

2019 SUSTAINABILITY REPORT

# Fulfil Sustainability

ANNEX - GRI CONTENT INDEX





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## INTRODUCTION TO THE GRI<sup>1</sup> CONTENT INDEX (REPORTING SCOPE)

Various reporting scopes have been drawn based on materiality (real or potential impact considering the material topics and the nature of the companies' business) and control (direct/indirect):

- › Group profile and compliance: Ferrovie dello Stato Italiane S.p.A. (parent) and the consolidated companies (see the 2019 Annual Report, the "Consolidation scope and the group's equity investments" annex);
- › Governance: Ferrovie dello Stato Italiane;
- › Financial data: as per the group's consolidated annual report (see the 2019 Annual Report, the "Consolidation scope and the group's equity investments" annex);
- › Customer data (§ "Putting the needs of people and customers first"): the consolidated companies that provide public services and conduct customer satisfaction surveys:

Sector	Direct subsidiaries	Indirect subsidiaries
<b>Infrastructure</b>	Rete Ferroviaria Italiana S.p.A.	
	Anas S.p.A.	
<b>Railway passenger transport</b>	Trenitalia S.p.A.	TrainOSE SA Netinera group Trenitalia c2c Limited
	Busitalia - Sita Nord Srl	Ataf Gestioni Srl Busitalia Campania S.p.A. Busitalia Veneto S.p.A. Qbuzz BV
<b>Railway freight transport</b>	Mercitalia Logistics S.p.A.	Mercitalia Rail Srl

- › Safety data (§ "Promoting safety"): the companies with responsibility for train traffic safety on the railway network; railway infrastructure contracts; the security of core assets for railway operation; and companies that provide public services:

<sup>1</sup> Global Reporting Initiative

Sector	Direct subsidiaries	Indirect subsidiaries
<b>Infrastructure</b>	Rete Ferroviaria Italiana S.p.A.	
	Anas S.p.A.	
	Italferr <sup>2</sup>	
<b>Railway passenger transport</b>	Trenitalia S.p.A.	TrainOSE SA Netinera group Trenitalia c2c Limited Thello SAS
<b>Road passenger transport</b>	Busitalia - Sita Nord Srl	Ataf Gestioni Srl Busitalia Campania S.p.A. Busitalia Veneto S.p.A. Qbuzz BV
<b>Railway freight transport</b>	Mercitalia Logistics S.p.A.	Mercitalia Rail Srl

- › Workforce data (§ "People and their value"): the workforce data refer to Ferrovie dello Stato Italiane and the consolidated companies (see the 2019 Annual Report, "Consolidation scope and the group's equity investments"). The information about the breakdowns required by the standards used to prepare the sustainability report (e.g., turnover, personnel allocation, remuneration, training, etc.) generally refers to a scope that accounts for approximately 74% of the group's total workforce . The scope of this information includes the parent and:

Sector	Direct subsidiaries	Indirect subsidiaries
<b>Infrastructure</b>	Rete Ferroviaria Italiana S.p.A.	Terminali Italia Srl Grandi Stazioni Rail S.p.A.
	Anas S.p.A.	Cremonesi Workshop
<b>Railway passenger transport</b>	Trenitalia S.p.A.	
<b>Road passenger transport</b>		Busitalia Campania S.p.A. Busitalia Veneto S.p.A. Busitalia Rail Service Srl
<b>Railway freight transport</b>	Mercitalia Logistics S.p.A.	Mercitalia Rail Srl Mercitalia Intermodal S.p.A.
<b>Real Estate Services</b>	FS Sistemi Urbani Srl	
	Grandi Stazioni Immobiliare S.p.A.	
<b>Other Services</b>	Ferservizi S.p.A.	
	Italcertifer S.p.A.	
	Nugo S.p.A.	
	FS Technology	

<sup>2</sup> The data refer to sites for civil and technological contracts in which Italferr is involved as works manager/coordinator during performance and for the contracts for new HS/HC lines awarded to general contractors in which Italferr provides works management and safety oversight. The data also refer to general contracts in which Italferr provides oversight for both works management and safety. The data are indicated in the paragraph on "Sustainable supply chain".

<sup>3</sup> Information that refers to another scope is specifically noted in the paragraph.

- › Environmental data (§ “Environmental sustainability”): the environmental data refer to the parent, the consolidated companies that the parent controls directly (excluding companies that carry out financial activities or that conduct certifications/inspections in the railway transport sector, the impact of which is immaterial) and the consolidated companies that the parent controls indirectly through its subsidiaries, which have more than 100 employees.

Sector	Direct subsidiaries	Indirect subsidiaries
<b>Infrastructure</b>	Rete Ferroviaria Italiana S.p.A.	Terminali Italia Srl Bluferries Srl Blu Jet Srl Grandi Stazioni Rail S.p.A.
	Anas S.p.A.	Gruppo Sitaf
	Italferr S.p.A. <sup>4</sup>	
<b>Railway passenger transport</b>	Trenitalia S.p.A.	TrainOSE SA Netinera group Trenitalia c2c Limited Thello SAS
	Ferrovie del Sud Est e Servizi Automobilistici Srl	
<b>Road passenger transport</b>	Busitalia - Sita Nord Srl	Ataf Gestioni Srl Busitalia Campania S.p.A. Busitalia Veneto S.p.A. Qbuzz BV
<b>Railway freight transport</b>	Mercitalia Logistics S.p.A.	Mercitalia Rail Srl Mercitalia Shunting & Terminal Srl TX Logistik AG
<b>Real Estate Services</b>	FS Sistemi Urbani Srl	
<b>Other Services</b>	Ferservizi S.p.A.	

- › Supplier data (§ “Sustainable supply chain”): the data refer to the external companies with which the group companies included in the environmental scope have direct dealings.















The following is a bridging table between the material issues identified, the related GRI issue and the scope of reporting. For each aspect of the GRI related to the material issues identified, the related current or potential internal and external impacts have been considered.


<sup>4</sup> The environmental impacts of the work sites where Italferr performs oversight are presented separately from the environmental data. This decision was made in order to filter out the annual changes from the effects related to the environmental performance of the sites, which, given their nature, do not present continuous or regular volumes.








Material aspects for FS Italiane Group	Internal scope	External scope	GRI standards and disclosures	Notes
<b>Circular economy</b> (Prevention of soil and water pollution, Waste)	<b>FS Italiane Group</b>	<b>Supply chain</b>	Materials Water and water discharges Effluents and waste Environmental compliance	GRI 301 GRI 303 GRI 306 GRI 307 The impact assessment for the external scope includes work site operations and supplier assessments.
<b>Energy, climate change and air quality</b> (Climate change, Energy, Renewable energy and Air quality)	<b>FS Italiane Group</b>	<b>Supply chain</b>	Energy Emissions	GRI 302 GRI 305 The impact assessment for the external scope includes work site operations and supplier assessments.
<b>Ethics and integrity in the business</b>	<b>FS Italiane Group</b>	<b>Supply chain</b> <b>Country system</b>	Economic performance Anti-corruption Anti-competitive behaviour Public policy Socioeconomic compliance	GRI 201 GRI 205 GRI 206 GRI 415 GRI 419
<b>Responsible value chain</b> (Human rights, Supply chain)	<b>FS Italiane Group</b>	<b>Supply chain</b>	Procurement practices Supplier Environmental Assessment Non-discrimination Freedom of association and collective bargaining Child labour Forced or compulsory labour Human Rights Assessment Supplier Social Assessment	GRI 204 GRI 308 GRI 406 GRI 407 GRI 408 GRI 409 GRI 412 GRI 414
<b>Innovation and digitalisation</b>	<b>FS Italiane Group</b>	<b>Customers</b> <b>Country system</b>	-	-
<b>Sustainable mobility</b>	<b>FS Italiane Group</b>	<b>Customers</b> <b>Country system</b>	Local communities	GRI 413 The impact assessment for the external scope includes work site operations.
<b>IT privacy and security</b>	<b>FS Italiane Group</b>	<b>Group Stakeholders</b>	Security practices Customer privacy	GRI 410 GRI 418
<b>Service quality</b>	<b>FS Italiane Group</b>	<b>Customers</b>	Approach to stakeholder engagement	GRI 102
<b>Safety</b>		<b>Supply chain</b> <b>Customers</b>	Occupational health and safety Customer health and safety	GRI 403 GRI 416 The impact assessment for the supply chain includes work site operations and supplier assessments.
<b>Employee value</b> (well-being, health and safety, workers' rights, employee satisfaction, talent & development)	<b>FS Italiane Group</b> <b>Employees</b>		Employment Labor/Management Relations Occupational health and safety Training and education Diversity and equal opportunity Non-discrimination	GRI 401 GRI 402 GRI 403 GRI 404 GRI 405 GRI 406

