

INVITALIA

SUSTAINABILITY
REPORT
2021

Consolidated Non-Financial Statement
pursuant to Italian Legislative Decree
254/2016



SUSTAINABILITY REPORT 2021

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Letter to stakeholders

In 2021, the year in which we all hoped to return to normal as we gradually emerged from the most acute phase of the pandemic, Invitalia strived to contribute to the relaunch of growth and development, enhancing experiences and skills to support Italy, its regions, and the people and communities hit hardest by the crisis.

We have supported business, communities, women and men who believe in the ability to develop their local areas and restore normality at a time when no-one else would have believed in their ideas.

We have scheduled, planned and managed public investments aimed at supporting development and economic and social growth, prioritising the most underprivileged areas.

We have helped to bridge the digital divide, bringing connectivity to the most remote corners of Italy and their core infrastructure: schools, town squares and hospitals.

We have supported countless companies that chose to invest in Italy's recovery through the Guarantee Fund, promoting competitiveness and recovery.

Finally, we have supported the Public Administration, helping it to operate more effectively and transforming policies into concrete actions.

And through all of this, we have never lost sight of innovation, of new social and technological dynamics, and — above all — of our vision of a sustainable future.

To better represent our actions, this year we have taken another step to engage even more closely with our stakeholders by publishing our first Sustainability Report. This is a new way of reporting our data, offering an integrated vision of the well-being that we have generated within and outside of our Group. In this report, we do not only consider our economic performance, but also the value created by our activities for our people and for Italy as a whole.

Two cogs working together in the same machine: a rewarding professional environment provides a shared vision of our objectives and drives efficient performance which, in turn, has a direct impact on individual and collective well-being.

Over the last three years, these two aspects have helped us to respond to the challenges presented by an economic and social system beset by continuous and profound disruption with courage and determination.

For this, we express our deepest thanks to all the men and women at Invitalia.

Domenico Arcuri

CEO



Andrea Viero

Chair



Methodological note

This document is the first Sustainability Report (hereinafter "Report") published by Invitalia and constitutes the Non-Financial Statement (hereinafter "NFS") of the Invitalia Group ("Group" or "Invitalia") prepared pursuant to Articles 3 and 4 of Italian Legislative Decree 254/2016.

The Report is a separate document to the Consolidated Financial Statements and aims to provide an accurate representation of the Group's activities, its performance, the results achieved and the impact produced with regard to sustainability in 2021 (reporting period from 1 January to 31 December 2021).

The Report has been produced in accordance with the Global Reporting Initiative Sustainability Reporting Standards defined in 2016 by the Global Reporting Initiative ("GRI") in line with the GRI-referenced claim option, which allows for the selection of indicators that are consistent with the Group's business. The final part of the document contains the GRI content index and the indicators associated with each material topic identified. For the subsequent reporting cycle, the "in accordance" option will be adopted.

The document was approved together with the Consolidated Financial Statements by the Board of Directors ("BoD") on 30 May 2022 and was audited by Deloitte & Touche Spa.

The content was defined based on the principles envisaged by the GRI standards and reference regulations, and includes: materiality, stakeholder inclusion, sustainability context, completeness, comparability, accuracy, promptness, clarity, reliability, verifiability and balance.

The document considers the topics identified by the materiality evaluation as "relevant", or material, i.e., able to reflect the social and environmental impact of Invitalia's business or to influence the decisions of its stakeholders. The Report contains the data of the Group, consisting of the Parent Company and the companies under its direct management and coordination, in line with the boundary of the Consolidated Financial Statements. The reporting boundary considers the following companies (hereinafter "Group Companies"): Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa Spa (hereinafter "Parent Company"), Infratel Italia Spa ("Infratel"), Mediocredito Centrale Spa ("MCC") and Invitalia Partecipazioni Spa ("IP").

Any limitations to the boundary are duly specified in the annexes.

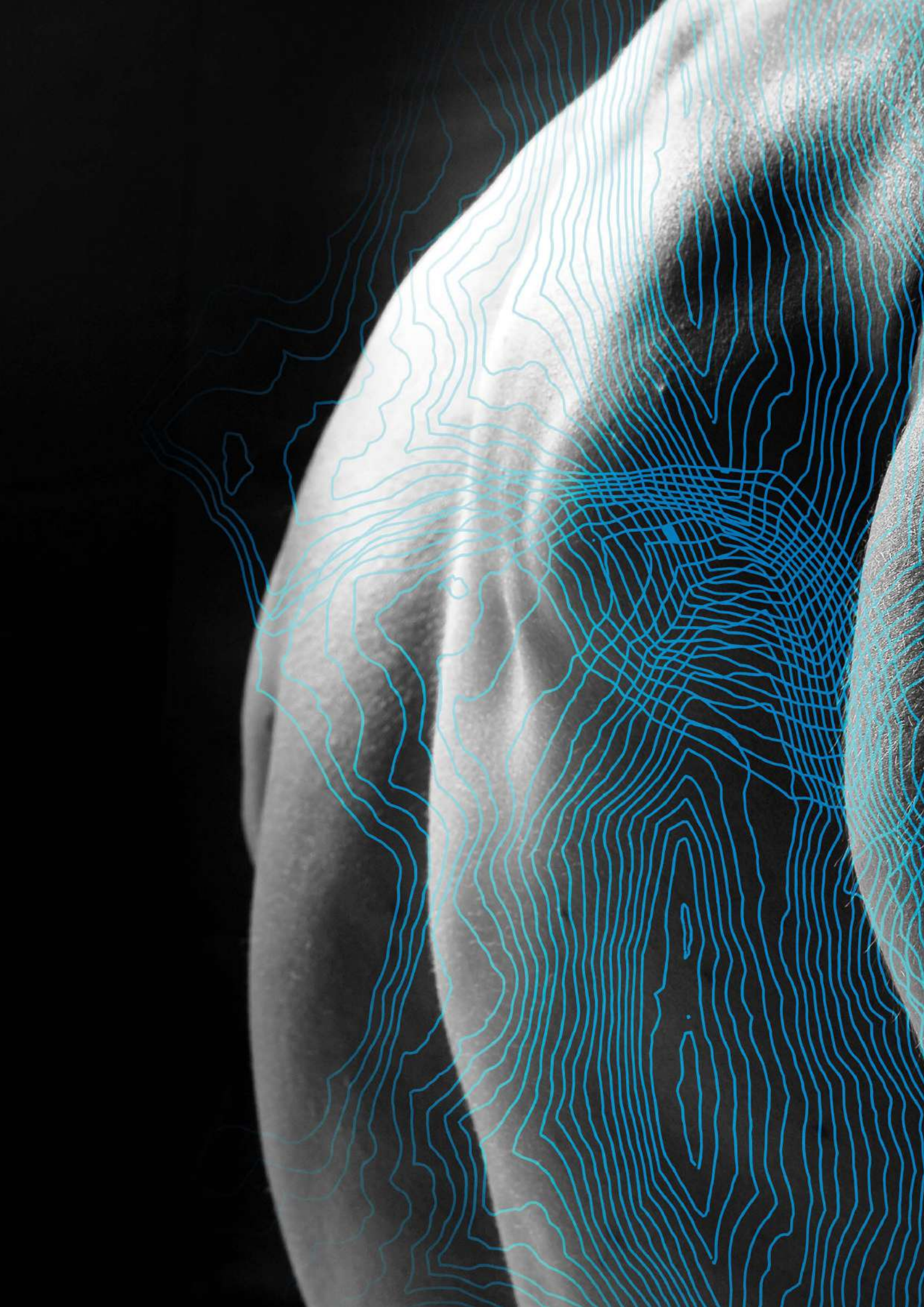
Italia Turismo Spa, which is not consolidated on a line-by-line basis and is currently being dissolved, and Marina di Portisco Spa, which was definitively dissolved in 2021, are excluded from the reporting boundary.

Qualitative and quantitative information are taken from the IT systems of Group companies and from a non-financial reporting system specifically implemented to meet the requirements of Legislative Decree 254/2016, as amended. Data is processed with specific calculations and, when indicated, with the use of estimates. In December 2021 a project was launched to develop an IT platform to enable the automated collection of data necessary for the purposes of non-financial reporting and, more generally, to provide a representation of the Group's operations from a sustainability standpoint. The system is scheduled to begin to collect data in 2022.

for information on the
Sustainability Report write to:
sostenibilita@invitalia.it

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CHAPTER 1

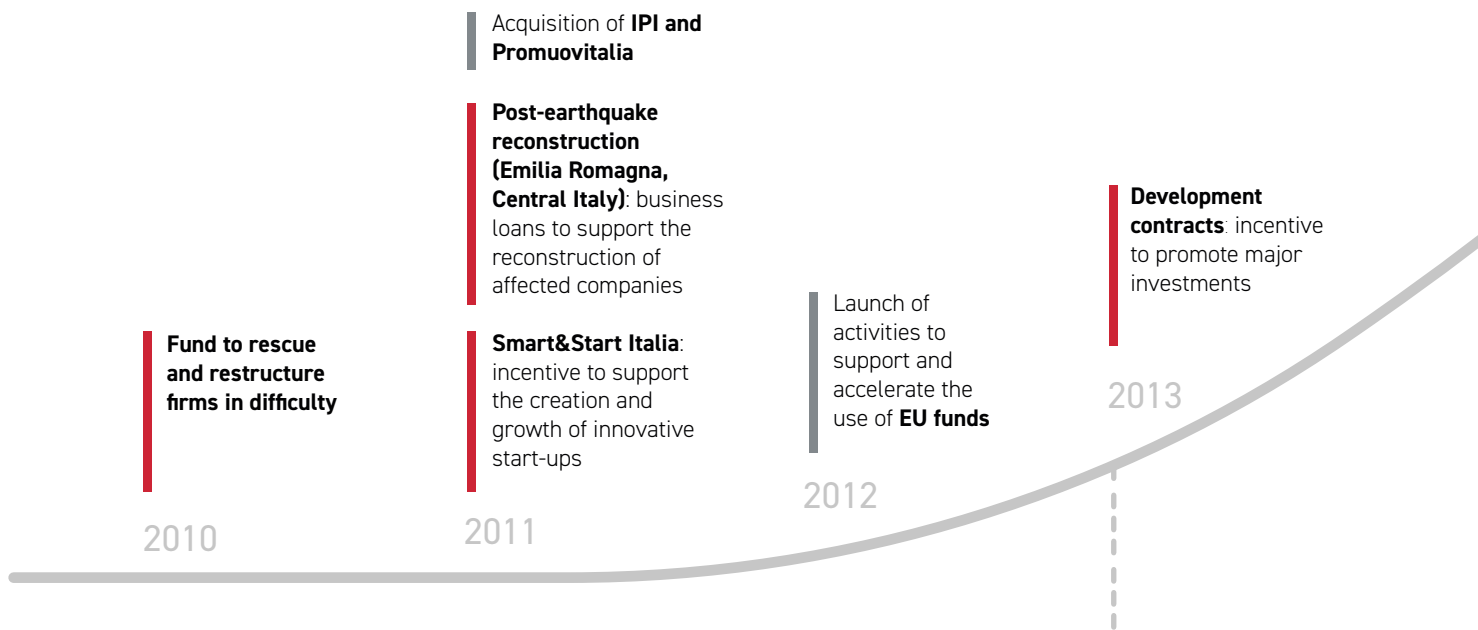


Invitalia: a driver of sustainable development

Invitalia was founded to promote the economic and social development of the country, and sustainability has always been a crucial element of its identity. The Group works to integrate economic, social and environmental dimensions into each project to support businesses, individuals and communities.

Invitalia's constant commitment to this mission can be seen not only in its financial performance, but also by assessing the results achieved through a planning, management and evaluation process that strives to provide a transparent representation of its actions and results.

- █ Businesses
- █ Institutions
- █ Regions



INVESTMENTS

Businesses supported

Value of Italian and EU-funded programmes

Tendering procedure for public investments

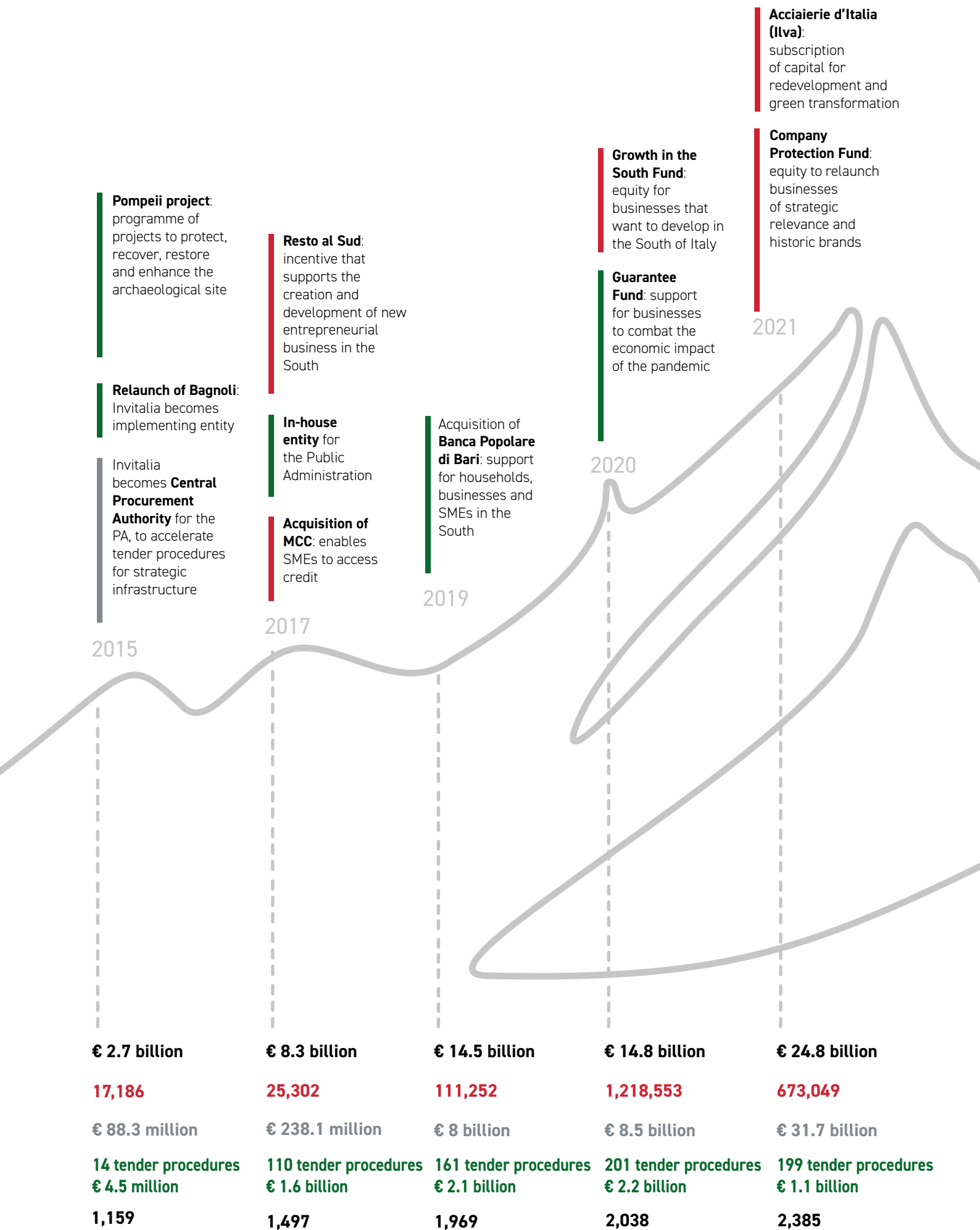
€ 1.1 billion

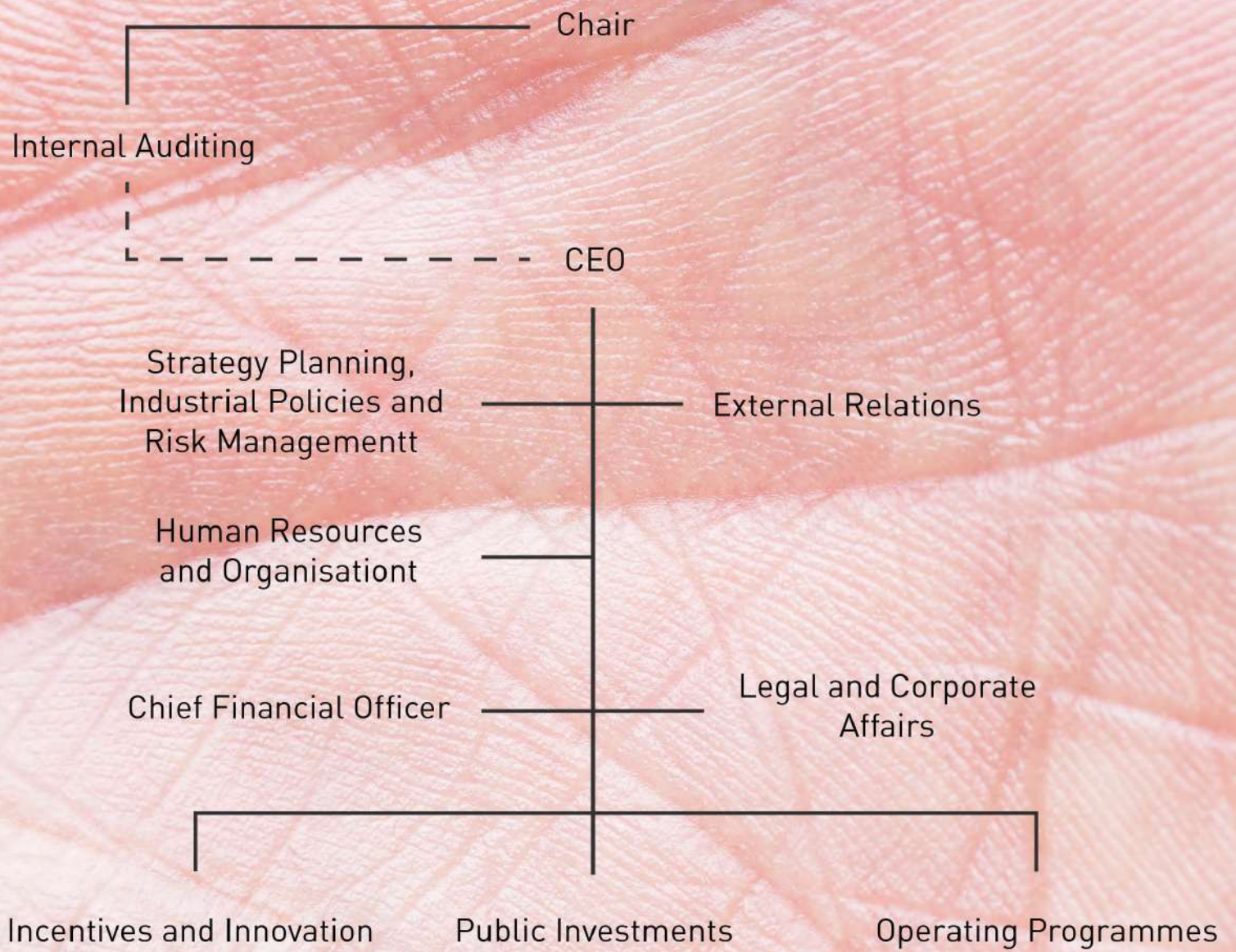
4,284

€ 33 million

INVITALIA EMPLOYEES

809





Organisation

Invitalia operates on a Government mandate to increase competitiveness in Italy. The sole shareholder is the Italian Ministry of the Economy and Finance ("MEF") which exercises its rights with the Italian Ministry of Economic Development ("MED"), which directs and controls the Group.

The head offices are in **Rome**, with other offices in: **Acireale, Ancona, Ascoli Piceno, Bologna, Cagliari, Campobasso, Foligno, Iglesias, L'Aquila, Macerata, Naples - Bagnoli, Rieti, Serrapetrona, Teramo.**

As well as the Parent Company, the reporting boundary includes:

INFRATEL ITALIA Spa

The company aims to reduce Italy's digital divide. It is the implementing entity of the Italian broadband plan and ultra-broadband strategic project and is constructing the infrastructure to extend fast internet connectivity to citizens, businesses and institutions.

We overcome the digital divide

MEDIOCREDITO CENTRALE Spa

The bank supports the development of Italy's entrepreneurial and economic system, specifically in the South. MCC joined the Group in August 2017 and helps businesses, particularly SMEs, to access credit, supporting investments in manufacturing, research and development, and implementing public policies to support industry.

We give credit to businesses

INVITALIA PARTECIPAZIONI Spa

The company responsible for Invitalia's equity investments manages, sells or liquidates equity investments that are no longer deemed strategic, implementing the reorganisation plan prepared by Invitalia and approved by the MED.

We sell equity investments in non-strategic companies to reinvest in key sectors



Governance

The governing bodies of the Parent Company are: the Board of Directors, the Chairperson, the CEO and the Board of Statutory Auditors. They are appointed by the MED, in collaboration with the MEF, for a three-year term of office. There are no independent directors on the BoD.

Chair - Andrea Viero

The Chairperson of the BoD. Specifically, they are vested with powers regarding the supervision of the implementation of operating guidelines on company activities, of internal auditing activities and of reports to external institutions.

CEO - Domenico Arcuri

Managing Director of Invitalia. Responsibilities include defining the organisational structure and ensuring that all activities and roles are distributed in a clear and appropriate way. All company departments may be involved in the exercise of the mandate, in addition to the internal auditing department, which has sufficient independence to conduct auditing and oversight activities.

Directors: Paola Ciannavei,
Stefania Covello, Sergio Maccagnani

Board of Statutory Auditors: Chair - Gianluigi Serafini

Standing auditors: Rosalba Cotroneo and Adriano Mesaroli

Alternate auditors: Cinzia Vincenzi and Giovanni Desantis
The Magistrate of the Court of Auditors, Giuseppina Maneggio, monitors the financial management of the Group.

The BoD is supported in its evaluations and decisions, with due preliminary consultation, by four internal committees that report on the topics in their remit:

Remuneration Committee: on the remuneration policies for Directors and Senior Managers;

Investments Committee: on investments under the remit of the BoD;

Risks Committee: on the Group's risk management system;

Related-party Committee: on Related party transactions.

Composition of the BoD of Group Companies:

by gender	
Women	40%
Men	60%
by age	
Women 30-50	20%
Men >50	80%

Since the end of 2021, sustainability policies have been the responsibility of the Strategic Planning, Industrial Policies and Risk Management department.

Services

The Presidency of the Council of Ministers, the MED and the other central and local government departments instruct Initalia to design and implement projects to promote Italy's economic growth and to strengthen the implementation of social cohesion projects, focusing in particular on regions in Southern Italy. Support for the supply and demand of the country's development tools is provided through three main actions:

SUPPORT FOR BUSINESSES

Initalia manages - both directly or to support the PA - loans, incentives and guarantees that promote business creation and development and generate employment across Italy. Specifically, it aims to support categories and sectors that struggle to access credit, as well as underdeveloped or crisis-affected regions. In particular, it manages:

- subsidised loans to support the creation of new businesses or contribute to investments of existing companies;
- investment funds, to support business growth or redevelopment;
- the SME Guarantee Fund, to provide guarantees to businesses that apply for bank loans;
- market-rate business loans, particularly in the South.



