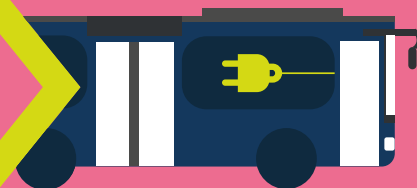


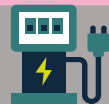
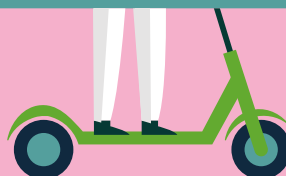
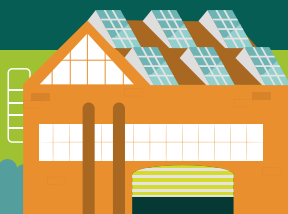
2021 SUSTAINABILITY REPORT EXECUTIVE SUMMARY



SUSTAIN



MOVEMENT



SUSTAIN MOVEMENT

2021
SUSTAINABILITY REPORT
EXECUTIVE SUMMARY

The background is a vibrant teal color with a pattern of white icons representing various elements of a sustainable city: people walking, a person on a scooter, a person on a bicycle, a person in a wheelchair, a dog, a car, a house, a park bench, trees, a fountain, a wind turbine, a solar panel, a train, a bus, a car with a charging symbol, a clock, a Wi-Fi symbol, a playground, and a building with solar panels. The text is centered in the upper left quadrant.

OFFERING AN **INTEGRATED, SUSTAINABLE MOBILITY** ECOSYSTEM THAT GUARANTEES **PROSPERITY, QUALITY OF LIFE** IN HARMONY WITH **NATURE**, BUILDING TRANSPORT WORKS AND SERVICES THAT CREATE LONG-LASTING, WIDESPREAD VALUE.

THESE ARE THE ESSENCE OF
THE FS ITALIANE GROUP'S
IDEA OF SUSTAINABILITY

SUSTAIN MOVEMENT



WE ARE GOING THROUGH A HISTORICAL PERIOD OF DEEP CHANGES AT A POLITICAL, ECONOMICAL AND SOCIAL LEVEL. SUCH COMPLEX TIMES GIVE US THE CHANCE TO CREATE NEW CONNECTIONS.

It is in FS Group's nature to follow movement in all of its forms, from integrated mobility of people and goods, to the ability to renew, design and create infrastructures that can outlast time and the regular structural changes that the company has been putting into action year after year, for over a century.

We ensure, for our passengers, safe spaces and services that meet their needs, providing our staff with the tools needed to continuously improve their work.

We aim at reducing distances in the cities, with modern interconnection and logistics solutions.

We strive to be the backbone of society, and to draw a virtuous path, characterised by dynamism, prosperity and sustainability.

THE FS GROUP SUSTAIN



THE FS GROUP MOVEMENT



| | |
|---------------------------------------|----|
| Our Vision 2031 | 6 |
| Our 2022-2031 Business Plan | 8 |
| The Business Model | 12 |
| How We Work | 14 |
| Towards the future | 16 |
| The FS Group | 18 |
| Our Governance | 20 |
| Our Investments | 22 |
| Innovation and Sustainable Finance | 24 |
| FS History | 28 |
| People of the FS Group | 30 |
| The customers | 32 |
| The community | 34 |
| Let's rethink mobility for the planet | 36 |
| Energy and emissions | 38 |
| Other environmental impacts | 40 |
| Responsible purchases | 42 |
| Sustainable infrastructures | 44 |
| FS in movement | 46 |



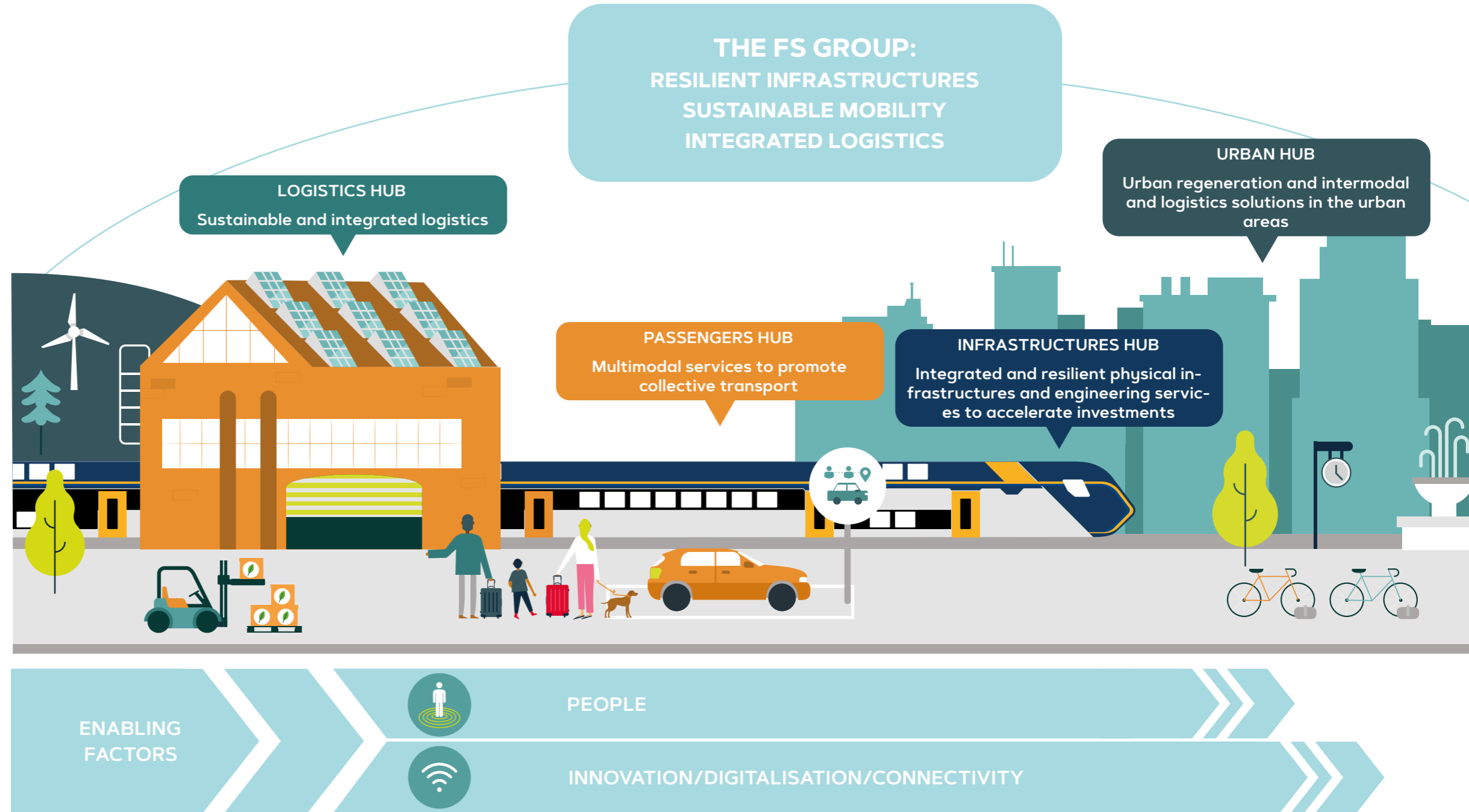
OUR VISION 2031

ONLY THROUGH A CLEAR AND WELL DEFINED VISION, MADE OF CONCRETE AND ACHIEVABLE OBJECTIVES, WE CAN MOVE TOWARDS A BETTER AND SUSTAINABLE FUTURE WITH VIRTUOUS CONNECTIONS.

The world is constantly changing: we are witnessing a technological evolution in the transport and infrastructure sector; the awareness of belonging to an environment that needs to be protected and respected is getting stronger and stronger within the social fabric and the company; the drive for digitalization has been rapidly advancing; the world of work is shaping to become more flexible and to manage complexity.

We aim to be the driving force of this change, by developing resilient infrastructures, sustainable mobility and integrated logistics.

We, as the FS Group, work at a national and international level, to support the society's movement towards the future, to keep up with the current changes.



OUR 2022-2031 BUSINESS PLAN

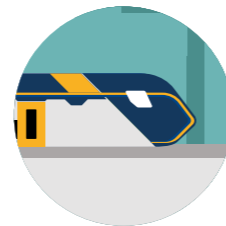
WE WANT TO SUPPORT THE COUNTRY AND TO RELIEVE IT FROM COMPLEXITY AND UNCERTAINTY. TO DO SO, WE HAVE LAID DOWN THE FOUNDATIONS OF A TRANSFORMATION PROCESS THAT MAKES IT POSSIBLE TO SEIZE NEW OPPORTUNITES, TO FACE THE MOST CRITICAL SITUATIONS AND TO MAKE OUR VISION OF THE FUTURE GLOWING PRESENT.

We have set a concrete and fully achievable goal: to enable a system of resilient infrastructures, of sustainable mobility and integrated logistics by 2031. Through investments, improvement of the quality of the services and promotion of sustainable solutions, we aim at transitioning to a new type of business, focused on creating value.

All this requires a change of paradigm, a clear transformation of the Group's organisation.

We have identified four business hubs which, through a change management process, will take us towards a new business logic.