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 102: GENERAL DISCLOSURES</b>			
<b>ORGANISATIONAL PROFILE</b>			
102-1	<b>Name of the organisation</b>	Introduction	Ferrovie dello Stato Italiane Group
102-2	<b>Activities, brands, products, and services</b>	Business model - Operating segments and geographical segments Putting the needs of people and customers first - Travel Putting the needs of people and customers first - Integrated logistics	Business model Economic and financial performance of the segments Scenario and focus on the FS Italiane Group - Market performance and focus on the Ferrovie dello Stato Italiane Group
102-3	<b>Location of headquarters</b>		The parent, "Ferrovie dello Stato Italiane" (or "FS S.p.A."), is based at Piazza della Croce Rossa 1, Rome.
102-4	<b>Location of operations</b>	Business model - Operating segments and geographical segments Putting the needs of people and customers first - Travel Putting the needs of people and customers first - Integrated logistics	Economic and financial performance of the segments Scenario and focus on the FS Italiane Group - Market performance and focus on the Ferrovie dello Stato Italiane Group Annexes - Scope of consolidation and the Group's equity investments
102-5	<b>Ownership and legal form</b>	Business model - Operating segments and geographical segments Business transparency and responsibility - Corporate governance	The parent, Ferrovie dello Stato Italiane S.p.A., is a company limited by shares. At 31 december 2019, the parent's share capital is entirely held by the Italian Ministry of the Economy and Finance.
102-6	<b>Markets served</b>	Business model - Operating segments and geographical segments Putting the needs of people and customers first - Travel Putting the needs of people and customers first - Integrated logistics	Economic and financial performance of the segments Scenario and focus on the FS Italiane Group - Market performance and focus on the Ferrovie dello Stato Italiane Group Annexes - Scope of consolidation and the Group's equity investments
102-7	<b>Scale of the organisation</b>	Business model - Operating segments and geographical segments 2019 highlights Putting the needs of people and customers first - Travel Putting the needs of people and customers first - Integrated logistics 2019 Annual Report ("The Group's financial position and performance")	The Group in short Business model Economic and financial performance of the segments Scenario and focus on the FS Italiane Group - Market performance and focus on the Ferrovie dello Stato Italiane Group Commitment to sustainable development – Human capital
102-8	<b>Information on employees and other workers</b>	People and their value People and their value - Recruitment and HR management People and their value - Welfare and diversity & inclusion Performance indicators	Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Performance indicators Employees carry out the Group's significant activities There were no material changes in the workforce in 2019.
102-9	<b>Supply chain</b>	Sustainable supply chain – Our suppliers	Commitment to sustainable development – Sustainable supply chain

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
102-10 <b>Significant changes to the organisation and its supply chain</b>	 Business model - Operating segments and geographical segments	 Economic and financial performance of the segments Scenario and focus on the FS Italiane Group - Market performance and focus on the Ferrovie dello Stato Italiane Group	In 2019, there were no significant changes to the organisation or supply chain.
102-11 <b>Precautionary principle or approach</b>	 Environmental sustainability - Sustainable infrastructure Business transparency and responsibility - Business integrity Business transparency and responsibility - Corporate governance	 Commitment to sustainable development – Approach, commitments and policies Report on corporate governance and ownership structure – The internal control and risk management system	The Group applies the precautionary principle in the assessment and management of economic, environmental and social risks.
102-12 <b>External initiatives</b>	 Introduction Business transparency and responsibility - Corporate governance Business transparency and responsibility - Business integrity Sustainable supply chain – Our suppliers	 Commitment to sustainable development – Approach, commitments and policies Commitment to sustainable development – Sustainable supply chain	
102-13 <b>Membership of associations</b>	 Commitment for current and future generations - Stakeholder engagement Sustainable supply chain – Responsible management and value creation	 Dialogue with stakeholders	
<b>STRATEGY</b>			
102-14 <b>Statement from senior decision-maker</b>	 Letter to the stakeholders Our agenda for the future of transport Business transparency and responsibility - Corporate governance	 Chairman's letter Commitment to sustainable development – Approach, commitments and policies	
102-15 <b>Key impacts, risks and opportunities</b>	 Our agenda for the future of transport Business transparency and responsibility - Corporate governance Environmental sustainability Sustainable supply chain Integrated management of risks and opportunities 2019 Annual Report ("Risk factors")	 Risk factors 2019 Sustainability Report - Our agenda for the future of transport 2019 Sustainability Report - Business transparency and responsibility - Corporate governance 2019 Sustainability Report - Environmental sustainability 2019 Sustainability Report - Sustainable supply chain 2019 Sustainability Report - Integrated management of risks and opportunities	
<b>ETHICS AND INTEGRITY</b>			
102-16 <b>Values, principles, standards, and norms of behaviour</b>	 Business transparency and responsibility - Corporate governance Sustainable supply chain	 Report on corporate governance and ownership structure – Additional corporate governance information Commitment to sustainable development – Approach, commitments and policies Commitment to sustainable development – Sustainable supply chain	<a href="https://www.fsitaliane.it/content/fsitaliane/en/fs-group/governance/code-of-ethics.html">https://www.fsitaliane.it/content/fsitaliane/en/fs-group/governance/code-of-ethics.html</a>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>102-17 <b>Mechanisms for advice and concerns about ethics</b> </p>			<p>Under the Group's Code of Ethics, which was updated in February 2018, employees may report information about incidents that they, in good faith, believe are potentially illegal, irregular or, in any case, in violation of the Code of Ethics to their company's Ethics Committee.</p> <p>The confidentiality and honour of the whistleblower and the reported parties are guaranteed. Furthermore, the Group has a zero tolerance policy for any retaliation against whistleblowers.</p> <p>To implement Law no. 179/20171, with Group organisational measure no. 34/AD of 24 September 2019, FS Italiane S.p.A. issued the procedure for the management of whistleblower reports, which governs the receipt, analysis and handling of reports sent or forwarded by anyone about illegal or irregular events and conduct in violation of the law or internal regulations, including the Organisational, management and control model pursuant to Legislative decree no. 179/20171, the ABC system or the Group's Code of Ethics, with respect to the operations and organisation of FS S.p.A. and/or its subsidiaries.</p> <p>Reports may be sent, even anonymously, to FS S.p.A.'s Ethics Committee and/or its Supervisory Body pursuant to Legislative decree no. 231/2001 by post, e-mail or fax. Another means of transmission is currently being set which will use cyber technology to protect the whistleblower's identity and maintain adequate information security.</p> <p>The procedure for the management of whistleblower reports ensures that whistleblowers will face no direct or indirect disciplinary measures, retaliation or discrimination for reasons directly or indirectly related to the report with effects on the terms of the whistleblower's relationship with the parent or its subsidiaries.</p> <p>Furthermore, the confidentiality of the whistleblower, the reported party and anyone else involved is protected in accordance with applicable regulations.</p> <p>Similarly, the privacy of reported people and anyone involved in the report is protected in the event that the claims prove to be unfounded and are fraudulent or negligent.</p> <p>When a report is received via the specific channels, the Ethics Committee and/or the Supervisory Body conduct a preliminary check and, where the conditions have been met, begin the initial process with the support of the Central Audit Department.</p> <p>Whistleblower reports regarding one or more Group companies are sent to the relevant bodies of the company concerned for their assessments.</p> <p>The Ethics Committee and the Supervisory Body periodically report on whistleblower reports to senior management and the control bodies.</p> <p>In 2019, FS S.p.A.'s Ethics Committee handled 84 reports, 32 of which referred to previous years and 52 of which were received in 2019.</p> <p>In 2019, FS S.p.A.'s Supervisory Body handled six reports, two of which referred to previous years and four of which were received in 2019.</p>