MANAGEMENT OF PUBLIC INVESTMENTS ACROSS ITALY

Invitalia supports regional development and economic and social growth, collaborating with national, regional and local public institutions to plan, manage and monitor investment projects aimed at reducing the infrastructural and digital divide between regions. It also acts as a Contracting Authority and Central Procurement Authority for the award and management of particularly significant public contracts, such as those aimed at developing Italy's digital infrastructure. It manages Institutional Development Contracts to implement complex public investment programmes in regions affected by crises or in need of redevelopment.

SUPPORT FOR THE MANAGEMENT OF NATIONAL AND EU FUNDS

Invitalia collaborates with national public institutions to support the management of national and EU funds. It helps the PA to define and negotiate spending programmes with EU institutions and supports their management and control, aiming to maximise the effectiveness and timeliness of administrative action and optimising spending capabilities and the correct use of funds.

In all areas of its operation, Invitalia works to support the PA with the aim of increasing the efficacy of administrative action, with tangible impacts on the implementation of development programmes, the consolidation of administrative capacity, process optimisation and the ability to provide support able to transform policies into concrete actions across Italy.

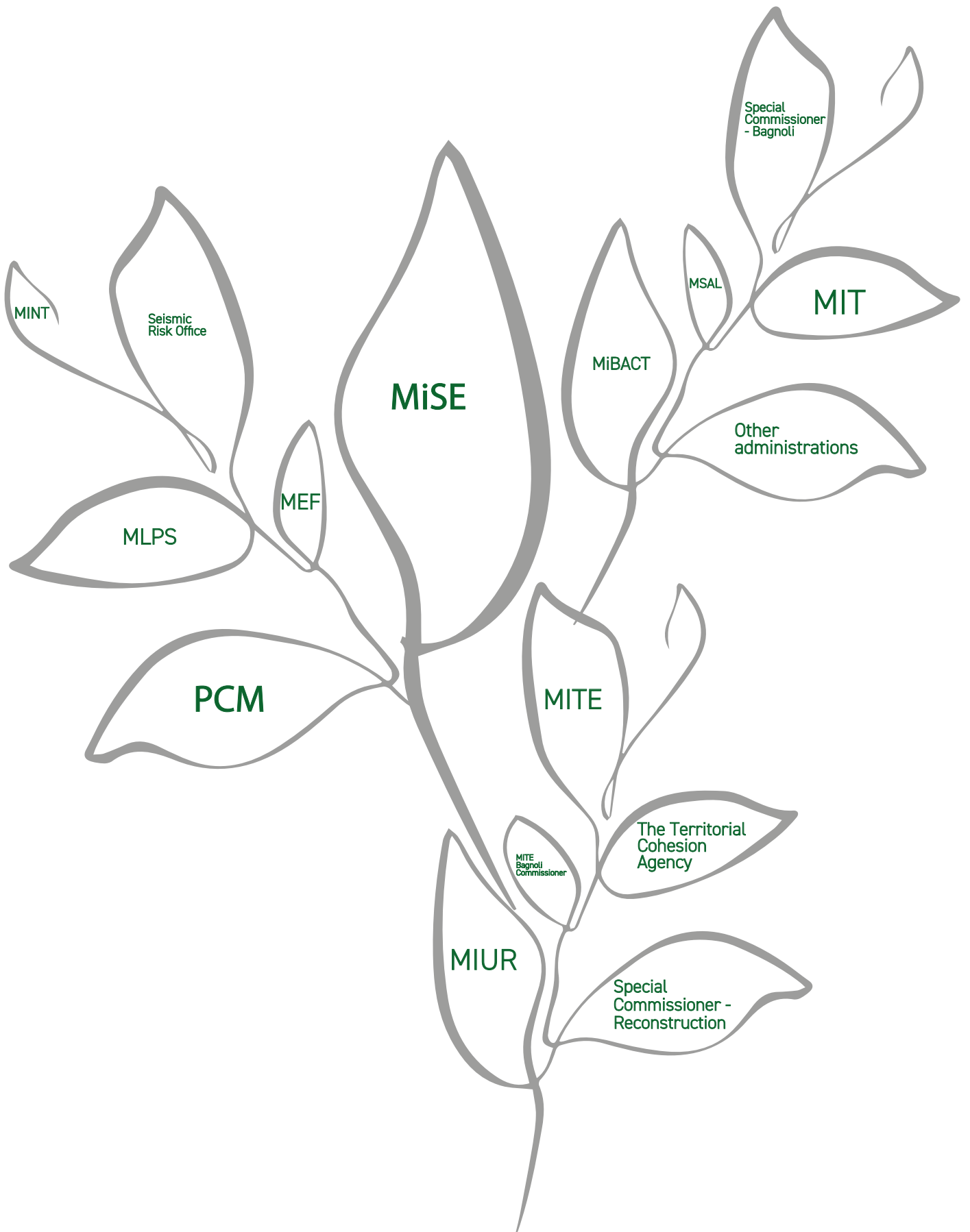
Since 2021, and with these objectives in mind, Invitalia has been involved in implementing the investments envisaged by the NRRP.

Support for Administrations

Invitalia's ability to achieve its objectives is intrinsically linked to the ability to forge and maintain strong relationships with its stakeholders. The Group's constant commitment to growing its network of relationships, institutional agreements and conventions, and its membership of various partnerships, enable us to build synergies among stakeholders and increase the efficacy of our actions to boost development. Our role as a fulcrum of specialist skills, our ability to coordinate and build capacity between the several institutional parties involved, our presence and continuous dialogue with communities, and the facilitation and support of inter-institutional cooperation are the elements that have characterised Invitalia's actions over the years.

In 2021, Invitalia's operations were supported by 154 agreements — of which 47 were signed in 2021 — with major national and local public administrations, including the Presidency of the Council of Ministers, the Italian Ministry of Economic Development, the Italian Ministry of Tourism, the Italian Ministry of Ecological Transition, the Italian Ministry of Infrastructure and Transport, the Italian Ministry of Foreign Affairs and International Cooperation, the Italian Ministry of the Environment, Land and Sea, the Italian Ministry of Labour and Social Policies, the Italian Ministry of Universities and Research, the Italian Ministry of the Interior, the Government Commission for Regional Reconstruction in the Municipalities of the Abruzzo, Lazio, Marche and Umbria Regions, the Government Commission for the Implementation and Coordination of Measures to Contain and Combat the COVID-19 Pandemic, and ICE (the Italian Trade & Investment Agency).

Furthermore, in 2021 formal relations were established with Roma Tre University, Knowledge for Business Srl, the Italian Federation of Organizations for Consortia and Industrialisation, Arexpo Spa, COOPFOND Spa, the CGM National Consortium of Social Cooperation Gino Mattarelli and CGM Finance SCS Impresa Sociale, aimed at establishing collaborations in various strategic areas such as research and innovation, energy and the circular economy, and support for economic/social and creative/cultural initiatives.



Stakeholders

In 2017, an active stakeholder engagement process was launched, with a view to gathering feedback from stakeholders and incorporating their expectations into the Group's strategies.

No updates to the process were made in 2021. However, a continuous dialogue strategy is currently being defined with key stakeholders and will be implemented in 2022.

Stakeholder engagement carried out by Invitalia develops across three main phases:

- 1. identification of key stakeholders;**
- 2. definition of drivers to be considered, to assign priority to each category of stakeholder;**
- 3. dialogue with key stakeholder groups.**

Key stakeholders were identified by an internal work group which is representative of the workforce. The analysis made it possible to identify 10 categories and over 31 sub-categories of stakeholders.

During the second phase, criteria were identified in order to assign priority to each category:

- ability of the stakeholder to influence Invitalia's activities/strategies;
- degree of stakeholder interest in Invitalia's activities;
- ability of the stakeholder to influence Invitalia's reputation.

For each criterion, a specific relevance factor was identified: low, medium, high (for the first criterion), and significant, normal and marginal (for the second and third criteria). This approach considers stakeholders identified as having high or significant relevance as representatives for all of the categories, and forms the basis for the engagement and dialogue process using diverse approaches (bilateral or multilateral).

Furthermore, a continuous dialogue strategy aimed at key stakeholders is currently being defined in order to understand their expectations and integrate them into the Group's strategy.



SYSTEM OF GOVERNANCE AND CONTROL SYSTEM

Control system
Governance system
Ratings agencies

ENVIRONMENTAL STAKEHOLDERS

Invitalia environmental impact intermediaries
Subjects involved in environment-related activities

LOCAL COMMUNITIES

Local public actors
Municipalities involved in Invitalia projects
Civil society
Local economic subjects

BENEFICIARIES

Central Public Administrations
Local Public Administrations
Companies and associations
Aspiring entrepreneurs

ASSOCIATIONS

Professional associations
Citizens' associations
Institutional associations

COMPETITORS

Local economic subjects
Private competitors
Public Competitors

MEDIA

Journalists
New media
Traditional media

SUPPLIERS

General suppliers
Specialist suppliers

HUMAN RESOURCES

Employees
Union representatives
Other forms of association

Materiality analysis

The materiality analysis identifies the sustainability topics that Invitalia's management and stakeholders consider relevant to the pursuit of the Group's business. Specifically, it considers the economic, environmental, social and cultural impact that business activities can have both within and outside the organisation. Through the materiality matrix, Invitalia provides a picture of the company's priorities with respect to the expectations expressed by stakeholders.

The materiality analysis is updated each year, considering the external and internal context. In 2021, this process was conducted in collaboration with management, which acts as a fundamental driver in the implementation of Invitalia's social responsibility policies and initiatives. The thirteen representatives from all of the Group Companies involved were divided into two focus groups and reviewed the results of the analysis conducted in 2021, considering the current importance of the material topics both from an internal standpoint and from the perspective of stakeholders.

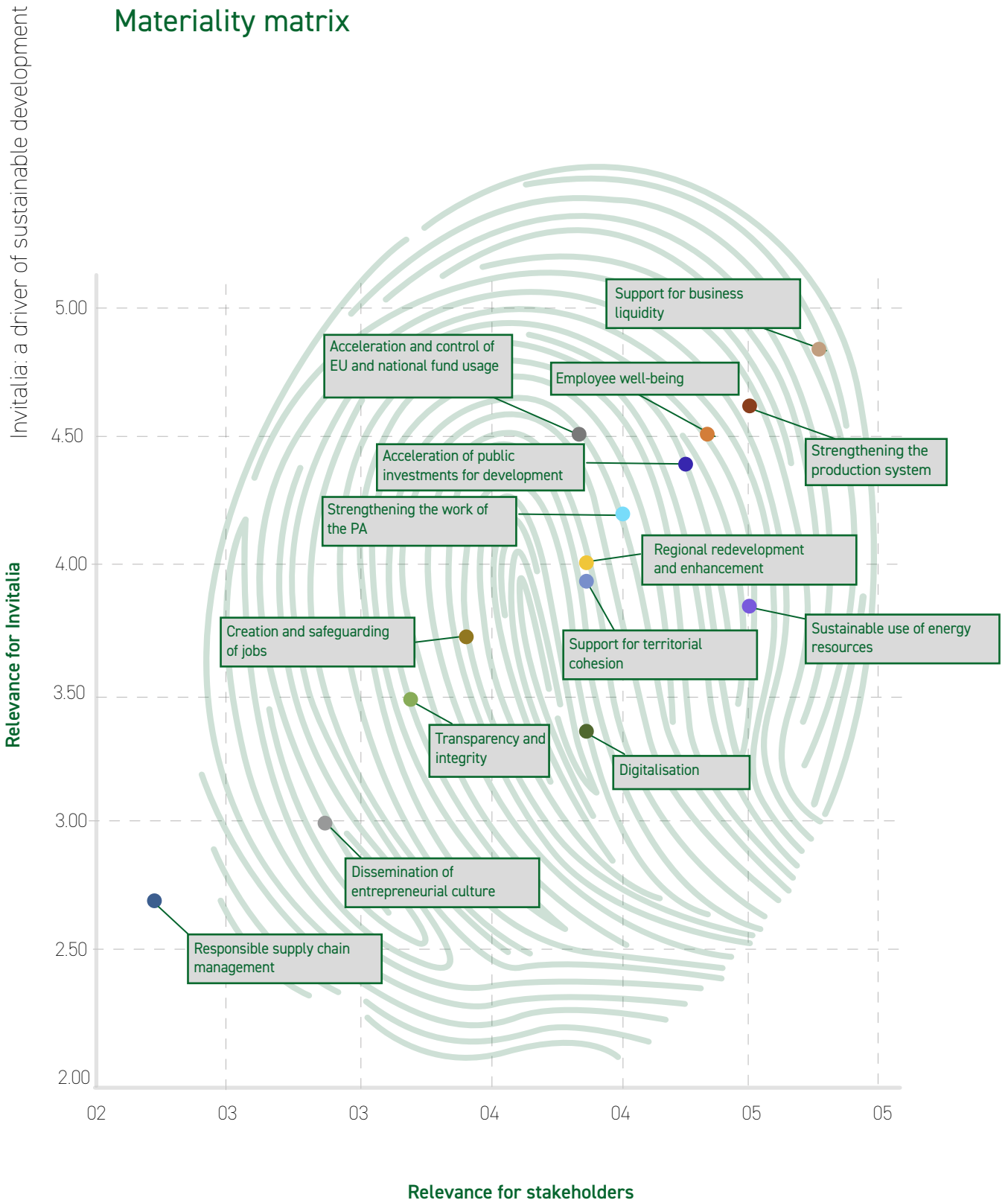
This process led to the confirmation of 11 of the 18 topics reported in 2020, with the remaining seven consolidated into three macro-topics.

By identifying a material topic to represent particularly important issues, such as environmental sustainability, employee well-being and transparency and integrity, it is possible to plan and implement a comprehensive strategy that considers all of the aspects associated with these topics.

CONSOLIDATED MATERIAL TOPICS NFS 2020 2021 REPORT

Greenhouse gas emissions and pollutants	Sustainable use of energy resources
Use of energy resources	
Health and safety	Employee well-being
Employee benefits/well-being	
Development and enhancement of human resources	
Transparent communication	Transparency and integrity
Prevention of and fight against corruption	

Materiality matrix



Material topics and their definition

Internal perspective

MATERIAL TOPICS	DEFINITION
Transparency and integrity	Management based on compliance with the law and regulations on transparency, integrity and the fight against active and passive corruption aimed at guaranteeing sound business operations and transparent communications with stakeholders.
Responsible supply chain management	Supply chain management guided by lawfulness, transparency, fairness, quality and environmental and social sustainability.
Employee well-being	Creation of a healthy and stimulating working environment with a constant focus on the development and professional enhancement of its employees and protecting occupational health and safety in line with the regulations.
Sustainable use of energy resources	Sustainable and responsible use of resources pursued through the implementation of energy saving policies and the promotion of the rational use of resources, with a consequent reduction in GHG emissions and other atmospheric pollutants.

For more details on the Global Reporting Initiative (GRI) standards associated with each material topic, please refer to the table showing the correlation between the GRI standards and the content of Italian Legislative Decree 254/2016 annexed to this document.

The materiality matrix and the new material topics were approved by the Board of Directors on 16 February 2022.

The review phase is intended as a preparatory activity for the next reporting cycle, with the aim of using the results of the analyses undertaken, updated in the following year, as part of specific stakeholder engagement activities.

External perspective

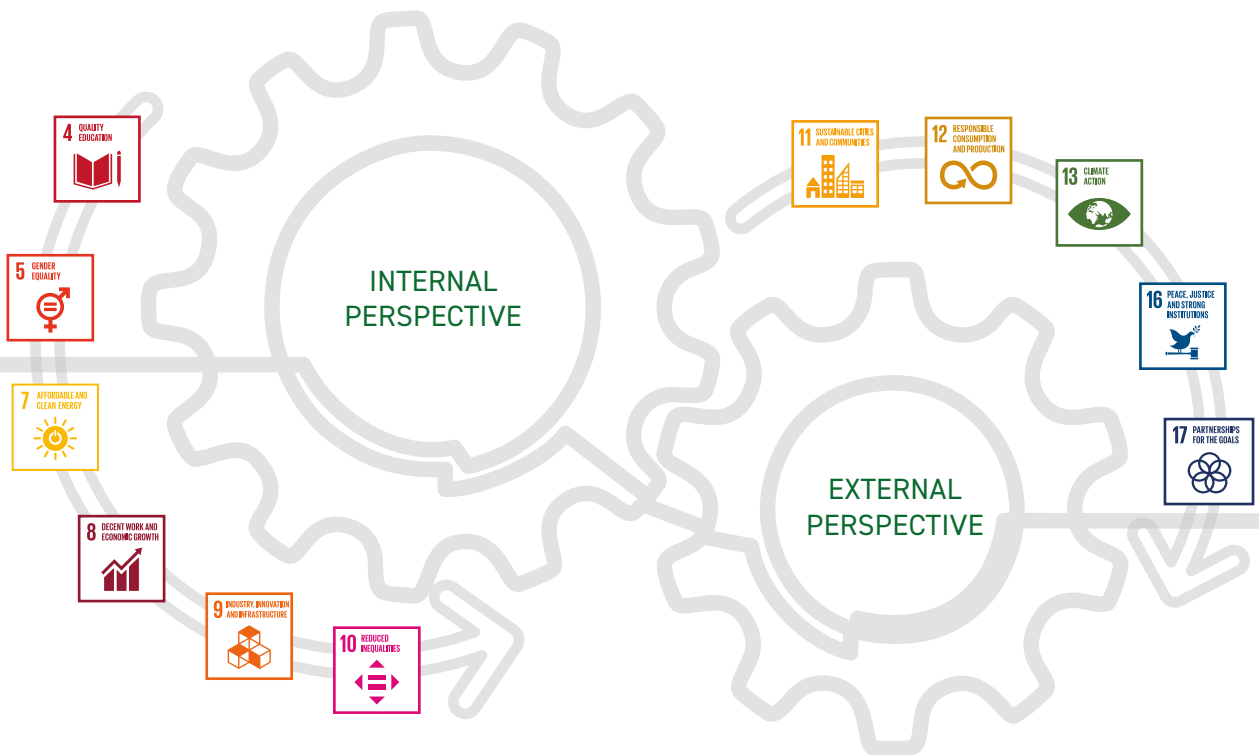
MATERIAL TOPICS	DEFINITION
Dissemination of entrepreneurial culture	Contributing to the promotion of an entrepreneurial culture in cooperation with the academic sector and associations, making Invitalia's professional experience and tools available to support business.
Strengthening the production system	Supporting the growth of the entrepreneurial and economic system by funding investments aimed at the creation of new businesses, the development of existing businesses and the promotion of innovation and continuous improvement.
Creation and safeguarding of jobs	Supporting the creation of high-quality employment by funding investments aimed at creating new jobs or protecting existing jobs.
Support for business liquidity	Managing measures aimed at providing businesses with the necessary guarantees to support investments, spending associated with business operations and other costs, focusing in particular on firms in difficulty, underdeveloped regions, and sustainability.
Strengthening the work of the PA	Cooperating with the central public administration to implement development programmes, strengthen administrative capacities, optimise processes and provide support in transforming policies into concrete local actions.
Digitalisation	Helping to bridge Italy's digital divide through the installation of infrastructure that provides fast connectivity to citizens, businesses and institutions.
Acceleration and control of EU and national fund usage	Providing support for the planning, management and control of EU funds, with the objective of increasing spending capacity, increasing control over resources flows and monitoring proper allocation processes.
Acceleration of public investments for development	Providing support for the scheduling, planning and management of industrial policy instruments and public investments to develop Italy's economic system.
Support for territorial cohesion	Supporting the public administration in implementing territorial cohesion projects, with the objective of reducing infrastructural and economic gaps between various areas of the country.
Regional redevelopment and enhancement	Managing programmes and tools to develop local areas by remodelling and optimising infrastructure to improve the efficiency of services, develop public assets and protect the environment.

The two perspectives of sustainability

Invitalia is committed to integrating environmental, economic and social sustainability topics into its strategy and actions, with the aim of helping Italy to meet the Sustainable Development Goals ("SDGs") of the 2030 Agenda.

With this objective in mind, it promotes sustainability in the management of its business community, even before implementing its services to support the economic and productive system, inspired by the knowledge that only a competent community of people with shared values, objectives and an awareness of the impact of their actions can contribute to producing positive, lasting and measurable effects on the country's growth.

In this regard, our performance in 2021 is reported considering two different perspectives of sustainability: internal - relative to the business community, and external - relative to the impact of the Group's services on the target communities.



Invitalia's performance is reported considering the Group's role as an organisation that manages people and that, in the delivery of its services, produces economic, social, cultural and environmental value within the communities and regions in which it operates, adopting sustainability in its various policies, from HR management and development to environmental protection, governance and transparency.

INTERNAL PERSPECTIVE

Building and maintaining relations between determined and competent people, with clear and transparent rules and in a way that respects community, is one of the fundamental levers to the success of Invitalia's actions.

The results reported consider Invitalia as an organisation that provides services to support Italy's economic and productive system. In this regard, it should be noted that Invitalia combines private enterprise with an institutional mandate, and that its mission and actions are guided by laws and administrative provisions. Invitalia is a service structure of the PA and often does not have direct ownership of the investments that it manages or promotes, instead providing support services to shareholders with extremely diverse implementation methods aimed at a multitude of different counterparties, stakeholders and needs. Moreover, translating policy guidelines or administrative provisions into products and results also means ensuring that the services provided are as effective as possible, timely, incremental and able to generate opportunities and knowledge over time. The aim of this is to create tangible, measurable value when managing the flows that connect contracting administrations, the outputs produced and service users.

EXTERNAL PERSPECTIVE

In this regard, and in the implementation of administrative policy guidelines, Invitalia measures its performance considering its ability to generate value and the impact produced.

This approach considers whether the measures adopted have enabled stakeholders to gain or save time, if the resources available to the economic system have increased, and if the opportunities for dialogue, understanding and information have been developed.