>> THE BUSINESS HUBS



INFRASTRUCTURES HUB

hub for resilient and integrated physical infrastructures, and engineering services to accelerate investments, including using adequate support policies for the industry, creating a rail-road synergy to facilitate both passengers and freight's modal shift



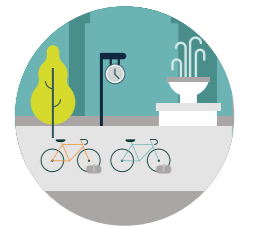
PASSENGERS HUB

multi-modal customised hub for passengers (daily commute, corporate and leisure) focused on creating value and on the quality of the service that we offer



LOGISTICS HUB

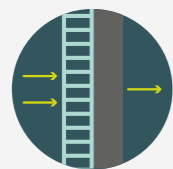
hub for sustainable and integrated logistics services, including an intermodal transport operator of European significance to increase the rail network usage percentage, by coordinating terminals and offering products for sustainable freight transports



URBAN HUB

urban regeneration and intermodal logistics solutions for the first and last mile, in urban areas

>> PIVOTAL FACTORS



making investments in national rail and roads infrastructures



recovery and growth of the volume of pre-Covid traffic (passengers and freight)



renewed focus on our core business with special attention to the quality of the services provided



promotion of more and more sustainable mobility and logistics services



development of large scale systems aimed at producing energy from renewable sources



enabling synergy between different means of transport with an intermodal viewpoint

SUSTAIN

CIVILIZATION AROSE THANKS TO THE HUMAN ABILITY OF CREATING CONNECTIONS BETWEEN PEOPLE, SOCIETIES AND NATIONS, WITH THE SURROUNDING ENVIRONMENT. IT IS A FUNDAMENTAL NEED, WHICH IS BEING CHALLENGED BY THE CURRENT CHANGES. WE NEED TO FIND NEW FORMS OF SUSTAINABLE INTERCONNECTIONS, REMODEL OUR URBAN SPACES WITH DIGITAL TECHNOLOGY AND CUTTING-EDGE INTERMODAL AND LOGISTICS SOLUTIONS.

We, the FS Group, can be the life and soul of this process of change: we want to connect people using sustainable solutions, to contribute to a new vision of business and to move together with our country towards a future of prosperity.



12.5
billion Invested
in 2021



1,240
collaborations
with start-ups and SMEs
between 2018 and 2021



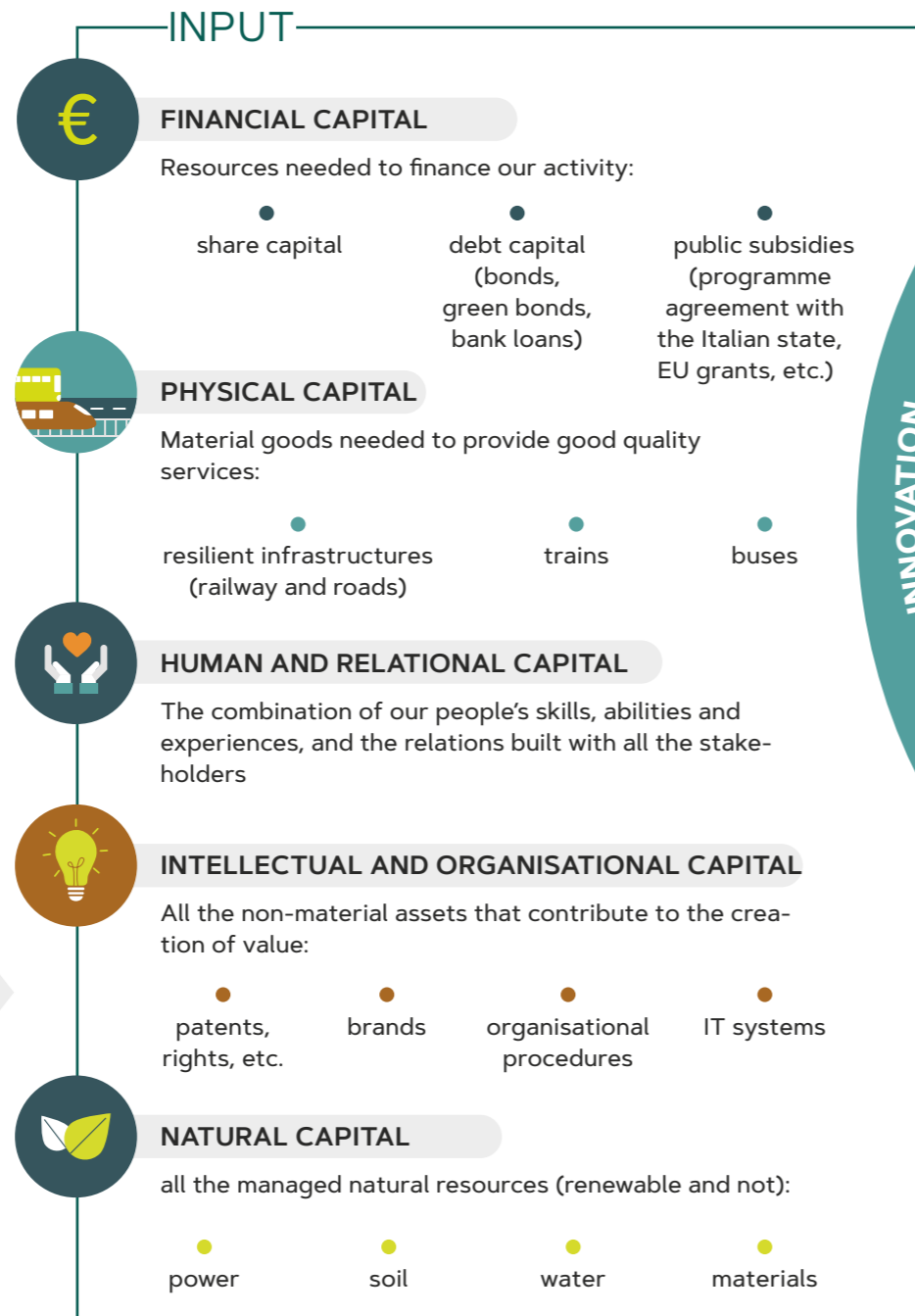
2.65
billion from Green Bonds
to purchase rolling stock
in the past three years



THE BUSINESS MODEL

12,537 MILLION EURO INVESTED, 10,444 MILLION EURO OF ECONOMIC VALUE DISTRIBUTED AND 12,328 MILLION EURO OF ECONOMIC VALUE DIRECTLY GENERATED: THESE ARE THE NUMBERS THAT SHOW HOW MUCH THE FS GROUP CONTRIBUTES TO THE COUNTRY'S GROWTH THANKS TO A CONSOLIDATED AND SUCCESSFUL BUSINESS MODEL.

HOW WE OPERATE



1) Services offered without commercial restrictions and without any government grants
 2) Public transport services offered at the request of the government or regions under service contracts, whereby the transport companies receive considerations in exchange for meeting agreed requirements in terms of the frequency of service, fares, service levels and stops

HOW WE WORK

TO ADVOCATE FOR A NATIONAL AND INTERNATIONAL GROWTH PATH IT IS FUNDAMENTAL TO UNDERSTAND THE STAKEHOLDERS' NEEDS AND EXPECTATIONS.

As we did in 2020, our priorities have been identified with a bottom-up approach, starting from the analysis of the information collected by the main subsidiaries and through the involvement of employees and citizens.

>> WHO DO WE WORK WITH



>> OUR PRIORITIES

INCLUSION, ENHANCEMENT AND DEVELOPMENT OF PEOPLE

To strengthen a culture of non-discrimination and respect promoting diversity and equal opportunities

Positive work environment

Professional enhancement and meritocracy

Guaranteeing employees' well-being and work/life balance

CIRCULAR ECONOMY AND RESPONSIBLE PURCHASES

Implementing circular economy businesses

Integrating environmental and social preferability criteria in our purchase procedures and in our suppliers' selection processes.

Efficient use and enhancement of materials

Preventing, re-using, recycling waste originated by the activity of the Group

MITIGATION OF CLIMATE CHANGE

Reducing energy consumption and greenhouse gasses (CO₂, ozone, methane, etc.)

Implementing highly efficient technology

Promoting renewable sources

INNOVATION, DIGITALISATION AND CYBER SECURITY

Promoting innovation

Digitalisation to make processes, operations and services more efficient

Making sure that infrastructures and services are reliable to guarantee an environment that protects from possible cyber-attacks the integrity and the privacy of all the company and its stakeholders' data

VALUE FOR CUSTOMERS

Relationship of trust with our customer

Multi-modal mobility services, for both passengers and goods, with increasingly higher quality

Improving the integration of public and soft mobility (train, city and suburban transport, bicycles)

Guaranteeing accessibility and usability to persons with disability or reduced mobility

RESILIENT INFRASTRUCTURE AND MOBILITY SYSTEMS

Improving mobility systems' ability to adapt and solidity of the infrastructures to answer the worsening effects of climate change and the territory fragility

ETHICAL AND RESPONSIBLE BUSINESS

Adopting the highest ethical standards

Basing commercial practice on principles of transparency and loyalty

Enforcing a culture of compliance and legality

Recognising the importance of environmental social and governance issues, and including them in the company strategy

Promoting financial tools to support sustainable development

FOR MAINTENANCE AND SAFETY THERE ARE NO LIMITS AND THERE SHALL NEVER BE LIMITS.