<sup>1</sup> Law no. 179 of 30 November 2017 containing "Provisions for the protection of whistleblowers of crimes or irregularities of which they learned through their employment in the public or private sector" (i.e., the Whistleblowing law) established whistleblowing rules for the private sector, thereby amending Legislative decree no. 231/2001 on the administrative liability of entities.


GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GOVERNANCE</b>			
102-18	<b>Governance structure</b>	 Business transparency and responsibility - Corporate governance	Report on corporate governance and ownership structure  2019 Sustainability Report - Business transparency and responsibility - Corporate governance
102-19	<b>Delegating authority</b>	 Business transparency and responsibility - Corporate governance	<p>Within FS S.p.A.'s organisational structure, the CEO and general director assign - through registered notarised proxies - permanent power of representation to the Central Directors so they may carry out their organisational duties (each Central Director may, in turn, assign proxies to the heads of the units in their area). Furthermore, the CEO may assign proxies for the performance of individual deals through ad hoc powers-of-attorney as deemed most appropriate (notarised proxies or other types of power-of-attorney) depending on the content and deal to be carried out. If an individual deal is not covered by the CEO's powers, assignment of a proxy requires prior approval from the Board of Directors.</p>
102-20	<b>Executive-level responsibility for economic, environmental, and social topics</b>		<p>Ferrovie dello Stato Italiane S.p.A. directs and coordinates the Group operating companies' policies and business strategies. It also ensures governance processes made up of departments to define strategic lines and promote consensus on decisions. Specifically, in collaboration with the relevant company and Group units, the Central Strategies, Planning, Innovation and Sustainability Department is responsible for defining policies and strategies to promote the integration of sustainability policies in the businesses. The Central Strategies, Planning, Innovation and Sustainability Department is also responsible for developing and maintaining the sustainability governance model and preparing the Sustainability Report.</p> <p>The Central External Communication Department is responsible for cultural and social initiatives, in collaboration with the Central Strategies, Planning, Innovation and Systems Department</p> <p>FS S.p.A. manages institutional affairs with the government, considered in the broadest sense (central government, ministries, regions and public administrations in general).</p>
102-21	<b>Consulting stakeholders on economic, environmental, and social topics</b>	 Commitment for current and future generations - Stakeholder engagement	

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>102-22</p> <p><b>Composition of the highest governance body and its committees</b></p>	<p>Business transparency and responsibility - Corporate governance</p> <p>2019 Annual Report (Report on corporate governance and ownership structure)</p> <p>✓</p>	<p>Report on corporate governance and ownership structure</p> <p>✓</p>	<p>The Board of Directors is responsible for managing the parent and carrying out all operations necessary to achieve the business object.</p> <p>The chairman has been given specific powers for external and institutional affairs in collaboration with the CEO and the coordination of internal audit activities;</p> <p>The CEO and general director have all the powers to manage the company, except for those assigned to the chairman and those that the BoD exclusively retained. The CEO also ensures that the organisational and accounting system is consistent with the nature and size of the business.</p> <p>In the reporting period (2019), FS S.p.A.'s Board of Directors consisted of seven directors: the chairman (a man), a CEO (a man) with extensive management delegations, and five non-executive and independent directors (three women and two men).</p> <p>The members of FS S.p.A.'s Board of Directors held a total of four other offices in group bodies between 1 January and 31 December 2019. They held a total of 30 other offices and other types of commitments outside the Group between 1 January and 31 December 2019, three of which entailed corporate positions in companies, while the remaining 4 mainly consisted of positions/commitments with universities, academic organisations, trade associations, non-profits and local organisations.</p> <p>There are no minority owners or groups of owners.</p>
<p>102-23</p> <p><b>Chair of the highest governance body</b></p>	<p>✓</p>		<p>Pursuant to article 12.3 of the by-laws, the BoD gave the chairman specific powers for external and institutional affairs in collaboration with the CEO and the coordination of internal audit activities, within the limits of article 12 of the Italian Civil Code.; The chairman and CEO have separate powers of representation of FS S.p.A. pursuant to article 3 of the by-laws.</p>
<p>102-24</p> <p><b>Nominating and selecting the highest governance body</b></p>	<p>Business transparency and responsibility - Corporate governance</p> <p>2019 Annual Report ("Report on corporate governance and ownership structure - Board of Directors of FS S.p.A.")</p> <p>✓</p>	<p>Report on corporate governance and ownership structure - Board of Directors of FS S.p.A</p> <p>✓</p>	

