation strategies. These will take the form of recommendations to the identified stakeholders.

Partnership Projects

In addition to committing to achieve "net zero" by 2030 for CO_2 emissions under its direct control, SEA intends to play an "enabling" role in the decarbonisation process of air transport, both in the medium and long term. With this in mind, three partnership agreements have been formalised: with Eni for distributing SAF (Sustainable Aviation Fuel), with Airbus for identifying support activities for the future supply of aircraft with hydrogen, and finally with Skyports for developing urban air mobility with low environmental impact.

SEA - Eni agreement for the distribution of Sustainable Aviation Fuel

At the end of 2021, SEA Prime carried out the first refuelling at Linate Prime airport of "Jet A1 + Eni SAF", a "sustainable" fuel with low environmental impact, produced by Eni. The product's organic share allows a GHG reduction of more than 90% compared to the fossil mix reference standard.

Milan Linate Prime has thus become the first Italian business aviation airport - and one of the first in Europe - to offer SAF, contributing to the decarbonisation of the global business aviation sector. The aim of SEA Prime is to make the supply of SAF widely available to all business aviation operators at Milan Prime in the coming months. The agreement with Eni has been extended to the use of SAF for commercial flights too, as well as to the supply of pure HVO (Hydrotreated Vegetable Oil) biofuel for ground vehicles and a joint development programme for smart mobility services; products and services that support both the reduction of emissions from airport operations (scopes 1 and 2) and the decarbonisation of air and ground transportation at airports (scope 3). Eni is the second largest producer of HVO biofuels in Europe, thanks to its proprietary Ecofining™ technology, which also enables the production of sustainable aviation fuels (SAF) from plant-based and waste feedstocks.

SEA - Airbus agreement on hydrogen distribution

Airbus has announced an ambitious strategy to de-carbonise the air transport industry. The "ZEROe" project, which is developing zero-emission technologies for future aircraft, is playing a key role in this strategy. Hydrogen is one of the most promising zero-emission technologies for reducing aviation's climate impact, and airports play a key role in enabling the transition to a zero-emission aviation ecosystem. The two companies are therefore planning to combine their expertise to support the decarbonisation of air transport by exploiting the opportunities that hydrogen will offer. Airbus is expected to produce the first hydrogen-powered aircraft by 2035. These forecasts require airports to speed up the study and implementation of facilities to supply these new aircraft. Milan's airports have taken up the challenge and will lead the way in Europe, preparing to welcome the new generation aircraft. The agreement signed on February 8, 2022 will cover a series of feasibility studies aimed at developing a hydrogen refuelling hub for non-aviation use in the short term, as well as developing infrastructure for aviation hydrogen use in the long term.

Airport ecosystem innovation

SATIE: Security of Air Transport Infrastructure Europe

The project, which has a duration of two years, is designed to construct a security toolkit that reinforces resilience to cyber and physical attacks at European airports, while also ensuring the protection of critical systems, infrastructure, sensitive data and passengers, paving the way for a new generation of Security Operation Center (SOC) that may be included in a comprehensive airport security policy. The project ended in October 2021 with a demo that showed the operation and practical use of the solution in case of cyber and physical attacks on the airport's operational and management systems. The European Commission gave a very positive assessment of SEA's activities in this area.

FENIX: European FEderated Network of Information eXchange in Logistics

The project, which has a duration of two years, aims to build a federation of platforms and advanced tools for smart supply chain and multimodal management of the TEN-T Corridor, which can be used by the various participants in the Corridor to optimise their operations. 2021 saw the start of operational activities focussed on designing ICT solutions and developing related APPs that will allow the implementation of the Pilot Site and the study of how to integrate the Malpensa Cargo Ecosystem into the federated FENIX architecture.

ORCHESTRA (Coordinating and synchronising multimodal transport improving road, rail, water and air transport through increased automation and user involvement)

The three-year project aims to provide European policy makers, public authorities, transport stakeholders and citizens with knowledge and technical and organisational tools to facilitate the coordination of operations within and across transport modes, helping to improve safety, accessibility and reduce pollutant emissions. Among the various activities being undertaken as part of the project, SEA is involved in particular in the Italian Living Lab, a laboratory where real use cases on rail-air intermodality will be implemented, with the aim of testing and validating the solutions and tools developed during the project. These tools aim to enable the integration and sharing of information and data on air traffic, road and rail traffic flows and on the state of the airport access network in a single ecosystem (the Multimodal Traffic Management Ecosystem), which allows the operators involved to efficiently manage flows in a coordinated manner and offers greater resilience in case of unexpected critical events. The project involves 16 partners (in the fields of passenger and freight transport, academia, research, ICT) from 8 European countries.

PASS4CORE

A project that plans the development and improvement of a safe and protected parking network for HGVs along the Italian road network. For SEA, the aim is to create a new area designed to satisfy the various requests expressed by road hauliers at Cargo City Malpensa. A Grant Agreement was signed between the agency INEA (Innovation and Networks Executive Agency) and the various partners (5 interports, 1 airport - Malpensa - 2 motorway concessionaires and 3 private operators) and the official kick-off meeting was held in 2021.

MXP-NLINE

In partnership with FERROVIENORD, which will connect Malpensa Terminal 2 to the Simplon RFI railway line. Work under SEA's authority will begin in 2022 and will be completed in June 2024.

MILAN EAST HUB GATE

In partnership with the Municipality of Milan/ Municipality of Segrate/RFI, relating to the Technical Economic Feasibility (FTE) project for a new high-speed station on the RFI line in Segrate and the extension of the M4 underground line to connect Linate airport to the new station. This project is scheduled to be completed by June 30, 2022, while work related to the opening of the section is estimated to take four years.

ITAIR ISAC

The project, coordinated by ASSAEROPORTI and in partnership with the airports of Bergamo, Turin and Bologna, ENAV and IDS AirNav, seeks to improve the IT capabilities of Italian airport operators through the creation of an Information Sharing Analysis Centre.

Airport Community app

A mobile application dedicated to airport staff. The operators of certain SEA departments, in particular Operations and Customer Care, are connected with the employees of all companies operating at the airports, such as handlers, retailers and carriers, for faster, more effective consultation of the data of the respective systems. The application offers authorised users real-time updates on airport operations and critical issues, allowing them to make timely decisions and carry out necessary interventions. It allows handlers to consult and manage A-CDM system information and enter useful information for monitoring operations, allowing Airport Coordination to intervene proactively in the event of any issues.

Digital Signage

Digital Signage represents an effective form of proximity communication at points of sale, in public open spaces and inside buildings, and encompasses informative signage, digital and video posters and multimedia films shown via electronic screens, LED walls, video walls or projectors. The SEA network infrastructure allows the distribution of multimedia content via film media files, such as at Malpensa Terminal 1's Porta di Milano, or via television content, such as on all monitors in airport VIP lounges.

Airport Facility Management (2D and 3D platform)

A platform for the management of cabling infrastructure, real estate assets and asset management, featuring 2D and 3D geolocation and access via intranet, web and cloud services from multiple devices, such as PCs, tablets and smartphones. The platform permits a digital

representation of airport buildings with themed views of the georeferenced objects and installations. This allows shorter project intervention times and minimises the need for physical inspections.

Airport Facility Management (Emergency and Maintenance Support)

An integrated AFM application for the management of Airport Safety events, such as those triggered by facility monitoring system alarms and reports from Security Control Rooms. The system allows operators to geolocate the event, inform the various reference contacts via direct communication, support those intervening to reach the event site with the use of mobile device maps and information, such as telephone numbers, site technical information and the location of fire prevention equipment. The system also enables the tracking of actions taken and the automatic drafting of an event report as it comes to an end. The system is being phased in gradually to allow for possible integrations with other systems.

SLR-SEA Link Retail

A system for communications and reporting of the sales data of traders present at SEA airports. Store data analysis takes place via:

- a public application for the entry and consultation of data relating to sales receipts issued in stores;
- a web app for data consultation and reporting by SEA staff;
- automatic sales data files from large shops via FTP;
- interfacing with the company's Business Intelligence System for traffic data comparisons and sales data analyses.

Asset2work - Maintenance Activities Control

Ticketing system for maintenance activity monitoring. Requests sent from mobile devices to the operator that trace and record the process. It also allows Service Level Agreement monitoring.

BIM - Building Information Modelling

SEA has launched a software and functional development process that aims to adopt a BIM - Building Information Modelling approach for all phases of infrastructure design, and, moving forward, the consequent maintenance activities on the infrastructure.

CERTIFIED MANAGEMENT SYSTEMS

The implementation of sustainable management practices involves adopting a broad set of certified management systems encompassing issues of quality, safety, the environment, as well as social issues.

Certified management systems

	Environment	Safety	Social	Quality	Governance
SEA	Airport Carbon Accreditation - 4+ Transition Level [1] ISO 14001 [2] ISO 50001 [3] Make It Sustainable [12] BREEAM in Use [13]	ISO 45001 [4]	Dasa Register [5] UNI CEI TUV Italia Service Certification [6] Family Audit [11] ISO 27001:2013 [10]	ISO 9001:2015 [7]	ISO 37001:2016 Anti-bribery Management System [9]
SEA Energia	EMAS Registration [8] ISO 14001 ISO 50001	ISO 45001 [4]			

[1] *ACI (Airport Council International) Europe Certification to incentivize the contribution of airports to combatting climate change. A series of actions for the control and reduction of direct and indirect emissions of CO_2 are scheduled.*

[2] *Concerns the implementation of an Environmental Management System, identifying, controlling and monitoring the performance of the organization.*

[3] *International energy management standard, focusing on the organization's energy consumption and promoting energy efficiency throughout the organization's distribution chain via requirements for suppliers.*

[4] *Voluntary application, within the organization, of a system guaranteeing adequate supervision of worker health and safety, and compliance with applicable regulations.*

[5] *Concerns changes to airport infrastructures at Linate and Malpensa to facilitate their use by persons with reduced mobility (PRM), in order to guarantee equal opportunity.*

[6] *Concerns the airport passenger assistance service for those with reduced mobility.*

[7] *Services Quality Management System.*

[8] *Enterprises and organizations wishing to voluntarily commit to the evaluation and improvement of their environmental efficiency may adhere to the Eco-Management and Audit Scheme (EMAS). EMAS provides stakeholders with an instrument to evaluate the environmental attributes of their organizations.*

[9] *Anti-bribery Management System.*

[10] *Information Security Management System.*

[11] *Certification for commitment to work-life balance.*

[12] *Applying sustainability principles to maintenance processes.*

[13] *Certification of buildings environmental performance (Body F Linate).*

Results

RESULTS

OUTPUT

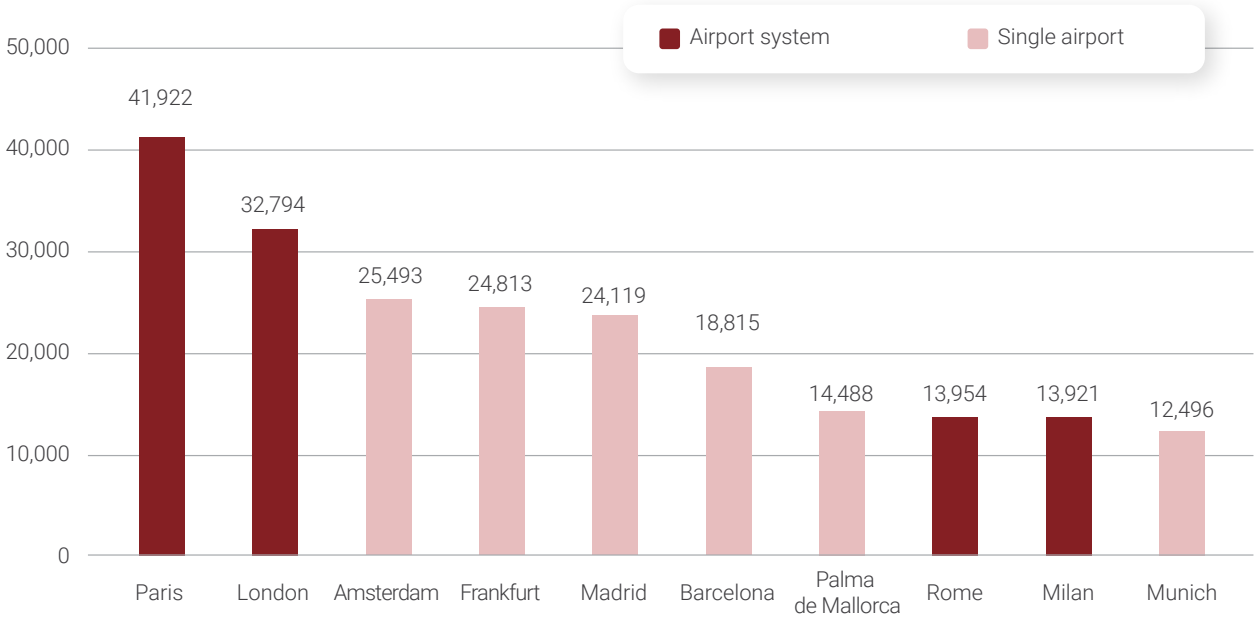
The management output represents the set of characteristic activities performed and the ways in which they have been implemented. It therefore corresponds to the organizational, operational and competitive effort made during the year to operate the airports in the best interests of the area served and in line with expectations. It therefore refers not only to the volume and quality of operational performance, but also to social responsibility projects and initiatives.

Competitive performance of the Aviation Business

PASSENGER TRAFFIC

The Milan airports are among the main European airport systems, with 13.9 million passengers transported in 2021. In particular, the Milanese system ranked 2nd in Italy and 9th in Europe for passenger traffic volumes. During 2021, with the COVID-19 pandemic situation still ongoing, the two airports continued to record traffic levels below capacity, albeit with a slight recovery compared to 2020 of 4,425,353 passengers (+46.8%) and 40,684 movements (+34.5%).

Ranking of the main European airports/airport systems in terms of passenger traffic volumes - 2021 (1000 pax)*



*Including transits

Source: SEA, ACI Europe

Aviation Business performance indicators of the SEA airport system

	Movements (No.)			Passengers (No.)			Cargo (tons)		
	2021	2020	Δ %	2021	2020	Δ %	2021	2020	Δ %
Malpensa	113,099	89,264	26.7	9,572,168	7,202,319	32.9	741,774	511,292	45.1
Linate	45,362	28,513	59.1	4,307,134	2,251,630	91.3	1,320	765	72.6
Airport system	158,461	117,777	34.5	13,879,302	9,453,949	46.8	743,094	512,057	45.1

Source: SEA

The waves that occurred in the first few months of 2021 and the resulting travel restrictions, as well as the economic and financial stresses induced by the crisis on operators in the sector, have contributed to delaying traffic recovery. A partial recovery in volumes only took place from May, a trend that was consolidated in the summer months and continued until November. The spread of the new Omicron variant from December 2021 negatively affected the recovery trend in the air transport sector, which already showed signs of slowdown in the second half of December, also in the operations of the Milan airports.

In the ranking of the airports most served by SEA's airport system in 2021, Catania, Palermo and Paris (Charles de Gaulle and Orly) occupied the first three positions; in addition to Paris, the main international destinations by number of passengers transported include Madrid, London (with 5 airports) and Amsterdam.

Malpensa

In 2021 Malpensa reported 9.6 million passengers, up 2.4 million passengers (32.9%) on 2020. The passenger growth achieved in 2020 (up 2.4 million) was exclusively achieved by low-cost carriers (up 2.6 million passengers) who recovered 48% of the traffic in 2019; legacy carriers, on the other hand, recorded a downturn, albeit of lesser magnitude (down 219,000 passengers).

The top airlines in terms of the number of passengers carried are the low cost operators easyJet (2.8 million), Ryanair (2.0 million) and Wizz Air (1.3 million); in addition to expanding its network, the latter brought a new aircraft into operation at Malpensa in June 2021, bringing its total number of aircraft to six.

The primary domestic destinations served were Catania, Palermo, Lamezia Terme, Naples, Bari, and Brindisi, followed by the international destinations of Paris Charles de Gaulle and Barcelona.

Number of day time and night time movements* (arriving and departing)

Movements	Passengers		Cargo		General Aviation		State Flights		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Daytime Arrivals	35,707	31,959	10,574	6,869	2,491	1,506	3	3	48,775	40,337
Daytime Departures	39,521	34,203	10,182	6,863	2,516	1,546	5	3	52,224	42,615
Night time Arrivals	4,973	2,956	5,312	2,922	121	61	2	-	10,408	5,939
Night Time Departures	1,094	577	5,736	2,915	104	49	-	-	6,934	3,541
Total	81,295	69,695	31,804	19,569	5,232	3,162	10	6	118,341	92,432

**Night time movements concern those between the hours of 11 PM and 6 AM.*
Source: SEA

Number of arriving and departing passengers

	Domestic flights		International flights		Total	
	2021	2020	2021	2020	2021	2020
Arriving passengers	1,937,719	1,076,976	2,855,826	2,561,822	4,793,545	3,638,798
Departing passengers	1,937,079	1,111,424	2,841,544	2,452,097	4,778,623	3,563,521
Total passengers	3,874,798	2,188,400	5,697,370	5,013,919	9,572,168	7,202,319

Source: SEA

Number of passengers by origin and destination, transfer and transits

	Origin and destination		Direct transits		Total	
	2021	2020	2021	2020	2021	2020
Domestic	3,874,798	2,188,400	2,251	1,592	3,877,049	2,189,992
International	4,236,467	3,590,175	9,836	10,467	4,246,303	3,600,642
Intercontinental	1,460,903	1,423,744	29,054	22,519	1,489,957	1,446,263
Total	9,572,168	7,202,319	41,141	34,578	9,613,309	7,236,897

Source: SEA

Passenger traffic destinations from Terminal 1 - 2021

Geographical area	%
Europe	84.7
Middle East	7.4
Africa	4.4
North America	2.7
Far East	0.5
Central/South America	0.3

Source: SEA

Intercontinental destinations generated a traffic volume of over 1.5 million passengers served, an increase of 2.6% on 2020. In addition to connections to North America, the main intercontinental destinations were Dubai, Istanbul, Cairo and Casablanca.

Malpensa traffic and connectivity development initiatives

The effects of the COVID-19 pandemic on the air transport sector and the uncertainty linked to resuming carrier activity have made it necessary to revisit the objectives of existing commercial agreements. Commercial instruments were also prepared for long and short-medium haul legacy flights with the aim of supporting and rewarding individual carriers determined to significantly recover the supply of scheduled flights at Malpensa airport.

Traffic expansion actions at Malpensa (No.)

	2021	2020	2019	Total
New airlines	1	2	2	5
New services*	26	41	43	110
Increased frequencies by airlines already present on existing routes	0	0	16	16
Overall increase in weekly frequencies (new services + increased frequencies)	76	177	207	460

**New services concern the introduction of new destinations served by airlines already present, or new airlines which operate on routes already served, or new airlines serving new destinations.*

Source: SEA

2021 traffic on the system closed with an approximately 40% recovery over 2019 volumes. Traffic in the domestic segment recovered most strongly (around 70%) thanks to the offer of low-cost airlines which, in view of the restrictions in force in Europe, modified their networks to focus on domestic flights. Long-haul traffic saw a resumption of services to North America (New York) and South America in December with Latam's flight to São Paulo. Ethiopian Airlines continued to operate at Addis Ababa, guaranteeing connections on the African continent, while Air Senegal, which has started direct connections to Dakar, is a new addition to Malpensa. Gulf carriers also performed well, with Emirates, Etihad, Qatar, Oman, Saudi Arabian and Kuwait Airways continuing to offer flights to their respective hubs. The Asian continent, however, still remains uncovered. Only Singapore Airlines restarted connections from August 2020, also increasing its services during 2021.

Bilateral Agreements

In 2021, the European Union signed major comprehensive air traffic liberalisation and aviation regulatory convergence agreements with the United Kingdom, Qatar, Ukraine, and Armenia.

In addition, the EU has concluded a fundamental global agreement with ASEAN, which is yet to be formalised, and also one with Tunisia, which has been signed by the EU but not yet by the Tunisian authorities.

Similar negotiations have been concluded with Oman, but the agreed text has not yet been formally approved. These agreements will fully liberalise air traffic (frequencies, destinations, designations) with these foreign parties in relation to third and fourth freedom rights and in some cases also with limited fifth freedom rights, generating interesting additional opportunities for Malpensa too.

In November the Italian aviation authorities granted Singapore Airlines temporary authorisation to operate three flights a week on the Milan/Barcelona/Milan sector, with fifth freedom rights, in continuation of the flight originating in Singapore. The carrier has planned to start this service from January 2022. This new service represents a unique opportunity for all passengers to take a short-haul flight with the prestigious Asian airline on an Airbus 350-900.