The topic "people's safety: values, technology and culture", is a priority for every company in the Group, and it has absolute priority over all other topics in management's view.

TOWARDS THE FUTURE

TO BRING THE WORLD ON THE WAY OF SUSTAINABILITY WE DECIDED TO COMMIT TO A CONCRETE PLAN OF ACTION: THE 2030 AGENDA.

Through the 17 Sustainable Development Goals, SDG, we aim at contributing to a fairer and more inclusive growth. SDGs are an efficient tool that we can use to direct our choices and our behaviours to see more clearly how we are putting our specific commitments into practice.



-  **VALUE FOR CUSTOMERS**
-  **INCLUSION, ENHANCEMENT AND DEVELOPMENT OF PEOPLE**
-  **CIRCULAR ECONOMY AND RESPONSIBLE PURCHASES**
-  **MITIGATION OF CLIMATE CHANGE**
-  **ETHICAL AND RESPONSIBLE BUSINESS**
-  **INNOVATION, DIGITALISATION AND CYBER SECURITY**
-  **RESILIENT INFRASTRUCTURE AND MOBILITY SYSTEMS**



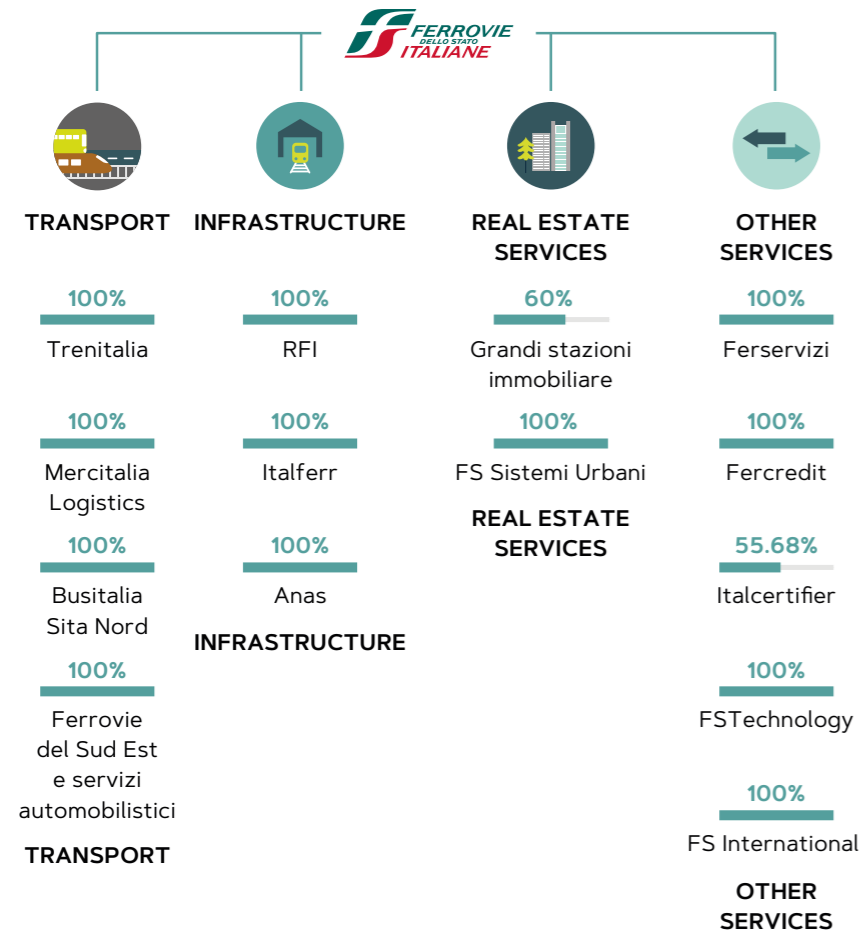
Every company of the FS Group operates promoting **health and safety at work**, contributing to reaching the following SDGs:



THE FS GROUP

THE FERROVIE DELLO STATO GROUP, OPERATING BOTH IN ITALY AND ABROAD, CREATES AND MANAGES RAILWAY, ROAD AND HIGHWAY INFRASTRUCTURES AND SERVICES, FOR PASSENGERS AND GOODS.

We are a point of reference in the transport sector at an international level, both for the outstanding skills in the railway sector and for the innovative technology that we use¹.



>> CHAMPION OF ENVIRONMENT, SOCIETY AND GOVERNANCE

Non-profit international organizations, research institutes, and world analysts agree that in 2021 the FS Group performance in the ESG field (Environmental, Social, Governance) can be considered highly positive by assessing the scores.

A proof that our constant work for sustainability is tangible and demonstrated by external highly qualified organisations.

CDP Climate Change Assessment B

CDP Supplier Engagement Rating Assessment A-

Moody's ESG Solutions Advanced - 64/100

Sustainalytics Low risk rating: 15.3

MSCI BBB rating, average bracket

ISS Corporate ESG Performance Prime level

¹) The Group's governance is evolving toward a vision divided in hubs, aiming at sharing the skills and taking advantage of synergies (see paragraph Our 2022-2031 Business Plan)

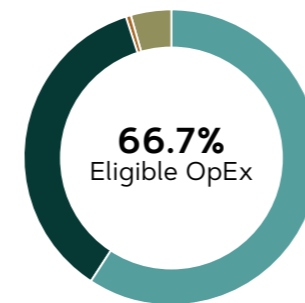
>> TOGETHER WITH EUROPE FOR A SUSTAINABLE GROWTH

In the biggest plan of action for sustainable finance ever put into place by the European Commission, we have reviewed our operations under the lens of the EU 852/2020 Regulation (cd. Taxonomy) in relation to mitigation and adaptation to climate change.

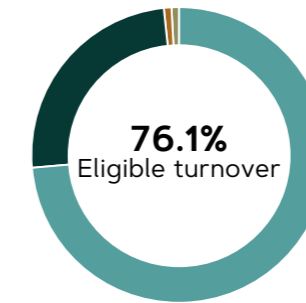
The analysis of the Group's performance and of the four operating sectors (transport, infrastructure, real estate and other services) shows that over 76% of revenue, 66% of operational expenditure and 99% of capital expenditure are eligible by virtue of European Taxonomy.



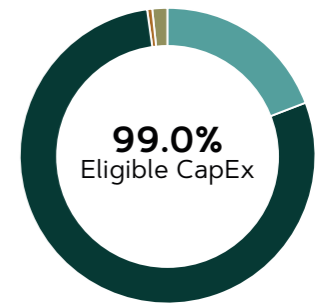
THE GROUP'S ACTIVITY THROUGH THE LENS OF TAXONOMY



- 39.8% - Transport
- 24% - Infrastructure
- 0.1% - Real estate
- 2.8% - Other services



- 56.8% - Transport
- 19.1% - Infrastructure
- 0.1% - Real estate
- 0.1% - Other services



- 19.1% - Transport
- 78.3% - Infrastructure
- 0.1% - Real estate
- 1.5% - Other services

OUR GOVERNANCE

TO SUPPORT MOVEMENT TOWARDS PROSPERITY, SOCIAL INCLUSION AND PROTECTION OF THE ENVIRONMENT IT IS IMPORTANT TO HAVE A DEDICATED GOVERNANCE THAT CAN GUARANTEE A COMPLETE INTEGRATION OF SUSTAINABILITY PRINCIPLES IN THE BUSINESS STRATEGIES.

In 2016 we established a Group Sustainability Committee to advise the Group's CEO, guaranteeing the integration of the company's objectives with a sustainable business model, which provides long term value.

In 2021 we founded the Board Committee for control, risks and sustainability which is in charge of supporting the Board of Directors in their evaluations and decisions in relation to the internal control system, risk management, and sustainability profiles linked to the Group's activities.



>> A BUSINESS FOCUSED ON INTEGRITY

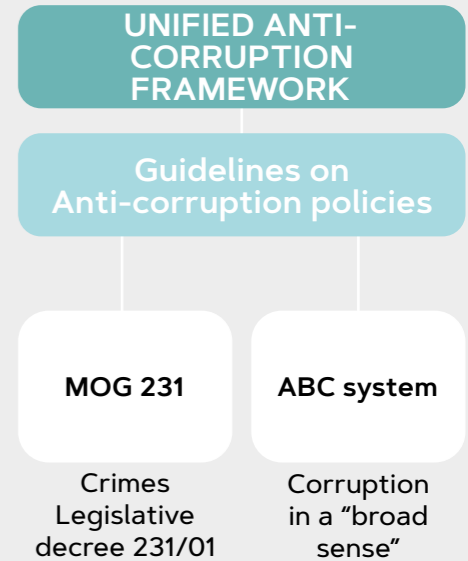
Integrity, ethics, honesty, transparency, compliance with laws: these are the fundamental principles of our company culture, backbone of a conscious governance.

Thanks to this solid internal risk control and management we can guarantee prevention of conflict of interest and corruption of any type and at any level.