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>102-25</p> <p><b>Conflicts of interest</b></p>	<p>✔ Business transparency and responsibility - Corporate governance</p>		<p>Directors' interests are subject to the provisions of article 2391 of the Italian Civil code and the rules in the Group's Code of Ethics. <a href="https://www.fsitaliane.it/content/fsitaliane/en/fs-group/governance/code-of-ethics.html">https://www.fsitaliane.it/content/fsitaliane/en/fs-group/governance/code-of-ethics.html</a></p> <p>FS S.p.A.'s Board of Directors applies the Code of Conduct for Listed Companies (specifically article 3/principles, application criteria and comments) to assess the independence of its non-executive members.</p>
<p>102-26</p> <p><b>Role of highest governance body in setting purpose, values, and strategy</b></p>	<p>✔ Business transparency and responsibility - Corporate governance</p>		
<p>102-27</p> <p><b>Collective knowledge of highest governance body</b></p>	<p>✔ Business transparency and responsibility - Corporate governance</p>		<p>Reference is made to the by-laws or the legislation that directly applies to the parent with respect to the measures adopted to ensure that the highest governance body is aware of economic, environmental and social issues (e.g., reports from the CEO on the exercise of powers in the performance of duties, Group activities and atypical or unusual transactions; prior information from the CEO on all transactions that are financially strategic and/or significant; periodic reporting on the implementation of the business plan; periodic reporting, at least half yearly, by the board's committees).</p>
<p>102-28</p> <p><b>Evaluating the highest governance body's performance</b></p>	<p>✔ Business transparency and responsibility - Corporate governance</p>		<p>The Audit, Risk Control and Corporate Governance Committee's regulations require that the committee express opinions to the BoD about the latter's composition and recommends professionals that it believes would make suitable members of the BoD.</p>
<p>102-29</p> <p><b>Identifying and managing economic, environmental, and social impacts</b></p>	<p>✔ Business transparency and responsibility - Corporate governance</p>		<p>Members of the Board of Directors and the Sustainability Committee were also involved in the definition and assessment of the Group's materiality matrix.</p> <p>The projects with a significant impact on business performance are submitted to the Board of Directors for an analysis of the risks and opportunities.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>102-30</p> <p><b>Effectiveness of risk management processes</b></p>	<p>✔ Business transparency and responsibility - Business integrity</p>		<p>With the prior approval of the Audit, Risk Control and Corporate Governance Committee, FS S.p.A.'s Board of Directors:</p> <ul style="list-style-type: none"> <li>› defines the internal control and risk management system guidelines for the identification, measurement, management and monitoring of main risks;</li> <li>› determines the degree to which these risks are compatible with business management in line with the strategic goals and sets the company's financial risk appetite;</li> <li>› evaluates, at least once a year, that the internal control and risk management system is adequate considering the business characteristics and risk profile, and that the system is efficient;</li> <li>› approves, at least once a year, the work plan prepared by the head of the Internal Audit Department, after consulting the Board of Statutory Auditors;</li> <li>› assesses, after consulting the Board of Statutory Auditors, the results as described by the independent auditors in the management letter, if any, and the report on the key audit matters that arose during the statutory audit.</li> </ul>
<p>102-31</p> <p><b>Review of economic, environmental, and social topics</b></p>	<p>✔</p>		<p>The Internal Audit, Risk Control and Corporate Governance Committee reports at least twice a year on its activities and on the adequacy of the internal control and risk management system;</p> <p>Furthermore, the Sustainability Committee meets up periodically during the year as needed and when asked to do so by the CEO and general director of FS S.p.A., who acts as Chairperson.</p>
<p>102-32</p> <p><b>Highest governance body's role in sustainability reporting</b></p>	<p>✔</p>		<p>The Board of Directors approved the Sustainability Report.</p>



GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
102-33	<b>Communicating critical concerns</b>		<p>The head of the Internal Audit Department is responsible for reporting any critical issues to the highest governance body. Accordingly, the head of the Internal Audit Department periodically reports on the progress of operational activities carried out and indicates any findings requiring immediate attention. The head of the parent's Internal Audit Department promptly informs the BoD chairman, CEO, the chairman of FS S.p.A.'s Board of Statutory Auditors and for issues regarding the parent, the chairman of FS S.p.A.'s BoD, about serious findings regarding irregularities and fraudulent acts.</p> <p>Reporting to the highest governance body is also carried out by the Supervisory Body pursuant to Legislative decree no. 231/2001 and FS S.p.A.'s Ethics Committee.</p> <p>Similar flows of information are handled by the heads of the Internal Audit Departments with regard to the management and control and supervisory bodies of the companies, in addition to by the Supervisory Body pursuant to Legislative decree no 231/2001 and the Ethics Committees to the highest governance body of the respective companies.</p> <p>Furthermore, the Internal Audit Departments maintain flows of information with the main company structures involved in internal control and risk management systems<sup>1</sup>, in compliance with the internal regulatory framework and to support the skills assessments of each company.</p> <p>Senior management of the main consolidated subsidiaries must communicate the results of the assessments carried out by the Internal Audit departments, from which acts, facts, omissions or other serious circumstances emerge, which could amount to violations of legislation or regulations by management of the companies or their subsidiaries (CEO, Chairperson, BoD, Board of Statutory Auditors) to the chairperson and CEO of FS S.p.A.<sup>2</sup>.</p>

<sup>1</sup> Such as Human Resources and Organisation, the Risk Manager, the Manager in charge of financial reporting and the legal advisor.

<sup>2</sup> Providing information to the head of the Internal Audit department and Audit Committee, where present, of the subsidiary.


















GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>102-34 <b>Nature and total number of critical concerns</b> ✓</p>			<p>In performing the 2019 audit activities, the parent's Internal Audit Department discovered 140 critical concerns, following which the respective management identified corrective action plans, indicated the employee(s)/manager(s) responsible for the execution thereof and the timeframe for their completion. The critical concerns emerged and the implementation status of the action plans are included in the periodic reports by the Internal Audit Department of FS S.p.A. written for the highest governance body.</p> <p>The internal audit findings show the effective status of the design and operation of the internal control and risk management system, in relation to the real or potential effects and are classified in relation to the materiality of the impact on the internal control and risk management system.</p> <p>Over 60% of the corrective actions identified for the critical concerns had been completed by year end.</p> <p>In 2019, FS S.p.A.'s Supervisory Body pursuant to Legislative decree no. 231/2001 did not note any instances of assessed violations of the Organisational model or incidents that resulted in the need to promptly inform, in accordance with the model, the board of directors for the necessary decisions.</p> <p>In its periodic reports to the highest governance body, the Supervisory Body reported on the results of the two preliminary processes it performed on the reports that it had received, for which management identified improvement action plans. Over 50% of these improvement actions were completed by year end. Furthermore, on 8 January 2020, the preliminary process was completed for another report received in 2019, and the Supervisory Body will report on it in its 2019 Annual Report.</p>
<p>102-35 <b>Remuneration policies</b> ✓</p>	<p>People and their value - Recruitment and HR management</p> <p>2019 Annual Report (Report on corporate governance and ownership - Board of Directors of FS S.p.A. - Directors' remuneration)</p>		
<p>102-36 <b>Process for determining remuneration</b> ✓</p>	<p>People and their value - Recruitment and HR management</p> <p>2019 Annual Report (Report on corporate governance and ownership - Board of Directors of FS S.p.A. - Directors' remuneration)</p>		
<p>102-37 <b>Stakeholders' involvement in remuneration</b> ✓</p>			<p>To date, no stakeholder involvement mechanism is in place with respect to remuneration policies.</p>

















GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
102-38 <b>Annual total compensation ratio</b>	✓		The ratio of the annual compensation of the highest-paid individual compared to the median annual compensation of all employees is 17.77.
102-39 <b>Percentage increase in annual total compensation ratio</b>	✓		The percentage increase in the annual remuneration of the highest-paid individual compared to the previous year was 144% considering 2019 remuneration compared to that in 2018. However, the percentage increase is 0% considering that, from September 2018 (when the CEO was appointed) to date, the compensation of the Group's CEO did not change. The percentage increase in the median remuneration of all other personnel compared to the previous year was 0.77%.
<b>STAKEHOLDER ENGAGEMENT</b>			
102-40 <b>List of stakeholder groups</b>	✓	Commitment for current and future generations - Stakeholder engagement	✓ Dialogue with stakeholders
102-41 <b>Collective bargaining agreements</b>	✓	People and their value - Recruitment and HR management	✓ Commitment to sustainable development – Human capital
102-42 <b>Identifying and selecting stakeholders</b>	✓	Commitment for current and future generations - Stakeholder engagement	✓ Dialogue with stakeholders The criteria used to identify stakeholders are as follows: responsibility, dependence, materiality, influence, degree of interest/ impact/knowledge.
102-43 <b>Approach to stakeholder engagement</b>	✓	Commitment for current and future generations - Stakeholder engagement Putting the needs of people and customers first - Travel Putting the needs of people and customers first - Integrated logistics	✓ Dialogue with stakeholders 2019 Sustainability Report - Commitment for current and future generations - Stakeholder engagement
102-44 <b>Key topics and concerns raised</b>	✓	Commitment for current and future generations - Stakeholder engagement Putting the needs of people and customers first - Travel and Integrated logistics	✓ Dialogue with stakeholders Commitment to sustainable development – Travel experience 2019 Sustainability Report - Commitment for current and future generations - Stakeholder engagement
<b>REPORTING PRACTICE</b>			
102-45 <b>Entities included in the consolidated financial statements</b>	✓	Introduction 2019 Annual Report ("Annexes-Scope of consolidation and the Group's equity investments")	✓ Annexes - Scope of consolidation and the Group's equity investments
102-46 <b>Defining report content and topic boundaries</b>	✓	Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
102-47 <b>List of material topics</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	
102-48 <b>Restatements of information</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	Any restatements/reclassifications are individually indicated in this document.
102-49 <b>Changes in reporting</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	Any restatements/reclassifications are individually indicated in this document.
102-50 <b>Reporting period</b>	✓	✓	2019.
102-51 <b>Date of most recent report</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	
102-52 <b>Reporting cycle</b>	✓	✓	Sustainability reports are annual.
102-53 <b>Contact point for questions regarding the report</b>	✓	✓	Email: <a href="mailto:rapportostenibilita@fsitaliane.it">rapportostenibilita@fsitaliane.it</a>
102-54 <b>Claims of reporting in accordance with the GRI Standards</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	
102-55 <b>GRI content index</b>	✓	✓	GRI content index (available online).
102-56 <b>External assurance</b>	✓	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	The report is also subject to a limited assurance engagement in accordance with the criteria indicated by ISAE 3000 (Revised) by KPMG S.p.A as auditor of Ferrovie dello Stato Italiane Group's consolidated financial statements.
<b>GRI 103: MANAGEMENT APPROACH</b>			
103-1 <b>Explanation of the material topic and its boundary</b>	✓ Introduction	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes	GRI content index (available online)
103-2 <b>The management approach and its components</b>	✓ Business transparency and responsibility - Corporate governance Business transparency and responsibility - Business integrity Environmental sustainability Putting the needs of people and customers first Sustainable supply chain People and their value Relationships with communities Company highlights - the environment	✓ Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes ✓ Commitment to sustainable development: > Approach, commitments and policies > Environmental sustainability > Travel experience > Sustainable supply chain > Human capital > Commitment to the community	

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>103-3</p> <p><b>Evaluation of the management approach</b></p>	<p>Business transparency and responsibility - Corporate governance</p> <p>Business transparency and responsibility - Business integrity</p> <p>✓ Environmental sustainability</p> <p>Putting the needs of people and customers first</p> <p>Sustainable supply chain</p> <p>People and their value</p> <p>Relationships with communities</p>	<p>Directors' report and non-financial information – Consolidated non-financial statement pursuant to Legislative decree no. 254 of 30 December 2016 - Methodological notes</p> <p>✓ Commitment to sustainable development:</p> <ul style="list-style-type: none"> <li>➤ Approach, commitments and policies</li> <li>➤ Environmental sustainability</li> <li>➤ Travel experience</li> <li>➤ Sustainable supply chain</li> <li>➤ Human capital</li> <li>➤ Commitment to the community</li> </ul>	
<b>GRI 200: ECONOMIC TOPICS</b>			
<b>GRI 201: ECONOMIC PERFORMANCE</b>			
<p>201-1</p> <p><b>Direct economic value generated and distributed</b></p>	<p>Commitment for current and future generations - Value creation for stakeholders</p> <p>Performance indicators</p>		
<p>201-2</p> <p><b>Financial implications and other risks and opportunities due to climate change</b></p>	<p>Integrated management of risks and opportunities</p> <p>2019 Annual Report ("Risk factors")</p>	<p>✓ Risk factors</p> <p>2019 Sustainability Report - Integrated management of risks and opportunities</p>	<p>Group management has started the process to assess the possible financial implications of climate change.</p>
<p>201-3</p> <p><b>Defined benefit plan obligations and other retirement plans</b></p>	<p>People and their value - Recruitment and HR management</p> <p>2019 Annual Report ("Notes to the consolidated financial statements - Post-employment benefits and other employee benefits")</p>		
<p>201-4</p> <p><b>Financial assistance received from government</b></p>	<p>✓ Performance indicators</p>		
<b>GRI 203: INDIRECT ECONOMIC IMPACTS</b>			
<p>203-1</p> <p><b>Infrastructure investments and services supported</b></p>	<p>Contributing to the development of infrastructure and transport</p> <p>✓ Environmental sustainability - Sustainable infrastructure</p>		
<p>203-2</p> <p><b>Significant indirect economic impacts</b></p>	<p>Contributing to the development of infrastructure and transport</p> <p>✓ Commitment for current and future generations - Value creation for stakeholders</p> <p>Environmental sustainability - Sustainable infrastructure</p>		
<b>GRI 204: PROCUREMENT PRACTICES</b>			
<p>204-1</p> <p><b>Proportion of spending on local suppliers</b></p>	<p>✓ Sustainable supply chain – Our suppliers</p>	<p>✓ Commitment to sustainable development - Sustainable supply chain</p>	













GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 205: ANTI-CORRUPTION</b>			
<p>205-1</p> <p><b>Operations assessed for risks related to corruption</b></p>	<p>✓ Business transparency and responsibility - Business integrity</p>		<p>The Group's senior management and all levels of Group management support the Unified Anti-corruption Framework and its correct functioning, to spread, at all levels of the organisation, a culture of prevention, promoting a positive approach to risk analysis and controls as tools to manage and develop the business and safeguard company assets, especially through predictions/preliminary processes to reinforce the scope of prevention.</p> <p>The framework reflects a process-based approach and is meant to identify, assess, manage and monitor corruption risks over time, considering the context in which each company operates, its business model and organisation. The prevention measures are defined and implemented based on the circumstances and their risk level, which also dictates the priority of action.</p> <p>These activities are carried out in a structured manner and in compliance with the principle of traceable, involving senior management.</p> <p>A risk assessment was performed in 2019 for the updating of the 231 Model. Following the results of the 231 risk assessment, a document was prepared with an anti-bribery &amp; corruption focus for crimes against the public administration pursuant to Title II, Chapters I and II of the Italian Criminal Code, as well as additional instances of corruption with private parties as per Book V, Title IX, Chapter IV of the Italian Civil Code.</p> <p>The ABC unit acquired this document in order to enhance the ABC system. Moreover a specific reporting flow from the Risk Management/CRO (Chief Risk Officer) on the main risks with a potential anti-corruption impact.</p> <p>In particular, the risk assessment led to the identification of:</p> <ul style="list-style-type: none"> <li>› 20 sensitive activities considered to be at risk of crimes of corruption against the public administration;</li> <li>› 18 sensitive activities considered to be at risk of crimes of corruption between private parties and soliciting bribes between private parties.</li> </ul>
<p>205-2</p> <p><b>Communication and training about anti-corruption policies and procedures</b></p>	<p>✓ Business transparency and responsibility - Business integrity Performance indicators</p>	<p>✓ Report on corporate governance and ownership structure Annex to the 2019 Sustainability Report - Performance indicators</p>	
<p>205-3</p> <p><b>Confirmed incidents of corruption and actions taken</b></p>	<p>✓ Business transparency and responsibility - Business integrity</p>		<p>There were four instances of disciplinary action (dismissal) taken in relation to incidents of corruption in 2019.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOUR</b>			
206-1	<b>Legal actions for anti-competitive behaviour, anti-trust and monopoly practices</b>  2019 Annual Report ("Transport Authority ("ART") regulations" and "Other information")	 Scenario and Focus on FS Italiane Group - Transport Authority ("ART") regulations Other information	<p>In the performance of their work, all employees and directors of the Group companies scrupulously follow the restrictions of anti-trust legislation and carefully comply with the Anti-trust Compliance Manual and the Anti-trust Code of Conduct, an operating handbook that summarises the main rules of conduct to be followed in the event that one of the following circumstances arises or must be dealt with: (i) a possible initiative in violation of anti-trust legislation; (ii) inspections by an anti-trust authority; and (iii) management of a public procedure as contractor.</p>
<b>GRI 300: ENVIRONMENTAL</b>			
<b>GRI 301: MATERIALS</b>			
301-1	<b>Materials used by weight or volume</b>  Performance indicators	 Annex to the 2019 Sustainability Report - Performance indicators	
301-2	<b>Recycled input materials used</b>  Performance indicators		
<b>GRI 302: ENERGY</b>			
302-1	<b>Energy consumption within the organisation</b>  Performance indicators Company highlights - the environment	 Environmental sustainability – Energy and emissions Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	
302-2	<b>Energy consumption outside the organisation</b>  Performance indicators		
302-3	<b>Energy intensity</b>  Environmental sustainability – Energy and emissions Performance indicators		
302-4	<b>Reduction of energy consumption</b>  Company highlights - the environment		
302-5	<b>Reduction in energy requirements of products and services</b>  Environmental sustainability – Energy and emissions Company highlights - the environment		<a href="https://www.fsitaliane.it/content/fsitaliane/it/investor-relations/debito-e-credit-rating/green-bond-framework.html">https://www.fsitaliane.it/content/fsitaliane/it/investor-relations/debito-e-credit-rating/green-bond-framework.html</a>
<b>GRI 303: WATER AND EFFLUENTS (2018)</b>			
303-1	<b>Interaction with water as a shared resource</b>  Environmental sustainability – Other impacts Performance indicators Company highlights - the environment	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	<p>There were no significant withdrawals of water from sources in protected areas, i.e., there were no withdrawals of water exceeding 5% of total water volumes.</p>
303-2	<b>Management of water discharge related impacts</b>  Environmental sustainability – Other impacts Performance indicators	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	
303-3	<b>Water withdrawal</b>  Environmental sustainability – Other impacts Performance indicators	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	









GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
303-4	<b>Water discharge</b>  Performance indicators	 Annex to the 2019 Sustainability Report - Performance indicators	There are water discharges at the work site for the Giovi third pass that have, or are highly likely to have, a material impact on water bodies and water habitats or the ecosystem of which they are part. These water discharges have been authorised either with a unified environmental authorisation or with a CIPE (Interministerial economic planning committee) resolution no. 80/2006 and activities were carried out in compliance with the requirements established in the authorisation.
303-5	<b>Water consumption</b>  Performance indicators	 Annex to the 2019 Sustainability Report - Performance indicators	
<b>GRI 305: EMISSIONS</b>			
305-1	<b>Direct GHG emissions (Scope 1)</b>  Environmental sustainability – Energy and emissions Performance indicators	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	
305-2	<b>Energy indirect GHG emissions (Scope 2)</b>  Environmental sustainability – Energy and emissions Performance indicators	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	
305-3	<b>Other indirect GHG emissions (Scope 3)</b>  Performance indicators		
305-4	<b>GHG emissions intensity</b>  Environmental sustainability – Energy and emissions Performance indicators		
305-5	<b>Reduction of GHG emissions</b>  Environmental sustainability – Energy and emissions Company highlights - the environment		
305-6	<b>Emissions of ozone-depleting substances (ODS)</b> 		Other immaterial emissions consisted of SF <sub>6</sub> , which is used as a dielectric in high voltage switches at the electric substations, and HFC, which is used as a cooling gas in the air conditioning systems. Only a small number of air conditioning systems use HCFC and they are continuously being reduced: any ozone-depleting gas leaks have been estimated and are not material for the purposes of this report.
305-7	<b>Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), and other significant air emissions</b>  Environmental sustainability – Energy and emissions Performance indicators		
<b>GRI 306: EFFLUENTS AND WASTE</b>			
306-1	<b>Water discharges by quality and destination</b>  Performance indicators		Reference should be made to the 303-4 indicator for the 306-1 disclosure because the Group has adopted the new 303 standard.
306-2	<b>Waste by type and disposal method</b>  Environmental sustainability – Other impacts Performance indicators	 Commitment to sustainable development - Environmental sustainability Annex to the 2019 Sustainability Report - Performance indicators	



GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
306-3	<b>Significant spills</b> ✓		There were small accidental diesel spills in 2019, which were immediately dealt with and resolved without any contamination of environmental matrices.
306-4	<b>Transport of hazardous waste</b> ✓	Performance indicators	The Group does not import or treat hazardous waste; it only transports it. Furthermore, the attached tables indicate waste transported in Italy. The rest is transported in accordance with the Basel Convention.
306-5	<b>Water bodies affected by water discharges and/or runoff</b> ✓		Reference should be made to the 303-4 indicator for the 306-5 disclosure because the Group has adopted the new 303 standard.
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>			
307-1	<b>Non-compliance with environmental laws and regulations</b> ✓		✓ In 2019, no significant administrative sanctions or legal fines were imposed for violation of environmental regulations or laws.
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT</b>			
308-1	<b>New suppliers that were screened using environmental criteria</b> ✓	Performance indicators	✓ Performance indicators
308-2	<b>Negative environmental impacts in the supply chain and actions taken</b> ✓	Sustainable supply chain – Responsible management and value creation	✓ Commitment to sustainable development - Sustainable supply chain  In 2019, there were no significant negative events caused by real or potential environmental impacts related to the Group's supply chain.
<b>GRI 400: SOCIAL</b>			
<b>GRI 401: EMPLOYMENT</b>			
401-1	<b>New employee hires and employee turnover</b> ✓	People and their value People and their value - Recruitment and HR management Performance indicators	✓ Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Performance indicators  The following formula was used to calculate employee turnover: [(incoming + outgoing)/average number of employees ]*100. To calculate employee turnover by age bracket, a more detailed disclosure than that required by the standard was used, as it is considered more meaningful.
401-2	<b>Benefits provided to full-time employees that are not provided to temporary or part-time employees</b> ✓	People and their value - Recruitment and HR management	The indicator is not applicable as the Group provides open-ended contracts to 94.8% of its workforce. Roughly 1.2% of open-ended contracts are part time and around 10.6% are apprentices. There are no differences in the benefits received by part-time or full-time employees.
401-3	<b>Parental leave</b> ✓	People and their value - Labour/management relations	All employees may take parental leave. There were 26 exceptions in which the employees left at the end or during the term of parental leave (18 resignations, seven dismissals and one death). 99.2% of the employees who took parental leave in 2018 were still in service 12 months later.

