

SUSTAINABILITY REPORT 2023

CONSOLIDATED NON-FINANCIAL
STATEMENT 2023
PURSUANT TO ITALIAN
LEGISLATIVE DECREE 254/2016

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LETTER TO STAKEHOLDERS

2023 was an important year in our journey towards sustainable development.

Operationally, it was the first year traffic volumes and connectivity returned to pre-pandemic levels. Despite our airport system handling the same number of passengers as in 2019 (35.2 million), we achieved this result with nearly 16 thousand fewer movements (take-offs and landings) compared to that period. This meant that we restored excellent air accessibility to our target market, all while reducing our ecological footprint (especially in terms of noise and emissions) on the areas surrounding our airports.

*Man does not truly exist
except in the struggle against
his own limitations*

Ignazio Silone

Malpensa airport, in particular, reasserted itself as a global travel hub, allowing people, cargo, projects, and capital to multiply their value. In 2023, Malpensa connected to 187 destinations, including 50 long-haul ones, served by 95 airlines providing direct links to 78 different countries (Malpensa ranks in the top 10 worldwide for the number of countries reached by direct connections).

Restoring such a broad network of international connections at Malpensa, without relying on a sole carrier (the airport solidified its status among European airports with the least reliance on a single carrier, with the primary airline accounting for less than 17% of total traffic), but by adopting a multi-carrier approach, meant fully restoring a crucial asset for the global competitiveness and socio-economic development of the entire Northern Italy region.

The extensive and detailed dataset contained in this document confirms this: in 2023, the SEA airport system reported a strong increase in direct, indirect, induced and catalytic impacts compared to the previous year. The overall consequences on the Lombardy region had a value of over Euro 48 billion, corresponding to a capacity to create just under 295 thousand jobs.

Against this backdrop, cargo transport continues to play a key role, with Malpensa's Cargo City ranking 5th in Europe for traffic volume among "generalist" airports, serving 79 destinations with 35 cargo carriers. Today, 4-5% of the value of Italian foreign trade flows through Malpensa, along with 6% of national exports and over 11% of Made in Italy exports to non-EU markets.

The roles played by Linate and Malpensa as gateways for inbound tourism, especially international, were also crucial. In 2023, Malpensa transported around 6.6 million tourists to Lombardy, of which 5.8 million were international tourists, while Linate handled 2.3 million passengers.

These numbers, which are significantly higher than the previous year, were accompanied by a high level of passenger satisfaction with the services offered at our airports.

As a crowning achievement of the constant improvements in the quality performance of Linate and Malpensa recorded in recent years, we received two significant accolades in 2023: the Best Airport Award awarded to Linate by the Airport Council International Europe (best airport in the 5-10 million passenger traffic category) and the Airport Service Quality Award, a prestigious recognition from ACI World, which places our airports among the best on the continent in their respective categories, based on traveller ratings.

These two awards underline the consistent efforts made by all SEA staff to make travelling through our airports increasingly welcoming, comfortable, and relaxing for passengers. However, it is important to share credit for this achievement with all of the other stakeholders in the airport community (airlines, state agencies, handlers, and retailers, among others), who, alongside us, contribute to upholding the exceptional customer experience at our airports.

In 2023, there was also a pivotal shift concerning the core topic of our ESG strategy: decarbonisation. We defined and adopted an energy strategy that will guide our consumption and procurement choices until 2030. By taking combined action to adopt energy efficiency initiatives, generate renewable energy, and procure guarantees of origin, SEA seeks to substantially reduce its scope 1 and 2 emissions in the coming years. This aligns with the commitment made at the ACI Europe General Assembly on June 27, 2023, to achieve "Net Zero" emissions by no later than 2030, twenty years ahead of the target set by European aviation.

The initial steps taken yielded encouraging results. In 2023, our direct carbon footprint decreased by 37.4% compared to the previous year, aided by a transition to greener energy sources, which now account for over 12% of renewable energy in the total supply.

Furthermore, our clear and consistent commitment to rapidly decarbonising our operations was notably mirrored in our financial strategy. In 2023, we subscribed to revolving credit lines in a sustainability-linked format, linking the scope of associated financial costs with specific carbon footprint targets we are committed to achieving.

As a result, around one third of the SEA Group's medium/long-term loans are structured in a sustainability-linked format.

When it comes to climate change, our efforts are not limited to our immediate sphere of influence.

Instead, we solidified our role as “facilitators” of the comprehensive decarbonisation process required of the aviation sector, in line with the EU’s recently adopted “Fit for 55” package.

One of our main projects (eMAGO) involves the construction, by 2025, of 84 Aircraft Ground Power Units (AGPUs) to supply electricity to aircraft during ground operations. In addition, we plan to install 100 electric charging stations on the air and land sides to power SEA’s airport vehicles, and those of handlers, and over 100 smart power sockets to power ramp and aircraft service vehicles. This marks a significant step forward in the adoption of sustainable and innovative solutions to supply energy to aircraft at both Linate and Malpensa airports.

In addition, in 2023, SEA launched and adopted an economic support programme for the use of Sustainable Aviation Fuel (SAF) at our airports. In line with the limited number of similar programmes already launched at other European airports, SEA provided a contribution to incentivise airlines to refuel using a fuel that reduces up to 80% of emissions generated by traditional jet fuel, in order to cover part of the extra cost associated with SAF.

Both of these initiatives align with the most progressive policy directives for the aviation industry’s ecological transition and position our airports as pioneers in anticipating the obligatory mandates stemming from the adoption of Fit for 55.

Lastly, our commitment to sustainable innovation remains substantial. Through various EU-funded projects, SEA is collaborating to develop prototypes of hydrogen airport vehicles (TH2ICINO project), define on-site green hydrogen production systems for automotive use (OLGA), and design aircraft refuelling processes using liquid hydrogen (ALRIGH2T).

In addition to this “innovation & sustainability package”, SEA also intends to be one of the first European airports to develop advanced air mobility solutions. We are preparing to develop the infrastructure and conditions, beginning in 2026, to launch short-haul flights in the Milan airspace using electric planes capable of vertical take-offs and landing. This initiative will allow us to fulfil passenger and cargo mobility needs in large urban areas while significantly decongesting roads and reducing our impact on the environment (CO₂, air quality, noise).

Participating in these initiatives is crucial. While they primarily focus on medium and long-term technological developments, they require a different approach to infrastructure planning to ensure compatibility with the role airports will be called upon to play as “intermodal energy hubs” in the years to come.

Last year, we also made progress with the successful development of the Malpensa 2035 Master Plan. This involved the issue of an environmental compatibility decree by the Ministry of the Environment and the recognition of Malpensa’s strategic national importance under the law converting the Air Decree, as a strategic work of pre-eminent national importance for the introduction of cargo traffic at the airport.

All of this gives us confidence that the final outcome will strike an appropriate balance between socio-economic development needs, which will benefit the region’s production system with the expansion of the Cargo City, and the effective natural protection of the ecosystem impacted by the project.

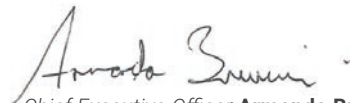
To conclude this overview of the key facts and figures shaping our sustainability journey in 2023, we highlight the substantial progress made in the area of diversity & inclusion. Several targeted initiatives were undertaken to eliminate cultural biases, increase inclusivity, and bridge disparities in treatment across our corporate community.

This commitment translated, among other things, into the achievement of the UNI PdR 125/2022 Gender Certification in early 2024.

Similar to achieving other certifications, and in line with the ethos guiding our entire ESG strategy, we do not view this result as a final destination, but as a valuable addition to the “toolbox” we have progressively built over the years. These tools enable us to plan, manage, and measure the footprint of sustainable progress that enriches and lends purpose to our endeavours.



Chairperson **Michaela Castelli**



Chief Executive Officer **Armando Brunini**

METHODOLOGICAL NOTE

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

The 2023 Non-Financial Statement (hereinafter the “NFS”) - now in its seventh edition - concerns the Group’s performance during the year ended December 31, 2023, in accordance with Legislative Decree No. 254/2016. Pursuant to Article 5 of this Decree, it takes the form of a stand-alone report.

This NFS was prepared “in accordance with” the “Global Reporting Initiative Sustainability Reporting Standards” and the “Airport Operators Sector Disclosures” (2014 version) defined by the Global Reporting Initiative (GRI). The 2021 version of the Universal Standards GRI 1 (Foundation), GRI 2 (General Disclosures), and GRI 3 (Material Topics) has been adopted by the Group. The GRI Content Index has been included at the end of the document, with the aim of providing a full account of the coverage of the GRI indicators associated with each topic identified as material.

The document has been prepared with the objective of ensuring an understanding of business activity, its performance, results and impact on the topics deemed material set out in Articles 3 and 4 of Legislative Decree No. 254/2016.

The level of detail with which information is provided in the NFS reflects the principle of materiality or relevance, a key characteristic of the GRI Standards that is also defined in the reference legislation: the materiality analysis process is described in the “Materiality assessment” section. A deep review of the materiality analysis was carried out in 2023, the result of which was presented to the Control, Risks and Sustainability Committee on December 14, 2023 and approved by the Board of Directors on December 20, 2023.

This document contains a description of the major policies applied by the undertaking, the management models and results achieved by the Group in 2023 (January 1 to December 31) relating to the topics expressly cited in Legislative Decree No. 254/2016 (environmental,

social, personnel-related, respect for human rights and the fight against corruption), as well as the main risks identified, generated or incurred, relating to the above topics and management methods. The reporting herein reflects the principles that underpin the GRI Sustainability Reporting Standards (accuracy, balance, clarity, comparability, completeness, timeliness, verifiability, and sustainability context).

It should be noted that human rights are taken into account within the context of personnel and supply chain management. In this regard, SEA has established procedural and organisational safeguards to manage and monitor issues relating to applicable legislation. In addition, as regards the topic of anti-corruption, it should be noted that this has been included as part of the material topic of “Business ethics/Transparency”. As such, the related disclosure is provided within this document.

The financial reporting scope is the same as for the Group’s 2023 Consolidated Financial Statements. The scope of information and data regarding social and environmental aspects includes companies consolidated line-by-line in the Group’s 2023 Consolidated Financial Statements.¹

In 2023, there were no significant changes related to the Group’s supply chain.

To allow data to be compared over time, data for 2022 and 2021 have also been included. It should, however, be noted that some data are shown for the two-year period as a whole.

In the interest of a proper account of performance, and in order to ensure that the figures are reliable, the use of estimates has been kept to a minimum and any estimates presented have been based on the best available methods, as appropriately disclosed. Data published in the previous NFS are also indicated in this document, where necessary.

This report was approved by the Board of Directors on March 26, 2024.

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

The document also uses the following terms:

- SEA for SEA S.p.A.;
- SEA Prime for SEA Prime S.p.A.;
- Airport ICT Services for Airport ICT Services S.r.l.

In compliance with Legislative Decree No. 254/2016, this Non-Financial Statement - with the exception of the disclosure relating to the "EU Taxonomy" section - has undergone limited review by EY S.p.A., in accordance with the "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and

Assurance Standards Board (IAASB). We also note that the quantitative indicators that do not refer to any general or topic-specific related to the GRI Standards, detailed on the pages listed in the Index, are not subject to limited review by EY S.p.A.

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

This document is also available from the SEA Group's website, <https://milanairports.com/en> in the section "Sustainability".

Company

COMPANY OVERVIEW

Overview

THE SEA GROUP

The Milan airport system is managed by the SEA Group (Società Esercizi Aeroportuali) in accordance with the Convention entered into with ENAC in 2001, which is effective until 2043. The parent company, SEA S.p.A., is a joint-stock company, incorporated and registered in Italy.

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

KEY FACTS

- Foundation of SEA:** May 22, 1948
- Registered office:** Milan Linate Airport - 20090 Segrate (MI)
- Milan company registration office No.:** 00826040156
- Share capital:** Euro 27,500,000
- No. Group workers at December 31, 2023:** 2,349

HIGHLIGHTS 2023

- Total revenues:** Euro 801.1 million
- EBITDA:** Euro 335.3 million
- Net profit:** Euro 156.2 million
- Passengers:** 35.3 million
- Aircraft movements:** 279.4 thousand
- Cargo:** 667.2 thousand (tons)

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

Mission

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

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

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

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

Ownership

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

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

Public Shareholders

8 entities/companies

Municipality of Milan ^(*)	54.81%
Municipality of Busto Arsizio	0.06%
Other public shareholders	0.08%
Total	54.95%

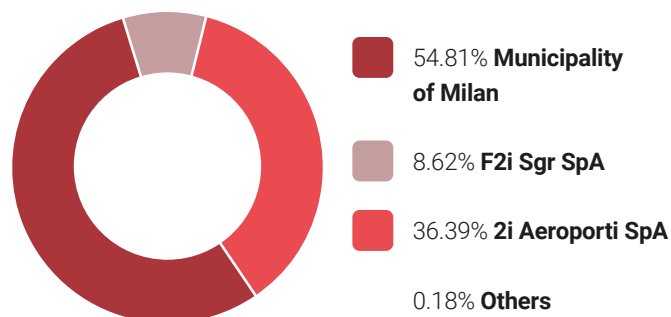
Private Shareholders

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

^(*) Holder of Class A shares

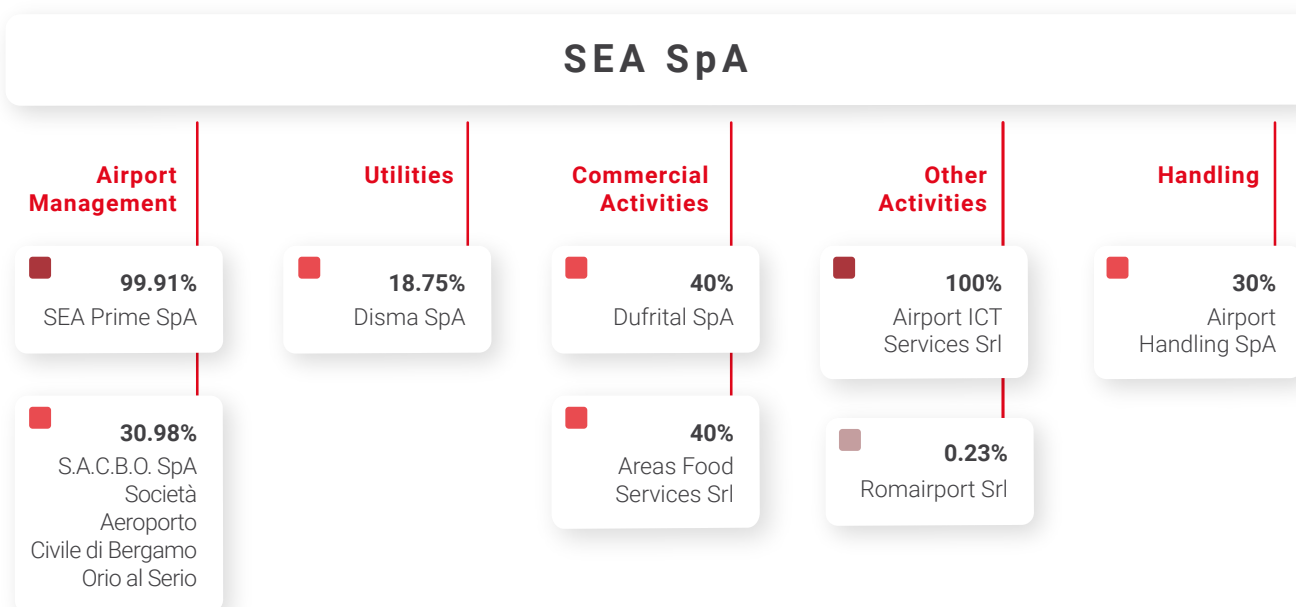
^(**) On behalf of F2i - second Italian Fund for infrastructure

Share Capital Structure



SEA GROUP STRUCTURE AND INVESTMENTS IN OTHER COMPANIES

Direct investments of SEA S.p.A. as of December 31, 2023



- Controlling shareholding
- Associate
- Investment in other companies

NB: the holding in Malpensa Logistica Europa S.p.A was sold on July 4, 2023

Value creation model

By interacting with its operational environment on an ongoing basis, SEA intends to consolidate its capacity to generate long-term economic value (the aviation sector is one of the industries most susceptible to external dynamics). The economic value generated by SEA is the result of its conscious and balanced approach to managing various forms of capital (including financial, infrastructural, social, human, intellectual, and natural resources), which play a critical role in generating economic value for the Company.

By efficiently managing these different forms of capital, SEA is able to create the necessary conditions for providing air connectivity (and connected services) while meeting the needs and expectations of passengers and customers. This approach also ensures that the demand for balanced and sustainable growth from regional stakeholders is protected. The impact generated by airports on their neighbouring environments is also evaluated based on the facilitated and accelerated development of socio-economic players. This encompasses the accessibility of the area to international tourists, the integration of the manufacturing system into global trade chains, and the attractiveness of production investments in the surrounding area thanks to the presence of airports.

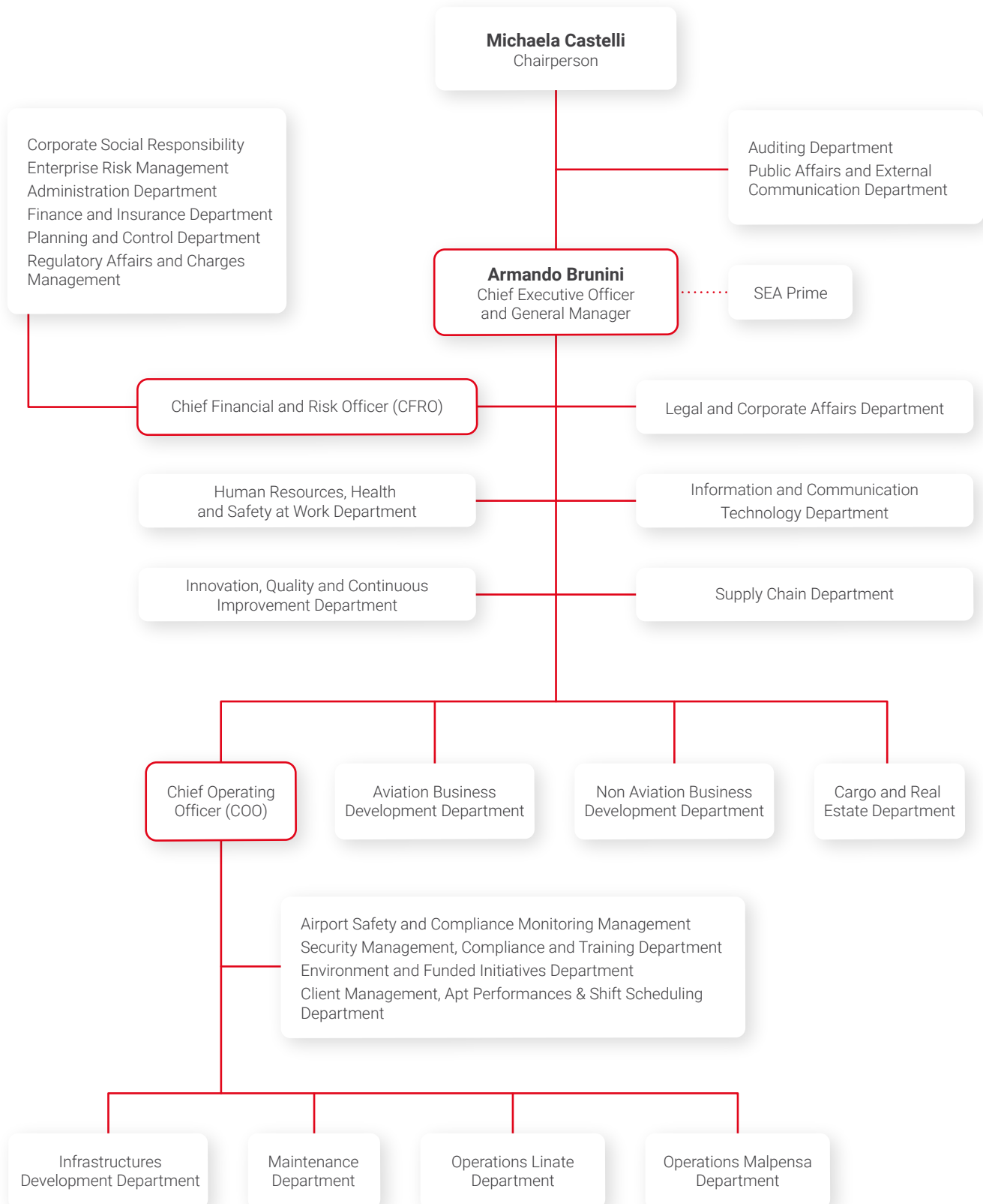
Value creation model



Organizational structure

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

Department structure



SEA Group Airport System

LINATE AIRPORT

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

The airport is dedicated primarily to a frequent flyer type client, on domestic and international routes (these latter both within the European Union and outside). In 2023, Linate handled 7.0% of passengers, 4.8% of aircraft movements and 0.2% of cargo in Italy.²

MALPENSA AIRPORT

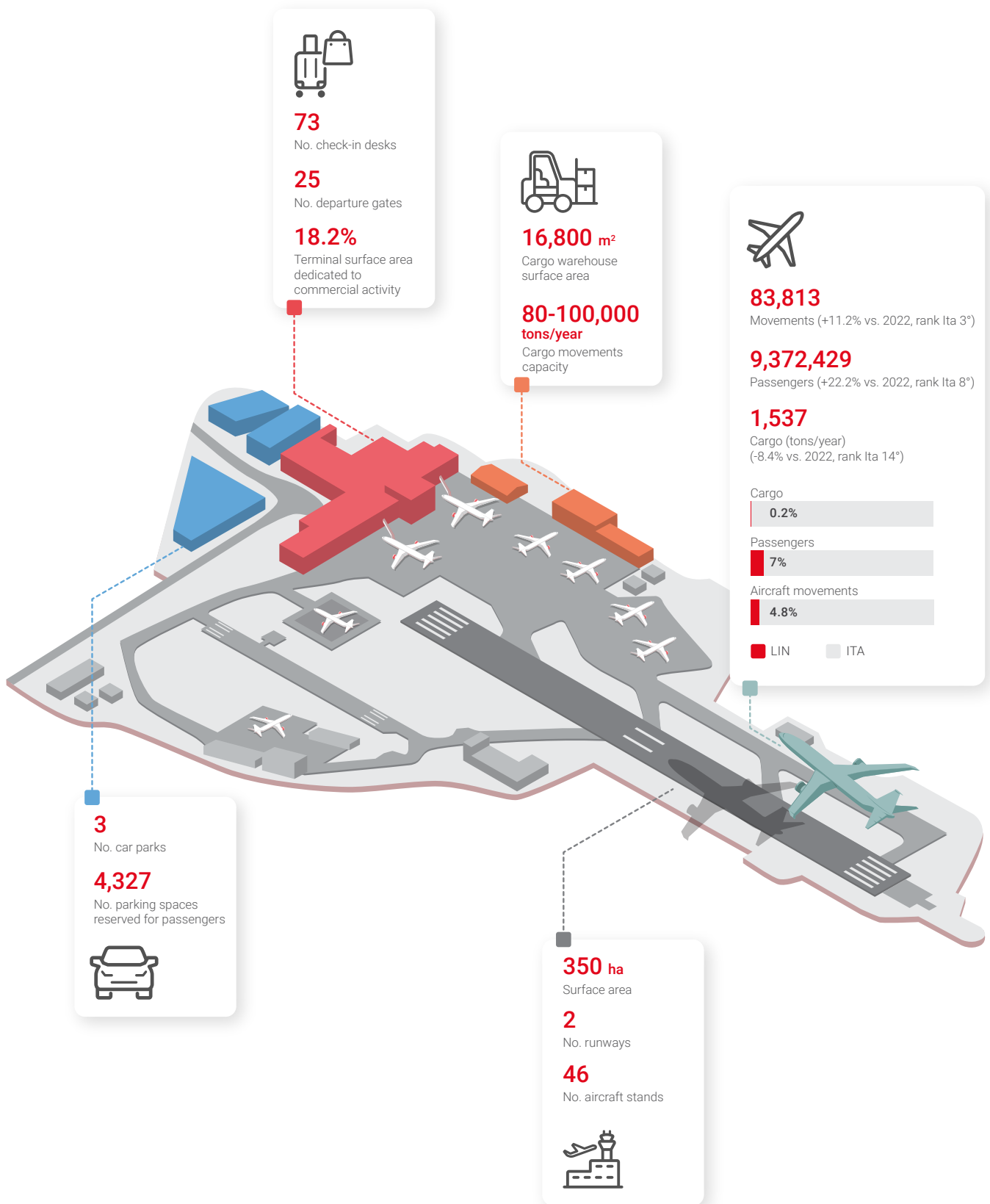
Malpensa Airport is located in the south-west of Varese province, 48 km from Milan, with rail connections to the city and a road system, including a motorway, which connects the airport with the major regions of Northern Italy and Switzerland. The airport covers 1,220 hectares within 7 municipalities: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

In 2023, Malpensa managed 12.6% of overall movements, 13.2% of passenger traffic and 61.8% of cargo transported in Italy.³

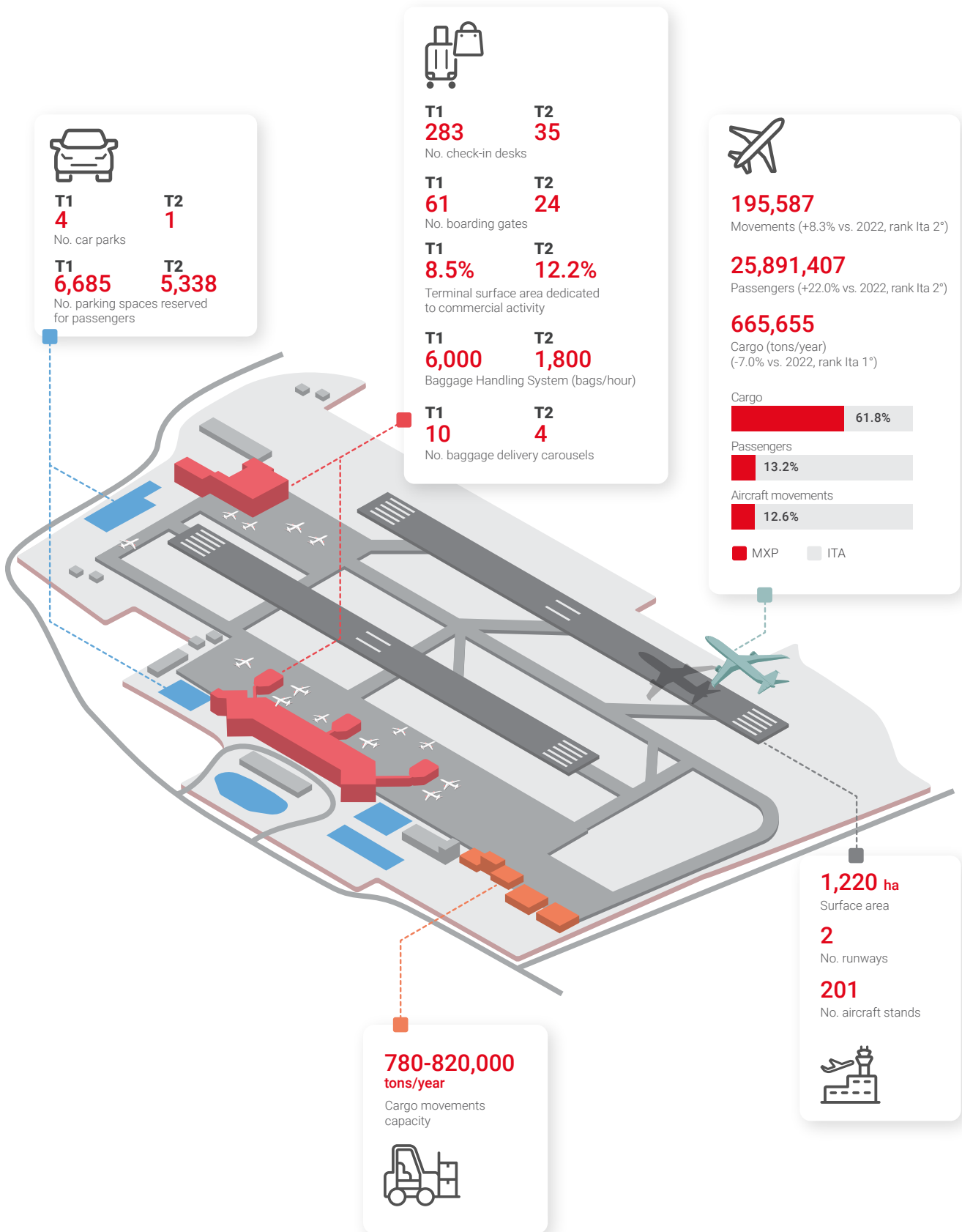
² Source: Assaeroporti (www.assaeroporti.it).

³ Source: Assaeroporti (www.assaeroporti.it).

LINATE AIRPORT



MALPENSA AIRPORT



CORPORATE GOVERNANCE

SEA complies with Borsa Italiana’s Corporate Governance Code, confirming its commitment to adopting an efficient corporate governance framework that outlines the priorities and associated responsibilities of both management and the supervisory board. Its objective is to create long-term value for shareholders while considering their interests in achieving sustainable success.

The SEA Corporate Governance structure is based on a traditional model and comprises the following bodies:

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

The structure of powers and duties and the internal control system complete the Governance structure.

For detailed information on these issues, reference can be made to the 2023 “Corporate Governance and Ownership Structure Report”, published on the corporate website at the following link: <https://milanairports.com/en/governance/corporate-governance-system/corporate-governance-report>.

The “Corporate Governance and Ownership Structure Report” contains, among other things, all the information required by the GRI 2 standard. This includes procedures for nominating and selecting the highest governance body, and its role concerning the company’s strategies, policies, and oversight of sustainable development objectives. It also defines responsibilities and

powers related to managing the organisation’s impacts and how the highest governance body should engage in reporting processes, communicating critical concerns, and providing inductions on sustainability topics.

Presented below are the disclosures on governance issues for which the GRI reporting standard requires a level of disclosure beyond that provided in the aforementioned Report.

Remuneration of management

The Group’s remuneration system is designed to attract, motivate and retain highly qualified and skilled individuals, capable of achieving the Groups’ objectives.

The variable incentive system (MBO) for Group Management is in line with new strategic targets and seeks to further its achievement. The variable remuneration component recognises the results achieved, drawing a correlation between performance and remuneration.

The annual objectives are pre-set by the budget approved by the Board of Directors and allocated to the resources in relation to the result and responsibility areas. Management’s main objective is to achieve the Group’s financial results, which is a pre-requisite for accessing the performance management system.

Performance is measured on, in addition to the economic-financial aspects, the reaching of individual objectives, some of which are directly associated with ESG topics.

The ESG targets incorporated into the performance management system for 2023 are highlighted below.

Managerial performance reviews with regard to ESG topics

Cluster	ESG Topics	No. of managers	% Weighting (min-max)
Environment	CO ₂ emissions	3	7.5%
Health and Safety	Reduction of work-related injuries	6	5-20%
Quality of passenger services	Summary index of perceived and delivered quality	144	10-25%

Source: SEA

Additionally, we note that in 2023, the ratio of the annual salary of the highest paid person and the median annual salary of all employees (excluding the above person) was 14.6⁴ (11.31 in 2022); this figure is up from the previous year because 2023 income incorporates the effect of reactivating the MBO mechanism for the highest paid employee; for this reason, the percentage increase ratio has not been provided.

Sustainability Governance

In addition to ensuring that the annual Sustainability Report is prepared and published, as required by current legislation, the Board of Directors also approves the report, based on the presentation of its contents and key performance. The results of the materiality analysis are approved by the Board of Directors. Prior to this, the Board acquires a comprehensive understanding of the methodology adopted (definition of potentially material topics, stakeholder categories, and their feedback). The Board may include its own evaluations and considerations if deemed necessary.

The Board of Directors also approves various sustainability governance tools, including the Code of Ethics, Values, and Sustainability Plan, along with any subsequent updates and additions, using the same criteria employed for sustainability reporting and materiality analysis.

Internal control system

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

- the efficiency and effectiveness of the business processes;
- the reliability of financial disclosure;
- compliance with law, regulations, the By-Laws and

internal procedures;

- the safeguarding of the company's assets.

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

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

The current Organisation and Management Model was approved by the Board of Directors on May 31, 2022, and includes all the offences covered by Legislative Decree No. 231/2001 at that date; the Model summarises the actions undertaken by the Company with regard to the Decree and indicates the procedures adopted to prevent the offences listed under the Decree, which could result in the Company's administrative liability.

The Supervisory Board is allocated the role of overseeing the functioning of compliance with and updating of the Model. It was appointed by the Board of Directors on May 31, 2022 and comprised four members (an SEA Director without operational powers, two independent external members, one of whom functions as Chairperson of the Board, and an internal member - Auditing Director).

The Supervisory Board complies with the prerequisites of independence and autonomy, professionalism and continuity in its actions and is invested with the powers to initiate and to control, as well as availing of sufficient financial resources to carry out its actions. The Company has a dedicated channel for employees, corporate bodies and third parties to report unlawful conduct or situations, including anonymously, to the Supervisory Board - even if there is only a potential risk or offence ("Whistleblowing"). This channel, along with the Reporting Procedure, were updated in 2023 to bring them into line with the provisions of Legislative Decree No. 24/2023. The components of SEA's 231/2001 Model, which integrate the General Section and the Special Section, are:

⁴We note that, in calculating the ratio of total annual remuneration of the highest paid individual to the median total annual remuneration of all employees excluding the highest paid employee, part-time employees and new hires in 2023 were considered as full-time employees for twelve months. Total remuneration includes all remuneration components, including variable remuneration. The person receiving the highest remuneration is the General Manager.

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

The SEA Supervisory Board met nine times in 2023; minutes were drawn up for each meeting. The SEA Organisation and Management Model includes offences relating to occupational health and safety, the environment, the violation of human rights and associated preventive measures adopted by the company to prevent them, in addition to all the other offences envisaged by Legislative Decree No. 231/2001 and relative preventive protocols. The Group companies SEA Prime and Airport ICT Services also adopted their own Organisation and Management Model pursuant to Legislative Decree No. 231/2001 and appointed their own Supervisory Board. The Supervisory Boards of SEA and its subsidiaries, SEA Prime and Airport ICT Services, perform audits, including through the Auditing Department, on the suitability and effectiveness of protocols adopted by the Company to prevent the offences set out in the Decree.

Code of Ethics and Ethics Committee

ORIGIN AND PURPOSE OF THE CODE OF ETHICS

The SEA Code of Ethics - a component of the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 - was adopted for the first time in April 2000, and was most recently approved by the Board of Directors on December 21, 2020. The Code of Ethics identifies the ethical principles and rules of conduct that SEA intends to embrace in its activities and which must be followed by the members of the corporate bodies, employees and collaborators linked to SEA and its Group companies by employment contracts of any nature (including occasional or temporary), as

well as other specific categories of stakeholders (e.g., customers, suppliers, and business partners), which are required to comply with certain rules of conduct set out in the Code of Ethics and formalised through specific provisions in the relevant contracts. The rules of the Code of Ethics are an essential part of the contractual obligations of the Company's management, employees and collaborators. Therefore, conduct that is in violation of the rules constitutes an infringement of the diligence obligation required by the applicable National Collective Bargaining Agreements (CCNL). For other stakeholders, compliance with the provisions of the Code of Ethics is a prerequisite for establishing and/or continuing their relationship with SEA.

ETHICS COMMITTEE

SEA has set up an Ethics Committee, most recently appointed on May 31, 2022. The Committee is tasked with ensuring that the Code of Ethics is appropriately circulated, adhered to, accurately interpreted, and regularly updated. The Committee comprises the Chairperson of the Company's Board of Directors (who serves as the Committee's Chairperson), a Non-Executive Director, and managers from the "Human Resources", "Health and Safety at Work", and "Auditing" departments. In 2023, the Ethics Committee met four times, primarily to discuss the progress of circulating and adopting the Code.

The subsidiaries SEA Prime and Airport ICT Services have adopted their own Codes of Ethics inspired by the principles expressed in SEA's Code, which have been approved by their respective Boards of Directors. The subsidiaries have appointed the Ethics Committee of the parent company as their own Ethics Committees.

CODE OF ETHICS CIRCULATION AND TRAINING ACTIVITIES

Circulation of the Organisation and Management Model pursuant to Legislative Decree No. 231/2001 and the Code of Ethics continued in 2023 through the following initiatives:

- uploading of the Code of Ethics and the Organisation and Management Model to the dedicated Intranet sections for new hires;
- publication on the Company Intranet of an updated version of the 231/01 risk mapping;
- refresher training for all Executives (48), who signed the Bribery Prevention Policy;
- publication on the company website of the Bribery

Prevention Policy approved by the Board of Directors on March 24, 2023;

- training sessions during “Welcome Days” organised for newly hired employees (129 participants);
- in-person sessions on the Model’s adoption for new Managers of sensitive areas (1);
- online course with final test on the 231/01 Model: taken by 88% of administrative staff and 84% of shift staff;
- publication of infographics on the intranet for all employees:
 - on refreshers regarding the 231/01 Model (1,156 read confirmations);
 - on Whistleblowing awareness for all employees, with 1,830 read confirmations (1,784 SEA, 27 AIS, 19 SEA Prime).

Bribery Prevention Policy

The Bribery Prevention Policy was updated and approved by the Board of Directors on March 24, 2023; this policy constitutes a declaration of compliance by the members of the Board of Directors and was also signed by the Company’s Executives.

The Policy can be consulted on SEA’s website, in the Corporate Governance Section: <https://milanairports.com/en/governance/ethic-and-compliance/management-system-corruption-prevention>.

ANTI-BRIBERY MANAGEMENT SYSTEM

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

The “Anti-corruption measures pursuant to Law No. 190/2012” include prevention measures for the

corruption offences provided for in the Management System for the Prevention of Corruption, approved by the Board of Directors on February 22, 2018 and certified on March 8, 2018 according to the UNI ISO 37001:2016 “Anti-Bribery Management System” standard. The recertification audit carried out in October 2023 confirmed the validity of the certificate until March 2027.

An analysis of company processes was carried out as part of the activities relating to SEA’s Management System for the Prevention of Corruption and the 231/2001 Model of SEA and the subsidiaries SEA Prime and Airport ICT Services, in order to identify the risks linked to corruption. 44 audits were also carried out (30 of which at SEA, 11 at the subsidiary SEA Prime and three at Airport ICT Services) - which also focused on the auditing of processes with a potential risk of corruption and the suitability and effectiveness of associated procedures. No critical issues emerged.

In 2023, information and training on anti-corruption measures and the ABMS was structured as previously described for Legislative Decree No. 231/2001 and the SEA Model.

Whistleblowing

SEA has launched an IT reporting platform, managed by an “external provider”, through which employees and third parties can make (whistleblowing) reports, including anonymously, on, for example, alleged violations of law, of corporate procedures or regulations, of rules of professional conduct, of the principles of the Code of Ethics, of the Organisational Management Model, as per Legislative Decree No. 231/2001, or of the Anti-Bribery Management System. The IT platform can be accessed via the Corporate Governance section of the website <https://milanairports.com/en> or via the corporate intranet. The platform guarantees the confidentiality of personal data and the contents of reports in accordance with law. The management of the reporting is governed by a specific company procedure. The IT platform is also used by the subsidiary SEA Prime. SEA and SEA Prime’s whistleblowing system was updated in July 2023 in accordance with Legislative Decree No. 24/2023, specifically by modifying the IT platform and updating the reporting procedure. Airport ICT Services has activated its own IT platform and prepared a Reporting Procedure in accordance with Legislative Decree No. 24/2023. In 2023, six reports were received through SEA’s whistleblowing platform, for which feedback was provided to the whistleblowers.

Compliance with laws and regulations

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

In 2023, for SEA and SEA Prime, no pending actions were registered in relation to competition and anti-trust, nor were any significant penalties recorded for non-compliance with laws or regulations, or for defaulting on environmental and social obligations. In addition, no cases of corruption were identified.

Tax Policy

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

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

- to ensure the correct determination and timely settlement of taxes due by law, together with the execution of the related declaratory obligations;
- to minimise the tax risk - understood as the risk of

violating tax regulations or the abuse of the principles and purposes of the tax system.

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

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

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

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

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

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

SUSTAINABILITY

SCENARIO AND

STRATEGY

Sustainable

Scenario and

Strategy

SUSTAINABILITY SCENARIO

In recent years, an increasing number of institutions, market players, and organisations in the air transport sector have begun to prepare regulatory measures, frameworks, guidelines, recommendations and signs of change. 2023 saw a number of significant accelerations in ESG dynamics within the industry - both in the EU regulatory environment and in the context of the variables that shape aviation supply and demand - particularly in terms of decarbonisation. The main elements of this scenario are briefly described below.



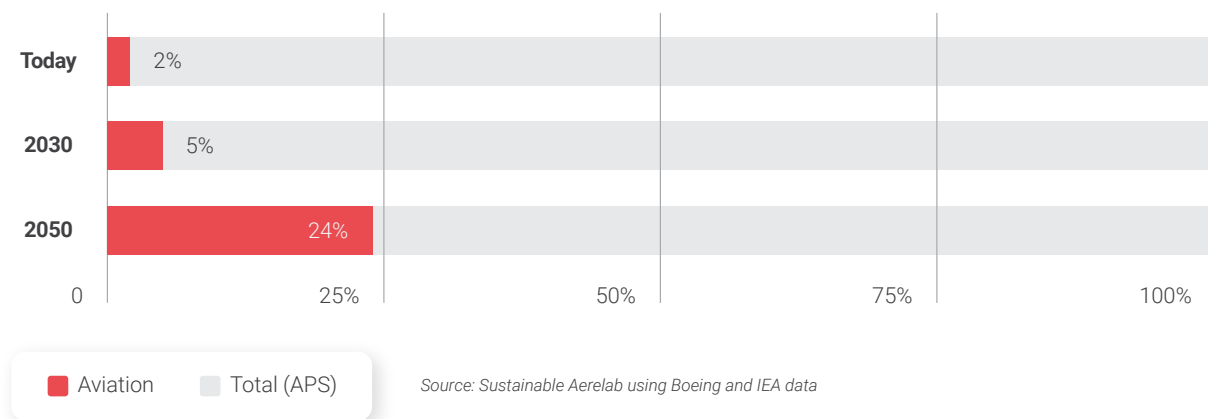
Source: SEA

Two macro-topics feature in the current scenario. On the one hand are the public policies (tax and regulatory measures) introduced by the EU and individual countries to incorporate the cost of CO₂ emissions into airline operating costs and thereby drive the industry toward decarbonisation. Many observers believe that these measures will lead to an increasing impact on the price of flights and curb the natural growth of traffic volumes in the coming years, especially on intra-European routes. On the other hand is the European aviation market, which features dynamics that reflect public pressure on the industry regarding the carbon footprint of flying, and voluntary initiatives adopted by carriers and airports to position themselves on a decarbonisation roadmap.

Impact of the aviation industry on climate change

The aviation sector currently accounts for about 2-3% of global GHG emissions (net of non-CO₂ effects generated by aircraft contrails). But this situation could change substantially in the coming years. According to projections by Sustainable AeroLab, developed using expected aviation emissions modelled by Boeing and total CO₂ projections in the IEA's APS⁵ scenario, the projected growth of aviation over the next decade could see its contribution double to 5% in less than eight years. If this trajectory continued, aviation alone would account for just under a quarter of all global CO₂ emissions by 2050. This outlook is more or less confirmed by the Energy Transition Commission, which forecasts that aviation could be responsible for 22% of global emissions by 2050. The repercussions of such an escalation are clear: increasing pressure and public scrutiny would challenge the industry's license to operate.