The Internal Control and Risk management System (ICRMS) is divided in three control levels, to efficiently monitor possible critical issues, that trigger internal functions (Management, Risk management, Compliance, designated Director, Planning and Management Control, Internal

Audit) and independent units that confirm if the system as a whole is adequate and operative.

We have also adopted a series of tools that reaffirm our commitment towards an incorruptible code of conduct, such as Model 231 for corruption, malfeasance, embezzlement, abuse of office etc., and the Anti-Bribery&Corruption Management System (ABC system) for the prevention of risks in a broad sense, for the most exposed procedures, such as tenders, consultancy contracts and international markets.



OUR INVESTMENTS

WE NEED A DEEP CHANGE OF PARADIGM FOR FUTURE MOBILITY, AND FOR THIS REASON WE MUST SEIZE THE OPPORTUNITIES OFFERED BY THE EUROPEAN GREEN DEAL FOR THE FIGHT AGAINST CLIMATE CHANGE.

«To shape a better way of living for the world of tomorrow». With these words, Ursula von del Leyen, President of the European Commission, introduced us to the Next Generation EU, a recovery package approved by the European Council in July 2020, that lays down the tools needed to face and overcome difficulties arisen in the past few years. We have the chance to seize a precious opportunity, thanks to 191.5 billion Euro that have been allocated to Italy, to overcome the economic and social impacts caused by the latest crisis, and to build a new fairer, greener and more inclusive country.

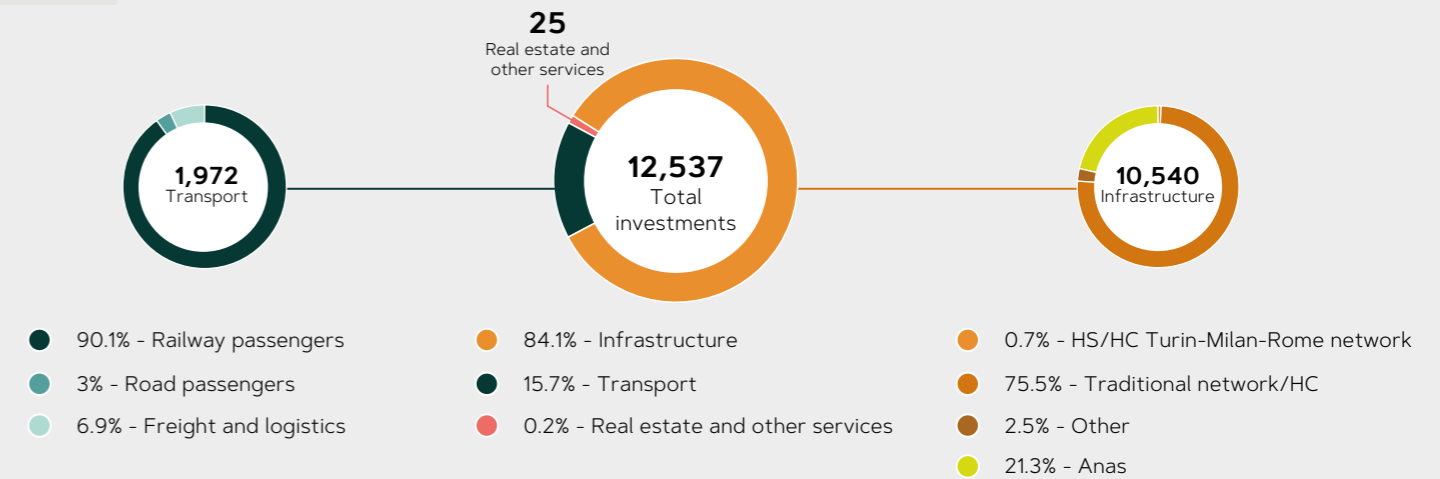
We were requested to carry out a fundamental role in defining and actuating the National Recovery and Resilience Plan, with the allocation of 25.2 billion Euro in the capacity of implementing body.

NRRP MISSION 3 FIELDS OF INVESTMENT - INFRASTRUCTURES FOR SUSTAINABLE MOBILITY



>> THE INVESTMENTS, NOURISHMENT OF A VIRTUOUS BUSINESS

INVESTMENTS MADE BY BUSINESS SEGMENT (€' M)

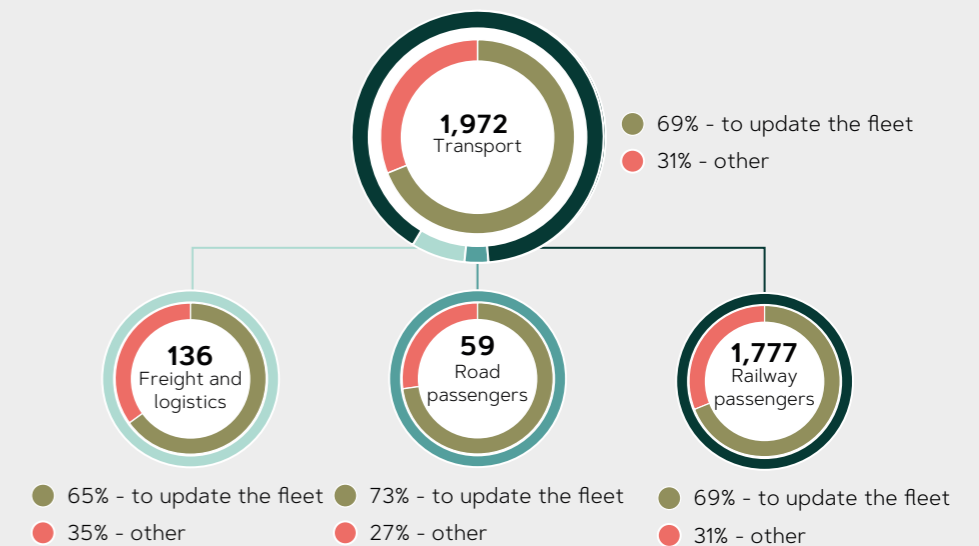


The current crisis did not stop us, quite the opposite: 2021 has been the year in which we brought on board the highest number of resources in the last few years, with a 40% increase over 2020. This makes us one of the main investors in the field of transports, infrastructures and logistics.

With these investments we contributed to the upkeep of our infrastructures, to the process of securing them and to implement cutting-edge technology on the railway network.

We have updated our fleet, both for railway transport and road transport with innovative, low energy impact and more and more efficient performance vehicles.

FOCUS ON UPGRADING THE FLEET IN THE TRANSPORT SEGMENT (€' M)



INNOVATION AND SUSTAINABLE FINANCE

INNOVATION IS OUR COMPASS TO CREATE A VIRTUOUS PATH, WE WANT TO PLAY A FUNDAMENTAL ROLE IN OFFERING SOLUTIONS THAT CAN REVOLUTIONISE THE WAY WE CREATE CONNECTIONS.

In addition to resources originated by the National Recovery and Resilience Plan, the Group has an active role in Horizon Europe, the main EU financing programme for research and innovation.

>> STARTUPS AND INNOVATIVE SMALL AND MEDIUM ENTERPRISES: TOMORROW'S SEEDS

1,240: is the number of interactions that we have had with innovative SMEs. A fundamental network to increase quantity and quality of innovative solutions to trust and invest on.

We are looking for new ideas for energy transition towards alternative power sources, for organic waste composting, for safety and for our future business.



>> INNOVATION HUB - CATANIA

We opened the third Innovation Hub in Sicily. After Rome and Naples, Iso-la Catania followed suit, a space, located inside Palazzo Biscari, dedicated to digitalisation and energy. It is a place where we can work - with the precious collaboration of Tree, a company specialised in open innovation and communication - on innovative projects, where talents, start-ups and companies can meet, sharing their skills and experiences.

>> SUSTAINABLE FINANCE INCENTIVE

In 2017 we started a vivid investment programme, dedicated to supporting a sustainable revolution plan. For this reason we adopted the Green Bond Framework, in line with the Green Bond Principles dictated by the Capital Market Association (ICMA).

In the last three years we issued a total of 2.65 Billion Euro in Green Bonds, with which we have financed the purchase of highly energy efficient vehicles, such as Pop and Rock trains, Frecciarossa 1000 HS trains, and the new E494 locomotives, developed to reduce energy consumption, vibrations and noise pollution.

Thanks to these initiatives, we are the first company in Italy to have obtained certification from the Climate Bonds Initiative - a non-profit organisation that promotes sustainable financing worldwide as a tool to combat climate change.