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 402: LABOUR/MANAGEMENT RELATIONS</b>			
402-1	<b>Minimum notice periods regarding operational changes</b>  People and their value - Labour/management relations	 2019 Sustainability Report - People and their value - Labour/management relations	
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)</b>			
403-1	<b>Occupational health and safety management system</b>  Company highlights - the environment	 Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Company highlights - the environment	
403-2	<b>Hazard identification, risk assessment, and incident investigation</b>  Company highlights - the environment	 Annex to the 2019 Sustainability Report - Company highlights - the environment	<p>The employers identified within each Group company are responsible for preparing the risk assessment document required by Legislative decree no. 81/08, which contains an assessment of all risks and the necessary actions to minimise them. It is an essential part of the occupational safety management systems that the Group companies have implemented and which they use to provide workers with the tools needed to report and manage any dangerous situations and to define corrective actions following any incidents for the continuous improvement of the system.</p>
403-3	<b>Occupational health services</b>  People and their value – Health and safety Performance indicators	 2019 Sustainability Report - People and their value – Health and safety Annex to the 2019 Sustainability Report - Performance indicators	
403-4	<b>Worker participation, consultation, and communication on occupational health and safety</b> 		<p>The Group has formal agreements in place with the trade unions protecting health and safety, to promote projects that foster a culture of safety and prevention among workers by constantly updating employee training and through the introduction of new equipment and new technologies.</p>
403-5	<b>Worker training on occupational health and safety</b> 		<p>In 2019, the main courses on occupational health and safety included:</p> <ul style="list-style-type: none"> <li>› training and refresher courses on occupational health and safety (general and specific) for workers and managers (e-learning and classroom lessons);</li> <li>› training and refresher courses for the fire prevention and first aid team;</li> <li>› e-learning on the health and safety of workers who work from home;</li> <li>› earthquake risk training;</li> <li>› training on behavioural safety for new hires and the main job training to reinforce a culture of safety;</li> <li>› specific risk prevention training.</li> </ul>








GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>403-6 <b>Promotion of worker health</b></p>	<p>✔</p>	<p>✔</p>	<ul style="list-style-type: none"> <li>› The Group held its first safety day in October, coinciding with the European Week for Safety and Health at Work to highlight its commitment to safety, engage all personnel and raise their awareness of prevention issues. The safety days events included presenting results, new projects, ideas for improvements and awarding an artistic prize to personnel who have promoted safe conduct, in order to engage all personnel, boost confidence in the shared commitment to prevention and promote healthy lifestyles.</li> <li>› A professional community focused on safety was formed to best convey and highlight all the companies' activities and initiatives.</li> <li>› Communications/news following the Group occupational safety policies in Group measure no. 275 of 22 October 2019.</li> <li>› News about Group performance.</li> <li>› News about the main health and safety issues.</li> </ul>
<p>403-7 <b>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</b></p>	<p>✔</p>	<p>✔</p>	<p>This indicator is not applicable since the Group has control over both workers and the workplace</p>
<p>403-8 <b>Workers covered by an occupational health and safety management system</b></p>	<p>✔ Performance indicators</p>		
<p>403-9 <b>Work-related injuries</b></p>	<p>✔ People and their value – Health and safety Sustainable supply chain – Site management and oversight</p>	<p>✔ Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Performance indicators</p>	<p>All data refer to INAIL statistics which, to calculate the days lost due to injury, consider that compensation is paid for all calendar days from the third day of absence. INAIL's severity rate does not provide for a breakdown of data by gender.</p> <p>The information reported does not fully cover the indicator for Anas.</p> <p>The employers identified within each Group company are responsible for preparing the risk assessment document required by Legislative decree no. 81/08, which contains an assessment of all risks and the necessary actions to minimise them. It is an essential part of the occupational safety management systems that the Group companies have implemented and which they use to provide workers with the tools needed to report and manage any dangerous situations and to define corrective actions following any incidents for the continuous improvement of the system.</p> <p>The other information required by the standard (403-9a and 403-9b) is not currently available for lack of the necessary data. An in-depth analysis is currently under way to structure a data collection process in the medium to long term.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers	
403-10	<b>Work-related ill health</b>	 People and their value – Health and safety	<p>In 2018, the last year of available data, the frequency of occupational diseases reported (frequency of occupational diseases reported/average workforce*1000) was 2.81 (scope: RFI, Trenitalia, Italferr, Ferservizi, FS, Italcertifer and FS Sistemi Urbani, Mercitalia Logistics, Mercitalia Rail and Busitalia Sita Nord), slightly down on 2017 when the frequency was 2.9 and on 2016 when it was 3.1. Disease prevention measures include an important scheme of regular health check-ups by group doctors in accordance with the occupational health and safety and train traffic safety legislation.</p>	
<b>GRI 404: TRAINING AND EDUCATION</b>				
404-1	<b>Average hours of training per year per employee</b>	 People and their value – Encouraging and developing skills Performance indicators	<p>The data on the hours of training per year are in man-days (an average of 7.60 hours per day).</p>	
404-2	<b>Programs for upgrading employee skills and transition assistance programs</b>	 People and their value – Recruitment and HR management People and their value – Encouraging and developing skills		
404-3	<b>Percentage of employees receiving regular performance and career development reviews</b>	 People and their value – Encouraging and developing skills Performance indicators	 Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Performance indicators	
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES</b>				
405-1	<b>Diversity of governance bodies and employees</b>	 Business transparency and responsibility - Corporate governance People and their value People and their value – Recruitment and HR management People and their value – Welfare and diversity & inclusion Performance indicators 2019 Annual Report (Report on corporate governance and ownership - Board of Directors of FS S.p.A. - Composition and appointment)	 Commitment to sustainable development – Human capital Annex to the 2019 Sustainability Report - Performance indicators Report on corporate governance and ownership - Board of Directors of FS S.p.A. - Composition and appointment	<p>The Group is compliant with current regulations regarding protected groups of people. A more detailed breakdown of employees by age bracket than that required by the standard was used as it is considered more meaningful.</p>
405-2	<b>Ratio of basic salary and remuneration of women to men</b>	 People and their value – Recruitment and HR management		