World Routes

Despite being a particularly difficult time for the air transport industry, the 26th edition of World Routes took place in Milan from October 10 to 12, 2021. The event was very well attended. More than 1,500 delegates representing 125 airlines from all over the world participated in 5,500 one-to-one meetings to lay the foundations for future air transport strategies.

The World Routes 2021 event was made possible through the support and contributions of commercial and institutional partners. The experience and outcome of the World Routes international events in which SEA, in partnership with the Lombardy Region, the Municipality of Milan, ENIT and Bergamo airport, participated from 2018 to 2021 was positive overall. In view of this, and considering the anticipated recovery of air traffic (expected to return to pre-crisis volumes in 2024) there is a two-year plan to continue promoting the territory (also in view of the next Winter Olympics) and to develop air traffic connecting Lombardy and Milan by continuing to participate in the next international events of the Routes circuit and promotional initiatives involving air carriers in target markets.

Linate

In 2021 Linate recorded 4.3 million passengers, up 2.1 million passengers (91.3%) on 2020. During the month of October 2021, the national airline Alitalia ceased operations and, from October 15, ITA Airways began operating with a reduced fleet of aircraft (a better quality fleet with a higher average capacity) and with 15% fewer slots available at Linate airport than Alitalia. The availability of slots freed up by Alitalia and the transitional regulations regarding "slot allocation" allowed some carriers to increase frequencies or start up operations at Linate. In 2021 the Alitalia/ITA share was 59% at Linate, with predominantly domestic traffic (89%). Other carriers operating at the airport include easyJet (7% share), Iberia and Wizzair (each with a 5% share), Lufthansa, Air France, Volotea (each with a 4% share); the latter, a new entrant at the airport, has been operating flights to Sicily since June and, since the winter season, has been performing "public service obligations". The remaining market share is split between KLM, British Airways, Blue Air (a new entrant which began running flights to Bucharest in May), Austrian Airlines (a new entrant which has served the Austrian capital since June), Brussels Airlines, Scandinavian Airlines, Vueling Airlines, and Air Malta.

Number of arriving and departing passengers

	Domestic flights		International flights		Total	
	2021	2020	2021	2020	2021	2020
Arriving passengers	1,404,772	732,265	755,661	419,324	2,160,433	1,151,589
Departing passengers	1,386,786	666,797	759,915	433,244	2,146,701	1,100,041
Total passengers	2,791,558	1,399,062	1,515,576	852,568	4,307,134	2,251,630

Source: SEA

Number of day time and night time movements* (arriving and departing)

Movements	Passengers		Cargo		General Aviation		State Flights		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Daytime Arrivals	22,189	14,062	7	3	10,762	6,042	3	10	32,961	20,117
Daytime Departures	22,629	14,247	-	-	10,803	6,083	3	11	33,435	20,341
Night time Arrivals	493	195	-	-	199	133	-	1	692	329
Night Time Departures	44	6	-	-	241	207	-	-	285	213
Total	45,355	28,510	7	3	22,005	12,465	6	22	67,373	41,000

Night time movements concern those between the hours of 11 PM and 6 AM. Source: SEA

Passengers by origin and destination, transfer and transits

	Origin and destination		Direct transits		Total	
	2021	2020	2021	2020	2021	2020
Domestic	2,791,558	1,399,062	108	632	2,791,666	1,399,694
International	1,515,576	852,568	321	489	1,515,897	853,057
Total	4,307,134	2,251,630	429	1,121	4,307,563	2,252,751

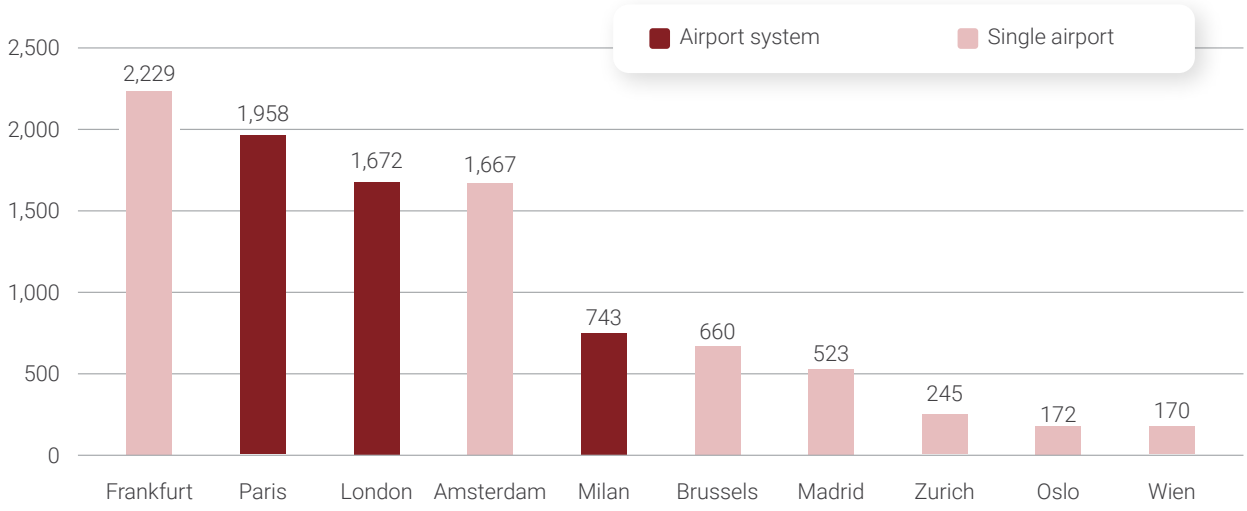
Source: SEA

CARGO TRAFFIC

The Milan airport system ranks 1st in Italy and 5th in Europe by freight traffic volumes.

In 2021, cargo traffic managed at Malpensa and Linate totalled 743,000 tonnes, increasing by over 230,000 tonnes.

Ranking of the main European airports / airport systems by volumes of goods - 2021 ('000 tons)*



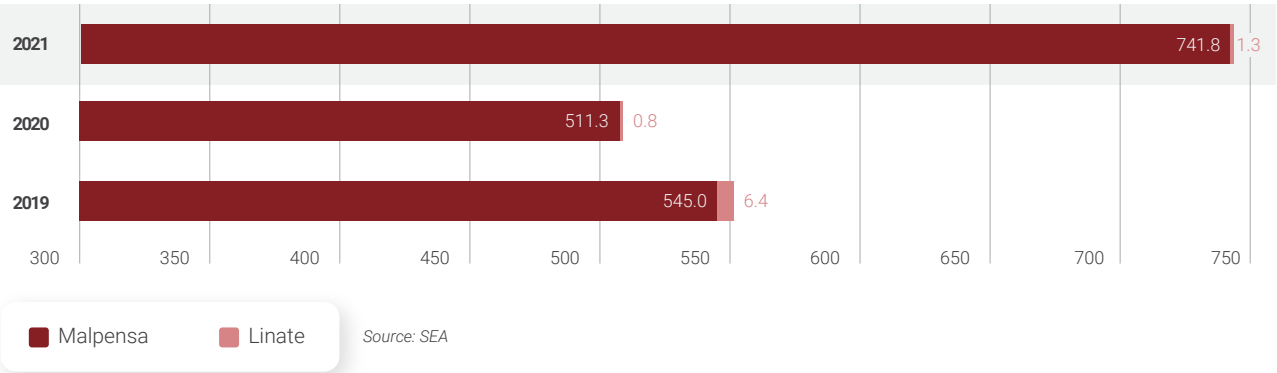
**Including transits*
Source: SEA, ACI Europe

For Malpensa, this is the highest annual cargo volume on record, up 36% on 2019 and 45% on 2020. Even more significant is the growth in cargo movements: 30,450 movements in 2021 for Malpensa, marking a 158% increase compared to 2019 and 63% compared to 2020. This consistent volume growth was influenced by the significant development of e-commerce, accelerated by the effects of the pandemic, which mainly favoured couriers, who carried 246,000 tonnes, accounting for 33% of total cargo compared to 15% in 2019.

The main player in this segment is DHL which, thanks to its new cargo city hub opened in October 2020, reported 10,879 movements and 164,000 tonnes in 2021, accounting for 36% of movements and 24% of total cargo volumes. The strong

growth in e-commerce also favoured general cargo operators, whose volumes grew by 7% thanks also to all-cargo traffic using passenger aircraft ("preighters") which made it possible to largely offset the loss of cargo hold capacity due to the drop in intercontinental passenger traffic.

Cargo traffic managed by the Milan airport system (000's tons)



Source: SEA

These results confirm Malpensa Cargo City's role as a primary hub for import and export trade domestically and as a logistics base for DHL.

Malpensa - Arriving and departing cargo on all flights (cargo and passenger) (tons)

	Cargo		Passengers		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Arriving	297,946	197,330	42,133	29,953	340,079	227,283
Departing	359,257	255,080	42,437	28,929	401,695	284,008
Total cargo	**657,203**	**452,410**	**84,570**	**58,882**	**741,774**	**511,291**

Source: SEA

Linate - Arriving and departing cargo on all flights (cargo and passenger) (tons)

	Cargo		Passengers		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Arriving	0.4	-	519	281	519	281
Departing	-	-	801	484	801	484
Total cargo	**0.4**	**-**	**1,320**	**765**	**1,320**	**765**

Note: 2020 data has been restated due to a change in the unit of measurement. Source: SEA

Malpensa - Distribution of cargo traffic by geographical area of destination (% of total goods volume)

Geographical area	**2021**	**2020**	**2019**
Europe	37.6	35.7	27.8
Far East	24.5	24.7	25.9
Middle East	24.0	26.8	28.8
North America	11.9	10.9	15.2
Africa	1.3	1.5	1.4
Central and South America	0.7	0.4	0.9

Source: SEA

The quantities of cargo transported increased in all geographical areas, and in particular, in Europe (+46.3%), the Far East (+43.7%), the Middle East (+30.2%), and North America (+59.0%).

Direct and indirect competition

DIRECT COMPETITION

Analysing the level of dependence of European airports on particular airlines (under the Herfindahl-Hirschman - HHI concentration index, which reaches a value of 11 thousand where the offer of an airport is completely handled by a single airline), it emerged that Malpensa is the European airport with the lowest level of dependence on a single airline (the leading operator at Malpensa is easyJet, with a 14.9% ASK share). This is an extremely positive result in comparison with other continental airports, such as Amsterdam, Frankfurt, Zurich, Paris and Monaco, where the first airline has shares close to or in excess of 50% of the ASK volume on offer.

Direct competition development at Milan Malpensa

	2020	2019
HH index on ASK	537	495
No. airlines	87	86
Entropy index on ASK	1.51	1.51
% ASKs of leading 5 airlines	41.8	41.5
% ASKs of leading airline	14.9	11.4

Source: ICCSAI Fact Book 2020, 2021

Linate, however, shows a higher concentration of traffic compared to Malpensa, due to the significant presence of the company formerly known as Alitalia (now ITA Airways), which manages 68.4% (significantly up from 62.2% in 2019) of the overall share of ASK. This makes it the Italian airport most reliant on a single carrier by ASK.

Direct competition development at Milan Linate

	2020	2019
HH index on ASK	4,815	4,055
No. airlines	15	17
Entropy index on ASK	0.57	0.66
% ASKs of leading 5 airlines	90.0	86.9
% ASKs of leading airline	68.4	62.2

Source: ICCSAI Fact Book 2020, 2021

Direct competition is measured also by another indicator called the entropy (H) index, which calculates (also in terms of ASK or seats) if the share of the airport offer is equally divided between all airlines present. Therefore, low index values indicate situations in which the traffic offer of a particular airport is highly concentrated. Also according to this index, Malpensa airport was the absolute leader in Europe with regard to the lowest dependence on an individual airline.

INDIRECT COMPETITION

The level of indirect competition refers to each route offered by a specific airport for which alternative routes are offered by other airports close to that considered, for neighbouring destinations or on similar routes.

The "proximity" concept relating to departing airports and destination airports concerns those located within 110km. The exposure of an airport to indirect competition is one of the elements taken into account when considering whether an airport is a natural monopoly.

Indirect competition at Milan Malpensa

	2020	2019
No. neighbouring airports	3	3
No. routes in indirect competition	86	99
Competitor ASK /ASK in competition	1.0	0.83

Source: ICCSAI Fact Book 2020, 2021

Within Europe, the London area contains a high number of active airports, therefore in indirect competition. Nearly all departing European routes from Gatwick or Heathrow have indirect alternatives. Indirect competition is significant also in the Lombardy region close to Milan. From Malpensa, approximately 96.5% of routes to European destinations are subject to competition from other airports in the area, such as Linate and Orio al Serio. Malpensa airport is ranked sixth, after Gatwick, Stansted, Heathrow, Orly and Brussels, for intensity of indirect competition. The ratio between the alternative offer volume of the competing regional airports (including Linate) and the offer of the airport concerning the routes subject to competition is 1:1.

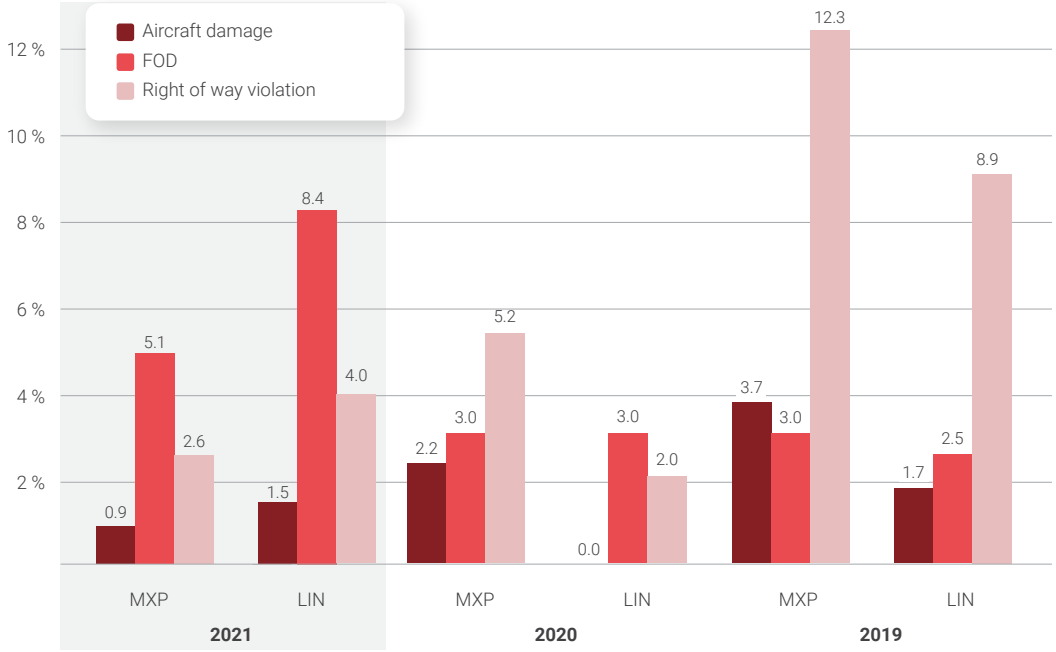
Aviation Safety

At the Milan airports, an effective Safety Management System (SMS) is active and validated and controlled by the Italian Civil Aviation Authority (ENAC), in order to maintain the highest levels of aeronautical safety and service quality in terms of flight infrastructures, facilities, processes, operating procedures and the training of personnel. The discussion and analysis of issues which form the bedrock of the Safety Management System are considered monthly at the Safety Boards and Safety

Committees of Linate and Malpensa, ensuring a complete and extensive handling of the operational security issues. The active involvement of all airport operators, airlines, institutional bodies and parties involved in the various activities at the two airports ensures wide ranging discussion and construct a debate on the major issues. In order to monitor the efficacy of the airport Safety Management system, we utilise a number of quantitative elements both at Linate and Malpensa. The indicators of the principal events encountered at SEA's airports do not highlight particular problem area in terms of the maintenance of adequate levels of aeronautic safety. The percentages of the three major indicators for the GSR (Ground Safety Report) received are reported below. GSRs in 2021 respectively numbered 768 for Malpensa (538 in 2020) and 274 for Linate (197 in 2020).

The indicators generally show a reduction in all phenomena at the two airports. There was an increase in FOD reports due to varying application of the procedures for verifying individual aprons, although this did not concern AA/MM damage from FOD (the figure for which is zero events in 2021 at both airports). The increase in the absolute value of GSR reports is due to the increase in flights in 2021 compared to the slowdown in 2020 as a result of COVID-19.

Aviation safety indicators



WILDLIFE STRIKES: PREVENTION AND MONITORING

The prevention and monitoring actions of wildlife strikes are governed by the "birds and wild animal's impact risk reduction plan" and the relative operating procedure, both included in the Airport Manuals (separate for Linate and Malpensa) and prepared by SEA in compliance with circular ENAC APT 16/2004 and certified by the agency. They are also periodically audited by the authority and by internal personnel. The aspects related to the specific issue of bird strikes are covered in Circular ENAC APT-01B "Directive on procedures to be adopted for the prevention of impact risks from winged animals at airports", in line with the ICAO Annex 14 provisions. Both the Plan and the Operating Procedure comply with the guidelines with the circular, guaranteeing ongoing monitoring and repelling of birds and fauna from the airports. Particular attention is given to the manoeuvre area with the use of modern equipment acquired on the international market. In support of this activity, SEA utilises the company BCI (Bird Control Italy, the sector leader in the prevention of bird strikes and which carries out operations at the majority of Italian airports). All actions carried out are documented with the bird strike monitoring form and the bird strike reporting form, which in form a database managed through the "Bird Strike Management System" software program.

Wildlife strike risk indicators

	Linate			Malpensa		
	2021	2020	2019	2021	2020	2019
Wildlife Strike [1]	5.0	3.7	3.6	8.5	9.1	3.7
Wildlife Strike [2]	0.09	0.08	0.11	0.26	0.22	0.19

[1] Annual rate per 10,000 movements

[2] Risk indicator BRI2 calculated according to the new Circular APT-01B ENAC

Source: SEA

The figure recorded at Linate does not show any particular discrepancy with the figure recorded at Malpensa (referred to the BRI2 risk indicator - reference indicator at national level), as also foreseen by EASA, since the reduction in traffic in 2020 led to an increase in the number of birds at the airport and the increase in flights in 2021 produced an increase in the number of impacts. In addition, the doubling of BCI cars has resulted in an increase of approximately 70,000 bird sightings at the airport with obvious consequences on the indicator calculation. A shift from "Long Grass Policy" to "Poor Grass Policy" is currently underway to reduce the attractiveness to predatory birds.

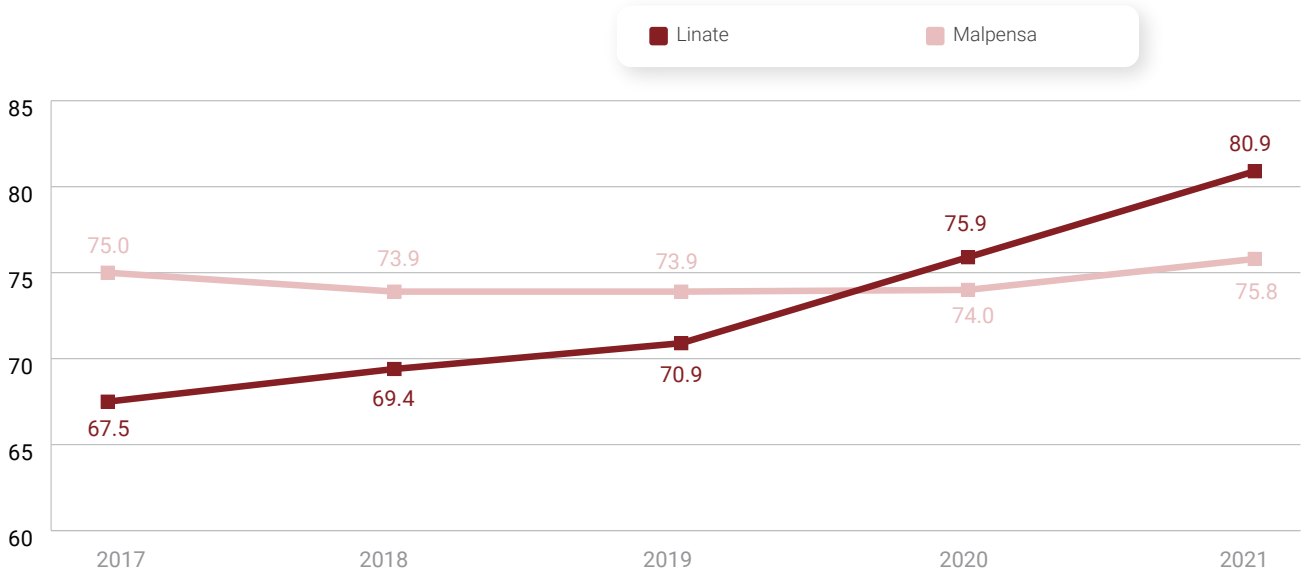
Quality of aviation and non-aviation services provided to passengers

SEA has identified the quality of services offered and passenger satisfaction as strategic priorities for corporate growth and the competitive success of the business, which are all the more important and necessary in this period as living with COVID-19 requires flexibility and speed in making the best decisions. The aim is to create an attractive place for everyone, passengers and operators, offering a safe and pleasant experience aimed at modernity, dynamism, technology and beauty, characteristics that distinguish the city of Milan and Lombardy, to which Milan's airports are the gateway. The Airport Service Charter is an instrument created to establish the service quality level which the Airport Manager guarantees to passengers. Through the Service Charter, SEA communicates to passengers, together with airlines and companies providing services to them, its service level quality objectives. In 2021, the continuing pandemic continued to have negative impacts on traffic trends and terminal operations by affecting the customer experience. In this scenario, in line with the indications of the Civil Aviation Authority, there is no disclosure of the results of the airport services monitoring, which was conducted in an incomplete and discontinuous manner according to the operations of the airports.