AWARD INNOVATE - WINNER

SafeMe

badge holder for on-board staff and drivers that makes it possible, for someone who is in a dangerous situation, to establish an immediate connection with the connected control room

AWARD INNOVATE - FINALISTS

SPGR

Security Power augmented Railways

this project consist of using augmented reality for maintenance to give operators immediate, contextualised access to all the technical information by simply focusing on the device

Smart Railway with IoT

network of IoT (Internet of Things) devices used to monitor the status of railway infrastructures, (in particular bridges, viaducts, galleries, etc.) that can detect instability, structural failures and structural changes in buildings in real time

TaBii

Battery-powered trains on a hybrid infrastructure:

hybrid infrastructure located near railway stations that makes it possible for battery-powered trains to partially charge at each halt or stop, on a line for electric traction

Virtual Warehouse

virtual warehouse filled with 3D models of spare parts producing the exact amount of spare parts in real time when they are actually needed



AV Frecciarossa 1000



Rock regional train



Pop regional train



MOVEMENT

MOVEMENT OF VEHICLES. MOVEMENT OF PEOPLE AND GOODS. MOVEMENT OF IDEAS, SOLUTIONS AND NEW VISIONS. IN A MOMENT OF MAJOR CHANGE, MOVEMENT IS THE KEY TO FOLLOW THE FLOW AND TO SEIZE NEW GROWTH OPPORTUNITIES AND TO IMPROVE HUMAN CIVILIZATION.

For over one hundred years we have been the channel that connected our country, thanks to a constant evolution of the Company and of our technologies and to the care and the protection of people, companies, and organizations with whom we work.

We offer solutions for a quick, safe and sustainable mobility.

Together, we move towards a new scenario for our country and the world, characterised by prosperity and environmental responsibility.



81,906
people of the FS
Group



16,832
kilometres of
railway network



31,976
kilometres of road
network

FS HISTORY

WE, FS GROUP, HAVE BEEN MOVING PEOPLE AND GOODS IN ITALY AND AROUND THE WORLD FOR OVER A CENTURY, TOWARDS FUTURE AND INNOVATION. MOVEMENT HAS ALWAYS BEEN PART OF US.



1905



THE COMPANY WAS ESTABLISHED



1927



THE FIRST DIRECT LINE (ROME-NAPLES)



1936



ETR 200 THE FIRST ITALIAN ELECTRIC TRAIN



1953



THE LEGENDARY SETTEBELLO



1976



THE PENDOLINO WAS LAUNCHED



1989



ETR 500 REACHED 317 KM/H: THE FIRST RECORD



1992



FS WENT PUBLIC



1999



FERROVIE DELLO STATO GROUP WAS ESTABLISHED



2005



THE FIRST HIGH SPEED LINE WAS COMPLETED



2008



NEW HIGH SPEED LINE MILANO-BOLOGNA WITH BRIDGE ON THE PO RIVER



2009



WITH BOLOGNA-FIRENZE THE HS LINE WAS COMPLETED



2011



FS ACQUIRED THE ARRIVA DEUTSCHLAND GROUP



2015



390.7 KM/H, A NEW SPEED RECORD



2018



ANAS JOINED THE FS GROUP



2019



10 YEARS OF ITALIAN HIGH SPEED



2021



NEW SERVICE MILAN - PARIS

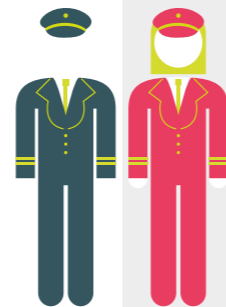
PEOPLE OF THE FS GROUP

PROFESSIONALISM AND SENSE OF BELONGING OF ALL OF THOSE WHO WORK WITHIN FS GROUP MAKE IT POSSIBLE TO PROVIDE HIGH QUALITY SERVICES SENSITIVE TO THE STAKEHOLDERS' NEEDS.

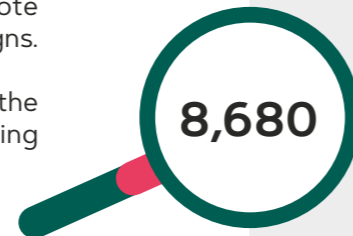
We take care of almost 82 thousand people, who work every day to make our Group highly efficient and present on the ground. These professionals are crucial for the growth of our business, and need protection, care and continuous training. Last year, we widened our welfare services, we started new training and development programs, and skills development to manage emotions and to promote good relationships between parents and children. We keep paying great attention and moving accordingly to our workers' health and safety, by allowing extended remote working and conducting company vaccination campaigns.

We intend to cement the relationship between people and the company, to move forward together towards a new way of seeing the work environment.

81,906 people

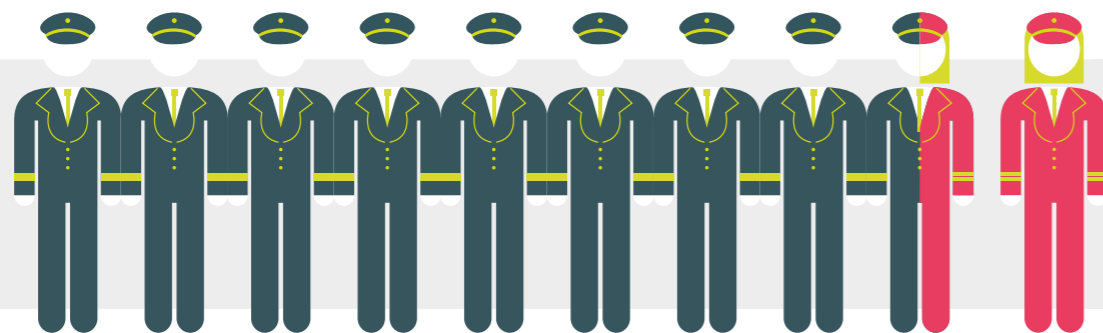


> 400
days/person of
anti-corruption
training



market hirings

80.9%
men



19.1%
women

>> WELFARE, DIVERSITY&INCLUSION

«We all have a mix of diversities that make us unique.»

(FS Italiane Group, Ethical Code)

This vision is representative of our own, and we want to promote it concretely, with open and inclusive work environments, for our staff's

physical and mental well-being, an integration between their work requirements and their personal and family lives. We reject labour exploitation, and we strive to ensure fair compensations for everybody.

In 2020 we signed the Weps (Women's Empowerment Principles) defined

by UN Women, the United Nations agency that deals with gender equality: with these principles we aim to enhance and promote equal opportunities at work, in the market and in the community in which the FS Group works.



Wecare

On-line space created to inform the staff about the main caring activities started by the Group and to promote education about emotions management in time of pandemics



Together fighting violence against women

Campaign to raise awareness on gender-based violence, to protect women's health and safety



4weeks4inclusion

Participation in the inter-company marathon dedicated to inclusion and promotion of differences

>> HEALTH FIRST

The pandemic crisis made it even more clear how important it is to protect workers and to guarantee them safe and healthy places.

With the project "Health and Safety Culture perceived by the FS Group staff" we observed that our staff felt protected during the Covid-19 management.

We held the third edition of the Safety Day, dedicated to improvement projects and staff involvement.

THE CUSTOMERS

THE TRAVEL EXPERIENCE IS ALWAYS UNDER OUR SCRUTINY, IN ORDER TO ENSURE HIGH QUALITY SERVICES.

For us it is of paramount importance that what we offer to our passengers and our industrial customers, is the best in terms of services, quality, safety and relations. Our goal is to connect the country and we want to do so in the best way possible, with innovative digital systems, with cutting-edge stations, integrated and efficient vehicles and infrastructures.



Customers' satisfaction in Italy according to their travel experience

90.4%

satisfied clients on regional trips



Punctuality in Italy

88.5%

Intercity trains arriving within 15 minutes

95.3%

suburban buses arriving within 15 minutes

82.5%

Frecce trains arriving within 10 minutes

93.0%

regional trains arriving within 5 minutes

95.0%

city buses arriving within 5 minutes

97.1%

satisfied customers for intermediate and long distance trips

90.6%

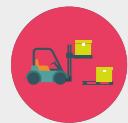
satisfied customers for city buses services

96.3%

satisfied customers for station information

88.7%

satisfied customers for suburban buses services



Goods centre's customer satisfaction: overall rating 7 out of 10

>> THE STATIONS, TRAVELLERS' HOME

We reached all of our 2021 goals to improve the quality of our stations: we doubled the amount of electric power from renewable sources for internal use; the number of thefts in the stations has decreased and we carried out 125 interventions on platforms and elevators to improve accessibility to our buildings.



Electric power from renewable sources



Security in the station



Accessibility of train stations

>> FOR VEHICLES AND INFRASTRUCTURES' SECURITY

Adopting certified maintenance processes, using sophisticated diagnostic tools and investing over 4 billion Euro, we commit daily to guaranteeing the highest security for people on all the railway and road networks.

The Group is one of the first in Europe to have adopted the European Rail Traffic Management System/ European Train Control System (ERTMS/ETCS), a standard that ensures the seamless transfer of

trains on all the international lines by using a common language to all the vehicles and an innovative control system that provides drivers with real-time information.

For the security on the road, throughout 2021 we continued the project Smart Road, which focuses on car drivers and their protection. The project includes digital solutions that guarantee the accident risk reduction, higher travel comfort, better traffic conditions, and man-

agement of critical events. We are also collaborating with MIT in Boston for an experimental project that is working on direct communication between infrastructures' integrated systems with drivers' smart phones, to receive updates on the status of bridges and viaducts.