Capacity to generate value

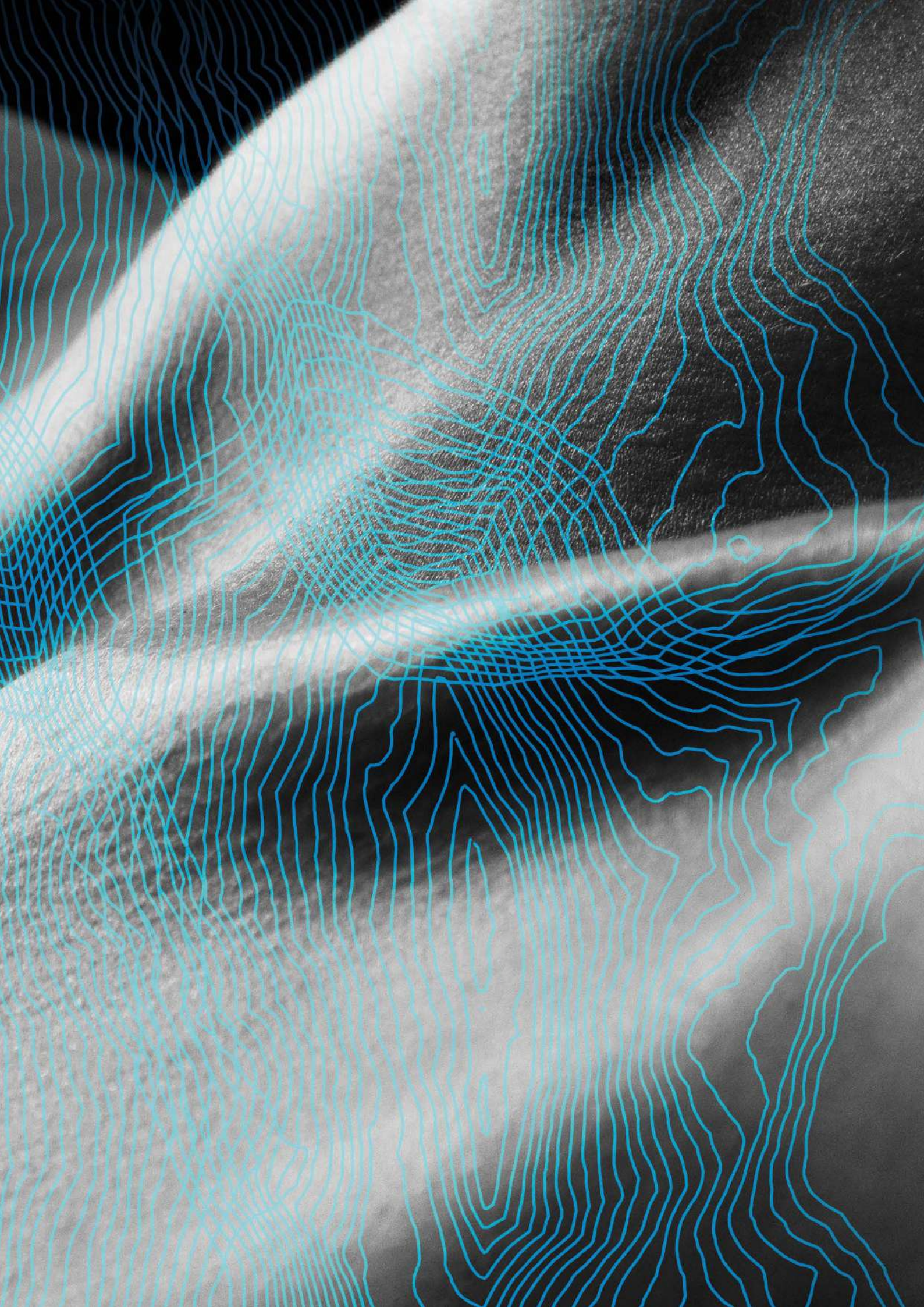
Meanwhile, the capacity to improve the well-being of the communities in which the measures are implemented is assessed. Each year, significant projects or services — either completed or in progress for long enough to enable an accurate evaluation of the effects on well-being — are selected for consideration. In 2021, an economic and social impact assessment was conducted on the Resto al Sud incentive which funds new business in Southern Italy.

Impact assessment of services

In each chapter, the actions and results associated with the two perspectives are reported and the methods adopted to pursue the identified objectives, the associated material topics and the relevant SDGs are described.

The image features a grayscale topographic map of the world, with cyan contour lines overlaid on a dark, textured background. The map is centered, showing the outlines of continents and the intricate patterns of elevation lines. The background has a grainy, almost fabric-like texture, and the overall color palette is dominated by dark grays and blacks, with the cyan lines providing a sharp contrast.

CHAPTER 2



Internal perspective: sustainability within the Group

Invitalia operates with a conscious awareness that only a business community founded on compliance with regulations, transparency and a focus on community and the environment can effectively promote sustainable development in Italy.

Consequently, as well as focusing its actions on creating value for stakeholders, the Group applies and promotes sustainability principles in its company management policies. Specifically, these principles are:

- transparent communication with stakeholders in line with regulatory requirements;
- action inspired by principles of integrity, compliance with regulations and anti-corruption;
- the creation of a healthy, safe and stimulating working environment, with a constant focus on the professional development and enhancement of its personnel;
- reducing consumption and emissions;
- responsible supply chain management.

Integrity, transparency and responsibility



In this context, the adoption of ethics and integrity in its actions is a key element of the Group's strategic vision and everyday practice. The corporate bodies and personnel ensure the quality of services, the prevention of corruption, respect for the constitutional duties of diligence, loyalty, impartiality, and the provision of a service rendered exclusively in the public interest.



Material topics

Transparency and integrity

Responsible supply chain management

CODE OF ETHICS AND VALUES

The adoption of these practices, compliance with ethical standards, compliance with laws and regulations, and respect for human rights are governed by the Code of Ethics adopted by each Group Company, which must be adhered to by all employees and suppliers.

To ensure that the principles enshrined in the Code of Ethics are put into practice, each Group Company delivers training and awareness-raising programmes to its employees which focus on the content of the Code and the associated system of values.

Invitalia's values:



INTEGRITY: transparency, responsibility, merit, protection, commitment, respect, correctness.



VISION: strategy, action, development, result, innovation.



PASSION: pride, belonging, strength, meaning, constancy, tenacity, social identity.



COLLABORATION: participation, cohesion, sharing, partnership, communication.



IMPACT: performance, efficiency, transformation, change, methods, monitoring.

An internal control system has been adopted to monitor the consistency and coherence between regulations, activities and conduct.

In addition to protecting assets, an active internal control system also helps to guarantee efficiency and effectiveness in company operations, reliability in accounting and management data and compliance with laws and regulations. Consequently, with a view to ensuring that its business is sound, correct and consistent with the identified objectives, Invitalia has adopted a system of rules, procedures and organisational structures based on the identification, measurement, management and monitoring of the main risks to which the Group is exposed.

The underlying guidelines of the internal control system and the organisational department were defined by the BoD of Group Companies, in order to ensure that duties and responsibilities are assigned in a clear and appropriate manner, particularly as regards the delegation of duties and powers.

The system includes:

- the internal control model
- the anti-corruption model
- the conflicts of interest monitoring process

The model adopted by Invitalia is structured in three control levels:

- **first level controls**, or line controls ensure that business operations are conducted in line with company protocols and procedures and can be documented and traced; they are carried out by the same operating departments or by specialist units established exclusively to conduct control duties which report to the Managers of the operating departments;
- **second level controls** ensure the correct implementation of the risk management process, compliance with the operating limits assigned to the various departments, and the conformity of business operations to the regulations, including by way of self-regulation; these controls are the responsibility of the control bodies such as the Risk Officer, the Management Control Officer, the Financial Reporting Officer, the WHS Officer, the Corruption Prevention, Anti-Money Laundering and Compliance Officer, the Data Protection Officer and the Compliance Officer. At MCC a Group Representative responsible for reports of alleged money laundering is also appointed;
- **third level controls** are entrusted to the internal audit department according to the frequency dictated by the nature and intensity of the risk. They are aimed at identifying breaches of procedures and regulations and periodically evaluate the completeness, adequacy, functionality and reliability of the internal control system and information system.

The control levels

The system is completed and reinforced by the Organisation, Management and Control Model ("231 Model") adopted by each Group Company and updated following any changes to anti-corruption regulations and current legislation. The Supervisory Body is an autonomous and independent panel responsible for monitoring the adequacy, effectiveness, efficacy and updating of the 231 Model as well as the receipt of, and compliance with, the protocols and measures provided for by the 231 Model by the Department Managers and other recipients.

The Board of Statutory Auditors oversees the various internal control levels.

The Code of Ethics and the 231 Model are published on the websites of all Group Companies.

Invitalia, Infratel and IP have each appointed their own Corruption Prevention and Transparency Officer who in 2021, in line with regulatory provisions and the ANAC guidelines, produced the Anti-Corruption and Transparency Plan (hereinafter the "Plan") and the Report on actions to prevent and combat corruption, both of which are published on the respective websites. While not required to prepare a plan, MCC nonetheless considers the topic of preventing corruption against the PA in its 231 Model.

The anti-corruption model

The Anti-corruption and Transparency Officer and Plan

All Group Companies have adopted a Whistleblowing procedure aimed at enabling the reporting of acts or conduct - including actions not taken - in conflict with laws, regulations, the 231 Model and the Code of Ethics or in any case relative to the malfunctioning of activities conducted by their employees and those who operate and collaborate on behalf of or with the company in any capacity.

The Whistleblowing procedure

The Parent Company and IP have adopted a Whistleblowing platform

<https://invitalia.segnalazioni.net/>.

Infratel has established a dedicated email inbox **anticorruzione_infratel@infratelitalia.it**.

MCC has published the procedures, reporting information and the relative form on the Whistleblowing section of its website.

Software reports - Whistleblowing

In 2021 the Parent Company received 63 reports, all of which were found not to refer to unlawful acts and were therefore archived.

No reports were received by other Group Companies.

All of the organisational departments were analysed for corruption risk. For each of the identified risk areas, control systems were defined in order to prevent crimes of corruption and manage the associated risk. The risk assessment identified 28 processes at the Parent Company which regarded acts considered sensitive and/or instrumental to crimes of corruption, while 21 such processes were identified at Infratel. The analyses found the internal control system to be generally adequate. Detailed information on processes, possible significant crimes, the offices involved and the various risk elements is available in the Plans published on the websites of the Parent Company, Infratel and IP. As regards the processes subject to audit, certain areas of improvement were identified, with the relative corrective measures/actions to be monitored throughout 2022.

Corruption risk assessment

During the process to review and update the 231 Model, MCC also updated the assessment of processes that involve activities at risk of crimes of corruption. 19 sensitive processes were identified and an operating protocol was established for each of them. No irregularities were identified during the monitoring processes in 2021.

For the 2022 report, the list of activities to be subject to ESG risk identification and assessment is being prepared.

Monitoring conduct that may generate conflicts of interest, including only hypothetically, is one of the guiding principles of Invitalia's control system.

The conflicts of interest monitoring process

The absence of conflicts of interest is also monitored when new employees are selected and hired. At each interview, candidates are asked to complete a self-declaration form in which they undertake to avoid personally performing work and to decline assignment to duties entailing real or possible conflict of interest situations. Family members must also lack any association with real or potential conflict of interest situations.

MCC adopts the control system required by the supervisory regulations applying to banks, which provide for the adoption of safeguards in terms of the risk of conflicts of interest with related parties, in order to guarantee that transactions with individuals involved in decision-making processes at banks are not compromised in terms of objectivity and impartiality.

MCC has therefore adopted a policy which provides for stronger decision-making procedures for the assessment of related-party transactions which involve the Independent Directors and set limits on at-risk activities. This policy is approved by the Board of Directors, after receiving a binding opinion from the Board of Statutory Auditors, and is periodically revised and updated at least every three years. The most recent update was approved by the BoD in September 2021.

Invitalia guarantees the sound and transparent management of fiscal data in line with applicable regulations.

In order to ensure the adoption of a financial plan that optimises financial and performance management, for several years the Group has also complied with the national tax consolidation regime.

Compliance with tax and social security obligations is subject to a specific protocol of the 231 Model of the Parent Company, Infratel and IP.

Relations with tax authorities are based on the principle of transparency and constant cooperation. Invitalia's fiscal data is the responsibility of the Chief Financial Officer ("CFO") who reports directly to the CEO. The competent departments of Group Companies constantly monitor legal requirements in order to avoid delays and inaccuracies when presenting tax statements and/or documents required by the applicable regulations. Automatic fiscal accounting and tax treatment mechanisms have been adopted to ensure that individual revenue items are calculated according to the correct taxable base and to guarantee compliance with the legal obligations on periodic tax declarations and payments. The competent departments collaborate with law firms or tax offices and, once the tax statements required by law have been prepared, submit the same to external law firms, tax offices and the independent auditing firm for the necessary assurance checks.

The auditors of each Group Company periodically verify that all taxes and withholdings are duly and promptly paid. In the context of monitoring and supervising the tax management process, the internal organisational departments promptly report any irregularities, problems and/or anomalies identified to the CFO and, in the case of a possible tax crime, to the CEO to identify the appropriate actions to be taken, also in terms of determining which of the relevant control bodies to involve, including the Supervisory Body.

INTEGRITY AND TRANSPARENCY OF FISCAL DATA

The 231 Model adopted by MCC provides for specific monitoring and control of the tax management process. While tax compliance is managed according to specific safeguards, the Compliance department is responsible for defining the methods and procedures to assess non-compliance risk and to monitor the adequacy of the procedures adopted to prevent it. The 231 Model does not contain any protocols for the management of compliance with tax and social security obligations. Until 2019, MCC also made use of the "Patent Box" regime based on the ruling made by the Italian Tax Authorities, and since 2020 has been under the self-assessment taxation scheme.

The Parent Company, Infratel and IP share a single Supplier Register ("Register") for the procurement of the goods and services needed to meet their own needs and pursue their company missions, as well as to manage public tender procedures on behalf of Public Administrations and Bodies. The Register is divided into various sections; the breakdown by supplier category and the amount of payments is contained in the annex. The Register is not used to purchase goods and services offered on the PA digital market managed by CONSIP SpA. Consultancy services that do not fall within the scope of application of the Procurement Code are excluded from the Register.

The Register and the tender procedures are managed by the InGaTe (Invitalia Gare Telematiche) platform. The platform is used to manage:

- tender procedures for the assignment of works,
- services and supplies;
- ideas and design competitions;
- the Supplier Register;
- other initiatives connected to previous activities, according to the current legislation on procurement, IT documents and digital signature.

To participate in tender procedures, all interested parties must have completed the registration process on the InGaTe platform and have formally acknowledged and accepted the Invitalia Code of Ethics.

The Register will be amended to respond to the requirement to consider the non-financial ratings given to economic operators operating on the market based on ESG scoring criteria.

Furthermore, according to regulatory provisions and the rules of the NRRP, a project has been launched to define the sustainable public procurement indicators to be monitored during the award and execution phase.

INTEGRITY AND TRANSPARENCY OF THE PROCUREMENT PROCESS

MCC has adopted a Suppliers and Partners Code of Conduct ("Code"), which recalls the principles set forth in the Code of Ethics and specifies that these must form the basis for long-lasting relations with suppliers and contractual partners. The Code defines the guidelines that govern relations with MCC's stakeholders, with the aim of guaranteeing transparent relations with suppliers and partners, the constant attention to quality, safety and the environment, and regulatory compliance, including specific employment regulations. The Code is one of the monitoring tools adopted by the company to prevent the crimes contained in Italian Legislative Decree 231/2001 and is an integral part of the 231 Model. Acceptance of the 231 Model (including the Code of Ethics and the Suppliers and Partners Code of Conduct) and proof of the positive reputation of the supplier (i.e., a declaration to not have committed any of the crimes contained in Legislative Decree 231/2001) are prerequisites for the establishment of commercial relations with MCC and/or entry onto the Register.

MCC has adopted its own Register which contains two macro-sections (physical persons and legal persons) and 33 product categories. In 2021, a total of 433 suppliers were registered on the Register, almost all of which were registered and/or operating in Italy. Most of the suppliers were software/hardware manufacturers and IT service providers and were registered in the "IT" product category.

The results: economic performance and the taxonomy



For Invitalia, ensuring a balanced approach to management is the principle driver of sustainability. Consequently, ensuring the quality of the services provided, as well as the regulation and efficiency of operating costs, are objectives which are shared by management and employees alike. Over the years, the Group's performance has enabled the generated economic value to grow and has increased its commitment to distributing economic value and to providing benefits for employees and the community.

The 2021 Consolidated Financial Statements of the Invitalia Group show a profit of € 84.452 million.

Economic value generated and distributed

	2021	2020	Δ (IN %)
DIRECTLY GENERATED ECONOMIC VALUE	632.726	507.308	25%
DISTRIBUTED ECONOMIC VALUE	548.274	470.411	17%
- Operating expense	332.160	282.193	18%
- Remuneration and benefits	166.316	149.369	11%
- Payments to capital providers	29.972	25.704	17%
- Payments to the PA	19.826	13.145	51%
- Investments in the community	-	-	-
WITHHELD ECONOMIC VALUE	84.452	36.897	129%

Values in €/millions

Generated economic value is a measure of the wealth produced by the Group based on the data of the Consolidated Financial Statements.

The EU taxonomy is part of the broader Action Plan to finance sustainable growth introduced by the European Commission, based on the adoption of a global strategy aimed at redirecting capital flows to stimulate more sustainable and inclusive growth, and introducing a classification of economic activities considered environmentally sustainable*.

THE EU TAXONOMY AND INVITALIA

Invitalia, as a company subject to the non-financial reporting obligation, is therefore required to publish a taxonomy of its financial activities**. The reporting boundary for the taxonomy corresponds to that of the NFS and the Consolidated Financial Statements.

* EU Regulation 852/2020 integrates the disclosure regulations introduced by EU Regulation 2088/2019 and aims to guarantee fair competition and legal certainty to all companies that operate in the EU.

** EU Regulation 852/2020, which identifies the level of environmental sustainability of an investment, applies and is integrated by EU Delegated Regulation 2178/2021 which specifies the content and presentation of the associated data that businesses must disclose.

To ensure the consistency and completeness of the data used to calculate the indicators required by the taxonomy, the financial reports used to produce the Consolidated Financial Statements as at 31 December 2021 were used as the principle source, as Invitalia is not required to produce supervisory reports.

As defined by the European Commission, for the first year of application the information refers only to activities classed as Taxonomy Eligible and not eligible in the delegated acts.

Pursuant to the European Commission communication on disclosure methods, Invitalia has chosen to only provide the data required under the obligatory disclosure regulations.

The main indicator required and the proportion of exposures to eligible economic activities in relation to total assets are represented by household loans guaranteed by residential mortgages, home renovation and vehicle loans, and commercial residential mortgage guarantees recovered and held for sale.

Furthermore, given the specific nature of Invitalia's business, certain limitations have been adopted. For example, Irrevocable commitments to disburse funds (Funds/Public Grants, such as the Growth in the South Fund, the Company Protection Fund, the Southern Enterprise Fund, etc.) which represent the financial resources dedicated exclusively to the distribution of subsidies from third-party funds under management by Invitalia and accounted for in the memorandum accounts, are excluded from eligible activities since the operations are limited to providing services on behalf of the government.

The sum of the Proportion of exposures to eligible economic activities in relation to total assets and the Proportion of exposures to non-eligible economic activities in relation to total assets is 24.76% of Total Covered Assets; the remainder consists of derivatives, exposures to businesses not required to publish non-financial information, cash and cash equivalents and other assets.

The differentiation between those companies which are and are not subject to the Non-Financial Reporting Directive ("NFRD") is based on data published on non-financial disclosure obligations pursuant to Italian Legislative Decree 254/2016*. Therefore, exposure to businesses not subject to the NFRD has been identified by excluding counterparties which are subject to the NFRD.

* Publication of the list of subjects that have published an individual or consolidated non-financial statement pursuant to articles 3 and 4 of Legislative Decree 254 of 30 December 2016 of CONSOB.

With regard to indicator denominators, the exposures considered in the calculation of the KPI Total Covered Assets represent 75.24% of total assets, calculated as total consolidated assets net of exposures to central governments, central banks and supranational issuers and the trading portfolio. Different denominators have been adopted for the KPIs (Total Covered Asset or Total Asset) in order to provide a clearer understanding of the composition of Invitalia's assets for the purposes of the reported metrics. In particular, the denominator Total Assets was used to calculate KPIs relative to the trading portfolio and exposures to central governments, central banks and supranational issuers, as such exposures do not fall within the definition of Covered Assets.

Invitalia's KPIs

OBLIGATORY DISCLOSURE	DESCRIPTION	VALUE
Proportion of exposures to eligible economic activities in relation to total covered assets	Eligible exposures / Total Covered Assets	0.04%
Proportion of exposures to non-eligible economic activities in relation to total covered assets	Non-eligible exposures / Total Covered Assets	24.72%
Proportion of exposures to central governments, central banks and supranational issuers in relation to total assets	Exposures to central governments, central banks and supranational issuers/Total Assets	24.5%
Proportion of exposures to derivatives in relation to total assets	Exposures to derivatives / Total Covered Assets	1.33%
Proportion of exposures to businesses not subject to the NFRD in relation to total covered assets	Exposures to businesses not subject to the NFRD / Total Covered Assets	43.08%
Proportion of trading portfolio in relation to total assets	Trading book / Total Assets	0.26%

The corporate community: social performance



Invitalia considers the expertise, satisfaction and passion of its employees as one of the key levers of its success. With this in mind, the Group:

- promotes professional growth and skills development;
- is constantly committed to protecting occupational health and safety;
- promotes welfare tools to support a positive work-life balance.



Material topics Employee well-being

In 2021 Invitalia increased its team by 347 resources, resulting in a total workforce of **2,385 people**. The Group continued to pursue its strategy to promote growth and attract young people, despite the profound economic and organisational impact caused by the continuation of the pandemic.

Composition of Invitalia's workforce



GENDER

Men	50%	51%
Women	50%	49%

2021 2020



GEOGRAPHICAL AREA

Abroad	2%	2%
North	5%	5%
Centre	53%	52%
South	40%	41%

2021 2020



AGE

< 30	15%	10%
30 < > 50	57%	60%
> 50	28%	30%

2021 2020

Thanks to its in-house performance management system, Invitalia implements employee development policies aimed at rewarding service quality, skills development and productivity.

The performance management system is constantly updated to increase its effectiveness in directing personal and team performance towards individual and Group growth targets.

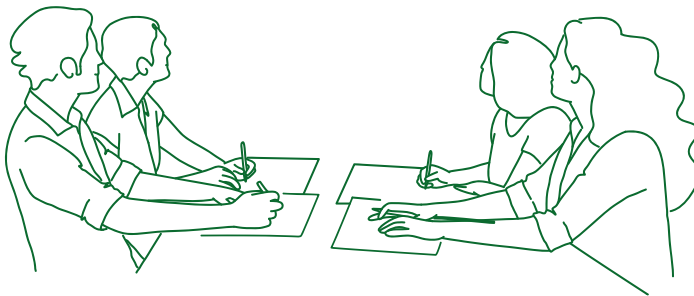
Development and enhancement

The system is structured into the following tools:

- **individual performance appraisals** for office workers and middle managers, in order to assess each individual's performance and growth over time;
- **working group productivity assessment** for office workers and middle managers, in order to assess the contribution made by the various organisational units towards the achievement of the company's objectives and connected with the production bonus;
- **MBO system** aimed at senior managers and, in the case of the Parent Company, project managers, in order to assess their contribution to company performance; this is connected with the variable remuneration component.