CHANGE IN CUSTOMER SATISFACTION

As they strive to achieve continuous improvement, Malpensa and Linate are always very attentive to the needs of passengers in order to guarantee a "superior customer experience", anticipating their desires and, at the same time, allowing an increasingly aware and safe experience, especially in this phase of the health emergency. The overall rating given by passengers for the services received at Malpensa and Linate is up on previous years, setting Milan's airports apart from other European airports with similar traffic patterns. Passenger satisfaction at Malpensa and Linate airports improved steadily throughout 2021, rewarding the determined and committed efforts and activities of staff.

Customer Satisfaction Index 2017-2021 - Departing passengers



Source: SEA

The redevelopment of Linate terminal, dedicated to improving its ambience, is a major step towards giving passengers and the city of Milan an airport with a new identity that creates a sense of place and reflects the city's characteristics of modernity, dynamism, design and technological development. The project was also based on architectural and design elements for shape and colour created using neuroscience, which takes into account the emotional and perceptive states of passengers at various stages of their journey and on the principles of environmental sustainability pursued by SEA. Various decorative and infrastructural elements (light, spaces, colours, seating, green areas) are located along the passenger route from check-in to the boarding gates in order to create a relaxing environment and turn the airport into an "experience".

In order to create a sense of place fit for Milan, which has always been the vanguard and testimonial of Italian design in the world, a collaboration has been established with Triennale Milano and the Museum of Italian Design, which has made available a series of works by famous Italian designers. The works are displayed along the entire passenger route, enriching the airport terminal with cultural value.

PASSENGER OPINION

Since 2020 SEA has managed Google reviews on Google Maps and the search engine by responding to passenger comments. The number of reviews for Linate and Malpensa increased by 58% on 2020 reaching 7,532 in 2021, a trend stimulated by response management. Linate and Malpensa's rating improved in 2021, reaching an average of over 4 stars for both.

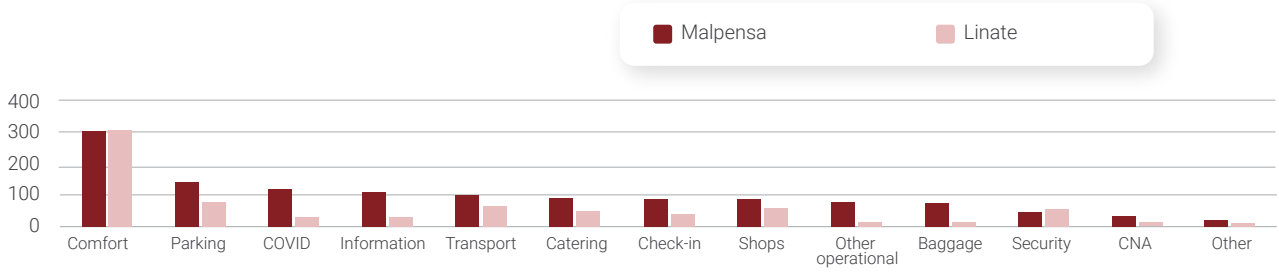
Passengers particularly appreciated the new services offered at Linate. Attendance has increased significantly since the second quarter of 2021, at the same time as the opening of the new check-in, security and commercial and boarding areas.

At both airports the entire experience - especially at security - and the feeling of comfort created by the large, bright spaces was received very positively, as was the courtesy of the staff working in all airport services. Passengers are particularly attentive to contact with people and things and highlighted the assertiveness and professionalism of the staff at both airports.

Google reviews of Milan airports in 2021 (values on a scale of 0-5)

Airport	2021 rating	2020 rating	Change	Reviews 2021	Reviews 2020	Change	Comments 2021	Comments 2020	Change
Malpensa	4	3.9	+0.1pt	4,958	3,563	+39%	948	694	+27%
Linate	4.2	3.9	+0.3pt	2,626	1,128	+132%	490	221	+121%

No. Comments Per Topic



Source: SEA

INITIATIVES PROMOTED FOR THE COVID-19 EMERGENCY

Faced with the persistence of the pandemic, SEA continued its efforts to combat the spread of the virus in 2021, acting on several fronts, adopting the relevant regulations, guidelines and best practices. As a result, the following Protocols have been updated:

- Company protocol: measures taken as employer, in protection of employees and third parties, which fall within the protections set out by Legislative Decree No. 81/08;
- two Health Operational Protocols (Linate and Malpensa), which include all measures taken as Airport Manager:
  - in protection of Passengers and Airport users;
  - to guide and co-ordinate all airport operators concerning common working areas.

Measures taken included:

- at both Linate and Malpensa, only passengers with a temperature below 37.5°C who are in possession of a valid vaccine certificate (Green Pass and/or Super Green Pass - the latter for national journeys - as provided by government authorities) are allowed to access the security restricted area;
- obligatory mask use at all times for all persons inside the terminal;
- specific procedures within the terminal to ensure social distancing of at least 1 metre, except among members of the same household. In particular, the following measures are in place:
  - stickers on the ground in all waiting and queuing areas inside the terminal (check-in, ticket counters, security, passport control, gates, passenger boarding bridges, arrivals, baggage claim, etc.) and in immediate external areas, at appropriate intervals stating "keep your distance";
  - in areas where larger groups may gather, "facilitators" have been put in place to request people to respect the correct inter-personal distances;
  - reduction in the number of seats available to prevent possible use of the two central seats in all blocks of four seats present in the terminals;
  - installation of protective polycarbonate barriers at workstations involving interaction with passengers.

At food and drink outlets and commercial service points, the owners of the sub-concession spaces (e.g., cafés, restaurants, stores, car rental companies, banks, post offices, etc.) are required to respect the social distancing requirements and guarantee compliance with any Government-adopted measures, or those of the Lombardy Region.

The cleaning and sanitisation of areas and equipment are always ensured through the disinfection of surfaces, equipment and areas and disinfectant gel dispensers are distributed throughout the various areas of the terminals.

An information campaign on the airport measures and behaviours to be adopted to prevent the spread of the virus is regularly updated. Information was communicated by means of posters, monitors and voice messages at the airport, and by mean of a dedicated COVID-19 section on the airport website. An information campaign was also dedicated to reduced mobility passengers and all those who require assistance in order to offer useful, precise information and emphasise the particular care and services offered, including during this exceptional pandemic period.

Following on from actions in 2020 and with a view to combining increasingly safe mobility with developing air traffic, the Ministry of Health ordered from April 2021 - and for an extended period - a trial of COVID-tested

flights from New York and the United Arab Emirates from Malpensa airport.

In addition, the Ministry of Health Order of September 28, 2021 called for "Urgent measures for the trial of 'COVID-free Tourist Corridors'" which established COVID-free tourist corridors for some intercontinental destinations (e.g. Aruba, Maldives, Mauritius, Seychelles, Dominican Republic and Egypt). As a result, SEA provided tour operators with a special COVID-19 test area for passengers coming from the tourist destinations mentioned in the regulations.

An additional service was provided to travellers and operators at Linate and Malpensa airports who wished to perform both an antigenic and a PCR test for the diagnosis of COVID-19. This service, which is subject to a charge, could be booked at the facilities located within the terminals.

CERTIFICATIONS AND AWARDS

Also during 2021, Linate and Malpensa airports renewed:

- ACI World - Airport Health Accreditation, which certifies that both Milan airports offer all passengers and operators a safe stay at the airport;
- Hygiene Synopsis certification issued by TÜV SUD Italia, which at the international level promotes best practices and professionalism to ensure the safety of passengers and operators in the fight against COVID-19.

In addition, both airports won the "ACI World's Voice of the Customer" award. This initiative rewards airports that have prioritised listening to their passengers during the difficult period of the pandemic. Milan airports have continued their commitments, also during 2021, to collect and take into account feedback from their passengers, thanks to ACI's Airport Service Quality programme.

COMMERCIAL SERVICES OFFERING

Non-Aviation activities include:

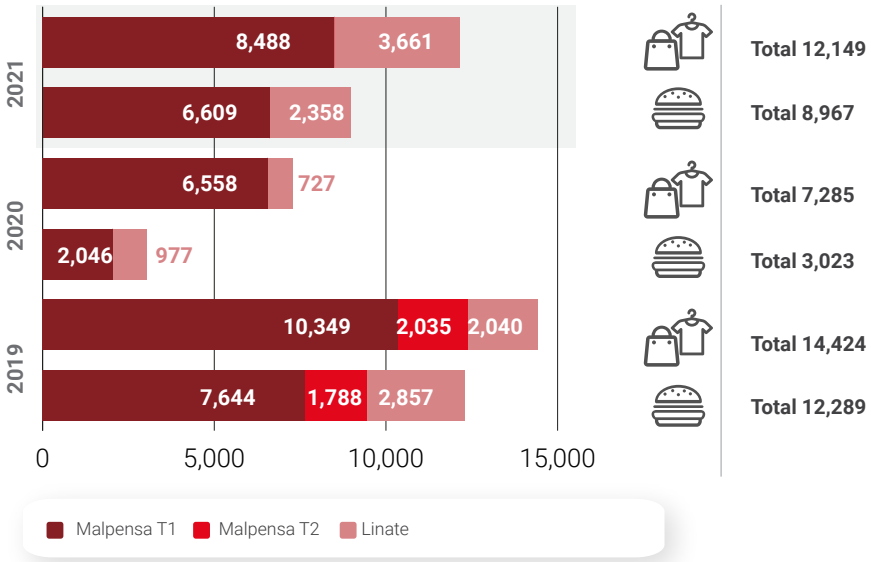
- retail activities (duty free and duty paid sale to the public, catering, car hire, advertising, the management of spaces for the carrying out by third parties of banking activities);
- the management of parking;
- the management of cargo spaces;
- the management of advertising spaces;
- other activities, categorised as "Services and other revenues", including vehicle maintenance, real estate management, such as leasing and concessions of portions of the airport grounds, technological and design services, and unregulated security services.

RETAIL

The sales points within the passenger terminal offer both duty free products (therefore excluding VAT and other taxes), and duty paid products (therefore under normal conditions and excluding therefore the benefit of the above-mentioned exemption). The retail sector activities carried out at the airports offer the public and passengers a wide range of products and brands which satisfy the entire customer base and are differentiated at each terminal:

- Milan Malpensa 1 dedicated to luxury and duty-free shopping;
- Malpensa Terminal 2 dedicated to low cost;
- Linate focused on a specialised high-end business offer.

Operating areas allocated to public sale and food & beverage activities (m²)



Note: does not include the VIP lounges and external areas

Source: SEA

In 2021 SEA's airports had 89 operating points of sale, corresponding to commercial spaces of 12,149 m² (+4,864 m² on 2020), of which 8,488 m² at Malpensa Terminal 1 and 3,661 m² at Linate.

Despite the pandemic, asset management operations were completed at Malpensa's Terminal 1 in Luxury Square with the opening in July of the new Rolex-Damiani and Montblanc boutiques, and the launch of the Dolce & Gabbana boutique in December, further strengthening the range of luxury brands. The Paul&Shark store was also opened in Piazza del Gusto.

At Linate airport, following the inauguration of the new Building F and the new area on the second floor between July and October, new stores enhanced the range of products and services available in the main square. Brands such as: Borsalino, Salvatore Ferragamo, Ermenegildo Zegna, Dolce & Gabbana, Emporio Armani, completed the luxury hub.

Noteworthy here also is the launch of the Damiani/Rocca and Fratelli Rossetti projects, which are scheduled to open in the first few weeks of 2022. A Nau Ottica and Piquadro - The Bridge boutique was also opened between October and November. The new Hudson Newsstand opened in the check-in area in December (replacing the Moleskine, Piquadro and Gallo stores with a single unit). As regards food & beverages, in 2021 there were 43 bars and restaurants operating in the terminals managed by SEA, covering an area of about 8,967 m² (+5,944 m² compared to 2020), of which 6,609 m² at Malpensa Terminal 1 and 2,358 m² at Linate. At Terminal 1, all food outlets were gradually reopened over the course of the year, with the exception of Caffè Milano and the food court near passport control, whilst the new Motta Bar at Satellite North was officially opened in July. At Linate airport, the new commercial area in Building F saw the inauguration of a Motta cafeteria featuring large open spaces with a choice of materials and furnishings in the brand's image and colours, but with a touch of innovation, followed in November with the Saporè table service pizza restaurant. The arrivals area saw the reopening of Rinaldini and in June the completely renovated Saporè store, offering pizza by the slice. Pizza Chef and McDonald's reopened in November, while at the gates Caffè Milano and FERRARI Spazio Bollicine remained operational. Illy Caffè has also reopened airside, at the remote boarding gates, and in order to improve the use of the ground floor gate area, a large table area in front of the Illy kiosk was created and customised in December.

Operating retail areas of the Milan airports by millions of passengers (m²/passengers)

	2021	2020	2019
Malpensa T1	1,577	1,411	859
Malpensa T2	0	0	492
Linate	1,398	757	751

Source: SEA

PARKING

SEA directly manages the parking lots of its own airports, and, from 2014, will also manage that of Orio al Serio Airport. The ViaMilano Parking system offers 10 types of parking with a total of 15,000 spaces. The stability despite the clear decline in traffic was the result of a commercial policy consistent with changing consumption habits, with a focus on the continuity of the relationship with the customer base. In 2021 new commercial agreements were signed with new online platforms dedicated to the sale of airport car parks in order to increase the penetration and commercial exposure of our products on the web.

Number of parking spaces

	2021	2020	2019
Malpensa T1	6,729	6,729	6,729
Malpensa T2	6,131	6,131	4,531
Linate	3,026	3,026	3,171
Total	15,886	15,886	14,431

Note: The figures refer only to the number of available spaces.

The growth in Terminal 2 parking spaces is due to approximately 1,600 new parking spaces made available in the Nidoli car park in March 2020.

Source: SEA

The reinsurance business yielded concrete benefits such as the implementation at Linate and Malpensa parking lots of touchless entry and exit mode for those who purchase online, with the introduction of the bar-code-reading system in replacement of manual keyboard PIN entry.

In addition - above all on digital/social channels - new solutions were proposed in pursuit of flexibility for activating the conversion of purchases such as free change of reservations for online purchases and parking passes, i.e. credit that may be used over an extended period.

Malpensa T1 - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2021	6,729	961,929	6.6
2020	6,729	153,667	4.2
2019	6,729	756,890	3.5

Note: The capacity figures refer to available spaces and utilizable during the year.

Source: SEA

Malpensa T2 - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2021	6,131	5,299	1.7
2020	6,131	39,445	2.9
2019	4,531	274,261	2.5

Note: The capacity figures refer to available spaces and utilizable during the year.

Source: SEA

Linate - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2021	3,026	292,301	7.4
2020	3,026	55,578	2.9
2019	3,171	116,688	1.2

Note: The capacity figures refer to available spaces and utilizable during the year.

Source: SEA

QUALITY OF SERVICES TO CARGO CITY OPERATORS

The management and handling of incoming and outgoing freight and mail at Malpensa airport are carried out by independent operators, who provide their services in specific sectors on the basis of commercial agreements, in compliance with the rules and procedures laid down in the Airport Regulations. The cargo services offered at Malpensa airport include the physical handling of all types of air cargo, together with a wide range of ancillary services such as carrier representation services (including document handling), customs services, road freight services, bookings, and the sale of space on board aircraft.

A Cargo Service Charter was adopted at Malpensa airport in 2014 in order to:

- define performance and quality levels which satisfy the expectations of operators utilising the cargo assistance services;
- ensure SEA the availability of a regulation and control system for the cargo services provided at the airport, in order to guarantee the quality of the final result.

The measurement of cargo service quality levels defined by the Charter is based on the "Cargo iQ" system promoted by IATA and defines, among other things, operating standards and service levels for the main airport processes that form part of the system.

Quality provided

The Freight Service Charter measures the performance of ten service quality indicators analysed through quarterly surveys. The parameters are self-monitored by the cargo handlers, both with IT tools (with complete analysis of the effect) and through field surveys carried out on a sample of events that are suitably representative in terms of number and frequency of detection. SEA conducts periodic audits of self-monitoring surveys at least annually.

Freight Service Charter 2021 - Quality indicators

Process	Indicator	Definition	Value
Goods preparation	Correct packaging of departing loads	Percentage of flights for which no anomalies were found in goods packing compared with the total number of flights handled in the quarter	Cargo flights: 98% Passenger flights: 99%
Compliance with carrier instructions	Freight unloaded in the port of call	Percentage of incomplete or misdirected shipments (misdirected start, missed boarding, incomplete boarding)	0.75%
Departure punctuality	Late flight departures due to goods handling	Flights departing more than 15 minutes later than scheduled are considered late	0.090%
Counter waits	Waiting time at acceptance counters for documents related to outgoing shipments	Time elapsing between arrival at the counter and the end of acceptance operations Limit values: • export counters: 25 minutes • import counters: 20 minutes	Compliance with the parameter in 92% of cases
Receiving goods	Maximum waiting time for the truck to unload the goods	Time between acceptance of the documents and the start of unloading the vehicle. (The parameter assumes different values in relation to the average presentation curves of the vehicles at the handling operators' warehouses)	Compliance with the parameter in 90% of cases
Airport delivery	Time limit for delivery of departing goods at the airport	Percentage of shipments delivered within the time limits out of total outbound shipments processed by the handler	95%
Goods ready for collection	Compliance with the times for the preparation of the loads in departure	The percentage is calculated by comparing flights with no anomalies with the total number of flights processed by a specific cargo handler	97%
Import goods interface	Compliance with the timing for the delivery of the goods in stock in import from the time the flight lands	Percentage of flights that are on schedule in relation to the total number of flights with incoming freight	90%
Import deliveries	Waiting time for goods to leave the import warehouse	Time between presentation of the outbound bill and actual delivery of the shipment to the recipient Reference value: < 60 minutes	Compliance with the parameter in 90% of cases
Tick times	Compliance with the timing for availability to the recipient of the goods arriving	Percentage of shipments whose availability to the recipient is ensured by the handler within the defined timeframe	Compliance with the parameter in 92% of cases

Source: SEA

Quality perception

By means of a questionnaire that can be filled in electronically and distributed widely among all operators interested in cargo activities at Malpensa (around 200 interested parties, including airlines, cargo agents, shipping companies, customs agents, etc.) SEA surveys, at least once a year, the level of customer satisfaction with the quality of services and facilities available in the Cargo area.