Aviation industry contribution to global CO₂ emissions in the absence of decarbonisation measures

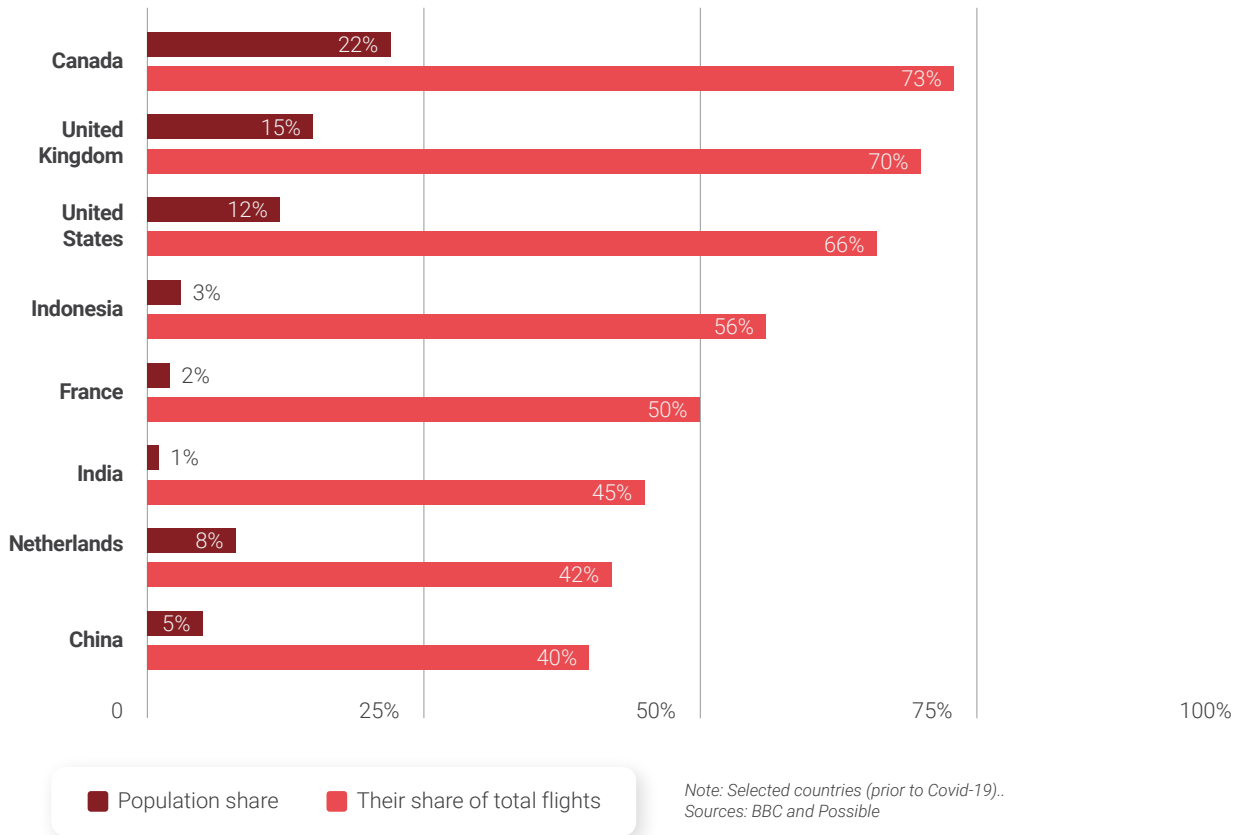


CO₂ emissions generated by aviation also tend to be considered discretionary and exclusive. According to an International Council of Clean Transportation study,⁶ around 80% of all flights are made by 20% of the world's population; the richest 2% of flyers are responsible for 40% of all flights made.

⁵ IEA scenario which assumes that every ambitious decarbonisation target announced by governments are met on time and in full, including the long-term net zero emissions and energy access targets.

⁶ Source: "Aviation climate finance using a global frequent flying levy," ICCT, 2022

Estimated share of the population who take the largest total share of flights



Public policies adopted in Europe to encourage air transport decarbonisation

AIR TRANSPORT INCLUDED IN EU TAXONOMY

In 2023, the Climate Delegated Act was amended. Among other changes, this formalised the inclusion of aviation as a transitional activity under the EU Taxonomy Regulation, effective January 1, 2024. The European Commission thus recognised that the aviation industry has the potential to play a significant role in reducing carbon emissions and could therefore make a substantial contribution to climate change mitigation in the future. Though economic activities in the aviation sector are carried out in the absence, or low uptake, of alternative low-carbon technologies (hence its classification as a “transitional activity”), these activities can still be considered to make a substantial contribution to climate change mitigation for the purposes of the EU Taxonomy Regulation, provided that:

- generate levels of greenhouse gas emissions that correspond to the best performance in the sector;
- do not hinder the development and diffusion of low-carbon alternatives;
- do not result in carbon-intensive activities throughout the economic life of those activities.

The Delegated Act contains technical criteria for determining which type of aviation-related economic activity would constitute a transitional activity for the purposes of the EU Taxonomy Regulation.

Annex I to the Delegated Act designates the following aviation activities as potentially covered by the EU Taxonomy Regulation because they could (if the technical screening criteria are met) make a substantial contribution to climate change mitigation:

- production of aircraft;
- leasing of aircraft;
- passenger and cargo air transport;
- air transport ground handling operations.

For the latter activity, which relates directly to the airport business, the substantial contribution covers the adoption of electrically powered equipment and machinery.

FIT FOR 55 FOR AVIATION

The “Fit for 55 Aviation” measures issued by the European Commission in 2021 include several measures relevant to airports and the air transport industry:

- Alternative Fuels Infrastructure Regulation (AFIR), which require that airports supply electricity to parked aircraft;
- ReFuelEU Aviation, which mandates the use of sustainable aviation fuels (SAFs);
- Revision of the Energy Tax Directive (ETD), which introduces a tax on fuels based on their carbon content;
- General ETS reform, which reduces, or completely removes, the free allowances granted to the aviation sector.

Airports are direct addressees of the AFIR, which provides for the mandatory supply of electricity by airports to aircraft parked at gates to avoid the use of auxiliary power units (APUs), which have a significant impact in terms of both CO₂ emissions and local air pollution.

The AFIR Regulation, the ReFuelEU Regulation and the EU ETS2 Directive were approved in 2023. The latter two measures will have a significant impact on airline operating costs and therefore on flight fares, and will in turn affect air travel demand in the coming years.

By contrast, there was no political agreement on the launch of ETD reform, and there are therefore no current plans to introduce a European excise tax on jet fuel.

EU-ETS2 Directive for aviation

Mandate	Scope of application	Interaction with CORSIA	Possible sector impacts
Free emissions allowances for the sector will be phased out, and full auctioning will be introduced from 2026. The reduction will be 25% for 2024 and 50% for 2025 (down from 85% previously allocated for free emissions). From 2024, the linear reduction factor increases from 2.2% to 4.2% to align Fit for 55 with long-term decarbonisation goals. The new system will earmark 20 million allowances from January 2024 to December 2030 to support the purchase of sustainable aviation fuels (SAFs).	EU ETS will apply only to intra-European (EEA) flights, including flights departing for the UK and Switzerland, while CORSIA will apply to non-European flights to and from non-EU countries participating in CORSIA from 2022 to 2027.	CORSIA should be reviewed by July 1, 2026. If by December 31, 2025, the ICAO Shareholders’ Meeting has not strengthened CORSIA, the Commission is expected to propose that the EU ETS be extended to emissions from flights departing to non-European destinations from 2027.	According to European carrier association Airlines for Europe, the cost of compliance with the new system the ETS for European carriers will increase five-fold by 2025, reaching more than Euro 5 billion. A4E also predicts that the annual cost of EU ETS and CORSIA compliance will increase from Euro 0.95 billion in 2019 to 7.6 billion in 2030 and to 9 billion by 2035.

Source: European Commission

The ReFuelEU regulation for aviation

Mandate	Scope of application	Type of eligible SAFs	Monitoring of non-CO ₂ effects
<p>Effective 2025, carriers will be required to use a minimum portion of sustainable aviation fuels (SAFs). The percentage of SAF that must be blended with kerosene will start at 2% in 2025 then rise to 6% by 2030, 20% by 2035, 34% by 2040, and reach 70% by 2050. From 2030, a sub-target dedicated to synthetic fuels derived from green hydrogen will also come into effect. Starting at 1.2%, it will rise to 5% by 2035 and reach 35% by 2050.</p>	<p>This applies to all flights departing from an EU airport to any destination.</p>	<p>According to the agreement, the term "sustainable aviation fuels" will cover synthetic fuels, certain biofuels produced from agricultural or forestry residues, algae, organic wastes, used cooking oil or certain animal fats, and recycled fuels produced from waste gas and plastic. Feed and food-based fuels and those derived from palm and soybean will not be eligible.</p>	<p>From January 1, 2025, aircraft operators will report once a year on climate-altering emissions generated during flight, other than CO₂ emissions. The Commission will therefore adopt an implementing act in 2024 to include non-CO₂ aviation effects as part of a monitoring, reporting and verification framework. By 2027, and on the basis of the results, the Commission will report and propose mitigation measures for non-CO₂ effects of aviation, where appropriate.</p>

Source: European Commission

Environmental labelling for flights

Under the RefuelEU framework, from January 1, 2025, airlines will be able to market their flights with a label indicating the expected carbon footprint per passenger and per km travelled. This will allow passengers to compare the environmental performance of flights operated by different airlines on the same route and will incentivise the aviation industry to continuously improve its sustainability performance. Introducing this system has been entrusted to the European Union Aviation Safety Agency (EASA). Carriers choosing to participate in the environmental labelling scheme will be required to submit data to EASA for all flights covered by the initiative. They will also have to display the flight's carbon footprint as part of their reservation system, ensuring that the information is visible to customers at the time of booking.

MEASURES TO CURB AVIATION EMISSIONS INTRODUCED BY INDIVIDUAL EUROPEAN COUNTRIES

In recent years, a number of European states have introduced or announced plans to introduce restrictions on aviation activity within their country, justifying these measures (in most cases carbon flight taxes) with the intention of curbing the impact of aviation on climate change.

Measures to curb aviation emissions in EU countries

Country	Measures introduced	Year	Measures announced
Norway	Taxes on domestic and intra-EU destinations (Euro 7.14) and international destinations (Euro 28).	2016	Proposal submitted to increase the fee from 2024.
Sweden	Taxes on domestic and intra-EU destinations (Euro 6), destinations up to 6,000 km (Euro 26), and more distant destinations (Euro 41).	2018	
Netherlands	Tax of Euro 26.43 on all airline tickets.	2021	
France	Eco Tax for commercial flights departing from French airports, with rates ranging from Euro 2.70 for domestic and intra-European flights in economy class to Euro 63.10 for business class flight tickets to non-EU destinations.	2020	Increasing the tax from 2024, in order to raise funding for the construction of new high-speed rail lines.
	Ban on domestic flights that could be made by train in under 2.5 hours. This relates to just three connections from Paris-Orly to Bordeaux, Nantes and Lyon.	2023	Request to the EU to set a minimum price for air travel in Europe to combat polluting low-cost flights. Request to the EU for stricter regulation of fuel-intensive private jet flights.
Germany	Ecological departure tax. Departure tax in an amount divided by destination bands: from Euro 12.48 for the 1st band to Euro 56.91 for the 3rd.	2011	The German federal government has approved a 22% increase in aviation taxes per passenger from May 1, 2024.
Portugal	Flat-rate carbon tax of Euro 2 for flights departing from all Portuguese airports.	2021	

Source: SEA analysis of IATA data and web sources








Countries with higher taxation are experiencing delays in returning to pre-pandemic traffic volumes. In its 2023 year-end report, Swedavia called for a review of the Swedish government's aviation tax, which as it stands would reduce competitiveness, undermining aviation's climate transition. Aviation taxes in Sweden are expected to increase by 9-10% in 2024. Traffic data show that Swedish market is recovering more slowly than that of its Scandinavian neighbours such as Denmark and Norway. In addition, Ryanair, the largest low-cost operator in Sweden, is freezing services on domestic routes in response to the tax increase. Carriers in Germany are also complaining about high tax levels, considered among the steepest in Europe. Germany's post-Covid air transport capacity recovery is below the continental average and is the weakest among the top five European nations.

POTENTIAL IMPACTS OF DECARBONISATION MEASURES ON EUROPEAN FLIGHT PRICES AND DEMAND

A number of analysts and observers believe that, when fully implemented, Fit for 55 will result in a loss of competitiveness for European aviation. According to rating agency S&P, the coming years will see European airlines feel the effects of carbon pricing regulations more acutely than their international rivals. The strongest carriers, however, should be able to pass on much of the cost to travellers. The table below presents some of the forecasts made in 2023 by financial analysts and aviation industry organisations.

FIT FOR 55 on aviation traffic

FIT FOR 55 FORECAST IMPACT ON EUROPEAN AVIATION TRAFFIC

Source	Economic performance	Ticket price	Market Dynamics
		+30% on average (assuming a carbon cost of €90/tonne)	<ul style="list-style-type: none"> – Carriers' profits, cash flow and competitive positions highly vulnerable – Competitive plus: cost transfer to passengers
	New EU-ETS will increase costs of top 6 intra-EU airlines to €5bn in 2027 (vs. €3.5bn 2019)	+8-10 € on average for return flight	
			Intra-EU flights -6 p.p. increase vs. baseline (+28% vs. +34% to 2030 vs. 2019)
		Fit for 55 package: +€45 average for a return flight by 2030	
	Fully effective EU-ETS will reduce profit of top 6 intra-EU airlines by 77%	Increases of up to 30%	-17% demand for air travel
		Average increase +€38 per flight	
	Overall economic impact of Fit for 55 on the sector: ETD reform: +€29bn EU-ETS reform: +€23bn ReFuelEU: +€10bn		

Source: SEA analysis using data from S&P Global Ratings, CAPA, A4E, SEO, Bain&Co, Eurocontrol

“Green-oriented” dynamics in European air transport

SECTOR COMMITMENT TO THE NET ZERO TARGET

The global aviation industry roadmap calls for net zero carbon to be achieved by 2050. Intermediate milestones of the goal require the sector to achieve zero-emission growth by 2030 and a halve emissions by 2040.

The “Making Net Zero Aviation Possible” report produced by Mission Possible Partnership (MPP) and Clean Skies for Tomorrow Coalition (CST) suggests that between now and 2050, an average annual investment of USD 175 billion will be required for the aviation industry to achieve zero emissions. The current pipeline of sustainable aviation fuel (SAF) production projects must increase five to six times by 2030, requiring 300 to 400 new production facilities. In fact, it is estimated that SAF production levels need to increase by a factor of 3,000-7,000 in under three decades.

Net Zero European aviation

THE COST OF ACHIEVING NET ZERO FOR EUROPEAN AVIATION

Measure	Extra cost	CO ₂ reduction	Details
IMPROVEMENTS IN TECHNOLOGY	€198B	1.41Bt	Fleet renewal, future aircraft R&D, infrastructure for future aircraft
IMPROVEMENTS IN ATM AND OPERATIONS	29	0.56	Airspace and air traffic management, ground operations at airports
ALTERNATIVE FUELS	441	1.61	Drop-in sustainable aviation fuels, hydrogen, renewable electricity
CARBON PRICING / NEGATIVE EMISSIONS	152	1.15	Emissions trading through EU ETS and CORSIA, CO ₂ removal technologies

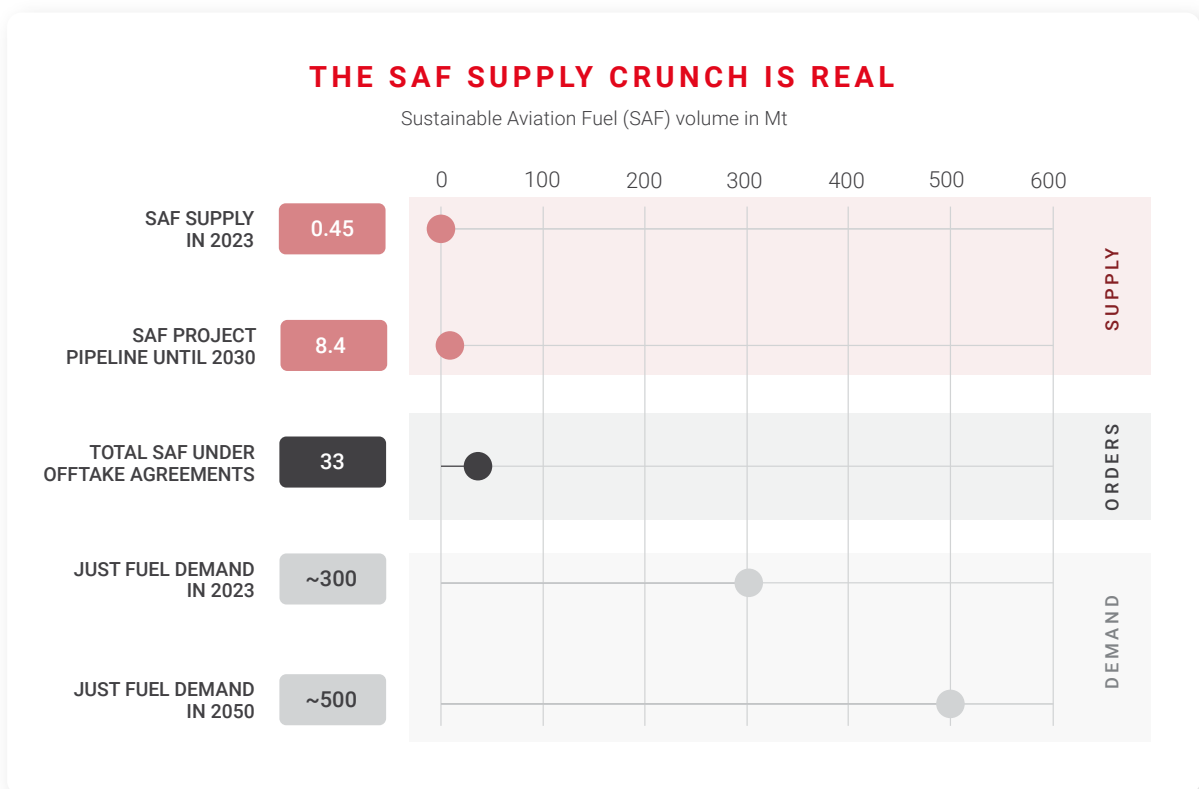
Source: The Price of Net Zero Report

AIRLINES RUSH TO SAF

Carriers have for some years been committed to taking decisive measures to increase SAF consumption and production. One litre of SAF emits 50 to 80% less CO₂ than kerosene.

Maintaining emissions in 2030 at 2019 levels means providing sufficient SAF production capacity to allow airlines to replace at least 15% of total fuel consumption with SAF. A massive expansion of SAF production capacity is therefore mission-critical. A report by SkyNRG, a leading European global SAF production company, forecasts that no less than 12.8 million tonnes of SAF supply and demand will be generated worldwide by 2030. By 2050, Europe and the US could have approx. 120 million tonnes of SAF capacity in place.

For the European market, SkyNRG concludes that the mandatory SAF use threshold introduced by ReFuelEU announced for 2030 (6%) is likely to be met, albeit with some caveats. Achieving 70% SAF use by 2050 in Europe would require the construction of more than 150 biofuel refineries, according to skyNRG.



Source: Sustainable Aero Lab Analysis, MPP, McKinsey, ICAO, IATA

Sustainable AeroLab takes a less optimistic position, estimating that in 2023, SAF production was only 0.45 million tonnes, or just 0.15% of the 300 million tonnes of global aviation fuel demand. Even if production from all SAF plants planned so far were considered accessible, only around 8.4 million tonnes would be available by 2030. Meanwhile, airlines have already concluded SAF offtake agreements that significantly exceed this expected production. In essence, the industry is quite prematurely counting on SAF supplies that may not exist by the end of this decade. Thus, today's reality is a combination of overselling and underdelivering: the "SAF supply crunch". The few SAF producers around the world also have to compete for feedstock with producers of biodiesel, a low-carbon fuel that can be used for maritime and road transport.

AIRPORT PROGRESS TOWARDS AIRPORT CARBON ACCREDITATION

Airport Carbon Accreditation (ACA) is a global carbon management certification program adopted by the Airport Council International. It independently assesses and recognises airports' efforts to manage and reduce their carbon emissions through six certification levels: "Mapping", "Reduction", "Optimisation", "Neutrality", "Transformation", and "Transition". Launched in 2009 by ACI Europe, the programme has since become the global standard for carbon management by airports.

In 2023, ACA announced that it had exceeded the threshold of 500 airports certified under the programme's stringent requirements. Of these 500, more than 200 airports are working not only to reduce CO₂ emissions under their control (scopes 1 and 2), but also to encourage other companies operating on their premises to do the same (scope 3). 63 airports have also made a commitment to zero emissions in line with the Paris Agreement target. ACI sees the 500-airport milestone as a testament to the programme's credibility and robustness in providing a useful "toolbox" for concrete airport action. In 2023, the total number of European airports committed to achieving net zero emissions by 2050 rose to 324, operating in 38 countries and accounting for 76% of the continent's passenger traffic. Since last year, 48 airports have raised their certification level, while 132 airports (including Malpensa and Linate) have committed to achieving net zero by 2030. ACI Europe's website provides a publicly accessible repository of airport roadmaps targeting net zero, to make airports' progress towards their climate goals transparent and traceable.

In 2023, ACI officially launched the programme's Level 5 certification. Amsterdam Schiphol, Christchurch, Gothenburg Landvetter, Madeira, Malmö and Rotterdam are among the first 10 airports on the planet to have achieved the new level of certification. The introduction of Level 5 builds on the development trajectory set out with the introduction of Levels 4 and 4+ in 2020. These levels already certify airports that have embarked on an emissions reduction path in line with the Paris Agreement. Level 5 recognises the ultimate achievement and maturity in airport carbon management, based on certain requirements, such as significant absolute emission reductions ($\geq 90\%$ scope 1 and 2), commitment to scope 3 net zero by 2050 or before, investment in carbon removal, mapping of a carbon footprint extended to all significant third-party activities, including airlines.

REDUCTION OF CORPORATE AIR TRAVEL

Addressing scope 3 greenhouse gas emissions - those generated indirectly by activities such as business travel - has become a major issue for the companies most committed to reducing their carbon footprint. As these companies adopt targets that also encompass indirect emissions, pressure increases on them to reduce business travel, choose lower-emission modes of transportation, and purchase sustainable aviation fuels through agreements with airlines and fuel suppliers. Business travel accounts for 15-20% of global air travel and generates a considerable share of total emissions for service companies, including those operating in consulting (53%) and finance, banking and insurance (36%). The management of corporate travel will be increasingly influenced not only by traditional metrics such as pricing, connection times, schedules, flexibility, and loyalty rewards, but also by airlines' declared sustainability strategies and the demonstrated results of decarbonisation commitments.

According to a survey conducted in 2023 by the Global Business Travel Association (GBTA), the world's leading business travel and meetings trade organisation (more than 7,600 members with turnover of USD 1,158 billion):

- 81% of travel managers have integrated or are planning to integrate sustainability criteria into their travel programme, with Europe ahead of other areas (93%). This is a significant increase (+10 points) on 2022.
- Measuring emissions is the main practice introduced globally by corporate travel managers. 64% of travel buyers monitor the emissions of their business travel programme (up from 55% in 2022).
- More than half (54%) of the travel managers surveyed must now reduce their business-related emissions due to the internal or public scope 3 reduction goals adopted by their company. Another 23% expect their company to set similar reduction targets soon.
- One third of travel managers are making arrangements to purchase use-of-SAF certificates. 18% of travel buyers are already doing so, while an additional 16% plan to do so. Of the companies that purchase SAF certificates, 84% do so through airlines. The average expenditure is USD 175 thousand per year.

OFFSETTING

2023 was a crucial year for the carbon credit market. Once considered the cornerstone of corporate climate action, voluntary carbon markets are now grappling with a crisis of confidence and a significant drop in prices and demand.

Voluntary carbon markets (VCMs) experienced exponential growth from 2019 to 2021, fuelled by growing corporate commitments on carbon neutrality and optimistic forecasts of potential market size. 2022 saw a marked slowdown in VCM growth, a trend that continued in 2023. Several factors have contributed to this decline, including the increasing complexity of market mechanisms and the role of carbon credits in broader sustainability strategies.

In 2023, several highly reputable companies abandoned carbon offsetting schemes. This move has also been affected by growing scepticism regarding the effectiveness of these projects, concerns about their actual climate benefits, and related accusations of greenwashing. At the end of 2023, a significant decrease in demand for offsets was observed, with estimates suggesting a 25% decrease from 2021 levels.

The declining demand has had a noticeable effect on prices. The world's largest carbon spot trading market has seen carbon offset prices fall by more than 80% over a period of 18-20 months. This drop in prices reflects the broader challenges facing the voluntary carbon market, including questions about the actual environmental impact of credits and the integrity of projects that claim to offset emissions.

Particularly striking was the decline in Nature-Based Global Emissions Offsets (NGEO) credits, a result of the high price at which they were being traded compared to other types of offsets. NCEO prices decreased dramatically from about approx. USD 15 in June 2022 to USD 1 in June 2023.

Nature-based carbon offsetting



Source: carboncredits.com

Carbon price trends (Euro/tonne) in the EU-ETS market, 2023

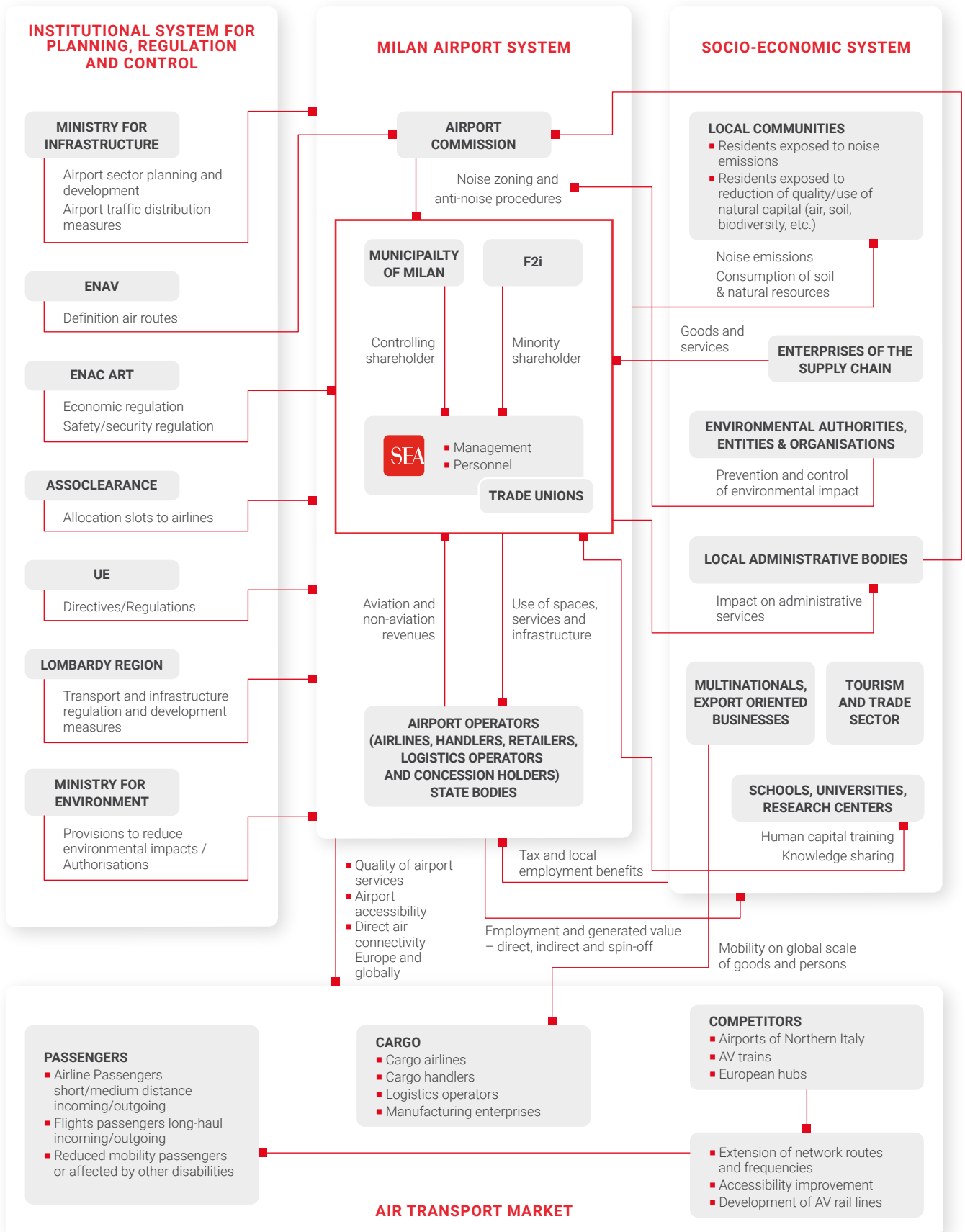


Source: S&P Global Commodity Insights

The price drop also affected credits in the European ETS regulated market. Since January 2024, prices have fallen dramatically, from approx. Euro 84 per tonne to just above Euro 50. And yet, only in early 2023 were economic operators, some national governments and press organs sounding the alarm over the sharp rise in the price of carbon, which had reached a record level of Euro 100 per tonne. European Union carbon prices are forecast to continue their downward trend in 2024, as a result of expected lower emissions from the power sector, tepid gas prices and oversupply problems. S&P Global predicts that the price of carbon in the EU will remain between Euro 80.8 and Euro 95.50 throughout 2024.

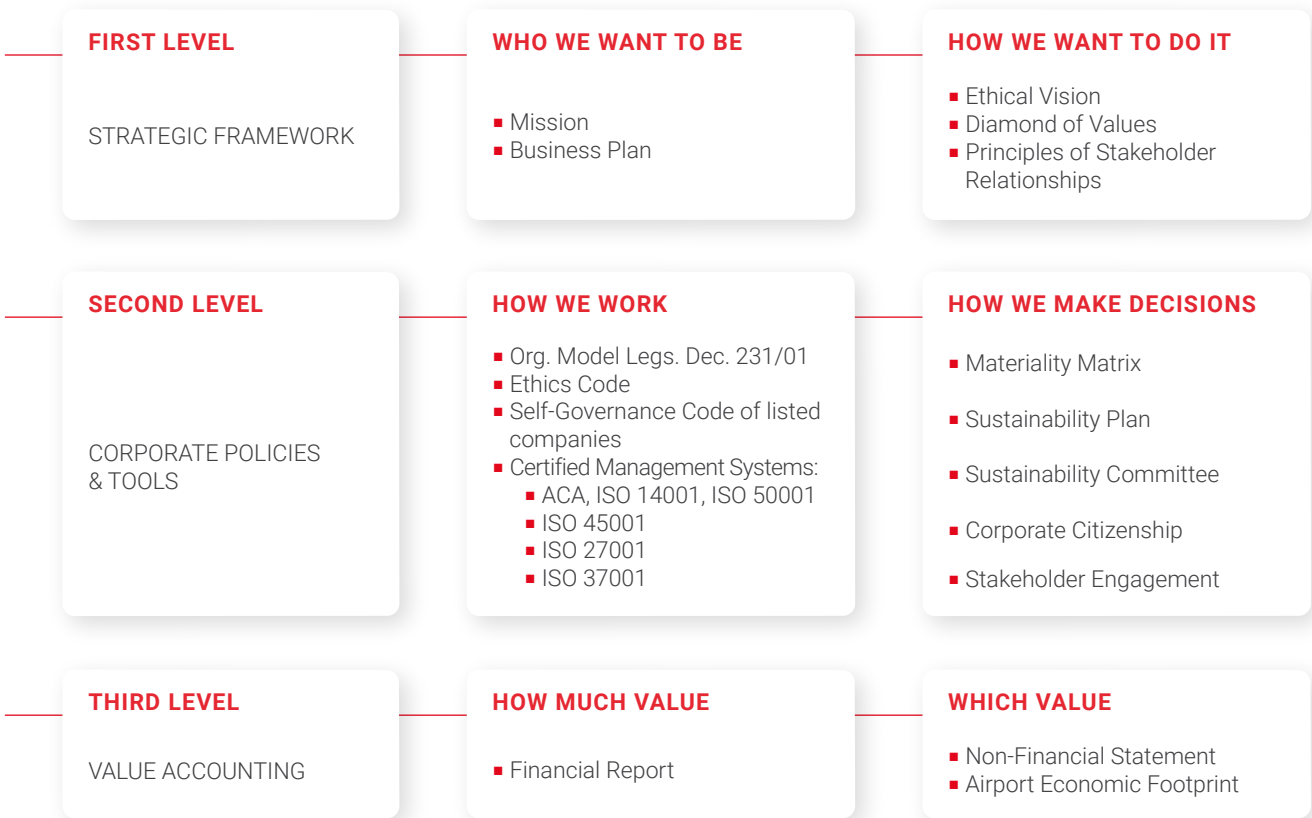
SUSTAINABILITY STRATEGY

SEA Group 1st level stakeholder map



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

Sustainability governance model



The Board of Directors has entrusted in-depth study of ESG issues to the Control, Risks and Sustainability Committee, while a Sustainability Committee operates at the management level. This is responsible for reviewing the performance of key sustainability indicators, including with reference to other comparable airport operators, and assessing the effectiveness of the measures taken, examining potential improvement action.

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

In 2023, ESG issues addressed within the Sustainability Committee included the update of the 2024-2028 Sustainability Plan, the decarbonisation plan, ESG risks, and the new Materiality Assessment.

SEA integrates sustainability issues into its strategic planning, its risk assessment system (ERM) and its performance management system, meaning that the Company’s ability to create value over the long term takes into account all the variables that affect it.

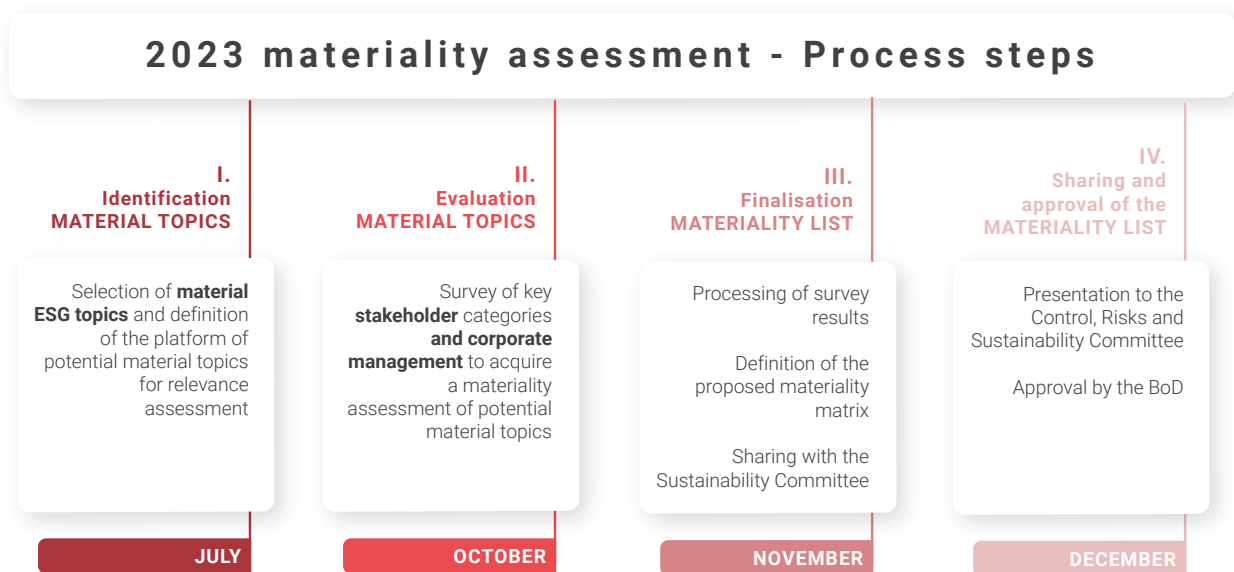
The approach to the “sustainable strategy” empowers the management team to adopt a consistent approach, in order to accentuate the capacity to single out the interrelationships between business dynamics and the contextual and scenario variables, and ultimately improve the quality of corporate decision making.

Periodically, SEA carries out sample surveys with corporate stakeholders subdivided into categories, to assess their perception of the quality of the relationships with the SEA, to assess SEA’s management skills and the direct impact of its actions on them. In addition to these surveys - especially in connection with the launch of important projects such as the Master Plans - meetings were arranged to engage with the most representative corporate stakeholders.

Accountability in relation to strategies, processes and impact is not restricted to solely creating a Sustainability Report. A partnership with the LIUC Business School has been in place for 12 years, measuring more precisely and reliably the socio-economic externalities created by Malpensa and Linate airports on various territorial scales. The goal, on the one hand, is to acquire in-depth knowledge of the economic role played by the airports in the local and national context and on the other, to support informed methods of engaging with the region.

MATERIALITY ASSESSMENT

A new materiality assessment of SEA was conducted in 2023 to structurally redefine the scope of material topics identified in 2020. This was carried out through a multifaceted process of analysis, evaluation, and prioritisation of potentially material topics, accomplished jointly by SEA management and stakeholders. The list of material topics approved by SEA’s Board of Directors on December 20, 2023 includes 22 issues.

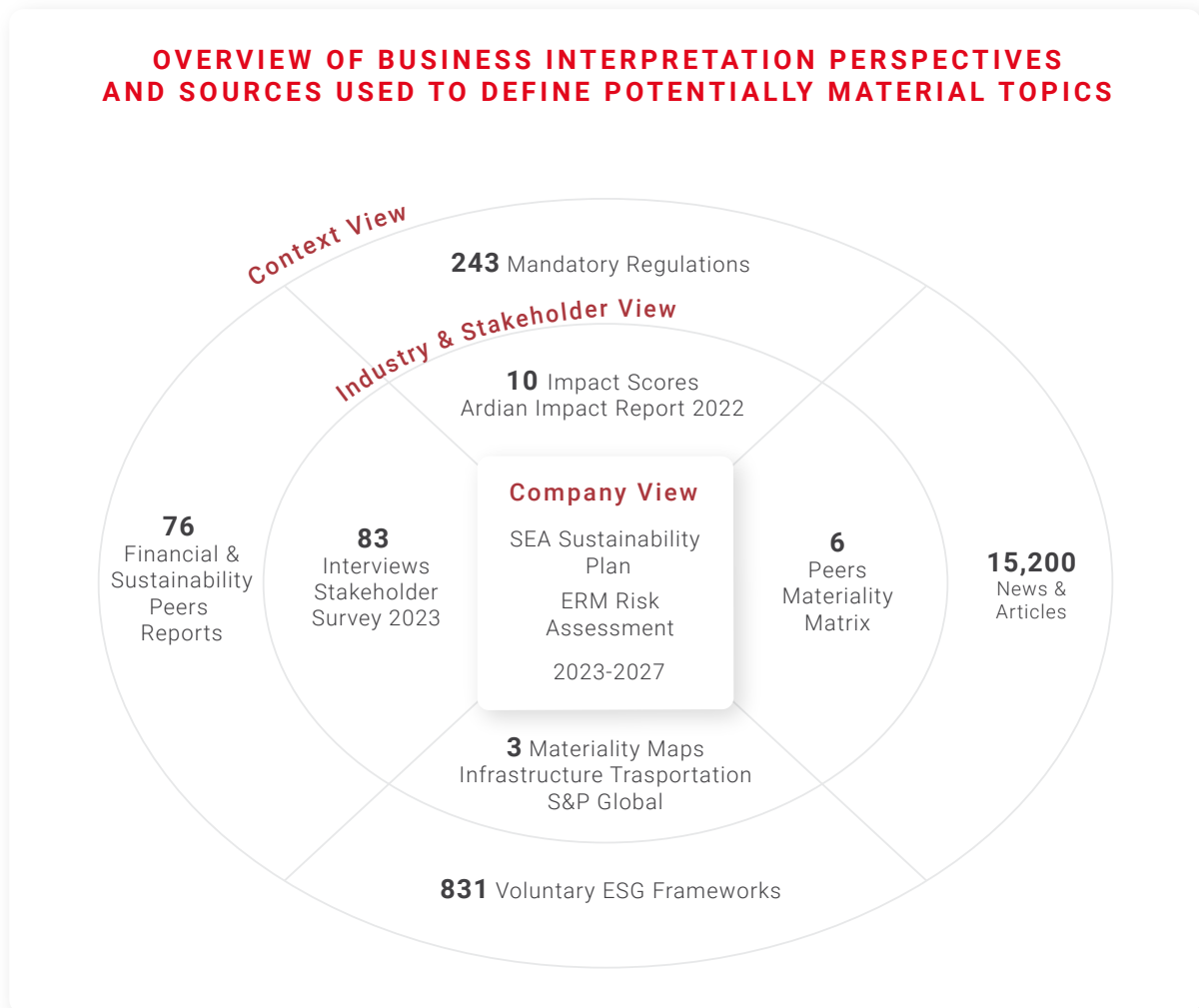


Source: SEA

Definition of potentially material topics

The mapping phase for potentially material topics was conducted by adopting four perspectives to interpret SEA’s business:

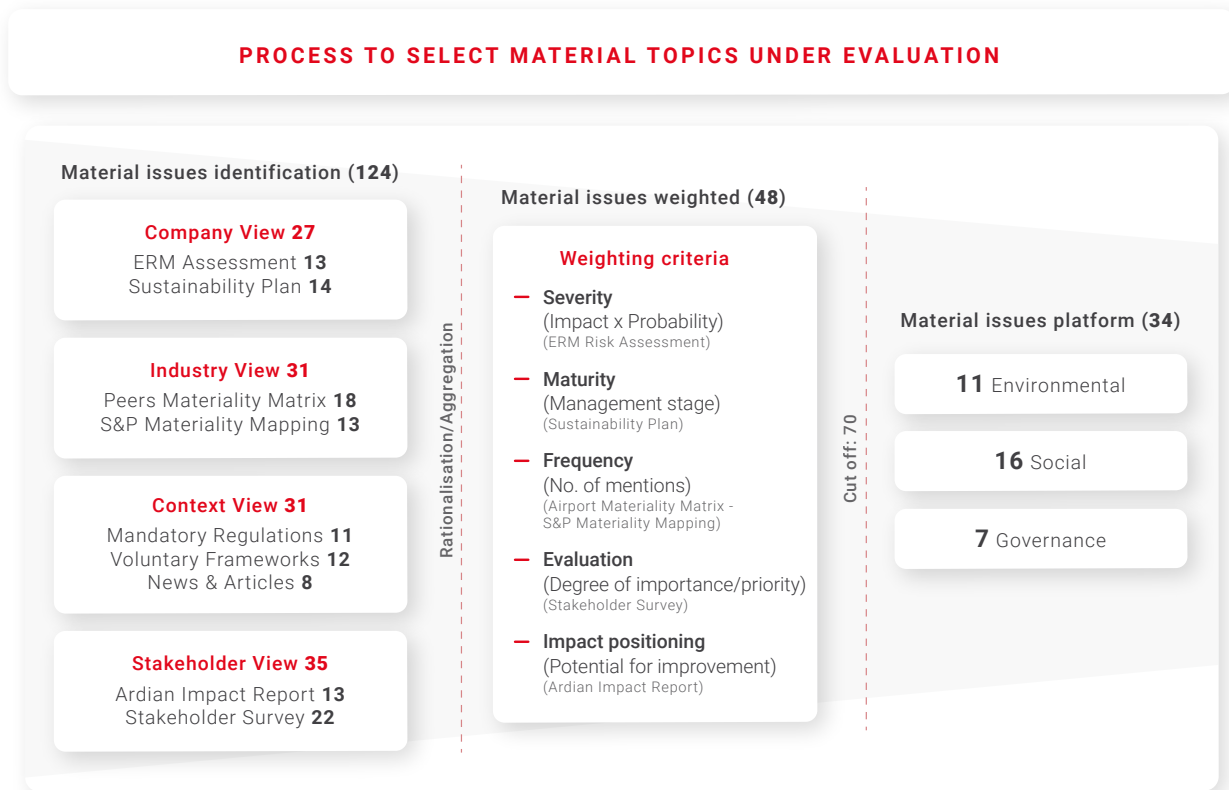
- Context view: analysis of approved and upcoming regulations, frameworks, guidelines, certification schemes, and policies on ESG issues globally; assessment of financial and sustainability reports of international companies operating in the aviation and infrastructure sectors and of news and articles on social and environmental issues.
- Industry view: consultation of three materiality maps prepared by S&P Global and referring to the airlines, infrastructure and transportation infrastructures sectors; assessment of six materiality matrices of as many large European airport operators.
- Stakeholder view: analysis of the sustainability survey conducted with corporate contacts at all major categories of SEA stakeholder; evaluation of the results of the assessment conducted by indirect shareholder Ardian to assess SEA’s level of ESG maturity.
- Company view: assessment of topics regarding the 2023-2027 Sustainability Plan and ESG risk assessment.



Source: SEA

Assessment of manager and stakeholder relevance/impact

Once the 124 potentially material topics were identified, similar topics were simplified and combined. The issues then received a weighting, using various weighting criteria, to obtain the platform of 34 material topics to be assessed for relevance by SEA stakeholders and management.



Prioritisation and finalisation of the list of material topics

An online survey conducted by an influential research institute saw the 34 potentially material topics evaluated by an audience of 83 stakeholders and 22 SEA managers. The table below illustrates the categories of external stakeholder involved.