Development and enhancement

All assessments are conducted annually.



Moreover, Invitalia systemically uses development tools, such as employee potential evaluations and coaching to identify and develop employees' potential, providing tools for continued professional development and growth.

These evaluations are increasingly used in employee selection processes and to support the development of organisational departments and the relative responsibilities. In 2021, **412 employees** at the Parent Company took part in the evaluations.

Furthermore, a job posting system and coaching programmes are in place for employees with managerial responsibilities.

In 2021, Infratel piloted a comprehensive assessment process of resources employed at the company as at 31 December 2020.

Infratel's comprehensive model: reciprocal evaluation

The assessment involved 131 people, with each resource assessed by a panel of between five and ten professionals chosen from among managers, colleagues and, where present, partners. The process trialled a new balanced assessment and promoted internal dialogue at all levels of the organisation to foster mutual understanding, seize and manage improvement opportunities and promote collaboration.

The performance management system adopted by MCC places people at the very heart of the assessment model, enabling each resource to play the role of assessor and assessee.

MCC assessment model: people first

Employees can choose whether to receive only the evaluation conducted by their line manager, which is mandatory for all staff, or to also request a personal appraisal by their team and/or their peers from other Organisational Units.

2021 marked the consolidation of an important transition from synchronous training methods (virtual classrooms, webinars) to asynchronous methods (self-learning materials, e-learning programmes).

TRAINING

In any case, Invitalia has always guaranteed the quality and quantity of training necessary for the various different sectors of its workforce.



Total training hours	30,226	24,195
Resources involved	2,245	1,672
Average hours of training per person	13	12
	2021	2020

Once again, training in 2021 focused on specialised content aimed at developing the technical skills typical of various professional roles, and on management content focused towards transferable topics aimed at developing conduct and a universal company culture. As in previous years, in 2021 training was partially funded by interprofessional funds.

Activities to promote an inclusive company culture were continued in 2021 with a cycle of seven themed sessions on the skills that promote the integration and value of diversity: Awareness, Curiosity, Commitment and Courage, Sharing and Collaboration, Charisma, Motivation and Inspiration, Inclusive Conduct and Language, and Why D&I Matters. This training was delivered to 303 participants who expressed a high level of satisfaction, reflecting how well the topic has been received within the company community.

Training in 2021 at Invitalia: focus on inclusion

MCC pays particular attention to the sustainability of its credit policies and to present and future opportunities for sustainable development and the associated new skills in the fields of energy, equal opportunities and emotional intelligence.

Training in 2021 at MCC: sustainable development



For many years Invitalia has pursued a strategy to promote a company culture that promotes diversity, regardless of gender, culture, religion, age, sexual orientation or any other form of personal diversity. Invitalia's mission is to create a working environment where people can express their potential and feel valued while also embracing their personal characteristics. With this aim in mind, in 2021 various initiatives were conducted, including:

INCLUSION AS A FACTOR OF WELL-BEING

4 Weeks 4 Inclusion: four weeks of events on inclusion, during which over 200 major companies engaged with representatives from institutions, the business community and trade unions. As part of this initiative - considered the largest inter-company event on the topic - Invitalia took part in the debate about the importance of diversity and inclusion, exploring how they have been promoted in Italy's business system. Invitalia presented three case studies of businesses which, thanks to the Group's incentives, have succeeded in integrating inclusive practices for vulnerable people and regions and marginalised and disadvantaged communities.

Work Machine: satirical videos portraying common prejudices and biases in everyday situations. The interviews were published on the intranet and on the enterprise social networking site Yammer, alongside articles, videos and documents posted and commented on by employees who wished to provide valuable personal insights to improve understanding about D&I.

External interviews conducted as part of a series of meetings with businesses, representing an opportunity to share experiences to enrich the heritage of knowledge on these topics and raise awareness about the key elements of Invitalia's D&I Principles Declaration.

Invitalia considers company welfare to be a priority for the Group, understanding that care and attention for its employees promotes well-being, not only among individuals, but also for the community as a whole. Consequently, the Group devotes particular attention to tools and initiatives aimed at improving the quality of the working environment and helping people to find a positive work-life balance.

WELFARE SPENDING PER EMPLOYEE IN 2021

Parent Company, Infratel, IP	€ 3,435 (+ 41% compared to 2020)
MCC	€ 1,186 (+ 5% compared to 2020)

INVITALIA'S WELFARE TOOLS

Supplementary healthcare insurance. Basic healthcare insurance that employees can extend at very advantageous rates.

Supplementary pension fund. Supplementary pension fund that both employees and the company contribute to.

Insurance policies. Support for the cost of premiums for professional injury and extra-professional policies in the case of permanent disability, and for life insurance policies in the case of death.

Long Term Care. Annual compensation during a period of non-self-sufficiency in the case of certified illness that prevents self-sufficiency.

Mortgages and loans. Favourable conditions for personal loans and mortgages

Flexibility and mobility. Flexible and remote working policies, acknowledged into the renewal of the Invitalia CCNL [the Italian National Collective Employment Agreement] in 2021, were introduced permanently into company operations.

Counselling. Online mental health counselling service. Periodic webinars on topics related to mental well-being are planned and will be posted on the company intranet.

Welfare services portal. An online hub where employees can communicate and access services.

Invitalia offers those eligible the option to convert all or part of the productivity bonus into welfare credits.

Conversion of the productivity bonus into welfare credits

Invitalia and IP	34.5% (+3.1% compared to 2020)
Infratel	33% (+11% compared to 2020)
MCC	55% (-8% compared to 2020)

Employees were able to spend their productivity bonus on the available services via a dedicated portal.

The most popular categories among employees in the Parent Company were those related to parenthood (34.9% - education costs), health (23.8% - medical costs; 13.5% - healthcare insurance upgrades) and supplementary pension funds (12.2% - contributions to pension funds).

Furthermore, the Parent Company and MCC won the #Conciliamo call designed to fund initiatives to support a positive work-life balance. Thanks to the funds made available by the call, in 2022 various initiatives on remote working, training, parenthood, health and mental and physical preventative care and care-giving will be implemented.

In terms of the "standard" benefits provided, no distinction is made in the company's CCNL based on contract type.

All (100%) of the employment relationships of Invitalia employees are governed by collective agreements stipulated at national level.

Dialogue with Trade Unions regarding various company activities and requirements was pursued continuously in 2021, with the aim of finding shared solutions that fulfil the different needs of the various parties.

COLLECTIVE BARGAINING AGREEMENTS AND RELATIONS WITH TRADE UNIONS

The remuneration policy is a strategic lever for both economic sustainability and success. Establishing the optimum remuneration system is a fundamental step in the execution of the company strategy and enables productive endeavour to be aligned with corporate and specific organisational goals.

The remuneration policies adopted are aimed at ensuring the availability of effective tools in directing performance towards corporate goals consistent with the constraints and logic of the market in which each Group company operates. At all Group companies, remuneration is divided into a fixed component and a variable component, as follows:

- **fixed remuneration** is defined on the basis of the role and the appointed responsibilities, also taking into account skill level and experience, and is consistent with collective agreements and the reference market;
- **short-term variable remuneration** is linked to the achievement of annual performance targets with objective measurable parameters, determined using economic, financial and performance indicators.

Specific systems are adopted to define the amount of variable remuneration. These are connected to economic and performance indicators differentiated by area of responsibility:

- **MBO system**, applied to senior managers and personnel with key responsibilities for the achievement of company performance;
- **productivity bonus**, applied to the remainder of the company workforce;
- MCC has also adopted a **commercial incentive plan** (CIP) aimed at employees operating in the direct sales area and characterised by predominantly commercial targets.

Remuneration is determined at the time of entry into the company and is periodically updated and monitored on the basis of a systematic annual performance appraisal and dialogue between the Human Resources department and Operational Line Managers.

In particular, consultancy firms may be brought in on the process to determine remuneration in order to provide specific knowledge and expertise on the reference remuneration market.

Ensuring the occupational health and safety of all those who work in the company is a primary objective of Invitalia as well as a key value that guides its action. Consequently, the Group has adopted an Occupational Health and Safety Management and Control System ("OHSMS") with the aim of ensuring the protection of its employees and of all external parties that interact with its organisation, in compliance with the provisions of the relevant legislation.

The systems adopted by the Parent Company, Infratel and IP are UNI ISO 45001 certified, and provide for the identification and assessment of both the risks and improvement opportunities identified during the analysis of the context in which the organisation operates. In fact, the systems outline the procedures, roles and responsibilities for the identification of hazards, risk assessments and the definition of actions to mitigate risk situations and seize improvement opportunities.

The Parent Company, Infratel and IP also conduct internal audits aimed at monitoring and measuring system performance, tracing, analysing and managing anomalous situations (accidents, non-compliance), and identifying corrective measures for continuous improvement. Furthermore, each of the companies has adopted a health monitoring protocol managed by the company physician. Through the OHSMS and the specific part of the intranet of the various Group companies, good practices are shared among employees and actions are promoted aimed at spreading the culture of safety in the company, raising awareness among all workers about the adoption of responsible behaviour, and encouraging active participation, also through the reporting to the designated functions of dangerous situations, accidents, near misses and/or non-compliances.

In 2021 the necessary training activities were delivered and workers' engagement in the health and safety system was ensured by the Workers' Health and Safety Representatives. The WHS Representatives were involved through regular meetings and participation in inspections, audits and opportunities for engagement and dialogue on risk assessment and the organisation (appointment of emergency teams, company physician, etc.), as well as the objectives and performance of the HSE Management System.

The results of the Risk Assessment did not identify any processes that expose workers to high risks. In fact, none of the organisation's operational activities, products or services present significant health and safety risks. Any exposure to high risk is in any case monitored through constant interaction between the Site Manager and the Head of the Prevention and Protection Service, under the supervision and control of the OHSMS Manager.

In 2021 a health monitoring and check-up programme was delivered by qualified physicians. In line with the guidelines issued by the Health Authorities, the company physician always informs the company of any particular vulnerabilities or current or previous illnesses suffered by employees, with the company acting to protect them while respecting their privacy.

Invitalia enables its employees to access healthcare services by providing healthcare insurance and permitting leave for medical appointments.

Since the start of the COVID-19 emergency, Invitalia has defined protective measures and operating procedures for each site and role, based on the findings of the specific risk assessments and in line with the applicable legislation and any protocols shared and signed by trade unions.

A specific Committee was established to manage the situation and monitor the effectiveness of the actions taken and compliance with legal provisions, and employees were constantly trained and informed. From the beginning, this information was provided with the methods able to guarantee the most widespread and rapid dissemination of instructions issued by authorities and the Company (Employer and Officer, Company Physician, Prevention and Protection Service): email, the company intranet, display in common areas.

Meanwhile, business activities were continued using remote working methods.

Measures to combat
COVID-19

Environmental impact: environmental performance



Invitalia operates with a constant focus on improving its environmental impact, even though its business activities do not have a significant environmental impact.

In this sense, the Group is committed to implementing strategies and initiatives that promote the responsible use of energy resources and limit the impacts and consumption associated with its facilities, through the efficient and responsible use of resources and the optimisation of consumption.

In fact, responsible business conduct helps to reduce waste and builds a culture of environmental protection, respect and the protection of natural resources among employees.



MATERIAL TOPICS

Sustainable use of energy resources

In 2021, consumption showed no major changes on the previous year, mainly due to the continuation of the COVID-19 state of emergency and the use of remote working.

CONSUMPTION

Electricity	2,633,349 kWh (+2.5% compared to 2020)
Natural gas	95,272 Sm³ (-15% compared to 2020)
Water	15,000 m³ (-15% compared to 2020)

Invitalia believes that environmental sustainability is not just a value to be defended, but a practice to be promoted and shared. As such, in 2021 the internal communication campaign was continued and various initiatives, such as the adoption of paperless and plastic-free policies, were pursued.

OPTIMISATION OF MATERIALS CONSUMPTION

Also in 2021, thanks to the centralised printing system, Invitalia, Infratel and IP used fewer printers, resulting in significantly lower toner and paper consumption. Furthermore, sustainable initiatives were supported through the use of FSC® certified paper, printing supply chain certifications, chain of custody and the use of high quality environmentally friendly inks and printing processes that meet environmental standards. The same standard is applied to consumables available in bathrooms, where, in place of paper towels, next generation low energy consumption hand driers have been installed.

Paperless

At MCC, the multifunction machines used for internal professional printing services are next generation models that offer considerable energy savings and reduced ozone emissions. Paper used for printing consists exclusively of FSC® and EU Ecolabel recycled paper, sourced from suppliers who are ISO 9001 and 14001 certified.

In 2021, thanks to the introduction of water dispensers to replace the use of plastic models: **Plastic Free**

15,360 litres of water were dispensed
8,458 plastic bottles were saved
CO₂ emissions were cut by 581 kg
petrol consumption fell by 37 kg

The project also called for the removal of plastic cups and spoons from coffee and beverage machines, which were replaced with 100% biodegradable paper cups and wooden spoons.

As part of the policies defined by the Mobility Manager, in 2021 a mobility plan was adopted to reduce the environmental impact of employee travel and promote a better work-life balance: **Sustainable mobility**

- a joint dialogue was launched with Roma Servizi per la Mobilità, ENAV and Poligrafico dello Stato to improve accessibility to company offices;
- racks were installed in the garages of company offices for scooters, bicycles and e-bikes;
- showers and changing rooms were made available to employees who commute via bicycle and/or scooters;
- agreements were signed with bicycle stores and car-sharing rental agencies;
- incentives to promote the use of electric vehicles for employee transfers were adopted;
- suppliers holding EU Ecolabel and CAM - Criteri Ambienti Minimi (in line with legislation recently introduced by the MET) certifications and those that use low-impact machinery and electric vehicles were selected;
- company vehicles were replaced with electric models and charging stations were installed at the office on Via Calabria; two electric motorbikes were purchased.

Furthermore, in 2021 the extensive renovation works of the office on Via Boccanelli in Rome were completed. The works optimised the spaces, increased the number of work stations and improved usability for employees. The cafeteria rooms were also completely renovated. In creating the new work spaces, the best solutions for energy savings and efficiency were identified: external glass surfaces (thermal) and internal dividing walls to reduce the use of artificial light, motion detectors for lighting in bathrooms and reduced filing spaces given that the digitalisation of paper documents has already begun.

Redevelopment of work spaces and common areas

The Bagnoli photovoltaic system was designed and manufactured to be entirely integrated into the existing architecture of the Porta di Parco building, a public complex initially managed by Bagnoli Futura, a company registered in the Municipality of Naples, which was later seized and abandoned, and is currently undergoing redevelopment by Invitalia as part of the broader Environmental Restoration and Urban Regeneration Programme of SIN Bagnoli Coroglio. The building is currently home to Invitalia's offices and the commissioner's office. The system has been admitted to the Net Metering agreement by GSE.

The Bagnoli office
The Porta del Parco photovoltaic plant



Electricity generated in 2021:

Plant output:	199.5 kWp
Energy produced:	126,271 kWh
Energy delivered to the grid:	37,020 kWh
Energy self-consumed:	89,251 kWh
% Energy self-consumed:	70.7%
Collected by GSE*:	€ 3,994

* Incomplete figure, pending adjustment for June 2022



CHAPTER 3





External perspective: supporting sustainable development in Italy

Supporting Italy's development is Invitalia's *raison d'être* and represents its ultimate mission.

For Invitalia, working towards sustainable development means redoubling its efforts to stimulate growth in underdeveloped or crisis-stricken regions and among disadvantaged categories or sectors in difficulty by increasing and consolidating investments in these areas.

It means including and connecting regions and communities in the south of Italy, supporting areas affected by natural disasters, promoting a business spirit among women and young people, providing high quality employment in underdeveloped regions, and working to reduce environmental impact.

Moreover, it means managing public funds transparently and lawfully.

Guaranteeing sustainable development is an increasingly pressing challenge, driving Invitalia to focus its services not only on achieving targets, but on planning and measuring the other positive impacts of its business.

This means guaranteeing not only the consistency of targets and results (output), but also considering other direct and indirect effects (impact) on well-being, quality of life and the health of people, social groups, regions and, in many cases, future generations.

Consequently, Invitalia has chosen to report its contribution by measuring the effectiveness of its outputs to produce added value when implementing political and administrative guidelines over the course of the year, as well as by tangibly monitoring whether the services provided have had a positive impact in the medium term.

OUTPUTS

Invitalia measures the added value produced in the provision of its services by measuring the time saved or gained by its stakeholders, the increase in resources made available to the system, and the increase in effectiveness provided by the ability to forge relations and share knowledge and information.



IMPACT

Working in collaboration with certified partners, Invitalia develops value measurement projects aimed at identifying the positive, measurable and long-term effects produced by the surveyed services on the environment and the social and economic condition of the target communities. The results of the analyses are used to assess the outcome of the adopted policies in order to manage the continuous improvement process to support Italy's development.

The results of the business investment support mechanisms refer to the incentives managed directly by Invitalia and those managed in collaboration with the PA. The presentation of the results is complemented by case studies of companies, entrepreneurs and investment projects that have helped to promote and develop sustainability in the target communities or in the actions of the supported administrations.

Economic sustainability



For Invitalia, working together to promote economic growth in Italy means striving to increase the resources available to the national system thanks to the efficient use of national and EU funds and the acceleration of public and private investments. Consequently, Invitalia aims to make an ever-greater proportion of EU and national funds available to the country's economic and productive system in order to promote and support new public and private investments and to guarantee the injection of new cash flows for businesses. In 2021 in particular, in a context still characterised by social and economic uncertainty and change, Invitalia continued its work to support Italy's economic recovery. The Group continued to provide robust support for a business system pressured by the pandemic through the Guarantee Fund, and continued to support entrepreneurs, businesses and public administrations that believed in the possibility of making new investments even in times of crisis.

Material topics

- Strengthening the production system
- Support for business liquidity
- Strengthening the work of the PA
- Acceleration and control of EU and national fund usage
- Acceleration of public investments for development
- Regional redevelopment and enhancement

The support provided by Invitalia for Italy's recovery was consolidated in 2021 with a 65% increase in the value of new public and private investments made using instruments managed directly by Invitalia or in partnership with public administrations. This data is even more significant when set against the support for business investments, which increased from € 12.5 billion in 2020 to € 23.7 billion in 2021. In the same period, ISTAT recorded an increase in gross fixed investments by non-financial companies of 17.0% (+€ 27.6 billion)*. In particular, the increase in applications for loan guarantees by businesses continued, with the total requested value increasing by around 50% compared to 2020, despite a decrease in the number of businesses using the Guarantee Funds. Meanwhile, the value of investments based on incentives or subsidised loans increased by around 90%. This trend represents a business system that is beginning to invest in development once again. New public investments fell by around 60% compared to 2020, a year in which investments were heavily impacted by the support provided to the Commissioner's office to manage COVID-19 contracts.

New public and private investments

Value of new public and private investments

€ 24.8 billion
(1.4% of GDP)
2021

€ 14.8 billion
2020

* Source: ISTAT - Report Conti Istituzionali 2021

Furthermore, the support provided by Invitalia to inject cash flows into the system was particularly significant. Businesses acquired new cash flows thanks to the guarantees provided under the Guarantee Fund and the accelerated disbursement of funds to support subsidised investments.

In 2020, this commitment helped to support a production system that was severely put to the test by the pandemic, but which continued - albeit in a different shape and scale - in 2021.

Cash flow injected into the system

Cash flow injected into the system thanks to guarantees and disbursements for subsidised loans



€ 96 billion

2021

€ 124 billion

2020

Much like the value of cash injected into the system, the number of businesses supported in 2020 was heavily influenced by the applications for guarantees by businesses than needed loans to provide liquidity during periods of partial or total production shutdown.

In 2021, the companies that used these instruments fell by around 50%, while loan applications for new investments increased.

Businesses supported



Businesses supported

673,049

2021

1,218,553

2020

601 economic operators awarded public investment contracts

The effectiveness of business support also depends on the speed at which it is provided. Consequently, Invitalia believes that collaborating to maintain and develop the production system means giving due consideration to the time element. By doing this, entrepreneurs can make the investments when they are needed and the number of businesses supported and the value of the investments is increased.

Aid contributions to support business



Average time saved in the decision-making process for subsidised loans compared to the time frames defined by law

33%

Time saved in the granting of guarantees compared to 2020

50%

Overall, the subsidised loans and guarantees granted are confirmation of Invitalia's contribution to the business support sector. The Group's presence in this sector, which was heavily influenced in 2020 by the need to provide immediate support to businesses to cope with the pandemic, delivered through the guarantees granted by the Fund, is nonetheless still significant in 2021.



Proportion of aid packages granted directly or with the support of Invitalia*	55%	88%
	2021	2020

Accelerating spending of EU and national funds to help the economic and productive system is another key tool to increase the resources available to the country to pursue development.

Accelerated spending of EU and national funds

In its management of EU and national funds, Invitalia is committed to supporting the planning, management and control of crucial development programmes and plans, which aim to consolidate Italy's infrastructure and industry, improve the institutional capacity of public authorities, promote innovation, energy and environmental efficiency, protect human health, and celebrate culture.

In 2021 these actions delivered strong results in terms of unlocking previously untapped resources, increasing spending and developing fund absorption capacity.