Freight Service Charter 2021 - Perceived quality indicators

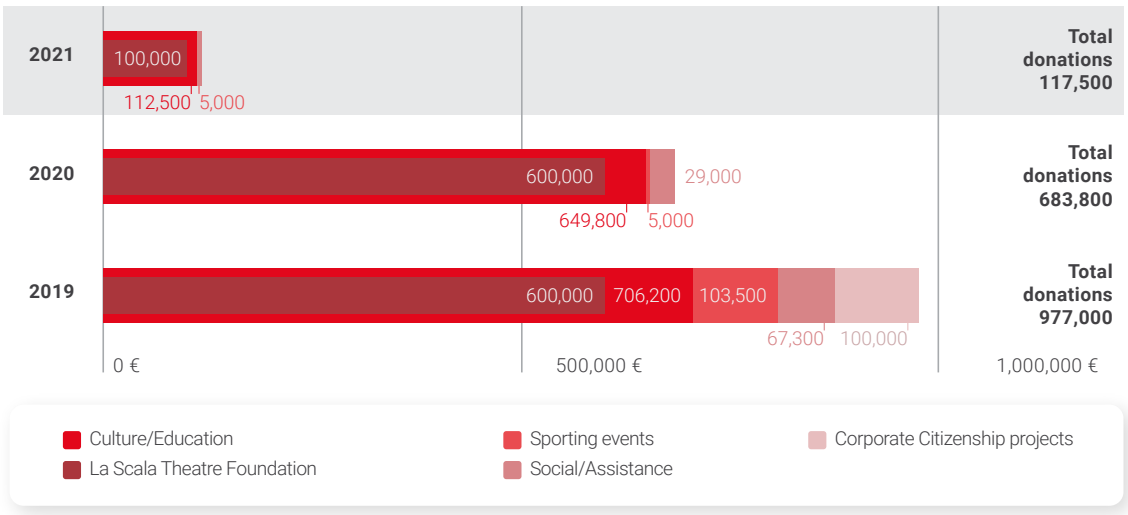
Item	Indicator	Satisfied operators
Goods area security	Perception of level of cargo security services at the airport	70%
Asset security	Perception of the level of asset security	80%
Service regularity	Perception of service regularity	65%
Cleaning and hygienic conditions	Perception of the level of cleanliness and sanitary conditions of the cargo area	60%
Infrastructure, plant and equipment	Perception of infrastructure, facilities and equipment	60%
Additional services	Perception of additional handling services available in the cargo area	70%
Information to operators and customers	Perception of the effectiveness of outdoor signage	65%
Information to operators and customers	Perception of information services	65%
Relationship and conduct aspects	Perception of the professionalism and courtesy of goods handling staff	75%
Modal integration	Perception on the degree of accessibility to the freight terminal	70%
Modal integration	Perceptions of infrastructure quality for modal integration	60%

Source: SEA

Investments in Corporate Citizenship

The majority of SEA's charitable donations over the past three years, totalling over Euro 1.7 million, concerned support for cultural initiatives, such as the Teatro alla Scala Foundation in Milan. As a founding member, SEA actively participates in the promotion of musical culture throughout the world, supporting the national artistic heritage and improving its quality level. In 2021, the flow of investment was sharply reduced due to the severe deterioration in the Company's economic performance brought about by the pandemic.

Donations made over the last three years (Euro)



Impact of the “Job Agile” project

The project

In 2019 SEA donated Euro 100,000 to the Plan Office of the Ambito Distrettuale of Somma Lombardo and the Municipality of Samarate, with a view to adopting a more organic and proactive approach to supporting social well-being in the Malpensa area. This contribution went to the realisation of the “JobAgile Project”, one of the priorities of the social policy programme of the Somma Lombardo area, which aimed to provide professional coaching courses and remunerated traineeships, for 3 to 6 months, to people with difficult personal or family situations but employment potential. These include, for example, the long-term unemployed, people over the age of 50, foreigners with linguistic and cultural barriers, mothers with childcare obligations, and so on.

Project implementation

The outbreak of the pandemic in 2020 halted the introduction of the project, which actually began in 2021, despite the continued difficult conditions due to the critical health situation. Recipients of the interventions were beneficiaries of the Citizenship Income scheme residing in the Municipalities of the District Area, for whom individualised action by Social Services is requested. The potential audience of beneficiaries was approximately 200 people.

Results

Through close coordination between the social services of the municipalities concerned, four social cooperatives selected by public tender by the Planning Office, the Gallarate Employment Centre and various local companies willing to accept trainees, during the year the project achieved the following results:

- 49 individuals were referred to the project, allowing them to re-engage in the search for employment;
- 37 individuals were supported by the operators in the various phases of active research (direct and online research, notices/announcements, sending applications, employment agencies);
- 14 internships began in the trade/big business, logistics, services and green maintenance sectors;
- 10 people were hired under temporary employment contracts.

Thanks to residual funds not yet committed, the project will continue in the first half of 2022, providing further support to people already assisted and new intakes.

OUTCOME

SEA's "Outcome" corresponds to the systemic impact generated to the benefit of the socioeconomic context in which it operates. It defines and measures how the management of the airport system has acted as an enabling factor and catalyst for economic and social development through the generation of air connectivity of adequate quality in harmony with the competitive profile of the local area served.

Connectivity

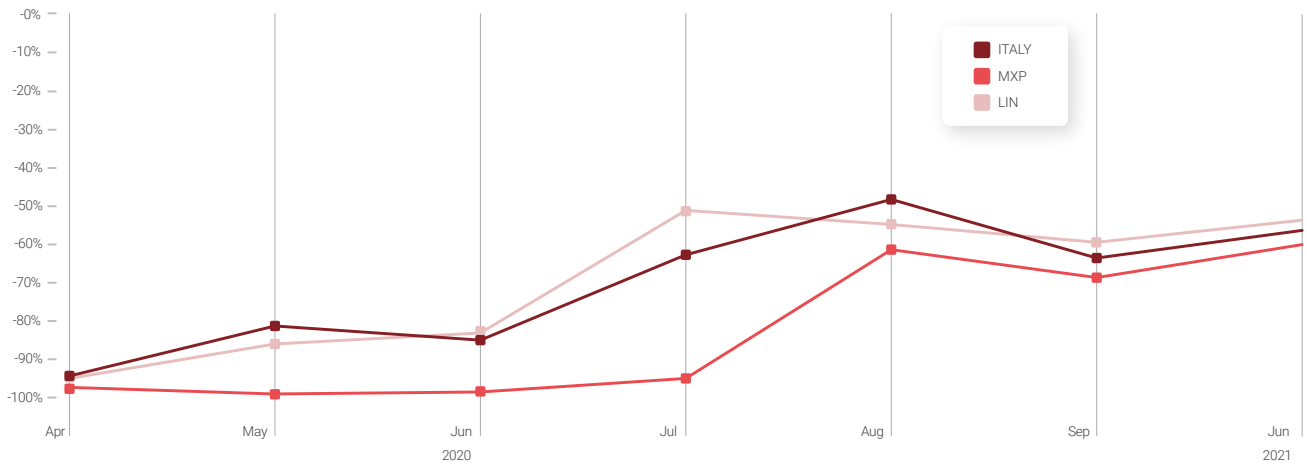
The direct connectivity index is a better measure to define the outcome generated by an airport than the mere number of destinations served because it also takes into account the number of flights available for the destinations concerned and thus the ease of reaching them.

The COVID-19 pandemic had a dramatic effect on the supply of air connectivity in the air transport sector, which underwent systemic collapse across all European regions. The extent of this reduction was directly linked to the measures implemented by governments in their efforts to contain the spread of the virus.

The loss of air connectivity had a strong impact on the economic and social dynamics of the communities in question. Reconstructing air connectivity will therefore be fundamental to restarting tourism, business, investments and trade.

By the summer of 2020, connectivity at Milan's airports had partially recovered from the decimation of flights that occurred in the first six months, rising to around 55% of normal operations. In September, the trend reversed again, due to lack of demand and renewed travel restrictions resulting from the second wave. By June 2021, connectivity had returned to the same levels as the same period the previous year, only to then fall again due to yet another wave that hit Europe in late 2021.

Direct connectivity gap in 2020-2021 vs. 2019 - Italy and Milan airports



Source: ACI Europe, Airport Industry Connectivity Report 2021

WORLDWIDE AND EUROPEAN CONNECTIVITY INDEX

Due to the effects of the pandemic, according to the latest available data Malpensa airport has dropped out of the top 30 best-connected airports globally (currently occupying 35th position, with a connectivity index of 2.62), having been in 28th position in 2019 (2.58). The index covers a network of 3,908 airports worldwide and, as one of the most important airport structural parameters, illustrates the average number of flights needed to reach all the other airports in the considered network (worldwide or European) starting from a given airport. In terms of European connectivity (referring to a sample of 480 continental airports) Malpensa has dropped from 17th place in the pre-pandemic period to 21st in 2020, with an index of 1.87. Linate's position in the continental accessibility ranking has remained unchanged (98th), despite a slight worsening of the index (2.22 vs. 2.19).

CONNECTIVITY AND TRAVEL TIMES

An indicator which provides a more accurate measure of the level of accessibility to Europe by individual airports is based on the minimum travel times to reach other European airports.

Travel time includes both the flight time and the waiting time at interim airports (in the case in which more than one flight is necessary to reach a particular destination). For absolute comparison purposes, it is possible to reach 286 European airports in a day with an average connection time of 307 minutes from Amsterdam Airport (the best connected European airport). A much lower performance compared to the pre-pandemic period, when from the same airport it was possible to reach 377 airports in an average time of 272 minutes.

Connectivity indicators and travel times of the Milan airports

	2020		2019	
	MXP	LIN	MXP	LIN*
No. European airports connected same day	288	267	372	-
Average connection time (minutes)	434	451	317	-

**Airport not operational at the time of the survey*

Source: ICCSAI Fact Book 2020, 2021

In this ranking, Malpensa Airport places 21st in Europe, with 288 airports reached same day and average connection times of 434 minutes. Malpensa has seen its performance deteriorate significantly due to the pandemic. Linate airport is in a similar situation, ranking 30th in the continental and 3rd nationally, being connected with 267 airports that can be reached in a day with an average time of 451 minutes.

ACCESSIBILITY TO EUROPEAN GDP

Malpensa is the highest-ranked Italian airport - and the only one in the top 15 - in the continental ranking based on the share of European GDP that can be reached in a limited time.

% European GDP reachable based on flying time

	2020		2019	
	MXP	LIN	MXP	LIN*
% of EU GDP reachable within 2 hours	62.4	40.6	82.5	-
% of EU GDP reachable within 2-4 hours	21.8	26.3	16.7	-
European ranking position	11th	23rd	10th	-

**Airport not operational at the time of the survey*

Source: ICCSAI Fact Book 2020, 2021

The connectivity of destinations according to the travel time is more indicative of quality than connectivity measured exclusively in terms of the number of connections within the continental network. Malpensa ranks 11th (dropping only one position compared to the pre-pandemic period) in the European rankings, although its performance has declined sharply compared to 2019. Linate airport ranks 3rd in the national ranking and 23rd in the European ranking.

The socioeconomic impact of the airports

During the pandemic period, the Milan airport system continued to play, albeit to a partial extent compared to previous years - a role in the Lombardy region and the entire North-West of Italy in attracting capital, in generating employment opportunities and in introducing or acting as a catalyst for investment. The data platform used to periodically measure the socioeconomic impact of the airports on the local area took account of the changed airport operating conditions that marked 2020 and 2021.

TYPES OF IMPACT ANALYSED

Direct impact

This social impact derives from all the economic activities that provide services to passengers, in addition to the goods circulating within the airport structures (e.g.: carriers, shops, bars, restaurants, car hire, banks, shippers, handlers, state authorities, catering companies, etc.). This was reorganized starting from the list of shops which requested the issuing of a badge to operate within the airports. The average employment per sector and local units was obtained by cross-referencing Istat's (National Statistics Institute) national and regional databases, information solely related to airport systems and assessments conducted directly in the airports. The Value of Production was estimated by applying average employee productivity indices to the employment data.

Indirect and spin-off economic impact

The indirect impact is that generated by the provision of services and goods to passengers outside of the airport and by the supply chain - triggered by the providers of direct activities. This concerns the increase in end demand prompted by the expenditure of those operating in various forms on the basis of the presence of the airport. Estimating indirect and spin-off effects was undertaken using economic multipliers (respectively Leontief and Keynesian models), as is common practice in economic impact studies. These multipliers are based on national economic input-output models, adjusted per region, so it could be applied to the Lombardy scenario. The model establishes how much output each company or sector needs to acquire from every other sector to produce Euro 1 of goods or services.

Catalytic impact

The definition of catalytic impact encompasses all the static and dynamic effects arising from the presence of an airport in terms of the attractiveness and the competitiveness of the area involved in its activity. By creating connectivity, the airport either triggers or amplifies socioeconomic development mechanisms, boosting the economic growth of the region.

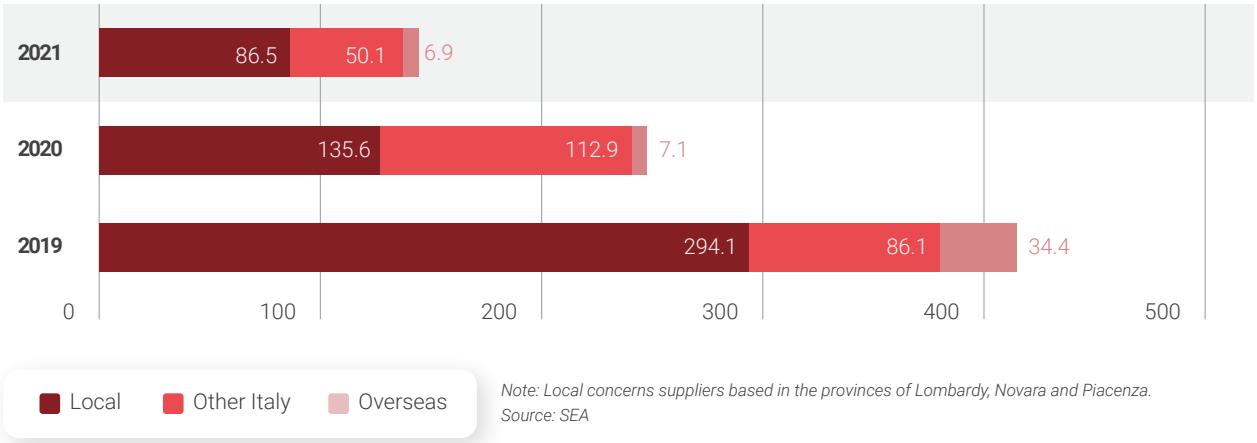
On the basis of the figures relating to the socio-economic impact of Milan airports reported in various studies commissioned by the *Centre for Regional and Sector Development of the LIUC Business School* and coordinated by Prof. Massimiliano Serati - the SEA airport system continued to record in 2021 - as a result of the ongoing pandemic - a significant reduction in direct, indirect, induced and catalytic impacts compared to 2019, although the trend shows a significant reversal compared to 2020.

The overall consequences on the Lombardy region had a value of approximately Euro 28 billion, corresponding to a capacity to create over 215 thousand jobs.

SEA'S IMPACT ON THE SUPPLY CHAIN

The economic impact generated on the local area by the SEA Group alone through purchases of goods and services supplies amounted to Euro 87 million in 2021, corresponding to 60% of the total value of Group purchases.

Order value by geographical origin (Euro millions)

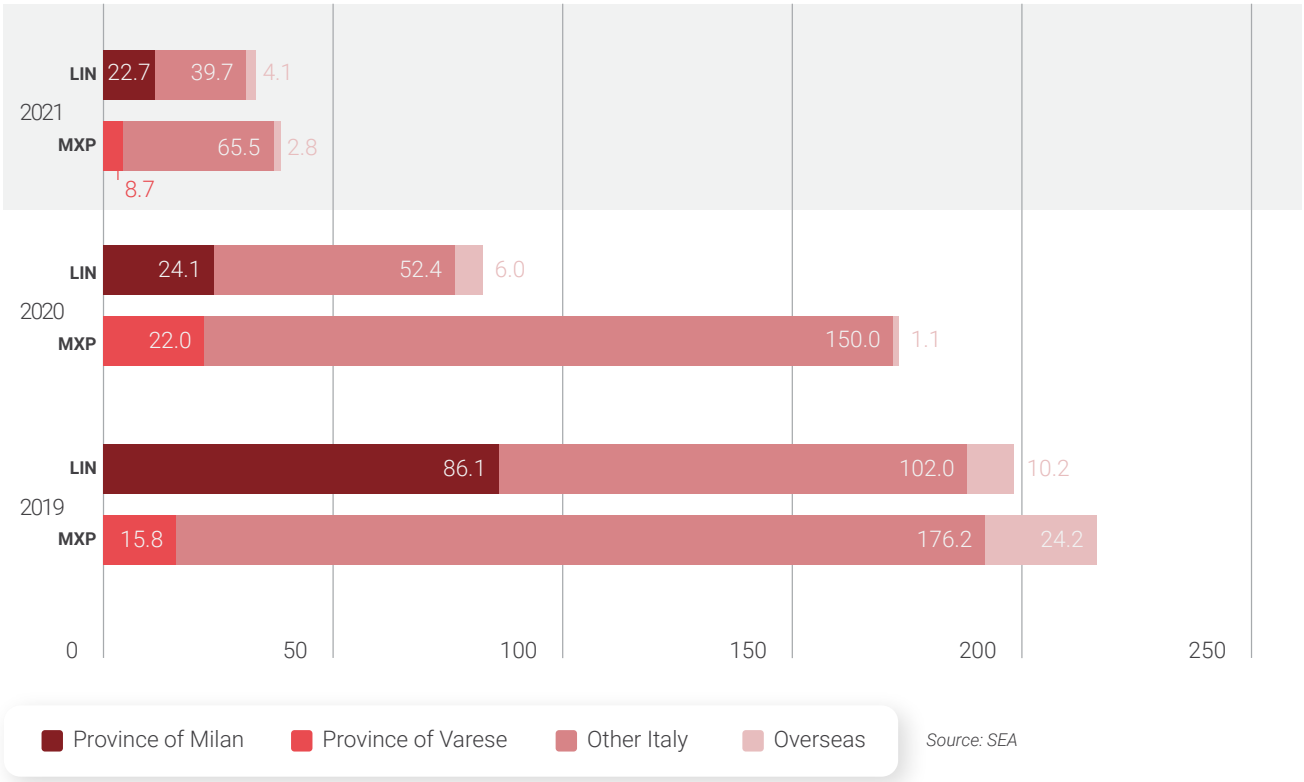


Note: Local concerns suppliers based in the provinces of Lombardy, Novara and Piacenza.
Source: SEA

This result was achieved despite the fact that SEA does not select its suppliers by geographical origin, due both to the constraints of public tenders and to the Group's prioritising of qualitative, economic and sustainability aspects over other supply criteria.

At Linate Airport, the value of orders placed with suppliers located in the Province of Milan was 34% of the total (36% on average during the 2019-2021 period), while at Malpensa Airport, the value of orders placed with suppliers in the Province of Varese was 11% of the total (10% on average during the 2019-2021 period).

Linate and Malpensa - Order value by region (Euro millions)



Source: SEA

Direct socioeconomic impact of Malpensa airport

In 2021 Malpensa airport recorded a significant reduction - compared to the previous year - in the number of production units (484 vs. 553, -12.5%), which in turn led to a drop in employment of about 1,500 units (-7.5%).

Direct socioeconomic impact generated by Malpensa airport

Year	No. companies	Jobs created	Value of production (Euro mil.)
2019	563	20,977	5,109
2020	553	19,615	2,876
2021	484	18,141	3,040

Source: elaborated from SEA and ISTAT data by LIUC Business School's Centre for Local Area and Sector Development.

On the other hand, the value of the production realised within the Malpensa area has reversed the trend, growing by 5.7% in 2021 to just over Euro 3 billion.

DIRECT EMPLOYMENT IMPACT OF MALPENSA ON CUV MUNICIPALITIES (VOLUNTARY URBAN COMMITTEES)

The analysis of the regional employment distribution, directly due to Malpensa airport, shows that 80.6% of employees live in Lombardy, with over 6.1% residing in the neighbouring province of Novara and almost 11% residing outside the region.

Employment impact of Malpensa on the CUV municipalities

Year	Total direct employment activated from Malpensa	Direct employment activated at CUV municipalities	% CUV employed of total
2019	20,977	4,292	20.4
2020	19,615	4,079	20.7
2021	18,141	3,839	21.1

Source: elaborated from SEA data by LIUC Business School's Centre for Local Area and Sector Development.

Over half of employees (50.5%) were based in the Province of Varese, in which Malpensa airport is located, while in the CUV municipalities more than 20% of employment generated by the airport was located (41.9% of the employment directly generated by Malpensa in the Province of Varese).

Indirect and spin-off socioeconomic impacts of Malpensa

Testament to the indirect impact of Malpensa airport (related to the supply chain external to the production units operating within the airport) in 2021 are the just over 11,000 job openings, related to around Euro 1.1 billion of value of production generated. The spin-off effect (resulting from the increase of aggregate demand generated by salary and payments to employees operating inside the airport structures) represents, on the other hand, slightly under 8.5 thousand job openings with a value of production worth Euro 1.4 billion.

Development of Malpensa's indirect and spin-off effect

Year	Indirect impact		Spin-off impact	
	Employment	Value of production (Euro mil.)	Employment	Value of production (Euro mil.)
2019	12,908	1,817	9,770	2,397
2020	12,070	1,023	9,136	1,349
2021	11,163	1,081	8,449	1,427

Source: elaborated from ISTAT data by LIUC Business School's Centre for Local Area and Sector Development.

The catalytic socioeconomic impact of Malpensa airport

The concept of the catalytic impact is in line with the idea that the airport contributes to generating (and is a part of) a sort of eco-system of which the airport is initially the driving force and then the co-pivot.

Catalytic dynamics may therefore be the forces, which, in the long term, bring together in the airport's territory, people, production activities, competencies and technologies. By placing catalytic-type impacts in the broader context of territorial attractiveness it is clear that:

- the catalytic activation tends to become significant and transversal only beyond a certain airport size threshold and, correlates in a non-linear manner, to traffic flows;
- it is not easy to identify and separate the various breakdowns of the catalytic impact;
- there are feedback mechanisms, even if relatively weaker, by which the economic context, in its turn, triggers airport development.