STAKEHOLDERS INVOLVED IN 2023 MATERIALITY ASSESSMENT		
Stakeholders	Number of interviews	% of total
SUPPLIERS	10	12
AVIATION CUSTOMERS (AIRLINES, HANDLERS)	18 (13+5)	21.7
NON-AVIATION CUSTOMERS	9	10.8
STATE AUTHORITIES/BODIES	7	8.5
BANKING/FINANCIAL WORLD	14	16.9
SHAREHOLDERS	4	4.8
SOCIETY/LOCAL AREA (Environment, Institutions, Manufacturing World, Media, Social World)	21 Trade unions (2) Production sector (6) Institutions (7) Media (2) Environment (2) Associations (2)	25.3
TOTAL INTERVIEWS	83	100%

Stakeholder business
62 interviews
(74.7%)

Social Stakeholders
21 interviews
(25.3%)

Source: Doxa

The 105 survey recipients were asked to assess the relevance of each potentially material topic in terms of the impact generated by SEA's business, assigning each a score on a scale of 1-10. A list of material topics was then compiled by averaging the average ratings assigned by stakeholders and by SEA management. The results obtained enabled the definition of a list of material topics, in descending order of score. The top spots on the list are occupied by issues concerning human capital, governance and social-relational capital. On the other hand, every environmental topic is to be found in the second half of the list. The 34 topics were further merged by thematic similarity, reducing the number to 22. The decision of SEA's management and Board was to consider every topic on the list as significant in terms of both reporting and programmatic commitment, while placing particular focus on social and governance issues.

List of material topics

Pos	Topic	Score
1	Airport safety and security	8.83
2	Employee health & safety	8.8
3	Training/expertise	8.78
4	Business ethics/Transparency	8.59
5	Integration of ESG strategy into business	8.465
6	Corporate Welfare	8.455
7	Quality of passenger services	8.315
8	Human rights	8.23
9	Inclusive accessibility to infrastructure	8.22
10	Diversity & Inclusion	8.05
11	Community relations	8.025
12	ESG governance	7.955
13	Catalytic effect on local development	7.93
14	Sustainable supply chain	7.83
15	Noise	7.785
16	Intermodality and sustainable accessibility	7.77
17	Climate change mitigation/adaptation	7.76
18	Local air pollution	7.71
19	Energy management	7.63
20	Waste management	7.625
21	Water management	7.58
22	Degradation of natural ecosystems	7.565

Reclassification of material topics on the Sustainable Development Goals

Pillars	Materiality Issues	SDGs
Integrated Governance	<ul style="list-style-type: none"> 4 Business ethics/transparency 5 ESG strategy integrated into business 12 ESG Governance 	    
Infrastructural Capital	<ul style="list-style-type: none"> 16 Intermodality and sustainable accessibility 19 Energy management 	    
Natural Capital	<ul style="list-style-type: none"> 15 Noise 17 Climate change mitigation/adaptation 18 Local air pollution 20 Waste management 21 Water management 22 Degradation of natural ecosystems 	   
Human Capital	<ul style="list-style-type: none"> 2 Employee Health & Safety 3 Training/know how 6 Corporate Welfare 10 Diversity & Inclusion 	 
Social-Relational Capital	<ul style="list-style-type: none"> 1 Airport Safety and security 7 Quality of passenger services 8 Human rights 9 Inclusive accessibility to infrastructure 11 Community relations 13 Catalytic effect on local development 14 Sustainability Supply chain 	  

Classification of material topics by impact

In line with the requirements of the GRI 3 guidelines, the material topics have been categorised below according to their associated impacts. The topics are divided into four categories: actual positive impact, potential positive impact, actual negative impact, and potential negative impact. Given that the labelling of topics as “material” inherently carries positive connotations, the topics categorised as having negative impacts (both actual and potential) have been evaluated based on the outcomes that could result from SEA’s inadequate or passive handling of those topics.

Actual positive impact

Material topic	Description	Impact
Catalytic effect on local development	Gradual development of an adequate level of direct air connectivity to the areas of the world which represent a potential source of prosperity for the region, generating a range of socioeconomic benefits.	Consolidation and expansion of the medium/long-haul flight network, with a positive impact on international trade and tourism and positive effects on employment and well-being in the surrounding area.
Airport safety and security	Timely/proactive adoption of technological solutions to make passenger travel inside the airports safer and easier, providing them with a stress-free, pleasant, touchless, and seamless experience.	Significantly improved effectiveness at security, minimising inconvenience to passengers and reducing waiting times prior to boarding.
Inclusive accessibility to infrastructure	Designing increasingly accessible and comfortable areas and airport services that are better able to meet the specific needs of passengers with mental and physical disabilities.	Improved and more timely effectiveness of support and companionship services, greater comfort of airport environments, improved usability of digital channels for people with disabilities.
Quality of passenger services	Development and adoption of high value-added services (Smart Security, Face boarding, ChatBots, apps, digital payment services, indoor navigation, MaaS, Lounges, etc.).	Development of partnerships with other airport players to optimise operations, achieve efficiency, and effectively manage unforeseen events. Comprehensive positive impacts on airport experience comfort.
Transparency/ Business ethics	Business management based on a system of formalised values, behaviours, and procedures that are tracked, verified, and which stakeholders can access and understand.	Enabling stakeholders to protect their legitimate rights, deterring potential corruption.
Corporate Welfare	Provision of a bouquet of employee benefits and perks - constantly updated so that their content and delivery methods align with beneficiaries’ needs - to support work, personal and family well-being.	Increased accessibility to goods and services for the company population, improved work-life balance and personal and family health, consolidation of corporate engagement.

Potential positive impact

Material topic	Description	Impact
Integration of ESG strategy into business	Commitment to structuring an ESG goals plan as linked to Business Plans. This will form a qualitative complement and will oversee the management of non-financial capital.	The identification of specific objectives, actions, and resources to allocate to sustainability - with a view to generating systemic and long-term value - and their structured integration into the business plan, outlining intentions to make more positive impacts on society and the environment in the medium to long term.
ESG Governance	ESG issues organically embedded into the processes of designing, assessing, monitoring and reporting on business decisions and their impacts. Integration of ESG variables into the managerial incentive system.	Heightened emphasis on ESG topics in managerial choices, in addition to the prioritisation of business growth initiatives that promote the creation of shared value.
Training/know how	Defining pathways to expand professional knowledge and strengthen soft skills for the benefit of the entire business community. Participation in research projects and testing of new solutions to reduce negative business impacts.	Talent enhancement and professional empowerment to increase retention and enable effective succession planning at various levels of managerial responsibility. Adoption of the role of first mover on innovative solutions in the ESG field.
Sustainable supply chain	Structured approach to sustainable procurement of goods and services using an ESG supplier qualification process, code of conduct, ratings, and periodic compliance evaluation audits.	Alignment of purchasing processes with sustainability strategy. Request that the supplier base comply with ESG criteria, including through support and advocacy programs designed to increase awareness of the issue.

Potential negative impact

Material topic	Description	Impact
Diversity & inclusion	Foster the transformation of corporate culture, giving rise to organisational processes that are more oriented towards inclusivity and gender equality.	Persisting cultural barriers blocking women's access to professional growth in a traditionally male-dominated sector. A work environment that lacks inclusivity and is incapable of reconciling and recognising different forms of diversity.
Community relations	A commitment to promote effective communication processes with local stakeholders to promote discussions, teamwork and create a collective knowledge-base, that can help identify sustainable solutions to business challenges while benefits, costs and risks associated with airport management can be shared fairly and effectively.	Deterioration of stakeholder trust and misalignment of the Company's objectives with sector needs, to the point of compromising or losing out on development opportunities.
Water management	Commitment to reduce consumption - and to the reuse/ recycling - of water and to improve water quality, by setting goals and developing KPIs and guidelines to achieve a long-term sustainable water management strategy.	A lack of or superficial assessment of the amount of water actually needed for airport consumption can reduce surrounding ecosystems' access to a fair share of water. In addition, improper treatment of wastewater (especially de-icing wastewater) can result in pollution of local water basins.
Waste management	Adoption of programmes designed to reduce waste generation, particularly within terminals and at construction, expansion and maintenance sites. Increased separate waste collection and waste recycling programmes as part of a circular economy. Developing partnerships with airlines to increase in-flight recycling collection, facilitating subsequent waste disposal by the airport manager.	Airport operations generate a significant amount of waste, as they encompass all operational and maintenance activities carried out by the airport manager, airlines, and any other entity operating at airport facilities. The majority is municipal solid waste, hazardous and non-hazardous waste from airport transactions, aircraft catering facilities, and terminal operations and maintenance. The amount of waste generated is a function of the number of passengers and employees at the airport facilities. While airlines generate most of the waste, airport managers handle most of it.
Employee Health & Safety	Introduction of action and measures based on standards and best practices designed to safeguard the health and safety of operators.	Continued a low level of accident indices.
Human Rights	Commitment to a vigilant and proactive approach to respecting human rights within the airport ecosystem and throughout the supply chain.	Attention and vigilance regarding the labour practices adopted by entities operating on airport grounds and in the goods and services supply chain.

Actual negative impact

Material topic	Description	Impact
Intermodality/ sustainable accessibility	Commitment to the development of sustainable mobility solutions (public transport, electric vehicles, etc.) adequate in terms of times and ease of use.	Failure to reduce scope 3 CO ₂ emissions and increased local air pollution. The accelerated building of infrastructure to connect railways to airports could however reduce the natural integrity of corridors used in some instances.
Climate change mitigation/ adaptation	Commitment to a series of actions - from reducing energy consumption, to introducing an electric airport vehicle fleet, to acquiring energy from renewable sources - to contain and reduce CO ₂ emissions generated at the airport and deriving from the airport manager's activities.	The Company's increasing contribution to climate change could keep the airport sector at the bottom of the list of industries dedicated to transitioning towards cleaner energy and climate practices.
Energy management	Organic investments designed to structurally reduce the energy requirements needed to operate airport infrastructure.	Environmental impacts related to both the portion of energy consumption from fossil sources and renewable energy generation.

Material topic	Description	Impact
Degradation of natural ecosystems	Commitment to evaluate all technological and process innovations (both air-side and land-side) that allow the operational capacity of infrastructures to be increased without physical expansion and to study - through dedicated partnerships - the most effective solutions to safeguard the integrity of the eco-interested systems, where the physical expansion of the airport grounds is unavoidable.	Reduction of ecological integrity and increased soil sealing in natural areas affected by the expansion of the airport site.
Noise	Constant and efficient monitoring of aircraft noise at the airports and implementation of mitigation solutions for the benefit of the territory, collaborating with ARPA (the Regional Protection Environmental Agency) and under its close supervision, in order to reduce the inconvenience resulting from the future increase of all types of aviation activities.	Creation of inconvenience for residents living near to airports, especially at night.
Local air quality	Measures to reduce emission sources: electrification of airport transport, supply of electricity to parked aircraft, MaaS, encouraging passengers to travel with low emissions.	Production of local pollutant emissions (NOx, SOx, PM) relating to the LTO cycle of aircraft and ground transport airport connections.

MAIN NON-FINANCIAL RISKS

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

Risk categories	Risk description	Prevention/mitigation measures
The risk of temporary or prolonged interruptions to business processes caused by strikes, natural events, or faults, etc.	<p>Interruptions in activities and services may be generated by a wide range of events of more or less prolonged duration, giving rise to various impacts on airport operations and Group economics. Critical impacts on the Group's business may be caused by exceptional events, such as pandemics, wars, volcanic eruptions, which may lead to a collapse in the demand for air transport.</p> <p>Company activities could also be interrupted by a strike by third-party employees working at the airport, by personnel dedicated to air traffic control services, or by public emergency service operators, or by the incorrect provision of services by third parties.</p>	Monitoring of the external environment is carried out continuously. Operational back-up plans and investments in training have been made by operating departments. External contracts may also be signed to guarantee proper management of airport operations.
Risks associated with the design and/or execution of investments in the maintenance/ construction of airport infrastructures	<p>The new Malpensa Master Plan, currently undergoing approval by the competent bodies, constitutes the Group's main long-term infrastructure development planning tool. The approval process is still ongoing for the Master Plan, which envisages an expansion of the current site to the south to build new infrastructure for the cargo sector. Lack of approval would make it more difficult for the Group to pursue the infrastructure developments needed to support growth. A request has also been made to establish an SCI (Site of Community Interest) or SPA (Special Protection Area) in the areas surrounding Malpensa Airport; should this change in classification occur, any off-site expansion of any kind would be further restricted.</p>	SEA pays great attention to its relations with neighbouring communities, participating in roundtables with institutions and directly supporting regional compensation interventions and social initiatives to support local communities.

Risk categories	Risk description	Prevention/mitigation measures
Risks associated with the amount of noise produced by aircraft taking off and landing, the management of noise compensation/reduction initiatives, and relations with local communities	If not properly managed, the levels of noise pollution generated by Malpensa due to the traffic growth foreseen in the Master Plan (which is currently being approved) could impact the airport's sustainability and growth in the short-to-medium term and generate higher compensation costs for the Company.	SEA is committed to noise mitigation initiatives on various fronts, such as the introduction of penalising tariffs for the noisiest aircraft and the optimisation of runway usage scenarios in agreement with ENAV.
Risks associated with a failure to meet CO₂ emissions reduction targets	Together with other airports belonging to the ACI Europe network, SEA has committed to the Net Zero 2030 target of zero CO ₂ emissions by 2030. Industry regulations and trends regarding Net Zero are constantly changing; as such, they must be monitored closely to ensure regulatory compliance and to maintain a suitable stance with respect to stakeholder expectations and competitors.	Linate and Malpensa participate in the Airport Carbon Accreditation (ACA) certification programme. Once a year, SEA defines its Sustainability Plan, which explicitly outlines its ESG and emission reduction targets. In 2023, the Energy Strategy was approved, which outlines SEA's consumption and emission curves over the 2024-2028 period, identifies procurement sources, and defines the investments required to achieve its reduction targets. In addition, SEA actively participates in EU calls for tenders to obtain the funding required for the energy transition.
Risks associated with air, water and soil pollution	These risks are generated by Group activities and have potential environmental effects that could significantly affect Group operations.	These risks are managed and constantly monitored by the Environmental Management System. For further information, refer to the paragraph on our environmental and energy policies.
Risks related to extreme weather events that affect airport assets	Extreme weather events such as storms, cloudbursts, lightning storms, and heavy snowfall may cause significant harm to airport assets, generate disruption by interrupting airport operations, and negatively impact punctuality and safety performance. In turn, these disruptions may result in the deterioration or interruption of customer services, which could have serious consequences on the airport's reputation and business. In addition, exceptional heat waves in terms of intensity, duration, and frequency occurred in 2022 and 2023, leading to operational risks concerning H&S, particularly for operational staff. This trend could continue or worsen in the medium to long term.	In recent years, work has been carried out to improve infrastructure (e.g., whitewater disposal systems at stands, overflow for roof covers, and disposal wells on roundabouts). Further work is planned to improve the resilience of airport assets, part of which is the subject of a European co-financing programme. In addition, a project was initiated to develop a climate change adaptation plan for our airports.
ESG legislation developments: sectoral and non-sectoral legislation on social, environmental, and governance topics	<p>The introduction of mandatory supply chain analysis using ESG criteria is being studied at EU level. Some uncertainty still surrounds the extent of the obligations that will be imposed, as well as the responsibilities and related penalties that may be introduced. There is a risk that these requirements will overburden the Company's supply chain procedures.</p> <p>Both European and national institutions have been paying more attention to the commitments undertaken with regard to climate change (the Paris Agreement, COP26) in recent years, including a reduction of greenhouse gas emissions. Current trends could lead to the introduction of measures that negatively impact the competitiveness of air transportation, including:</p> <ul style="list-style-type: none"> ■ the introduction of fiscal and economic policies to compensate for pollution, which would result in higher ticket prices and a potential drop in demand; ■ the allocation of public resources to support sectors that compete with air transport (e.g., rail). 	<p>Despite the uncertain scope of the regulation, research is already underway to integrate ESG topics into existing supplier qualification and assessment processes.</p> <p>SEA has set up a permanent internal working group (Net Zero Team) to oversee the matter. SEA is committed to reducing emissions through partnership agreements with third parties. Initiatives include the provision of SAF at airports and the development of a hydrogen supply chain as part of its Net Zero 2030 pathway.</p>

Risk categories	Risk description	Prevention/mitigation measures
Risks associated with the management and development of the necessary skills/resources for carrying out business activities (e.g., selection, training, retention, internal communications, engagement) and the management of relations with trade unions	<p>The air transport sector has been experiencing a shortage of skilled labour, making it increasingly difficult to find qualified professionals. This trend is aggravated by factors typically involved in hiring and training airport workers.</p>	<p>A Retention Plan to mitigate this risk has been put in place. SEA has adopted communication initiatives to improve engagement and transparency.</p>
	<p>An additional critical element concerns the set of interventions linked to the NRRP in Italy, which will require significant resources, limiting those available to SEA on the market. If no structural interventions are undertaken, demographic trends will exacerbate the situation in the medium to long term.</p>	<p>The Innovation Department was established with the objective of adopting innovative solutions to make existing processes more efficient over time.</p>
Risks associated with the management and disposal of waste generated by airport operators, retail establishments in the terminals, and employees, etc.	<p>Increasing the rate of separate waste collection is one of the objectives the Group has set itself with a view to reducing waste and pollution. These objectives refer to all waste generated on the premises by the activities of the airport manager, contractors, and airport operators, excluding waste generated by airlines. If difficulties were encountered when involving third parties, it would not be possible to achieve the waste sorting targets defined in the Sustainability Plan.</p>	<p>A comparison with other airports to identify the best operating practices is underway. Improvement actions cover areas in which contractor and tenant processes are managed by SEA.</p>
	<p>ACA 4+ Certification - recently obtained by Linate and Malpensa airports - requires the airport manager to purchase green energy certificates and carbon credits to offset emissions that cannot be reduced. The hard market environment, caused primarily by an increase in demand for these certificates, means that there is a significant risk of incurring higher costs to meet emissions reduction targets. As far as the quality of carbon credits is concerned, there are currently no rules in place. However, close attention is paid to the quality of the underlying projects.</p>	<p>A dedicated working group (Net Zero Team) was set up to oversee the matter. Key indicators and price curves for certificates of origin and carbon credits are closely monitored. Industry scenarios are incorporated into the Business Plan. As far as offsetting quality is concerned, SEA is committed to adhering to the ACA guidelines when making purchases.</p>
Increased costs and worsening quality of CO₂ offsetting solutions		

OTHER RISKS

Considering the nature and geographic location of the activities carried out by the Group, there are no significant risks of human rights violations reported for employees, collaborators, or suppliers operating within the airport premises. In this area, we note that SEA conducts the necessary checks before allocating mandatory airport badges to individuals working at the airport. This ensures its continuous dedication to airport health and safety. For other suppliers, please refer to the "Classification of suppliers based on CSR criteria" section. Legal and compliance risks are related to compliance with internal policies and regulations (e.g. personnel conduct not in line with the company's ethical values, failure to respect delegated powers, etc.), and applicable general laws and regulations (e.g. failure to comply with privacy and data protection legislation). The potential risks of corruption offences are managed by the Group through the adoption of its 231 Model and ISO 37001. For further information, please see the "Internal control system" paragraph.

SOCIAL CITIZENSHIP

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

- with the region hosting its infrastructures;
- with non-profit associations which seek to respond to local communities.

CODE OF ETHICS

The new Code of Ethics approved by SEA's Board of Directors at the meeting on December 21, 2020, is aligned with the purpose, values, and principles previously defined by the Ethical System and is integrated with the sustainability principles adopted and consolidated over time. It also outlines the conduct required from primary stakeholders to contribute to achieving sustainable, comprehensive, and inclusive growth objectives.

The document consists of three main sections:

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

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

For further information: <https://milanairports.com/en/governance/ethic-and-compliance/code-ethics>.

Resources

RESOURCES

INFRASTRUCTURAL CAPITAL

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

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

Airport infrastructure development

Investments for the development of airport infrastructure are made in compliance with the specific planning criteria, subject to the control and approval of ENAC.

The Master Plan is the long-term planning instrument for infrastructure investments. The general reference scenario is established based on traffic growth forecasts, the types of flights served, and considering the requirements of key stakeholders, including in areas surrounding the airports managed. The Master Plan analyses the use of different airport areas, identifies the main work to be carried out, assigns different priority levels, and quantifies the extent of the investment required. It is prepared by the Airport Manager and approved by the Ministry of Environment and Energy Security through an Environmental Impact Assessment (EIA), while the technical-aviation aspects are approved by ENAC. The authorisation process concludes with an urban compatibility check on the proposed works, the outcome of which is disclosed during a Services Conference attended by all of the bodies involved in the airport's development.

LINATE'S MASTER PLAN

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

After receiving approval from ENAC in January 2017, the Environmental Impact Assessment procedure was launched and positively concluded in 2019 with the

issue of a Ministerial Decree.

In 2020, ENAC requested that the procedure begin to assess compliance with urban planning regulations. This final approval phase also concluded successfully, and the measure was issued by the Ministry for Infrastructure and Sustainable Mobility in July 2021. In 2022 and 2023, the planning and execution of interventions outlined in the Master Plan for the waterfront area began, specifically focusing on the portion of the airport site on the Idroscalo waterfront, as part of the Linate Airport District - LAD project.

The LAD, a major urban regeneration project, seeks to integrate Linate Airport with new services by building accommodation facilities. Additionally, it intends to enhance Linate's role in the local area and its urban relationships by creating new green spaces linking the urban facades on Viale Forlanini to the Idroscalo. It also involves constructing new office buildings, with some designated for the Manager's use and others available to the market, which will benefit from their location within the airport grounds.

The ongoing planning and execution phase has partially revised some of the distribution requirements of the volumes outlined in the Master Plan. These adjustments involve increasing the density of volumes to align more closely with the northeast side of the airport. The objective is to optimise the public areas of the future Piazza planned for the northern front and to fully exploit the potential of the connection to the new M4 metro line, which opened in 2022-2023.

This revised distribution of functions to be located in the LAD area was submitted for technical evaluation by ENAC, which granted technical approval for the revised works in August 2023. Based on this approval, the Ministry of Environment and Energy Security launched a preliminary verification to certify that the revised works align with the assessments made during the 2017-2019 EIA process. In January 2024, the MASE (Ministry of

Environment and Energy Security) provided a favourable opinion on the environmental compatibility of the LAD revision. Works are scheduled to commence following the subsequent approval stages and are expected to be completed by 2027.

THE “MALPENSA 2035” MASTER PLAN

The current Malpensa Master Plan dates back to 1985. In 2009, SEA presented a new Master Plan to ENAC, which described the airport’s expected development up until 2026, based on traffic forecasts, and envisaged a gradual increase in the capacity of the airport’s various infrastructures.

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

In 2015, SEA launched a new research phase based on an updated assessment of the airport’s operational features (paying particular attention to the runway system’s capacity), the definition of a new operating environment, new traffic forecasts, a precise and updated analysis of the environmental characteristics of the area surrounding Malpensa, and a new definition of the development needs of the airport’s various subsystems. Specific stakeholder information and engagement activities were also conducted during this period.

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

At the same time, the drafting of the new Environmental Impact Study was completed and the EIA procedure started in July 2020. In 2021, after taking note of the observations expressed by local bodies, associations, and the general public, the EIA Technical Commission tasked with analysing the Master Plan asked SEA to submit new documents in addition to those already drafted, submitted and published in November 2021, launching a new phase for the presentation of potential observations. The changes made did not prevent negative opinions from being submitted by the CUV consortium and Ticino Park municipalities. The most pertinent point of opposition related to excessive land consumption for the southerly expansion of the cargo warehouses (a total of 60 hectares). In Q1 2022, the Lombardy Region launched an initiative to prepare a Memorandum of Understanding to facilitate the successful conclusion of the Environmental Impact Assessment (EIA)

procedure at regional level. This was done ahead of the publication of the regional opinion (in December 2022). Following significant efforts and lengthy discussions with stakeholders involved the 2035 Master Plan project, in June 2022, SEA signed the above Memorandum of Understanding with the Lombardy Region, ENAC, the CUV Municipalities, and the Province of Varese.

In line with what was agreed in the Memorandum, further additions to the Environmental Impact Study were made in July 2022, reducing land consumption and presenting a new development occupying 44 hectares of land.

In June 2023, the EIA Decree on the 2035 Master Plan was issued, which gave a favourable opinion on the development forecasts included in the current airport site, and a negative opinion on the expansion to the south. During the autumn of 2023, as part of the Law converting the “Air” Decree (Law No. 155 of November 6, 2023), the expansion project outlined in the Malpensa Master Plan was acknowledged as a strategic work of pre-eminent national importance for the introduction of cargo traffic at the airport, thereby requiring re-evaluation in light of this designation.

At present, we are awaiting new instructions and evaluations from the Ministry of Environment and Energy Security and other relevant entities to proceed with the next evaluation and approval stages of the Malpensa Master Plan.

OTHER PLANNING TOOLS

Between 2021 and 2023, ENAC redefined the characteristics and targets of other planning instruments, which focus on short-term interventions. Therefore, in compliance with the new ENAC directives, both the Airport Terminal Utilisation Plan (ATUP) and Extraordinary Maintenance Plan (EMP) were developed by the Manager in 2023.

The Airport Terminal Utilisation Plan (ATUP) seeks to outline the current situation at the passenger terminal and describe the works that may be undertaken within the building during the year under review. It specifically focuses on works that involve changes to the distribution and/or functionality of the various subsystems comprising the terminals at Linate and Malpensa (T1 and T2).

The Extraordinary Maintenance Plan (EMP) concerns all upgrade, renovation, and development works carried out on existing buildings, installations, and infrastructures.

Both plans were submitted to ENAC at the end of September 2023. In compliance with existing regulations, before beginning works, the associated project may be submitted for evaluation and approval by ENAC with regard to its aeronautical aspects and urban planning consistency, and by ATS (for hygiene and health concerns), the Region (for landscape considerations), and the Fire Department (for fire safety measures). For major works, ENAC also supervises the construction stage and issues certificates of use and occupancy before proceeding with the final inspection.

DEVELOPMENT OF INFRASTRUCTURE INVESTMENTS

In the 2021-2023 three-year period, investments amounting to a total value of Euro 247 million were made, focusing on the maintenance and development of infrastructure, in order to improve the services offered to passengers and cargo operators, guaranteeing high quality, security, and operational efficiency levels, and protecting the environment to an even greater degree.

Infrastructural investments (Euro millions)

	2023	2022	2021	Total 2021-2023
Malpensa Terminal 1	12.3	27.6	11.2	51.0
Malpensa Terminal 2	15.5	2.3	0.1	17.9
Linate	3.9	6.6	9.5	20.0
Malpensa Cargo	13.8	4.2	1.5	19.4
Flight infrastructure	20.4	12.3	16.2	48.9
Various actions	44.9	15.5	7.6	68.0
Plant & Equipment	9.6	7.8	4.2	21.6
Total	120.3	76.4	50.3	247.0

NB: The total does not include IFRS 16 Fixed Assets of Euro 4.7 million in 2021, Euro 3.9 million in 2022, Euro 1.5 million in 2023; accounting adjustments of Euro 6.6 million in 2023.

Source: SEA

INVESTMENTS AT MALPENSA AIRPORT

The recovery of air traffic observed in 2022 continued into 2023, with passenger numbers essentially returning to pre-pandemic levels. This required a major investment effort, heavily focused on reopening Malpensa Terminal 2, closed since 2020. The Terminal resumed operations on May 31, 2023, welcoming passengers handled by easyJet.

Specifically, investments in Terminal 2 involve restoring and ensuring regulatory compliance of various functional subsystems, along with a series of works for the partial renovation of terminal structures and layouts, and the integration of new operational and technological equipment. Specifically, work concerned:

- the total redevelopment of the security control area, with the installation of new state-of-the-art baggage screening lines to provide a better passenger experience;
- the regulatory adaption to ECAC standard 3 of the baggage handling system;
- the transfer from Terminal 1 and subsequent installation of self-bag drop counters in the check-in area;
- the upgrading of some public toilet blocks;
- the restyling of the Duty Free shopping area;
- civil and plant engineering upgrades to the raised footbridge for incoming Schengen passengers;
- the replacement of lifts, escalators, and travelators;
- the reconfiguration of the access road system, including as a result of the construction of an artificial tunnel connecting the Terminal 2 train station to the RFI Sempione line at Gallarate.

With regard to Terminal 1, the works concerned:

- the continued redevelopment and standardisation of public toilets;
- the execution of works related to the Smart Security Project, with the installation of new automated lines and EDS devices that ensure the system's higher operational capacity;
- the completed partitioning of the central Satellite B by means of installing a wall to separate the Schengen and non-Schengen boarding areas, which will allow the Satellite B boarding areas to be used flexibly;
- the replacement of fluorescent lamps with LED lamps; this is part of a larger "energy efficiency plan" outlined by SEA which seeks to reduce consumption in the coming years and includes investments in Air Handling Units (AHUs) and refrigeration units, in addition to lighting fixture upgrades;
- the adoption of the Entry Exit System (EES), which is set to become mandatory when Regulation (EU) 2017/2226 comes into force;
- the redevelopment of the VIP Monteverdi lounge and the restyling of some commercial areas.

Regarding the cargo area, in 2023, the focus was primarily on refurbishing and conducting extraordinary maintenance on existing buildings, in addition to creating three new equipment storage areas for cargo operations and commencing the preparatory works to reconfigure apron 700.

Finally, work on airside infrastructures at the airport mainly concerned:

- upgrading existing areas and projects related to the objectives of maintaining/increasing the levels of safety and operational functionality at the airport;
- the completed installation of a CCTV system on the aircraft apron, which will improve apron safety by continuously monitoring aircraft and vehicle movements; system recordings will be available for potential analysis/investigations into the operations carried out in operating areas.

INVESTMENTS AT LINATE AIRPORT

In 2023, efforts continued at Linate terminal to integrate new technologies and enhance operational functionality, thereby improving the level of service provided to passengers. A significant intervention involved the installation of Face-Boarding biometric counters, a project that began its testing phase in early 2022 and is planned for expansion to additional gates in the future. The technology enhances the passenger experience, which is becoming increasingly seamless within the terminal.

In addition, upgrade works were completed in the arrival and departure areas to allow for the installation of equipment and totems for the Border Control-Entry Exit System. Efforts also began (and are ongoing) to construct new 400 Hz systems, enabling direct aircraft supply and eliminating the need for diesel-powered towed generators.

Regarding air-side infrastructure, an important intervention was carried out during the year on the entire strip of runway 17/35 and the RESAs (runway and safety areas) RWY17 and RWY35 at Linate Airport. This project enabled the consolidation of the land comprising the runway safety strips (RESAs) through on-site soil stabilisation. In addition, the anti-intrusion systems along the perimeter were enhanced to further increase airport security.

Investments Plan

In 2023, within the framework of defining the new Regulatory Agreement, an Investment Plan for the 2024-2028 period was formulated, in line with the agreements established with ENAC and the Transport Regulatory Authority. The Plan identifies the projects that the Manager intends to complete at Linate and Malpensa airports, in accordance with the contents of the Master Plans. The Investment Plan also includes specific work that is not explicitly outlined in the Master Plan but is consistent with the general development forecasts contained therein. In 2023, alongside the 2024-2028 Regulatory Agreement, the Plan for the Functional Development of Terminal Areas (Pi. Ter) was also formulated. This document, in compliance with ENAC guidelines, outlines the expansion and modification work to be carried out at the Linate and Malpensa terminals (T1 and T2) during the specified period. Included in the Master Plan and Investment Plans

are projects handled directly by the Airport Manager, in addition to those overseen by other companies within the SEA Group or third-party entities operating at the airports, such as ENAV, Government Bodies, commercial operators, handlers, and others.

Capacity

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

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

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

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

CAPACITY OF MALPENSA AIRPORT

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

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

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

CAPACITY OF LINATE AIRPORT

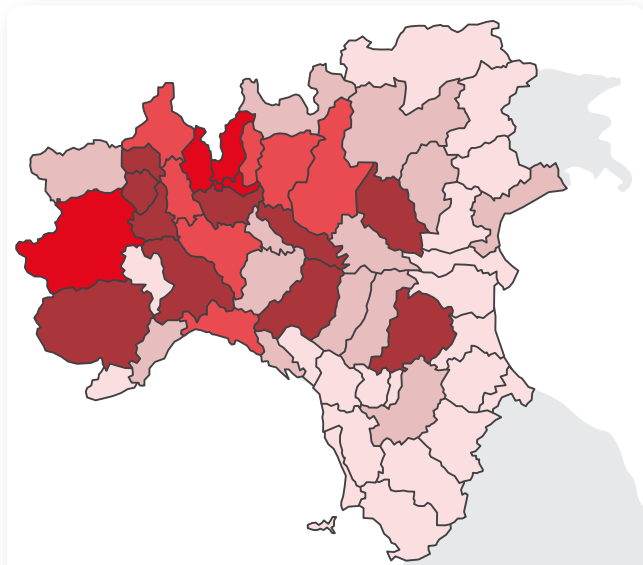
The Linate airport infrastructure is capable of managing a capacity of approx. 32 movements/hour, although traffic limitation is imposed by the "Bersani" and "Bersani bis" Decrees which establish a cap of 18 movements/hour. This capacity was established for commercial flights, without taking general aviation flights into account.

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

CATCHMENT AREA OF THE AIRPORT SYSTEM

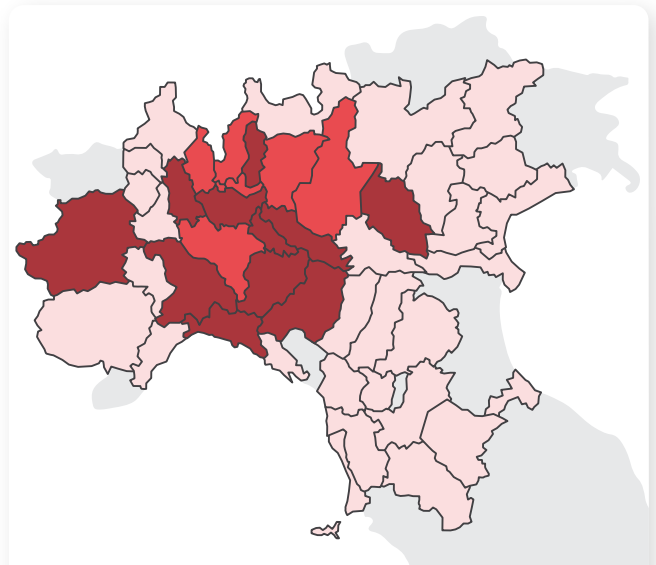
The Milan airport system's catchment area principally comprises, in declining order of attractiveness, the Milan metropolitan area, the Region of Lombardy and north-western Italy. It also extends - albeit with a lesser ability to capture demand - to the regions of north-eastern Italy, Emilia Romagna,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

Malpensa airport's catchment area



Source: Prepared by SEA using CLAS 2016 and ISTAT survey data

Linate airport's catchment area



Source: Prepared by SEA using CLAS 2016 and ISTAT survey data

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

TEN-T: core network maps - railways and airports



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

The plan to improve road and rail accessibility at Linate and Malpensa is included in the regional, national and European connectivity development strategies. In fact, both airports are viewed as core hubs in the Trans European Transport Network (TEN-T) and are connected to other network elements through multi-modal links. Improving these inter-modal connections between airports and other transport infrastructures is a priority of the European strategy⁷ to promote the competitiveness and sustainable development of EU countries by ensuring Corridor continuity. This involves addressing missing links and improving the degree of interoperability across networks.

ACCESSIBILITY IN THE NATIONAL AIRPORT PLAN

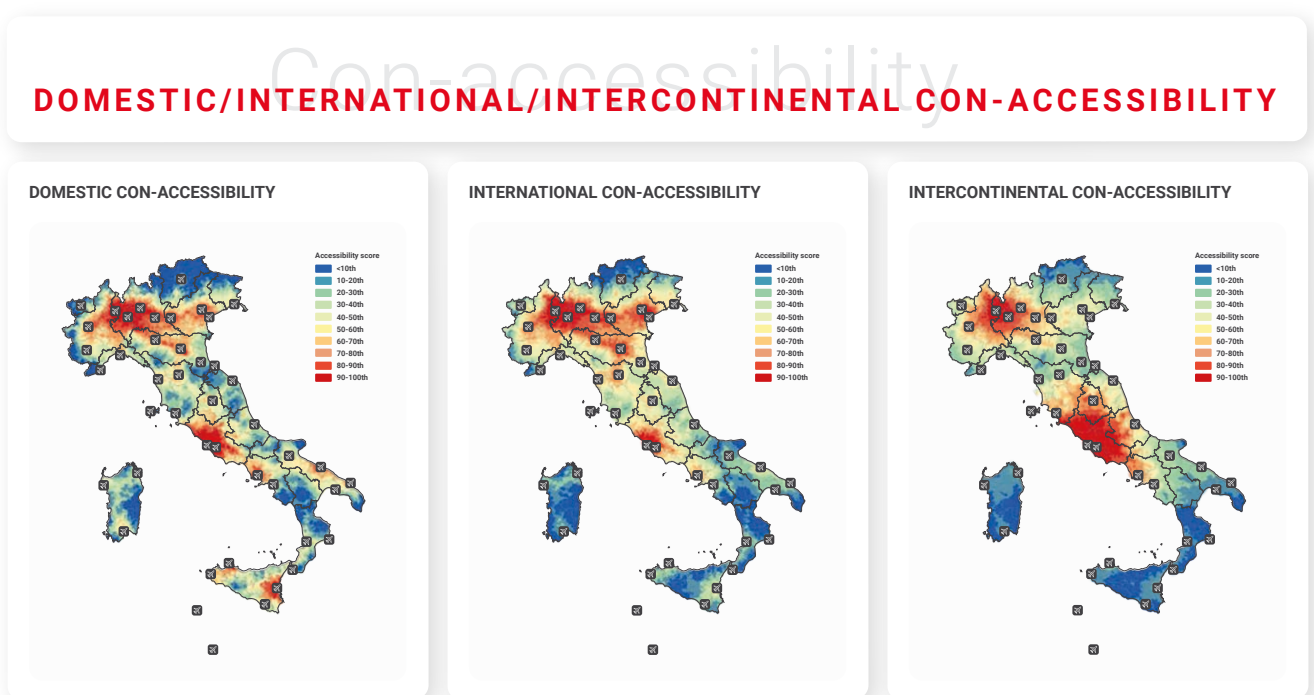
The accessibility of national airports and their integration with other transport networks are topics covered by national guidelines for the development of air transport and the national airport system outlined by ENAC in the new National Airport Plan (NAP, also hereinafter the “Plan”) proposal. For the full intermodal integration of airports, the Plan establishes minimum targets for sustainable accessibility, to be achieved not only by facilitating and boosting access by rail transport, but also by electric and hydrogen vehicles.

Minimum Sustainable Accessibility Targets

	2030	2035
Significant intercontinental airports (e.g. MXP)	40%	55%
Significant national airports (e.g. LIN)	20%	35%

Source: National Airport Plan Proposal - October 2023

The Plan introduces the concept of the “con-accessibility” of airport systems, relating the air service connectivity of individual airports to their accessibility, and, accordingly, their ability to respond to local and national demands and needs.



Source: National Airport Plan - Plan Proposal, October 2022

⁷ Regulation (EU) No. 1315/2013 of the European Parliament and Council of December 11, 2013, on the EU guidelines for Trans European Transport Network developments.

Interventions identified by the Ministry of Infrastructure and Sustainable Mobility (MIMS) to improve the accessibility of airports

The Infrastructure Annex to the Ministry for Sustainable Infrastructure and Mobility's Economics and Finance Document outlines the strategic directives for Italy's infrastructural development. In terms of transportation infrastructure, the Annex outlines how the National Integrated Transport and Logistics System (SNIT) aligns with the multimodal axes of the European TEN-T network.

With regard to airports, it incorporates the current TEN-T Network guidelines and the new National Airport Plan criteria, building upon the SNIT 2001.

The document confirms the placement of Linate and Malpensa airports at National Integrated Transport System (SNIT) Airport Network Level 1 (see Table III.13: definition of the SNIT Airport Network Levels 1 and 2 in the Annex to the 2023 EFD), referring to projects to improve accessibility by better integrating the airport network with rail and metro networks in particular, in order to boost the public transport modal share.

Lombardy Regional Mobility and Transport Programme

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

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

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

System of actions defined in the PRMT

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

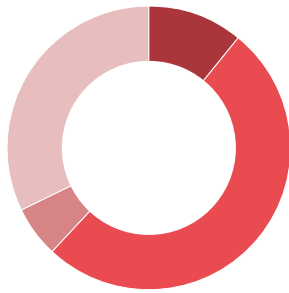
Source: The Lombardy Region's 2016 Regional Mobility and Transport Plan (PRMT)

MEANS OF PASSENGER GROUND TRANSPORT TO MILAN'S AIRPORTS

In 2023, the transportation methods used by passengers to access the airports remained largely consistent at Malpensa. However, there was a notable decrease in bus usage (-18%) at Linate following the opening of Metro M4, which accounted for 16% of transportation usage.

Means of passenger ground transport to Milan's airports

MALPENSA



11% BUS ▲ +1pt



51% PRIVATE VEHICLE =

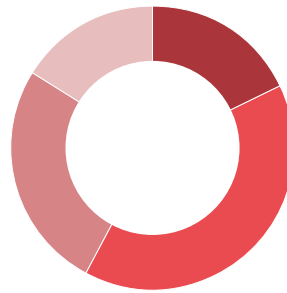


6% TAXI ▼ -1pt



32% TRAIN =

LINATE



18% BUS ▼ -18pt



40% PRIVATE VEHICLE =



26% TAXI ▲ +2pt

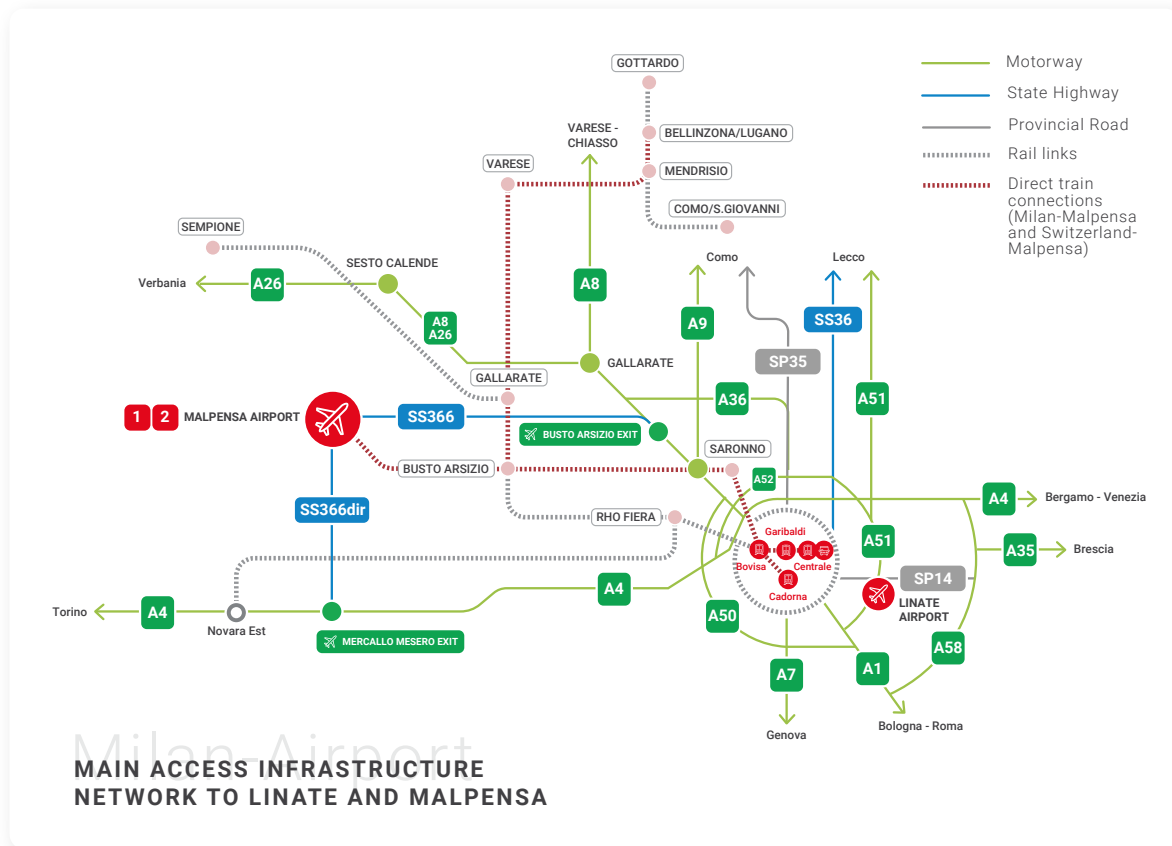


16% METRO M4

Source: profile of passengers using the Milan system in 2023 vs 2022, processed by SEA using CFI Group data

Linate and Malpensa airports are well integrated into the road and rail networks on a local, regional, and national scale. This infrastructure system provides a good level of connectivity between the airports and the surrounding areas, enabling access to the airports through various modes of transportation, and thereby strengthening their role as intermodal hubs that serve as key points in the network, facilitating the integration of all mobility services.