ERTMS/ETCS

System for safe movement over the whole rail network



Smart Road

Technology to detect and reduce accidents and to find the best travelling conditions on highways



Resilience Platform

To monitor the status of bridges and viaducts, thanks to a bijective communication system with drivers

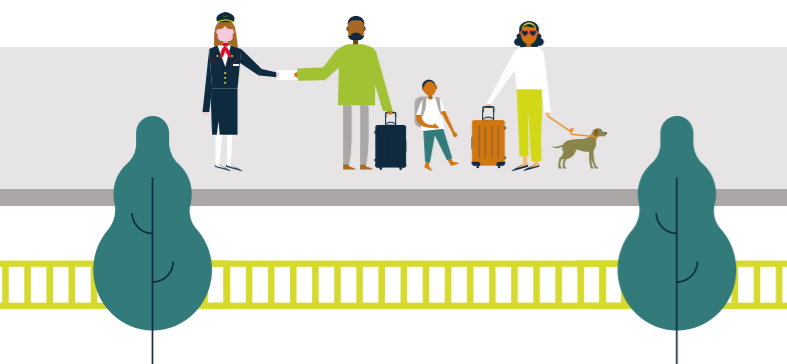


THE COMMUNITY

OUR COUNTRY CAN
REALLY MOVE TOWARDS
A PROSPEROUS FUTURE
FILLING THE GAPS
WITHIN OUR SOCIETY
THANKS TO INITIATIVES
AND CONCRETE PROJECTS.

In this time of uncertainty and economic recession, we are present and concretely committed to start solidarity projects and initiatives, in collaboration with local bodies, organizations, networks and enterprises.

Stations are the starting point for a new collaborative welfare system that includes a number of Help Centres all over the country and cultural and social promotion activities.



172,497 m²
Surface on free loan for the community



> 180 bn €
Average market value of the surface provided



~ 496 km
Discontinued lines transformed into tourist attractions, cycling trails and green ways

>> THE HELP CENTRES

The Help Centres, to which the FS Group provides space, are listening points aimed at taking care of the most fragile people, directing them towards a recovery path, cooperating with social services and designated institutions.

Currently there are 18 Help Centres all over Italy, in additions to the many refuges managed by Italian NGOs.

We gave to the community, in free loan, 390 stations that were no longer useful for the railway system, adapting them to social objectives, and 496 kilometres of discontinued lines to create tourist lines, cycling trails and green ways.



Participation to the Rome Film Festival



Frecciarosa Initiative dedicated to treatment and prevention of breast cancer



Save the Trucker For the health of truck drivers who transport goods all over the country



>> TOGETHER, FOR OUR COUNTRY'S RECOVERY

In March 2021, in Roma Termini, we opened the first national vaccination hub, a huge centre equipped with 17 triage spots and 21 dedicated to vaccines injections, of which 2 are exclusively dedicated to disabled people.

We have also introduced a medical train, for the transportation of Covid-19 patients or people with serious illnesses, which can be used by Civil Protection and the Italian Red Cross. The train has 21 intensive care beds, bio-containment stretchers, oxygen machines, and resuscitation equipment that can be used both in the station and during transportation from one place to the next. It has been used to move ill and injured people, when needed offering first aid and first diagnosis.

>> FOR CULTURE AND THE SOCIAL SPHERE

For over a century we have been advocating for a cultural development of the Country, and we want every person in the world to discover the Italian beauties thanks to our network of transports.

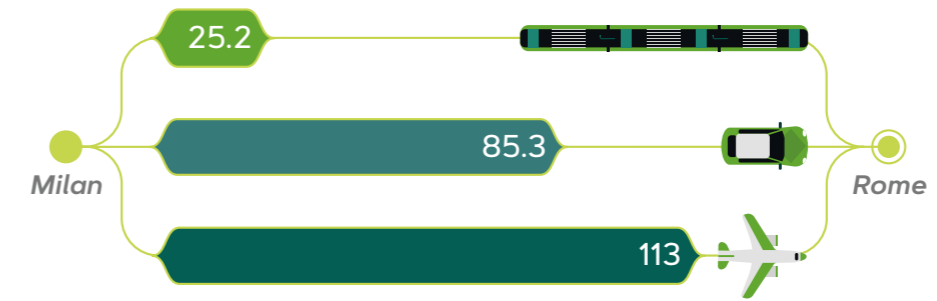
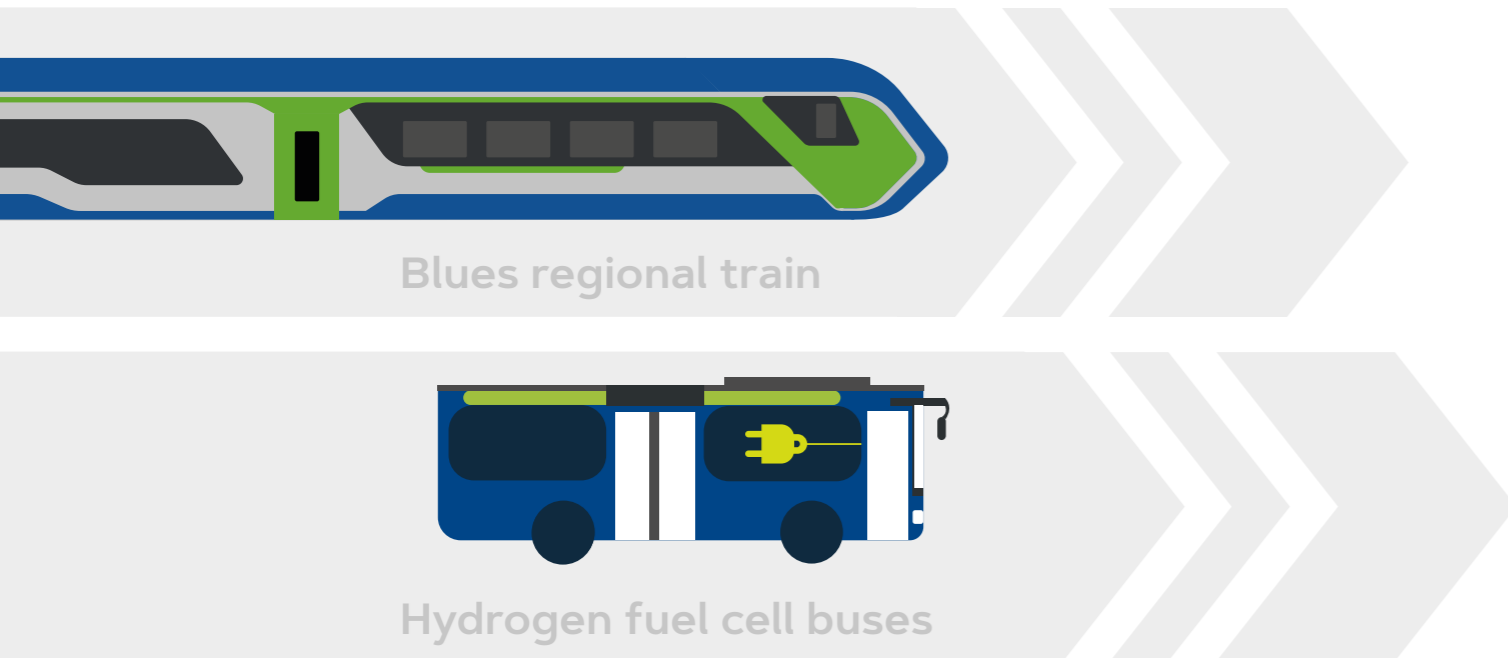
Especially since the pandemic outbreak, we have established important collaborations with the main foundations, museums and organizations, to encourage the recovery of a sustainable tourism and social cohesion.

LET'S RETHINK MOBILITY FOR THE PLANET

IT IS TIME THAT WE RETHINK THE WAY WE MOVE, USING SOLUTIONS WITH A LOWER IMPACT ON OUR ENVIRONMENT.

We saw a special train, the Connecting Europe Express, crossing 26 European Countries, including Italy, going through 20 thousand kilometres, and over a hundred cities.

With this project, born out of the cooperation between the European Commission and the Community of European Railway (CER), together with over forty rail-transport operators, infrastructure managers and partners, we aimed at raising awareness on the role of the railway transport to reach decarbonification goals, and to highlight the importance of trains in connecting people and spaces.



kg of CO₂ per passenger on the Rome-Milan section (source ecopassenger.org)

>> OUR STRATEGIES FOR DECARBONIFICATION OF TRANSPORTS

Mobility is responsible for almost a quarter of the total amount of CO₂. It is of paramount importance finding solutions to reduce the impact by increasing the amount means of transport with high environmental performance.