ANALYSIS OF THE COMPONENTS OF MALPENSA'S CATALYTIC IMPACT

International trade

Manufacturing companies present in the territory benefit from the airport connections to export markets.

Tourism

Air access increases the number of inbound tourists to a country. This tourist spend supports a wide range of businesses: hotels, restaurants, shops, entertainment and leisure services, car hire, etc.

The attraction and the retention of production investments in the territory

The presence of an international airport is a key factor for companies deciding to relocate their offices, production plants or warehouses and to locate them there in the long term.

THE ROLE OF MALPENSA IN INTERNATIONAL TRADE

The volume of air cargo volume to and from Italy is negligible (about 2%) of the external national trade flows and is trumped by maritime transport as the key mode.

This might imply that the catalytic effect on trade is insignificant. However, the picture changes if the value of goods transported by air is considered. In 2021, despite the pandemic, this accounted for as much as 9.3% of all Italian import-export.

Development of the import-export flows of air cargo in Italy (Euro millions)

	Imports + Exports			Exports		
	Total Italy	Italy by air	Northern Italy by air	Total Italy	Italy by air	Northern Italy by air
2019	901,938	84,119	52,812	473,753	53,435	35,036
2020	787,518	76,019	45,673	423,348	43,623	29,302
2021	937,197	87,626	53,626	499,841	50,303	33,730
CAGR	0.6%	0.7%	0.3%	0.9%	-1.0%	-0.6%
Growth 21/20	19.0%	15.3%	17.4%	18.1%	15.3%	15.1%
Share 2019		9.3%*	62.8%**		11.3%*	65.6%**
Share 2020		9.7%*	60.1%**		10.3%*	67.2%**
Share 2021		9.3%*	61.2%**		10.1%*	67.1%**

** Italy by air/Italy total;*

***North by air/Italy by air*

Note: last quarter estimated

Source: elaborated from ISTAT data by LIUC Business School's Centre for Local Area and Sector Development

Overall, goods transited to and from Italy by air amounted to Euro 87.6 billion, a significant rise compared to the previous year (+15.2%) and also higher than 2019 (Euro 84 billion). If the focus is shifted to exports, it may be noted that 10.1% of Italian exports by value were moved by air in 2021 (compared to 10.3% in 2020). Of this total, 67.1% transited through northern Italian airports (in line with the previous year's figure).

The import-export values (42.9 billion, +6.4 billion on the previous year, +0.7 billion on 2019) that transited through Malpensa correspond to about 4.6% of Italian foreign trade, which rebounded by 19% in 2021 after the collapse in 2020 to Euro 937.7 billion.

Malpensa's role in this regard remained highly significant, not only in terms of its impact on the overall value of Italian exports (corresponding to 5.4%), but also in terms of its impact on national direct exports outside the European Union, where air cargo faces less competition from rail and road transport, which in 2021 accounted for 10.5% (albeit down from 12.3% in 2019 and 11.5% in 2020).

Impact of Malpensa cargo traffic on Italian export values (Euro millions)

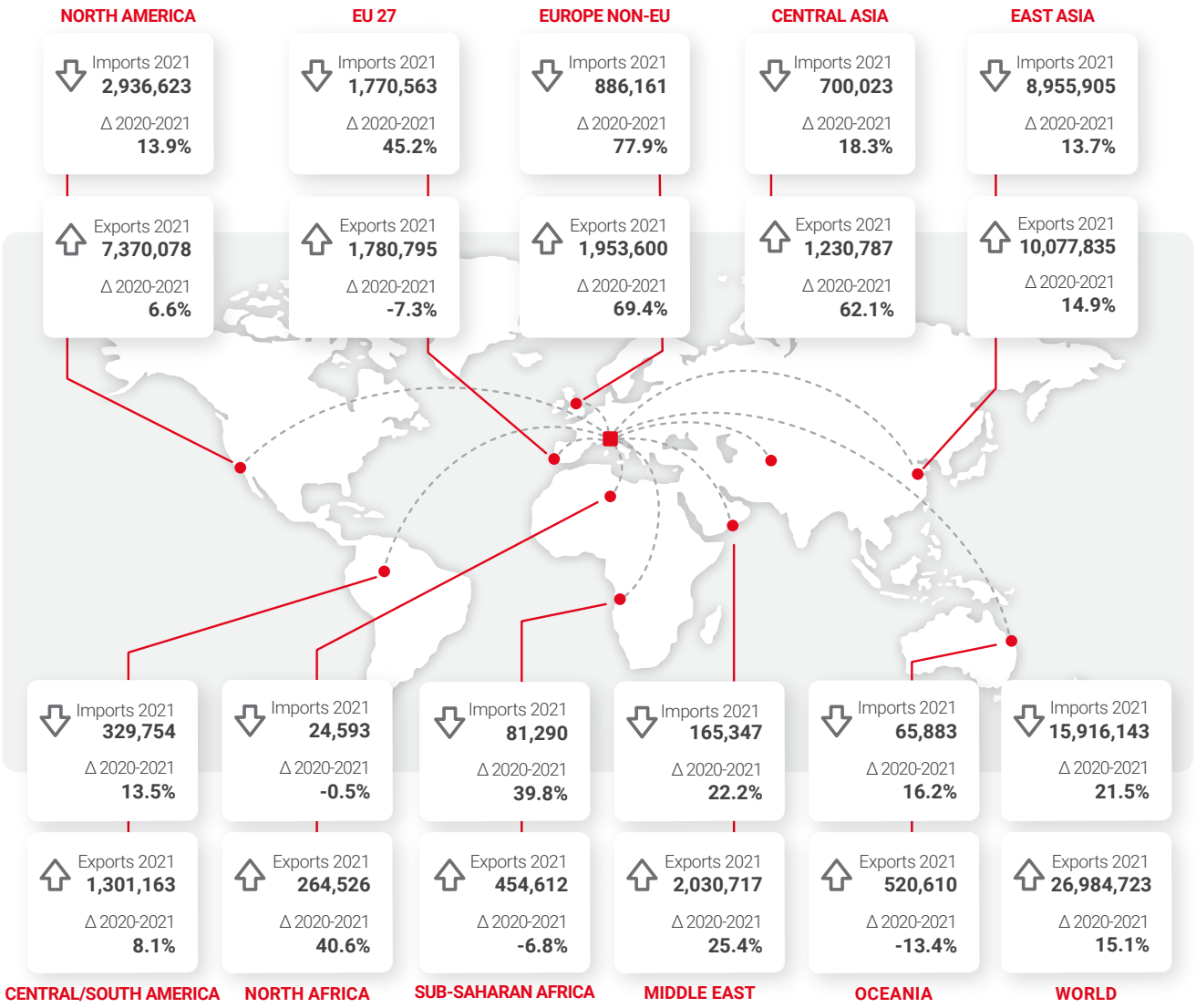
Year	Exports Italy	Exports via Malpensa	Exports via Malpensa/ Exports Italy	Exports Italy Non-EU	Non-EU exports via Malpensa	Exports via Malpensa Non-EU/Non-EU - Italy exports
2019	475,930	28,029	5.9%	209,841	25,837	12.3%
2020	423,348	23,441	5.5%	188,030	21,520	11.5%
2021	499,841	26,985	5.4%	239,840	25,204	10.5%

Source: elaboration by SEA and LIUC Business School's Centre for Local Area and Sector Development on ISTAT-Coeweb data (last quarter estimated)

With regard to the cargo flows transiting through Malpensa's Cargo City, imports amounted to slightly over Euro 16 billion (compared to Euro 13.1 billion in 2020), whereas exports grew to Euro 26.9 billion (compared to Euro 23.4 billion in the previous year).

The main reference markets are Eastern Asia, North America and the European Union. The Middle East and the rest of non-EU Europe are included when we consider export values. The substantial recovery in international trade in 2021 resulted in a significant increase in the value of both imports (+21.5%) and exports (+15.1%). The markets that recorded the largest recoveries for goods handled by Malpensa were non-EU Europe (+77.9% imports, +69.4% exports), Central Asia (+18.3% imports, +62.1% exports) and the Middle East (+22.2% imports, +25.4% exports). By contrast, the primary markets of North America and East Asia saw less startling, albeit significant, increases in both imports (up 13.9% and 13.7%, respectively) and exports (up 6.6% and 14.9%).

Import-export movements in value terms via Malpensa by region (Euro thousands)



Source: elaborated from ISTAT-Coeweb data by LIUC Business School's Centre for Local Area and Sector Development
Note: last quarter estimated

An analysis of flows of goods in the main industrial sectors (which together account for 93.5% of imports and 93% of exports managed by Malpensa in 2021) shows strong recovery - as regards imports - in chemical-plastic products (Malpensa was a leading logistics hub for COVID vaccines) and transport (respectively +62.7% and +44.8% on 2020), and furniture/furnishings (+37.5%).

Change in import-export flows through Malpensa per industry sector (Euro thousands)

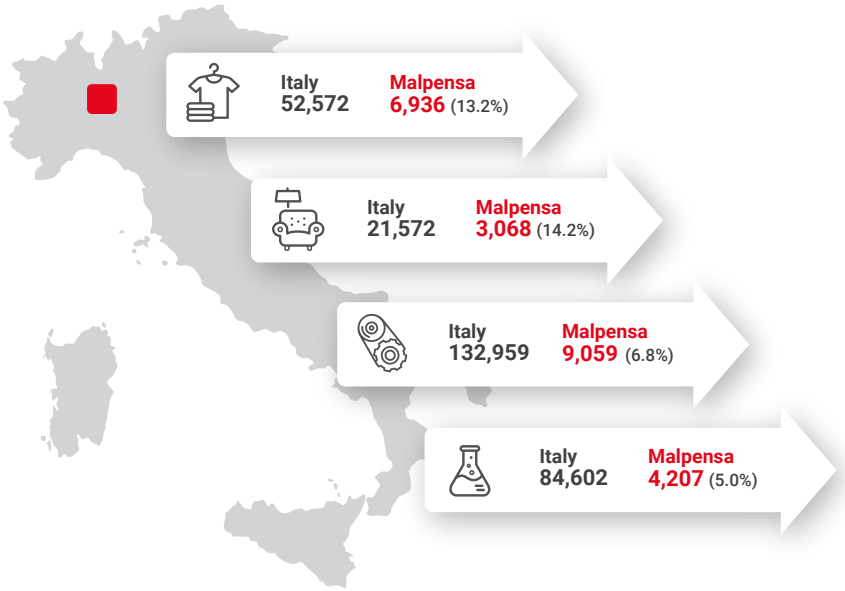
	Imports 2019	Imports 2020	Imports 2021	Δ 2020-2021 (%)	Exports 2019	Exports 2020	Exports 2021	Δ 2020-2021 (%)
Machinery	8,459,519	7,597,192	8,930,680	17.5	9,115,982	7,479,011	9,059,531	21.1
Fashion/clothes	1,506,978	1,639,642	1,304,919	-20.4	7,910,733	5,866,633	6,936,611	18.2
Chemicals/plastic	1,698,791	1,891,258	3,076,718	62.7	4,052,918	4,734,950	4,207,919	-11.1
Furniture/furnishings	999,800	702,003	965,485	37.5	2,758,209	2,137,870	3,068,669	43.5
Transport vehicles	682,572	418,257	605,524	44.8	1,615,489	1,262,756	1,823,812	44.4
Total	**13,347,660**	**12,248,352**	**14,883,326**	**21.5**	**25,453,331**	**21,481,220**	**25,096,542**	**16.8**

Source: elaborated from ISTAT-Coeweb data by LIUC Business School's Centre for Local Area and Sector Development.
Note: last quarter estimated

By contrast, the fashion/clothing sector bucked the trend, again in terms of imports (down 20.4%). There was a strong recovery in exports, particularly in the sectors of transport equipment (+44.4%), furniture/furnishings (+43.5%) and mechanical goods (+21.1%). The only sector that ran counter to this trend was chemicals and plastics, which reported a decrease of 11.1% on 2020.

The above data continue to confirm the central role that Malpensa plays in the trade balance of Northern Italy's manufacturing sector. When looking at the share of exports transiting through Malpensa against the national total, broken down by industrial sectors, it is clear that for the fashion/clothing, mechanical and chemical/plastic sectors, exports managed by Malpensa's Cargo City continue to show a significant upward trend (except for chemical/plastic) compared to 2020 (respectively equal to 13.2%, 6.8% and 5.0%), while growth in exports - both in absolute value and as a share (14.2%) - continues in the furniture/furnishings sector managed by the Malpensa's Cargo City.

Export value shares for some industrial sectors via Malpensa (Euro millions)



Source: elaborated from ISTAT-Coeweb data by LIUC Business School's Centre for Local Area and Sector Development.
Note: last quarter estimated.

In 2021, Malpensa's Cargo City saw nearly half and over one-third of the value of all Italian fashion and apparel sector exports to the rich and dynamic markets of the Far East and North America respectively, in addition to more than a quarter of furniture/furnishings exports to the same markets. The share of exports via Malpensa destined for the Far East by Italian chemical/plastic (23.9%) and mechanical (20.7%) industries is also significant.

Export quotas via Malpensa to the main world markets (Euro millions)

	2019		2020		2021	
	North America	East Asia	North America	East Asia	North America	East Asia
Fashion/clothes						
Total exports Italy	4,708	8,110	3,519	8,162	4,012	9,694
Total exports via Malpensa	1,752	4,961	1,190	3,754	1,354	4,342
Total exports via Malpensa/Total exports Italy	37.2%	61.2%	33.8%	46.0%	33.7%	44.8%
Machinery						
Total exports Italy	10,908	10,186	12,247	11,722	14,982	13,395
Total exports via Malpensa	2,491	2,998	2,064	2,546	2,692	2,783
Total exports via Malpensa/Total exports Italy	22.8%	29.4%	16.8%	21.7%	18%	20.7%
Chemicals/plastic						
Total exports Italy	7,145	4,253	8,779	5,855	7,882	6,200
Total exports via Malpensa	1,886	1,131	2,214	1,306	1,369	1,481
Total exports via Malpensa/Total exports Italy	26.4%	26.6%	25.2%	22.3%	17.4%	23.9%
Furniture/furnishings						
Total exports Italy	4,192	2,546	2,201	1,718	3,247	2,216
Total exports via Malpensa	710	674	514	463	833	638
Total exports via Malpensa/Total exports Italy	16.9%	26.5%	23.3%	26.9%	25.6%	28.8%

Source: elaborated from ISTAT-Coeweb data by LIUC Business School's Centre for Local Area and Sector Development.
Note: last quarter estimated.

THE ROLE OF MALPENSA IN LOMBARDY'S TOURISM INDUSTRY

The existence of a positive and significant correlation between airport connectivity and tourist attractiveness is well-established in research literature.

On the basis of the data produced by the LIUC - SEA airport-tourism Observatory - it is estimated that:

- in 2021 Malpensa airport transported about 2.2 million tourists to Lombardy (-5.3 million compared to 2019), of which 1.6 million were international tourists;
- the average stay in Lombardy was around four days for international visitors and around three for domestic visitors;
- the average daily expenditure was around Euro 400 for foreign tourists and Euro 315 for Italian tourists.

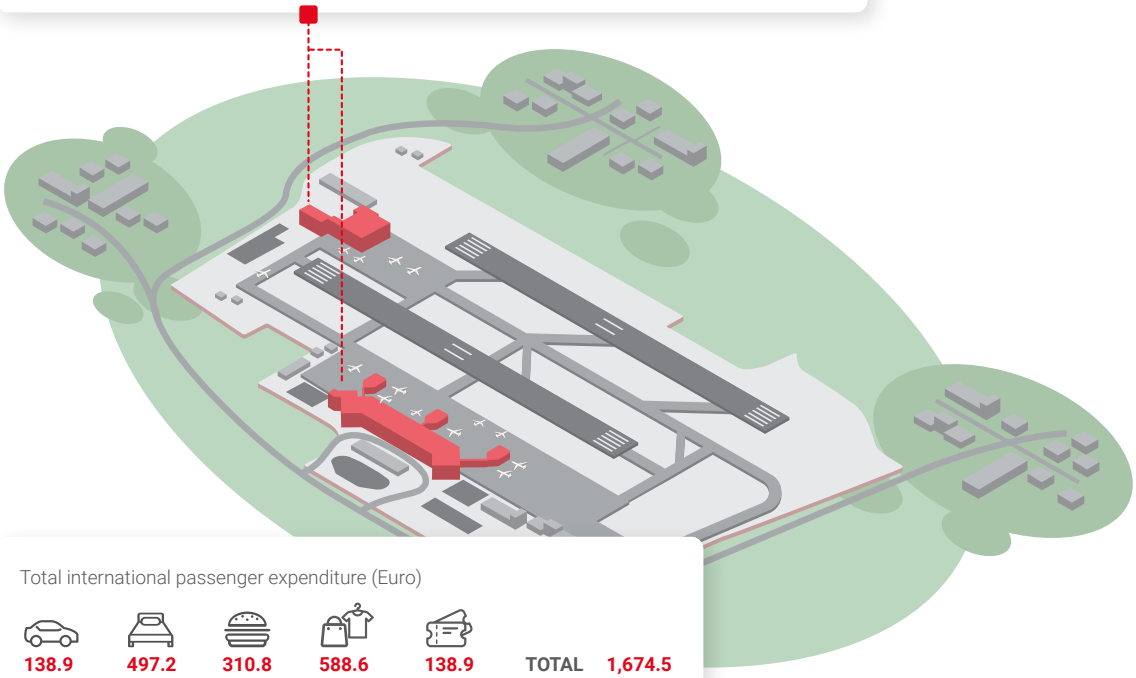
These figures were used to estimate the total overall expenditure generated by the influx of tourists passing through Malpensa on their way to Lombardy. These values, compared to the average productivity per employee per relevant sector, also generated data on the catalytic impact on employment.

The economic scale of incoming tourism in 2021 is estimated at about Euro 3.3 billion (-Euro 4.8 billion compared to 2019). Employment generated by incoming tourism related to Malpensa is just under 49,000 units (down 60,000 from 2019).

Socio-economic impact generated by tourist flows through Malpensa in 2021

Malpensa

2,197,710 Incomers
8,664,981 Nights spent in the region
3.9 Average stay (days)
384 Expenditure per night (Euro)
1,499 Total spend per passenger (Euro)
3,294 Value of production (Euro mil.)
48,818 Jobs effect



Total international passenger expenditure (Euro)

138.9	497.2	310.8	588.6	138.9	TOTAL	1,674.5

Expenditure per night international visitor (Euro)

33.1	118.4	74.0	140.2	33.1	TOTAL	398.7

Total domestic passenger expenditure (Euro)

89.1	307.4	206.8	344.7	91.9	TOTAL	1,039.9

Expenditure per night domestic visitor (Euro)

27.0	93.1	62.7	104.5	27.9	TOTAL	315.1

Development of Malpensa's catalytic impact on tourism

	2019	2021	Δ% 21 vs. 19
Incomers	7,612,619	2,197,710	-71.1
Nights spent in the region	18,976,210	8,664,981	-54.3
Average stay (days)	2.5	3.9	+56.0
Expenditure per night (Euro)	429	384	-10.5
Total spend per passenger (Euro)	1,064	1,499	+40.9
Value of production (Euro mil.)	8,098	3,294	-59.4
Jobs effect	119,961	48,818	-59.2

Source: Centre for Local Area and Sector Development - LIUC BS

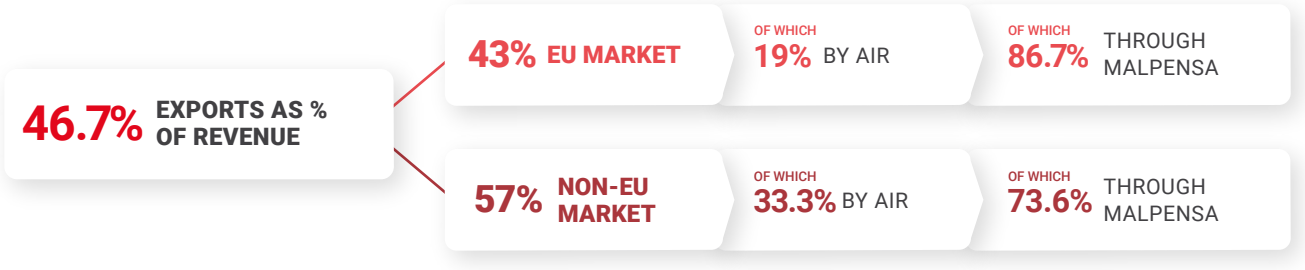
THE ROLE OF MALPENSA IN THE ATTRACTIVENESS OF LOCAL BUSINESSES

To identify the role played by Malpensa in decisions taken by industrial sector players regarding their location, continued presence and facility, commercial and logistics investments, in 2019 a survey was carried out involving 81 Italian and overseas companies based in the airport's immediate vicinity.