Main access infrastructure network to Linate and Malpensa



Linate Airport

Linate Airport is one of Italy's main city airports and is being called upon to respond to new challenges and opportunities within a context of continuous evolution, both with reference to accessibility to the Milan and regional metropolitan areas, and with reference to new production and commercial hubs, which will be built in the area adjacent to the airport.

Road Accessibility

The main road infrastructure linking the airport to the city centre is the roadway of Viale Forlanini. Linate is also accessible from the outlying areas through the Milan ring road system - the foundation for all major road infrastructure serving the local area and connecting to the national motorway system.

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

Main bus connections with Linate airport

Line
Route NM4 night: Linate - Duomo M1/M3
Route 901 - S. Donato M3
Route 973 - Piazza Ovidio - San Felicino
Route 183: Linate - Idroscalo
Route 923: Linate - S. Raffaele Hospital
Route Z409 Rodano - Limite - Segrate S. Felice
Linate - Milan Lambrate - Milano Centrale
Linate - Milan Dateo - Milano Centrale
Linate - Monza
Linate - Bergamo - Siena
Linate - Bergamo - Savona
Linate - Bolzano - Genoa

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

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

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

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

Linate Airport can also benefit from this network scheme because a significant quota of "passing" traffic, currently concentrated in Milan, would use these new routes, thereby reducing the congestion that Milan's road system suffers from now. Additional capacity would be released on the current road system, improving the level of service on the access routes to the city centre in addition to access to the immediate and surrounding areas (particularly Linate).

Rail Accessibility

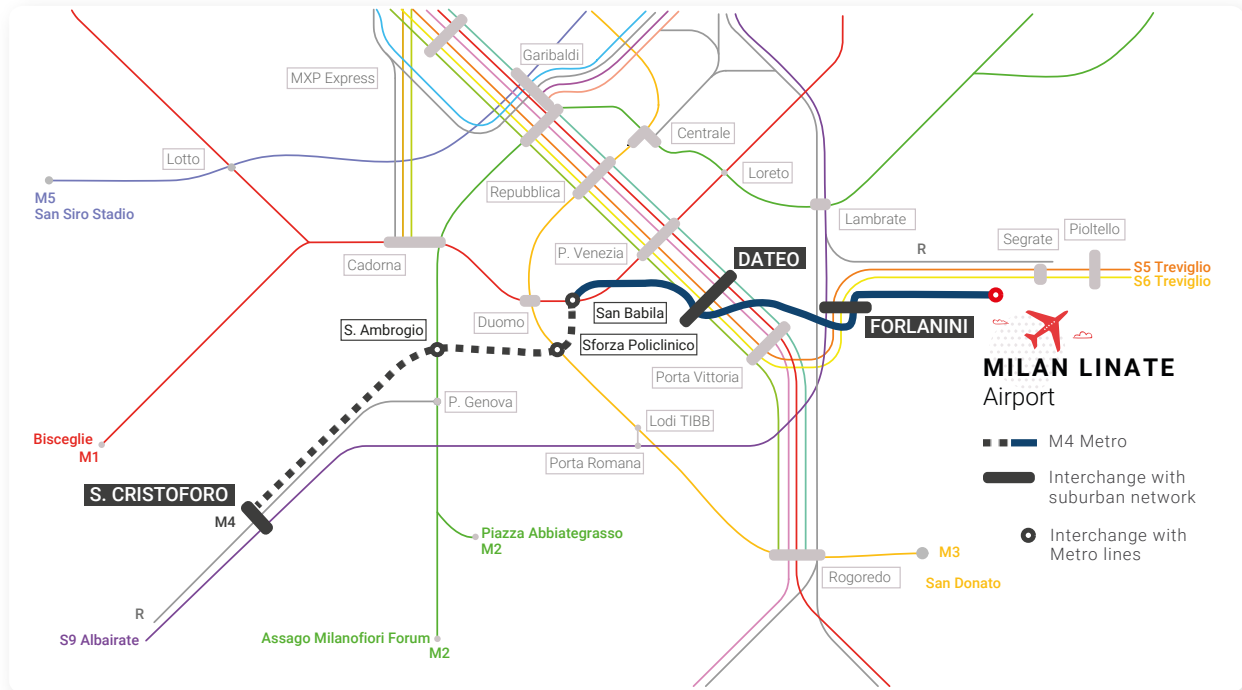
The New M4 Metro Line

In July 2023, the second section of the Milan M4 Metro Line went into operation, connecting Linate Airport to the San Babila stop in the City of Milan, with the intermediate stops Repetti, Forlanini FS, Argonne, Susa, Dateo, and Tricolore. The interchange with suburban railway lines at the Forlanini and Dateo stations thus integrates Linate into the regional railway transport network.

The entry into operation of the entire section to the final stop of San Cristoforo, expected by 2024, will complete and expedite Linate's direct link along Milan's East-West axis.

The entry into operation of the M4 line between Linate and the city centre has already reduced the share of passengers and employees travelling to the airport by car. With the completion and full operation of the entire line, we expect to see a significant reduction in the amount of traffic on the airport's access roads - and the related polluting atmospheric emissions - and a decrease in congestion and travel times for vehicles not travelling to/from the airport.

Milan M4 Metro Line



The Extension of the M4 Line to the New High-Speed Railway Station at Segrate

Among the infrastructural developments affecting areas adjacent to the airport is the Milan East Gate Hub Project to extend the Milan M4 Metro Line from Linate to the planned Porta Est high-speed rail terminal at Segrate, serving Milan's eastwards rail axis. The extension will connect Linate to the high-speed Milan-Venice rail lines, facilitating the interchange between suburban, long-distance, high-speed rail and local public transport services, and expanding the catchment area of the airport to the east. The City of Milan recently approved the Technical and Economic Feasibility Plan to extend the M4 line from its current terminus at Linate to Segrate, with an intermediate stop at Idroscalo-San Felice.



Additionally, SEA, in collaboration with the Municipality of Milan, Segrate, and RFI, is set to benefit from European co-financing for the final project. This project not only extends the M4 line but also includes the construction of a new high-speed railway station at Segrate (Milan East Gate Hub Project).

Developments envisaged for rail accessibility for Milan Linate

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

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

Accessibility to Malpensa

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

Road Accessibility

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

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

Main bus connections with Malpensa Airport

Line

Malpensa - Bergamo/Orio al Serio
Malpensa - Milano Centrale
Malpensa - Turin
Malpensa - Novara
Malpensa - Domodossola
Malpensa - Lake Maggiore
Malpensa - Genoa
Malpensa - Gallarate/Castelnovate
Malpensa - various cities (Aosta, Berlin, Bologna, Livorno, Rome, Frankfurt, Losanna, Lugano, Munich, Naples, Pisa, Trieste, Venice, Zurich, etc.)

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

Furthermore, once the Malpensa Airport Master Plan approval process has been completed, with a view to further pursuing the balanced and sustainable development of the airport system, in accordance with the Memorandum of Understanding signed with the Lombardy Region, the Province of Varese, the Municipalities of the Voluntary Urban Planning Consortium (Somma, Lonate, Ferno, Golasecca, Vizzola, Arsago, Golasecca, Cardano, and Casorate) and ENAC, and in the context of the Master Plan's Environmental Impact Assessment, SEA will contribute to the design of certain road infrastructures considered essential for the area.

Developments envisaged for road accessibility for Milan Malpensa

Road segment	Description of work
SS336: Upgrades to Busto Arsizio - Gallarate-Cardano	Olympics Decree: upgrades to the road between Busto Arsizio and Gallarate-Cardano. In December 2023 started works.
SS341 bypass and Gallarate link road	The project involves creating a bypass to the SS341 Gallarate road, which will comprise a two-lane section in each direction between the A8 motorway and the SS336 road (the Gallarate link road), in addition to a single-lane section between the SS336 road and the Municipality of Vanzaghello. The Malpensa development works included in the Framework Regulatory Agreement are critical in guaranteeing the flow of traffic from the A36 (Pedemontana) motorway to Malpensa. ICEP must approve the Gallarate road link section and in August 2023 started works.
Pedemontana Lombarda Motorway	Completion of sections B2, C, D, VA 13+14, and the Varese 2 and Como 2 bypasses
Sempione SS33 bypass between Rho and Gallarate	Creation of a bypass to the west of the residential areas along Sempione Regional Road 33, which comes off the Milan Western Ring Road at the Rho junction, and will eventually join the future bypass to Regional Road 341
SS336dir	A southward extension of the SS 336 section, beyond the Magenta link road to the A4 Milan-Turin motorway, towards the Tangenziale Ovest (West Ring Road) with branching to Vigevano
A4 Turin-Venice	Upgrading of the A4 Turin - Venice urban segment and creation of a flexible fourth lane
Somma Lombardo ring road and Besnate-Malpensa connection	The project aims to create a road that bypasses Somma Lombardo and connects the SS33, SS336 and SP49 through the construction of an additional segment called the "Besnate-Malpensa connection".
Milan-Rho-Monza A52 North Ring Road	Motorway Development of the existing Rho-Monza road link at the A8 (Baranzate)-A52 (Paderno, Dugnano) segment, with the construction of a two-lane roadway in both directions, plus emergency hard shoulders and a parallel road for local traffic
SP40 bypass	SP40 bypass (from SP14, to Via Aspesi in Samarate, to the new SS341)
"Milano Laghi" A8	Creation of a fifth lane on the "Milano Laghi" A8 motorway

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

Rail Accessibility

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

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

The infrastructure measures deemed crucial by SEA to encourage the integration of Malpensa into the local and medium/long-distance transport network include the construction of the Malpensa T2-Gallarate railway connection (work on which began in December 2022) and the development of the Rho - Gallarate line.

Developments envisaged for rail accessibility at Milan Malpensa

Section	Description of work
Upgrades to the RHO-Gallarate Line	Quadrupling of the Rho-Parabiago section, junction "Y" between the FNM line and the RFI line, and upgrading of the section up to Gallarate. The works will directly connect two of the Lombardy economic system's most significant points: the new Rho-Pero Events centre and Milan Malpensa airport. In October 2023, the works for the construction of the first lot between Rho and Parabiago were awarded. The contract, worth over 259 million euros, is financed with PNRR funds
Malpensa Terminal 2 national rail network connection	Olympics Decree: completion of works to extend the electrified double track at Malpensa Terminal 2 by approximately 4.6 km in the direction of the Gallarate junction and 1.1 km in the direction of Casorate Sempione. The works started in December 2023 and will end in 2025

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

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

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

In addition, SEA considers the integration of HS services into the current railway transport offering to be crucial to Malpensa's development. This is to overcome the "regional" logic of airport accessibility in favour of a supra-regional, national, and international logic, both for incoming and outgoing passengers.

The introduction of high-speed rail links would allow the catchment area to be extended to regions farther from the airport and thereby bolster flights, especially long-haul and intercontinental routes, even without a flagship carrier using Malpensa as its hub.

For this reason, in 2023, working groups resumed with railway operators and regional stakeholders to improve Malpensa's railway accessibility. The objective is to enhance and diversify the services on offer, seeking to reduce CO₂ emissions from private vehicle travel to and from the airport and reduce congestion on the road network leading to the airport.

NATURAL CAPITAL

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

Environmental and energy policy

The SEA Group is dedicated to combining environmental heritage protection and respect with sustainable development.

To limit its environmental impacts, the SEA Group is committed to reducing both direct (scope 1) and indirect (scope 2, connected to energy use) emissions under its control. These efforts align with the objective of reaching “Net Zero” emissions by 2030 at both Linate and Malpensa airports, in line with the goals of aeronautical sector organisations and international agreements and programmes, and on par with the best practices of European airports.

By actively participating in European and national funded programmes, the SEA Group promotes energy transition across all aspects of its own operations and those of operators. The transition to electric vehicles and the testing of zero-emissions solutions for airport equipment, including hydrogen, form part of this strategy. Furthermore, the Group is committed to proactively helping third parties operating at its airports to reduce their emissions (scope 3). Of particular importance, in addition to the highly relevant aeronautical component, are initiatives supporting the introduction, in anticipation of European mandates, of Sustainable Aviation Fuels (SAF) and the leadership role with ACI Europe and ENAC in developing the European and national roadmap for transforming airport processes. This transformation is necessary to accommodate future zero-emission aircraft, namely electric, hydrogen-hybrid, and hydrogen combustion propulsion systems. In terms of emissions related to accessibility, the SEA Group has directly supported the development of infrastructures to facilitate a modal shift towards low-emission collective transport (trains and metros) for some time, alongside the installation of electric car charging facilities for airport users.

With regard to airport infrastructure, the Group invests in planning and executing its own infrastructure and property development works in compliance with the sustainability criteria provided by the relevant sector certification schemes. Additionally, it acquires goods and services that adhere to environmental sustainability standards.

SEA participates proactively in national and international development bodies and programmes in order to make useful and opportune contributions to technological and regulatory solutions that create the right conditions for the sustainable development of air transport.

SEA’s Environmental and Energy Management System is subjected to periodic internal and external checks as part of SEA’s commitment to providing stakeholders with detailed reporting on the Milan airports’ environmental and energy processes, with a view to progressively improving ecological, environmental and energy governance in relation to the Group’s activities, and as part of a strategic approach geared towards achieving maximum sustainability.

Policy available on the SEA website in the Sustainability section

<https://milanairports.com/en/sustainability/our-vision>.

Environmental externalities

CO₂ EMISSIONS

SEA has been committed for over a decade to reducing its carbon footprint through measures and interventions for the control and reduction of direct and indirect CO₂ emissions at the airport, and in particular those deriving from direct activities.

Since 2009 SEA has been a member of the Airport Carbon Accreditation initiative launched by ACI Europe

(Airport Council International) to promote airport contribution to the fight against CO₂ emissions. The project required the introduction of a series of actions for the control and reduction of direct and indirect emissions by Airport Managers, operators, aircraft and by all those operating within the airport system. In November 2020 the Airport Carbon Accreditation programme added an additional level of accreditation to expand the opportunities for airport operators to demonstrate their commitment to reducing absolute greenhouse gas emissions. The programme now includes the following levels:

- 1 Mapping - checking of emissions under the direct control of the Airport Manager (scopes 1 and 2);
- 2 Reduction - creation of an emission reduction plan (scopes 1 and 2);
- 3 Optimisation - calculation of the emissions produced by the airport stakeholders and their involvement in the reduction plans (scope 3);
- 3+ Neutrality - the achievement of Carbon Neutrality in terms of emissions under the direct control of the Airport Manager (scopes 1 and 2), with the purchase of offsets.
- 4 Transformation - the additional level has been introduced to commit member airports to the absolute reduction of scope 1 and 2 emissions according to a trajectory that must still achieve the “net zero” objective by 2050. Commitments relating to scope 3 have also been strengthened through the adoption of a specific Stakeholder Partnership Plan;
- 4+ Transition - as with level 3+, this level is achieved by neutralising residual emissions through the purchase of offsets.

In 2021 both SEA airports were awarded Airport Carbon Accreditation Level 4+, having devised a plan to reduce absolute scope 1 and 2 carbon emissions. In line with its ACA accreditation, SEA is committed to reducing its direct emissions and achieving Net Zero by 2030. To plan and execute initiatives to achieve this goal, a multidisciplinary Net Zero Team was established on July 25, 2022, under the supervision and guidance of the Sustainability Committee and the Management Committee.

Net Zero 2050/2030

In June 2019, SEA committed to the “Net Zero 2050” resolution promoted by ACI Europe, which requires its 500 members to reach “net zero” CO₂ emissions by 2050.

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

Operators at zero emissions airports will not be able to purchase offset credits to achieve neutrality. Offsetting is considered a temporary measure to deal with residual emissions, which airports will gradually have to replace with the use of renewable energy as new technologies and decarbonisation opportunities arise.

At the 33rd ACI Europe Annual Congress & General Assembly on June 27, 2023, SEA, alongside 132 other European airports, made an additional commitment to achieve “Net Zero” emissions by 2030 at the latest.

Supporting the Use of Sustainable Aviation Fuel (SAF)

In addition to committing to achieve “net zero” by 2030 for CO₂ emissions under its direct control, SEA intends to play an “enabling” role in the decarbonisation process of air transport, both in the medium and long term.

In line with the Company’s commitment to promoting the reduction of scope 3 emissions, in 2023, SEA launched and adopted an economic support programme for the use of Sustainable Aviation Fuel at Malpensa and Linate airports. The programme was developed as part of the agreement made with ENI in 2021. This agreement enables airlines to refuel using fuel containing a portion derived from non-fossil sources.

SAF is the most immediate response to reducing CO₂ emissions from fossil fuel use, pending the launch of hydrogen-powered aircraft technology.

In line with the limited number of similar programmes already launched at other European airports, SEA reports a contribution equal to Euro 500/tonne of “pure SAF” purchased by the companies and effectively disbursed at Linate and Malpensa airports during 2023, in

order to cover part of the extra amount that SAF still costs compared to traditional fuel. The total fund made available by SEA in 2023 amounted to a total of Euro 450,000, of which 66% was utilised. The SAF supplied at the Milan airports complies with the quality characteristics required by European legislation (RED II Directive), guaranteeing a 74% reduction in CO₂ emissions per unit.

The initiative aligns with the most advanced and progressive policy guidelines in the aeronautical sector and the broader commitments arising from the European Union's adoption of the FIT for 55 package, ahead of the binding mandates established by the EU RefuelEU Directive from 2025 onwards.

CO₂ emissions trend

Carbon dioxide emissions are subdivided as follows:

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

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

Scope 3 - Other indirect emissions deriving from the activities of the Group's companies but produced by sources not belonging to or not controlled by the companies themselves. Scope 3 emissions, as defined by ACA, are derived from:

- aircraft (cruise emissions, LTO - Landing Take Off cycle, taxiing, and APUs);
- machinery for ground handling activities and handler management;
- vehicles used by passengers and cargo for access to the airport;
- employee business trips;
- consumption of energy (electricity and heat) sold to third parties;
- effluents and waste;
- work on construction sites.

CO₂ emissions of the SEA Group (tons)

	2023		2022		2021	
	Malpensa	Linate	Malpensa	Linate	Malpensa	Linate
Scope 1	3,224	1,578	92,160	36,477	124,644	65,401
Scope 2 Location-based	51,216	12,084	18,210	3,556	391	49
Scope 2 Market-based	47,845	13,910	22,933	4,802	690	87
Scope 3	3,462,349	627,673	543,829	132,380	461,749	115,240

Note: scope 1 and scope 2 emission data include SEA Energia's contribution until September 30, 2022. The "Table of national standard parameters: coefficients used for the inventory of CO₂ emissions in the UNFCCC national inventory" (average values for years 2020-2022) emission factors were used for Scope 1 emissions in 2023. This data can be used for the calculation of emissions from January 1, 2023 to December 31, 2023 for natural gas and heating oil and, in line with previous years, the emission factors of the "GHG Protocol: Transport Tool V2_6" for transport diesel and petrol. Scope 2 emissions are the sum of emissions from thermal and electrical energy consumption. The reporting standard used (GRI sustainability reporting standards 2016) establishes two different calculation methods for Scope 2 emissions, "Location-based" and "Market-based." Both approaches involve combining the share of emissions generated by thermal energy consumption (calculated using specific emission factors defined on a contractual basis with the supplier) with the share of electricity consumption, which is calculated differently in each approach mentioned above. The "location-based" method requires the use of average national emission factors related to the specific energy mix used to produce electricity. Specifically, the emission factor used for electricity (293.3 gCO₂/kWh) was updated for 2023 [Source: update of "Efficiency and decarbonisation indicators for Italy's energy system and electricity sector" ISPRA 363/2022] compared to the one used for 2022 [259.8 gCO₂/kWh. Source: "Efficiency and decarbonisation indicators for Italy's energy system and electricity sector" ISPRA 363/2022] and for 2021 [263.4 gCO₂/kWh. Source: "Atmospheric emission factors for gases in Italy's electricity sector and the main European countries" ISPRA 343/2021]. The "Market-based" approach involves using specific emission factors defined in contractual agreements with the electricity supplier regarding the electricity produced and supplied to SEA through the internal ASDC network, while for the (residual) portion of electricity sourced from the external grid (in case of temporary disruption of the supplier's generation units), emissions are calculated using the emission factor related to the national "residual mix" [for Italy in 2023, equal to 457.15 gCO₂/kWh, Source AIB - European Residual Mixes 2023 (Ver. 1.0, 2023-06-01); in 2022, equal to 456.57 gCO₂/kWh, Source AIB - European Residual Mixes 2021 (Ver. 1.0, 2022-05-31); in 2021, equal to 458.57 gCO₂/kWh, Source: European Residual Mixes 2020, AIB]. In 2023, the scope 1, 2, and 3 emissions are those calculated for Airport Carbon Accreditation using calculation methods recognised and verified by the "4+ Transition" level accreditation system (which takes into account additional emission sources compared to the "3+ Neutrality" level), compared to 2022 and 2021, which were calculated according to the ACA3+ level methods. The reported data are awaiting validation by the ACA Programme Manager (WSP).

Source: SEA

The CO₂ emissions trend in 2023 cannot be compared with previous years due to the departure of the SEA Energia subsidiary from the Group. As a result, while there was a decrease in scope 1 emissions, there was an increase in scope 2 values, owing to energy procurement from an external supplier.

The scope 3 emissions trend is calculated according to the ACA methodology for Level 4+ Transition, which, unlike previous years, also takes aircraft cruise emissions into consideration. The latter make up more than 75% of total scope 3 emissions.

A series of changes were made to the way scope 3 emissions are calculated to better align emissions with specific activities and initiatives currently underway or planned at Malpensa and Linate airports, in addition to the broader transportation context. In summary:

- adoption of the "AIR CARBON" calculation platform to estimate emissions from aeronautical activities (cruise, LTO, APU) specific to each flight;
- inclusion of emissions resulting from the commuting of airport operators' staff not employed by SEA;
- development of a dedicated calculation tool to estimate emissions related to passenger, cargo, and staff accessibility, based on fleet composition and specific emission factors tailored to the respective local contexts of the two airports.

It was also impossible to make a comparison with previous years for the indices below.

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

	2023			2022			2021		
	Malpensa	Linate	Total	Malpensa	Linate	Total	Malpensa	Linate	Total
Scope 1	6.1	6.8	6.3	182.2	159.2	175.1	574.0	605.2	584.3
Scope 2 Location-based	96.5	52.1	83.0	36.0	15.5	29.6	1.8	0.5	1.4
Scope 1 + Scope 2 Location-based	102.5	58.9	89.3	218.2	174.8	204.7	575.8	605.6	585.7

(*) Group turnover net of IFRIC.

Source: SEA

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

	2023			2022			2021		
	Malpensa	Linate	Total	Malpensa	Linate	Total	Malpensa	Linate	Total
Scope 1	0.1	0.2	0.1	-	-	-	-	-	-
Scope 2	1.6	1.3	1.5	-	-	-	-	-	-
Scope 1 + Scope 2 Location-based	1.7	1.5	1.6	3.0	2.0	2.8	5.7	4.2	5.4

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

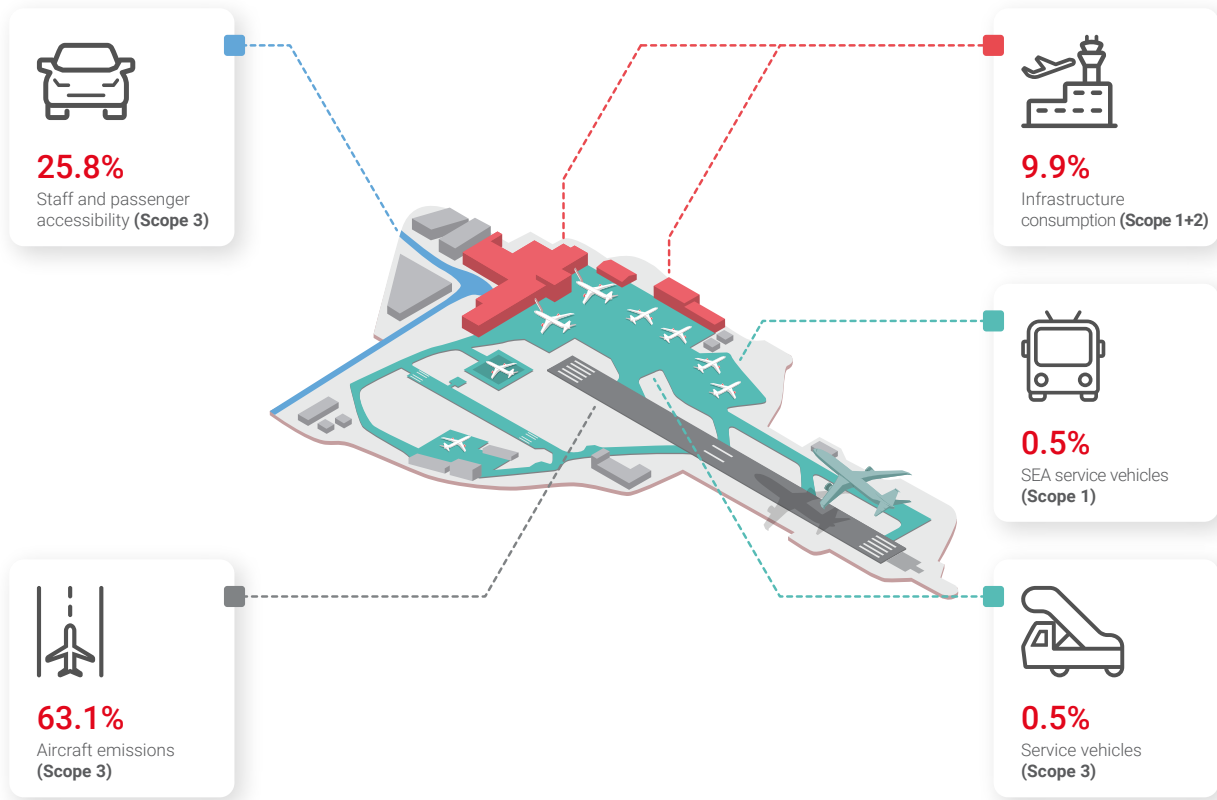
Source: SEA

The largest share of total CO₂ emissions resulting from airport activities falls into the scope 3 category and primarily relates to aircraft activities, the transportation of passengers and employees to/from airports, and the travel of handlers across the airport grounds.

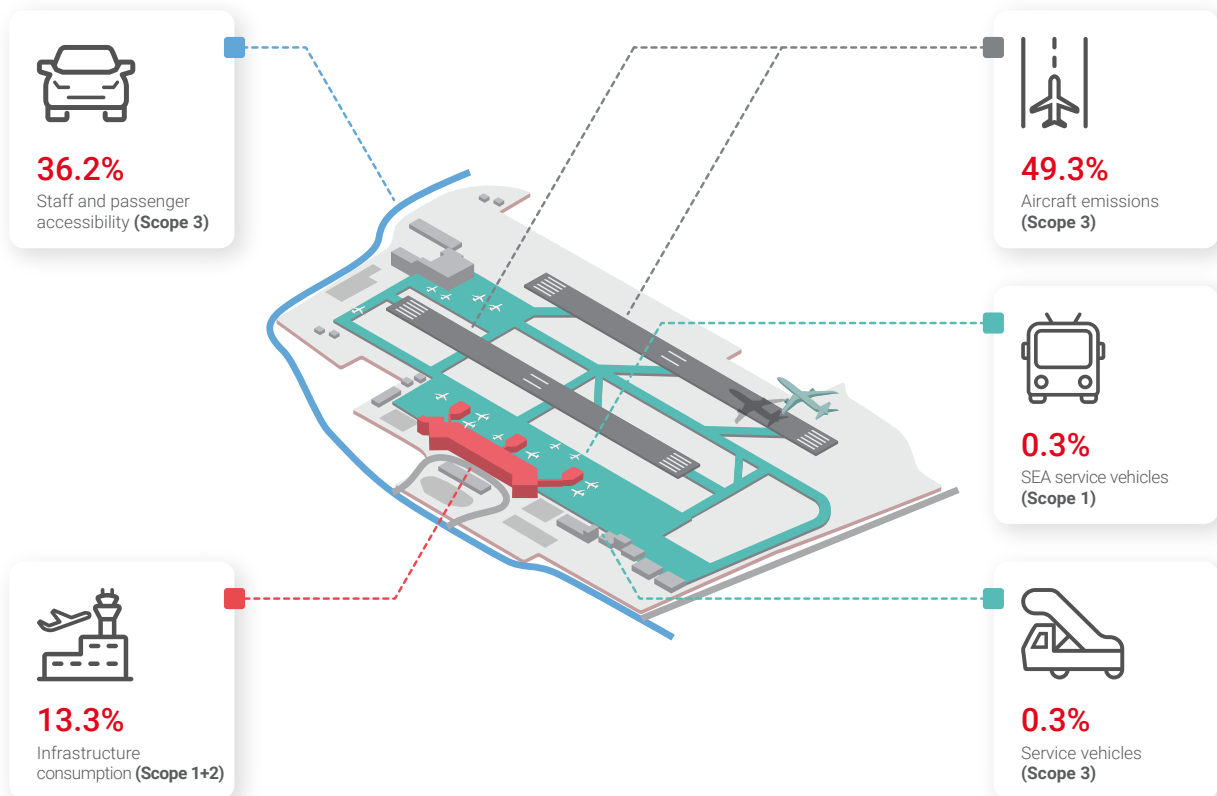
Scope 3 accounts for 98.3% of emissions at Malpensa and 97.4% at Linate. The emissions produced under the responsibility of the Airport Manager (scope 1 and 2 - airport energy consumption and use of vehicles for airport activities) account for 1.5% of the total at Malpensa and 2.5% at Linate.

Breakdown of SEA SpA CO₂ emissions into Scope 1, 2 and 3 (% of total emissions)

LINATE AIRPORT 2022

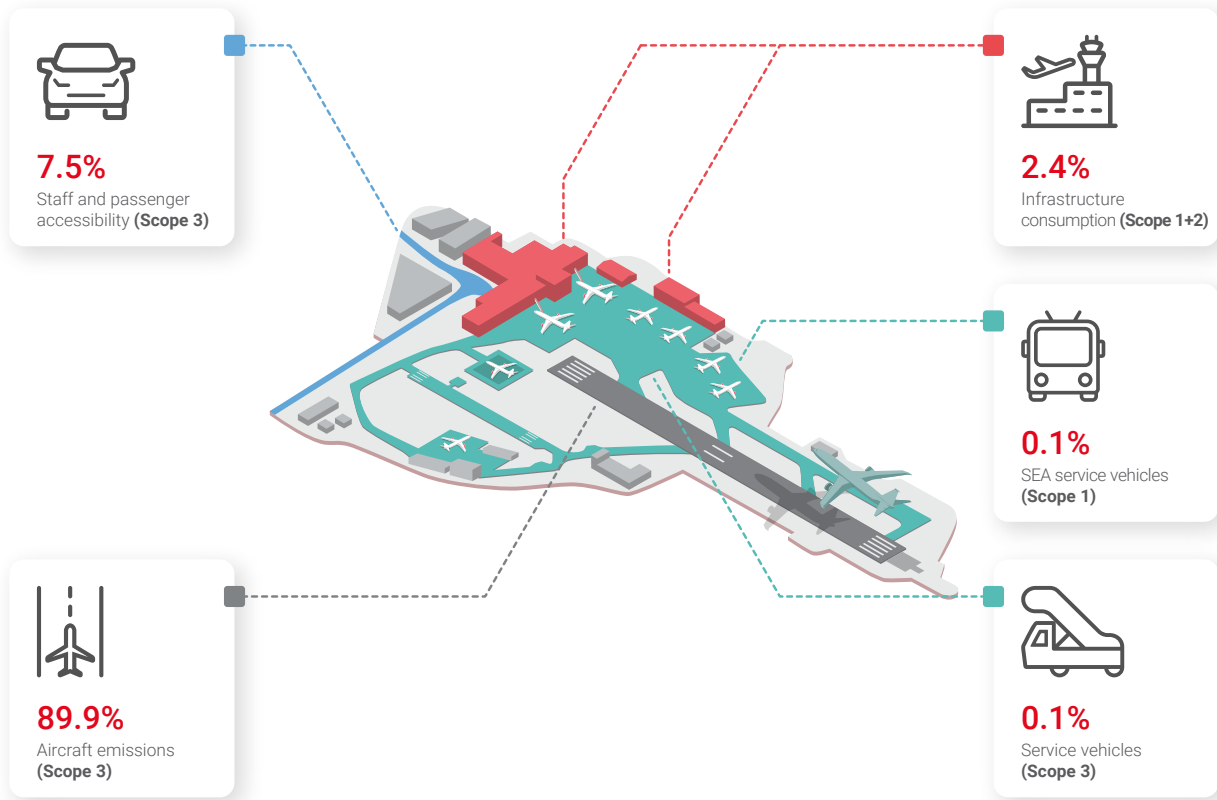


MALPENSA AIRPORT 2022

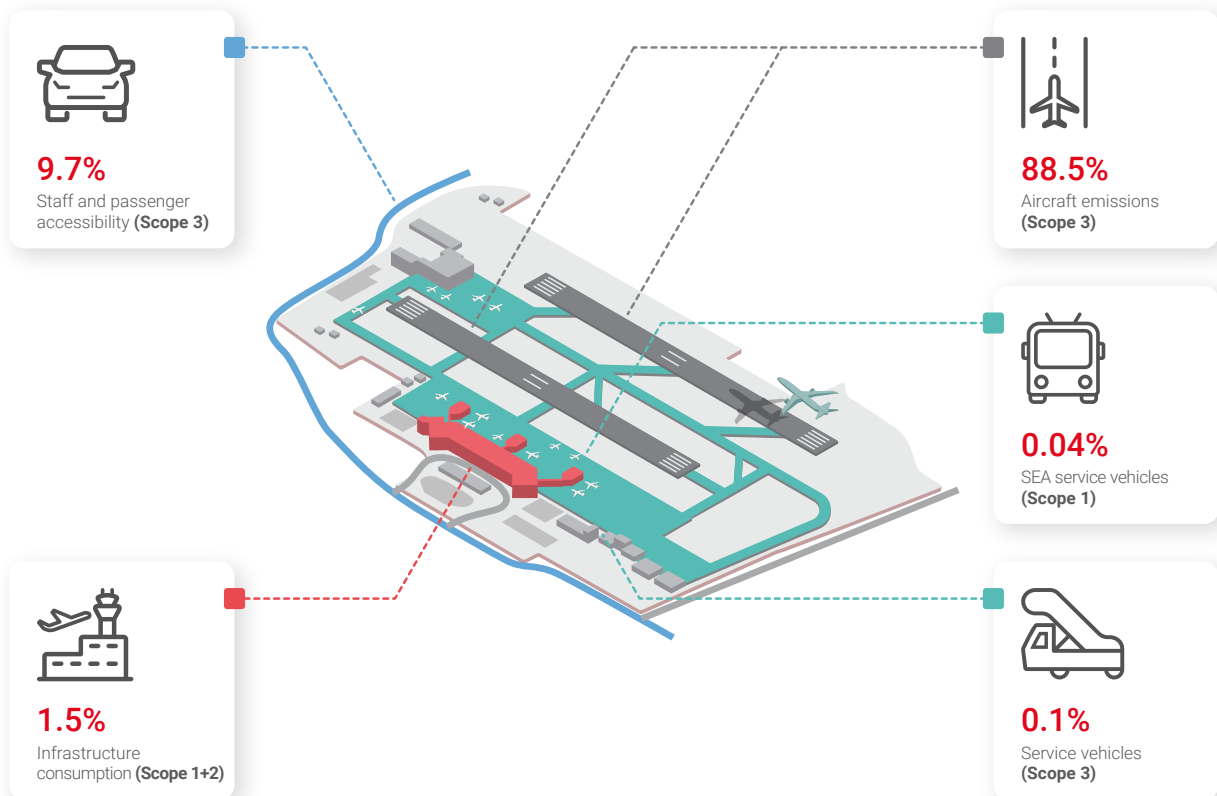


Source: SEA

LINATE AIRPORT 2023



MALPENSA AIRPORT 2023



EXERCISE OF THE ESG OPTION INCLUDED IN REVOLVING CREDIT FACILITIES

In line with its financial strategy, on August 4, 2022, new revolving credit lines of Euro 250 million, usable until 2027, were signed by the SEA Group with a syndicate of leading Italian and international banks. The revolving credit lines include an ESG option, which allows the SEA Group to transform credit lines into a sustainability-linked format during their first year of subscription.

As a result, SEA exercised the ESG option in 2023, transforming these lines into a sustainability-linked format.

A set of two KPIs was defined with the banking system to measure the SEA Group's sustainability performance against specific pre-set environmental targets.

SEA shall then verify the actual performance achieved by these KPIs on an annual basis, reporting to the banks at the end of the financial year (first testing date scheduled for December 2023).

Based on whether or not these targets are reached, a contractual mechanism is in place to reduce or increase the line's interest rate by 5 basis points.

By exercising the ESG option, the SEA Group took a further step towards integrating its ESG commitment into its financial strategy, ensuring that all financial operations concluded since June 2021 are structured in a sustainable format. Following this transaction, 31% of the SEA Group's medium/long-term loans are structured in a sustainability-linked format.

The two environmental KPIs defined with the banking system are as follows:

- Reduction in absolute terms of scope 1&2 (GHG) emissions at Milan Linate and Malpensa airports, calculated according to the ACA methodology.
- Maintenance of ACA Level 4+ accreditation until 2027.

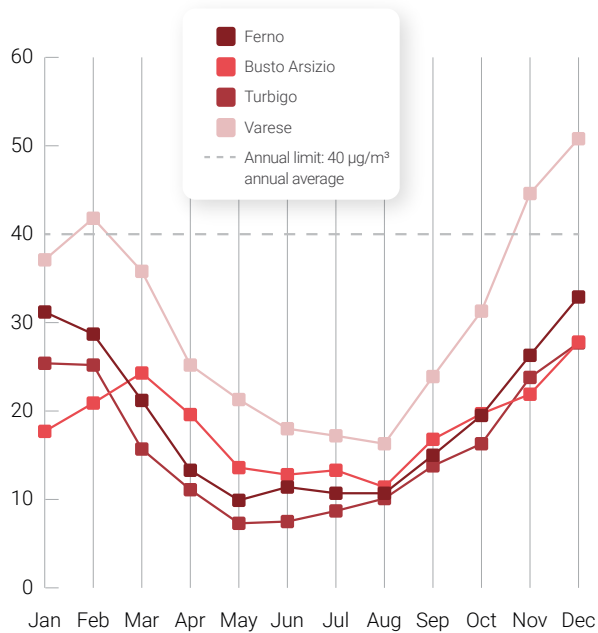
KPI	Parameter met	UdM	2019	2023	Δ%
Reduction Scope 1 & 2 GHG	✓	CO ₂ kton	119.1	66.5	-44.2%
Maintenance of ACA Level 4+ accreditation	✓	n/a	ACA 4+	ACA 4+	n/a

Note: Scope 2 emissions are calculated with the Market-based approach

AIR QUALITY IN THE MALPENSA AREA

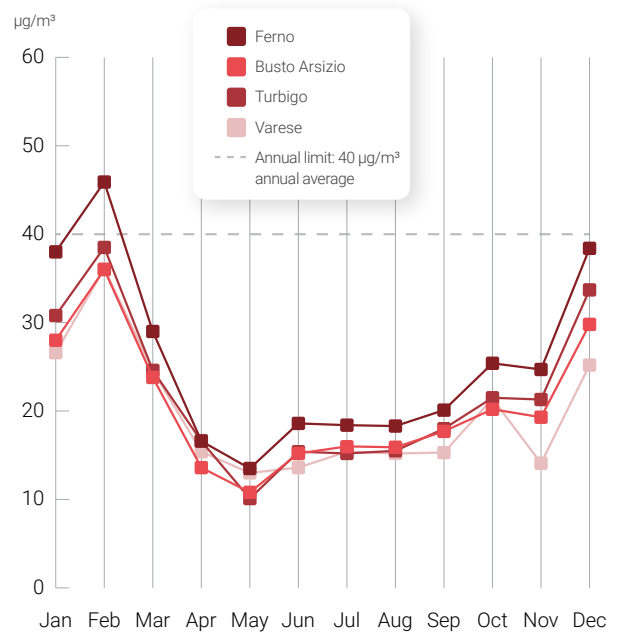
The atmospheric impact of airport activities relates to a series of main emission sources, including vehicular traffic inside and outside of the airport grounds, means used for loading, unloading and ground handling operations and aircraft movements and their LTO cycles. The concentrations of the main pollutants (NO₂ and PM10) relevant for the area surrounding Malpensa are listed below:

Malpensa surrounding area monitoring - Average nitrogen dioxide (NO₂) monthly values



Source: Arpa Lombardia. 2023

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



Source: Arpa Lombardia. 2023

To ensure effective air quality control the Regional environmental protection agency of Lombardy (ARPA) monitors on a daily basis the presence of atmospheric pollutants across the entire region through a network of permanent monitoring stations using automatic analysers, constantly providing data at regular intervals. The average figures, established by the daily results published by ARPA for the Malpensa area, are collected from a monitoring station in the immediate vicinity of the airport (Ferno) and from the other stations located in urbanised areas (Busto Arsizio and Varese), while the Turbigo station provides information on air quality in the areas south of Malpensa. All stations recorded more or less the same levels of NO₂ and PM10, demonstrating that air quality and pollutant concentration levels are largely in line with the rest of the Lombardy region. Excluding monthly variability, among the stations analysed, the Ferno monitoring station located near Malpensa recorded slightly lower concentrations than in 2022.

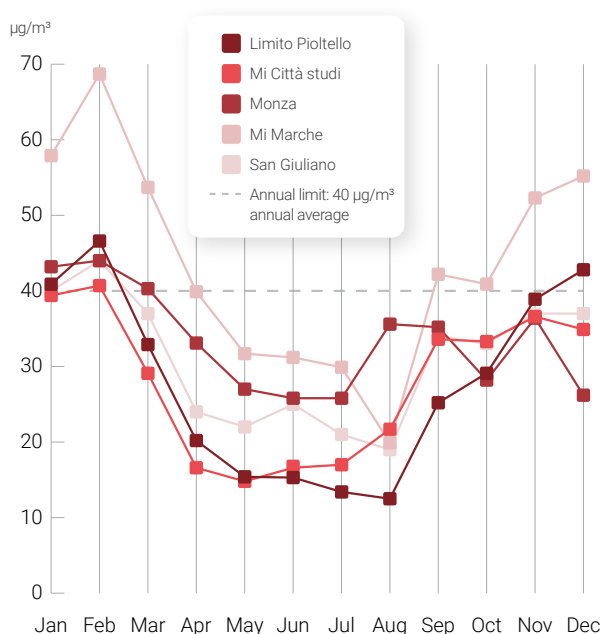
We note that the bureaucratic steps were completed in 2023, allowing SEA to definitively acquire the Ferno station following the sale of SEA Energia (previous owner). ARPA will remain responsible for the station's management.

In response to the EIA Decree of the 2035 Master Plan issued by the Ministry of the Environment, and the positive opinion of the EIA Technical Commission, SEA is in the process of preparing the Environmental Monitoring Plan to meet these requirements. Specifically, in collaboration with the Lombardy Region and ARPA, SEA will install two permanent monitoring stations to oversee air quality in the towns of Somma Lombardo and Lonate Pozzolo. Monitoring will begin after the Services Conference to ensure the Master Plan complies with urban planning requirements.

AIR QUALITY IN THE LINATE AREA

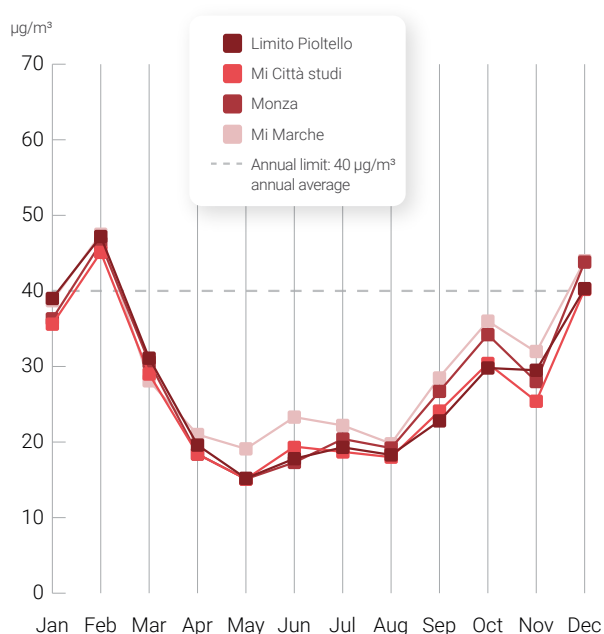
For Linate the average monthly values are considered, established by monitoring stations in the immediate vicinity of the airport (Limito-Pioltello and San Giuliano) and of other stations in urban areas (Milan-Città Studi, Milan-Marche, Monza). Overall, although airports are a significant source of emissions, various data collected in areas adjacent to the two Milanese airports have not shown any significant difference in air quality compared to other areas in the provincial territory. NO₂ and PM10 data were substantially similar across all monitoring stations, demonstrating fairly uniform air quality and pollutant concentrations throughout the Lombardy Region, although with greater criticality at the stations near to Linate. The concentrations of the main pollutants (NO₂ e PM10) relevant for the area surrounding Linate are listed below:

Monitoring of the areas surrounding Linate - Average nitrogen dioxide (NO₂) monthly values



Source: Arpa Lombardia. 2023

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



Source: Arpa Lombardia. 2023

In 2023, the Environmental Monitoring Plan for the 2030 Master Plan was submitted in compliance with the requirements of the relevant EIA Decree. While awaiting formal approval from the relevant authorities (Lombardy Region and ARPA), SEA commissioned air quality monitoring campaigns using mobile units (beginning in Q1 2024).