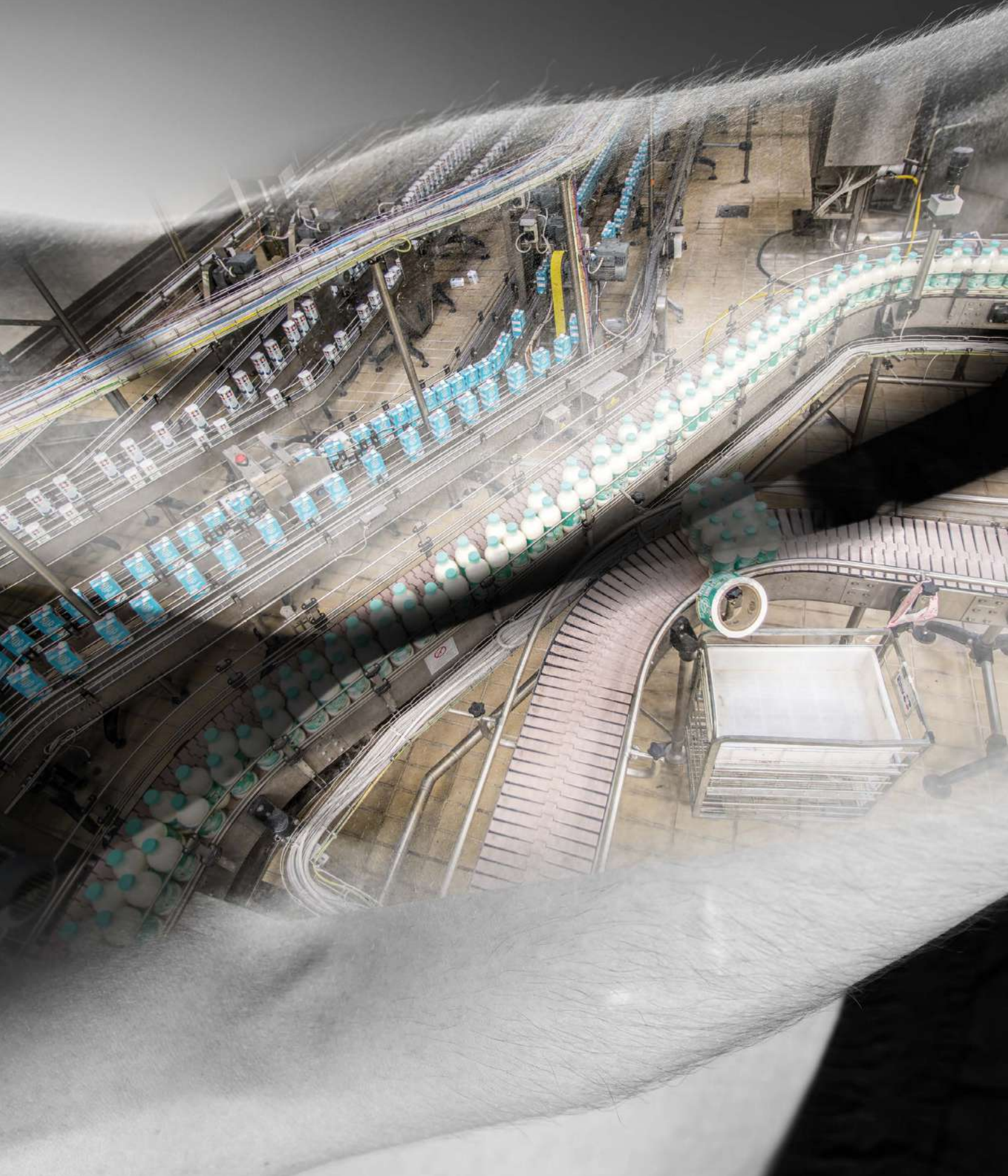
Total value of supported programmes	€ 31.8 billion	€ 8.6 billion
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Reimbursed spending of EU funds	€ 1.3 billion	€ 618 million
	2021	2020

Spending target of the programmes supported by Invitalia	171%
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Average national spending target	138%
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* Source: National Aid Register



Granarolo: an investment of € 21.4 million, with a non-repayable grant of € 8.2 million by Invitalia, to fund a development programme that will increase the production capacity of the Usmate Velate plant in the Province of Monza-Brianza by 30%.

The site will acquire greater storage capacity and install advanced sensor systems to guarantee greater environmental performance. Furthermore, a new cooling unit will be installed to improve the energy efficiency of the production processes.

The Usmate Velate plant holds all of the major international certifications and processes over 1,100 tonnes of milk in its 107,000 m² facility each year to produce mozzarella, ricotta, mascarpone, cheese snacks and scamorza cheeses which are sold in Italy and abroad (35% of total production volumes are exported).

In recent years, Granarolo has increased the factory's workforce by 30%, with an increase in productivity of 28%. Thanks to the new investment, a further 22 new staff will be hired by 2023.

When it comes to increasing production capacity and employment while also implementing advanced automation systems and innovations to reduce the environmental impact, Granarolo and Invitalia are leading the way.

**GRANAROLO:
INVESTMENTS
TO SUPPORT
RECOVERY**





It all began with Bernadino Clemente who, in the late 1800s, devoted himself to selling olive oil and almonds. In the course of over a century of operation, Olearia Clemente has become the largest oil mill in Italy, and has branched out from simply selecting and acquiring Apulian oil for major bottling companies in the north to bottling its own oil. It now produces oil extracted exclusively from olives grown in an ancient 400-hectare plantation located in the protected area of the Gargano National Park.

The mill has never ceased production, not even during the pandemic.

In 2021 the company obtained a guarantee from the SME Guarantee Fund for a capital lease of around € 1.4 million from Intesa Sanpaolo. The guarantee was granted by MCC in five days and covers 80% of the total value of the loan.

"The loan enabled us to buy machinery and industrial equipment and improve the management of our warehouse to create space for the most important stages of our business: production and sales," emphasised chairman Michele Clemente. "Without the loan guarantees granted by MCC, investments in regional development would be paralysed because of the challenges that businesses face when trying to access the necessary funds."

OLEARIA CLEMENTE: GUARANTEES TO SUPPORT INVESTMENTS



Ferrari Fratelli Lunelli Spa was founded in 1902 and has long been Italy's leading producer of Metodo Classico sparkling wine.

In 2020, beverage consumption was severely impacted by social distancing policies and restrictions on parties, social gatherings, weddings, events and celebrations imposed to prevent the spread of the COVID-19 pandemic. However, Ferrari decided not to give in to the crisis and instead announced a € 26 million investment to consolidate the Ravina factory in Trento and hired at least 16 new workers. Invitalia supported the project with a non-repayable grant of € 5.4 million.

The manufacturing plant will be extended, while the new machinery and technological innovations which will be introduced to process the raw material meet the criteria of the Industry 4.0 National Plan.

Thanks to greater processing and storage capacity, the company will be able to downscale its use of external warehouses, avoiding the costs and logistical inefficiencies associated with road transportation. The construction of an underground wine cellar adjacent to the main production facility will also bring environmental benefits: the underground location, which is more suited to maintaining the temperatures required for wine maturation, will enable a significant reduction in energy use, while the traffic volumes associated with transferring the bottles to external warehouses will also be reduced.

The project also includes works to improve traffic flow to improve road safety in the area. Furthermore, a project to construct a cycle and pedestrian route and a park is underway to benefit the local community.

The project was defined according to an agreement between the Autonomous Province of Trento, the Municipality of Trento and Cantine Ferrari. The programme aims to balance both public and private needs, enhancing the local area and the surrounding region and bringing about a positive impact on the supply chain, from the network of grape growers to the region's entire economic, social and cultural system.

FERRARI: THE POST-PANDEMIC RECOVERY



Social sustainability



For Invitalia, social sustainability means working to ensure that the development of Italy's economic and productive system is increasingly inclusive. It means contributing to the creation of high quality and stable employment over time, promoting the entry of young people and women into the production system by building a strong business culture, supporting the development of infrastructure and connections in the south of Italy or crisis-affected areas, and accelerating direct investments to promote Italy's artistic and cultural heritage. Finally, it means managing public funds with integrity, responsibility and transparency.

MATERIAL TOPICS

- Creation and safeguarding of jobs
- Dissemination of entrepreneurial culture
- Support for territorial cohesion
- Strengthening the work of the PA
- Digitalisation
- Acceleration of public investments for development
- Regional redevelopment and enhancement

In 2021, Invitalia pursued its commitment to increase employment, especially in the south of Italy. Thanks to support from Invitalia, the investments made by businesses during the year will create and, in many cases, protect jobs, especially among firms in difficulty.

Labour inclusion



Jobs created and protected

26,899 28,294

New businesses launched by young people under 36

2,899 1,973

of which in Southern Italy

94% 90%

2021 2020

Tackling the digital divide helps to remove a major obstacle to social inclusion. It means guaranteeing widespread access to connectivity services at a fair price regardless, as much as possible, of economic situation and regional location. It means increasing access to information, communication, knowledge and participation for communities and the country as a whole. Once again, in 2021 Invitalia operated through Infratel to promote the development of Italy's digital infrastructure, focusing in particular on disadvantaged and marginalised areas.

Digital inclusion



119,091 vouchers to disadvantaged families to purchase internet connectivity and a device



Ultra-Broadband connection
18,321 km of fast connection cables
47,074 housing units
176 hospitals
7,690 schools

In a region characterised by profound discontinuity and geographical, economic and cultural diversity, inclusion necessarily means bridging the divide between regions and communities. Inclusion means creating quality jobs in areas with high unemployment, developing regional infrastructure, promoting the rule of law in areas with high crime levels, and making communities more attractive and welcoming. Over the years, and once again in 2021, Invitalia has launched engagement and support initiatives for underdeveloped regions or those affected by crises or natural disasters. The investments launched in the year will enable the creation or protection of over 18,000 jobs.

Regional inclusion



Jobs in Southern Italy **18,070** 11,015

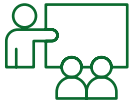
New businesses in Southern Italy **4,000** 2,068
2021 2020



€ 358 million in investments approved to fund **116 projects** aimed at the recovery of the regions affected by the earthquake in Central Italy and the restoration of the *Terra dei Fuochi* region, which was badly affected by fires

The promotion of a positive business culture in Italy is one of the most effective ways of stimulating the creation of quality employment opportunities. In 2021 Invitalia continued its partnerships with schools, universities, research centres, associations, incubators and other public and private entities to build networks and promote entrepreneurship, raising awareness about the key players in the innovation ecosystem, the available incentives and the ways of accessing them, and promoting knowledge-sharing and open innovation. Moreover, as well as disbursing loans Invitalia also provides tutoring, training and mentorship services. It offers Italy the knowledge and professional experience acquired over decades of activity in the business creation and development sector through constant communication delivered through webinars and meetings.

Dissemination of entrepreneurial culture



- 246** tutoring sessions for new business owners
- 171** in-person or virtual events to promote the use of business development tools
- 970** meetings with potential entrepreneurs to support them in the creation of their business

Heineken Italia is the leading beer producer in Italy, with over 30% of the market share, with a workforce of 2,000 employees and a production volume of over 6 million hectolitres of beer each year.

With Invitalia's support, in 2021 it launched an investment programme of over € 73 million in the Province of Cagliari. The aim is to increase production and packaging capacity at the Assemini plant, the oldest brewery in Sardinia.

The packaging capacity, which will be fully operational by 2024, will increase by over 60% compared to its current output. Heineken has chosen Sardinia partly with a view to social sustainability, and consequently Invitalia is supporting the investment through non-repayable grants of € 13.8 million.

The investment is deemed strategic and in line with the development policies implemented to date by the Heineken Group which, in more recent years, has been testing products and innovations on the Italian market which are later introduced to other markets. At the Assemini plant in Sardinia, latest-generation automated machinery will be installed, in line with the Industry 4.0 National Plan, while three new warehouses will be constructed to store packaging materials and the finished products. Meanwhile, the site's packaging capacity will be increased from the current 1,100,000 hectolitres per year to an expected 1,800,000 hectolitres per year. The expansion of the Assemini plant will bring significant savings in logistical costs by avoiding the need to transport vats to other breweries. Furthermore, the investment will involve the recruitment of 25 new employees, ensuring a tangible positive impact on the region as stated in the Development Contract promoted by Invitalia.

HEINEKEN: SUPPORT FOR SARDINIA





CORNELIANI
Corneliani

Corneliani, a company which has made history in Mantua and the Italian and global luxury menswear industry, turned to the Company Protection Fund managed by Invitalia on behalf of the MED to overcome a period of crisis in the business. To guarantee the continuity of the company and of a historical brand, Invitalia intervened with a capital increase, which was also supported by a private investor.

First and foremost, the agreement protected the jobs of almost 300 people who for months had fought to defend their positions, their skills and their careers. Thanks to the commitment of policymakers and the collaboration and proactive contribution of all those involved – the MED, the owners, the company management and trade unions – a public-private partnership was launched which created the possibility to relaunch the company, whose closure would have had a profound impact not only on Corneliani employees but on the entire region. The intervention gave rise to the “Corneliani method”, currently the only public capital intervention method for firms in difficulty permitted by the European Union in the field of State aid. The aim is to guarantee the continuity of firms in economic or financial difficulty and protect workers’ futures.

CORNELIANI: A PRECEDENT-SETTING BUSINESS RESCUE



The Piazza WiFi Italia project managed by Infratel was launched with the aim of providing free and simple internet connectivity to all Italian citizens by using a dedicated app to access an open WiFi network available throughout the country. As at 31 December 2021, nearly 1,330 municipalities had signed up to the project and equipped their town squares with free, open-access WiFi connections accessible via the WiFi Italia app. The Piazza WiFi Italia project is now proposing to align existing networks operated by municipalities, public administrations and large private businesses which manage public spaces to create new WiFi hotspots through the installation of access points near sites of cultural, artistic or tourism interest.

WiFi ITALIA: INSTALLING CONNECTIVITY IN PUBLIC SPACES TO SUPPORT COMMUNITIES



For almost 40 years the Piedmont-based multinational Ferrero has chosen Balvano, in the Province of Potenza, as the site of one of its most important factories.

In 2019 the company decided to launch a major innovation project at its Balvano site which, thanks partly to the contribution of Invitalia, led to the construction of a new production line for Nutella Biscuits, and then in 2021 to the launch of an investment aimed at the construction of a new plant in line with the Industry 4.0 National Plan.

Once complete, the new investment will not only double the site's production capacity but, most importantly, will also create jobs for 68 people. Ferrero and Invitalia continue to believe in the potential for development in a region that was severely affected by the earthquake that devastated Irpinia and Basilicata in 1980, an event that brought the local community to its knees and orphaned a generation. Together, they continue to work to support truly inclusive development.

FERRERO: THE INCLUSION OF A REGION



A business education programme organised by Junior Achievement Italia in collaboration with Invitalia aimed at guiding students towards training and career opportunities, promoting a business culture among secondary school pupils, developing entrepreneurial skills and increasing the level of entrepreneurship and innovation in Southern Italy in particular.

Invitalia supports the project through the co-design of inspirational events featuring founders and collaborators from businesses that have benefited from the incentives, as well as Dream Coaches, experts in evaluating business ideas. The participating classes adopted by Invitalia and guided by the Dream Coaches represent veritable mini-businesses aiming at providing concrete training and manage the business model.

During the programme, students are encouraged to analyse problems, propose solutions and transform an abstract idea into a concrete product.

At the end of the course, the students present their projects to a panel of representatives from Invitalia and Junior Achievement Italia and compete against each other in a pitch session, during which they receive feedback and advice from the business analysts.

IDEAS IN ACTION WITH INVITALIA





**NO
MAFIA**

MEMORIAL

The Giuseppe Impastato Sicilian Center of Documentation is the first research centre focused on the Mafia in Italy. Founded by Umberto Santino and Anna Puglisi, it is named after Giuseppe Impastato who was assassinated by the Mafia on 9 May 1978.

The research centre aims to develop knowledge about the Mafia at national and international level, to promote socio-political initiatives to combat organised crime, and to develop and promote a pedagogy of lawfulness, development and democratic participation, especially in a highly exposed region.

The No Mafia Memorial funded by Invitalia and installed at the Center of Documentation is a multiuse site that provides visitors with a modern, interactive, innovative and comprehensive representation of the complex Mafia situation. Opened in 2021, the Center is now an anti-Mafia laboratory, a workshop aimed at the creation of a multimedia space, a Mafia and anti-Mafia museum, an educational space, a library, a media library, a document archive and a database: a place of research, engagement and planning, not a mere museum to be visited, but a space to be experienced.

Thanks to its huge social value, the project is underpinned by a memorandum of understanding with the Municipality of Palermo, the support of RAI TECHE, and partnerships with associations such as Addiopizzo and Associazione Casa Memoria Felicia e Peppino Impastato.



MEMORY AS A SHARED COMMUNITY VALUE





From city walls to smart walls. This small but mighty revolution is the work of Graffiti for Start City, an innovative start-up based in Basilicata and Apulia that specialises in the production of digital mosaics made from bioresin tiles.

The latest-generation murals are designed to decorate urban environments and, at the same time, thanks to a connection to an Internet of Things hub, to function as a WiFi hotspot compatible with 5G technology able to provide information for tourists and in the public interest through augmented and virtual reality services.

Two such installations are already on display in Foggia, the first featuring the famous image of Paolo Rossi celebrating the World Cup in 1982, and the other depicting a famous photo of a child with her tongue out taken by Oliviero Toscani. Another image of the same photograph was used to create a smart wall in Taranto. The most recent installation is a digital mosaic in the Garbatella metro station in Rome.

The mission of Graffiti for Smart City is to multiply its installations in Italy and abroad. The first step in achieving this goal was to increase production capacity and to this end the start-up was granted a € 500,000 loan from MCC guaranteed by the SME Guarantee Fund.

This enabled the company to purchase a larger building able to accommodate industrial machinery in order to develop a project aimed mainly at the new green construction, and to launch the production of a new type of bioresin mosaic suitable for interior and exterior use. The new tiles are very light and durable, weather-resistant and customisable both in terms of the graphics and the tiles themselves.

TECHNOLOGY AND ART COME TOGETHER TO DECORATE THE REGION





Thanks to an Institutional Development Contract, Invitalia has allocated € 70 million to an integrated project to restore and enhance the former Bourbon Prison on the island of Santo Stefano-Ventotene.

Once restored, the complex will be used as a European cultural and training hub due to its high symbolic value and the naturalistic heritage of the marine and terrestrial environments of the islands.

In 2021, the feasibility study of the overall complex was defined and approved and safety measures were planned and implemented to prevent the collapse of certain parts of the old prison, begin the preservation of the buildings, and develop the moorings on the island of Santo Stefano.

Furthermore, an international competition was launched to attract ideas for the restoration and re-purposing of the building based on the criteria and indications provided by the feasibility study.

The restoration of the complex will facilitate the implementation of a project that aims to enhance the islands of Santo Stefano and Ventotene with integrated activities and services able to generate positive impacts for the local economy and community. The underlying theme of the enhancement project is human rights, while the implementation criteria of the measures to be adopted will centre on environmental sustainability.

SANTO STEFANO: FROM RECLUSION TO INCLUSION



Environmental sustainability



For Invitalia, contributing to the country's environmental sustainability means supporting public and private investments aimed at protecting the ecosystem and regenerating natural resources. Through its activities as Central Procurement Authority and the Contracting Authority, it aims to make public investments to protect and restore the environment and guarantee compliance with sustainability criteria by businesses that are awarded public contracts. Meanwhile, it supports companies that wish to invest in environmental sustainability through subsidised loans and guarantees. In particular, through a specific incentive, it funds the implementation of major investment projects aimed at:

- increasing energy efficiency;
- installing high-yield co-generation plants;
- implementing waste recycling and reuse activities.

Material topics

- Regional redevelopment and enhancement
- Acceleration of public investments for development
- Strengthening the work of the PA
- Strengthening the production system



€ 1.3 billion of green investments launched
€ 54 million to fund projects aimed at developing the circular economy
€ 203 million in public investments in projects to promote environmental restoration, energy efficiency and environmentally friendly infrastructure

Value of environmental investments

The Turkish group Kastamonu, which operates in several different sectors with a high environmental impact, has developed a production method focused on sustainability. In line with this approach, Kastamonu Italia Spa has launched an investment programme, to which Invitalia has contributed over € 37 million, to restore and redevelop the Pomposa factory to improve its environmental sustainability.

This complex programme aims to develop a production line that can increase the amount of recycled wood used in the production cycle to over 90%, improve the energy efficiency of the site and reduce atmospheric emissions. The investment programme will also enable the relocation of 100 former employees of the Trombini Group (which owned the factories before their acquisition by Kastamonu in 2017) as well as create new jobs.

KASTAMONU: INVESTING IN THE ENVIRONMENT



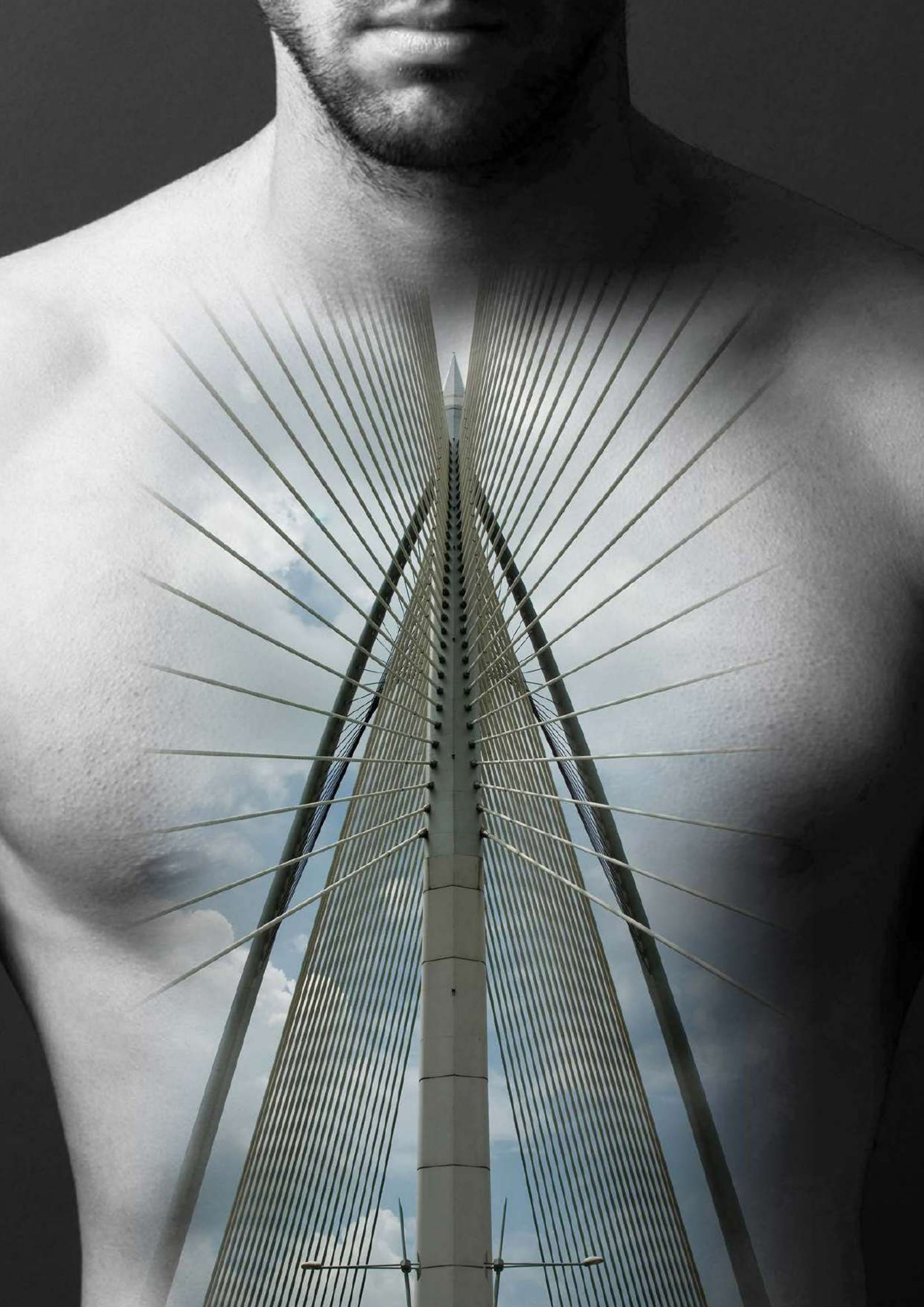
In January 2021, Invitalia entered into a partnership with the Office of Environmental Restoration with the aim of:

- increasing the effectiveness and efficiency of the data collection process regarding the presence of asbestos in public buildings, through the evolutionary development of the "Info Amianto PA" platform;
- extending the georeferenced mapping of the presence of asbestos in public and private buildings in Italy nationwide and checking the existing data;
- digitalising the Office's document archives.