The companies surveyed were mainly located in the area east of Malpensa, towards Milan, and in the municipalities of Varese, Gallarate, Busto Arsizio, Legnano and Saronno, and had a total of approximately 8,400 employees.

The survey revealed a marked vocation for international trade, with just under half of the turnover of the companies coming from exports. Malpensa represents an important asset for the industrial fabric of the local area, which transports approximately a third of its extra-EU exports by air.

Export propensity and the role of Malpensa



Source: Centre for Local Area and Sector Development - LIUC BS

The importance attached to Malpensa by the local industrial sector

Relevance level	1	2	3	4	5
Importance for business development	1.2%	19.8%	30.9%	30.9%	17.3%
Importance for locating and maintaining their presence in the area	3.7%	16.0%	37.0%	27.2%	16.0%

Source: Centre for Local Area and Sector Development - LIUC BS

79.1% of the companies attributed a relatively high degree of importance, scoring 3, 4 and 5 in the survey, to the proximity of an intercontinental airport for the development of their business. In addition, 80.2% of the companies surveyed identified Malpensa as a factor influencing the location and continued presence of their production facilities in the local area.

Enabling factors of local area industrial development generated by the airport

Relevance level	1-2	3	4-5
Freight logistics	37.0%	28.4%	34.6%
Personnel logistics	9.9%	30.9%	59.3%
Human capital availability	34.6%	32.1%	33.3%
Production specialisation	19.8%	32.1%	48.1%
Visibility and communications	23.5%	27.2%	49.4%
Extent of logistics network	21.0%	35.8%	43.2%

Source: Centre for Local Area and Sector Development - LIUC BS

As enabling factors of business development, the sample companies highlighted a particularly significant role played by the airport in terms of personnel logistics, high visibility and recognition of the location, good overall logistics infrastructure and a high concentration of operating companies in the same production chain.

Overall socioeconomic impact of Malpensa

Putting together the results obtained from the estimates of the different types of impacts considered, it emerges that the overall socio-economic impact of Malpensa in 2021 - with variable degrees of intensity within a regional catchment area, which, based on the processes considered, stretches from the immediate hinterland, to Lombardy, to the entire north of Italy - corresponds to Euro 24 billion of production value generated, and the creation of over 180,000 jobs.

Cumulative socioeconomic impact of Malpensa airport

Type of impact	Jobs effect	Value of production (Euro mil.)
Direct	18,141	3,040
Indirect	11,163	1,081
Spin-off	8,449	1,427
Catalytic	142,216	18,421
of which International trade	*85,169*	*14,831*
of which Tourism	*48,818*	*3,294*
of which Locating businesses	*8,229*	*296*
Total	**179,969**	**23,969**

Source: Centre for Local Area and Sector Development - LIUC BS

Direct socioeconomic impact of Linate airport

Regarding direct impacts, as many as 313 businesses were active around Linate in 2021, (-4.0% on the previous year), providing for an estimated 11.8 thousand jobs, up 5.5% on 2020. The main impact concerns state entities, handling operators and carriers, but also SEA, which had an impact of around 7.1% on the overall data.

In 2021, a significant contribution came from the maintenance sector due to the restructuring of the airport, which transferred a large number of employees to a substantially more stable situation.

The value of production was Euro 1,752 million, up 11.1% on 2020.

Direct socioeconomic impact generated by Linate airport

Year	No. companies	Jobs created	Value of production (Euro mil.)
2019	342	11,956	2,475
2020	326	11,210	1,577
2021	313	11,829	1,752

Source: elaborated from SEA and ISTAT data by LIUC Business School's Centre for Local Area and Sector Development.

Indirect and spin-off socioeconomic impacts of Linate

The indirect impact of Linate airport (related to the supply chain external to the production units operating within the airport) in 2021 rose above 7 thousand jobs created, related to Euro 623 million of value of production generated.

Development of the indirect and spin-off impact of Linate airport

Year	Indirect impact		Spin-off impact	
	Employment	Value of production (Euro mil.)	Employment	Value of production (Euro mil.)
2019	7,357	880	5,568	1,162
2020	6,898	561	5,221	740
2021	7,279	623	5,509	822

Source: elaborated from ISTAT data by LIUC Business School's Centre for Local Area and Sector Development.

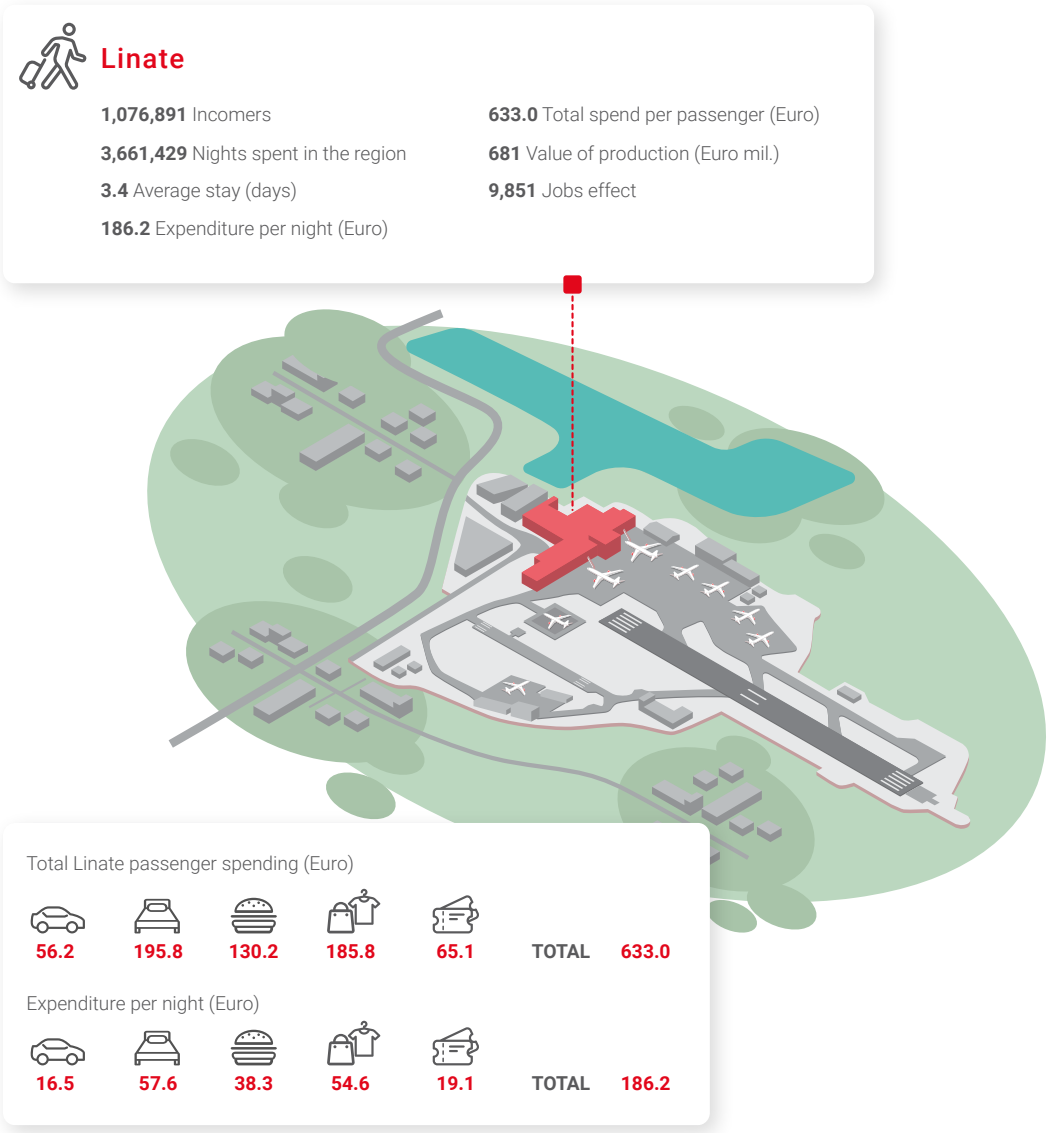
The spin-off impact (linked to the aggregated increase in demand generated by employee salaries working inside the airport structures) represents, on the other hand, over 5,500 job openings and Euro 822 million in production value. Also on this front the restructuring works of the terminal have had a significant effect.

Linate airport - Catalytic impact on tourism

The catalytic impact of tourism generated by the airport (not recorded in 2020 due to the inconsistency of the overall traffic flows) shows economic value equal to Euro 681 million, corresponding to the creation of 9,800 jobs.

The comparison between the 2021 catalytic impact and the impact before the pandemic shows that whilst the number of arrivals halved, nights spent in the territory fell by only 22%, due to the increase in the average stay (up more than 50%). This affects the level of total per-passenger spending (one-third higher than in 2019) and takes into account the 30% reduction in production and employment effects down on pre-COVID levels.

Socio-economic impact generated by tourist flows through Linate in 2021



Source: Centre for Local Area and Sector Development - LIUC BS

Development of Linate's catalytic impact on tourism

	2019	2021	Δ% 21 vs. 19
Incomers	2,104,054	1,076,891	-48.8
Nights spent in the region	4,628,919	3,661,429	-22.6
Average stay (days)	2.20	3.4	+54.5
Expenditure per night (Euro)	214	186.2	-13.1
Total spend per passenger (Euro)	470.8	633.0	+33.9
Value of production (Euro mil.)	990.6	681	-31.2
Jobs effect	14,315	9,851	-31.0

Source: Centre for Local Area and Sector Development - LIUC BS

Overall socioeconomic impact of Linate

Putting together the results obtained from the estimates of the different types of impacts considered, it emerges that the overall socioeconomic impact of Linate in 2021 - with variable degrees of intensity within a regional catchment area, which, based on the processes considered, stretches from the immediate hinterland, to Lombardy - corresponds to around Euro 3.9 billion of production value generated, and the creation of over 35,000 jobs.

Cumulative socioeconomic impact of Linate airport in 2021

Type of impact	Jobs effect	Value of production (Euro mil.)
Direct	11,829	1,752
Indirect	7,279	623
Spin-off	5,509	822
Tourism catalytic	9,851	681
Total	**34,918**	**3,878**

Source: Centre for Local Area and Sector Development - LIUC BS

ECONOMIC VALUE GENERATED AND DISTRIBUTED[12]

The economic value generated represents the last stage of the SEA value creation process that derives from and depends on balanced, effective and forward-looking capital management which facilitates the offering of a competitive service and the generation of systemic positive outcomes capable of supporting and consolidating the organization's economic and financial success over time.

Economic Performance of the Aviation Business

Aviation Business operating revenues (airport fees and tariffs for the management of centralised infrastructure and security services and tariffs for the use of regulated areas), reported in 2021 amounted to Euro 195.8 million (+35.1% on the previous year following recovery in traffic as a result of the pandemic), comprising 60.2% of total Group revenues.

The majority of Aviation revenues concerns income from fees and centralised infrastructure, which in 2021 comprised 87.4% of the total, followed by security service fees (8.6%) and those for the use of regulated spaces (4.0%).

Portion of revenues from Aviation activities

	2021	2020
Aviation operating revenues (thousands of Euro)	195,850	144,952
Aviation revenues (% of total revenues)	60.2	58.8
Other revenues (% of total revenues)	39.8	41.2

Source: SEA

Type of revenues from Aviation activities (Euro thousands)

	2021	2020	% of total Aviation Revenues
Fees and centralized infrastructure	171,140	127,111	87.4
Security controls	16,838	11,217	8.6
Use of regulated spaces	7,872	6,624	4.0
Total	**195,850**	**144,952**	**100**

Source: SEA

Economic Performance of the Non-Aviation Business

Portion of revenues from Non-Aviation activities

	2021	2020
Non-Aviation operating revenues (thousands of Euro)	116,650	91,846
Non-Aviation revenues (% of total revenues)	35.9	37.3
Other revenues (% of total revenues)	64.1	62.7

Source: SEA

[12] *The 2020 values for business aviation, business non-aviation and for the value generated and distributed to stakeholders have been restated following the forthcoming exit from the Group of SEA Energia.*

Type of revenues from Non-Aviation activities (Euro thousands)

	2021	2020	% of total Non-Aviation Revenues
Retail	37,333	26,975	32.0
Parking	33,699	23,396	28.9
Cargo	17,824	16,644	15.3
Advertising	4,403	4,193	3.8
Premium service	6,505	4,816	5.6
Real estate	1,204	2,108	1.0
Services and other revenues	15,682	13,714	13.4
Total	**116,650**	**91,846**	**100**

Source: SEA

Non-Aviation Business operating revenues reported in 2021 totalled Euro 116.7 million (+27% on the previous year following recovery in traffic volumes) and represented 35.9% of total Group revenues. The most significant Non-Aviation Business revenue came from retail activities (32.0% of total revenues), followed by parking (28.9%), with an increase on 2020 of 38.4% and 44.0% respectively. In terms of retail revenues, the increase was 40.2% for shop revenues and 36.1% for food and beverage revenues compared to the previous year.

RETAIL

The most significant retail revenue item was shop sales (43.4% of the total), followed by food & beverage (25.3%), car rental (24.1%) and finally bank services (7.1%).

Type of Retail revenues (Euro thousands)

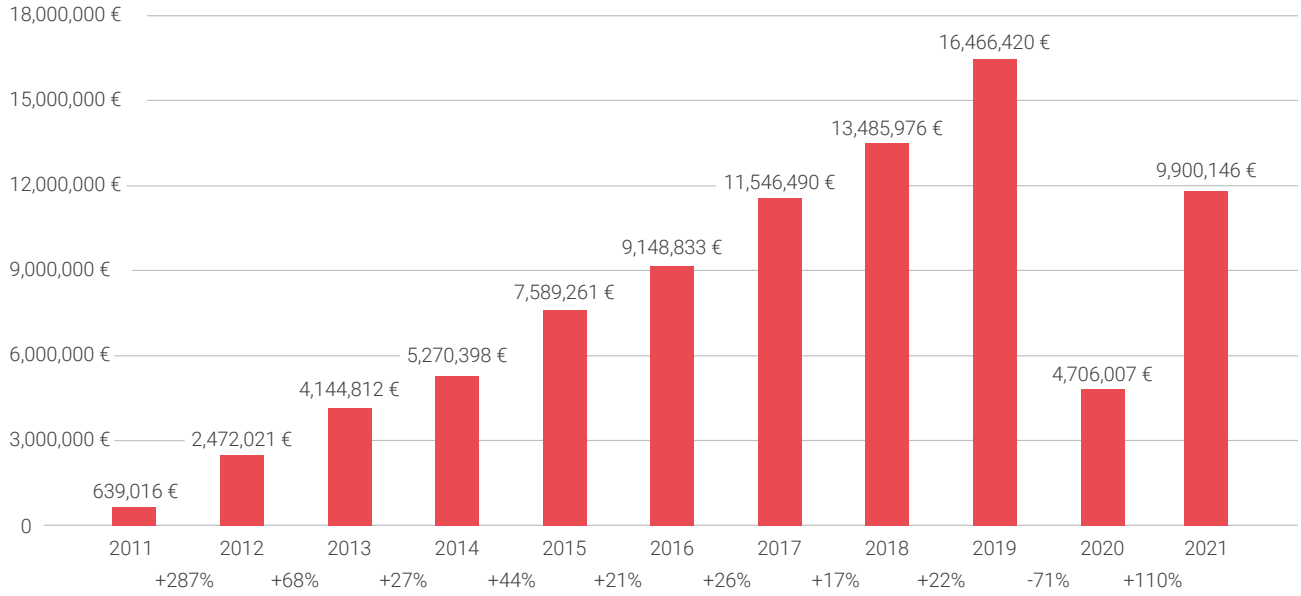
Retail service revenues	2021	2020	% of total Retail
Shops	16,219	11,570	43.4
Food & beverage	9,460	6,952	25.3
Car Rental	8,995	5,997	24.1
Bank services	2,659	2,456	7.1
Total retail revenues	**37,333**	**26,975**	**100**

Source: SEA

E-COMMERCE

SEA's e-commerce site performance in 2021 showed a major upturn in revenue (+110% vs 2020) after the 2020 setback caused by the COVID-19 emergency. In line with market trends, the propensity to purchase from mobile devices (apps and mobile) is growing, with a share of 28% of total sales, up 5 percentage points on 2020.

Annual total e-commerce revenue trend 2011-2021



Source: SEA

The launch of the new e-commerce site at the end of 2021 gave an additional boost to online sales for the Christmas season. The new site, which was initially designed for mobile, is a combination of new technologies, improved user experience and graphic restyling, and aims to guide the user smoothly and easily to conversion.

Moreover, in July 2021 the new Milano Malpensa Boutique website was launched. This website acts as the portal to the luxury brands at Malpensa Terminal 1, allowing passengers to browse the catalogues and book the products of the shops taking part in the initiative remotely.

The site, which is designed to increase sales at Malpensa shopping centre, represents the first step towards a digital evolution of the Luxury Plaza at Malpensa Terminal 1. It has been made even more essential by the changes in consumer habits accelerated by the pandemic, introducing a new channel for presenting services and products and aiming to expand the customer base.

The portal's target market is high-spending passengers departing from non-Schengen areas - particularly from Russia, China and the Middle East - whose purchasing behaviour generally results in physical and digital interaction.

Milano Malpensa Boutique currently houses a catalogue of around 2,000 products and four stores: Etro, Montblanc, Dufry (with a selection of high-end products) and Ferrari Spazio Bollicine. The arrival of other luxury boutiques is currently under discussion.

Traffic to the site has gradually increased, thanks also to marketing campaigns, reaching peaks of 6% of interested traffic present on the site out of the total number of passengers targeted.

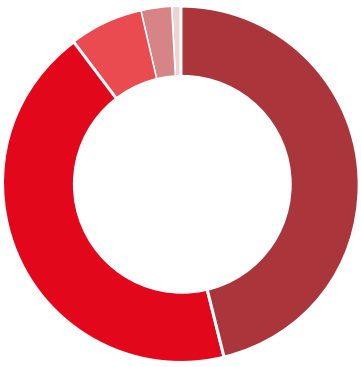
Value generated and distributed to stakeholders

In 2021 SEA generated economic value of Euro 325.2 million, a 31.9% increase on the previous year. 97.9% of this amount (Euro 318.5 million) was distributed to stakeholders in the form of payments and other forms of transfers (+5.7% on the previous year), increasing from Euro 301.3 million to Euro 318.5 million. The main recipients were suppliers, who were distributed Euro 147.6 million (Euro 134.7 million in the previous year), equal to 46.3% of the total and human resources, receiving Euro 138.7 million (43.5% of the overall value distributed). The value distributed to capital providers was Euro 21.4 million, equating to 6.7% of the distributed value, (Euro 20.3 million in 2020). Public service payments - in the form of taxes and duties, amounted to Euro 8.7 million (2.7% of the distributed value). Finally, the value distributed to the Company and to the region again amounted to 0.2% in 2021 and related to donations to service-sector entities and associations supporting cultural, humanitarian, scientific and sports projects.

Statement of the economic value generated and distributed by the Group (thousands of Euro)

		2021	2020
Economic value directly generated		**325,232**	**246,515**
a) Revenues	Operating revenues	325,232	246,515
Economic value distributed		**318,500**	**301,317**
b) Reclassified operating costs	Reclassified consumable material costs and other operating costs	147,594	134,710
C) Commercial costs	Commercial costs	1,977	2,039
d) Employee salaries and benefits	Personnel costs	138,642	134,262
e) Payments to providers of capital	Dividends distributed in the year	2	6
	Financial charges	21,428	20,313
e) Payments to the Public Administration	Current income taxes and tax charges	8,738	9,303
g) Investments in the community	Donations, sponsorship and communication	118	684
Economic value	Calculated as the difference between the economic value generated and the economic value distributed	**6,732**	**(54,802)**

Economic value distributed in 2021



46.3% Value distributed to suppliers of goods and services

43.5% Value distributed to employees

6.7% Value distributed to capital providers

2.7% Value distributed to public administration

0.04% Value distributed to the community

0.6% Other

Source: SEA

INTRODUCTION TO THE TAXONOMY

What is the EU Taxonomy?

As part of the European Union's strategy (aimed at sustainable development and the transition to a low-carbon economy) and the European Commission's Sustainable Finance Action Plan, a central role is taken by the classification system or "taxonomy" of sustainable activities, which is set out in Regulation (EU) 2020/852 of June 18, 2020 (the "Regulation"). It provides a unified system for classifying economic activities that can be considered environmentally sustainable.

The goal of the Regulation is to increase market transparency by allowing financial market participants to build "environmentally sustainable" financial products and portfolios based on information provided by financial and non-financial firms.

Specifically, the Taxonomy Regulation establishes a classification of environmentally sustainable economic activities.

The Regulation defines six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- 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.