In 2023, SEA helped ARPA and CNR conduct air quality measurement campaigns within the airport grounds as part of specific research projects. The results of the studies have not yet been submitted by the two bodies.

NOISE EMISSIONS

Since 2001, SEA has guaranteed the monitoring of aeronautical noise origin at the airports of Linate and Malpensa, in compliance with current national legislation. The monitoring system is equipped with 15 permanent field stations (11 at Malpensa and 4 at Linate) and 4 mobile stations, the latter used for specific studies. In 2022, a new monitoring station was installed in Turbigio, to the south of Malpensa, to measure the noise impact of aircraft landing on the runways numbered 35. SEA operates in collaboration and under the strict control of ARPA (Environmental Regional Protection Agency) in order to improve the monitoring actions and protect the areas which surround its airports. Italian Ministerial Decree of October 31, 1997 defined the index to be used for the measurement of airport noise as the Level of Assessment of Airport Noise, or 'Livello di Valutazione del Rumore Aeroportuale (LVA)'. Furthermore, it classified three zones around each airport by maximum thresholds of admitted noise, varying according to human settlement types:

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

Exposure to Linate airport noise emissions

In consideration of landing and take-off routes, the municipalities affected by aeronautical noise are Milan, Peschiera Borromeo, Segrate, San Donato Milanese, San Giuliano Milanese, Pioltello, and, partially, Vimodrone.

The Linate Airport Commission approved the Noise Zoning in 2009.

The following data (as of 2021) represents the fourth update cycle regarding Linate's noise mapping in relation to population and buildings within the various noise zones in terms of day-evening-night noise exposure (LDEN), measuring the overall nuisance over a 24-hour period, and of night-time noise exposure (LNIGHT).

Linate - LDEN and LNIGHT exposure

db LDEN bracket	Population	Buildings	db LNIGHT bracket	Population	Buildings
55-59	24,667	755	50-54	7,969	186
60-64	4,410	141	55-59	166	13
65-69	50	12	60-64	0	0
70-74	0	0	65-69	0	0
Over 75	0	0	Over 70	0	0

Note: the data is valid for the five-year period 2022-2026. The night time slot (LNIGHT) is from 10.00 pm to 6.00 am.

Source: SEA

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

However, the new reference scenario features lower noise volumes than in 2017, except during the night for the population near Linate, as the former calculation method underestimated landing volumes that have been re-calibrated with the new model used for the current mapping.

The population exposure data is updated every five years as prescribed by Environmental Noise Directive (END) 2002/49/EC.

Exposure to Malpensa airport noise emissions

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

The following data represents the 2021 update to Malpensa's noise mapping in relation to population and buildings within the various noise zones in terms of day-evening-night noise exposure (LDEN), measuring the overall nuisance over a 24-hour period, and of night-time noise exposure (LNIGHT).

Malpensa - LDEN and LNIGHT exposure

db LDEN bracket	Population	Buildings	db LNIGHT bracket	Population	Buildings
55-59	26,655	7,967	50-54	12,089	3,646
60-64	2,325	847	55-59	395	272
65-69	90	90	60-64	12	21
70-74	0	0	65-69	0	0
Over 75	0	0	Over 70	0	0

Note: the data is valid for the five-year period 2022-2026. The nighttime slot (LNIGHT) is from 10.00 pm to 6.00 am.

Source: SEA

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

In the case of Malpensa, the new reference scenario once again features lower volumes than in 2017.

The population exposure data is updated every five years as prescribed by Environmental Noise Directive (END) 2002/49/EC.

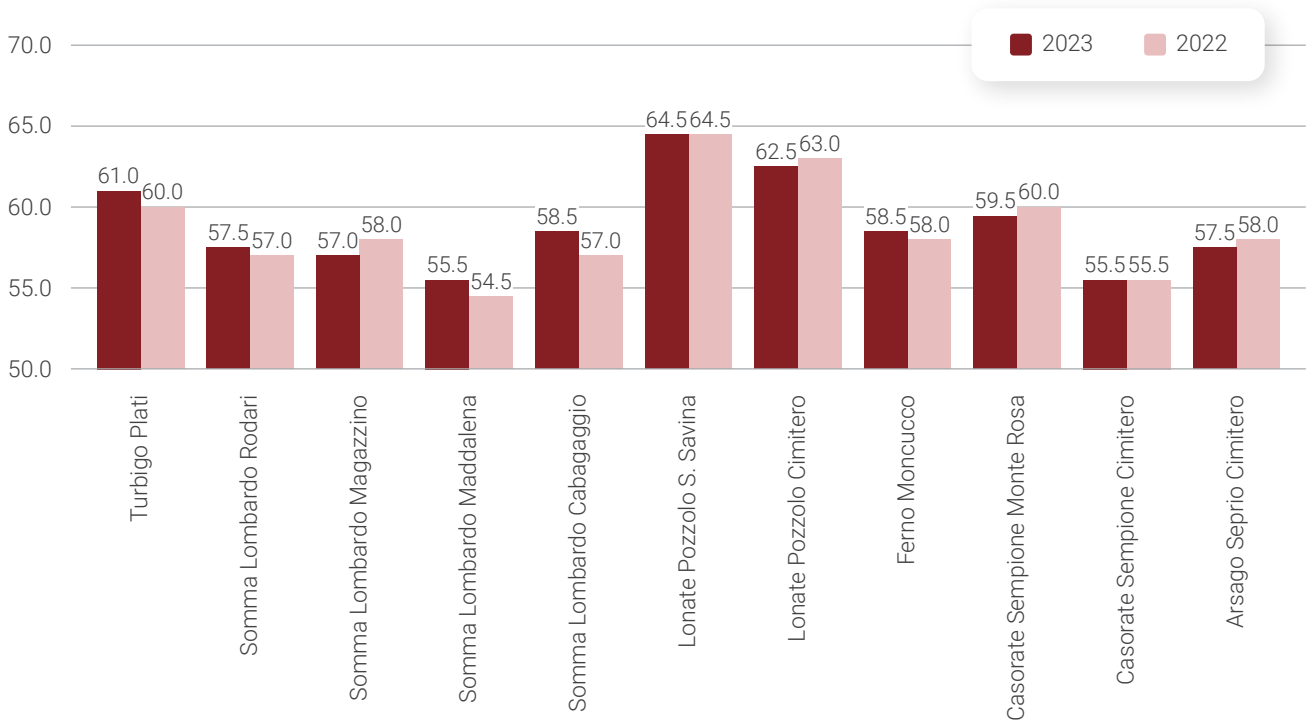
The boundaries of each zone are identified by the Airport Commissions, according to Italian Ministerial Decree of October 31, 1997. In April 2023, the noise zoning of Malpensa was approved.

In addition, in February, the Malpensa Airport Commission approved a shared document outlining the pathway for the definitive adoption of the trialled nighttime operational scenario and its future management. As part of the scenario modification process, SEA committed to taking the following mitigation actions in collaboration with ENAC and ENAV:

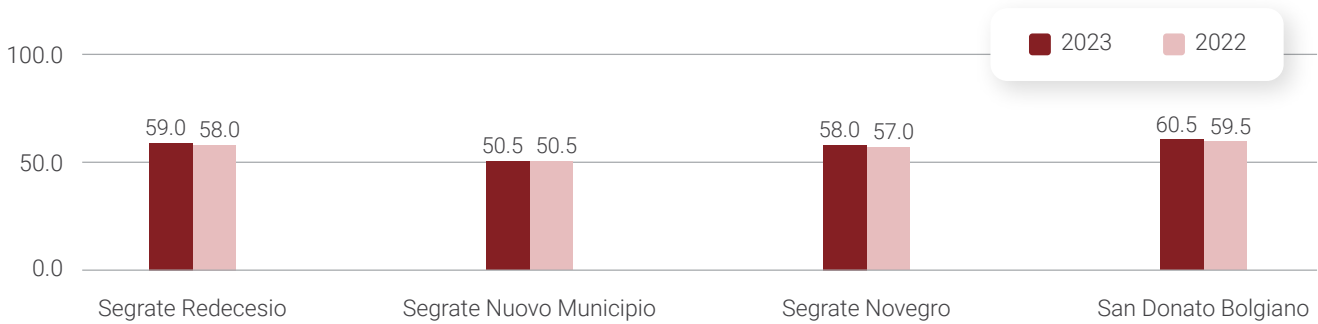
- revision of SIDs based on the findings of the Commission's technical committee;
- non-use of the noisiest aircraft at night;
- adoption of a tariff plan that accounts for environmental topics (Green Charges);
- definition of the Noise Containment and Abatement Plan.

The increase in 2023 monitoring data confirm the post-Covid traffic recovery trend, which is still lower than 2019 at most stations. The acoustic data detected by the monitoring stations is analysed with the aid of a special information system. By using the radar paths of individual flights provided by the Italian National Flight Assistance Agency (ENAV), it is possible to distinguish aircraft noise from background noise. Detailed information on the noise emissions and operations of SEA airports may be consulted in a specific section of the website <https://milanairports.com/en>.

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



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



Note: LVA - Livello di Valutazione Aeroportuale: calculated, in accordance with Ministerial Decree 31/10/1997 - Airport noise measurement methodology, based on the AEL data relating to the three weeks with highest traffic identified in 2022. (*) The data shown in the figures are awaiting validation by the Lombardia Regional Agency for the Protection of the Environment (ARPA), which controls the airport noise monitoring network according to national legislation.

Source: SEA

DISCHARGES AND SPILLS

Management of discharges

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

Linate - Sewer discharge data

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2023	2022	2021	
COD	mg/l	279	<20	61.1	500
BOD5	mg/l	119	<20	28.2	250
Total phosphorus	mg/l	3.7	0.3	2.8	10

Source: SEA

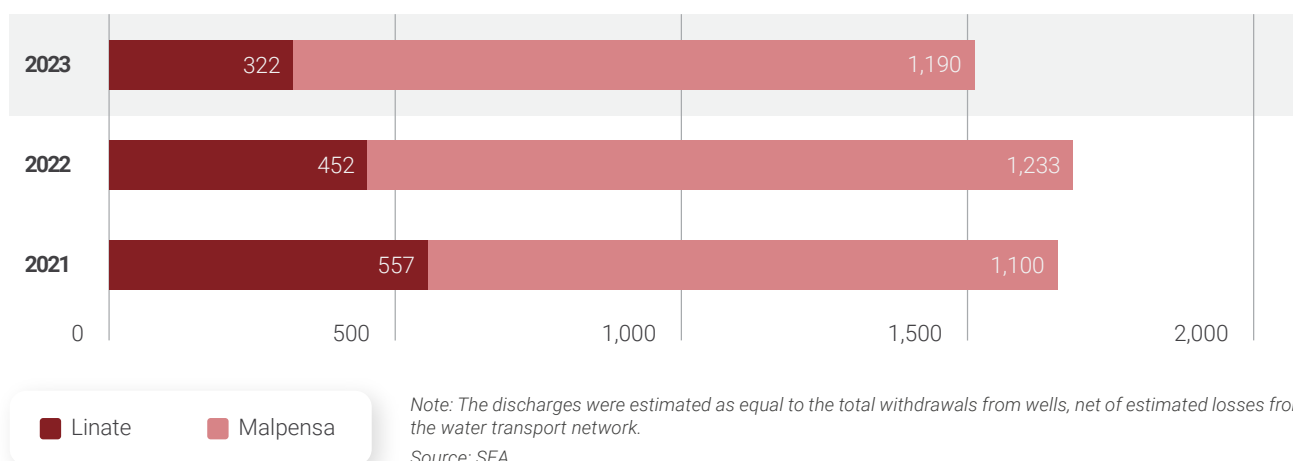
Malpensa - Sewer discharge data

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2023	2022	2021	
COD	mg/l	200	143.5	87.0	500
BOD5	mg/l	84	65.5	38.3	250
Total phosphorus	mg/l	2.9	3.2	2.6	10

Source: SEA

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

Water discharge into the sewer system (MI)



The de-icing of aircraft in winter (and when requested by airlines) is carried out in dedicated apron areas equipped with a waste collection system. At Linate, the collected waste is treated as special waste, while at Malpensa the collected waste is treated before being discharged into the sewer system. Similarly to 2022, winter temperatures in 2023 were mild, leading to fewer de-icing treatments being required compared to 2021.

De-icing liquid drained (tons)

	2023	2022	2021
Malpensa	0	0	0
Linate	275	216	304

Source: SEA

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

Before final deliveries, meteoric waters are subjected to periodic quality checks for the parameters shown in the following tables, with qualitative characteristics amply compliant with relevant environmental regulations. Currently, water re-usage systems are not in place at the airports. Together with other major European operators, we are exploring many aspects related to Water Saving systems and the possible re-usage of meteorological water, in order to save water and rationalise consumption.

Linate - Characteristics of the surface water discharge

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2023	2022	2021	
Chromium VI	mg/l	<0.1	<0.1	0.01	0.2
Copper	mg/l	<0.01	<0.01	0.01	0.1
Lead	mg/l	0.0027	0.001	0.01	0.2
Zinc	mg/l	0.06	0.05	0.11	0.5
Total hydrocarbons	mg/l	<4	<4	0.3	5.0

Source: SEA

Malpensa - Characteristics of the soil discharges

Parameter	Measurement unit	Average annual value			Parameter values Legs. Decree 152/06
		2023	2022	2021	
Ph	pH Unit	7.2	7.2	7.35	8.0
COD	mg/l	<20	<20	14.7	100.0
BOD5	mg/l	<20	<20	10.7	20.0
Total suspended solids	mg/l	<10	<10	6.9	25.0
Total phosphorus	mg/l	0.03	0.05	0.1	2.0
Lead	mg/l	n.d.	n.d.	n.d.	0.2
Chromium VI	mg/l	<0.1	<0.1	0.01	0.2
Copper	mg/l	<0.01	<0.01	0.01	0.1
Total hydrocarbons	mg/l	<0.05	<4*	0.0	5.0
Zinc	mg/l	0.16	0.11	0.08	0.5
Total surfactants	mg/l	<0.2	0.2	0.2	0.5

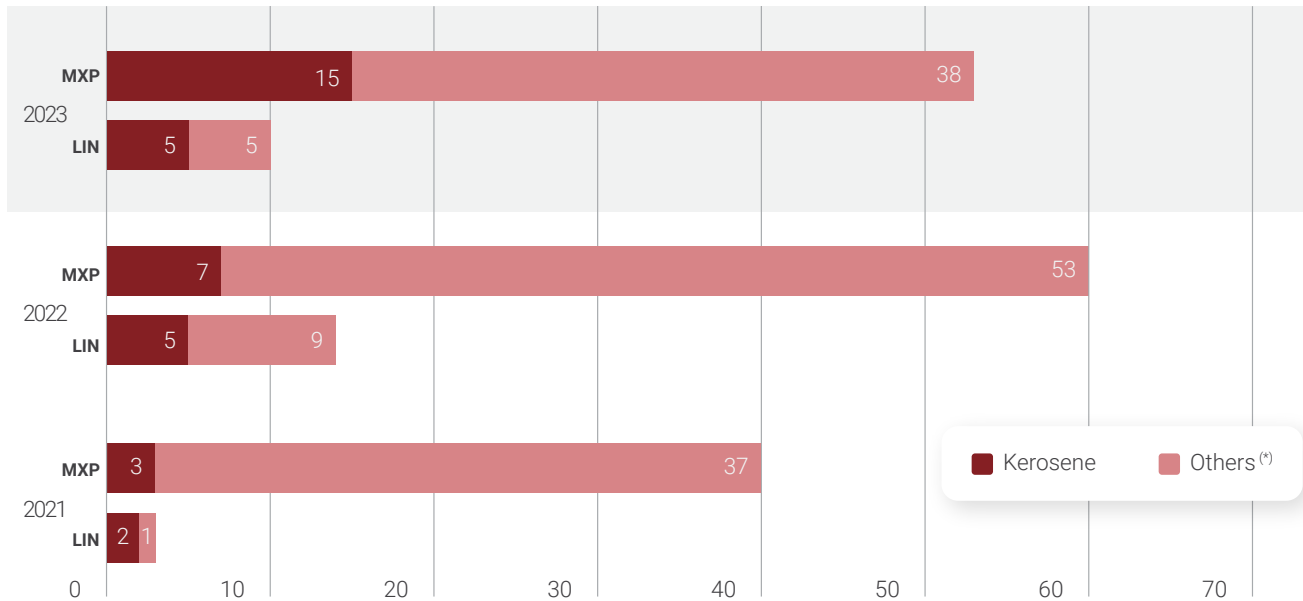
* minimum limit readable by the instrument, on the basis of the analytical method

Source: SEA

Management of spillages

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

Significant spills (No.)



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

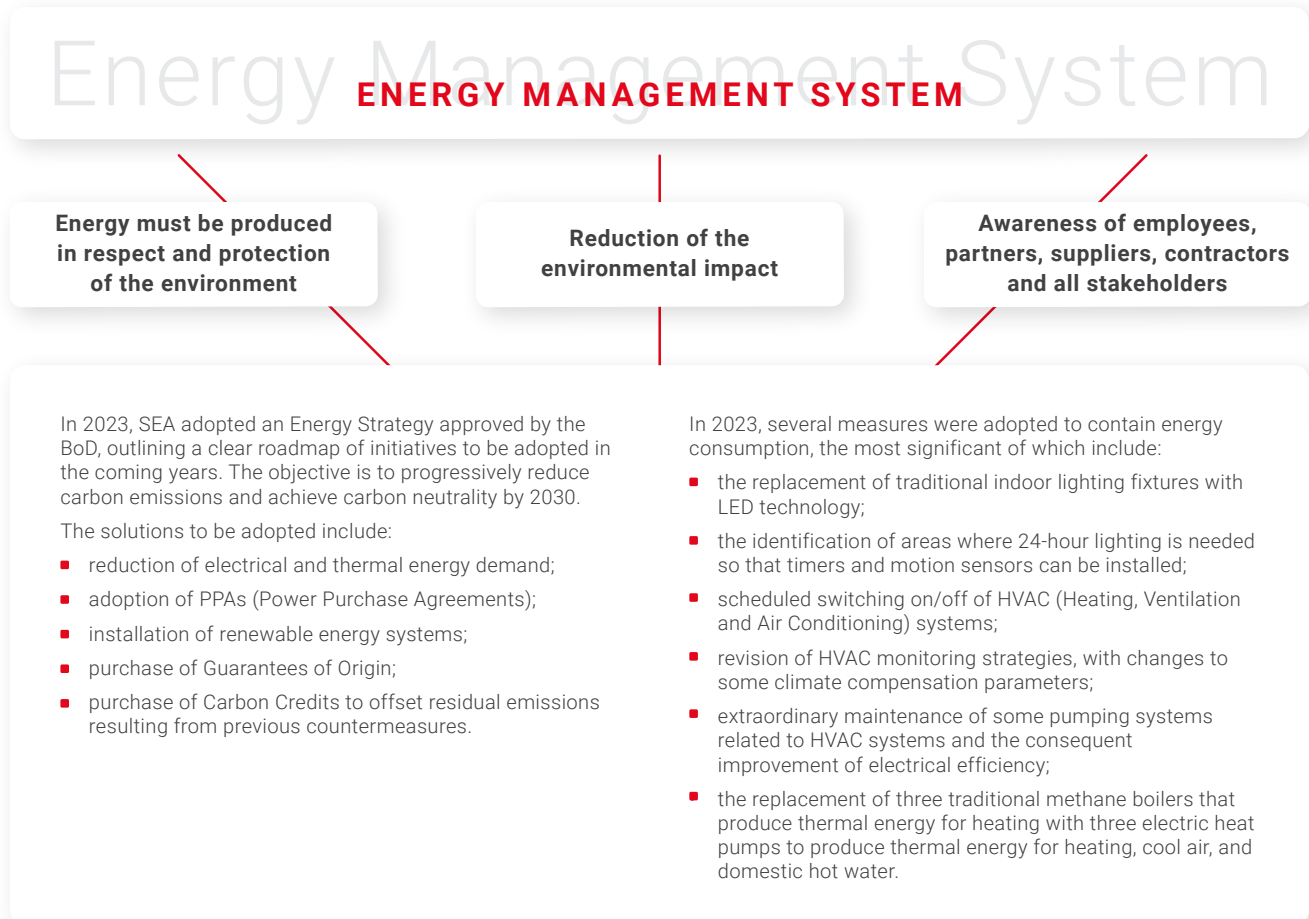
Source: SEA

In these conditions, SEA procedures are deployed to co-ordinate the cleaning, reclamation and restoration actions in the affected areas, and the compliance and security conditions after any containment in the affected area of spreading by the laying of a sufficient number of oil absorbent panels by the Fire Services. The waste generated by the cleaning operation for each airport is transported to specific airport ecological islands, in compliance with environmental protection, safety and workplace hygiene rules. The spillages taken into consideration were those considered significant, in particular those which involved areas equal to or greater than 20 m². The trend is improving compared to 2022. It is important to underline that these are absolute values unrelated to the number of movements. None of these events had any impact on airport safety.

Consumption of natural resources

ENERGY CONSUMPTION

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



SEA Group energy consumption (GJ)

Unit	2023		2022		2021	
	Malpensa	Linate	Malpensa	Linate	Malpensa	Linate
Petrol	3,743	1,641	3,293	1,443	3,202	1,151
Diesel for heating	1,928	-	2,216	-	2,436	-
Methane	134	3,855	1,604,026	633,953	2,188,162	1,151,822
Diesel for motor vehicles	18,737	8,430	18,755	8,109	16,517	6,337
Diesel generators	873	81	-	-	-	-
Electricity (from non-renewable sources)	280,802	106,800	86,422	22,793	5,418	680
Electricity (from renewable sources)	98,507	-	-	-	-	-
Thermal energy (from non-renewable sources)	301,947	106,888	186,623	30,042	-	-
Thermal energy (from renewable sources)	67,500	-	-	-	-	-
Refrigeration energy (from non-renewable sources)	396,170	-	-	-	-	-
Refrigeration energy sold	-	-	2,171	-	14,606	-
Thermal energy sold	-	-	3,760	186,674	9,262	407,516
Electricity sold	-	-	268,328	116,580	387,893	234,813
Total (GJ)	1,170,341	227,695	1,627,076	393,086	1,803,973	517,661

Note: 2023 figures do not include SEA Energia, which left the SEA Group in 2022. Conversion co-efficient sources used: Table of national standard parameters: coefficients used for the inventory of CO₂ emissions in the UNFCCC national inventory (average values for years 2020-2022). This data can be used for the calculation of emissions from January 1, 2023 to December 31, 2023 for natural gas and heating oil and the emission factors of the "GHG Protocol: Transport Tool V2_6" for transport diesel and petrol. For electricity and thermal energy, the translation coefficient utilised is equivalent to 0.0036 GJ/kWh (Source: GRI Sustainability Reporting Guidelines, Version 3.1).

Source: SEA

Energy intensity (GJ/unit of traffic)

Internal energy consumption	Malpensa	Linate	Total
2021	0.11	0.12	0.11
2022	0.06	0.05	0.06
2023	0.04	0.02	0.03

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

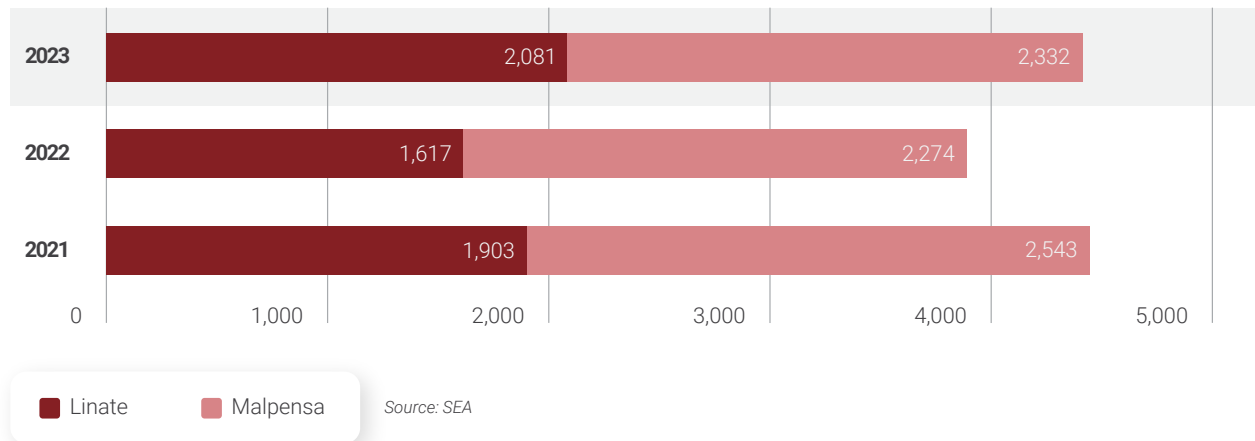
Source: SEA

Despite the significant increase in demand for electrical and thermal energy in 2023 compared to previous years, largely due to the growing recovery of airport activities and the increasingly consistent impacts of climate change, the adopted measures effectively contained consumption levels compared to previous years.

WATER CONSUMPTION

SEA has full autonomy over its water supply following the construction of a series of artesian wells within the airport grounds. The principal water sources utilised are aquifers, to which seven wells located at Malpensa and eight wells located at Linate are linked. For Malpensa, the aquifer has a depth of approx. 55 metres, while for Linate the aquifer has a depth of approx. 4 metres for wells with a depth of about 35 metres; drinking wells have a depth of about 100 metres. The water drawn from wells at the airport sites of Malpensa and Linate are distributed for consumption through internal aqueducts. The chemical/physical and quantitative control, in addition to the consumption rationalisation activities, ensure the highest level of attention to resource management. Increased water requirements registered at Linate pertain to higher low-value water consumption (superficial aquifer) used for the "cooling and conditioning" requirements of the airport infrastructure. Monitoring of pressure sensors (piezometers) does not reveal any evidence of groundwater stress. The quality of the water distributed through the airport aqueducts was subject, in addition to inspections by the Sanitary Board, to an internal programme of bi-monthly checks, which includes the evaluation of the numerous chemical/physical and microbiological parameters. The parameters analysed are significantly lower than the maximum levels permitted by law and highlight the good quality of the water distributed at both airports, both from a chemical and micro-biological viewpoint.

Water consumption (MI)



In 2023, there was an increase in water consumption, rising by 28.7% at Linate, owing to greater use of water from heat-exchange wells, and by 2.5% at Malpensa due to construction activities.

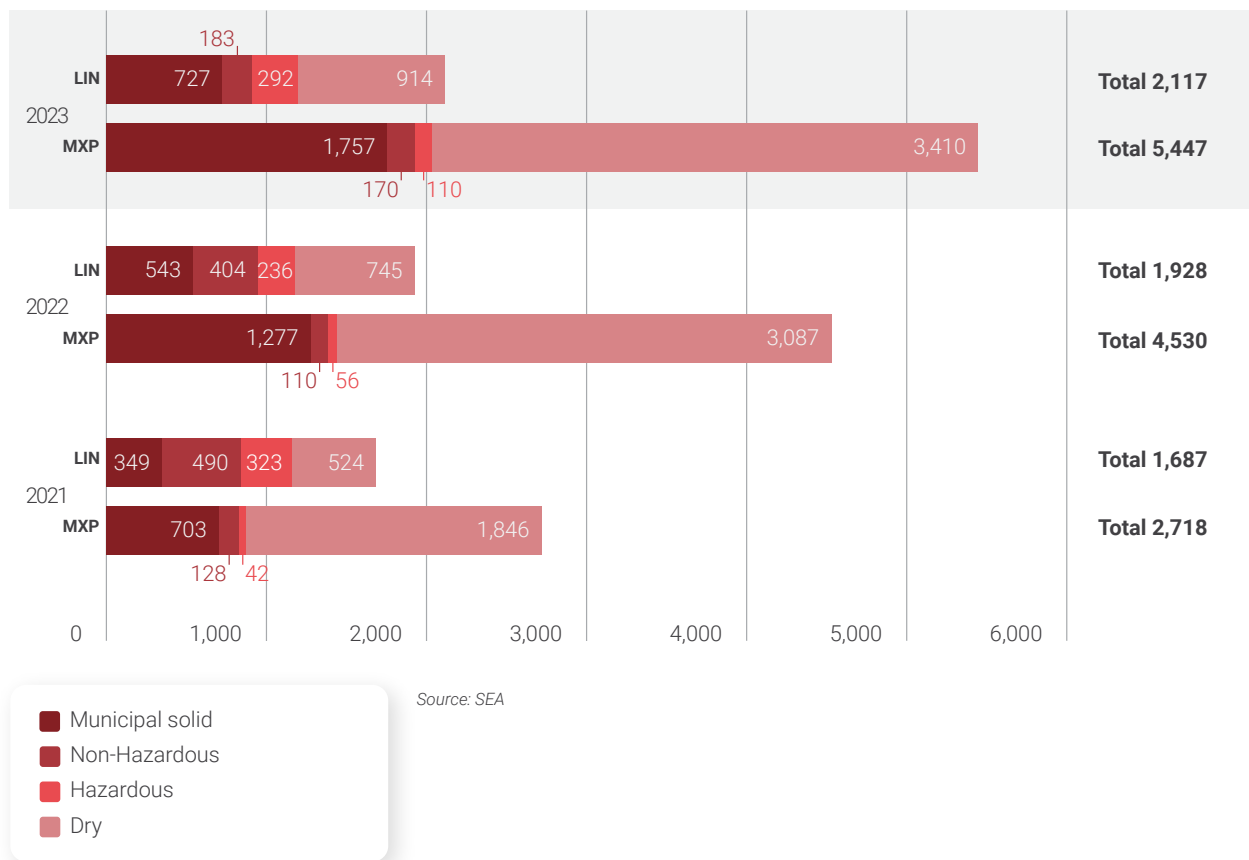
WASTE MANAGEMENT

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

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

In 2023, Malpensa produced 5,447 tonnes and Linate produced 2,117 tonnes of waste, up on the previous year following the recovery in air traffic. In 2023, SEA confirmed its commitment to the separate collection of municipal solid waste. Currently, separated collection is in place for paper, cardboard, wood, glass, plastic, metal, toner, organic waste and batteries at the areas of the terminal open to the public. The increase in waste separation at Linate airport is due to better monitoring at waste disposal points, whereas at Malpensa airport, it stems from increased attention and verification of waste collection conducted by the appointed disposal firms on site.

Waste produced by type (tons)



% Separated collection

	2023	2022	2021
Malpensa	47.6	41.9	43.5
Linate	60.2	49.1	39.5

Source: SEA

All special waste produced is separated by type, with specific contracts with companies authorised for the management of such (for example: IT equipment, oils, emulsions, irons, paints, etc.). It is therefore entirely separated by type and disposed of, recycled according to the applicable regulations and the technological standards of the treatment plant to which it is conferred.

Municipal solid waste produced at both airports is sent to energy recovery incineration plants. Separated waste is allocated to recovery and recycling plants, with collection, transport, disposal or recovery managed by the municipality in question.

Special waste is predominantly transferred, depending on its specific characteristics, to recovery plants. In case of waste with unsuitable properties (e.g. sewage purging), the waste is transferred to final disposal plants for collection, transport and disposal or recovery by specialized or authorized companies.

BIODIVERSITY AND SOIL CONSUMPTION

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

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

IUCN Red List of Threatened Species

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

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

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

- Least Concern (LC): species that are categorised as “pervasive” and abundant after careful consideration;
- Data Deficient (DD): species for which there is a lack of available data on the risk of extinction.

Worldwide Database on Protected Areas

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

Worldwide Database of Key Biodiversity Areas

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

Airport biodiversity assessment

Malpensa Airport sits within Ticino Park. As emerges from the Environmental Impact Study carried out in relation to the 2035 Master Plan, there are three types of habitat classified by Directive 92/43/EEC in the area affected by the proposed airport expansion: European dry heaths, old *Quercus robur* oakwood of sandy plains with *Quercus robur*, and semi-natural dry grasslands. Studies show that the presence of these elements - and the moorland in particular - give the area a high value in terms of conservation and the environment, and that a lack of management activities is causing their gradual degradation. After the issuing of the EIA Decree for the 2035 Master Plan, the expansion project for cargo infrastructure is on hold pending checks and further investigations into the regulatory framework. This suspension also comes in light of Decree Law No. 121/2023 (later converted into Law No. 155/2023), Article 1-ter of which stipulates a re-evaluation of the EIA results, taking into account the designation of the project as a “strategic work of pre-eminent national interest with characteristics of indispensability, urgency, and public utility”. Regarding this issue, we also note that the Lombardy Region rejected the request to establish a Site of Community Importance in the areas with heathland

located to the south of the airport. Considerations concerning the impacts on biodiversity are suspended pending further clarification on the permitted developments and the consequent determination of compensatory charges for the affected habitats.

Biodiversity indicators 2023

	Malpensa area	Linate area
IUCN Red List (species that are potentially present within 50km of the airport grounds)	1,218 (=) of which: <ul style="list-style-type: none"> ■ 4 (-3) critically endangered ■ 21 (-1) endangered ■ 63 (+1) vulnerable ■ 80 (-1) near threatened ■ 957 (-27) least concern ■ 60 (=) data deficient 	1,183 (-3) of which: <ul style="list-style-type: none"> ■ 3 (-3) critically endangered ■ 17 (-1) endangered ■ 53 (+1) vulnerable ■ 79 (=) near threatened ■ 937 (-31) least concern ■ 60 (=) data deficient
Protected Areas (WDPAs) - only sites Natura 2000	98 (=)	96 (+2)
Key Biodiversity Areas (KBAs)	9 (=)	6 (=)

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

Regardless of the authorisation process for SEA's 2035 Master Plan, it has launched the experimental "Recovery, Redevelopment and Conservation of the Linate Heath" project with a view to strengthening constructive relationships with the region and confirming its concern for biodiversity. This project seeks to define a technical protocol for the heath's recovery, with the potential to replicate it in other areas. During 2019, an agreement was finalised with the Defence Ministry and the State Property Agency to intervene in the areas affected by field testing with the necessary vegetation maintenance works. The agreement was signed in the first half of 2020 and work subsequently began and proceeded smoothly again in 2023, despite the delays caused by the COVID-19 pandemic.

HUMAN CAPITAL

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

Group employees

As of December 31, 2023, the Group had a total of 2,349 employees (2,550 including temporary staff), down by 13 employees since the end of the previous year (-0.6%). 33% of employees, primarily concentrated in the administrative category, are women, and are distributed within each category as follows: 35% executives and managers (108 out of 305), 41% white-collar workers (625 out of 1,515), and 7% blue-collar workers (39 out of 529).

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

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

	2023			2022		
	Female	Male	Total	Female	Male	Total
Executives	6	42	48	6	40	46
Managers	102	155	257	104	156	260
White-collar	625	890	1,515	569	938	1,507
Blue-collar	39	490	529	37	512	549
Total	772	1,577	2,349	716	1,646	2,362

Source: SEA

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

	2023			2022		
	Female	Male	Total	Female	Male	Total
Linate	343	701	1,044	333	723	1,056
Malpensa	531	975	1,506	483	1,031	1,514
Total	874	1,676	2,550	816	1,754	2,570

Source: SEA

The pre-retirement plan started in October 2022 continued in 2023.

This plan provides for the termination of employment relationships earlier than the pension window, up to a maximum of 32 months in advance, for a maximum of 446 people.

In 2023, people who joined the voluntary redundancy incentive plan left the Company.

Given the recovery of air traffic to pre-pandemic levels in 2023, additional hires were made to bolster operational management.

In addition, the targeted recruitment of young talent facilitated generational turnover and partially replaced those who left the company, including as a result of the early retirement plan agreed upon with the union representation.

The induction of new hires was accompanied by specific onboarding policies (welcome day, tutor and buddy project).

In addition, retention projects to retain younger staff and potentially guarantee generational turnover were launched.

Several initiatives were developed to enhance work flexibility and responsibility among employees, including the revision of the remote working policy, the removal of break clock-ins for all shift workers, and the provision of spaces in operational departments to facilitate access to assigned online courses.

A new online training programme was also devised based on the collaboration between SEA Academy and the Goodhabitz platform, with the goal of strengthening skills and acquiring new ones. In addition, training initiatives dedicated to gender equality and inclusivity were adopted.

In 2023, the SEA Summer Award initiative, launched in 2022, was reintroduced for staff in operational areas, allowing employees to nominate colleagues who excelled in their work.

PEOPLE MANAGEMENT POLICIES

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

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

SEA applies an organisational model combining the traditional model of roles and responsibilities, formalised by organisational charts and documented procedures, with informal project-based and collaborative cross-company organisational methods. The managerial style is therefore necessarily based on building mutual trust, the transparency of intentions, and openness to dialogue.

EMPOWERMENT POLICIES

Training

Training activities primarily focused on initiatives to improve employee skills in 2023.

Projects included:

Mentoring - a personalised training initiative involving 46 participants as Mentors and Mentees. The programme's methodology involves a Mentor (a senior figure with extensive knowledge of the company) offering a Mentee (a junior figure in development) their knowledge and expertise to support the latter's developmental journey. The programme comprises a minimum of six one-on-one sessions between Mentors and Mentees.

We are Teachers - a project initiated to identify SEA Academy Teachers, launched with a call to action in late 2022. Following the analysis and evaluation of applications, 67 teachers were selected to undergo a dedicated training programme comprising 33 hours of in-person training divided into two modules. The training concluded in November with a celebratory event. The project sought to promote a culture of learning based on knowledge sharing and transfer within the company.

Three-Year SEA Academy & Goodhabitz Training Plan

- a training plan designed to encourage the use of the Goodhabitz training platform (launched in December 2021) to enhance employees' skills in line with their current professional role/family. Following an initial familiarisation phase with the platform, a personalised plan was created based on the individual's job role. The plan includes six courses to be completed over a three-year period (two per year), with additional recommended courses to complete at the individual's discretion. To recognise participants' efforts, a rewards system based on the number of completed courses was established. Shift workers can complete their training in the dedicated training spaces at Malpensa and Linate. Administrative personnel can access the platform directly from their laptops.

The European House of Ambrosetti - ongoing training programme benefiting a group comprising nine executives and 35 managers. It provides a portfolio of up-to-date and well-organised training initiatives and content, allowing participants to tailor their learning journey based on their personal interests and areas of development.

Language Learning - language learning involving 65 employees for whom language knowledge is viewed as a working tool that should be cultivated on an ongoing basis.

GDPR Privacy Training - courses to share insights and updates on privacy-related topics, organised in collaboration with the Corporate Affairs & Compliance team, Legal Counselling, and colleagues serving as Privacy Focal Points from relevant business departments/areas within the Company.

Code of Tenders Training - preparation and organisation of an in-house project on the principles of the new Code of Tenders, in collaboration with Studio Grimaldi. The project involved the Legal, Supply Chain, Maintenance, and Infrastructures Development departments, with 38 employees participating in a training session to familiarise themselves with the new Code of Tenders.

SEA Employee Manifesto - container of top ten crucial soft skills for all SEA employees presented to SEA's 200 people managers.

Public Speaking Training Programme - initiative targeted at non-shift employees and a select group of young graduate shift workers. Approximately 30 individuals completed the programme, comprising four self-learning courses available on the Goodhabitz platform. Participants will also attend an in-person training day organised by an external trainer.

Average number of per capita training hours by gender & category

	2023			2022			2021		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Executives	17.5	25.7	24.7	15.9	17.0	16.9	18.7	23.6	23.0
Managers	23.7	24.0	23.9	14.8	12.9	13.6	13.4	10.7	11.7
White-collar	6.0	3.1	4.3	5.1	5.4	5.3	4.3	3.5	3.8
Blue-collar	0.3	0.3	0.3	0.1	1.9	1.8	0.2	2.1	1.9
Total	8.1	4.9	6.0	6.3	5.3	5.6	5.4	4.1	4.5

Note: The data does not include mandatory training hours.

Source: SEA

GROWTH

In 2023, the systematic approach to performance appraisal coverage was limited to staff covered by the MBO system (executives and some managers). In 2023, the Smart Feedback project was launched in a pilot phase, involving only HR and Innovation department staff. This process involves observing various dimensions (results, expertise, conduct). The first phase of data collection has concluded, with ongoing activities slated for completion in 2024.

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

	2023			2022			2021		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Executives	100	100	100	100	100	100	0	0	0
Managers	34	35	35	33	32	32	0	0	0

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

Source: SEA

ENGAGEMENT POLICIES

Welfare

In 2023, SEA's welfare offering featured an increase in initiatives spanning various topics, with a specific focus on Health and Wellbeing. Some of these initiatives were also linked to participation in the WHP - Workplace Health Promotion programme (in 2023, SEA pledged to adopt practices to promote an active lifestyle and create a smoke-free environment, encouraging its personnel to stop smoking).

As regards Health, a skin cancer prevention campaign was conducted (500 free appointments available) and a Telemedicine project was introduced. A webinar was organised on World No Tobacco Day, and additional remote events were conducted to raise awareness among staff, especially concerning tobacco-related risks. In addition, 30 giving-up smoking courses were provided free or charge, and a flu jab campaign was conducted in November and December, also free or charge, in line with previous years (391 vaccines administered). Finally, SEA installed additional water dispensers at Linate and Malpensa (there are now 20).

As regards Education, two scholarships were made available to the children of employees for a study trip to Europe, while 493 merit-based scholarships were provided for secondary and university education. A BLSL - Basic Life Support Defibrillation course was also conducted on how to use a defibrillator, with 85 SEA employees at Linate and Malpensa taking part.

Meanwhile, a functional portal was launched to promote mental and physical well-being. It offers discounts on sports centre memberships, provides various remote courses (from mindfulness to cardio), and includes a dedicated section for remote psychological support. An introductory course to Nordic Walking was also organised (20 participants). Across the initiatives described above, SEA granted a "Welfare Award" to benefit all employees, to be spent through a flexible benefits portal. Finally, a survey on welfare at SEA was sent out to measure employee satisfaction and any discrepancies between expectations and the proposals already on offer.

On the mobility front, the existing initiative (which provides for a 50% company contribution to the cost of annual ATM and Trenord annual tickets) continued to prove particularly popular: 322 subscription requests (new applications and renewals) were submitted during the year, compared to 183 in 2022.

The table summarises the access to services by employees (full-time and part-time) over the last three years. Temporary workers do not benefit from these services (with the exception of the flu vaccine).

"SEA per te": access to services

Initiative	No. Beneficiaries		
	2023	2022	2021
Health Fund (general)	1,380	1,455	1,513
Flexible hours	656	810	805
Summer camps	594	348	256
Leave for medical visits	589	133	69
Dermatological campaign	500	0	0
Study grants	493	944	179
Health Fund (check-up)	397	353	327
Anti-flu injections	391	385	492
Commuter transport	322	182	159
BLSL training	87	0	99
Welfare services	60	81	48
Anti-smoking campaign	30	0	0
Water dispensers	20	0	0
Donations for the children of deceased colleagues	11	10	6
Accident insurance	4	4	2
Part-time parenting (annual average data)	2	3	3
Nutritionist meetings	2	0	0

Source: SEA

Talent management

The Company's approach to talent development promotes transparency, fairness, and meritocracy, assigning managers the role of talent promoters through a collaborative process.

SEA's talent management process has been adopted to support projects that entail succession planning, talent scouting, and appointment to positions of high responsibility in line with the Company's future challenges (managers involved in performance management initiatives). It seeks to identify Specialists in the pipeline for potential middle management positions, and Middle Managers for promotion to more complex managerial roles.

The process involves HR and the head of the relevant department preparing candidate applications. The candidate's line manager is responsible for preparing an in-depth evaluation of the individual's professional skills, using a methodology and format that ensures detailed, traceable information is provided. The Line Manager's evaluation is complemented by an external assessment conducted by certified third-party assessors. The assessment seeks to further explore the values and skills that SEA deems essential for achieving its goals, recently updated and outlined in the SEA's People Manifesto. The two assessments are combined to produce a final evaluation score.

The process involved five SEA employees in 2023.

Work-life balance: Remote Working

In 2023, SEA confirmed its use of remote working with the policy approved at the end of 2022, which provides for two days of remote work per week for staff members and one day of remote work per week for staff involved in Airport Operations, subject to approval by their respective managers.