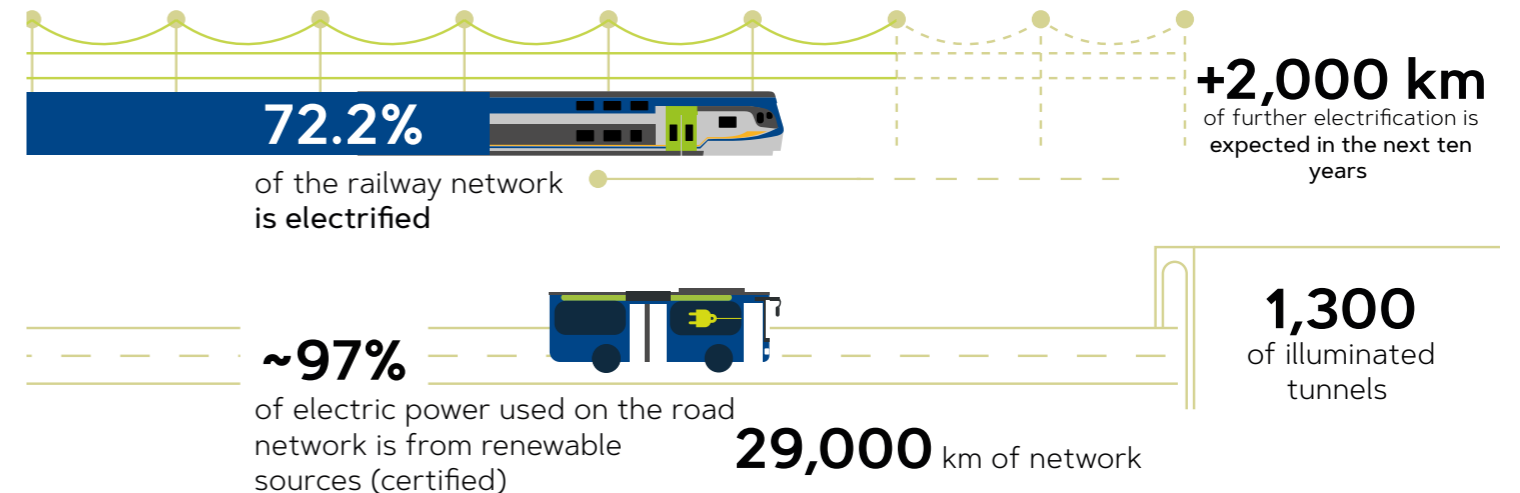
For this reason, trains are still the most efficient option, but collective road transport is one of the most widespread sharing systems that complete the framework of new sustainable mobility, especially if followed by a continuous technology research in the field of renewable energy.

>> TECHNOLOGICAL INNOVATION AT THE SERVICE OF THE ENVIRONMENT

We envision an idea of transport with zero emissions, for this, we constantly commit to upgrading vehicles and infrastructures.

We are working on electrifying 2 thousand kilometres of railway lines, to integrate Blues, new generation hybrid vehicles, powered by electricity, diesel and batteries.

Moreover, we are devising new hydrogen trains to cover lines that are currently not covered by electric traction and we have already launched a fleet of hydrogen buses in the Netherlands.



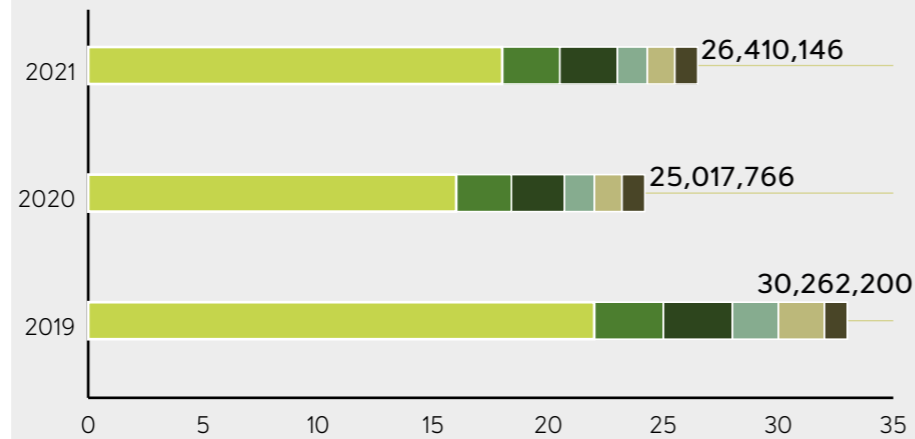
ENERGY AND EMISSIONS

WE CAREFULLY MONITOR ALL ENERGY CONSUMPTIONS AND EMISSIONS IN TERMS OF SOURCES AND END USE. THIS IS A FUNDAMENTAL STEP TO UNDERSTAND WHAT WE CAN WORK ON TO IMPROVE ENERGY EFFICIENCY OF OUR ACTIVITIES.

For this reason we took part in the report of the Carbon Disclosure Project (CDP), international point of reference to manage a company in relation to climate change issues, in which we ranked B (a management score bracket).

In 2021 we published the first GHG FS Italiane Group Report, a document about strategies, governance, results and initiatives to combat climate change.

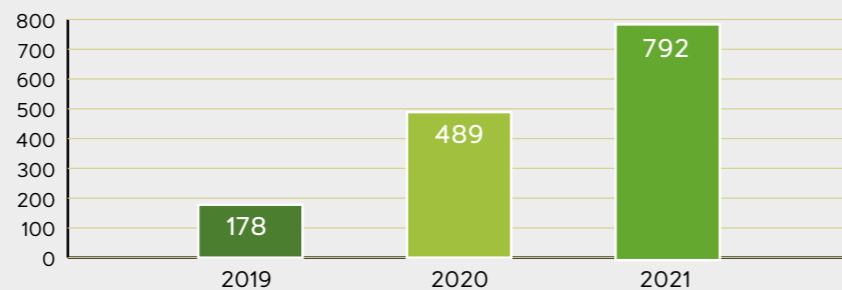
FS ITALIANE GROUP ENERGY CONSUMPTION IN GJ (DESTINATION)



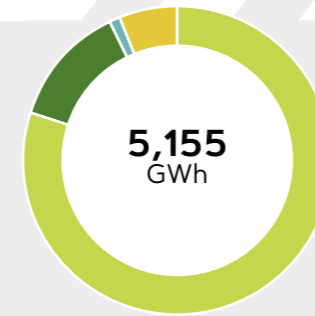
- Railway traction (electric + diesel)
- Electricity
- Road vehicle traction (public transport)
- Road network lightning
- Heating
- Other*

* Waterway navigation, vehicle traction (road and work vehicles), industrial activities, maintenance of green areas

PROCUREMENT OF ELECTRICITY FROM RENEWABLE SOURCES CERTIFIED WITH GO [GWh]

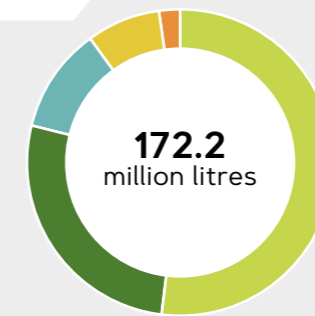


ELECTRICITY



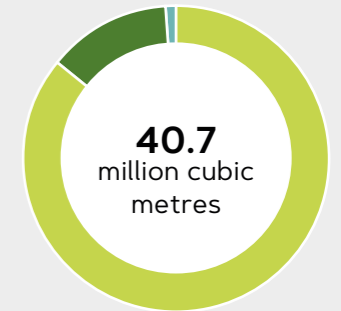
- 80% - Railway traction
- 13% - Electricity
- 1% - LPT
- 6% - Road network lightning

DIESEL



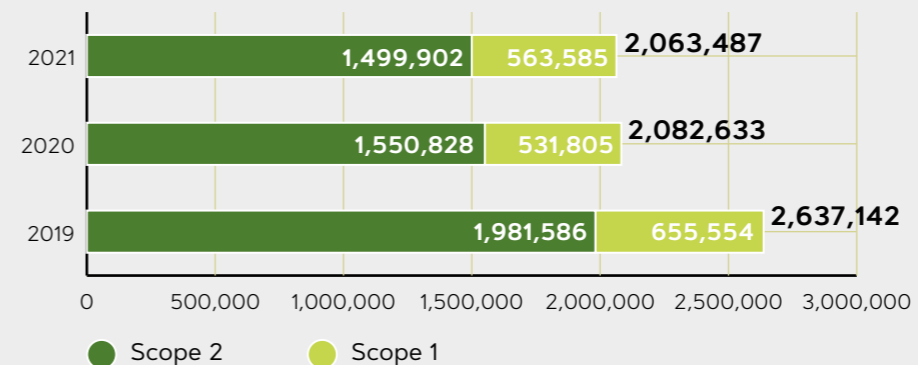
- 52% - Railway traction
- 27% - Road vehicles traction (public transport)
- 11% - Waterway navigation
- 8% - Road vehicle traction (road and work vehicles)
- 2% - Heating

NATURAL GAS

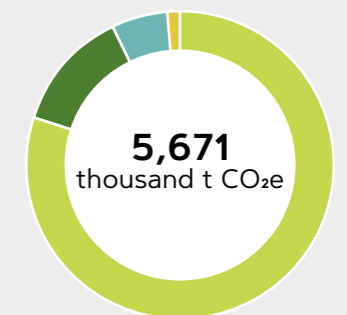


- 86% - Heating
- 13% - Road vehicle traction (public transport)
- 1% - Industrial activities and traction (cars and work vehicles)

DIRECT AND INDIRECT EMISSIONS - SCOPE 1 AND SCOPE 2 (TCO_{2e})