On June 4, 2021, the European Commission adopted Delegated Regulations establishing these technical screening criteria only with respect to the first two environmental objectives (climate change mitigation and climate change adaptation).

What the Taxonomy entails

In line with the provisions of the Regulation, any company subject to the obligation to publish a Non-Financial Statement must include within the NFS information on how and to what extent the company's activities relate to economic activities considered environmentally sustainable under Articles 3 and 9 of the Regulation.

Specifically, for the 2021 reporting year, non-financial firms must report:

- the share of their turnover coming from products or services associated with economic activities that are considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation;
- the share of their capital expenditures (CapEx) and the share of their operating expenditures (OpEx) related to assets or processes associated with economic activities considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation.

These KPIs must be reported only with reference to "eligible" activities: an economic activity can be considered eligible if it is included in those listed in the aforementioned Delegated Regulations.

Approach adopted by SEA in applying the Delegated Regulation

Following an analysis of the regulatory requirements and discussions with other airport stakeholders, the Group has examined whether the requirements are in place to determine if one or more of the Group's business activities fall within the activity descriptions in Annexes I and II of the Climate Act, in order to consider them eligible. In addition, we note that the most recent interpretative notes published by the European Commission [13] on the implementation of Article 8 of the EU Taxonomy Regulation (2020/852) have been considered.

On the basis of the above assumptions, the economic activities identified as relating to SEA - as described in Annex 1 and 2 of the Delegated Regulation - were:

[13] *The European Commission: FAQs dated December 20, 2021 and interpretative notes dated February 2, 2022.*

Annex 1 - Substantial contribution to climate change mitigation

a. Low Carbon Airport Infrastructure

Construction, modernisation, maintenance and management of infrastructure necessary for net zero operation from aircraft unloading or for the airport's own operations, as well as for the supply of electricity and preconditioned air to parked aircraft. (...)

b. Urban and suburban transport, road passenger transport

Purchase, financing, leasing, rental and management of vehicles for passenger transport by road in urban and suburban areas. (...) Economic activities in this category also include long-distance bus services, special rentals, excursions and other occasional bus services, airport shuttles (including within airports), management of school buses and transport buses. (...)

Annex 2 - Substantial contribution to climate change adaptation

Airport infrastructures

Construction, modernisation and management of infrastructure necessary for net zero operations from aircraft unloading or for the airport's own operations, as well as for the supply of electricity and preconditioned air to parked aircraft (...)

With regard to the activity entitled "Low Carbon Airport Infrastructure", the description has been interpreted to identify an activity of constructing, upgrading and operating the infrastructure required for zero-carbon operation:

- from aircraft unloading
- for the airport's own operations.

A precautionary criterion for identifying economic activities has therefore been adopted, very close to that which can be identified by referring to the technical screening criteria.

Moreover, reference was made only to the economic activities listed in the Annexes, and more explicitly to airport activities, whilst other economic activities (e.g. construction and real estate activities) that could hypothetically fall within the sphere of activities relating to airport management were excluded.

The SEA Group reserves the right to review this approach in light of any further clarifications by the legislator or technical bodies and the prevailing practices adopted within the sector to which it belongs.

Indicators of "eligible" economic activities of SEA

The taxonomy-eligible revenue and investment (CapEx) indicators for climate change mitigation are presented below.

Operating expenses (OpEx) have not been reported as they are immaterial.

Indicators of "eligible" economic activities of SEA

	Total (Euro thousands)	% Eligible	% Ineligible
Revenues	325,231	0.9%	91.9%
CapEx	38,442	9.6%	90.4%

Source: SEA

COMMITMENT

STRATEGY INTEGRATED ESG PARAMETERS

The integration of ESG parameters into the corporate strategy has been achieved by formulating a long-term Sustainability Vision and a Sustainability Plan that identifies medium-term objectives consistent with this vision. The approach taken to implement these planning tools includes the following methodological tools:

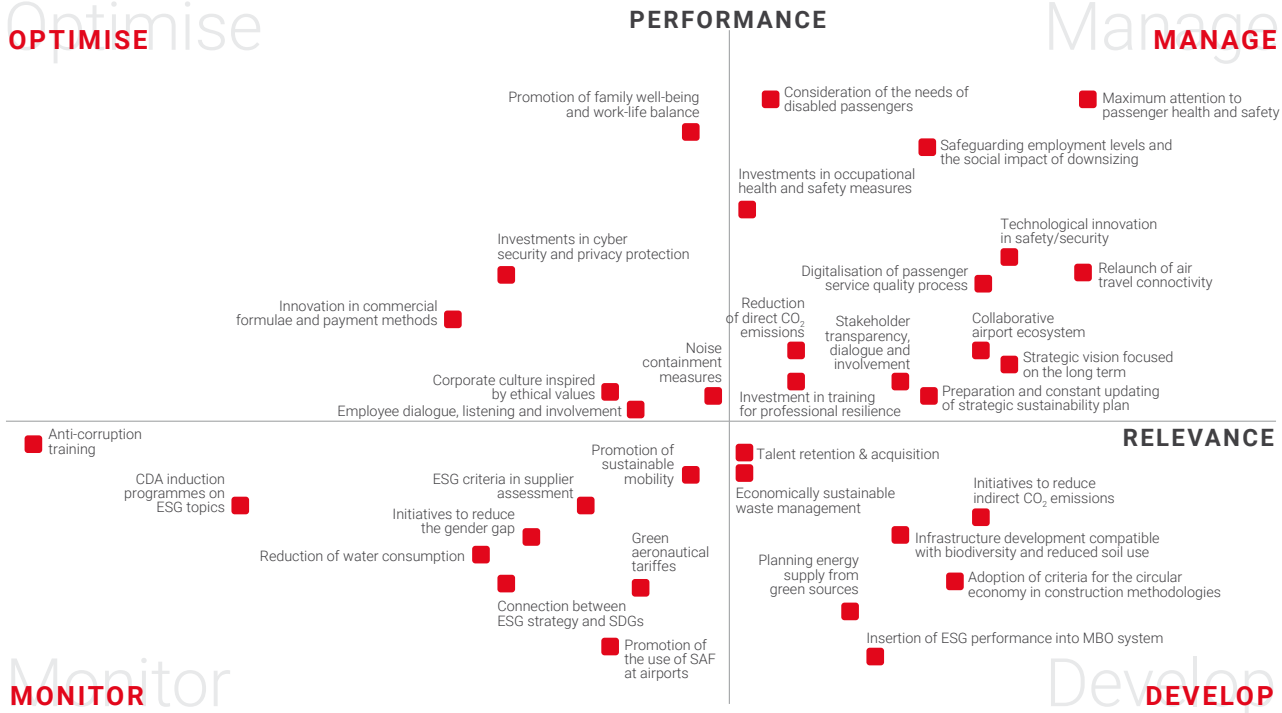
- analysis of the ESG scenario, both overall (EU Green New Deal, Strategy for Sustainable and Intelligent Mobility, EIB Reform, etc.) and specific to the European aviation industry (the "Fit for 55" aviation package, opposition to European airport expansion plans, air traffic reduction measures by individual European countries);
- evaluation of sustainability policies and frameworks produced within the international air transport industry (EU Pact for Sustainable Aviation, Destination 2050, Sustainability Strategy for Airports, etc.);
- benchmarking analysis conducted on a group of European airports regarding sustainability strategies and plans;
- formulation of a matrix of strategic sustainability priorities.

The latter tool was implemented in conjunction with the materiality analysis that helped to define the 2020-2022 materiality matrix in 2020.

The strategic sustainability priorities matrix has the following properties:

- defines the thematic reference grid of the Sustainability Plan;
- was constructed by cross-referencing the average ratings of both relevance (how important the topic is) and performance (assessment of SEA's results to date on the topic) of the items expressed by the 111 external stakeholders and 19 SEA managers;
- identifies four quadrants that respectively include: issues on which development actions must be planned ("develop" quadrant); issues on which the level of commitment must be kept unchanged ("manage" quadrant); issues on which resources must be reshaped ("optimise" quadrant)' and issues that at the moment are not primary but on which constant observation must be maintained ("monitor" quadrant);
- provides indications on the priority areas of intervention to be considered when defining a medium-term Sustainability Plan.

Matrix of SEA's strategic sustainability priorities



Source: SEA

By pooling the evidence from the tools described above, SEA's sustainability strategy framework was produced. Following the "Sustainable Strategy for Airport" model proposed by ACI Europe, the framework is divided into 3 main areas of impact (environmental, social, economic), each of which is in turn divided into 3 themes, as below.

SEA ESG Strategic Framework

Strategic Pillars	Strategic topics	Items
ENVIRONMENTAL IMPACTS	Net Zero 2030 Airports	— Total elimination of Scope 1 and 2 CO_2 emissions — Reduction of Scope 3 emissions
	Green Infrastructure	— Green constructions & refurbishments — Water management — Waste management
	Good Neighborhood	— Noise management — Biodiversity policy
SOCIAL IMPACTS	High quality travel	— Quality of passenger services — Accessibility and services for PRMs
	Empowered people	— Promoting diversity & inclusion
	Community partnerships	— Support for social projects in the local area — Promoting local employment
ECONOMIC IMPACTS	Sustainable Supply Chain	— Apply ESG criteria in purchasing decisions — Monitor the level of ESG risk in the supply chain
	Modal Shift	— Increase accessibility to airports by promoting green transport solutions
	Economic development	— Strengthen air connectivity to improve the catalytic impact of airports
Enablers factors		
SUSTAINABLE GOVERNANCE	Stakeholder Engagement	— Focus on finding shared solutions through the involvement of stakeholders
	Management by ESG objectives	— Make sustainable business decisions by including ESG criteria in MBOs

Source: SEA

To complement the framework, cross-cutting "enabling factors" have been identified that will increasingly define the governance of ESG processes:

- stakeholder engagement, understood as a practice to be applied in a widespread and continuous manner that pushes the Company to seek solutions and define actions in a shared manner with the stakeholders concerned,
- the introduction of ESG objectives within the variable remuneration systems of top management.

Certified management systems related to sustainability goals

Strategic Pillars	Strategic topics	Items	Certified Management System
ENVIRONMENTAL IMPACTS	Net Zero 2030 Airports	— Net zero Scope 1 and 2 CO_2 emissions — Reduction of Scope 3 emissions	— Airport Carbon Accreditation 4+ Level[1] — ISO 50001[2]
	Green Infrastructure	— Green building certifications — Water management — Waste management	— BREEAM In Use[3] — ISO 14001[4] — Make It Sustainable[5]
	Good Neighborhood	— Noise management — Biodiversity policy	— ISO 14001
SOCIAL IMPACTS	High quality travel	— Improvement in passenger service quality — Accessibility and services for passengers with restricted mobility	— ISO 9001[6] — ISO 27001[7] — Data Register UNI CE[8] — TUV Italy Service Certification[9]
	Empowered people	— Valuing diversity — Eliminating the gender pay gap	— ISO 45001[10] — Family Audit[11]
ECONOMIC IMPACTS	Sustainable Supply Chain	— Apply ESG criteria in purchasing decisions — Monitor the level of ESG risk in the supply chain	— ISO 37001[12] — Make It Sustainable
	Modal Shift	— Increase the accessibility of green transport modes to airports	— Airport Carbon Accreditation 4+ Level

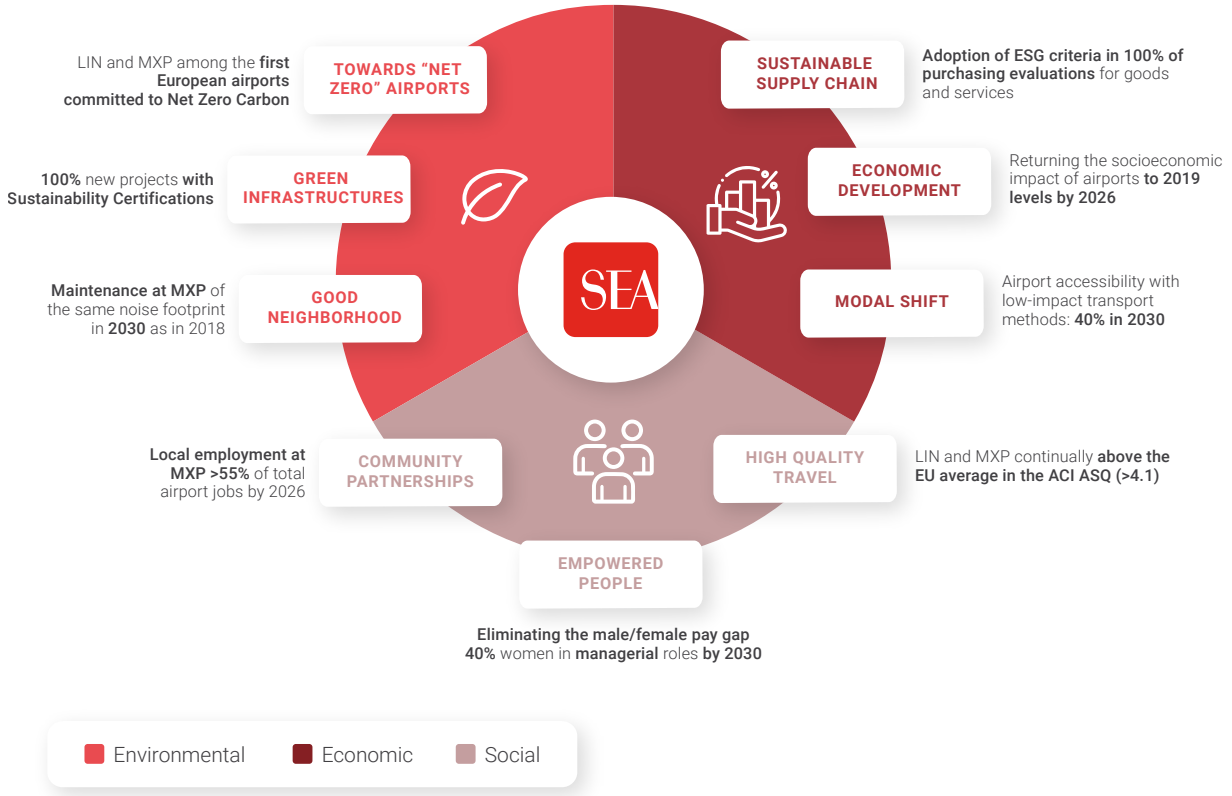
Source: SEA

1) Achievement of "Net Zero" direct CO_2 emissions by 2030
2) International standard for energy management
3) Certification of buildings environmental performance (Body F Linate)
4) Environmental Management System
5) Applying sustainability principles to maintenance processes
6) Services Quality Management System
7) Information Security Management System
8) Adaptation of airport infrastructure for PRM accessibility
9) PRM Assistance Service
10) Management System for the Worker Health and Safety
11) Certification of processes for equal opportunity and work-life balance
12) Management System for the Prevention of Corruption

One factor to highlight when assessing the Company's sustainability commitments is the package of certified management systems. These constitute the foundations of the ESG practices and culture that SEA has nurtured and consolidated over the last decade. Each of the nine programmatic areas (with the exception of two, for which no certification is envisaged) is monitored by one or more certified management systems which, in some cases (for example Airport Carbon Accreditation level 4+), constitute the real "engine" of the process for improving sustainability performance. By contrast, in other areas these represent a platform of acquired skills (for regular continuous improvement, research of best practices, measurement of significant parameters) that attest to the solidity and pre-planned natured of the future commitments made on those issues.

The strategic framework of ESG issues provided the thematic platform on which to base the programming work. The first step is represented by the Sustainability Vision 2030 of the Milan airports, illustrated for simplicity in the following diagram.

Sustainability Vision of Milan airports to 2030



For each of these macro-objectives, comprehensive and detailed operational plans are being defined, which in turn will help the Company to identify specific projects, allocate the resources necessary for their introduction, and integrate actions into the business plan. Completion of the operational plans is set to be achieved during 2022.

Appendix

APPENDIX

APPENDIX: OTHER SUSTAINABILITY PERFORMANCES

SUSTAINABLE DEVELOPMENT GOVERNANCE

Public policy positions and participation

SEA is involved in the following national and/or international sector associations:

Assaeroporti - Italian Association of Airport Managers, with the duty to protect and strengthen the position of airport managers, developing their functionality and interacting with the governing institutions to ensure the development of air transport.

Assoclearance - Italian Association for the Management of Clearance and Slots, comprising airlines and Italian airport managers, with the duty to optimize distribution of time slots and allocate slots to airlines.

Assolombarda - National Association of small, medium and large enterprises, with the objective of protecting the interests of members in their dealings with external parties involved in various fields making available a wide range of specialist services which contribute to business development.

ATAG Air Transport Action Group - Association which represents all actors involved throughout the air transport industry chain, in order to encourage communication between the various actors and promote sustainable air transport development.

UNIVA Varese - Association of companies within the Confindustria System, in order to encourage the development of provincial industry, promoting collaboration between businesses.

ACI Europe - Airport Council International - Association of European airports aimed at ensuring effective communications and negotiations regarding legislative, commercial, technical, environmental, passenger and other aspects.

IGI - Large Infrastructure Institute is a research center focused on public tender issues.

AIGI - Italian Association of Legal Counsel, with the scope to promote, train and develop legal councils and their role in Italy.

ORGANISATIONAL MANAGEMENT

Our people [14]

Temporary by gender as of December 31 (No.)

	2021			2020		
	Female	Male	Total	Female	Male	Total
Temporary staff	9	41	**50**	7	30	**37**

Note: SEA Energia's staff are all employees.
Source: SEA

[14] *In view of the sale of SEA Energia by the SEA Group, the figures for the workforce as of December 31, 2021 are shown separately with respect to the Group.*

Employees by contract type, gender and location as of December 31 (No.)

		2021			2020		
		Female	Male	Total	Female	Male	Total
Permanent	Linate	335	761	**1,096**	343	795	**1,138**
	Malpensa	426	1,102	**1,528**	433	1,140	**1,573**
	Total permanent	**761**	**1,863**	**2,624**	**776**	**1,935**	**2,711**
	SEA Energia	5	22	**27**	5	23	**28**
	Total Group	**766**	**1,885**	**2,651**	**781**	**1,958**	**2,739**
Temporary	Linate	3	4	**7**	2	3	**5**
	Malpensa	-	1	**1**	4	3	**7**
	Total temporary	**3**	**5**	**8**	**6**	**6**	**12**
	Total	764	1,868	**2,632**	782	1,941	**2,723**
	Total Group	**769**	**1,890**	**2,659**	**787**	**1,964**	**2,751**

Note: SEA Energia's staff are on permanent contracts, of which 5 women (1 at Linate and 4 at Malpensa) and 22 men in 2021 (8 at Linate and 14 at Malpensa), whilst in 2020 the figures were 5 women (1 at Linate and 4 at Malpensa) and 23 men (8 at Linate and 15 at Malpensa). Source: SEA

Employees by employment category and gender as of December 31 (No.)

	2021					2020				
	Female	Male	Total	SEA Energia	Total Group	Female	Male	Total	SEA Energia	Total Group
Full-time	580	1,801	2,381	25	**2,406**	588	1,868	2,456	26	**2,482**
Part-time	184	67	251	2	**253**	194	73	267	2	**269**
Total	**764**	**1,868**	**2,632**			**782**	**1,941**	**2,723**		
SEA Energia	5	22	27	27		5	23	28	28	
Total Group	**769**	**1,890**	**2,659**		**2,659**	**787**	**1,964**	**2,751**		**2,751**

Note: SEA Energia's staff are broken down as follows: 25 full-time employees in 2021 (3 women and 22 men) and 26 in 2020 (3 women and 23 men); 2 part-time employees (women) in both 2020 and 2021. Source: SEA

Contract type data indicates a marginal share of temporary contract workers, representing 0.3% of total employees at December 31, 2021, with part-time workers representing 10.5%. Contractors also represented a marginal share at December 31, 2021, equal to 2% of the Group's total personnel, affected by the lack of airport operations due to COVID-19. Malpensa is the most populated airport where 58% of the population works.

Outgoing employees by location, gender and age grouping (No.)

	2021									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	-	2	**2**	4	8	**12**	12	36	**48**	**62**
Malpensa	-	-	**-**	-	2	**2**	9	42	**51**	**53**
Total	**-**	**2**	**2**	**4**	**10**	**14**	**21**	**78**	**99**	**115**
Turnover	**0.0%**	**11.8%**	**8.3%**	**1.3%**	**1.4%**	**1.4%**	**4.7%**	**6.8%**	**6.2%**	**4.3%**
	2020									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	-	1	**1**	1	9	**10**	6	38	**44**	**55**
Malpensa	1	-	**1**	-	1	**1**	5	39	**44**	**46**
Total	**1**	**1**	**2**	**1**	**10**	**11**	**11**	**77**	**88**	**101**
Turnover	**16.7%**	**7.7%**	**10.5%**	**0.3%**	**1.2%**	**0.9%**	**2.6%**	**6.8%**	**5.7%**	**3.7%**

Note: intra-group transfers are not considered. Source: SEA

Regarding contract terminations, 56% involved administrative staff and 76% were the result of the mobility plan and incentivised redundancy. The outgoing population was 78% male, 86% of whom over 50 years of age. 54% of the outgoing population was from Linate airport.