In October 2023, the decision was made to make remote working more flexible by introducing a new policy. While the number of remote days remains unchanged, the policy introduces several new features:

- option of half-days working from home (in the morning or afternoon), followed/preceded by four hours of leave/in-office work;
- option, if approved by line manager, to distribute weekly remote working days over the month;
- one additional day of remote work per week for employees with children under five years of age.

Parental leave

The welfare system guarantees the right of all mothers to benefit from the reduction of working hours to 5 hours per day until the end of the child's fifth year. The take-up of parental leave in 2023 increased slightly for men, and more significantly for women. Data shows how parental leave is also regularly and extensively utilised by fathers who increasingly assist mothers in taking care of children.

Right and usage of voluntary leave (No.)

	2023		2022		2021	
	Female	Male	Female	Male	Female	Male
Right ⁽¹⁾	114	276	121	289	144	319
Use ⁽²⁾	56	112	51	111	58	103

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

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

Source: SEA

Supplementary Pension Fund

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

Pension Fund figures

Pension Fund	2023*	2022	2021
Number of subscribers	4,921	4,959	5,011
Net pension assets (Euro millions)	286	278	266
Net fund yield	2.10%	2.30%	2.11%

() 2023 data related to the number of subscribers are provisional pending the approval of the FONSEA financial statements.*

Source: SEA

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

The net assets allocated for benefits are invested in class I insurance instruments. This decision ensures consistently positive returns, typically higher than the post-employment fund (TFR) and the average guaranteed negotiated funds, even in the event of negative financial market trends.

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

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

() For newly-recruited staff*

Source: SEA

DIVERSITY

To encourage gender balance in operational areas dominated by men, 83 women were hired as security officers in 2023.

As part of the Company's Diversity & Inclusion projects, SEA's collaboration with the Valore D association continued in 2023, involving 25 employees from across all business areas in Valore D TALKS, with live streams made available to the entire company population. A specific online training course titled "Lotta allo stereotipo" (Fighting Stereotypes) was also launched. In collaboration with Parks - Liberi e Uguale, an association of which SEA is a member, a survey on D&I was sent out to the entire company population. The results were presented during a live-streamed event. This session also provided an opportunity to discuss the fact that diversity and inclusion involves every company department, with testimonials from several people managers.

The SEA4Equality working group also continued its preparatory activities to achieve UNI/PdR 125/2022 gender certification. The final certification step is planned for January and February 2024.

The table below shows the pay gap between male and female staff.

Ratio of average salary and female/male income by category

	GAS 2023 ^(a)	Income 2023 ^(b)	GAS 2022 ^(a)	Income 2022 ^(b)
Executives & Managers	81%	77%	83%	79%
White-collar	98%	93%	102%	94%
Blue-collar	98%	96%	98%	90%

Note: The new methodology envisaged the weighting of the GAS and income on the weekly working hours provided for each employee.

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

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

Source: SEA

The biggest difference is recorded in the Executives and Managers category. The dynamics between 2023 and 2022 are mainly due to the relaunch of an incentive system (MBO for executives and managers) that predominantly involves positions held by men.

OCCUPATIONAL SAFETY

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

- compliance with national, local and European legislation on occupational health and safety, and with SEA's requirements for the achievement of company objectives, including voluntary models, where applicable;
- the organisation of prevention activities to reduce workplace accidents, injuries and ill health, through the identification and elimination of hazards, the reduction of risks, the implementation of corrective measures and the management of potential emergencies, to the benefit of workers, third parties and the community in which SEA operates;
- information for all those present in the corporate environment on individual risks and the relative prevention and protection regulations adopted, as well as details on the organization responsible for safety and emergency management;
- employee development through information/training activities designed to develop specific skills, to make workers aware of their responsibilities and the need to operate in compliance with legislation and in-house operational regulations;
- the constant involvement of employees in activities implemented by SEA and its corporate health and safety objectives, encouraging their consultation and participation, while also making use of the support of Workers' Safety Representatives;
- the availability of economic and financial resources to search for new technical, organizational and procedural solutions that reduce risks and allow for greater efficiency when managing prevention activities;
- selection and monitoring of suppliers, also considering occupational health and safety aspects and promoting co-ordination activities for the management and resolution of any risk situations, with a view to mutual collaboration;
- promotion by the management team of initiatives to spread a culture of health and safety throughout the company, with the goal of encouraging interaction and collaboration between various actors to make business processes more efficient and the Occupational Health and Safety Management System (OHSMS) more effective.

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

UNI ISO 45001 certification

In November 2023, SEA successfully passed the surveillance audit for the certification of its OHSMS according to the UNI ISO 45001:2018 standard.

During the year, the OHSMS was constantly monitored through:

- 14 internal audits, including one at the Malpensa construction site to “modify the customs boundary and adapt/maintain LSG Gourmet access”
- 2 follow-up audits to verify the adoption of corrective measures identified during previous internal audits
- 2 second-party audits of maintenance contractors
- 1 audit of a handling company
- 18 concessionaire audits (retail/non-retail).

Critical issues were analysed and corrective actions were shared with managers to reduce and control OHS risks.

On-site surveillance and operational monitoring activities (Safety Walks) continued, which uses check-lists divided into individual verification topics. These topics include work environments, PPE, contracted activities, machinery and equipment, human-vehicle interaction, and fire-fighting. 1,490 safety walks were conducted in 2023.

The participation of employees in safety

Worker participation and engagement is a priority for the OHSMS and is adopted through various channels:

- the institutional channel governing relations with Worker’ Safety Representatives. In addition to the annual safety meeting, SEA promotes participation and involvement in the event of significant changes to the workplace organisation, spaces, machines and equipment and more in general following requests put forward by the Worker’s Safety Representatives or, in certain circumstances, directly by workers;
- the Company’s intranet site, which allows all workers to report near misses by filling in and submitting an online form complete with suggestions;
- the e-mail address sicurezza.lavoro@seamilano.eu, to which all workers can write to report critical issues relating to health and/or safety in their workplace or in any other company environment, and to receive clarification or ask questions regarding safety;
- interviews of workers performed during Workplace Health and Safety Management System audits.

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

Number of Worker Safety Representatives (WSR)

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

Source: SEA

Safety activities carried out

Activities carried out in 2023 include:

COVID-19 Emergency:

- the validity of the company protocol and its provisions lapsed in May 2023. As a precautionary measure, and in the interest of prudence and protection (including of vulnerable employees), specific measures were kept in place, such as the provision of FFP2 masks.

Risk assessment and PPS activities:

- Work-related stress: in accordance with INAIL guidelines, the analysis of retrospective 2023 data confirmed the insignificant level of risk relating to Company roles.
- Biological risk: the assessment of the risk level for potentially exposed airport activities was updated.
- Exposure to ionising radiation: the monitoring activities performed by radioprotection experts continued, in addition to the instrumental testing of the X-ray equipment present and in use by SEA personnel. The standard employee risk assessment was also prepared.
- Remote working: the remote working risk assessment document was updated, along with staff information.
- Chemical risk: the products used by company departments were reviewed and their use methodology was evaluated.
- Lightning risk: the lightning risk assessment for all company buildings was updated following changes to the relevant regulations.
- High-frequency electromagnetic fields: the relevant mapping was updated; the data were well below the regulatory limits, as in previous years.
- Risk of aggression, violence, and harassment in the workplace: two separate assessments were conducted, one focusing on the risk of aggression during work activities and the other addressing violence and harassment in the workplace, with the relevant mitigation measures being adopted.
- Pregnant and breastfeeding workers: the relevant risk assessment was updated and a read & sign disclosure was distributed to employees.
- Professional figures: the Risk Assessment Sheets for Specific Professional Figures and the related information handouts were updated following

organisational changes and evidence that emerged due to field audits, analyses of accidents and near misses, reports from workers or EHSRs, and updates on individual specific risks.

Fire Prevention and Emergency Management

A total of 34 emergency drills were conducted at the airport terminals, involving both company departments actively engaged in emergency plans and all company personnel present at Malpensa and Linate terminals, in addition to SEA, SEA Prime, and AIS auxiliary buildings. The emergency drills and evacuation tests, conducted according to the established plan, were successful. All the improvements were managed and reported in the Fire Fighting Register, where the analysis of the causes and the identification of improvement and/or corrective actions, if necessary, are also entered. The emergency plan review process continued, particularly the plan for Terminal 2, which reopened on May 31, 2023, with the inclusion of a specific annex for coordinated emergency management with the company that manages the duty free.

Workplace Health and Safety Training

In 2023, SEA continued to develop specific programmes and organise training activities, in line with risk types and the various associated tasks. Overall, 3,421 people participated in 16,551 hours of compulsory occupational health and safety training.

The most significant courses by number of participants were:

- updates to Workplace Safety per Legislative Decree No. 81/08 and the State-Regions Agreement of December 21, 2011;
- updates to Equipment in compliance with the 2012 State-Regions Agreement;
- updates to radioprotection training for security staff per Legislative Decree No. 101/20;
- anti-fire training to maintain Workers' Safety Representative certification;
- updates to radioprotection training for security staff per Legislative Decree No. 101/20;
- course on CEI 11/27 Standards prior to the appointment of PES and PAV personnel;
- Combined Interference Risk Assessment Report (DUVRI) form and contractual conditions;
- course on "safe behaviour" for 154 operational supervisors in collaboration with Istituto Piepoli.

SEA also joined the Break Formativo project organised by Confindustria Varese and ATS Insubria. The training sessions, conducted directly at workstations with the active participation of workers, seek to enhance safety training effectiveness while maintaining a high perception of risk. During the year, five Safety Flash Breaks were organised and delivered in the operational and maintenance departments, involving around 250 people.

Occupational health services

Occupational medicine services are managed as follows:

1. **Preventive health examinations upon hiring.** Depending on the type of role for which the hiring process has been undertaken, checks are carried out to ascertain whether there are any working risks for which the law mandates health supervision. If this is the case, the individuals in question and the relevant documentation are sent to the health facility where the Company Doctors operate, where advanced health checks are carried out to establish whether the individual assigned is in any way unsuitable to the role. The same process applies when a worker is transferred to new duties.
2. **Periodic health examinations.** Every year, up-to-date lists are prepared of the workers who, within the framework of the duties performed and on the basis of the assessments conducted in the risk assessment document, are exposed to significant levels of particular risks for which the applicable legislation requires periodic health checks. The Company's occupational medicine service prepares the annual calendar of check-ups and performs periodic health examinations of the workers on the list. These seek to establish the absence of contraindications to the performance of the duties in question.
3. **A Health examinations on request.** At the worker's request and where it may be correlated to the professional risks of the duties performed, health examinations are conducted to determine that there are no reasons that the worker cannot perform their role.
4. **Annual inspection by the Company-Appointed Doctor of work environments.** In view of improving worker protection measures and the participation

of worker representatives in such initiatives, it has been decided to conduct two annual inspections of work environments, with the participation not only of the company-appointed doctors and RSPP (Health and Safety Officer), but also the RLS (Employees' Health and Safety representative).

In 2023, a total of 848 periodic visits were carried out for the two airports and 23 visits on request.

Prevention and mitigation of impacts on business relationships

The Company implemented the following initiatives in this area:

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

Hazard identification, risk assessment, and incident investigation

SEA assesses risks systematically, selecting recognised approaches and methods and drafting the risk assessment document.

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

The company process of analysis - risk assessment - setting of priorities for action and adjustments to eliminate and reduce risks for workers and third parties is also based on other methods that require considerable amounts of data to be collected. These include internal audit activities (including on a surprise basis), secondary activities on the premises of retail and non-retail stores and worksites, inspections and monitoring (safety walks), reports from employee health and safety representatives (RLSs) and workers through the channels provided, data gathering on accidents/near misses, injury reports, and interviews with workers.

When particular and/or exceptional conditions occur, ad hoc processes are also adopted, as in the case of the COVID-19 emergency and the related preparation of the company and operating health protocols. The SEA Workplace Health and Safety Management System (OHSMS) is certified according to UNI ISO 45001:2018 and is fed a variety and range of inputs.

Every incident - including injuries, first aid, near misses, fires, and ignitions - is tracked and investigated thoroughly. This is done to identify the causes and analyse potential damages, frequency of occurrence, and severity index in collaboration with relevant company departments. These findings enable the adoption of appropriate corrective actions.

In addition, we note that workers who are not employees, but whose work and/or place of work is managed by the Group (contracted personnel), were also taken into account. There were no work-related injuries, deaths, or work-related ill health concerning these workers in 2021. There was one injury in 2022 and two injuries in 2023 at Malpensa airport; a total of 73,707 hours were worked in 2021, 254,959 in 2022, and 358,271 in 2023.

Taking into account full recovery of pre-COVID traffic volumes, the accident and injury rate performance was good in 2023, remaining below the values preceding the pandemic period.

Group injuries indicators by location

		2023		2022		2021	
		Number	Rate	Number	Rate	Number	Rate
Recordable work-related injuries	Linate	8	4.83	20	12.73	11	8.23
	Malpensa	17	7.25	19	8.49	15	7.79
	Total	25	6.25	39	10.24	26	7.97
of which Fatalities	Linate	0	0	0	0	0	0
	Malpensa	0	0	0	0	0	0
	Total	0	0	0	0	0	0
of which High-consequence injuries	Linate	0	0	1	0.64	0	0
	Malpensa	1	0.43	0	0	0	0
	Total	1	0.25	1	0.26	0	0
Occupational illnesses	Linate	0	0	0	0	0	0
	Malpensa	0	0	0	0	0	0
	Total	0	0	0	0	0	0
No. hours worked	Linate	1,657,794		1,570,907		1,336,254	
	Malpensa	2,344,341		2,236,980		1,926,387	
	Total	4,002,135		3,807,887		3,262,641	

Note: Accident indicators are calculated as follows:

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

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

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

High-consequence work-related injuries means a workplace accident that results in death or an injury from which the worker cannot recover, does not recover, or is not realistically expected to recover fully by returning to pre-accident health within 6 months.

Source: SEA

Again this year, in addition to the requirements of the UNI 7249 standard, the Company monitored a performance indicator (referred to as IF SEA), which only considers accidents for which specific preventive measures can be identified and adopted. The two indices are the same in 2023.

Absenteeism

The total absenteeism rate for SEA Group employees in 2023 decreased compared to 2022 (-1.2%) as a consequence of the definitive easing of the pandemic. Although this phenomenon impacts both genders and airports, it is marginally more prominent among women (-1.6% in absolute terms), particularly at Malpensa airport, which recorded a decrease from 7.1% in 2022 to 5.2% in 2023. Meanwhile, the decrease among men is more noticeable at Malpensa (-1.2% in absolute terms), decreasing from 5.4% in 2022 to 4.2% in 2023.

The downward trend in the absenteeism rate is largely attributable to the overcoming of the state of health emergency which began in 2020, bringing the values almost in line with the average levels of the years before the pandemic (4%).

Work absence rate by gender and location

	2023	2022	2021
Linate	4.3%	5.2%	2.9%
Female	3.3%	4.7%	2.4%
Male	4.8%	5.4%	3.1%
Malpensa	4.5%	5.8%	3.5%
Female	5.2%	7.1%	4.4%
Male	4.2%	5.4%	3.2%

Note: The absenteeism rate is calculated by dividing the number of hours of unplanned absence (due to illness, injuries, strikes, unjustified reasons, or disciplinary action) by the total workable hours (excluding break hours). Only employees on salaried contracts are included.

Source: SEA

SOCIAL AND RELATIONAL CAPITAL

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

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

Relations with the local area

KEY FEATURES OF THE LOMBARD ECONOMY

Lombardy is by far Italy's largest economy, with a GDP of more than Euro 440 billion in 2022 (latest available data), or 22.7% of the national GDP. Over the last twenty years, Lombardy has shown a capacity for growth (+13.3%) that is decidedly higher than the average recorded for Italy (4.0%) and its northern regions as a whole (+7.4%). The region has a top-class manufacturing industry and is one of Europe's main economic drivers. Lombardy is home to 18.6% of Italy's active businesses, which accounted for around 26% of the country's exports (more than Euro 162 billion) in 2022. The value of exports in the province of Milan alone is comparable to regions such as Piedmont and Tuscany. The region's strengths are primarily due to its dynamic production base and the local population's participation in the job market (68.2% activity rate, compared to a national average of 60.1%). Lombardy's entrepreneurial landscape is among the most dynamic in Europe and features a considerable propensity for innovation. Employment in the high-tech manufacturing and knowledge-intensive, high-tech services sectors accounts for more than 5% of all employment in the region, compared to a national average of less than 4%. In addition, over 23 thousand (21.3%) of Italy's more than 112 thousand innovative start-ups are located in Lombardy.

The contribution of Lombardy's economy to Italy

Indicator*	Lombardy	% of Italian total
GDP (Euro billion)	442.2	22.7
Active companies	721,597	18.6
Exports (Euro billion)	162.2	25.9
Manufacturing exports (Euro billion)	123.8	26.8
Employed persons	3,326,800	19.6
Active innovative start-ups	229,123	21.3

*Data refers to 2022, excluding: manufacturing exports (2019), active companies, employment, and innovative start-ups (2021).

The degree of internationalisation of the economy and the location of the main markets of interest for local economic operators are significant drivers of the evolution of origin-destination air transport demand. Lombardy stands out as a gateway region, serving as the primary point of entry for foreign goods, services, and capital into Italy (thanks to the presence of multinational corporations and key infrastructure hubs), in addition to a point of departure. This strong international vocation translates into a high integration into global value chains, with a growth strategy geared more towards foreign markets than the Italian regional average. Foreign trade is particularly important for the regional production system because it accounts for more than 40% of the turnover of manufacturing companies.

THE QUALITY OF TRANSPORT INFRASTRUCTURE

In 2023, Unioncamere Lombardia conducted a study encompassing over 6,000 businesses operating in Lombardy's manufacturing (including industry and artisan), commerce, and services sectors. The study sought to evaluate the quality and accessibility of the region's transportation infrastructure. 1,571 industrial, 1,300 artisan, 1,282 commerce, and 2,011 service companies took part in the survey.

Companies operating in Lombardy expressed high levels of satisfaction regarding the accessibility of the region's airport infrastructure, with manufacturing companies (61% positive ratings) and service sector companies (62%) registering the highest levels of approval.

Assessment of the regional accessibility of Lombardy's airport infrastructure (%)

	Industrial	Artisan	Commercial	Service
Excellent	17	12	13	20
Good	44	34	35	42
Sufficient	21	21	23	17
Insufficient	4	3	5	3
Poor	1	3	1	2
Not present	14	28	22	18

Source: Unioncamere Lombardia - Results of the qualitative survey on Lombardy's infrastructure - 2023

In terms of overall quality, the number of airports in Lombardy is considered sufficient by 66% of service companies, 61% of industry, and 60% of commercial businesses. A share of companies, ranging from 27% in services to 39% in industry, agree with the idea of smaller airports specialising in cargo services. Around one third of companies believe that airport cargo services are adequately developed and that intermodal connections are not sufficient. Finally, half of the surveyed sample agree on the quality of the airport service in terms of its reliability and speed.

Assessment of the quality of Lombardy's airport infrastructure

	Industrial	Artisan	Commercial	Service
Enough airports for the local area	3.7 61%	3.6 55%	3.8 60%	3.9 66%
Smaller airports should specialise in cargo	3.2 39%	3.2 35%	3.1 31%	3.0 27%
Adequately developed cargo services	3.0 28%	3.0 27%	3.1 27%	3.1 28%
Underdeveloped intermodal connections	3.1 33%	3.1 33%	2.9 23%	3.0 31%
Quick and reliable air transport	3.7 55%	3.5 51%	3.4 46%	3.5 44%

Source: Unioncamere Lombardia - Results of the qualitative survey on Lombardy's infrastructure - 2023

Average values on a scale of 1-5, where 1-2 = strongly disagree and 4-5 = strongly agree % of respondents who gave a value of 4-5

Stakeholder Evaluation

The stakeholder relations policies consolidated by SEA over time involve the routine execution of organised initiatives for the understanding and involvement of relevant stakeholders, through which opinions, attitudes and evaluations are gathered in relation to SEA's reputational profile, the satisfaction with services provided, the quality of relations with the public and the impact SEA generates on the context of reference.

Composition of the stakeholder sample interviewed

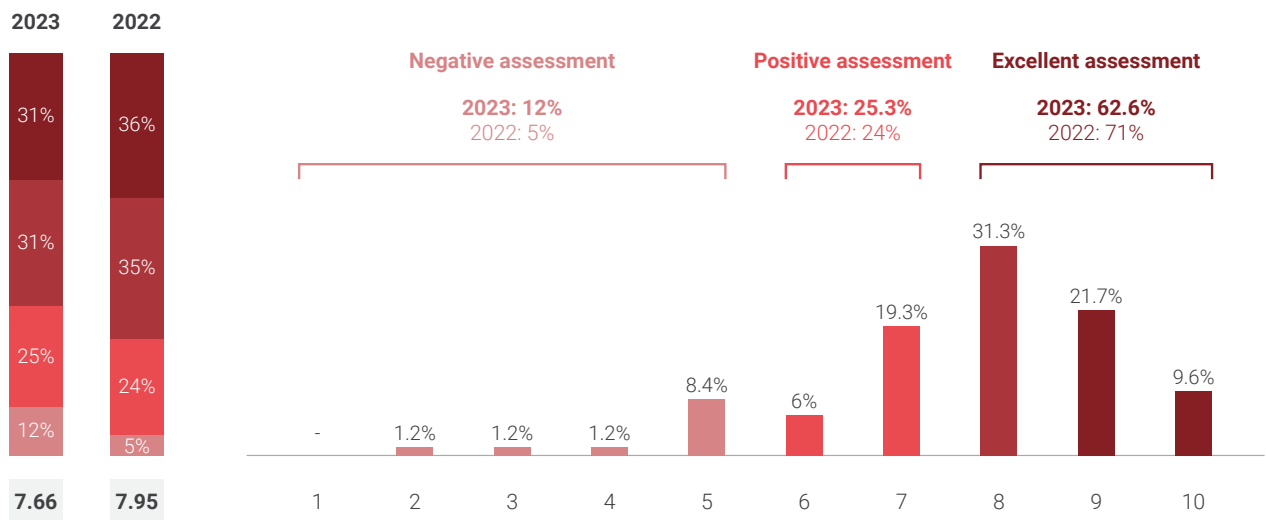
Stakeholder	number of interviews	% of total	
Suppliers	10	12	
Aviation Customers (Airlines, Handlers)	18	21.7	
Non-Aviation Customers	9	10.8	Stakeholder business 62 interviews (74.7%)
Control Authorities	7	8.5	
Banking/financial world	14	16.9	
Shareholders	4	4.8	
Society/Local Area (Environment, Institutions, Manufacturing World, Media, Social World)	21	25.3	Social Stakeholders 21 interviews (25.3%)
Total interviewed	83	100%	

Source: BVA Doxa, 2023 Stakeholder Survey

The survey to evaluate the profile, reputation and quality of relations with the principal sections of the public was carried out using the CAWI-CATI system devised by BVA Doxa, a leading opinion pollster, between October and November 2023. Overall, 83 stakeholder interviews were carried out within the following categories: Aviation and Non-Aviation Customers, Control Authorities, Suppliers, the banking and financial community, society and the local area (comprising institutions, manufacturers, environmentalists, and the media).

The overall evaluation of SEA by the stakeholders interviewed (who were asked to express their opinion on a scale of 1-10) remained positive in 2023 and was substantially in line with previous surveys (7.66 was the average rating compared to 7.95 the previous year). Only 12% of respondents gave a rating between one and five. 25.3% gave a positive assessment, while the remaining 62.6% were very positive (eight to ten).

Stakeholders' overall evaluation of SEA (2023 vs. 2022)



Legend: Scores 10-9, Score 8, Score 7-6, Score 5-1, Average score

Source: BVA Doxa, 2023 Stakeholder Survey

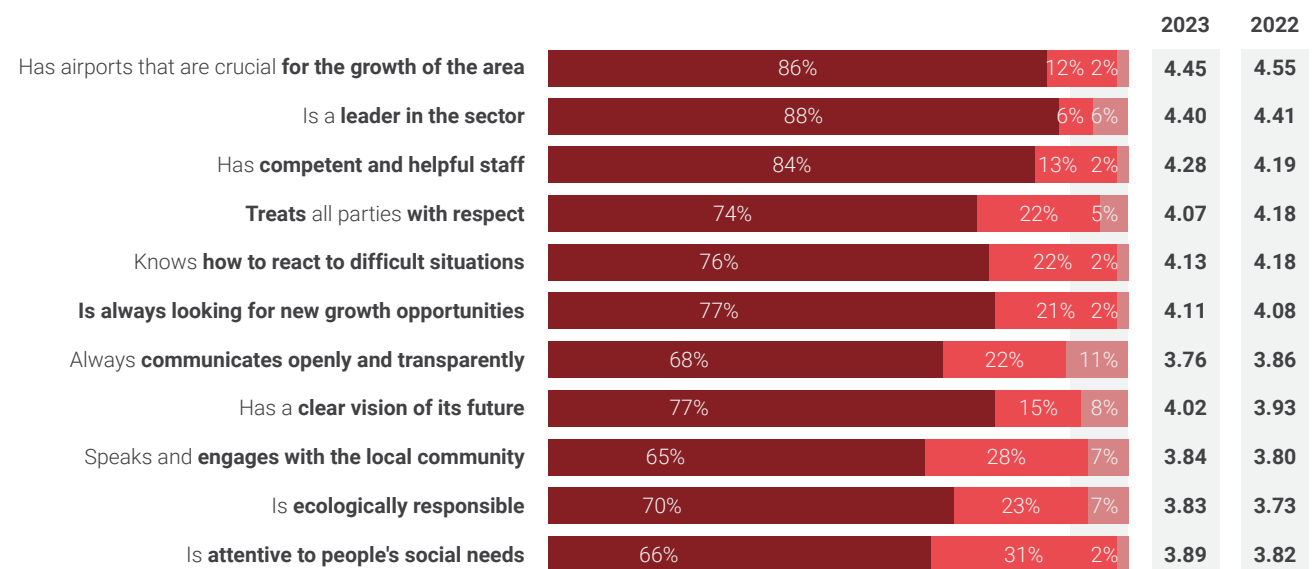
When examining the evaluation of SEA over time by different stakeholder categories, we note that it has generally remained highly positive among all groups. The only exception is aviation customers, who, despite an improvement in 2022, returned to their pre-pandemic level of satisfaction.

Trends in SEA stakeholder opinions

Stakeholder	2023	2022	2019
Suppliers	8.5	8.9	8.0
Aviation Customers	6.4	7.1	6.5
Non-Aviation Customers	8.6	8.0	8.4
Control Authorities	7.6	7.7	7.7
Banking/financial world	8.4	8.5	8.4
Society/Local Area	7.5	8.1	7.3
Shareholders	8.0	8.5	-
General media	7.6	7.9	7.5

Source: BVA Doxa, 2023, 2022 Stakeholder Survey; MPS, 2019 Stakeholder Survey

Evaluation of the distinguishing features of SEA (scale 1-5)

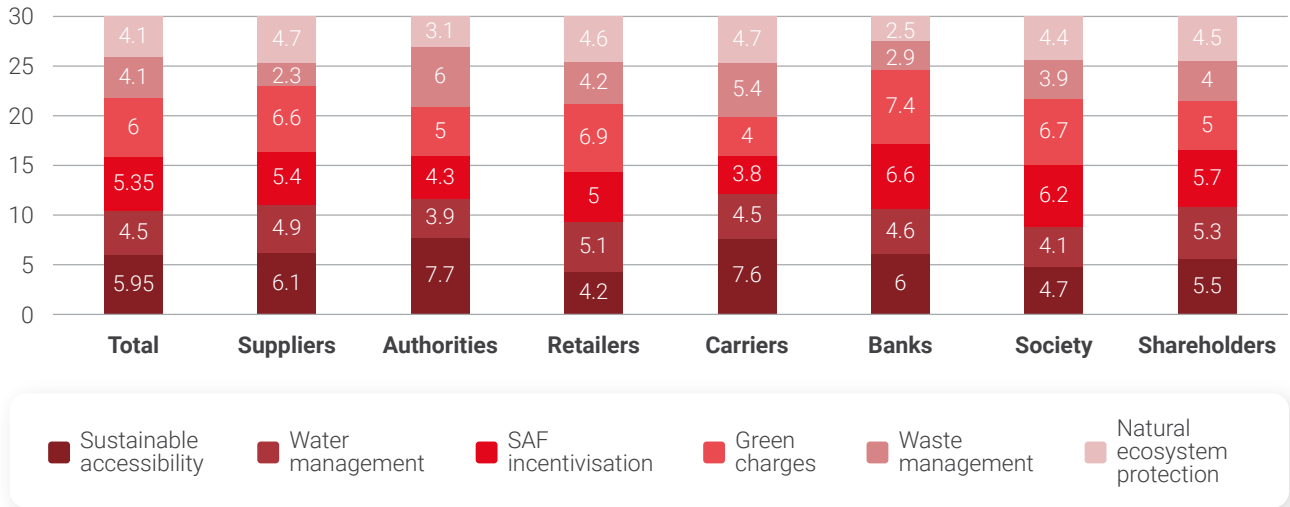


Scores 5-4
 Score 3
 Score 2-1
 Average Score

Source: BVA Doxa, 2023, 2022 Stakeholder Survey

Stakeholders identify several key features that distinguish SEA, including its contribution to the growth of the region through airport operations, airport industry leadership, the expertise and helpfulness of company staff, and the ethical conduct demonstrated in dealings with stakeholders. Nevertheless, all of the proposed items elicited unanimous agreement regarding their significance to SEA's identity. There were no major changes to the assessments made in the previous survey.

SEA’s environmental priorities according to stakeholders

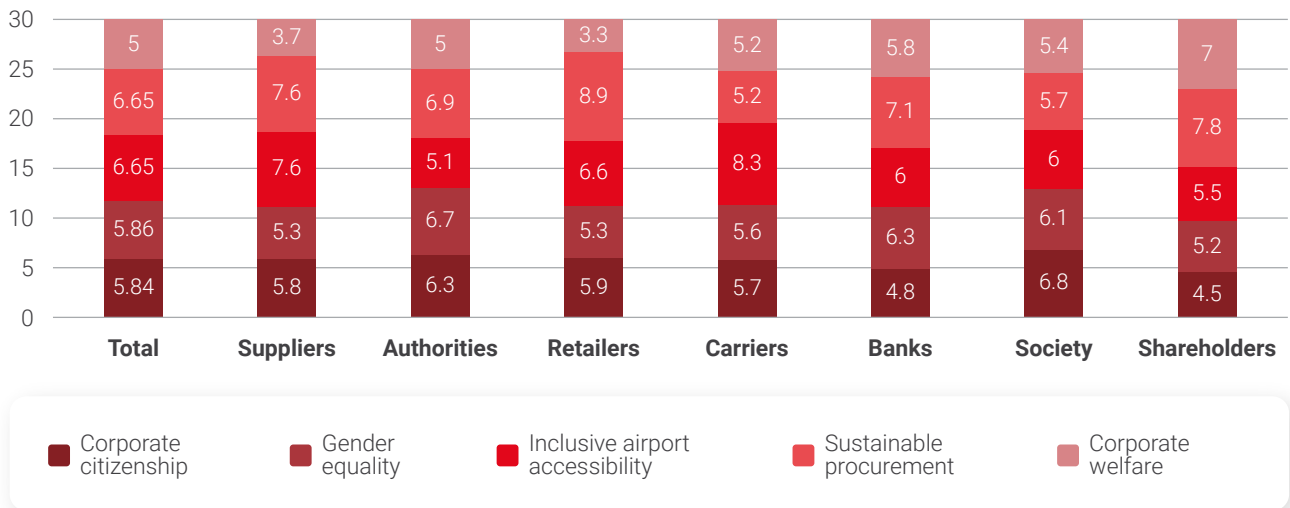


Source: BVA Doxa, 2023 Stakeholder Survey

The stakeholder panel was also asked to express an opinion on the priority of environmental and social topics requiring future commitment (over the next three years) from SEA. Respondents gave an urgency rating to a pre-established group of items, using a total of 30 points.

According to stakeholders, the most urgent environmental sustainability actions include initiatives for sustainable mobility to/from airports (e.g. installation of electric car charging stations, promoting the use of public transport), and the introduction of fees for airlines based on environmental parameters (noise and pollution). Next is the introduction of incentives to encourage carriers to switch to low-CO₂ emission fuels.

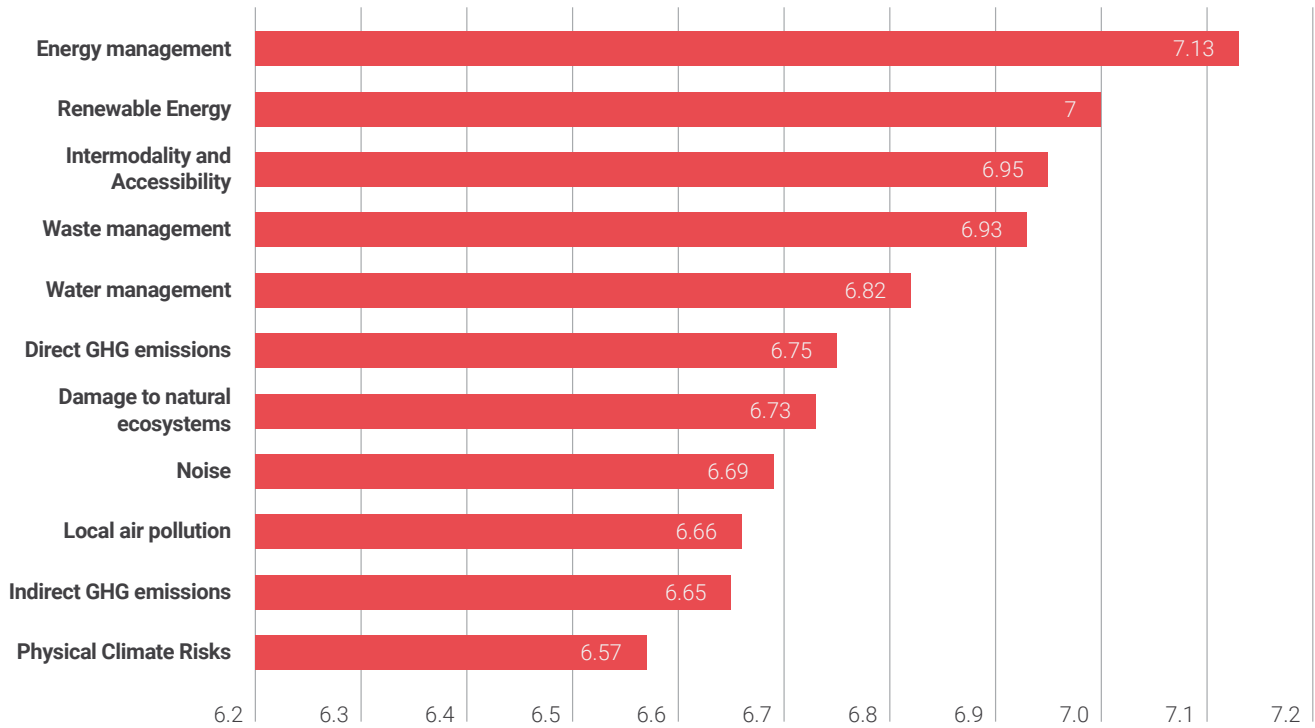
SEA’s social priorities according to stakeholders



Source: BVA Doxa, 2023 Stakeholder Survey

According to stakeholders, SEA should prioritise social topics related to the accessibility of its infrastructure and services for individuals with disabilities, in addition to adopting sustainable procurement practices throughout its supply chain. This is followed by corporate citizenship topics (commitment to supporting the community) and gender equality.

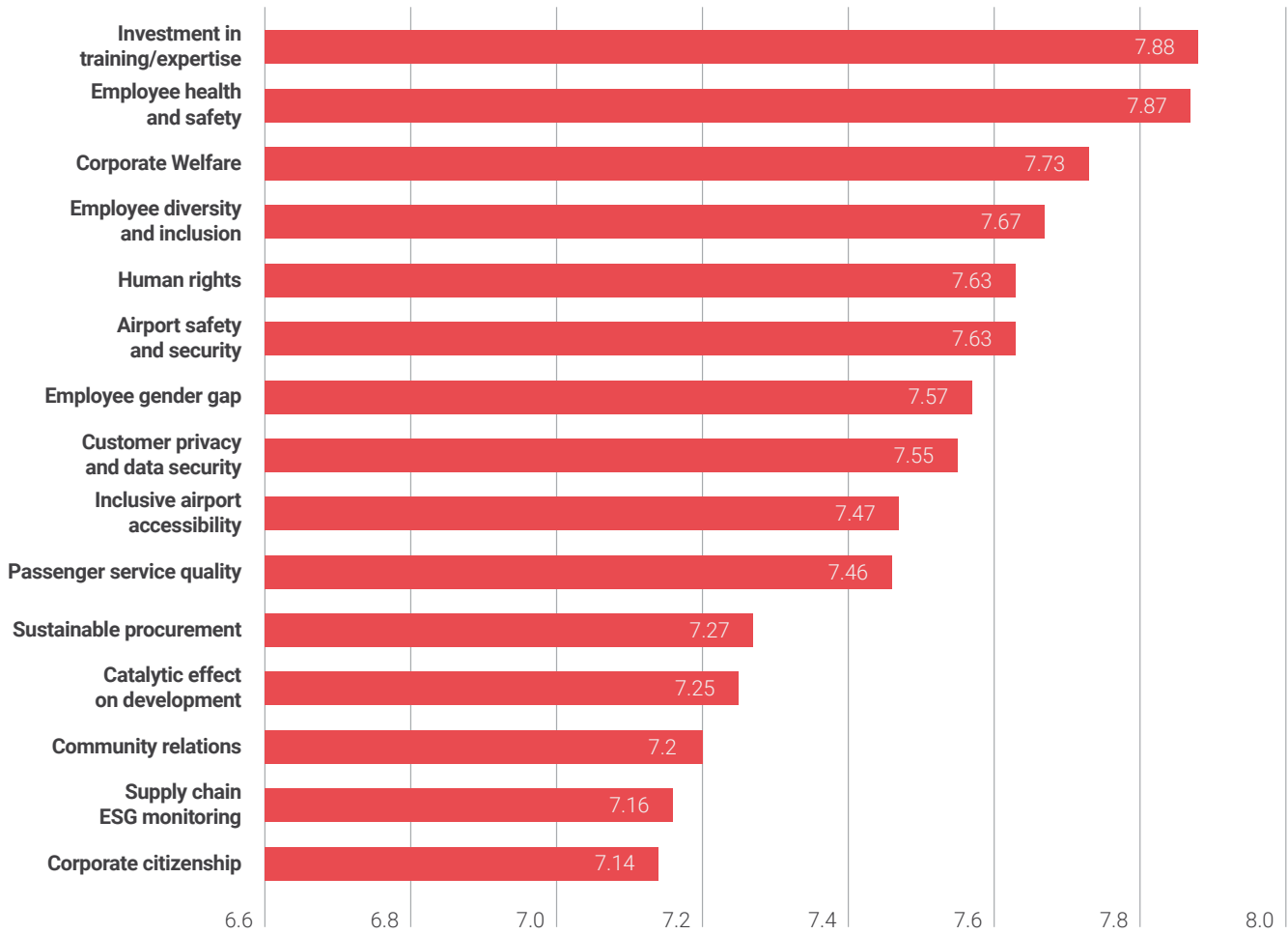
SEA’s environmental performance according to stakeholders



Source: BVA Doxa, 2023 Stakeholder Survey

Finally, stakeholders were asked to rate SEA’s level of commitment and performance on a scale of 1-10 - based on their perception - with regard to various environmental, social, and governance topics falling within the Company’s materiality scope. For environmental topics, ratings ranged from 6.57 for physical climate risk management to 7.13 for energy management. All ratings were above satisfactory levels. Environmental topics received a generally lower overall performance rating (average of 6.8), with evaluations particularly close to the minimum value for noise and air pollution management, in addition to actions to reduce scope 3 CO₂ emissions. On the other hand, SEA’s social performance was rated much more positively, ranging from 7.14 for corporate citizenship to 7.88 for investments in training and expertise. The average stakeholder rating of SEA’s social performance was 7.5.

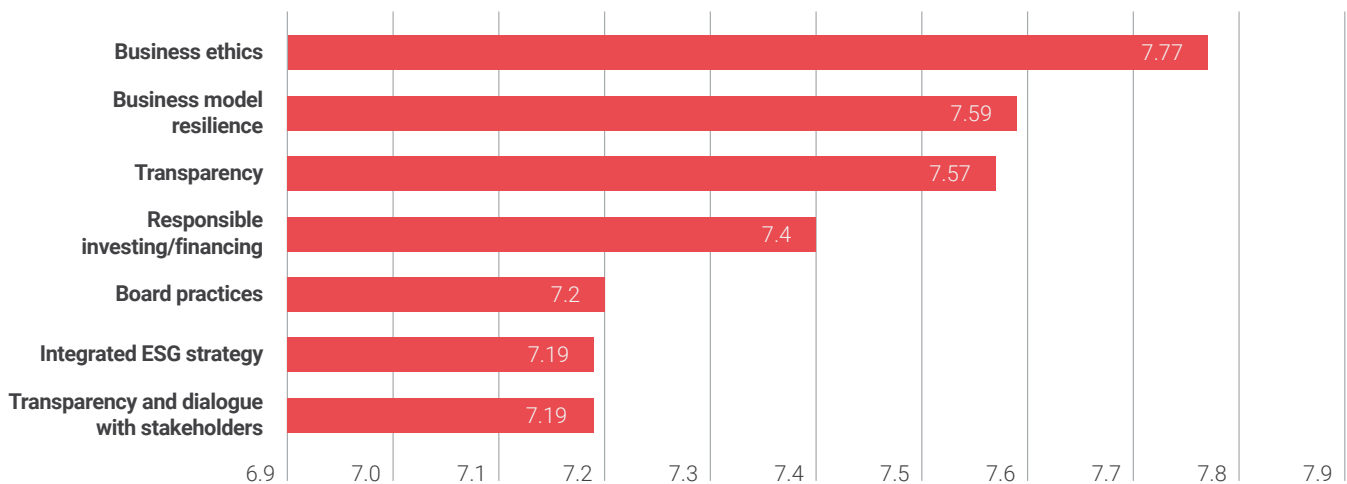
SEA's social performance according to stakeholders



Source: BVA Doxa, 2023 Stakeholder Survey

Finally, performance concerning SEA's integrated governance also received positive recognition from the panel interviewed, with ratings ranging from 7.19 for transparency and stakeholder communication to 7.77 for business ethics. The average performance rating was 7.4.

SEA's integrated governance performance according to stakeholders



Source: BVA Doxa, 2023 Stakeholder Survey

Aviation customer relations

In 2020 (following the COVID-19 pandemic), SEA revised its commercial policy for passenger and cargo traffic at Malpensa airport. The commercial instruments adopted not only seek to foster the rapid recovery of operations, but also pay particular attention to the long-term sustainability of the strategies pursued.

The SEA Group's commercial policy outlines three different segments of commercial aviation traffic, each with defined priority objectives for air traffic development. Specifically:

Long-haul passenger traffic

- development of new direct connections
- recovery of operating capacity to pre-pandemic levels (i.e. before 2020) and increase in frequencies on routes operated in 2019 (USA and India)
- the year-round operation of carriers' operational schedules, i.e. the extension of seasonal routes (beyond one complete IATA season)
- establishment of short and medium-haul connections to support traffic flows systematically linked with long-haul flights, as part of partnerships and network agreements at Malpensa

Short- and medium-haul passenger traffic

- deployment of a fleet of at least three additional narrow-body aircraft, based at Malpensa, primarily dedicated to developing new direct connections
- definition of multi-year development plans at Malpensa airport, with a minimum target of one million seats offered (two-way/year) and planned annual growth rates
- use of a fleet with a low environmental impact, based on weighted average maximum noise levels for the airport of 1.6 dB per space offered on an annual basis

Cargo traffic

- creation of new operating bases in Malpensa or development of activity at existing bases
- increased frequencies by carriers not based at the airport, in strategic markets
- development of activities by new carriers, in strategic markets.

For further information: <https://milanairports.com/business/en/b2b/airlines>.


Relations with Non-Aviation customers

Relations with the retail sector play a fundamental role in SEA's commercial strategy for the enhancement of passenger experiences. Within the Non-Aviation Department, the "Retail Operations Management" team provides ongoing support to sub-concessionaires regarding infrastructure and maintenance needs and the management of individual and common assets (e.g. site preparation activities, servicing, maintenance needs, access cards). This is developed through frequent contacts and a series of activities, including half-year brand meetings, weekly point-of-sale visits and day-to-day and headquarters-led trend analyses, as part of a structured business review system focused on main indicators, such as performance, customer flows and so on.