The project enabled the definition of an effective model to transfer and catalogue data as well as a shared methodology for the definitive entry and updating of data on the Info Amianto PA platform, making data access methods more efficient. The first phase, which involved the preparation for the nationwide extension of the mapping project, involved an intense dialogue with the regional administrations and the autonomous provinces, with the active participation of those responsible for the management and technical maintenance of the regional applications in use. Invitalia's technical staff and regional engineers defined the areas to be focused on, prioritising urban areas and public buildings, schools and hospitals. The completion and updating of the mapping process will be enabled by multispectral satellite imagery. The combined outcome of the two actions – the population of the Info Amianto PA platform and the new completed mapping – will provide the Office of Environmental Restoration and the MET with a new standardised and organised overview of the national data.

THE ENVIRONMENTAL RESTORATION OF PUBLIC BUILDINGS WITH ASBESTOS





Betonest began its operations in 1984 in Ispica (Ragusa) as the only company authorised by the Italian Ministry of Public Works to conduct tests on construction materials in South-East Sicily.

Over the years, the testing activities have been gradually expanded with the creation of a second laboratory authorised to conduct tests and geotechnical surveys.

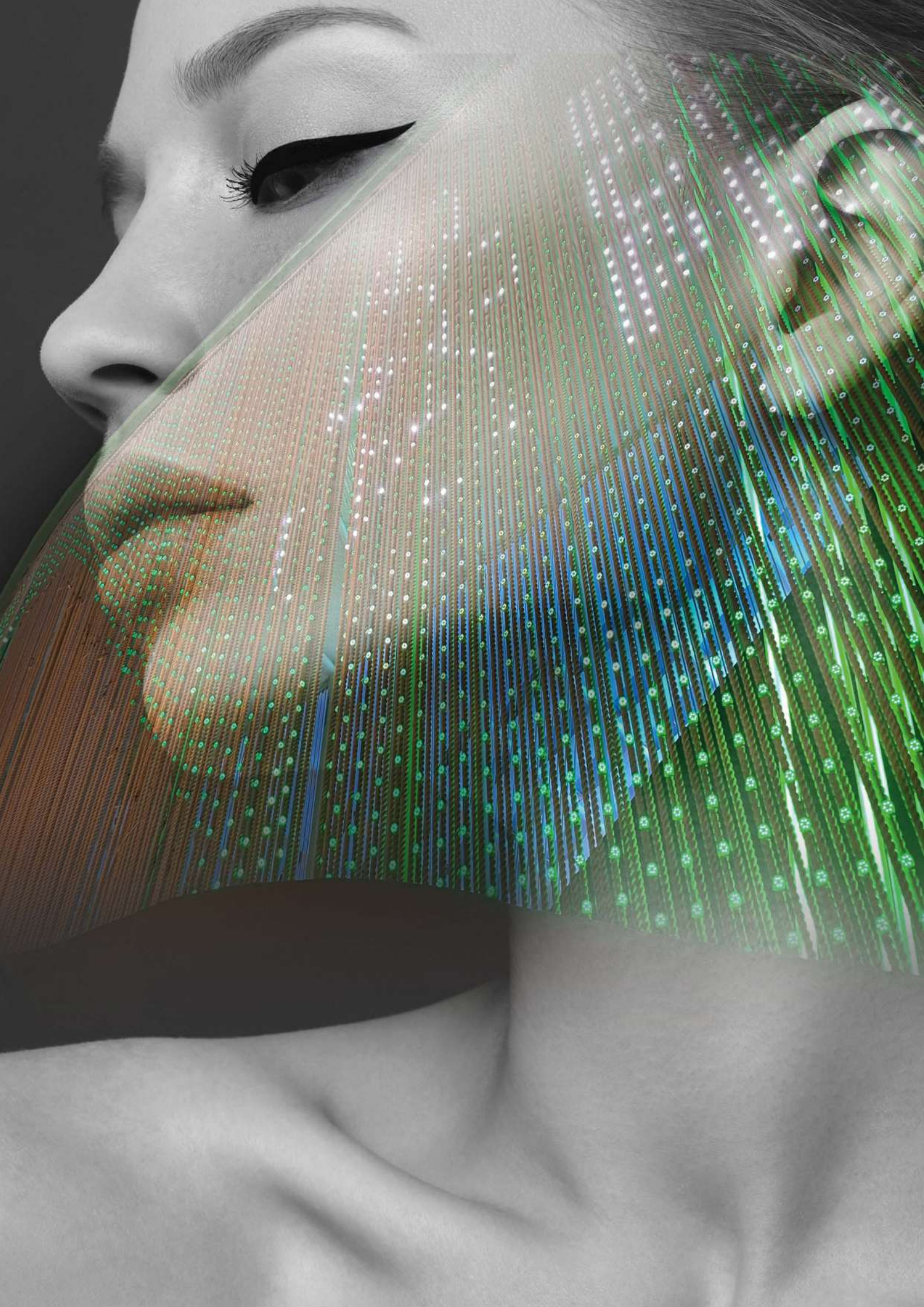
As part of its diagnostic work on buildings, monuments and public infrastructure projects, between 2018 and 2021, Betonest implemented the ISMERS (Idoneità statica manufatti edili nei centri storici ad alto rischio sismico - Static suitability of building structures in historic centres with high seismic risk) project in collaboration with the Department of Innovation Engineering of the University of Salento and XRD-Tools Srl, a company founded as a spin-off of the University of Pisa.

The investment, which was supported by MCC, enabled the condition of schools, offices and historic and heritage buildings to be monitored.

Eight Municipalities in the Provinces of Ragusa and Siracusa were identified in collaboration with the local administrations in order to detect any critical issues and define the safety measures to be adopted, considering the progressive ageing of the structures and the region's high seismic risk.

During the project, a new survey method was developed which provides a bank of macro, micro and nanoscopic data on the construction materials. To interpret these data and enable their comparison, a correlation system was developed based on the principles of neural artificial intelligence.

**BETONTEST:
MONITORING
CONSTRUCTION AND
INFRASTRUCTURE
PROJECTS**



The first national pavilion in World Expo history to be awarded a sustainability certification based on the principles of inclusivity, integrity, transparency and responsible management.

The Italian stand - one of the most visited of the 191 present at Expo 2020 Dubai - was an example of innovative and sustainable architecture, based on a circular economy model whose underlying principles are recycling and reuse.

Not just any roof, but three actual boats turned upside down to create the largest Italian flag in history, which will be reused after the Expo ends. The entire construction is free from any chemical products and uses plaster made from coffee and orange peel powder, 100% natural paints and tanks full of algae and spirulina which capture carbon dioxide.

Instead of walls, rows of mooring lines made from around two million recycled plastic bottles allow the wind to pass through, creating a natural climate control system that replaces air conditioning.

This project was transformed into reality thanks to the support of Invitalia which, acting as Contracting Authority on behalf of the Commission for Italian Participation in Expo 2020 Dubai, supported all phases of the investment's implementation from the initial management of the international competition for the design of the Italian Pavilion, the call for which specified detailed requirements and conditions in terms of sustainability, innovation and creativity.

The competition to attract ideas for the design of the stage at the Al Forsan Sports Resort (located opposite the Italian Pavilion) and the award of the Operation and Events Management contract to meet the organisational, production and logistical needs related to the event's coordination, were also managed by Invitalia.

Overall, Invitalia coordinated ten tendering procedures for a total value of over € 32 million.

Over **1.6 million** visitors,

70 institutional **partners**,

over **50 sponsor** companies,

16 Regions and **1 Autonomous Province**,

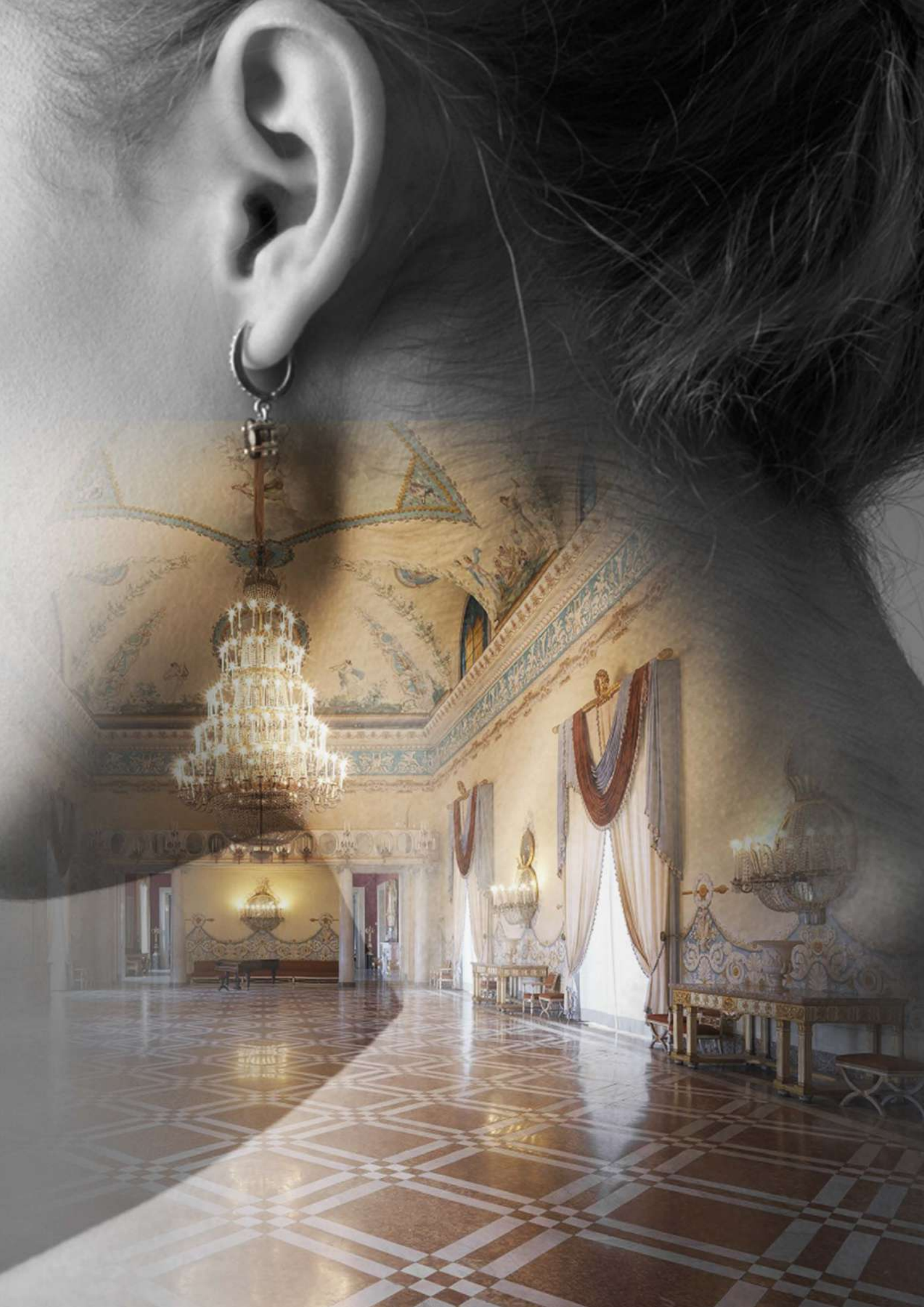
30 Universities,

180 cultural theatre and sporting events.

23 different initiatives, from workshops to international conferences aimed at students, teachers and researchers from all over the world.

EXPO DUBAI 2020: SUSTAINABILITY, INNOVATION AND CREATIVITY





€ 46 million to redevelop and improve the energy efficiency of the Capodimonte Museum and Royal Forest. In 2021, the Italian Ministry of Culture, in collaboration with Invitalia, awarded contracts to implement energy saving measures and projects to redevelop the public spaces and visitor services at the Museum. The investment is part of a broader project to enhance the site's sustainability, focused on recovery and the innovation of production activities as well as the restoration and repurposing of the buildings. The new visitor areas will be more efficient and sustainable.

The decision to fund the project was the result of an economic and financial assessment conducted by Invitalia which compared the costs, risks and effects of the project under a Project Financing model and under a traditional contract model.

The projects considered under the contract include:

- **the energy and plant efficiency** of the Palace and the extension of the air conditioning system;
- **the reconditioning and efficiency** of the lighting systems used in the visitor and reception areas of the Palace and the most visited areas of the Royal Forest;
- **the extension of the cabling network** and devices for the video-surveillance system and environmental sensor systems to prevent the risks associated with the Forest's vulnerabilities, and the installation of a smart data collection system of data from surveys and environmental monitoring and the site's network infrastructure;
- **the restoration** and seismic/energy improvement of the Museum's roofing system;
- **the reorganisation** and extension of stored exhibits;
- **the extension** of the visitor reception areas and the museum installations.

ENERGY RECONDITIONING OF THE CAPODIMONTE MUSEUM AND ROYAL FOREST



	BEFORE	AFTER
Electricity consumption	1,843,286 kWh	165,700 kWh
Air-conditioned spaces	7,994 m ²	14,130 m ²
Thermal energy consumption	91,732 m ³	218,880 m ³
Emissions	412 TOE	237 TOE
	1,058 tCO ₂	416 tCO ₂
Lighting performance indicator	16 kWh electricity/m ² per year	7 kWh electricity/m ² per year
Air-conditioning performance indicator	69 kWh primary energy/m ³ per year	40 kWh primary energy/m ³ per year

Results pending the completion of the energy efficiency measures





IMPACT ASSESSMENT
RESTO AL SUD CASE
STUDY

When providing its services, Invitalia aims not only to meet the needs of customers and contracting authorities, but also to measure the direct and indirect well-being that it helps to generate in the target communities.

To this end, in 2021, working in collaboration with Italiacamp Srl, a social and economic impact assessment was conducted on the Resto al Sud project, one of the main business support mechanisms promoted by Invitalia. The subsidy is managed by Invitalia in synergy with accredited bodies, credit institutions, organisations, and national and local institutions.

Resto al Sud is a subsidised loan that aims to promote the creation and consolidation of economic activities launched in the south of Italy by entrepreneurs and freelancers. Established in 2017, the tool has undergone various changes over the years, leading to the expansion of the data, region, sector and access requirements.

The analysis measured the well-being effects and monitored whether or not Resto al Sud is a decisive policy that responds to its mission to offer people opportunities to stay or return to their native region and to promote the economic and social development of underdeveloped regions.



Conducting a meaningful impact assessment means identifying the changes that an organisation, project or public policy has generated for people, communities and the region, highlighting the intangible effects which are difficult to account for using traditional economic and financial reporting methods.

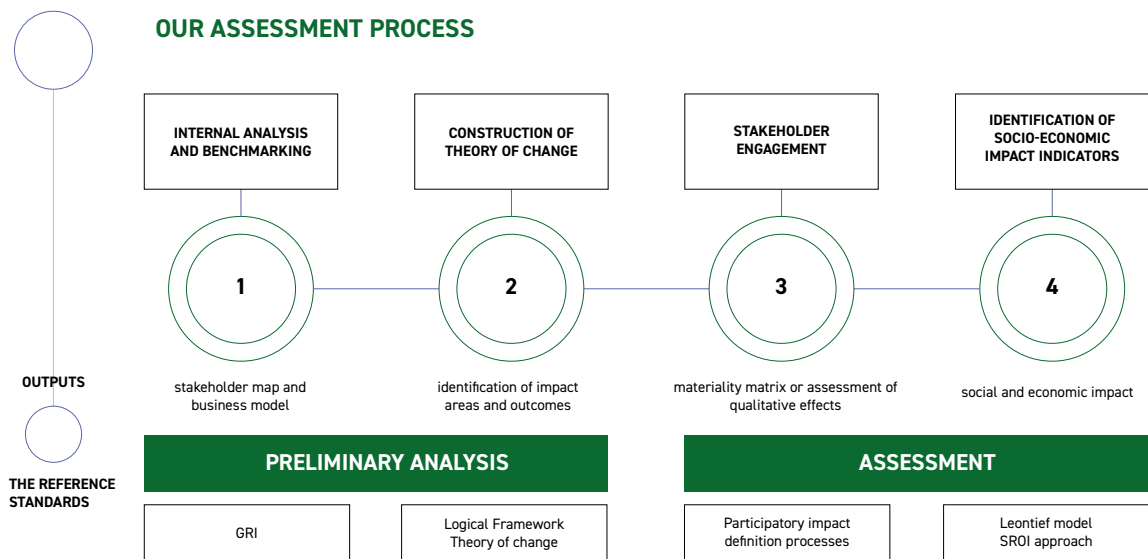
The research

The evaluation framework developed by Italiacamp is based on the bricolage approach defined by Nicholls, which uses elements of the leading international reporting standards (GRI, Logical Framework, SROI, SDGs).

The methods

In particular, the theory of change was instrumental in identifying the contextual factors that made the measure necessary (needs analysis), the actions it envisages, and the areas of impact potentially affected by those actions. Specific outcomes were associated with the various impact areas, i.e., qualitative effects that can be monitored in the short term, to understand whether, over a medium-long period of time, the strategic objectives and, more generally, the expected impact (the "vision") has been achieved.

The theory of change of Resto al Sud highlighted the direct and indirect causal links between the actions performed, the effects and the contribution to achieving the goals of the 2030 Agenda.



In the process to identify the effects, all stakeholders of the Resto al Sud ecosystem were considered, starting with beneficiaries and citizens, in order to define not only the impact generated directly for beneficiaries of the scheme, but also the broader impacts that the incentive has helped to produce directly or indirectly on social and economic well-being.

Between October and December 2021 over 7,000 stakeholders were involved in the process.

The tools used were:

- socio-economic indicators;
- surveys and interviews conducted during the stakeholder engagement process.

The Resto al Sud scheme in figures:

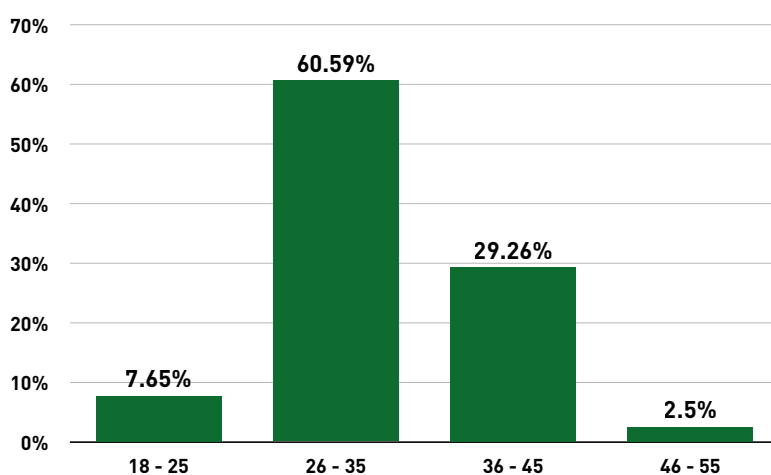
from 2017 to 2021

€ 525.6 million of investments launched

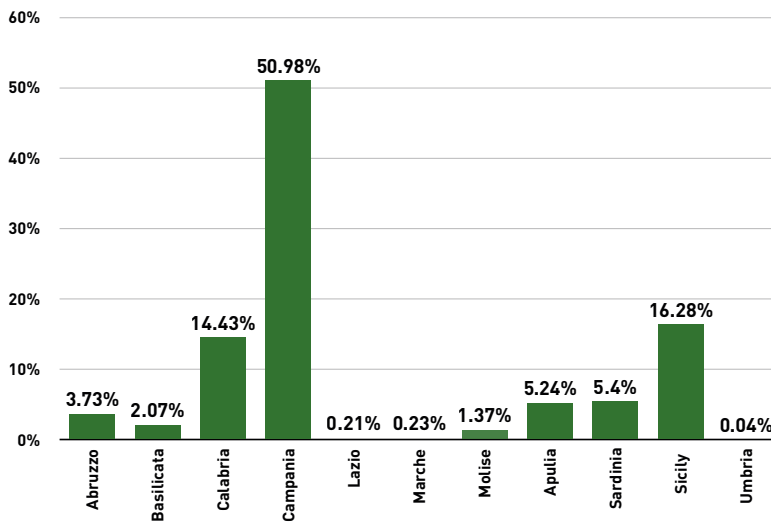
7,589 businesses funded, of which **7,366** are still operating

28,166 new jobs created

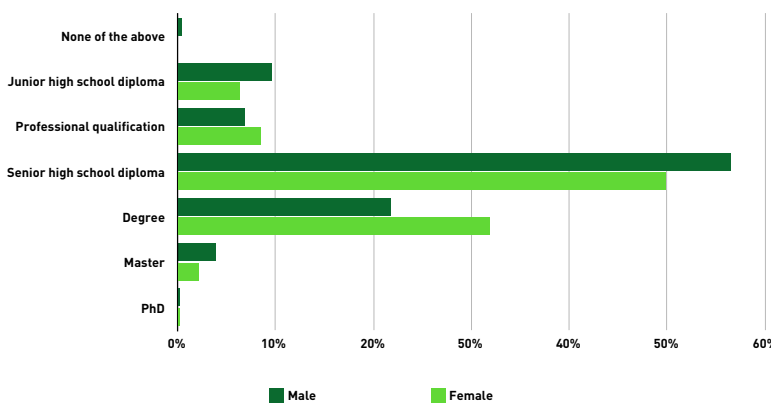
The results of the survey show that entrepreneurs that used the scheme had an average age of 26 to 35, with 95% of applications aimed at the launch of a new business. Most of the applicants held high-school diplomas (54%) or degrees (26%) and established their businesses in Campania, Calabria and Sicily. 40% were women, a particularly significant figure when compared to the percentage of businesses led by women in Italy (22.1%) and in the reference regions (23.7%).



Breakdown of entrepreneurs by age



Breakdown by region



Breakdown by gender and educational level

Resto al Sud has had an average impact on the launch of new businesses in the ICT sector of 50.3%, with a peak of over 73% in Calabria, Campania and Sicily. It has also supported the craftwork and manufacturing sectors which, according to the market trend analysis, were in difficulty during the three-year period, particularly in Abruzzo, with an average impact of 87% on the launch of new businesses.

Resto al Sud has generated a measurable economic impact for all stakeholders:

Economic impact generated

- **for the entrepreneurs and new businesses**, thanks to the improved economic conditions associated with the inclusive labour processes adopted and the consequent impact on personal income;
- **for the affiliated banks**, due to the economic revenues generated by the possibility to acquire new account holders and the interest generated by the disbursed loans;
- **for the national system**, through the indirect economic benefits to the public contribution system, both in terms of a reduction in public spending and a rise in income for the State coffers.

- **The multiplying effect of private investments.**

The businesses generated a economic impact of € 993,231,274. Each euro invested generated € 1.89 for the national system.