SCOPE 3* EMISSIONS 2021



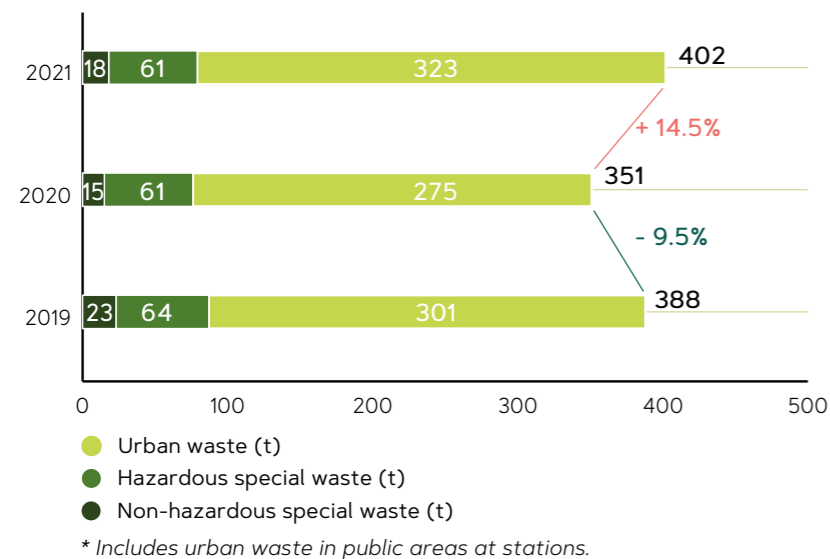
- 78% - Capital goods
- 11% - Upstream energy procurement
- 10% - Use of railway infrastructure by different railway operators
- 1% - Purchased goods and services

* Significant categories 1-2-3-11 ref GHG Protocol

OTHER ENVIRONMENTAL IMPACTS

RESOURCES OFFERED BY NATURE ARE LIMITED AND WE ARE RESPONSIBLE FOR THEIR PROTECTION. OUR COMMITMENT TO ENVIRONMENTAL ISSUES IS CONSTANT, IN ANY FIELD WE WORK ON.

WASTE MANAGEMENT

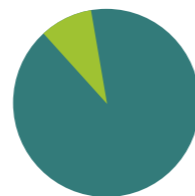


Following a decrease in 2020 due to the pandemics, the progressive recovery also entailed an increment in waste production



402

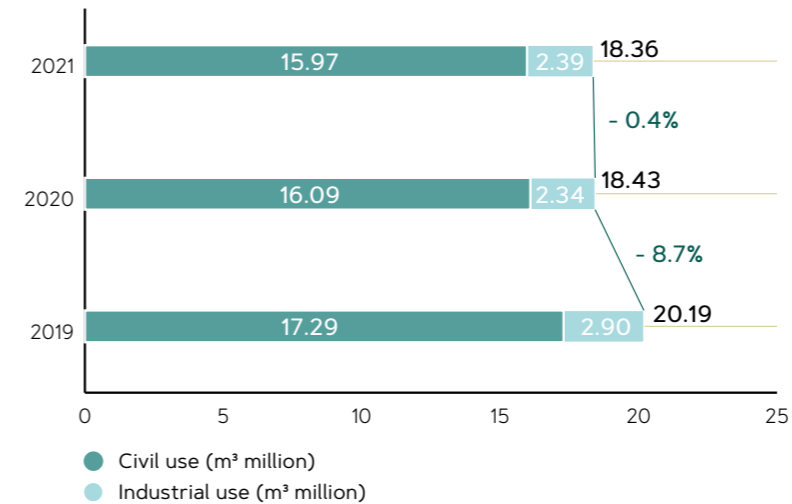
Total amount of waste produced in thousands of t



92%

of waste reused or recycled

WATER RESOURCES MANAGEMENT



18.36

Water consumption in millions of cubic meters

>> DYNAMAP, A DYNAMIC NOISE MAPPING SYSTEM FOR THE ROAD NETWORK

The goal of the DYNAMAP project, funded by LIFE+, is the Development of Low Cost Sensors for Real Time Noise Mapping, which detects and represents, using smart devices, the real-time noise impact of the road network.

Anas has planned the completion of this monitoring system, that has already been installed on highway A90, and its implementation in areas that have been deemed adequate for a real-time noise impact monitoring, such as Catania and Bari's bypasses.

Moreover, there are plans to upgrade the system to include monitoring of air quality and weather conditions.

682 km

Noise dampening barriers in Italy

475 km Rail

207 km Road

RESPONSIBLE PURCHASES

THE FS GROUP STRUCTURE IS BASED ON COOPERATION AND COMMUNICATION WITH SUPPLIERS SELECTED USING ETHICAL STANDARDS IN RELATION TO SECURITY AND ENVIRONMENT.

>> AN IMPROVEMENT JOURNEY, SIDE BY SIDE WITH OUR SUPPLIERS

In 2021 we published guidelines in relation to sustainable procurement, with the goal of defining sustainability principles and to encourage all our suppliers to adopt them. This set of actions enables a continuous improvement of the relationships with all the companies we work with.

Our company vision cannot transcend our suppliers and collaborators' ethical integrity.

We have launched a process to include in our suppliers' selection and in our requests for tender a number of environmental and social sustainability criteria: we request the most updated environmental certifications, using eco-friendly materials, solutions to improve energy efficiency, and measures to evaluate protection and inclusion in the workplace.



92%

Value of payments generated in Italy



611

Suppliers assessed since 2017 using criteria defined in the EcoVadis monitoring platform

0 - SUSTAINABLE PROCUREMENT CRITERIA

Definition of Group standards in relation to sustainable procurement.

1 - ASSESSMENT

Including in a tender that has to be evaluated on the basis of the most economically advantageous offer or in the assessment systems, an evaluation of the supplier's sustainability profile that adds up to the scoring system.



Participation of economic operators in the tender



Registration of the economic operators to the ESG assessment platform



Assessing ESG scores assigning scores



Opening envelopes and awarding the tender



Signing the contract with the supplier

2 - MONITORING

Monitoring suppliers' sustainability performance by collecting and analysing information in relation to their environmental, social and economic impact.



Transferring data/information about ESG performance



Data/information analysis of suppliers' environmental, social and economic impact



Risk assessment and definition of «material» suppliers

3 - TEST

Auditing providers



Auditing and defining possible corrections or suggestions for improvement



Monitoring the action plan to improve supply chain's performance

SUSTAINABLE INFRASTRUCTURES

AN INFRASTRUCTURE'S IMPACT ON THE ENVIRONMENT AND ON SOCIETY MUST BE CONSIDERED IN ALL ITS ASPECTS, AS IT SUBSTANTIALLY AFFECTS PEOPLE'S DESTINIES, PROJECTS AND SOCIAL CONNECTIONS. A LARGE SCALE PROJECT MUST BE ASSESSED CAREFULLY AND STUDIED WELL, IN ORDER TO MAXIMISE THE BENEFITS IN THE CONTEXT WHERE IT IS BUILT.

Like before, in the past year we worked to involve all stakeholders in the definition of a strategy to create widespread consensus in the areas affected by infrastructural projects.

>> ACTIVE LISTENING

We developed the Sentiment Analysis platform for Social Web Monitoring activities on strategic infrastructure projects.

The Sentiment Analysis platform enables active listening, which is helpful to extract opinions, starting by processing the big amount of data collected from texts that can be found on the web (internet websites, social networks, blogs or forums), and understanding the impression of the stakeholders about certain issues.

>> CARE FOR THE TERRITORY

We analyse carefully the context of the area in which the projects are located, evaluating final consequences and interferences during the works, and we work with concrete interventions to mitigate possible environmental impacts.

In 2021 we integrated CO₂ rate table into the construction project management software, in order to provide an automated inventory of the CO₂ equivalent emissions linked to the materials, transport and processing used in the construction of infrastructural.

A further monitoring and testing system, aimed at finding the most sustainable solutions when planning the works.

>> FROM STATIONS TO THE MULTI-MODAL HUBS

We have defined the Stations and Cities Plan, with the aim of transforming passenger terminals into intermodal hubs and centres of attraction for the development of the territory, that can respond to environmental, economic and social emergencies. We want to find new solutions to transform stations into mobility centres for passengers, by improving accessibility and attraction of the spaces, in order to create actual hubs for integrated and sustainable mobility.

>> THE WAY FORWARD FOR THE FUTURE

Implementing Smart Road is a priority for the development of our infrastructures, especially after the success of the experiment carried out in 2021: we launched Smart Road Cortina 2021, a hundred kilometres of road, joining Longarone to Cortina d'Ampezzo, on which we installed systems to detect traffic, accidents and weather conditions, which were all monitored by the operative centre in Cortina. An innovative structure that makes traffic flows more efficient, improves road safety and driving comfort. A first step toward automated cars.



FS IN MOVEMENT

Using integrated logistics we aim at driving value chain towards a more sustainable mobility

We budgeted almost 50 billion in investments for the development of the highway network to speed up the Smart Road process

People of the FS Group have always been and will always be pivotal to the company's growth, and must be protected and incentivised

We aim at doubling 2019 freight traffic on railway, improving existing terminals and creating new ones

Resilience Platform to monitor road and railway infrastructures

Wi-fi will be installed in all the 2,200 stations with fibre connections

We constantly improve digital services for our passengers, from the user experience to Cyber security

With the Gigabitrail project we will connect the railway infrastructure

Blues regional trains are our new hybrid technology vehicles, built with eco-friendly and recyclable materials



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