Incoming employees by location, gender and age grouping (No.)

	2021									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	4	5	**9**	3	3	**6**	-	5	**5**	**20**
Malpensa	-	1	**1**	-	2	**2**	-	-	**-**	**3**
Total	**4**	**6**	**10**	**3**	**5**	**8**	**-**	**5**	**5**	**23**
Turnover	**57.1%**	**35.3%**	**41.7%**	**1.0%**	**0.7%**	**0.8%**	**0.0%**	**0.4%**	**0.3%**	**0.9%**
	2020									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	1	3	**4**	4	26	**30**	3	43	**46**	**80**
Malpensa	2	3	**5**	-	4	**4**	-	-	**-**	**9**
Total	**3**	**6**	**9**	**4**	**30**	**34**	**3**	**43**	**46**	**89**
Turnover	**50.0%**	**46.2%**	**47.4%**	**1.1%**	**3.6%**	**2.9%**	**0.7%**	**3.8%**	**3.0%**	**3.2%**

Note: intra-group transfers are not considered.

Source: SEA

The 23 hires (78% managers and office workers and around 70% male) were mainly qualified new hires (78%). 43% of new hires were below 30 years of age. 87% of hires were recruited for Linate airport.

Employees by professional level, gender and age grouping as of December 31 (No.)

	2021									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	-	**-**	1	14	**15**	4	25	**29**	**44**
Managers	-	-	**-**	38	67	**105**	65	102	**167**	**272**
White-collar	7	15	**22**	253	393	**646**	352	666	**1,018**	**1,686**
Blue-collar	-	2	**2**	18	236	**254**	26	348	**374**	**630**
Total	**7**	**17**	**24**	**313**	**718**	**1,031**	**449**	**1,155**	**1,604**	**2,632**
	2020									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	-	**-**	1	12	**13**	5	31	**36**	**49**
Managers	-	-	**-**	44	70	**114**	59	109	**168**	**282**
White-collar	6	10	**16**	293	460	**753**	330	638	**968**	**1,737**
Blue-collar	-	3	**3**	23	271	**294**	21	337	**358**	**655**
Total	**6**	**13**	**19**	**361**	**813**	**1,174**	**415**	**1,115**	**1,530**	**2,723**

Source: SEA

SEA Energia employees by professional level, gender and age grouping as of December 31 (No.)

	2021									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	-	**-**	-	-	**-**	-	1	**1**	**1**
Managers	-	-	**-**	-	1	**1**	-	1	**1**	**2**
White-collar	-	-	**-**	3	6	**9**	2	11	**13**	**22**
Blue-collar	-	-	**-**	-	1	**1**	-	1	**1**	**2**
Total	**-**	**-**	**-**	**3**	**8**	**11**	**2**	**14**	**16**	**27**
	2020									
	<30			30-50			>50			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	2	**-**	-	-	**-**	-	1	**1**	**1**
Managers	-	-	**-**	-	1	**1**	-	1	**1**	**2**
White-collar	-	-	**-**	3	7	**10**	2	11	**13**	**23**
Blue-collar	-	-	**-**	-	1	**1**	-	1	**1**	**2**
Total	**-**	**-**	**-**	**3**	**9**	**12**	**2**	**14**	**16**	**28**

Source: SEA

60% of the population is over 50, predominantly composed of white-collar and blue-collar workers; all management staff are also over 50 years of age. The airport with the oldest population on average is Linate.

SEA manages the compulsory hiring of employees of protected categories in full compliance with the requirements of the applicable legislation. At December 31, 2021, 116 disabled people were employed by the Company (127 at December 31, 2020). Furthermore, five employees belonged to categories referred to by Article 18 of Italian Law 68/99 (five in 2020).

Industrial Relations

The trade unionisation rate in the Group is in line with the previous year.

SEA Group Trade Union membership

	Number of trade union memberships	Trade Union memberships	% trade union membership
31/12/2021	11	CGIL; CISL; CUB-TRANSPORT; FLAI; SIN.PA; U.G.L.; UIL; USB; ADL VARESE; LABOUR; SI COBAS	57%
31/12/2020	11	CGIL; CISL; CUB-TRANSPORT; FLAI; SIN.PA; U.G.L.; UIL; USB; ADL VARESE; LABOUR; SI COBAS	57%
31/12/2019	11	CGIL; CISL; CUB-TRANSPORT; FLAI; SIN.PA; U.G.L.; UIL; USB; ADL VARESE; LABOUR; SI COBAS	56%

Main agreements with Trade Union Organisations in 2021

In 2021 the agreements signed covered the Framework Agreement on redundancy schemes, the retirement plan, the voluntary incentive plan, the various methods of using the CIGD (redundancy fund on an exceptional basis) and CIGS (Extraordinary Temporary Lay-off Scheme) used during the year.

	2021	2020	2019
Number of agreements signed with the Trade Unions	6	2	3

Source: SEA

With regard to worker health and safety, March 19, 2020 saw the activation of the COVID-19 committee, consisting of union and company representatives pursuant to Article 1, paragraph 1, no. 9), of the Ministerial Decree of March 11, 2020 - Protocol shared March 14, 2020 and still in force.

In relation to the minimum notice period for operational amendments, the time necessary for the adoption of such may significantly vary, according to the issue for which the amendment is necessary and the availability of the Trade Union Organisations - according to that established by the regulation in force at the time - or where no regulation is in force (and therefore a trade union agreement or where sufficient a communication campaign is applied).

In the first case, the average quantifiable notice time is one month and in the second case two weeks. In relation to the change of shifts, company practices (in line with the Confindustria interpretation of Article 3 point three, first paragraph of the Inter-confederal Agreement of April 18, 1996 between Confindustria, Intersind, Asap and Cgil, Cisl, Uil and Cisnal and Cisal and Confail), SEA provides 15 days of notice between communication to the Trade Unions and implementation.

The amendments for which (e.g. collective dismissals, lay-off schemes) the law establishes specific procedures were excluded from the cases already reported and therefore the number of days of the duration of the procedure and the frequency of the various stages scheduled.

MANAGEMENT OF ENVIRONMENTAL RESOURCES

Raw materials

As SEA is a supplier of services, the principal raw materials consumed, in addition to electricity consumption (including the gasoline and petrol utilised for operations at the airport), are the liquids for the de-icing of aircraft during the winter season amid particular weather conditions.

Malpensa - Raw material consumption

	2021	2020	2019
Kilfrost ABC3 TYPEII (Litres)	683,603	770,814	1,070,069
Solid de-icing material (Kg)	8,950	7,725	7,825
Liquid de-icing material (Kg)	211,335	427,620	270,507

Linate - Raw material consumption

	2021	2020	2019
Kilfrost ABC3 TYPEII (Litres)	158,461	163,617	274,871
Solid de-icing material (Kg)	-	-	-
Liquid de-icing material (Kg)	95,300	163,460	180,466

Source: SEA

ANALYSIS OF SCOPE OF MATERIAL TOPICS AND RECONCILIATION WITH GRI STANDARDS

Legislative Decree 254/2016 topics	Material topics	GRI topic reconciliation	Boundary	
			Party impacted	Type of impact
Environment	Promotion of sustainable mobility	Ground travel connections	Group, Airport operators Public Administration	To which the Group contributes
	Containment of land consumption	Water and effluents	Group, Airport operators	Caused by Group and directly connected through a business relationship; To which the Group contributes
		Biodiversity		
		Waste		
	Initiatives to reduce indirect CO_2 emissions	Energy	Group, CNA, Suppliers, Airport operators	To which the Group contributes
		Emissions		
	Containment of noise impact	Noise	Group, Airport operators	Caused by Group and directly connected through a business relationship
		Customer health and safety		
	Reduction of direct CO_2 emissions and pollutants	Energy	Group, Suppliers	Caused by Group and directly connected through a business relationship
		Emissions		
	Low-impact construction methods inspired by the circular economy	Procurement practices	Group, Suppliers	Caused by Group and directly connected through a business relationship
		Supplier environmental assessment		
		Supplier social assessment		
Related to personnel	Safeguarding employment and minimising the social impact of downsizing	Employment	Group, (included temporary)	Caused by the Group
		Labour/Management Relations		
		Occupational health and safety		
	Initiatives to reduce the gender gap	Diversity and equal opportunity	Employees	Caused by the Group
	Talent Retention & Acquisition	Employment	Employees	Caused by the Group
		Training and education		
Social	Paying the utmost attention to health and safety when managing customer experiences	Service quality	Group, Airport operators Public Administration	Caused by Group and directly connected through a business relationship
		Customer health and safety		
	Technological innovation in safety and security management	Service quality	Group, Airport operators	Caused by Group and directly connected through a business relationship
		Customer health and safety		
	Collaborative airport ecosystem to improve quality, efficiency, and safety	Service quality	Group, Airport operators	Caused by Group and directly connected through a business relationship
		Customer health and safety		
	Re-launch of air connectivity to support the local area	Market presence	Group, Airport operators	Caused by Group and directly connected through a business relationship
	Digitisation to improve passenger service quality	Service quality	Group, Airport operators	Caused by Group and directly connected through a business relationship
	Structured methods of stakeholder communication and involvement	Indirect economic impacts	Group, Airport operators Public Administration	Caused by Group and directly connected through a business relationship
		Local communities		
Measures to combat active and passive corruption	Strategic orientation to the creation of long-term value	Anti-corruption	Group	Caused by the Group
		Economic performance		
		Indirect economic impacts		
Governance	Definition and updating of a Strategic Sustainability Plan	N/A	Group	Caused by the Group
	Inclusion of ESG performance in the management incentive system (MBO)	N/A	Group	Caused by the Group

GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI Standard	Disclosure	Pages No.
GRI 101: Foundation (2016)		
GRI 102: General Disclosures (2016)		
Organizational profile (2016)		
102-1	Name of the organization	7
102-2	Activities, brands, products, and services	9-10
102-3	Location of headquarters	7
102-4	Location of operations	7
102-5	Ownership and legal form	8-9
102-6	Markets served	97-98
102-7	Scale of the organization	7
102-8	Information on employees and other workers	79-80; 160-161
102-9	Supply chain	101-104; 136
102-10	Significant changes to the organization or its supply chain	4-5
102-11	Precautionary Principle or approach	18-19; 42-43
102-12	External initiatives	126-127
102-13	Memberships of associations	160
Strategy (2016)		
102-14	Letter to stakeholders	2-3
102-15	Key impacts, risks, and opportunities	18-19; 42-43
Ethics and integrity (2016)		
102-16	Values, principles, standards and norms of behaviour	7; 19-20; 37-38
Governance (2016)		
102-18	Governance structure	11; 15-17
102-19	Delegating authority	17
102-20	Executive-level responsibility for economic, environmental and social topics	15-17
102-22	Composition of the highest governance body and its committees	15-17
102-23	Chair of the highest governance body	15
Stakeholder engagement (2016)		
102-40	List of stakeholder groups	33
102-41	Collective bargaining agreements	163-164
102-42	Identifying and selecting stakeholders	38-39
102-43	Approach to stakeholder engagement	38-39
102-44	Key topics and concerns raised	42-43
Reporting practice (2016)		
102-45	Entities included in the Consolidated Financial Statements	4-5
102-46	Defining report content and topic boundaries	4-5; 38-41
102-47	List of material topics	39-40; 165
102-48	Restatements of information	4-5
102-49	Changes in reporting	4-5
102-50	Reporting period	4-5
102-51	Date of most recent report	4-5
102-52	Reporting cycle	4-5
102-53	Contact point for questions regarding the report	4-5
102-54	Claims of reporting in accordance with the GRI Standards	4-5
102-55	GRI Content Index	166-170
102-56	External assurance	171-173

TOPIC-SPECIFIC STANDARDS

GRI Standard	Disclosure	Pages No.
GRI 200: ECONOMIC PERFORMANCE INDICATORS		
Topic: Economic performance		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	9-10
103-3	Evaluation of the management approach	9-10
GRI 201: Economic performance (2016)		
201-1	Direct economic value generated and distributed	151
201-3	Defined benefit plan obligations and other retirement plans	90
Topic: Market presence		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	97-98; 116-121; 148-149
103-3	Evaluation of the management approach	97-98; 116-121; 148-149
GRI 202: Market presence (2016)		
AO1	Total number of passengers annually, broken down by passengers on international and domestic flights, and broken down by origin-and-destination and transfer passengers, including transit passengers	117-120
AO2	Total annual number of aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation flights	117-120
AO3	Total amount of cargo tonnage	120-121
Topic: Indirect economic impacts		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	41-42; 131-132; 135-147
103-3	Evaluation of the management approach	41-42; 131-132; 135-147
GRI 203: Indirect economic impacts (2016)		
203-1	Infrastructure investments and services supported	131-132
203-2	Significant indirect economic impacts	135-147
Topic: Procurement practices		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	101-104
103-3	Evaluation of the management approach	101-104
GRI 204: Procurement practices (2016)		
204-1	Proportion of spending on local suppliers	136
Topic: Anti-corruption		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	20-21
103-3	Evaluation of the management approach	20-21
GRI 205: Anti-corruption (2016)		
205-3	Confirmed incidents of corruption and actions taken	21
GRI 300: ENVIRONMENTAL PERFORMANCE INDICATORS		
Topic: Energy		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	35; 61; 73-74; 114
103-3	Evaluation of the management approach	35; 61; 73-74; 114
GRI 302: Energy (2016)		
302-1	Energy consumption within the organization	73
302-3	Energy intensity	74
Topic: Water and Effluents		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	35; 61; 70-71; 74; 114

TOPIC-SPECIFIC STANDARDS

GRI Standard	Disclosure	Pages No.
103-3	Evaluation of the management approach	35; 61; 70-71; 74; 114
GRI 303: Water and Effluents (2018)		
303-1	Interactions with water as a shared resource	74
303-2	Management of water discharge-related impacts	70-71
303-3	Water withdrawal	74
303-4	Water discharge	70
AO4	Quality of storm water by applicable regulatory standards	70-71
Topic: Biodiversity		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	76-77
103-3	Evaluation of the management approach	76-77
GRI 304: Biodiversity (2016)		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	76-77
304-2	Significant impacts of activities, products, and services on biodiversity	76-77
Topic: Emissions		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	35; 61-66; 114
103-3	Evaluation of the management approach	35; 61-66; 114
GRI 305: Emissions (2016)		
305-1	Direct (Scope 1) GHG emissions	62-66
305-2	Energy indirect (Scope 2) GHG emissions	62-66
305-3	Other indirect (Scope 3) GHG emissions	62-66
305-4	GHG emissions intensity	62
305-7	Emissions of NOx, SOx and other significant emissions	66-67
AO5	Ambient air quality levels according to pollutant concentrations in micrograms per cubic meter ($\mu g/m^3$) or parts per million (ppm) by regulatory regime	66-67
Topic: Waste		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	35; 61; 75-76; 114
103-3	Evaluation of the management approach	35; 61; 75-76; 114
GRI 306: Waste (2020)		
306-1	Waste generation and significant waste-related impacts	75-76
306-2	Management of significant waste-related impacts	75-76
AO6	Aircraft and pavement de-icing/anti-icing fluid used and treated (m^3 and/or tons)	71; 164
Topic: Supplier environmental assessment		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	101-104
103-3	Evaluation of the management approach	101-104
GRI 308: Supplier environmental assessment (2016)		
308-1	New suppliers were screened using environmental criteria	102-103
Topic: Noise		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	67-69
103-3	Evaluation of the management approach	67-69
A07: Noise (2014)		
AO7	Number and percentage change of people residing in areas affected by noise	68

TOPIC-SPECIFIC STANDARDS

GRI Standard	Disclosure	Pages No.
GRI 400: SOCIAL PERFORMANCE INDICATORS		
Topic: Employment		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	78-80
103-3	Evaluation of the management approach	78-80
GRI 401: Employment (2016)		
401-1	New employee hires and employee turnover	161-162
401-2	Benefits provided to full-time employee that are not provided to temporary or part-time employees	89
Topic: Labour/Management Relations		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	163-164
103-3	Evaluation of the management approach	163-164
GRI 402: Labour/Management Relations (2016)		
402-1	Minimum notice periods regarding operational changes	164
Topic: Occupational Health and Safety		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	35; 83-88; 114
103-3	Evaluation of the management approach	35; 83-88; 114
GRI 403: Occupational Health and Safety (2018)		
403-1	Occupational health and safety management system	83
403-2	Hazard identification, risk assessment, and incident investigation	87
403-3	Occupational health services	86-87
403-4	Worker participation, consultation, and communication on occupational health and safety	84-85
403-5	Worker training on occupational health and safety	86
403-6	Promotion of worker health	86
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	87
403-9	Work-related injuries	88
403-10	Work-related ill health	88
Topic: Training and education		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	80-81
103-3	Evaluation of the management approach	80-81
GRI 404: Training and education (2016)		
404-1	Average hours of training per year per employee	81
404-2	Programs for upgrading employee skills and transition assistance programs	81
404-3	Percentage of employees receiving regular performance and career development reviews	81
Topic: Diversity and equal opportunity		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	83
103-3	Evaluation of the management approach	83
GRI 405: Diversity and equal opportunity (2016)		
405-1	Diversity of governance bodies and employees	15; 162-163
405-2	Ratio of basic salary and remuneration of women to men	83

TOPIC-SPECIFIC STANDARDS

GRI Standard	Disclosure	Pages No.
Topic: Local communities		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	41-42
103-3	Evaluation of the management approach	41-42
GRI 413: Local communities (2016)		
413-1	Operations with local community engagement, impact assessment and development programs	131-132
413-2	Operations with significant actual and potential negative impacts on local communities	135-147
AO8	Number of persons physically or economically displaced, either voluntarily or involuntarily, by the airport operator or on its behalf by a governmental or other entity and compensation provided	During the year no cases of voluntary or involuntary displacements were reported.
Topic: Supplier social assessment		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	101-104
103-3	Evaluation of the management approach	101-104
GRI 414: Supplier social assessment (2016)		
414-1	New suppliers were screened using social criteria	102-103
Topic: Customer Health and Safety		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	67-69; 122-124
103-3	Evaluation of the management approach	67-69; 122-124
GRI 416: Customer Health and Safety (2016)		
416-1	Assessment of the health and safety impact of product and service categories	67-69; 122-124
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, no cases of non-compliance were reported.
AO9	Total annual number of wildlife strikes per 10,000 aircraft movements	123-124
Topic: Service quality		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	124-127; 129-131
103-3	Evaluation of the management approach	124-127; 129-131
Topic: Ground travel connections		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	51-60
103-3	Evaluation of the management approach	51-60
Topic: Definition and updating of a Strategic Sustainability Plan		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	40; 155-158
103-3	Evaluation of the management approach	40; 155-158
Topic: Inclusion of ESG performance in the management incentive system (MBO)		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	39-41; 165
103-2	The management approach and its components	17
103-3	Evaluation of the management approach	17

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INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND ART. 5 OF CONSOB REGULATION N. 20267 OF JANUARY 2018

To the Board of Directors of
Società per Azioni Esercizi Aeroportuali – SEA S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Società per Azioni Esercizi Aeroportuali – SEA S.p.A. and its subsidiaries (hereinafter the "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on March 23, 2022 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*Introduction to the Taxonomy*".

Responsibility 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 the "*Global Reporting Initiative Sustainability Reporting Standards*" established by GRI – Global Reporting Initiative (hereinafter "*GRI Standards*"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

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The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* 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. Our auditing firm applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the *GRI Standards*. We conducted our work in accordance with the criteria established in the *"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. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. Analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art. 3 of the Decree and taking into account the adopted reporting standard.

2. Analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree.

3. Comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the Group.

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4. Understanding of the following matters:

   - business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
   - policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
   - main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

   Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a) of this report.

5. Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

   In particular, we carried out interviews and discussions with the management of Società per Azioni Esercizi Aeroportuali – SEA S.p.A. and with the employees of SEA Energia S.p.A. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

   In addition, for material information, taking into consideration the Group's activities and characteristics:

   - at the parent company's and subsidiaries' level:

   a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
   b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.

   - for the following companies, Società per Azioni Esercizi Aeroportuali – SEA S.p.A., SEA Energia S.p.A., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with articles 3 and 4 of the Decree and the *GRI Standards*.

Deloitte.

Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*Introduction to the Taxonomy*".

DELOITTE & TOUCHE S.p.A.

Signed by
Marco Pessina
Partner

Milan, Italy
April 12, 2022

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

SEA Group - Consolidated Non-Financial Statement 2021

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We thank the SEA Group people who contributed to useful data retrieval to define the chart accounts.

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