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 406: NON-DISCRIMINATION</b>			
406-1 <b>Incidents of discrimination and corrective actions taken</b>	✔	✔	During the year, there were no incidents of discrimination (related to race, nationality, political opinions, religion, gender, age, ability, sexual orientation and personal or social conditions) involving internal and/or external stakeholders.
<b>GRI 407: FREEDOM OF ASSOCIATION AND BARGAINING</b>			
407-1 <b>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</b>	✔	✔	<p>There are no risks to the freedom of association and bargaining within FS Italiane Group. The Group has established a system of relationships with the trade unions based on information and bargaining at various national and local levels with trade union representatives (national and local offices, unit representatives and company representatives). In addition, FS Italiane Group applies all inter-confederation agreements, including those on trade union representation.</p> <p>All group contracts require the full acceptance of the Code of Ethics. There are no suppliers or activities in which the right to freedom of association and collective bargaining is exposed to significant risk.</p>
<b>GRI 408: CHILD LABOUR</b>			
408-1 <b>Operations and suppliers at significant risk for incidents of child labour</b>	✔	✔	All group contracts require the full acceptance of the Code of Ethics. There are no suppliers or activities with significant risk of child labour.
<b>GRI 409: FORCED OR COMPULSORY LABOUR</b>			
409-1 <b>Operations and suppliers at significant risk for incidents of forced or compulsory labour</b>	✔	✔	All group contracts require the full acceptance of the Code of Ethics. There are no suppliers or activities with significant risk of forced labour.
<b>GRI 410: SAFETY PRACTICES</b>			
410-1 <b>Security personnel trained in human rights policies or procedures</b>	✔		<p>No specific training is provided about human rights. Any action in this respect may be included in training on prevention promoting the health of employees and, hence, referring to occupational safety training.</p> <p>The group also joined the UN's Global Compact ("GC") network, undertaking to comply with the 10 human rights, labour, environmental and anti-corruption principles and include them in its business. These principles integrate and reinforce the group principles previously established in the group's Code of Ethics (which guides the group in relationships with stakeholders), the 231 model and the anti-corruption policy and anti-bribery and corruption management system guidelines.</p> <p>In particular, with respect to human rights, by signing the Global Compact, the group has formally undertaken to:</p> <ul style="list-style-type: none"> <li>› uphold and comply with international human rights provisions;</li> <li>› ensure that it is not complicit in human rights abuses.</li> </ul> <p>On 16 April 2019, FS S.p.A.'s board of directors approved the group's sustainability policy based on the SDGs and the principles of the UN Global Compact.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES</b>			
411-1	<b>Incidents of violations involving rights of indigenous peoples</b>	✔	<p>There were no violations of the rights of indigenous people.</p> <p>The group also joined the UN's Global Compact ("GC") network, undertaking to comply with the 10 human rights, labour, environmental and anti-corruption principles and include them in its business. These principles integrate and reinforce the group principles previously established in the group's Code of Ethics (which guides the group in relationships with stakeholders), the 231 model and the anti-corruption policy and anti-bribery and corruption management system guidelines.</p> <p>In particular, with respect to human rights, by signing the Global Compact, the group has formally undertaken to:</p> <ul style="list-style-type: none"> <li>➤ uphold and comply with international human rights provisions;</li> <li>➤ ensure that it is not complicit in human rights abuses.</li> </ul> <p>On 16 April 2019, FS S.p.A.'s board of directors approved the group's sustainability policy based on the SDGs and the principles of the UN Global Compact.</p>
<b>GRI 412: HUMAN RIGHTS ASSESSMENT</b>			
412-1	<b>Operations that have been subject to human rights reviews or impact assessments</b>	✔	<p>To date, no human rights assessments have been conducted.</p>
412-2	<b>Employee training on human rights policies or procedures</b>	✔	<p>No specific training is provided in relation to human rights.</p> <p>The group also joined the UN's Global Compact ("GC") network, undertaking to comply with the 10 human rights, labour, environmental and anti-corruption principles and include them in its business. These principles integrate and reinforce the group principles previously established in the group's Code of Ethics (which guides the group in relationships with stakeholders), the 231 model and the anti-corruption policy and anti-bribery and corruption management system guidelines.</p> <p>In particular, with respect to human rights, by signing the Global Compact, the group has formally undertaken to:</p> <ul style="list-style-type: none"> <li>➤ uphold and comply with international human rights provisions;</li> <li>➤ ensure that it is not complicit in human rights abuses.</li> </ul> <p>On 16 April 2019, FS S.p.A.'s board of directors approved the group's sustainability policy based on the SDGs and the principles of the UN Global Compact.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<p>412-3</p> <p><b>Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</b></p>	<p>✓</p>	<p>✓</p>	<p>FS Italiane Group makes its purchases in accordance with EU Directives, as implemented by the Public Procurement Code, and its own "Regulation for Negotiations with group companies".</p> <p>Suppliers are vetted on the basis of assessments relating to quality, price and other corporate pre-requisites (the supplier's location and nationality are not part of the vetting criteria).</p> <p>The standard contractual clauses include requirements that the contractor must comply with:</p> <ul style="list-style-type: none"> <li>› labour and social security laws, with the application of national labour agreements;</li> <li>› occupational safety and hygiene obligations;</li> <li>› the standards in the "group Code of Ethics".</li> </ul> <p>To date, no agreements and/or contracts have been formalised with the inclusion of specific human rights clauses or that are subject to the evaluation of the effective implementation of human rights protection policies</p> <p>The group joined the UN's Global Compact network ("GC"), undertaking to comply with the 10 human rights, labour environmental and anti-corruption principles and integrate them in its business</p> <p>On 16 April 2019, FS S.p.A.'s board of directors approved the group's sustainability policy based on the SDGs and the principles of the UN Global Compact.</p>
<b>GRI 413: LOCAL COMMUNITIES</b>			
<p>413-1</p> <p><b>Operations with local community engagement, impact assessments, and development programs</b></p>	<p>✓</p> <p>Commitment for current and future generations - Stakeholder engagement</p> <p>Environmental sustainability - Sustainable infrastructure</p>		
<p>413-2</p> <p><b>Operations with significant actual and potential negative impacts on local communities</b></p>	<p>✓</p> <p>Environmental sustainability - Sustainable infrastructure</p>		
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT</b>			
<p>414-1</p> <p><b>New suppliers that were screened using social criteria</b></p>	<p>✓</p> <p>Performance indicators</p>	<p>✓</p> <p>Performance indicators</p>	<p>All group contracts require the full acceptance of the Code of Ethics.</p>
<p>414-2</p> <p><b>Negative social impacts in the supply chain and actions taken</b></p>	<p>✓</p> <p>Sustainable supply chain – Responsible management and value creation</p>		<p>In 2019, there were no significant negative events caused by real or potential impacts related to employment policies concerning the group's supply chain.</p>

GRI indicators	Sustainability Report	Consolidated non-financial statement (pursuant to Legislative decree no. 254/16)	Comments/direct answers
<b>GRI 415: PUBLIC POLICY</b>			
415-1	<b>Political contributions</b> 		<p>The group does not provide direct or indirect contributions, in any form, to political parties, movements, committees and political and trade unions organisations or their representatives, except for those due to specific regulations.</p> <p>Relationships with political parties, movements, committees and political and trade unions organisations are managed exclusively by formally designated company departments (article 5.5 of the group's Code of Ethics).</p>
<b>GRI 416: CUSTOMER HEALTH AND SAFETY</b>			
416-1	<b>Assessment of the health and safety impacts of product and service categories</b> 	Putting the needs of people and customers first - Promoting safety 	Travel safety Annex to the 2019 Sustainability Report - Performance indicators
416-2	<b>Incidents of non-compliance concerning the health and safety impacts of products and services</b> 	Putting the needs of people and customers first - Promoting safety	
<b>GRI 418: CUSTOMER PRIVACY</b>			
418-1	<b>Substantiated complaints concerning breaches of customer privacy and losses of customer data</b> 		<p>In 2019, there were three data breaches within the scope customer privacy and losses of customer data:</p> <ul style="list-style-type: none"> <li>➤ two breaches involved mass emails relating to certain train delays due to infrastructure faults, in which the customers' email addresses were accidentally shown;</li> <li>➤ one cyber attack attempting to obtain the data of Cartafreccia customers who had received a promotional message.</li> </ul> <p>In addition, 10 reports were received from customers in 2019, mainly regarding:</p> <ul style="list-style-type: none"> <li>➤ mass emails relating to certain train delays due to infrastructure faults, in which the customers' email addresses were accidentally shown;</li> <li>➤ attempts to steal data for Cartafreccia registration.</li> </ul> <p>Furthermore, there were another three data breaches involving the data of job candidates, employees or suppliers, and not customer data.</p>



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<b>GRI 419: SOCIOECONOMIC COMPLIANCE</b>			
<p>419-1</p> <p><b>Non-compliance with laws and regulations in the social and economic area</b></p>	<p>Putting the needs of people and customers first - Travel and Integrated logistics</p> <p>Integrated logistics</p> <p>✓ Performance indicators</p> <p>2019 Annual Report ("Transport Authority ("ART") regulations" and "Other information")</p>	<p>✓ Scenario and Focus on FS Italiane Group - Transport Authority ("ART") regulations</p> <p>Other information</p>	<p>The most material types of disputes in 2019, with regard to potential costs, for the main group companies are detailed below:</p> <ul style="list-style-type: none"> <li>› claims for promotions;</li> <li>› claims for subordinated employment contracts against companies for alleged violation of current labour legislation prohibiting the interposition of labour;</li> <li>› joint obligation;</li> <li>› conversion of fixed-term employment and/or by journey contracts in the shipping sector into open-ended contracts.</li> <li>› asbestos;</li> <li>› dispute regarding the recalculation of post-employment benefits;</li> <li>› dispute regarding Level 2 contracts;</li> <li>› dispute regarding employment of former station managers;</li> <li>› dispute regarding the rest period pursuant to Regulation (EC) no. 561/2006;</li> <li>› dispute regarding the remuneration of holidays.</li> </ul>



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