- **The multiplying effect of public investments.**

Considering only the public funds disbursed by Invitalia, totalling € 390.5 million (comprised of non-repayable grants, cash grants and bank interest payments), based on the € 993 million of generated economic value, the multiplying effect of public funds equates to € 2.54 for each euro invested.

- **Public payback index.**

The € 391 million of public funding which has already been disbursed by Invitalia generated a return for the Government of € 406 million. For each euro spent, € 1.04 was returned to the State coffers. The payback relates to the reduction in unemployment benefits previously paid out, the income tax revenue generated by each new job, and the revenues generated by the new companies.

- **Economic benefit for credit institutions.**

The broadening of the customer base and the accrued interest generated a benefit of € 46 million.

Resto al Sud, which aims, among other things, to contribute to Italy's development targets by providing support to an underdeveloped region, generated social well-being for stakeholders and the target communities. These effects were particularly significant in terms of their contribution to achieving the Sustainable Development Goals (SDGs) established by the UN Agenda 2030.

Promoting social and economic growth in a region and creating employment opportunities for those who struggle to access them helps to create the conditions to reduce exposure to vulnerabilities and social and economic pressures, and reduces inequality and the uneven distribution of skills and knowledges across a region.

Main indicators

For each euro invested

€ 1.89

Multiplier - private funds

€ 2.54

Multiplier - public funds

€ 1.04

Public payback

SOCIAL IMPACT GENERATED

Fight against poverty



Decent work and economic growth



Reduction of inequality



55% of the entrepreneurs interviewed declared themselves to be financially autonomous thanks to their business, while 68% reported an improvement in their financial situation. Better access to financial services was also confirmed. 25% of the entrepreneurs surveyed did not have a current account before accessing the scheme (of these, 70% were aged between 26-35). This trend was also confirmed by the credit institutions, which reported how Resto al Sud had enabled them to extend credit opportunities to previously unbankable applicants.

Financial inclusion

Resto al Sud helped to create 28,166 jobs, particularly for women, young people and other groups that traditionally struggle to access the labour market. Of the entrepreneurs, 70% were unemployed or underemployed before accessing the scheme and of these, 60% were aged between 26 and 35. The scheme also helped to tackle the high unemployment rate among the under-35s, which was 20 percentage points higher in the south than in Northern Italy.

Labour inclusion

Of the new entrepreneurs interviewed, 97% recognised the added value of Resto al Sud in their decision to launch a business initiative in Southern Italy. This added value was also strongly recognised by 95% of applicants who did not receive the loan. In fact, 72% of unsuccessful applicants still managed to launch their projects. Without Resto al Sud, mainly of the new businesses that are still in operation would not have been established in this region, at this time, and with this level of investment.

Added value of the scheme

80% of entrepreneurs were satisfied with the development of their business and 70% said they finally felt like an integral part of their community. Overall, Resto al Sud was considered to be an opportunity for the socio-economic development of the region by all stakeholders (93%) and an effective incentive to encourage young people and skilled professionals to remain in their native region (89% and 84% respectively).

Social inclusion

Furthermore, Resto al Sud facilitated the development of technical, organisational and entrepreneurial/management skills. Sixty per cent of entrepreneurs reported to have acquired new skills and 50% believe that the relationship with Invitalia improved their links with the local business ecosystem. This was also recognised by applicants whose projects were declined, who nonetheless reported an improvement in knowledge and a greater understanding of various business aspects.

Skills development

This improvement was also noted by the accredited bodies that offer the free business plan support service. In this regard, socio-economic policy interventions like Resto al Sud can help to create the conditions to optimise individual abilities.

Resto al Sud helped to maintain or re-establish the attractiveness of the regions and municipalities supported by the scheme. Approximately 15% of entrepreneurs returned to their native regions after a period spent elsewhere. Without the incentive, 58% of entrepreneurs who remained in their native region would have transferred to another region. Of those who returned to their native region to launch their business, 46% reported that the opportunities offered by Resto al Sud strongly influenced their decision.

Brain gain

While not one of its primary objectives, the Resto al Sud incentive also promotes gender equality in the regions selected for the scheme. In fact, while the percentage of businesses led by women in Italy and the scheme's target regions is 21.9% and 24.1%* respectively, 40% of new businesses established under Resto al Sud were developed by women.

Gender equality



* Unioncamere, as at 31 March 2021, data of women entrepreneurs at national and regional level.

The impact assessment conducted in partnership with ItaliaCamp provided a snapshot of the tangible and intangible value generated by the Resto al Sud incentive. This value refers to social, economic, intentional, measurable and additional impact.

Resto al Sud can be considered a measure of concrete affirmation of citizens' rights. The interviews showed how the incentive improved the sense of trust and the perception of a State working to respond to the region's needs.

This is confirmed by the fact that 85% of citizens consider the Resto al Sud scheme to be a concrete example of the State working to support the socio-economic development of at-risk regions.

In a nutshell, Resto al Sud operates on various fronts:

- for individual citizens, to protect their right to decent, professionally satisfying and economically sustainable employment that can be freely accessed in their native region;
- for regional economies, where the incentive has a considerable impact because it consolidates the business ecosystem with thousands of new companies with a high survival rate (97%), develops skills and the business culture, and impacts the reference market through support for shrinking sectors and promoting innovative and underdeveloped market areas in regions in the Southern Italy (ICT);
- for the entire economic system: in the sample period, each euro spent on the Resto al Sud scheme returned to the State coffers through cash flow associated with the new businesses or was offset by the reduction in public spending on employment benefits.



The project was launched in 2019 on the Adriatic coast between the provinces of Teramo and Pescara through the combination of Francesco's passion for cycling and Antonio's wish to start a new business. The pair applied for a € 100,000 loan to set up a bike rental company.

In 2020, as their business idea began to take on board ongoing technological innovations in the field (QR codes and micromobility apps), the founders recalibrated their business model to design a scooter sharing scheme which at the time was just taking off in Italy's main cities.

Using the BikeBoom app (currently with around 11,000 downloads), users can locate an e-scooter situated close to their location and activate it using the QR code reader.

At the end of the journey, payment is made using a rechargeable prepaid card.

Today BikeBoom operates in Vasto, Silvi and Roseto, as well as in Pineto and Termoli in the summer. As well as the current app used to manage the sharing process, the business model also provides for a rental portal that matches the demand for e-bikes/scooters expressed by individuals/hotels with the supply offered by bicycle stores and other equipment providers. Furthermore, a series of automated BikeBoom Points are to be installed (the first in Pescara) where customers can book, unblock and return the rental vehicles completely autonomously using QR technology.

Today the company has a turnover of around € 150,000, but given the growing demand and the scalability of the business model, the founders are searching for investors to accelerate its growth.

BIKEBOOM, ENVIRONMENTALLY SUSTAINABLE TRANSPORT





NEXT SCHOOL

SCUOLA PRIMARIA
DI NUOVA GENERAZIONE

The Next School was devised by two parents, Lorenza and Alessandro, who wanted to create a next-generation primary school for their own children and other children in the Municipality of Ragusa. Today, the school is a MIUR-recognised private school. The key feature of the Next School - as well as its bilingual teaching in English and Italian, with 13 hours of English each week taught by native speakers - is its focus on the global development of the child in every aspect: emotional, physical development, moral education, creativity and imagination.

The Next School is founded on three pillars:

- DIDACTICS - Conveying knowledge to children through direct experience, interacting with technology, involving them through their own experiences, using games to study grammar and maths, doing gardening activities, and using the Bortolato Analogical Method to effectively and authentically include children in need;
- CREATIVITY - Art, music and PE lessons to bring out children's passion, talent and imagination;
- VALUES - Valuing the importance of the child, involving them in the various activities and focusing on dignity, self-esteem, happiness and fun.

The school is open from 8:30 am to 4:30 pm from Monday to Friday and also offers a before-and after-school service.

Various extra-curricular activities are also offered:

- sport - horse-riding lessons at the municipal stables, swimming lessons at the municipal pool in the village, athletics thanks to use of the outside area by the school;
- art - art in all its forms, from drawing to music (piano), dance and drama;
- creative writing - fiction workshops, rapid reading techniques, development of mind-maps for more rapid learning.

NEXT SCHOOL: THE NEXT GENERATION SCHOOL

Annex

1. REPORTING BOUNDARY: BREAKDOWN [GRI 102-45]

The Sustainability Report contains the data of the Parent Company and of the Group Companies under its management and coordination. Specifically, the following companies are included in reporting boundary in line with the Consolidated Financial Statements:

- INVITALIA, the national agency for the attraction of investments and enterprise development with the MEF as sole shareholder, which exercises its rights in agreement with the MED, which conducts management and control activities. INVITALIA's registered offices are located at Via Calabria 46, 00187, Rome, with operational offices at Via Pietro Boccanelli 30, 00138 and Viale America No. 201, 00144 (the latter at the offices of the MED).
- INFRATEL ITALIA Spa, 100% controlled by INVITALIA, has its registered offices in Rome, at Viale America 201, 00144 (at the offices of the MED).
- MEDIOCREDITO CENTRALE SPA, 100% controlled by INVITALIA, with offices in Rome, Viale America, 351 - 00144. Please note that, in line with the structure of the Consolidated Financial Statements, data and information relative to Banca Popolare di Bari and Cassa di Risparmio di Orvieto, subsidiaries of Mediocredito Centrale, are not included.
- INVITALIA PARTECIPAZIONI Spa, 100% controlled by INVITALIA, with registered offices in Rome, at Via Calabria, 46 - 00187 and operating offices also in Rome, at Via Pietro Boccanelli, 12/30 - 00138.

2. COMPOSITION OF THE BOD: BREAKDOWN [GRI 405-1]

Composition of the BoD by gender

	SCOPE	BOD	WOMEN	%	MEN	%
2021	Invitalia, Infratel, IP and MCC	Invitalia	2	40	3	60
		Infratel	2	40	3	60
		IP	2	40	3	60
		MCC	2	40	3	60
		TOTAL	8	40	12	60

Composition of the BoD by age

	SCOPE	BOD	< 30	%	BETWEEN 30 AND 50	%	> 50	%
2021	Invitalia, Infratel, IP and MCC	Invitalia	-	-	2	40	3	60
		Infratel	-	-	2	40	3	60
		IP	-	-	-	-	5	100
		MCC	-	-	-	-	5	100
		TOTAL	-	-	4	20	16	80

3. CORRELATION TABLE, ITALIAN LEGISLATIVE DECREE NO. 254/2016 AND GRI

LEGISLATIVE DECREE AREA 254/2016	MATERIAL TOPIC	SCOPE OF MATERIALITY	TYPE OF IMPACT	GRI SPECIFIC STANDARD
SOCIAL TOPICS	Regional redevelopment and enhancement	Group Local communities	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Acceleration of public investments for development	Group	Direct – caused by the Group	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Strengthening the production system	Group	Direct – caused by the Group	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Support for territorial cohesion	Group Local communities	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Creation and safeguarding of jobs	Group Local communities	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Dissemination of entrepreneurial culture	Group	Direct – caused by the Group	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Responsible supply chain management	Group Suppliers	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
PERSONNEL TOPICS	Employee well-being	Group	Direct – caused by the Group	GRI 401: Employment GRI 403: Workplace health and safety GRI 404: Education and training GRI 405: Diversity and equal opportunity
ENVIRONMENTAL TOPICS	Sustainable use of energy resources	Group Environmental stakeholders	Direct – caused by the Group	GRI 302: Energy GRI-303: Water and effluents GRI 305: Emissions GRI 306: Waste GRI 307: Environmental compliance
CORRUPTION PREVENTION	Transparency and integrity	Group	Direct – caused by the Group	GRI 205: Corruption prevention
HUMAN RIGHTS	-	Group	Direct – caused by the Group	GRI 406: Non-discrimination

LEGISLATIVE DECREE AREA 254/2016	MATERIAL TOPIC	SCOPE OF MATERIALITY	TYPE OF IMPACT	GRI SPECIFIC STANDARD
N/A	Strengthening public administration actions	Group Beneficiaries	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Acceleration and control of EU fund usage	Group Beneficiaries Local communities	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Digitalisation	Group Beneficiaries	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]
	Support for business liquidity	Group Beneficiaries Local communities	Direct – caused by the Group Indirect - associated with the Group's business	n.a. [Material topic not covered by GRI Topic-specific Disclosure]

The new GRI standards introduced into the 2021 report are highlighted.

4. RISKS AND POLICIES ENACTED RELATIVE TO THE ISSUES OF LEGISLATIVE DECREE 254/2016

To comply with the requirements of Legislative Decree 254/2016, article 3, paragraph c, in the table below the Group has indicated the risks that may be generated or suffered relative to the 5 areas outlined in the Decree (environmental, social, personnel, human rights, active and passive corruption).

LEGISLATIVE DECREE AREA 254/2016	MATERIAL TOPICS	RISKS GENERATED OR SUFFERED	POLICIES ENACTED
SOCIAL TOPICS	Regional redevelopment and enhancement	- Non-compliance with legislation - Assignment of contracts to companies not appropriate to implement public projects	- Company regulations and internal control systems - Specialist training - Code of Ethics
	Acceleration of public investments for development	- Non-compliance with schedules for the execution of investments	
	Strengthening the production system	- Non-compliance with legislation - Non-compliance with schedules for decision-making and the disbursement of incentives	- CRM system and continuous dialogue with <i>stakeholders</i>
	Support for territorial cohesion		
	Dissemination of entrepreneurial culture	- Poor understanding of recipients' needs	
Responsible supply chain management	- Non-compliance with legislation - Non-compliance with payment deadlines by suppliers - Conduct not in compliance with ethical and sustainability standards	- Company regulations and internal control systems - Code of Ethics accepted by suppliers	

LEGISLATIVE DECREE AREA 254/2016	MATERIAL TOPICS	RISKS GENERATED OR SUFFERED	POLICIES ENACTED
PERSONNEL TOPICS	Employee well-being	<ul style="list-style-type: none"> - Incorrect application of employment law - Non-compliance with health and safety legislation - Incorrect application of HR development and enhancement policies - Risk of disputes and legal proceedings - Risk of possible sanctions - Poor resource management - Poor enhancement of diversity and inclusion - Acts of discrimination 	<ul style="list-style-type: none"> - Company regulations and internal control systems - Certified health and safety management system - Specialist training - Code of Ethics - Organisation, Management and Control Model - Diversity and Inclusion Principles Declaration - Company Welfare Agreement - COVID-19 safety protocols
ENVIRONMENTAL TOPICS	Sustainable use of energy resources	<p><i>Internal activities:</i></p> <ul style="list-style-type: none"> - given the business segment in which the Company operates, environmental risk profiles are not applicable. <p><i>External activities:</i></p> <ul style="list-style-type: none"> - Non-compliance with legislation - Non-compliance with schedules for decision-making and the disbursement of incentives - Poor use of funds available for green investments 	<p><i>Internal activities:</i></p> <ul style="list-style-type: none"> - strategies, initiatives and projects aimed at promoting the responsible use of energy sources and limiting the impact and consumption of its structures <p><i>External activities:</i></p> <ul style="list-style-type: none"> - Company regulations and internal control systems - Specialist training - Code of Ethics
CORRUPTION PREVENTION	Transparency and integrity	<ul style="list-style-type: none"> - Financial losses due to possible sanctions - Reputational damage - Involvement in activities and practices that are unlawful or counter to ethical, environmental or social principles - Potential conflicts of interest - Possibility of being subject to disputes and legal proceedings 	<ul style="list-style-type: none"> - Code of Ethics - Organisation, Management and Control Model - Corruption Prevention and Transparency Plan (updated annually) - Management of Corruption Reports, Irregularities and Offences - Whistleblowing system - Specialist training
HUMAN RIGHTS	-	<p>The Group acts in accordance with the Country's legal system and in compliance with current legislation on the protection and promotion of human rights in line with the obligations undertaken at international level on the support of civil, political, economic, social and cultural rights.</p>	

5. PROCUREMENT: BREAKDOWN BY SUPPLIER CATEGORY AND PAYMENT VALUES [GRI 102-9]

MACRO CATEGORIES	NO. OF SUPPLIERS	% OF TOTAL	ORDER VALUE	% OF TOTAL	PAYMENT VALUE	% OF TOTAL	NO. OF ORDERS
INSURANCE	6	1%	126,220.60	0.37%	-	-	15
COMMUNICATIONS	94	22%	3,113,611.34	9.03%	1,257,484.85	10.88%	196
GENERAL SERVICES	99	24%	1,846,242.81	5.36%	984,062.16	8.51%	184
REAL ESTATE	5	1%	191,388.49	0.56%	116,013.48	1.00%	8
CATERING	11	3%	18,139.22	0.05%	3,797.40	0.03%	14
INFORMATION TECHNOLOGY	78	19%	8,054,068.77	23.37%	2,503,419.34	21.66%	149
ADMINISTRATIVE SERVICES	46	11%	4,565,896.70	13.25%	1,013,978.32	8.77%	56
HR SERVICES	52	12%	12,643,863.85	36.69%	5,151,830.46	44.57%	154
POSTAL SERVICES	5	1%	268,173.75	0.78%	75,782.53	0.66%	5
TRAVEL SERVICES	8	2%	2,690,274.62	7.81%	138,416.07	1.20%	23
SECURITY	9	2%	158,969.20	0.46%	46,729.55	0.40%	12
UTILITIES	5	1%	785,584.25	2.28%	267,832.79	2.32%	7
CONSULTING	-	-	-	-	-	-	-
TOTAL	418	100%	34,462,433.60	100%	11,559,346.95	100%	823

6. THE COMPANY COMMUNITY: IN FIGURES [GRI 102-8; GRI 404-1; GRI 405-1]

	INVITALIA	INFRATEL	IP	MCC	TOTAL
EMPLOYEES AT 31.12.2021	1,818	179	5	383	2,385

Workforce composition by gender

	GENDER		2021	2020
	women	men		
INVITALIA, INFRATEL, IP AND MCC				
			1,187	1,008
			1,198	2,038
			2,385	2,038

Workforce composition by geographical area

COMPANY	2021					2020				
	NORTH	CENTRE	SOUTH	ABROAD	TOTAL	NORTH	CENTRE	SOUTH	ABROAD	TOTAL
INVITALIA	87	889	813	29	1,818	81	791	681	24	1,577
INFRATEL	9	97	69	4	179	7	74	56	3	140
IP	-	3	2	-	5	-	3	2	-	5
MCC	14	257	105	7	383	14	215	80	7	316
TOTAL	110	1,246	989	40	2,385	102	1,083	819	34	2,038
% OF TOTAL	5%	52%	41%	2%	100%	5%	53%	40%	2%	100%

Workforce composition by age

COMPANY	2021				2020			
	< 30	30 - 50	> 50	TOTAL	< 30	30 - 50	> 50	TOTAL
INVITALIA/ INFRATEL	304	1,177	516	1,997	184	1,058	475	1,717
IP	-	1	4	5	-	1	4	5
MCC	62	175	146	383	18	164	134	316
TOTAL	366	1,353	666	2,385	202	1,223	613	2,038
% OF TOTAL	15%	57%	28%	100%	10%	60%	30%	100%

Workforce composition by educational level

EDUCATIONAL QUALIFICATION	2021				2020			
	MCC	INVITALIA, INFRATEL, IP	TOTAL	%	MCC	INVITALIA, INFRATEL, IP	TOTAL	%
POST- GRADUATE	-	258	258	11%	-	231	231	11%
COLLEGE DEGREE + THREE YEAR	283	1,417	1,700	71%	216	1,153	1,369	67%
SUB-TOTAL	283	1,675	1,958	82%	216	1,384	1,600	79%
HIGH AVERAGE / AVERAGE	100	327	427	18%	100	338	438	21%
TOTAL	383	2,002	2,385	100%	316	1,722	2,038	100%

Workforce composition by contract type and gender

CONTRACT TYPE	2021			
	TOTAL	WOMEN	MEN	% FEMALES
TEMPORARY	475	228	247	48%
PERMANENT	1,910	959	951	50%
TOTAL	2,385	1,187	1,198	50%
FULL-TIME	2,285	1,093	1,192	48%
PART-TIME	100	94	6	94%
TOTAL	2,385	1,187	1,198	50%

Workforce composition by contract type and geographical area

CONTRACT TYPE	2021				
	TOTAL	NORTH	CENTRE	SOUTH	ABROAD
TEMPORARY	475	20	216	230	9
PERMANENT	1,910	90	1,030	759	31
TOTAL	2,385	110	1,246	989	40

Recruitment and mobility

ORIGIN	GENDER	INVITALIA	INFRATEL	IP	MCC	TOTAL
OTHER (MARKET)	F	182	18	-	58	258
	M	188	36	-	38	262
TOTAL		370	54	-	96	520

Outbound

DESTINATION	TURNOVER					
	GENDER	INVITALIA	INFRATEL	IP	MCC	TOTAL
MCC	F	-	-	-	-	-
	M	1	-	-	-	1
Total		1	-	-	-	1
OTHER (outside of the perimeter)	F	55	7	-	17	79
	M	73	8	-	12	93
Total		128	15	-	29	172
TOTAL		129	15	-	29	173

Turnover by gender

SCOPE		TURNOVER BY GENDER		WOMEN	MEN	TOTAL
2021	Invitalia, Infratel, IP and MCC	Hires		258	262	520
		% hires		50%	50%	100%
		% hires with respect to total employees at 31-12		11%	11%	22%
		Terminations		79	94	173
		% terminations		46%	54%	100%
		% turnover with respect to total employees at 31-12		3%	4%	7%
2020	Invitalia, Infratel, IP and MCC	Hires		157	163	320
		% hires		49%	51%	100%
		% hires with respect to total employees at 31-12		8%	8%	16%
		Terminations		118	138	256
		% terminations		46%	54%	100%
		% turnover with respect to total employees at 31-12		6%	7%	13%

Turnover by gender (outside the reporting boundary only)

SCOPE		TURNOVER BY GENDER		WOMEN	MEN	TOTAL
2021	Invitalia, Infratel, IP and MCC	Hires		258	262	520
		% hires		50%	50%	100%
		% hires with respect to total employees at 31-12		11%	11%	22%
		Terminations		79	93	172
		% terminations		46%	54%	100%
		% turnover with respect to total employees at 31-12		3%	4%	7%
2020	Invitalia, Infratel, IP and MCC	Hires		156	163	319
		% hires		49%	51%	100%
		% hires with respect to total employees at 31-12		8%	8%	22%
		Terminations		117	138	255
		% terminations		46%	54%	100%
		% turnover with respect to total employees at 31-12		6%	7%	13%

Turnover by geographic area

SCOPE		TURNOVER BY AREA	NORTH	CENTRE	SOUTH	ABROAD	TOTAL
2021	Invitalia, Infratel, IP and MCC	Hires	16	252	243	9	520
		% hires	3%	48%	47%	2%	100%
		% hires with respect to total employees at 31-12	1%	11%	10%	-	22%
		Terminations	8	87	75	3	173
		% terminations	5%	50%	43%	2%	100%
		% turnover with respect to total employees at 31-12	-	4%	3%	-	7%
2020	Invitalia, Infratel, IP and MCC	Hires	17	172	125	6	320
		% hires	5%	54%	39%	2%	100%
		% hires with respect to total employees at 31-12	1%	8%	6%	-	16%
		Terminations	19	110	121	6	256
		% terminations	7%	43%	47%	2%	100%
		% turnover with respect to total employees at 31-12	1%	5%	6%	-	13%

Turnover by age

SCOPE		TURNOVER BY AGE	< 30	30 - 50	> 50	TOTAL
2021	Invitalia, Infratel, IP and MCC	Hires	273	235	12	520
		% hires	53%	45%	2%	100%
		% hires with respect to total employees at 31-12	11%	10%	1%	22%
		Terminations	40	97	36	173
		% terminations	23%	56%	21%	100%
		% turnover with respect to total employees at 31-12	2%	4%	2%	7%
2020	Invitalia, Infratel, IP and MCC	Hires	153	142	25	320
		% hires	48%	44%	8%	100%
		% hires with respect to total employees at 31-12	8%	7%	1%	16%
		Terminations	84	131	41	256
		% terminations	33%	51%	16%	100%
		% turnover with respect to total employees at 31-12	4%	6%	2%	12%

Workforce distribution by category and gender

SCOPE		PROFESSIONAL LEVEL BY GENDER	WOMEN	%	MEN	%	TOTAL	%
2021	Invitalia, Infratel, IP and MCC	Managers	10	-	61	3%	71	3%
		Middle management	179	8%	246	10%	425	18%
		Clerical workers	998	42%	891	37%	1,889	79%
2020	Invitalia, Infratel, IP and MCC	Managers	8	-	60	3%	68	3%
		Middle management	160	8%	241	12%	401	20%
		Clerical workers	840	41%	729	36%	1,569	77%

Workforce distribution by category and age

-	SCOPE	PROFESSIONAL LEVEL BY AGE	< 30	%	30 - 50	%	> 50	%	TOTAL	%
2021	Invitalia, Infratel, IP and MCC	Managers	-	-	9	-	62	3%	71	3%
		Middle management	-	-	163	7%	262	11%	425	18%
		Clerical workers	366	15%	1,181	50%	342	14%	1,889	79%
2021	Invitalia, Infratel, IP and MCC	Managers	-	-	12	1%	56	3%	68	3%
		Middle management	-	-	162	8%	239	12%	401	20%
		Clerical workers	202	10%	1,049	51%	318	16%	1,569	77%

Workforce distribution by category and vulnerable categories (disabilities/protected categories)

	SCOPE	PROFESSIONAL LEVEL	NUMBER OF VULNERABLE RESOURCES	%	TOTAL	%
2021	Invitalia, Infratel, IP and MCC	Managers	-	-	-	-
		Middle management	18	14%	18	1%
		Clerical workers	113	86%	113	5%

7. TRAINING AND ASSESSMENT [GRI 404-1; GRI 404-3]

SCOPE	2021		2020	
	INVITALIA, INFRATEL, IP	MCC	INVITALIA, INFRATEL, IP	MCC
RESOURCES INVOLVED	1,862	383	1,296	376
TOTAL TRAINING HOURS	24,416	5,810	18,236	5,665
AVERAGE HOURS / PERSON	13	15	11	18

Average training hours were calculated as the ratio of training hours to the number of employees involved.