PASSENGER PROFILE

Passenger profiling is carried out at SEA airports via face-to-face interviews throughout the year, based on specific sampling quotas for the three terminals (Linate, Malpensa T1, Malpensa T2). The total number of passengers interviewed in 2023 was 4,862. Those interviewed were selected according to a systematic procedure (one out of every 10) at the security control lanes, therefore in departures. This procedure guarantees a random selection and consequently is representative of the sample interviewed for each of the three terminals. The control of the samples (in the waiting of data) verify destinations and the portions of passengers in transit, terminal by terminal and by quarter.

Passengers MAIN CHARACTERISTICS OF SEA AIRPORT PASSENGERS IN 2023

Total number of passengers interviewed	4,862
	System
Male	56%
Average age	39 years
University culture	53%
Resident in Italy	72%
Average stay in the airport	137s minutes
Principal reason for travel	Holiday/tourism 54% 

Source: CFI Group

CUSTOMER RELATIONSHIP MANAGEMENT AND COMPLAINTS MANAGEMENT

To manage its relationship with passengers, SEA uses a CRM platform. In 2023, it had 4,259,228 subscribers, 244,234 of whom gave their consent to receive marketing communications. The total number of subscribers is down on previous years, partly due to requests to unsubscribe, which the Company must fulfil in compliance with current data protection legislation. Numerous channels are available for the reporting of complaints, although contact via the Company's websites is the preferred method, accounting for 80%. SEA treats all complaints and issues reported on services offered with maximum attention and commits to responding in the shortest time possible, and in any case within 28 days of receipt of the communication. In addition to quality surveys, as Airport Manager, it analyses all complaints, in order to address all critical elements reported.

In 2023, there was a 20% rise in the number of complaints received (1,919) compared to 2022, resulting from the increase in air traffic and the ongoing trend of passengers submitting complaints to the airport, which was established during the pandemic. A significant number of complaints were associated with delays in baggage reclaim; the understaffing of the Handling Aviation sector in Europe after the pandemic years impeded the airports' return to normal operating capacity

and represents a critical issue that SEA is managing through its relationships with handlers.

Complaints classification by issue in 2023 (%)

Type	%
Baggage and lost & found	24
Security controls	19
Check-in, boarding	10
Flight operations	5
Parking	15
Comfort	7
Information	2
Retail	3
Other	15

Source: SEA

In 2023, complaints of property damage at security and in car parks increased. However, the installation of new DS-CB machines featuring CAT technology at security checkpoints within the terminals, enabling passengers to carry liquids in their luggage without restrictions, received very positive feedback from passengers. 70 CCTV cameras were installed in parking facilities in 2023. These cameras allow law enforcement to review images and take action against those responsible for theft and damage.

Supplier relations

PROCUREMENT POLICY

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

Activities carried out in 2022 continued in 2023, resulting in significant initiatives to consolidate an approach to procurement that aligns with the Company's overarching sustainability strategy and contributes to the SEA Group's sustainability objectives.

All suppliers who enrol in the directory or participate in public tenders must adhere to the "Sustainable Procurement Policy" and corresponding "Supplier Code of Conduct", which outline the guiding principles for

procurement processes and decisions. During the year, the Group continued to receive commitments to the code from existing suppliers registered in the directory.

The evaluation system for suppliers wishing to be added to the directory covers the following areas:

Approach to environmental topics

SEA assesses the Environmental Management System certifications of potential suppliers (such as ISO 14001, EMAS registration, or ISO 50001), along with their usage of recycled or recyclable materials, low-emission production, and energy-efficient practices. Additionally, SEA evaluates supplier selection processes based on their environmental characteristics.

Approach to social topics

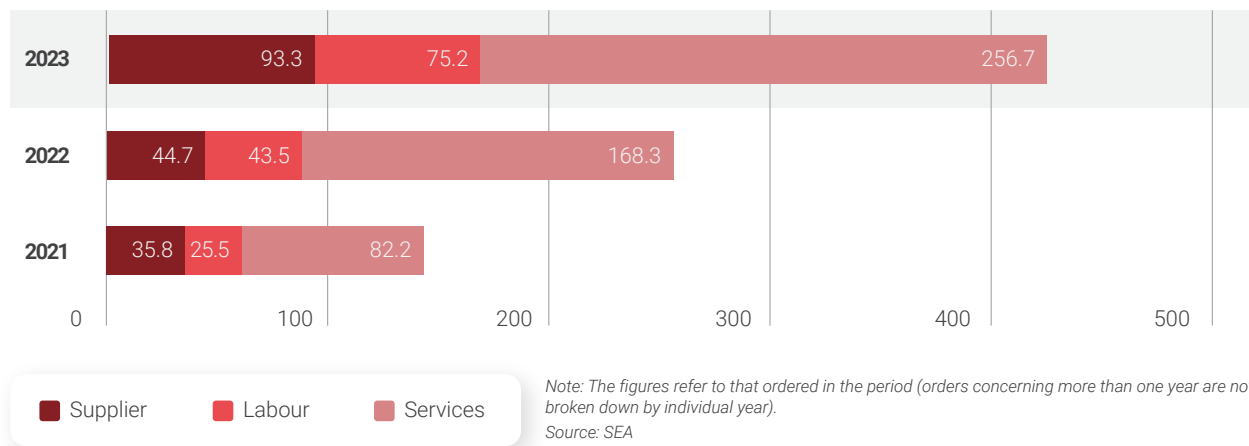
Alongside the availability of occupational health and safety management system certification (ISO 45001), the level of attention and the management of safety profiles through the occupational health and safety management system is analysed, as is the presence or otherwise within the company of a Prevention and Protection Service, the presence of a safety officer, who analyses the individual contracts/orders, whether at least once over the last three years the INAIL rate has reduced, in addition to the number of injuries reported over the last three years. Evaluations of suppliers applying for registration also involve scrutinising their policies on the protection of human and labour rights, such as possession of SA8000 certification, inclusion of human rights in the company's Code of Ethics, or adherence to global human rights conventions.

Approach to governance topics

SEA verifies its suppliers' adoption of corporate governance tools such as an organisational model pursuant to Legislative Decree No. 231/2001, an internal Code of Conduct/Code of Ethics, the presence of a sustainability report, and whether the latter has been certified. SEA also verifies the presence of anti-corruption (ISO 37001), information security (ISO 27001), and quality (ISO 9001) certifications. These evaluations are inspired by the notion that relationships with suppliers form part of a partnership geared towards achieving sustainability targets. These new sustainability innovations were presented at a workshop open to all suppliers in June 2022. The SEA Supply Chain Department's partnership with Open-es was also presented at the workshop. Open-es is a sustainable development platform that offers supply chains tools and helps them define increasingly robust sustainability policies.

At the end of the year, SEA started the process of directly verifying suppliers' compliance with the sustainability goals set out in its Supplier Code of Conduct, with the intention of jointly identifying areas for improvement in the various assessment areas.

Order value by type (millions of Euro)



SEA Energia's exit from the Group led to an increase in overall order volumes thanks to the purchase of energy (electricity and heat) on the market.

Classification of suppliers based on CSR criteria

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

In 2023, the SEA Group began the process of reviewing its platform to enhance its effectiveness and usability for suppliers, while also seeking to further strengthen partnerships within its supply chain. This new platform will be fully operational in the first half of 2024.

At December 31, 2023, there were 910 suppliers in SEA's directory, and the campaign to requalify suppliers based on the new Supplier Code of Conduct continued during the year. At the end of 2023, 495 (54%) suppliers had already updated their profiles and accepted the new Code of Conduct.

The sustainability profiles of registered suppliers as of December 31, 2023

Profile	Qualified	
Adoption of Code of Ethics	408	45%
Endorsement of international conventions	28	3%
Benefit of INAIL tax reduction in the last three years	166	18%
Sustainability Report	103	11%
Sustainability Report Certification	35	4%
EMAS Certification	26	3%
ISO 9001 certification	640	70%
ISO 14001 certification	329	36%
ISO 50001 certification	47	5%
Organisation Model pursuant to Legislative Decree No. 231/2001	262	29%
Appointment of Safety Officer for each contract/order	326	36%
References to Human Rights in the Code of Ethics	291	32%
Occupational Health and Safety Management System	376	41%
SA 8000 certification	48	5%
ISO 45001 certification	143	16%
ISO 27001 certification	67	7%
ISO 37001 certification	39	4%

Note: The supplier qualification is valid for three years and the evaluation profile takes place at the beginning of the registration process in the Register.

Source: SEA

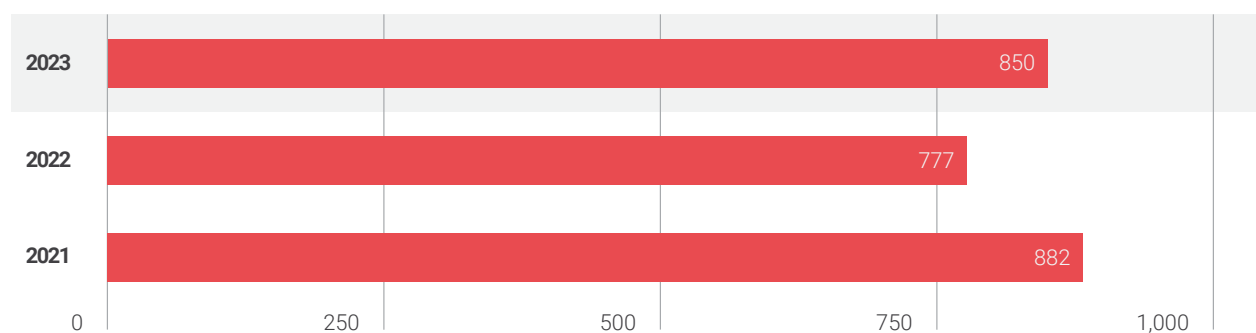
Selection of suppliers

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

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

We note that the new Public Contracts Code - Legislative Decree No. 36/23, effective as of July 1, 2023 - is the new regulation for managing tenders above the EU threshold. As a result, in 2023, operations were conducted in compliance with the constraints of both the previous and new code.

Total number of tenders awarded



Note: Tender winning companies are suppliers which achieved at least one of the requirements in the period (also on pre-existing orders).

Source: SEA

Regarding public tenders, candidate selection was made using several subjective qualification criteria, as well as economic, financial, technical and professional criteria, in compliance with the constraints set forth by the two codes, applicable to SEA in reference to special sectors, and in full compliance with the principles of the EU Treaty. In relation to the “core best offer” and “no core” contracts, the internal procedure provides for the application of at least three suppliers, among those included in the supplier register in compliance with the principle of rotation and considering their characteristics in line with specific contract to be awarded. Suppliers awarded with contracts, in addition to meeting contractual qualitative and performance constraints, must satisfy SEA’s ‘Environmental and Energy Management System’ procedure. In terms of protecting employees in executing their contracts, a thorough check is conducted to ensure compliance with workplace safety regulations concerning business operations.

In 2023, the use of market-linked variable ESG parameters continued for all types of tenders. Specifically:

- environmental protection and reduction of the carbon footprint;
- energy optimisation;
- use of products with a reduced environmental impact and high recycling rates;
- adherence to ethical principles on workforce management;
- recycling and reuse of materials;
- logistics with reduced CO₂ output;
- use of packaging made from recycled materials.

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

INTELLECTUAL CAPITAL

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

Excellence in processes and innovation

SEA is committed to excellence in management through:

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

Innovative projects

Over recent years, SEA has launched a series of projects focused on digital technology as a way to increase the effectiveness and efficiency of operating processes and the quality of services provided to customers and passengers. Below are some of the projects to be adopted:

Smart Security

After the installation of the latest EDS-CB machines (Explosive Detection System for Cabin Baggage) at Linate airport (first airport in Europe) - devices which use CT technology to detect explosives in hand luggage, eliminating the need for passengers to remove liquids and electronic devices from their bags - the machines were also installed in Malpensa Terminal 1 in 2023. Security checkpoints were also equipped with SAMD (Shoes Analyser Metal Detector) technology, which allows passengers not to remove their shoes. These innovations enabled a significant reduction in waiting times and ensured excellent passenger service by making security checks safer and faster.

Face boarding

The system allows Linate passengers (ITA Airways and Scandinavian Airlines) to go through security and boarding checks using an innovative facial recognition system to eliminate queues and speed up boarding times and procedures. This means that passengers no longer need to show their passports and boarding passes at the various check points inside the airport, and can, therefore, make their way more quickly and efficiently simply by showing themselves to biometric scanners, which operate in full respect of their privacy. The data acquired are stored for one year and are not used for commercial purposes.

Self-service Bag Drop

Stations that allow passengers to check in their checked baggage in total autonomy, reducing waiting times and promoting social distancing. At Linate, the system also allows passengers to perform all operations using just their smartphone, giving them a completely touchless experience.

Virtual Desk

This system provides better assistance to passengers by combining the use of telepresence technology with the airport staff who man information desks. The system ensures a more consistent and evenly distributed presence of staff on information desks at Linate and Malpensa airports. Passengers can acquire information and talk to a real member of staff on a video chat from another location.

WI-FI

The high-speed wireless connection is free for passengers and has no time limits. With a simple click, access is immediate and multilingual, without requiring log-in details, allowing passengers to communicate quickly and search for information on transport, the city of Milan and much more.

ChatBot

The ChatBot is a virtual assistant operating 24 hours a day, seven days a week on various platforms. The ChatBot makes it possible to talk naturally, discover restaurant and shop offers, check out flight status, receive continuous updates and consult FAQs regarding various needs (such as whether it is possible to travel with animals, hand luggage type, transport of liquids or the needs of Passengers with Reduced Mobility).

Website

SEA's network includes 11 sites, which can be grouped into 4 large macro-areas:

Airport

MilanoMalpensa-airport
MilanoLinate-airport
MilanAirports
MilanoMalpensaCargo
MilanoLinate-Prime

Brand and services

ViamilanoParking
MilanoMalpensaBoutique

E-commerce

MilanAirports-shop
ClubSEA
Parkwing

Corporate

SeaMilano

Green Innovation

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

Aéroports de Paris and Royal Schipol Group, in terms of accessing programmes funded by the European Union, specifically within the Connecting Europe Facilities (CEF) framework.

SEA is currently involved in projects under three different European Union programmes:

- CEF (development of airport infrastructure to create new railway connections, reduce environmental impacts, and improve resilience to climate change);
- HORIZON (adoption of solutions across various aspects of the hydrogen and intermodality supply chain);
- SESAR (development of solutions to increase the operational capacity of the aeronautical network, reduce environmental impacts, and develop Advanced Air Mobility solutions).

Activities related to the following projects are ongoing within these programmes:

FENIX: European FEDerated Network of Information eXchange in Logistics

The project, which has a duration of four years, aims to build a federation of platforms and advanced tools for smart supply chain and multimodal management of the TEN-T Corridor, which can be used by the various participants in the Corridor to optimise their operations. The project concluded in 2023 with the development of four APPs: Smart Unload, Smart Truck, Smart Move, and Smart Corridor - linked to the Smart City Cargo platform.

PASS4CORE: Parking Areas implementing Safety and Security FOR (4) CORE network corridors in ITALY

A project that plans the development and improvement of a safe and protected parking network for HGVs along the Italian road network. For SEA, the aim is to create a new area designed to satisfy the various requests expressed by road hauliers at Cargo City Malpensa. Specifically, plans are in place to create a secure and well-equipped car park with protection systems, along with an array of personal services (showers, toilets, snack bars) and in the future, technical services for vehicles (workshop, tyre service, truck washing, and potentially innovative charging and refuelling systems). In 2023, work began to prepare the area.

MXP-NLINE

In partnership with FERROVIENORD, the project will connect Malpensa Terminal 2 to the Simplon RFI railway line. Works under SEA's authority have begun and will be completed in December 2024.

Re-MXP: Resilience improvement of the Milan MXP airport against natural hazards by implementing infrastructure upgrades and a smart monitoring system in a multi-risk framework

The project seeks to increase the resilience of Malpensa Airport against climate change by:

- improving the drainage system to reduce flood risks (interventions in five areas);
- upgrading Terminal 1 to mitigate earthquake risks (interventions in six lots).

A "smart monitoring" system (earthquake monitoring and drainage system) will also be adopted, which will provide real-time insight into how the infrastructure behaves under normal operating conditions and in exceptional scenarios. Activities continued in 2023 and the planned works will be completed by 2026.

U-ELCOME: U-space European COMMON dEpLoyment

The project, coordinated by EUROCONTROL, seeks to integrate air traffic management (ATC) and eVTOL-based services/systems (U-Space) for the transport of goods and people (demonstrators will focus particularly on the former). In line with the ENAC guidelines, SEA intends to define and plan use cases for transporting cargo from Malpensa Cargo City to strategically identified destinations in Lombardy. The objective is to test interoperability in airspace between unmanned aircraft and traditionally controlled aircraft. The project, involving 51 partners concentrated in three clusters (Italy, Spain, and France), is ongoing and will last 36 months (2022-2025).

eMAGO (electrification of Milan Airports' Ground Operations)

The project marks a significant step forward in the adoption of sustainable and innovative solutions, providing two key energy supply solutions for both Linate and Malpensa airports:

- the use of 84 Aircraft Ground Power Units (AGPUs) to power aircraft during ground operations, after landing and before take-off;
- the installation of 94 electric charging stations on the air and land sides, to power SEA's airport vehicles, and those of handlers, in addition to over 100 smart power sockets to power ramp and aircraft service vehicles (Ground Support Equipment - GSE).

Work is in progress and will be completed in 2025.

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

The objective of the three-year project is to create a Multimodal Traffic Management Ecosystem (MTME), based on a Polycentric Multimodal Architecture (PMA). This framework provides tools and guidelines for optimising the multimodal management of both passenger and cargo traffic. The solution will be tested in two living labs: Malpensa airport, for passengers, and Herøya port, for cargo. In 2023, SEA began enhancing its AOP (Airport Operations Plan) system, introducing three new features. Two of these concern Malpensa airport and involve monitoring the status of motorways and Malpensa Express trains, while the third concerns Linate airport, focusing on the status of the metro. The project will conclude in 2024.

OLGA: HOLystic Green Airports

The 60-month project responds to the need to reduce the environmental impact of airports and aviation-related activities as a whole. The project seeks to accelerate the building of sustainable airports, while also making the most of the opportunities presented by the Olympic Games in Paris (in 2024) and Milan-Cortina (in 2026) to showcase the initiatives developed as part of the project. The consortium is led by Paris Airport, which performs the role of lighthouse, while SEA participates with Malpensa Airport as a "fellow", together with Zagreb and Cluj airports. For SEA, the most important work package, in terms of both personnel effort and investment, is the one related to "Energy", with hydrogen as the main focus. In collaboration with SNAM and RINA-C, SEA has pledged to design its own "green H2 hub", install it, and trial its usage. As part of OGLA, several initiatives will be developed at Malpensa. The projects to make airport accessibility more sustainable and encourage intermodal passenger and cargo transport are included in

the "Transport Landside, access and multimodal" work package, and entail:

- the creation of low-carbon connections between airports and cities: a study was launched on expected transport levels in view of the Milan-Cortina 2026 Olympic Games and on the creation of potential new sustainable connections between Malpensa Airport - the intercontinental gateway for the event - and sports venues. The project also includes the showcase of an electric bus service - powered by green hydrogen produced by Malpensa - which will connect the airport to one of the venues;
- the evolution of MaaS for the Milan-Cortina 2026 Olympic Games: this tool - which has been developed by SEA to plan travel to/from Milan's airports - will be updated with a section on the Olympic Games. The tool will provide passengers with information on all of the transport solutions - including intermodal and green methods - available to reach Olympics venues from Malpensa (and vice versa);
- the optimisation of road cargo transport capacity to/from the airport: the Truck Pooling (cargo export spare capacity optimisation) project was launched and will optimise space on trucks travelling to/from Malpensa; by optimising capacity in this way, SEA will be able to reduce the number of HGVs on roads to the airport, in addition to CO₂ emissions;
- transport of cargo by train between the airport and the city centre: the Smart Parcels On Train (SPOT) project has been established, which will allow small parcels to be transported quickly from Malpensa to Cadorna (and vice versa) on the Malpensa Express, using existing passenger services. The delivery service will be fast and reliable, as it will not be affected by road congestion and will be able to make use of existing services, which run every 30 minutes in both directions, with a journey time of 37 minutes. This will also help to reduce the number of HGVs on the road, and their emissions.

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

The project sought to evaluate, define and support the implementation of mitigation strategies to promote and implement operational improvements, in order to minimise the negative effects of air transport on climate change. A modelling process was conducted on selected operational improvements, providing an initial estimation of their impact on stakeholders in terms

of changes to direct operational costs, human performance, and safety. At the end of the project, three mitigation strategies were defined in order to adopt five different operational improvements: Strategic Network Planning, Climate-Optimised Intermediate Stop Operations, Climate-Optimised Flight Planning, Flying Low and Slow, Engine-Off taxiing. These mitigation strategies were condensed into a series of concise recommendations for the various relevant stakeholders. The works concluded in 2023.

TH2ICINO (Towards H2hydrogen Integrated eEconomies In Northern Italy)

The 48-month project seeks to develop and demonstrate a full hydrogen ecosystem (Hydrogen Valley) covering a specific area, beginning with local/regional activities and including multiple stages of the value chain. These include production to storage, transportation, and off-take, and will in the future open the market to other stakeholders and end users, such as industrial organisations (which are already present in the area). TH2ICINO will support the spread of hydrogen micro-economies by developing and demonstrating a Hydrogen Valley supplemented by six replicable use cases, including the area focused around Malpensa Airport, whose strength is the hydrogen production and distribution plant set out in the OLGA project. SEA's biggest commitment concerns the Off-Takers' Evolution, which involves:

- defining the hydrogen demand baseline based on the current transport scenario (available means, routes, and logistics).
- participation in the creation of a Technical Plan for retrofitting individual use cases;
- retrofitting some apron vehicles and conducting an impact assessment on them;
- testing the decision support tool for managing retrofitting activities.

ALRIGH2T (Airport-Level Demonstration of Ground refuelling of Liquid Hydrogen for Aviation)

The 48-month project stems from an ENEA initiative to capitalise on the work of OLGA and TH2ICINO. The objective is to develop a demonstrator system for the aircraft H2 refuelling, which could be adopted at Malpensa as part of a refuel-in-to-airplane solution and in Paris as part of a tank swap solution.

Urban Air Mobility

This project concerns the creation of a new air transport system that will allow people and cargo to use electric vertical take-off and landing aircraft (eVTOLs) routed through dedicated air corridors. With Urban Air Mobility, SEA hopes to contribute to the development of Milan's airports in terms of environmental sustainability, innovation, and seamless passenger experience.

The introduction of these services will open the doors to a new era of air mobility at the urban, regional, and national level. They will offer an alternative to the heavily congested land mobility of today, promoting technological innovation and the transition to more sustainable mobility systems. This will result in reduced travel time, fuel consumption, and pollutant emissions. The introduction of Urban Air Mobility services will provide an innovative and sustainable means of access to Milan's airports, thereby contributing to the reduction of carbon emissions and alleviating congestion on access roads. These services will enhance existing surface accessibility options and promote intermodality by integrating with them.

Over the past two years, SEA has conducted a series of studies and analyses to deepen its understanding of the sector, regulatory landscape, and potential market entry strategies for air taxi services connecting cities and airports. These investigations have enabled SEA to define its strategy for the development of Urban Air Mobility, which comprises the progressive adoption of a vertiport network.

SEA AGREEMENTS AND INITIATIVES FOR THE HYDROGEN ROADMAP CONCERNING AIRPORT PROCESSES

The agreement signed with Airbus in 2022, which covered feasibility studies aimed at building a hydrogen refuelling hub for non-aviation use in the short term, in addition to planning infrastructure for hydrogen use in aviation in the long term, is developing into a system of SEA hydrogen initiatives.

Through EU-funded projects, SEA is collaborating to develop governance models for hydrogen valleys, prototypes of hydrogen airport vehicles (TH2ICINO project), on-site green hydrogen production systems for automotive use (OLGA), and demonstrators for aircraft refuelling processes using liquid hydrogen (ALRIGH2T).

This cross-cutting commitment received further recognition through the co-ordination of the aerodromes

workgroup as part of the Alliance for Zero Emission Aviation, entrusted to SEA by ACI Europe. This initiative, led by the European Commission's DG for Defence and Space, seeks to outline the roadmap for electric and hydrogen-powered aviation across different technical domains.

SEA considers all these activities essential for both itself and the airport industry. While they focus on medium and long-term technological developments, they also require the resulting needs to be integrated into airport infrastructure plans in the short term. This includes infrastructure for the supply of new energy carriers and spaces for treatment, storage, and distribution facilities, actively encouraging the development of necessary regulations by European and national authorities (EASA, ENAC).

Certified management systems

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

SEA certified management systems

Environment	Safety	Social	Quality	Governance
Airport Carbon Accreditation - 4+ Transition Level ¹	ISO 45001 ⁴	Family Audit ⁸	ISO 9001:2015 ⁵	ISO 37001:2016 "Anti-bribery Management System" ⁶
ISO 14001 ²		ISO 27001:2013 ⁷		
ISO 50001 ³				
BREEAM in Use ⁹				

¹ ACI (Airport Council International) Europe Certification to incentivize the contribution of airports to combatting climate change. A series of actions for the control and reduction of direct and indirect emissions of CO₂ are scheduled. As a result of the Covid-19 pandemic, certification was automatic confirmed until 2021.

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

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

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

⁵ Services Quality Management System.

⁶ Anti-bribery Management System.

⁷ Information Security Management System.

⁸ Certification for commitment to work-life balance.

⁹ Certification of buildings environmental performance (Body F Linate).

Output

OUTPUT

OUTPUT

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

Competitive performance of aviation activities Commercial aviation

SYSTEM

In 2023, the Milan airport system, comprising Linate and Malpensa airports, served over 35.3 million passengers, up 22% on 2022 and in line with 2019. 667 thousand tonnes of cargo were handled in 2023, a decrease of 7% on the previous year and an increase of 21% on 2019. A total of 279 thousand movements (passengers and cargo) were managed in 2023, up 9% on 2022 and down 5% on 2019; 90% of all movements comprised passenger activities, while 10% comprised cargo activities. Finally, using the WLU (work load unit) indicator as a reference, 42 million WLUs were recorded in 2023, showing respective increases of 16% and 3% compared to 2022 and 2019. When comparing the trend of WLUs with the evolution of movements (vs. 2019), we note that the unitary WLUs per movement increased, leading to positive effects in terms of reducing the noise footprint and atmospheric pollution generated (under the same fleet usage or other conditions).

Aviation Business performance indicators

	Passengers (No.)			Cargo (tons)			WLU (K)			Movements (No.)		
	2023	2022	Δ %	2023	2022	Δ %	2023	2022	Δ %	2023	2022	Δ %
Malpensa	25,891,407	21,213,970	22.0	665,655	715,497	-7.0	32,610	28,427	14.7	195,587	180,568	8.3
Linate	9,372,429	7,669,173	22.2	1,537	1,679	-8.4	9,393	7,693	22.1	83,813	75,388	11.2
Airport system	35,263,836	28,883,143	22.1	667,192	717,177	-7.0	42,004	36,119	16.3	279,400	255,956	9.2

Note: transits are not included. WLU=passengers + freight and mail in quintals

Source: SEA

In terms of traffic distribution by geographical area, the region generating the largest number of passengers is Europe (14.9 million), followed by the domestic market (9.9 million), and the non-European market (5.8 million). The long-haul market accounted for 4.7 million passengers in 2023. The top destination area in terms of passenger volume is the Middle East, followed by North America, Africa, and Central/South America.

Distribution of passenger traffic by geographical area of destination (% vs. 2022)

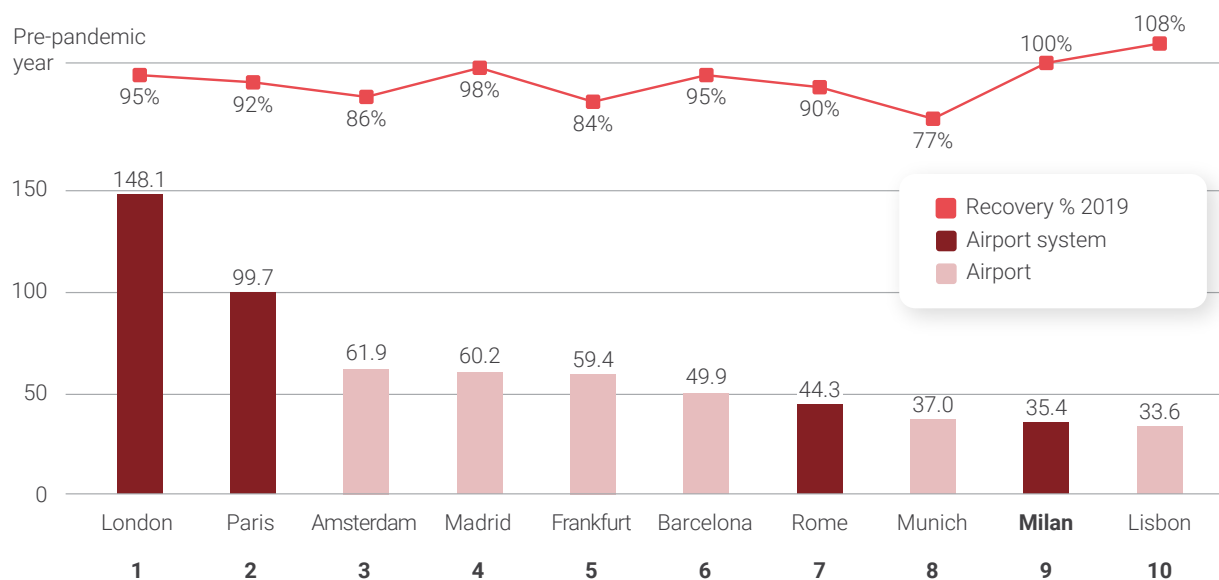
Geographical area	Mln	%
Domestic	9.9	+2
Europe	14.9	+25
Non-European	5.8	+34
Middle East*	1.8	+44
North America*	1.4	+33
Asia*	0.9	+281
Africa*	0.3	+59
Central and South America*	0.3	+31

* Long Haul Traffic (>3,500 Km)

Source: SEA

When compared to the main airports and airport systems in Italy and Europe, Milan ranks second and ninth, respectively, in terms of passenger volumes handled. The figure below displays the number of passengers handled in 2023 (including transit passengers, accounting for the +0.1 million pax difference compared to the table value), and the recovery percentages compared to 2019 (pre-pandemic year).

Ranking of the main European airports/airport systems



Note: values in millions of passengers; the data shown includes passengers in transit
Source: ACI Europe

MALPENSA

In 2023, Malpensa airport managed 25.9 million passengers, marking a 22% increase compared to 2022 and a 10% decrease compared to 2019 (due to the temporary closure of Linate airport from July 27 to October 26, 2019, with activities transferred to Malpensa during that period). In terms of passenger traffic distribution by region, the European segment held the largest market share with 43% of passengers handled in 2023, up 2% on 2022 but down 1% on 2019. Following were the non-European market at 20% in 2023 (up 2% on both 2022 and 2019), the Domestic market at 19% (down 8% on 2022 and 1% on 2019), and Long Haul at 18% (up 4% on 2022 and consistent with 2019).

In 2023, 95 carriers were dedicated to passenger activities (considering those with at least 10 movements in 2023), serving 187 destinations (considering all destinations - in terms of airports - with at least 1,000 passengers transported in 2023).

Passengers by geographical area (%)

Geographical area	2023	2022
Domestic	19	27
International of which	81	73
Europe	43	41
non-European	20	18
Long Haul	18	14

No. of airlines and destinations

	2023	2022
Airlines	95	88
Destinations	187	180

169 thousand passenger movements were reported in 2023, reflecting a 13% increase on 2022 and a 21% decrease on 2019. This activity is split between daytime and nighttime movements, accounting for 92% and 8% respectively.

Number of daytime and nighttime movements* (arriving and departing)

Movements	Passengers		Cargo		Total	
	2023	2022	2023	2022	2023	2022
Daytime Arrivals	74,085	65,218	7,688	9,688	81,773	74,906
Daytime Departures	80,919	71,937	6,839	9,226	87,758	81,163
Nighttime Arrivals	10,230	9,234	5,786	6,147	16,016	15,381
Nighttime Departures	3,391	2,509	6,649	6,609	10,040	9,118
Total	168,625	148,898	26,962	31,670	195,587	180,568

*(06:00 AM - 10:59 PM Daytime | 11:00 PM - 05:59 AM Nighttime)

Source: SEA

Number of arriving and departing passengers

	Domestic flights		International flights		Total	
	2023	2022	2023	2022	2023	2022
Arriving passengers	2,552,358	2,912,211	10,414,928	7,696,965	12,967,286	10,609,176
Departing passengers	2,522,896	2,871,522	10,401,225	7,733,272	12,924,121	10,604,794
Total passengers	5,075,254	5,783,733	20,816,153	15,430,237	25,891,407	21,213,970

Source: SEA

Number of passengers by origin and destination, transfer and transits

	Origin and destination		Direct transits		Total	
	2023	2022	2023	2022	2023	2022
Domestic	5,075,254	5,783,733	10,332	3,867	5,085,586	5,787,600
International	13,574,729	10,775,002	52,105	33,746	13,626,834	10,808,748
Intercontinental	7,241,424	4,655,235	109,923	84,524	7,351,347	4,739,759
Total	25,891,407	21,213,970	172,360	122,137	26,063,767	21,336,107

Source: SEA

LINATE

In 2023, Linate airport carried 9.4 million passengers, marking a 22% increase compared to the previous year and a 43% increase compared to 2019, when the airport underwent planned maintenance, resulting in its closure from July 27 to October 26. Contributing to the rise in passengers managed compared to 2019, alongside an increase in operated movements, there was also an increase in the average capacity offered in terms of seats per movement: in 2023, this indicator remained at the same level as the previous year (156 seats per movement) and grew by 13% compared to 2019. The annual average load factor of 72% increased compared to 2022 (+66%) and 2019 (+68%).

Traffic managed at Linate - which does not operate flights to destinations outside the EU located over 1,500 km away - falls predominantly in the Domestic segment (with a passenger share of 51%, consistent with 2022 and 2019), followed by European destinations (41% in 2023, unchanged on 2022 and up by 7% on 2019), and a smaller portion to destinations outside Europe (8% of the total, unchanged on 2022 and down by 7% on 2019).

In 2023, Linate airport provided services to 44 destinations operated by 21 passenger-carrying carriers, compared to 43 destinations and 18 carriers in 2022, and 44 destinations and 15 carriers in 2019.

Passengers by geographical area (%)

Geographical area	2023	2022
Domestic	51	51
Europe	41	41
non-European	8	8

No. of airlines and destinations

	2023	2022
Airlines	21	18
Destinations	44	43

Movements totalled 84 thousand in 2023, increasing 11% on 2022 and 20% on 2019. Almost all of these are categorised as daytime activities (97%).

Number of daytime and nighttime movements* (arriving and departing)

Movements	Passengers		Cargo		Total	
	2023	2022	2023	2022	2023	2022
Daytime Arrivals	40,246	36,455	6	2	40,252	36,457
Daytime Departures	41,428	37,438	6	2	41,434	37,440
Nighttime Arrivals	1,656	1,239	-	-	1,656	1,239
Nighttime Departures	471	252	-	-	471	252
Total	83,801	75,384	12	4	83,813	75,388

* (06:00 AM - 10:59 PM Daytime | 11:00 PM - 05:59 AM Nighttime)

Source: SEA

Number of arriving and departing passengers

	Domestic flights		International flights		Total	
	2023	2022	2023	2022	2023	2022
Arriving passengers	2,420,257	1,953,385	2,282,738	1,876,992	4,702,995	3,830,377
Departing passengers	2,385,623	1,949,212	2,283,811	1,889,584	4,669,434	3,838,796
Total passengers	4,805,880	3,902,597	4,566,549	3,766,576	9,372,429	7,669,173

Source: SEA

Number of passengers by origin and destination, transfer and transits

	Origin and destination		Direct transits		Total	
	2023	2022	2023	2022	2023	2022
Domestic	4,805,880	3,902,597	273	148	4,806,153	3,902,745
International	4,566,549	3,766,576	1,644	535	4,568,193	3,767,111
Total	9,372,429	7,669,173	1,917	683	9,374,346	7,669,856

Source: SEA

Cargo Traffic

Cargo volumes handled in 2023 totalled 667 thousand tonnes, decreasing 7% on 2022 (+21% on 2019). Cargo activity refers to three primary traffic segments: freighter, express, and belly. The express segment made the largest contribution to overall cargo volumes (39% of the total, down by 2% on 2022 and up by 29% on 2019), followed by the freighter segment, (39% of the total, down 6% on 2022 and 20% on 2019 in terms of market share). Finally, the belly segment (particularly on long-haul routes), expanded its share of total cargo, reaching 22% in 2023, up 7% on 2022 but still below the 2019 level (-10%).

Cargo traffic managed by the Milan airport system

By type of traffic (%)

	2023	2022
Freighter	39	45
Belly	22	15
Express	39	41

Import/Export (%)

	2023	2022
Import	46	45
Export	54	55

No. of airlines

	2023	2022
Airlines	36	37

The table below compares the quantities of cargo handled in 2023 with 2022: it shows that cargo transported by mixed configuration aircraft, passengers + cargo, amounted to 146 thousand tonnes in 2023, up 38% compared to the previous year. In contrast, the "all cargo" segment (comprising freighter + express) decreased by 15% compared to 2022, with 521 thousand tonnes of cargo. This trend in cargo traffic was primarily influenced by Malpensa airport: in 2023, cargo transiting through Linate airport accounted for 0.2% of total cargo at the system level.

Arriving and departing cargo on all flights (cargo and passenger) (tons)

	Cargo		Passengers		Total	
	2023	2022	2023	2022	2023	2022
Arriving	227,254	272,630	78,500	51,680	305,754	324,311
Departing	293,644	338,676	67,794	54,189	361,439	392,866
Total	520,898	611,306	146,294	105,869	667,193	717,177

Source: SEA

In terms of the number of cargo movements (generated by the freighter and express segments), there were 27 thousand movements in 2023, a decrease of 15% compared to 2022 and an increase of 119% compared to 2019. This activity is split between daytime and nighttime movements, accounting for 54% and 46% respectively.

Number of daytime and nighttime movements* (arriving and departing)

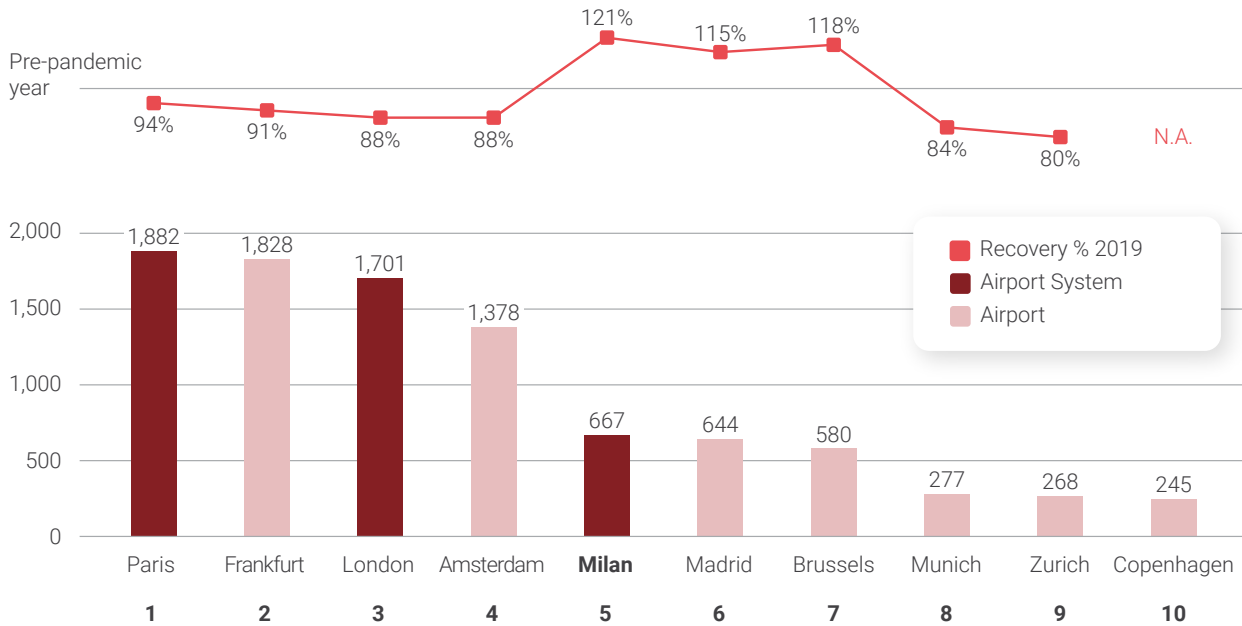
	2023	2022
Daytime Arrivals	7,688	9,688
Daytime Departures	6,839	9,226
Nighttime Arrivals	5,786	6,147
Nighttime Departures	6,649	6,609
Total	26,962	31,670

* (06:00 AM - 10:59 PM Daytime | 11:00 PM - 05:59 AM Nighttime)

Source: SEA

When compared with the main airports and airport systems in Italy and Europe in terms of volumes of cargo handled, Milan ranks first in Italy and fifth in Europe. The graph below shows the cargo handled in 2023 and the recovery percentages compared to 2019 (pre-pandemic year).

Ranking of the main European airports / airport systems by volumes of goods ('000 tons)



Traffic and connectivity development initiatives - System

Passenger traffic in 2023 was marked by a clear recovery in the long-haul segment (the market segment most affected by travel restrictions imposed to contain the pandemic), particularly to Asia, the Middle East, and North America.

The long-haul connections (both new and expanded) launched at Malpensa in 2023 impacted the regions listed below.

Asia

In 2023, the capacity (seats offered) to Greater China (including Hong Kong and Taiwan) progressively increased, recording a nearly 25% rise compared to 2019 by December, with an average of 30 weekly flights. Specifically, Air China resumed its two daily flights to Beijing and Shanghai and strengthened the new route to Wenzhou, resulting in a total of 18 flights per week by the end of 2023; Eva Air (Taiwan) doubled its service to Malpensa from May, reaching four flights per week; Hainan to Shenzhen and Juneyao to Zhengzhou complete the commercial offerings with five weekly flights each. The bilateral agreement signed at the beginning of 2019 by Italy and China facilitated the launch of new routes by Chinese carriers, consequently increasing the number of weekly flights.

In 2023, further developments included Air India resuming flights to Delhi from February, along with increased frequency by Korean Air (Seoul) and Cathay Pacific (Hong Kong). New additions in 2023 include Neos' flights to Amritsar (India) and a new route to Phuket (Thailand) by the end of the year.

Middle East

In 2023, Etihad Airways (Abu Dhabi) and Qatar Airways (Doha) increased their frequencies, adding up to eight flights per week. Gulf Air also increased its weekly flights to Bahrain from five to seven and, during the summer season, provided two weekly flights to Nice (co-terminalised flight) with fifth freedom rights.

North America

Capacity to North America remains broad and varied, with around 50 weekly flights to New York operated by seven airlines, along with flights to Montreal/Toronto, Chicago, and Atlanta. The strong performance recorded during the 2023 summer season prompted Delta Airlines to extend its Atlanta flight into the winter season.

Other areas

Additional new launches or increased operations by legacy carriers involve SAS (Bergen and Stockholm), Air Baltic (Tampere) for the summer season, Cyprus Airways (Larnaca), Flyone (Chisinau), and LOT (Rzeszow).

In the low-cost segment, easyJet launched new flights to Paris Beauvais, Lourdes, La Coruña, Birmingham, and Comiso. The summer season network served approximately 60 destinations, operating around 70 average daily departures (the carrier has operated from Malpensa Terminal 2 since the end of May 2023). In 2023, Wizz Air expanded its medium to long-haul offerings by introducing connections to Riyadh (in addition to Jeddah, launched in December 2022), Giza, and Hurghada. Lastly, Ryanair expanded its network from Malpensa with new flights to Kos and Zadar (summer destinations), Trapani, Lanzarote, and Brussels Charleroi.

Finally, at Linate airport, the availability of slots during the weekend allowed services to be expanded with Finnair flights to Helsinki, Lumiwings to Foggia, Luxair to Luxembourg, and a weekly connection to Corsica operated by Air Corsica in September and October. Two new twice-daily connections operated under public service obligations were also introduced to Trieste (operated by ITA) and Ancona (operated by Aeroitalia).

BILATERAL AGREEMENTS - SYSTEM

In 2023, Italy's activities regarding bilateral agreements with third countries concerned:

- in May, the signature of a bilateral agreement with Uruguay for 14 weekly passenger flights and unlimited cargo flights. Although Uruguay does not have its own airlines, it can still designate airlines from LACAC (Latin American Civil Aviation Commission) countries to operate, albeit under certain conditions. The agreement also includes the exercise of some fifth freedom rights;
- in July, the organisation of consultations with Angola, which achieved the goal of updating and expanding the somewhat outdated agreement to include a higher operations capacity, more connections, and more designated airlines;
- in December, the signature of an agreement with Libya to establish a framework for resuming traffic between the two countries, and to incorporate the

community designation clause.