Average hours of training delivered to employees by category

GROUP	RESOURCES INVOLVED	2021		2020		
		TOTAL TRAINING HOURS	AVERAGE HOURS / PERSON	RESOURCES INVOLVED	TOTAL TRAINING HOURS	AVERAGE HOURS / PERSON
MANAGERS	48	213	4	50	350	12.5
MIDDLE MANAGERS	207	2,040	10	327	3,979	20.6
CLERICAL STAFF	1,607	22,163	14	1,295	19,562	35.7

Average hours of training delivered to employees by gender

GROUP	RESOURCES INVOLVED	2021		2020		
		TOTAL TRAINING HOURS	AVERAGE HOURS / PERSON	RESOURCES INVOLVED	TOTAL TRAINING HOURS	AVERAGE HOURS / PERSON
WOMEN	936	12,432	13	819	11,676	27
MEN	926	11,984	13	853	12,215	29

Percentage of employees to have received performance appraisals by category

		2021	
		EVALUATED RESOURCES	% OF TOTAL WORKFORCE
INVITALIA, IP	Middle Managers	203	13%
	Clerical staff	1,382	87%
INFRATEL	Middle Managers	20	15%
	Clerical staff	111	85%
MCC	Middle Managers	171	62%
	Clerical staff	105	38%

Percentage of employees to have received performance appraisals by gender

		2021	
		EVALUATED RESOURCES	%
INVITALIA, IP	Women	825	52%
	Men	760	48%
INFRATEL	Women	57	44%
	Men	74	56%
MCC	Women	128	46%
	Men	148	54%

8. COMMUNICATION AND TRAINING FOR CORRUPTION PREVENTION POLICIES AND PROCEDURES [GRI 205-2]

SCOPE	COURSE/TRAINING TYPE	TOTAL HOURS	RESOURCES INVOLVED	% OF TOTAL RESOURCES INVOLVED
INVITALIA, INFRATEL AND IP	Italian Legislative Decree 231/2001 - Corporate liability regulations	311	89	93%
	Legislative Decree 231/2001 Session - Welcome Training	248	248	61%
MCC	Legislative Decree 231/2001 Session - Risk prevention and governance of offences, only for new employees	90	60	82%
	Whistleblowing, only for new employees	30	61	84%
	Whistleblowing (launched on 21/12/2021)	70	140	34%

As regards Whistleblowing, the Parent Company, Infratel and IP have not adopted any particular training for members of the governance bodies or employees.

9. ACCIDENTS AND ABSENTEEISM RATES [GRI 403-9]

EMPLOYEE WORKPLACE ACCIDENTS	2021		2020	
	INVITALIA, INFRATEL, IP	MCC	INVITALIA, INFRATEL, IP	MCC
Total number of deaths due to workplace injury	-	-	-	-
Total number of serious workplace accidents (excluding deaths)	-	-	-	-
Total number of workplace accidents which can be recorded	9*	3	11	3
Hours worked	3,043,390.77	604,819.00	2,559,610.75	474,600.00
Rate of deaths due to workplace accident	-	-	-	-
Rate of serious workplace accidents (excluding deaths)	-	-	-	-
Rate of workplace accidents which can be recorded	2.96	4.96	4.30	6.32

* The total number of workplace injuries which can be recorded for Invitalia, Infratel and IP does not include the following: 2 occupational illnesses declared in 2021 but relative to previous years, and 1 accident relative to a coordinated and continuous collaboration.

The accident rates calculated based on 1,000,000 hours worked.

10. ENERGY CONSUMPTION, WATER AND EFFLUENTS, WASTE [GRI 302-1; GRI 303-3 AND 303-5; GRI 305-1 AND 305-2; GRI 306 FROM 1 TO 5]

The summary table below provides the details for 2020 and 2021 for the Parent Company and MCC. Infratel is excluded from consumption calculations as it does not have an individual supply contract for gas, electricity or water, as this is included in the rental contract with the MED. IP is located within the same office as the Parent Company and consumption is therefore included within the same supply contract. The offices of MCC do not hold a supply contract for gas. The data reported refer only to the offices in which a Group company is the account holder of a contract for the supply of water, electricity or gas. Specifically, the data refer to the offices on Via Calabria and Via Boccanelli in Rome for the Parent Company, and the head offices on Viale America for MCC, while the regional offices (Naples, Catania, Bari, Milan, Pescara) did not generate energy consumption (net of the relative contract fees) in 2021 due to the relative closures in January 2021.

ENERGY CONSUMPTION INTERNAL TO THE ORGANISATION

	UNIT OF MEASURE	2021			2020		
		INVITALIA, INFRATEL, IP	MCC	TOTAL	INVITALIA, INFRATEL, IP	MCC	TOTAL
ELECTRICITY ACQUIRED	kWh	2,019,592	613,757	2,633,349	1,964,296	603,013	2,567,309
NATURAL GAS	Smc	95,272	-	95,272	112,230	-	112,230

ENERGY CONSUMPTION INTERNAL TO THE ORGANISATION (GJ)

	UNIT OF MEASURE	2021			2020		
		INVITALIA, INFRATEL, IP	MCC	TOTAL	INVITALIA, INFRATEL, IP	MCC	TOTAL
ELECTRICITY ACQUIRED	GJ	7,271	2,210	9,481	7,071	2,171	9,242
NATURAL GAS	GJ	3,267	-	3,361	3,960	-	3,960
TOTAL	GJ	10,538	2,210	12,842	11,031	2,171	13,202

EMISSIONS (SCOPE 1)

DIRECT EMISSIONS OF GREENHOUSE GASES (GHG) - SCOPE 1

	UNIT OF MEASURE	2021			2020		
		INVITALIA, INFRATEL, IP	MCC	TOTAL	INVITALIA, INFRATEL, IP	MCC	TOTAL
NATURAL GAS	tCO ₂ eq	184	-	184	223	-	223

Scope 1: this category includes emissions coming from sources owned or controlled by the organisation.

To calculate emissions, the following sources were used: Ministry of the Environment, Land and Sea, Table of Standard National Parameters, 2021 (UNFCCC National Inventory). In particular, for natural gas the coefficient 56.2212 tCO₂/TJ was used for 2021.

EMISSIONS (SCOPE 2)

	UNIT OF MEASURE	2021			2020		
		INVITALIA, INFRATEL, IP	MCC	TOTAL	INVITALIA, INFRATEL, IP	MCC	TOTAL
LOCATION-BASED	tCO ₂ eq	524.69	159.45	684.14	545	167	713
MARKET-BASED	tCO ₂ eq	926.99	281.71	1,208.71	915	281	1,196

Scope 2: this category includes emissions deriving from consumption of electricity.

To calculate emissions, the following sources were used:

- Location-based: ISPRA (Institute for Environmental Protection and Research) for Italy. In particular, the coefficient 259.8 gCO₂/kWh was used for 2021;

- Market-based: AIB European Residual Mixes. In particular, the coefficient 459 gCO₂/kWh was used for 2021.

Scope 1 and Scope 2 emissions are expressed as tonnes of CO₂ equivalent. However, the percentages for methane (CH₄) and nitrous oxide (N₂O) are considered negligible given that they have a negligible effect on total greenhouse gas emissions, based on reference technical literature.

Water consumption

GRI 303-3	REPORTING REQUIREMENTS	DESCRIPTION	INVITALIA, IP 2021	MCC
GRI 303-3a	Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources	303-3a Total water withdrawals	10.10	4.90
		303-3a-i Surface water	-	-
		303-3a-ii Groundwater	-	-
		303-3a-iii Seawater	-	-
		303-3a-iv Produced water	-	-
		303-3a-v Third-party water	10.10	4.90
GRI 303-3b	Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable	303-3b Not applicable as not located in areas with water stress	-	-
		303-3b-i Surface water	-	-
		303-3b-ii Groundwater	-	-
		303-3b-iii - Seawater	-	-
		303-3b-iv Produced water	-	-
		303-3b-v Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv	-	-
GRI 303-3c	A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3a and 303-3b in megaliters by the following categories	303-3c-i Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	10.10	4.90
		303-3c-ii Other water ($>1,000$ mg/L Total Dissolved Solids)	-	-
GRI 303-3d	Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used	-	-	-
GRI 303-5	REPORTING REQUIREMENTS	DESCRIPTION	INVITALIA, IP 2021	MCC
GRI 303-5a	Total water consumption from all areas in megaliters	Supply from utility provider	10.10	4.90
GRI 303-5b	Total water consumption from all areas with water stress in megaliters	Not applicable as not located in areas with water stress	-	-
GRI 303-5c	Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact	Drinking water storage capacity along the water distribution grid of the utility provider	-	-
GRI 303-5d	Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modelled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors	All volumetric measurements of drinking water are made using certified meters; storage capacity refers to distribution to users; the data collection method complies with the Technical Quality requirements issued by ARERA	-	-

Waste by type and disposal method

EWC (EUROPEAN WASTE CODE)	DESCRIPTION	INVITALIA, IP		
		QUANTITY	H HAZARDOUS	WASTE SENT TO LANDFILL (L) AND RECOVERY (R)
150102006	plastic packaging (polystyrene)	0.080 t		R
150106	Mixed materials packaging	3.450 t		R
200101060	Paper and cardboard (coarse shredding)	0.4 t		R
200307U	Bulky waste	22.050 t		R
160214005	Obsolete appliances	0.360 t		R
160211001	Obsolete appliances containing chlorofluorocarbons, HCFC, HFC - Refrigerators	0.030 t	P	R
160211002	Obsolete appliances containing chlorofluorocarbons, HCFC, HFC - Air conditioning units	0.130 t	P	R
160213	Obsolete appliances containing hazardous components	0.160 t	P	R

Infratel's waste is disposed of by the cleaning firm contracted by the Parent Company which provides the service as part of the general cleaning contract. The only direct control on waste conducted by the service provider is toner disposal, which is covered by a specific contract with the same supplier. In 2021, 320 kg of hazardous waste was produced, all of which was sent to landfill.

In 2021, no direct waste disposal activities were carried out at MCC with the exception of certain types of sanitary waste (face masks and PPE) for a total weight of 28 kg. All other waste was handled by AMA Roma, which does not provide a breakdown in its invoices.

GRI content index

GRI STANDARDS	DISCLOSURE	PAGE NUMBER	NOTES AND OMISSIONS
GRI 101: ACCOUNTING STANDARDS (2016)			
GRI 102: GENERAL DISCLOSURE (2016)			
ORGANISATION PROFILE			
102-1	Name of the organisation	Methodological note	
102-2	Activities, brands, products and services	p. 12-13; Directors' Report on Operations	
102-3	Location of headquarters	p. 9; p. 100	
102-4	Location of operations	p. 9; p. 100	
102-5	Ownership and legal form	Methodological note	
102-6	Markets served	p. 9; p. 12-13; Directors' Report on Operations	
102-8	Information on employees and other workers	p. 37; p. 104-105	
102-9	Supply chain	p. 32-33; p. 104	
STRATEGY			
102-14	Statement from senior decision-maker	Letter to stakeholders	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behaviour	p. 26-27	
102-17	Mechanisms for advice and concerns about ethics	p. 29	
GOVERNANCE			
102-18	Governance structure	p. 11	
102-25	Conflicts of interest	p. 30	
102-35	Remuneration policies	p. 44	
102-36	Process for determining remuneration	p. 44	
STAKEHOLDER INVOLVEMENT			
102-40	List of stakeholder groups	p. 17	
102-41	Collective bargaining agreements	p. 43	
102-42	Identifying and selecting stakeholders	p. 16	
102-43	Approach to stakeholder involvement	p. 16	
ACCOUNTING PRACTICES			
102-45	Entities included in the consolidated financial statements	Methodological note; p. 100	
102-46	Defining report content and topic boundaries	p. 18	
102-47	List of material topics	p. 20-21	
102-49	Changes in reporting	p. 18	
102-50	Reporting period	Methodological note	
102-51	Date of most recent report	The Consolidated Non-Financial Statement was published after an opinion was issued by the independent auditing firm (1 July 2021).	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	Methodological note	
102-54	Claims of reporting in accordance with the GRI Standards	Methodological note	
102-55	GRI content index	p. 113-117	
102-56	External assurance	p. 118-121	

GRI STANDARDS	DISCLOSURE	PAGE NUMBER	NOTES AND OMISSIONS
TOPIC-SPECIFIC STANDARDS			
GRI 200: ECONOMIC SERIES (2016)			
TOPIC: ECONOMIC PERFORMANCE			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	Directors' Report on Operations	
103-2	The management approach and its components	Directors' Report on Operations	
103-3	Evaluation of the management methods	Directors' Report on Operations	
GRI-201: ECONOMIC PERFORMANCE (2016)			
201-1	Direct economic value generated and distributed	p 34	
TOPIC: PREVENTION OF AND FIGHT AGAINST CORRUPTION			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p.19-21; p. 101-102	
103-2	The management approach and its components	p. 28-29; p. 102-103	
103-3	Evaluation of the management methods	p. 28-29; p. 109	
GRI-205: CORRUPTION PREVENTION (2016)			
205-1	Operations assessed for corruption risks	p. 30	
205-2	Communication and training for corruption prevention policies and procedures	p. 109	
205-3	Episodes of corruption ascertained and actions taken	p. 29-30	
TOPIC: TAXES			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 31-32; p. 102-103	
103-3	Evaluation of the management methods	p. 31-32	
GRI-207: TAX (2019)			
207-1	Approach to tax	p. 31-32	
207-2	Tac governance, control and risk management	p. 31-32	
207-3	Stakeholder engagement and management of concerns related to tax	p. 31-32	
GRI 300: ENVIRONMENTAL SERIES (2016)			
TOPIC: SUSTAINABLE USE OF ENERGY RESOURCES			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p.19-21; p. 101-102	
103-2	The management approach and its components	p. 47-49; p. 102-103	
103-3	Evaluation of the management methods	p. 47-49	
GRI-302: ENERGY (2016)			
302-1	Energy consumption within the organisation	p. 47; p.110	
GRI-303: WATER AND EFFLUENTS (2018)			
303-3	Water withdrawal	p. 111	
303-5	Water consumption	p. 47; p.111	

GRI STANDARDS	DISCLOSURE	PAGE NUMBER	NOTES AND OMISSIONS
GRI-305: EMISSIONS (2016)			
305-1	Direct (Scope 1) GHG emissions	p. 110	
305-2	Energy indirect (Scope 2) GHG emissions	p. 110	
GRI-306: WASTE (2020)			
306-1	Waste generation and significant waste-related impacts	p. 112	
306-2	Management of significant waste-related impacts	p. 112	
306-3	Waste generated	p. 112	
306-4	Waste diverted from disposal	p. 112	
306-5	Waste diverted from disposal	p. 112	
GRI-307: ENVIRONMENTAL COMPLIANCE (2016)			
307-1	Non-compliance with environmental laws and regulations		No Group Companies were subject to sanctions for non-compliance with environmental laws and regulations
GRI 400: SOCIAL SERIES (2016)			
TOPIC: EMPLOYEE WELFARE			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 42-43; p. 102-103	
103-3	Evaluation of the management methods	p. 42-43	
GRI-401: EMPLOYMENT (2016)			
401-1	New hires and turnover	p. 106-107	
401-2	Benefits for full-time contracts, not provided to part-time employees or employees with temporary contracts	p. 43	
TOPIC: PROTECTION OF HEALTH AND SAFETY			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 45-46; p. 102-103	
103-3	Evaluation of the management methods	p. 45-46	
GRI-403: OCCUPATIONAL HEALTH AND SAFETY (2018)			
403-1	Occupational health and safety management system	p. 45-46	
403-2	Hazard identification, risk assessment and incident investigation	p. 45-46	
403-3	Occupational health services	p. 45-46	
403-4	Worker participation, consultation and communication on occupational health and safety	p. 45-46	
403-5	Worker training on occupational health and safety	p. 45-46	
403-6	Promotion of worker health	p. 45-46	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 45-46	
403-9	Work-related injuries	p. 109	

GRI STANDARDS	DISCLOSURE	PAGE NUMBER	NOTES AND OMISSIONS
TOPIC: DEVELOPMENT AND ENHANCEMENT OF HUMAN RESOURCES			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 38-39; p. 102-103	
103-3	Evaluation of the management methods	p. 38-39	
GRI-404: TRAINING AND EDUCATION (2016)			
404-1	Average hours of training per year per employee	p. 39; p. 108	
404-3	Percentage of employees receiving regular performance and career development reviews	p. 38; p. 109	
TOPIC: DEVELOPMENT AND ENHANCEMENT OF HUMAN RESOURCES			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 11; p.37; p. 102-103	
103-3	Evaluation of the management methods	p. 11; p. 37	
GRI-405: DIVERSITY AND EQUAL OPPORTUNITY (2016)			
405-1	Diversity of governance bodies and employees	p. 11; p. 37; p. 100; p. 104-105	
TOPIC: NON-DISCRIMINATION			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 37-41; p. 102-103	
103-3	Evaluation of the management methods	p. 37-41	
GRI-406: NON-DISCRIMINATION (2016)			
406-1	Incidents of discrimination and corrective actions taken	During the reporting period no incidents related to discriminatory practices were recorded.	
MATERIAL TOPICS [NOT ASSOCIATED WITH A GRI TOPIC-SPECIFIC STANDARD]			
REGIONAL REDEVELOPMENT AND ENHANCEMENT			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 55-85; p. 102-103	
103-3	Evaluation of the management methods	p. 55-85	
ACCELERATION OF PUBLIC INVESTMENTS FOR DEVELOPMENT			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 55-85; p. 102-103	
103-3	Evaluation of the management methods	p. 55-85	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	

GRI STANDARDS	DISCLOSURE	PAGE NUMBER	NOTES AND OMISSIONS
103-2	The management approach and its components	p. 55-63; p.78-85; p. 102-103	
103-3	Evaluation of the management methods	p. 55-63; p. 78-85	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 64-77; p. 102-103	
103-3	Evaluation of the management methods	p. 64-77	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 64-77; p. 102-103	
103-3	Evaluation of the management methods	p. 64-77	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 55-85; p. 102-103	
103-3	Evaluation of the management methods	p. 55-85	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 55-63; p. 102-103	
103-3	Evaluation of the management methods	p. 55-63	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 64-77; p. 102-103	
103-3	Evaluation of the management methods	p. 64-77	
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GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 64-77; p. 102-103	
103-3	Evaluation of the management methods	p. 64-77	
SUPPORT FOR BUSINESS LIQUIDITY			
GRI-103: MANAGEMENT APPROACH (2016)			
103-1	Explanation of the material topic and its boundary	p. 19-21; p. 101-102	
103-2	The management approach and its components	p. 55-63; p. 102-103	
103-3	Evaluation of the management methods	p. 55-63	

INDEPENDENT AUDITING FIRM REPORT



**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. 20267/2018**

**To the Board of Directors of
Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa 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 Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa S.p.A. (hereinafter "Invitalia") and its subsidiaries (hereinafter "Invitalia Group" or "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on 31st of May 2022 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of European Regulation 2020/852 included in the paragraph "EU 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 with the "Global Reporting Initiative Sustainability Reporting Standards" defined by GRI - Global Reporting Initiative (hereafter also "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.

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 also *“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 Statement of Invitalia Group;

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 Invitalia S.p.A. and Mediocredito Centrale 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, Invitalia S.p.A., Mediocredito Centrale S.p.A, Infratel S.p.A. and Invitalia Partecipazioni 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 Invitalia Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with article 3 and 4 of the Decree and GRI Standards.

Our conclusions on the NFS does not extend to the information required by Article 8 of European Regulation 2020/852 included in the paragraph "EU Taxonomy".

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Milan, Italy
September 2, 2022

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Invitalia Communication and Promotion Project



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INVITALIA
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