Further important results were achieved in bilateral aeronautical negotiations that the Italian authorities concluded at the ICAN (ICAO Air Services Negotiation) event held in Riyadh at the beginning of December 2023:

- further liberalisation of agreements with Saudi Arabia, Brazil, and Kuwait. These outcomes are a priority for the development of Malpensa airport, as the respective agreements were nearing full operating capacity on the respective routes;
- the updating, with an increase in operable frequencies, of agreements that do not pose immediate concerns (Bahrain, Egypt, Kenya, and the United Kingdom) but could do so in the future. While routes to these destinations remain within the thresholds set by existing agreements, the rise in permitted movements increases the possibility of satisfying emerging demand in the medium term;
- discussion of an update (not yet finalised) to the agreement with Senegal (increased passenger and cargo frequencies);
- the stipulation of agreements, primarily of political importance with two non-EU countries with which no prior aviation agreements were in place and which do not demonstrate significant market potential at present: Sierra Leone and Zimbabwe.

Collaboration with ENAC enabled the Bahraini airline, Gulf Air, to obtain fifth freedom rights on the Milan-Nice and Milan-Geneva routes. The Milan-Nice route was operated successfully during the summer season with two weekly flights.

GENERAL AVIATION

In 2023, SEA Prime handled 65 thousand general aviation passengers, up 6% on 2022 and 30% on 2019. 80% of traffic was handled by Linate airport and the remaining 20% by Malpensa airport. This distribution applies to both passengers and movements. The recovery of international traffic and growth of operators at Linate led to an increase in the average aircraft size, which reached a system level of 17.3 tonnes (MTOW) in 2023, up 3.6% on 2022 and 4.2% on 2019. In-person events also contributed positively to traffic in 2023, namely Design Week in April, the Monza Grand Prix, and Fashion Week in September.

General Aviation performance indicators

	Movements (No.)			Passengers (No.)			WLU (K)		
	2023	2022	Δ %	2023	2022	Δ %	2023	2022	Δ %
Malpensa	6,371	6,058	5.2%	12,947	11,545	12.1%	12,947	11,545	12.1%
Linate	27,510	26,568	3.5%	52,438	50,121	4.6%	52,438	50,121	4.6%
Airport system	33,881	32,626	3.8%	65,385	61,666	6.0%	65,385	61,666	6.0%

Note: transits are not included. WLU=passengers + freight and mail in quintals

Source: SEA

Number of daytime and nighttime movements* (arriving and departing)

Movements	General Aviation		State Flights		Total	
	2023	2022	2023	2022	2023	2022
Daytime Arrivals	16,389	15,773	14	12	16,403	15,785
Daytime Departures	16,536	15,952	15	14	16,551	15,966
Nighttime Arrivals	489	490	1	1	490	491
Nighttime Departures	437	384	0	0	437	384
Total	33,851	32,599	30	27	33,881	32,626

*(06:00 AM - 10:59 PM Daytime | 11:00 PM - 05:59 AM Nighttime)

Source: SEA

Movements totalled 34 thousand in 2023, increasing 4% on 2022 and 38% on 2019. Of these, over 97% are categorised as daytime activities.

Direct and indirect competition

DIRECT COMPETITION

Analysing the level of dependence of European airports on particular airlines (under the Herfindahl-Hirschman - HHI concentration index, which reaches a value of 10 thousand where the offer of an airport is completely handled by a single airline), it emerged that Malpensa is the European airport with the lowest level of dependence on a single airline (the leading operator at Malpensa is easyJet, with a 16.8% ASK share). This is an extremely positive result in comparison with other continental airports, such as Amsterdam, Frankfurt, Lisbon, Paris, Barcelona and Munich, where the first airline has shares in excess of 50% of the ASK volume on offer.

Direct competition development at Milan Malpensa

	2022	2021	2020
HH index on ASK	712	710	537
No. airlines	76	65	87
Entropy index on ASK	1.38	1.35	1.51
% ASKs of leading 5 airlines	52.8	51.5	41.8
% ASKs of leading airline	16.8	15.9	14.9

Source: ICCSAI Fact Book 2021, 2022, 2023

Direct competition is measured also by another indicator called the entropy (H) index, which calculates (also in terms of ASK or seats) if the share of the airport offer is equally divided between all airlines present. Therefore, low index values indicate situations in which the traffic offer of an airport is highly concentrated. Also according to this index, Malpensa is one of the European airports with the lowest dependence on an individual airline.

Direct competition development at Milan Linate

	2022	2021	2020
HH index on ASK	3,190	3,338	4,815
No. airlines	19	22	15
Entropy index on ASK	0.78	0.79	0.57
% ASKs of leading 5 airlines	79.3	77.3	90.0
% ASKs of leading airline	54.5	56.3	68.4

Source: ICCSAI Fact Book 2021, 2022, 2023

In contrast to Malpensa, Linate airport shows a higher concentration of traffic primarily due to ITA Airways’ significant presence. However, ITA Airways has reduced its share of ASKs to 54.5% (compared to 56.3% in the previous year), and as a result, Linate is no longer the Italian airport most reliant on a single carrier in terms of ASKs, as it is overtaken in this regard by other airports such as Bergamo and Pisa, which are both dominated by Ryanair.

INDIRECT COMPETITION

The level of indirect competition refers to each route offered by a specific airport for which alternative routes are offered by other airports close to that considered, for neighbouring destinations or on similar routes.

Indirect competition at Milan Malpensa

	2022	2021	2020
No. neighbouring airports	3	3	3
No. routes in indirect competition	85	78	86
Competitor ASK /ASK in competition	1.03	1.09	1.0

Source: ICCSAI Fact Book 2021, 2022, 2023

The “proximity” concept relating to departing airports and destination airports concerns those located within 110km. The exposure of an airport to indirect competition is one of the elements taken into account when considering whether an airport is a natural monopoly.

Within Europe, the London area contains a high number of active airports, therefore in indirect competition. Nearly all departing European routes from Heathrow have indirect alternatives.

Indirect competition is significant also in the Lombardy region close to Milan. From Malpensa, 95.9% of routes to European destinations are subject to competition from other airports in the area, such as Linate and Orio al Serio. Malpensa airport is ranked fourth in Europe, after Stansted, Heathrow and Paris Orly for intensity of indirect competition. The ratio between the alternative offer volume of the competing regional airports (including Linate) and the offer of the airport concerning the routes subject to competition is greater than one.

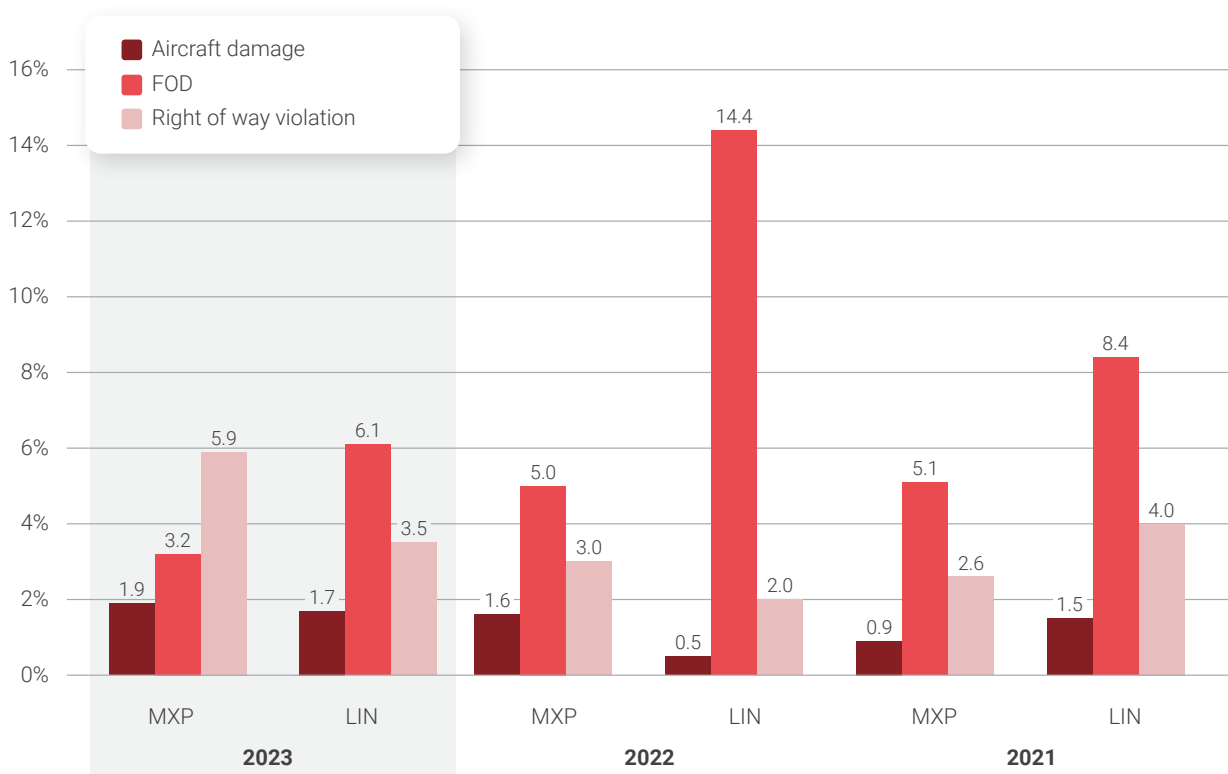
Aviation Safety

At the Milan airports, an effective Safety Management System (SMS) is active and validated and controlled by the Italian Civil Aviation Authority (ENAC), in order to maintain the highest levels of aeronautical safety and service quality in terms of flight infrastructures, facilities, processes, operating procedures and the training of personnel. The discussion and analysis of issues which form the bedrock of the Safety Management System are considered monthly at the Safety Boards and Safety Committees of Linate and Malpensa, ensuring a complete and extensive handling of the operational security issues. The active involvement of all airport operators, airlines, institutional bodies and parties involved in the various activities at the two airports ensures wide ranging discussion and construct a debate on the major issues. In order to monitor the efficacy of the airport Safety Management system, we utilise a number of quantitative elements both at Linate and Malpensa.

The indicators of the principal events encountered at SEA's airports do not highlight particular problem area in terms of the maintenance of adequate levels of aeronautic safety. The percentages of the three major indicators for the GSR (Ground Safety Report) received are reported below. GSRs in 2023 respectively numbered 1,042 for Malpensa (988 in 2022) and 541 for Linate (402 in 2022).

The indicators reveal a slight increase in aircraft damage due mainly to external weather phenomena and handlers, in addition to right-of-way violations, which did not result in significant safety consequences. Meanwhile, there was a noted improvement in FOD data. The increase in the absolute value of GSR reports is due to the recovery of air traffic in 2023 compared to the slowdown in previous years as a result of COVID-19.

Aviation safety indicators



WILDLIFE STRIKES: PREVENTION AND MONITORING

The prevention and monitoring actions of wildlife strikes are governed by the "birds and wild animal's impact risk reduction plan" and the relative operating procedure, both included in the Airport Manuals (separate for Linate and Malpensa) and prepared by SEA in compliance with circular ENAC APT 16/2004 and certified by the agency. They are also periodically audited by the authority and by internal personnel. The aspects related to the specific issue of bird strikes are covered in Circular ENAC APT-01B "Directive on procedures to be adopted for the prevention of impact risks from winged animals at airports", in line with the ICAO Annex 14 provisions. Both the Plan and the Operating Procedure comply with the guidelines with the circular, guaranteeing ongoing monitoring and repelling of birds and fauna from the airports. Particular attention is given to the manoeuvre area with the use of modern equipment acquired on the international market. In support of this activity, SEA utilises the company BCI (Bird Control Italy, the sector leader in the prevention of bird strikes and which carries out operations at the majority of Italian airports). All actions carried out are documented with the bird strike monitoring form and the bird strike reporting form, which in form a database managed through the "Bird Strike Management System" software programme.

Wildlife strike risk indicators

	Malpensa			Linate		
	2023	2022	2021	2023	2022	2021
Wildlife Strike ⁽¹⁾	3.9	3.3	8.5	4.4	3.6	5.0
Wildlife Strike ⁽²⁾	0.10	0.09	0.26	0.09	0.10	0.09

⁽¹⁾ Annual rate per 10,000 movements

⁽²⁾ Risk indicator BRI2 calculated according to the new Circular APT-01B ENAC

Source: SEA

In 2023, there was an increase in absolute values and their corresponding rates compared to the previous year, while the BRI2 value remained consistent with 2022. This is owed to an increase in movements at both airports, in addition to sightings reported by BCU operators, with no incidents of aircraft damage recorded.

Quality of aviation and non-aviation services provided to passengers

SEA's growth strategy envisages the transformation of the Milan airport system into an increasingly sustainable and service quality-orientated model. To maintain the excellence of the Milan airport system, SEA has long embraced processes that promote the adoption of innovative solutions, be they organisational or technological. These solutions seek to enhance the efficiency of all processes and services, minimise environmental impact, and ensure the safety of passengers and operators.

In particular, the SEA Group has identified service quality and passengers as strategic priorities, placing the passenger at the heart of its business.

For this purpose, SEA is committed to constantly enhancing, knowing and anticipating the ever-evolving needs and expectations of passengers, to improve every aspect of their experience at the Milan airports, in line with the best service standards offered by the main European airports.

This commitment remained constant during the pandemic and was strengthened in 2023, allowing SEA to achieve tangible and high-value business results, despite some economic and geopolitical uncertainties emerging during the year.

In line with this passenger-centric approach, SEA defined a specific Quality Management System some time ago. The system contributes to ensuring high process standards and the implementation of actions that have a positive effect on the performance levels provided both by SEA and the other operators.

Specifically, the SEA Quality Management System enables it to guide company decisions relating to the optimisation of the services provided and the implementation of new services. It also covers, among other matters:

- the measurement of perceived quality and the passenger experience, through interviews with a statistically significant sample of passengers and through specific qualitative research methods, including online research, shadowing and eye-tracking methods;
- the measurement of the quality provided, through the objective measurement of specific indicators observed and monitored directly in the field or by means of automated services. The indicators relate to primary operational services that have a strong impact on the passenger experience;
- benchmarking, which enables the activation of a network for sharing best practices adopted by leading airports thanks to membership of the international ACI ASQ programme and active participation in working groups and initiatives promoted within the association;
- service certifications and audit plans;
- an ongoing improvement plan that ensures the collection, monitoring and implementation of improvement initiatives identified with the involvement of passengers and stakeholders.

Confirming its commitment to disability issues, SEA also launched a collaboration with trade associations for the rights of disabled people in 2023 in order to create the conditions to also improve the passenger experience of disabled people travelling through Linate and Malpensa airports. The collaboration will be supported by experts with extensive and proven experience and people with disabilities, who can evaluate the effectiveness of services.

To consult the data on services provided to passengers at Linate and Malpensa airports, please refer to the Services Charter published annually on the SEA website via the following link: https://resourcesols3cms.seamilano.eu/Resources/C_1_document_72_file_it.pdf.

CUSTOMER SATISFACTION

Quantitative surveys in the form of face-to-face interviews were conducted from January to December 2023. Customer satisfaction surveys were conducted at the gate using a stratified and weighted sample based on the departure airport and destination (domestic - Schengen - non-Schengen). The ACSI (American Customer Satisfaction Index) model is applied to customer satisfaction surveys. Ratings on a scale of 1-10 are converted to a scale of 0-100 during the analysis phase.

Following the return of traffic to pre-pandemic levels, the results for 2023 show a good level of satisfaction (excellence threshold of 75) at the system level, marking a clear improvement on 2019 and no change on 2022, thanks to Malpensa's progressive improvement and particularly positive feedback from Linate.

Customer Satisfaction Index

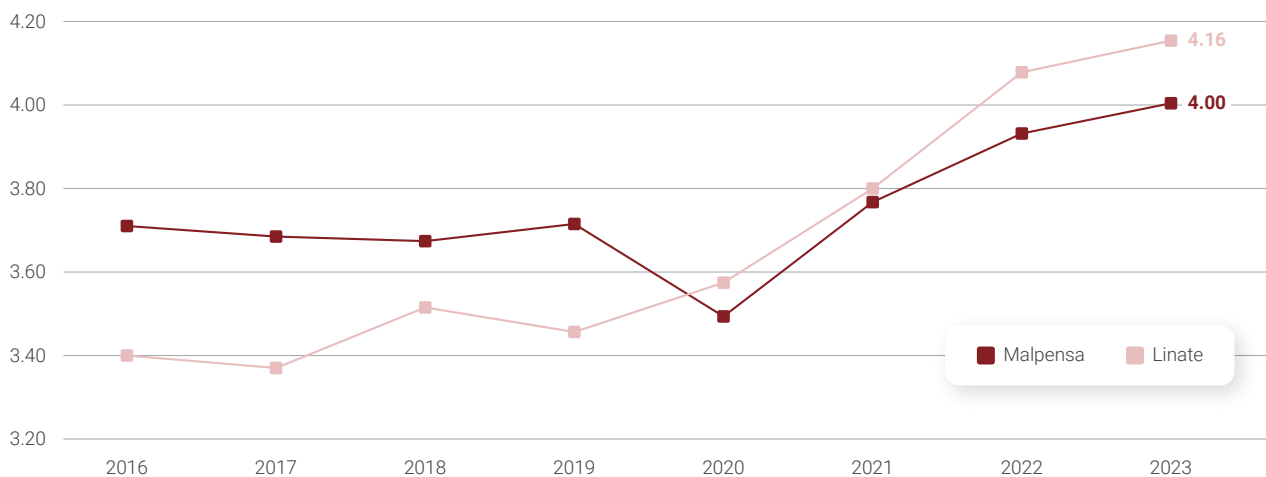
	2023	2022
Malpensa T1	77.2	78.6
Malpensa T2	73.1	-
Linate	78.1	80.3
System	76.9	79.1

Source: CFI Group

For 2023, SEA once again renewed its membership of the ACI ASQ programme. This allows the airport to compare KPIs related to the quality of service perceived by passengers with the world's biggest airports, and particularly those in Europe and Italy.

Passenger satisfaction at Malpensa and Linate airports has improved steadily over the years, and the 2023 figure confirms this upward trend, with a particularly positive performance reported at Linate, including compared to the EU average.

ACI ASQ Overall Satisfaction



Source: SEA

Further technical and infrastructural work was performed in 2023 to support the customer experience. Specifically, at Malpensa Terminal 2:

- 21 self-bag-drop stations have been introduced at check-in, allowing travellers to drop off their checked baggage independently;
- the entire security control area has been completely renovated with a more functional layout;
- the commercial offer for passengers has been improved with a completely new duty free with an area of more than 1,500 m² and a host of food and beverage outlets with innovative formulas, some seen for the very first time in Italy;
- a free WIFI service is offered, providing fast, open, free access, along with charging points for mobile devices.

In order to create a sense of place fit for Milan, a collaboration was established with the Triennale Milano and the Museum of Italian Design, which made available a series of works by famous Italian designers, on display at Linate airport.

2023 also saw the return of artistic and cultural events in the railway station atrium at Malpensa Terminal 1, in addition to cultural initiatives, which are regularly renewed, at Porta di Milano and in SEA Club's VIP Lounges.

To complement the perceived quality monitoring system, a 24-hour passenger satisfaction surveying system was introduced in 2015 concerning various individual services. This system uses various faces that can be chosen on a totem (green, yellow, red face). 140 totems allow passengers to express an opinion immediately after using a service. The areas monitored are security, sanitary services, commercial businesses and general maintenance areas. The monitoring process provides daily and hourly data, allowing alerts to be shared by suppliers, business managers, and operators via an app, email, or dashboard, facilitating immediate interventions to improve quality standards.

PASSENGER OPINION

Since 2020, SEA has managed Google reviews on Google Maps and the search engine by responding to passenger comments. 11,866 reviews of Linate and Malpensa were uploaded in 2023, an increase of 8% on 2022. The system's rating is stable, at an average of four stars.

Google reviews of Milan airports in 2023 (values on a scale of 0-5)

Airport	Rating			Reviews			Comments		
	2023	2022	Change	2023	2022	Change	2023	2022	Change
Malpensa	3.84	3.83	+0.3	7,330	7,074	+3.6	3,043	3,254	-6.5
Linate	4.30	4.27	+0.7	3,274	3,881	-15.6	1,297	948	+36.8

Source: SEA

CERTIFICATIONS AND AWARDS

In 2023, SEA won the following international awards:

The **ACI Europe Best Airport Award 2023**, awarded to Linate airport by the Airport Council International Europe (an industry association representing European airports), recognising it as the top airport in the category handling between 5 and 10 million passengers. This award acknowledges the dedication and achievements of all SEA staff and the airport community.

The prestigious **Airport Service Quality Award (ASQ)** award from ACI World, obtained by both airports as two of the best airports in Europe in 2023 within their respective categories - 5-15 million passengers at Linate and 25-40 million at Malpensa, based on passengers' overall satisfaction. ASQ is the international programme for surveying perceived quality and passenger satisfaction across all airport services. It is managed by ACI World through a shared questionnaire distributed to passengers at the gate before boarding at participating airports. Around 400 airports around the globe participated in 2023, of which more than 110 in Europe alone, with almost 600,000 questionnaires collected. The ratings for Linate and Malpensa airports have progressively improved in recent years, reaching an overall satisfaction level of 4.16 and 4.01 in 2023 respectively, on a scale of 1 (poor) to 5 (excellent).

In addition, the **ACI World Airport Customer Experience Accreditation** continues for both airports, an initiative that forms part of the international Airport Service Quality (ASQ) benchmarking programme, which involves the progressive achievement of management process “maturity” levels for all activities related to Customer Experience and service quality improvements. In 2023, Linate airport reached Level 3 for the first time, while Malpensa airport maintained its Level 3 status for the second consecutive year, making it one of just a few airports in Europe to reach this milestone.

Annual audits confirmed the validity of the ISO 9001 and ISO 27001 certifications.

Commercial services offering

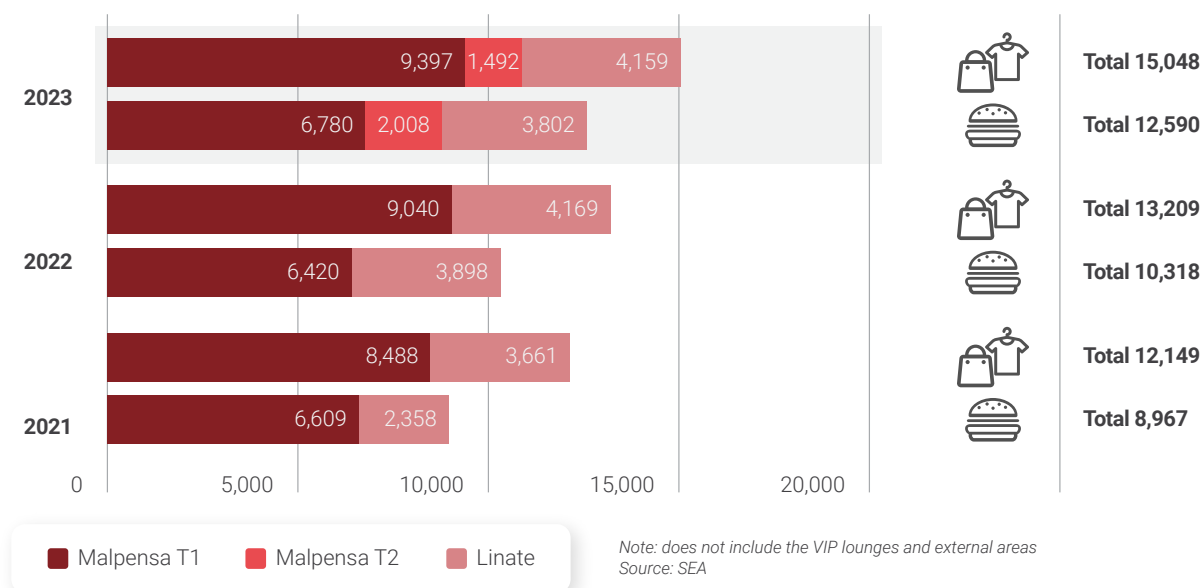
Non-Aviation activities include:

- retail activities (duty free and duty paid sale to the public, catering, car hire, advertising, the management of spaces for the carrying out by third parties of banking activities);
- the management of parking;
- the management of cargo spaces;
- the management of advertising spaces;
- other activities, categorised as “Services and other revenues”, including vehicle maintenance, real estate management, such as leasing and concessions of portions of the airport grounds, technological and design services, and unregulated security services.

RETAIL

The sales points within the passenger terminal offer both duty free products (therefore excluding VAT and other taxes), and duty paid products (therefore under normal conditions and excluding therefore the benefit of the above-mentioned exemption).

Operating areas allocated to public sale and food & beverage activities (m²)



The retail sector activities carried out at the airports offer the public and passengers a wide range of products and brands which satisfy the entire customer base and are differentiated at each terminal:

- Malpensa, dedicated to luxury and duty free shopping;
- Linate, which focuses on a specialised high-end business offer.

In 2023 SEA's airports had 93 operating points of sale, corresponding to commercial spaces of 15,048 m² (+1,839 m² on 2022), of which 9,397 m² at Malpensa Terminal 1, 1,492 m² at Malpensa Terminal 2, and 4,159 m² at Linate.

Over the past year, the recovery of traffic in the non-Schengen area of Terminal 1 has resulted in the enhancement of the retail offer through the expansion and renovation of luxury brand outlets. The recently reopened Terminal 2 features a new lay-out and expanded walk-through duty free shop, with a wider range of products compared to pre-COVID times, all within a more modern and pleasant environment.

As regards food & beverages, in 2023 there were 65 bars and restaurants operating in the terminals managed by SEA, covering an area of about 12,590 m² (+2,272 m² compared to 2022), of which 6,780 m² at Malpensa Terminal 1, 2,008 m² at Malpensa Terminal 2, and 3,802 m² at Linate. The food & beverage offerings from top industry brands were also expanded and refreshed across various areas of Terminal 1. Terminal 2 houses a brand serving fresh products and providing a quick "on-the-go" service.

Operating retail areas of the Milan airports by millions of passengers (m²/passengers)

	2023	2022	2021
Malpensa T1	759	729	1,577
Malpensa T2	765	-	-
Linate	849	1,052	1,398

Source: SEA

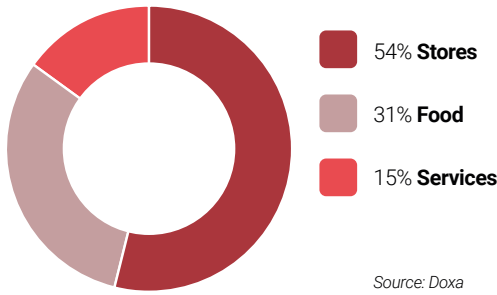
COMMERCIAL OFFER QUALITY

"Mystery shopping" was introduced in 2011 - an instrument which verifies the quality of commercial services - based on visits and interviews carried out by "incognito" personnel in order to obtain structured information on the shopping experiences of airport users. At the sales point, the mystery shopper, undertaking the experience of a "typical customer" focuses upon:

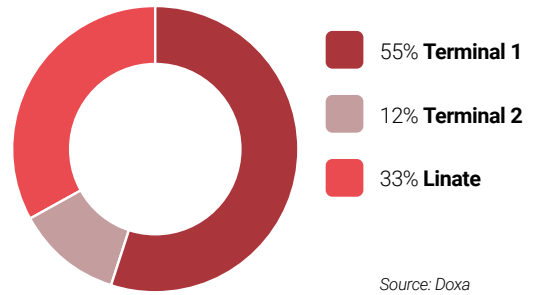
- the attitude and conduct of sales personnel;
- their level of knowledge and professional ability;
- their problem-solving capacity;
- their sales skills, customer attention ability and proposal of complementary purchases;
- their capacity to listen, empathy and demeanour;
- fulfilment of the corporate philosophy;
- in-store feel.

During 2023, 192 commercial businesses generated a total of 527 different visits in terms of store types and airport locations.

Shops visited by type of activity

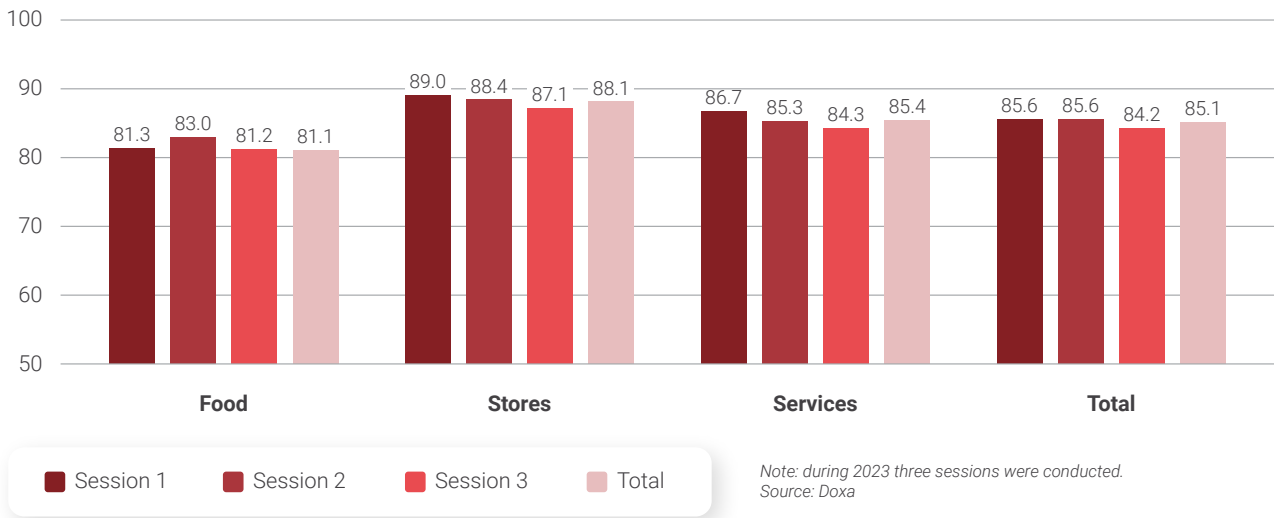


Shops visited by location

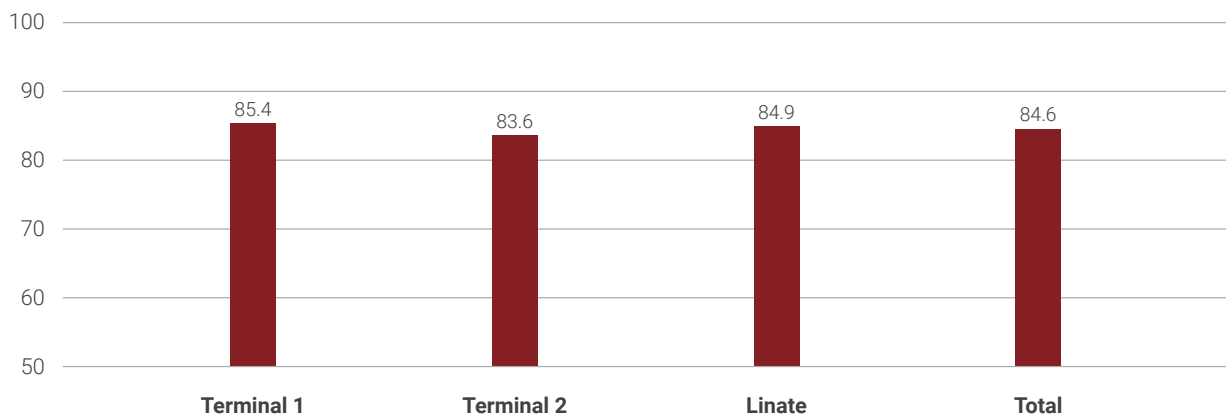


Analysing the data according to business type, in 2023 stores and services report above average satisfaction (88.1% and 85.4% respectively), while the food category presents a satisfaction figure that is below the average (81.1%).

Mystery Shopping - Average perceived quality value by type of business (Scale 1-100)

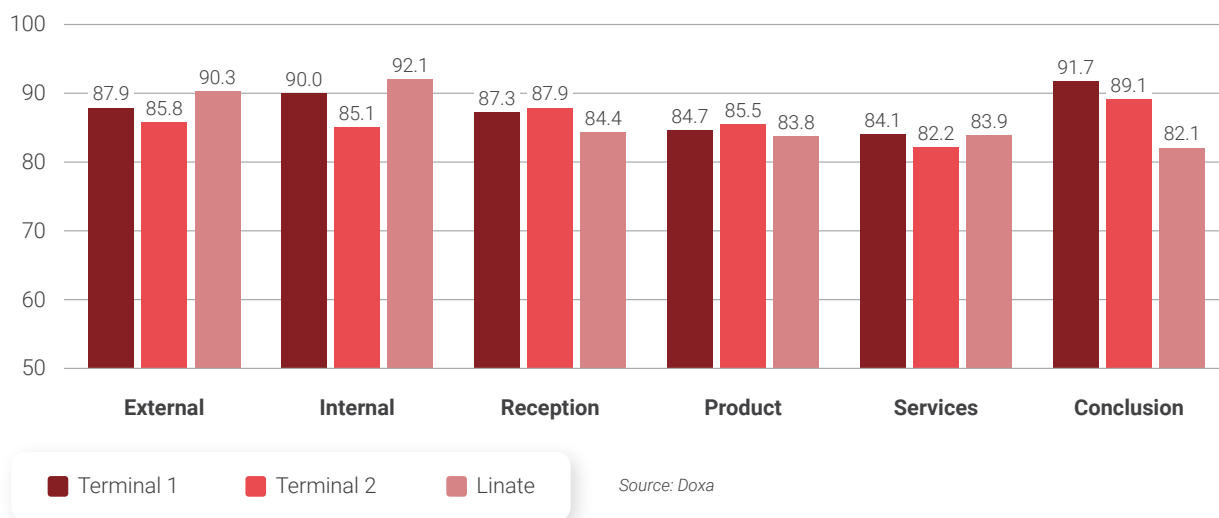


Mystery Shopping - Average perceived quality value by airport (Scale 1-100)



Source: Doxa

Mystery Shopping - Driver of perceived quality by airport (Scale 1-100)



PARKING

SEA directly manages the parking lots of its own airports, and, from 2014, will also manage that of Orio al Serio Airport. The ViaMilano Parking system offers over 24,000 parking spaces.

Number of parking spaces

	2023	2022	2021
Malpensa T1	6,685	6,937	6,729
Malpensa T2	5,338	5,924	6,131
Linate	4,327	2,885	3,026
Total	16,350	15,746	15,886

Note: The figures refer only to the number of available spaces.
Source: SEA

Malpensa T1 - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2023	6,685	417,275	4.8
2022	6,937	444,114	3.6
2021	6,729	245,539	6.6

Note: the data relating to capacity refer to the spaces available and usable during the year in long-term car parks.

The data on the number of paying vehicles in 2021 have been restated, following an improvement in the data collection process. For data on previous years, please refer to the 2021 Non-Financial Statement.

Source: SEA

Malpensa T2 - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2023	5,338	137,802	5.5
2022	5,924	44,266	3.4
2021	6,131	5,299	1.7

Note: The capacity figures refer to available spaces and utilizable during the year in long-term car parks.

Source: SEA

Linate - Parking service performance indicators

Year	Capacity (No. spaces)	Paying car transits (No.)	Average stay (days)
2023	4,327	258,774	2.2
2022	2,885	210,984	2.8
2021	3,026	142,517	7.4

Note: the data relating to capacity refer to the spaces available and usable during the year in long-term car parks.

The data on the number of paying vehicles in 2021 have been restated, following an improvement in the data collection process. For data on previous years, please refer to the 2021 Non-Financial Statement.

Source: SEA

In 2023, it was possible to pay for short-term parking at Malpensa T2 via an app, Telepass Pay, or the newly launched EasyPark system. In addition, following the opening of the MM4 metro line, a framework agreement was signed between SEA, the Municipality of Milan, and ATM, to offer discounted parking to metro users (P3 Smart). The number of partners for electronic toll collection increased following a specific agreement with the new player UnipolMove.

Quality of services to Cargo City operators

The management and handling of incoming and outgoing freight and mail at Malpensa airport are carried out by independent operators, who provide their services in specific sectors on the basis of commercial agreements, in compliance with the rules and procedures laid down in the Airport Regulations. The cargo services offered at Malpensa airport include the physical handling of all types of air cargo, together with a wide range of ancillary services such as carrier representation services (including document handling), customs services, road freight services, bookings, and the sale of space on board aircraft.

A Cargo Service Charter was adopted at Malpensa airport in 2014 in order to:

- define performance and quality levels which satisfy the expectations of operators utilising the cargo assistance services;
- ensure SEA the availability of a regulation and control system for the cargo services provided at the airport, in order to guarantee the quality of the final result.

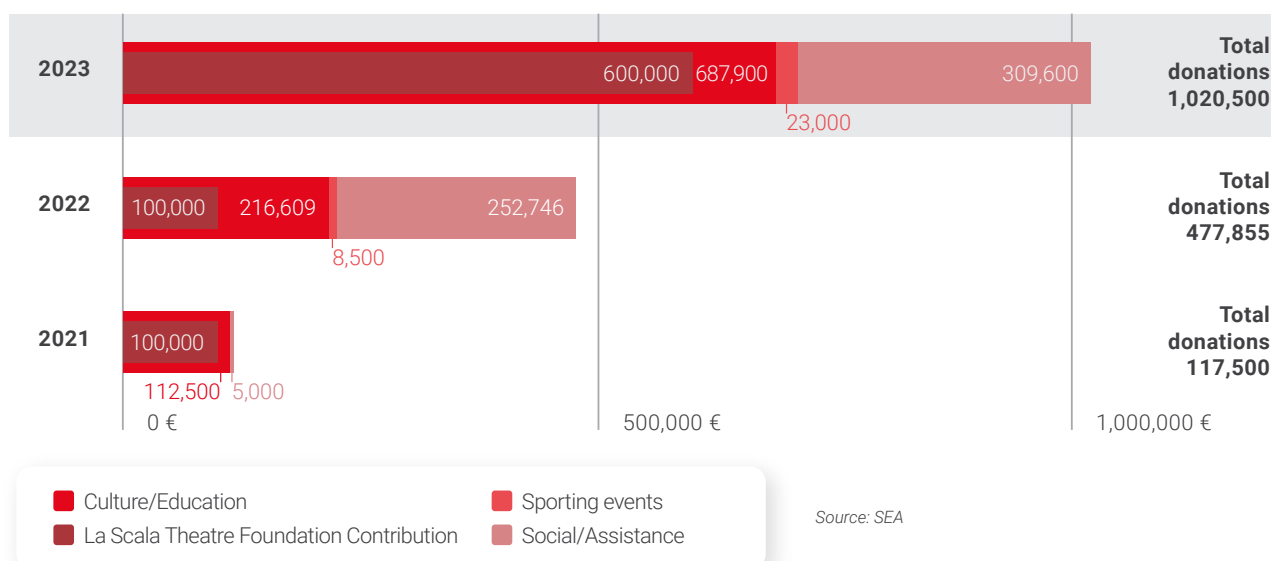
The measurement of cargo service quality levels defined by the Charter is based on the “Cargo iQ” system promoted by IATA and defines, among other things, operating standards and service levels for the main airport processes that form part of the system.

To consult the data on service levels provided at Malpensa airport, please refer to the Services Charter published annually on the SEA website via the following link: <https://www.milanomalpensacargo.eu/en/cargo-city>.

Investments in Corporate Citizenship

The majority of SEA’s charitable donations over the past three years, totalling over Euro 1.2 million, concerned support for cultural initiatives, such as the Teatro alla Scala Foundation in Milan. As a founding member, SEA actively participates in the promotion of musical culture throughout the world, supporting the national artistic heritage and improving its quality level. In 2022, with the positive recovery of the Company’s economic performance, SEA increased its allocations to donations compared to previous years, especially concerning social and welfare aspects.

Donations made over the last three years (Euro)



OUTCOME

SEA's "Outcome" corresponds to the systemic impact generated to the benefit of the socioeconomic context in which it operates. It defines and measures how the management of the airport system has acted as an enabling factor and catalyst for economic and social development through the generation of air connectivity of adequate quality in harmony with the competitive profile of the local area served.

Connectivity

The direct connectivity index is a better measure to define the outcome generated by an airport than the mere number of destinations served because it also takes into account the number of flights available for the destinations concerned and thus the ease of reaching them.

WORLDWIDE AND EUROPEAN CONNECTIVITY INDEX

In 2022, Malpensa airport significantly improved its position in the ranking of best-connected airports globally, rising from 56th to 27th place - with a connectivity index of 2.61 (vs. 2.78), returning to pre-pandemic connectivity levels (in 2019 Malpensa was ranked 28th in the world by connectivity level, with an index of 2.58). The air connectivity index developed by ICCSAI refers to a network of 3,908 airports worldwide and considers the average number of flights needed to reach all the other airports in the considered network (worldwide or European) starting from a given airport. In terms of European connectivity (referring to a sample of 480 continental airports) Malpensa went from 32nd place in 2021 to 21st in 2022 (it was 17th in the pre-pandemic period), with an index of 1.87 (compared to 1.92 the previous year). Linate ranks 329th among airports worldwide for global connectivity (with an index of 3.11) and 113th in the continental accessibility ranking (compared to 102nd in 2021), despite recording a slight improvement in the index (2.23 vs. 2.24) (Source: ICCSAI Fact Book 2023).

CONNECTIVITY AND TRAVEL TIMES

An indicator which provides a more accurate measure of the level of accessibility to Europe by individual airports is based on the minimum travel times to reach other European airports.

Travel time includes both the flight time and the waiting time at interim airports (in the case in which more than one flight is necessary to reach a particular destination). For absolute comparison purposes, from Amsterdam Airport (the best connected European airport in 2022) it was possible to reach 355 European airports in a day with an average connection time of 271 minutes.

Connectivity indicators and travel times of the Milan airports

	2022		2021		2020	
	MLA	LIN	MLA	LIN	MLA	LIN
No. European airports connected same day	353	348	342	338	288	267
Average connection time (minutes)	333	371	388	399	434	451

Source: ICCSAI Fact Book 2021, 2022, 2023

Malpensa airport significantly improved its position in this European ranking, moving to 17th place (23rd in the previous year), with 353 airports reached in the same day (the highest number among Italian airports), and average connection times of 333 minutes (compared to 388 minutes the previous year). Linate airport is in a similar situation, ranking 33rd (32nd in the previous year) in the continent and 4th nationally, being connected with 348 airports that can be reached in a day with an average time of 371 minutes.

ACCESSIBILITY TO EUROPEAN GDP

Malpensa is the highest-ranked Italian airport - and the only one in the top 10 - in the continental ranking based on the share of European GDP that can be reached in a limited time.

% European GDP reachable based on flying time

	2022		2021		2020	
	MXP	LIN	MXP	LIN	MXP	LIN
% of EU GDP reachable within 2 hours	80.3	55.87	76.7	55.4	62.4	40.6
% of EU GDP reachable within 2-4 hours	18.61	34.23	17.7	33.2	21.8	26.3
European ranking position	8°	35°	7°	25°	11°	23°

Source: ICCSAI Fact Book 2021, 2022, 2023

The connectivity of destinations according to the travel time is more indicative of quality than connectivity measured exclusively in terms of the number of connections within the continental network. In this regard, Malpensa is in 8th place (slipping only one position) in the European ranking, with a significant improvement in performance compared to the previous year. Meanwhile, Linate fell to 6th place (it was 3rd the previous year) in the national ranking and to 35th place in the European ranking, despite slightly improving its performance.

The socioeconomic impact of the airports

In 2023, the Milan airport system began once again to play a role - if not fully, then notably more than in recent years - in attracting capital, in generating employment opportunities and in introducing or acting as a catalyst for investment in the Lombardy region and the entire North-West of Italy.

On the basis of the figures relating to the socio-economic impact of Milan airports reported in various studies commissioned by the Observatory on Milan Airports of the LIUC Business School and coordinated by Prof. Massimiliano Serati, the SEA airport system recorded a significant increase in direct, indirect, induced, and catalytic impacts in 2023 compared to the previous year. The overall consequences on the Lombardy region had a value of Euro 48.6 billion, corresponding to a capacity to create just under 295 thousand jobs.

TYPES OF IMPACT ANALYSED

Direct impact

This social impact derives from all the economic activities that provide services to passengers, in addition to the goods circulating within the airport structures (e.g.: carriers, shops, bars, restaurants, car hire, banks, shippers, handlers, state authorities, catering companies, etc.). This was reorganized starting from the list of shops which requested the issuing of a badge to operate within the airports. The average employment per sector and local units was obtained by cross-referencing Istat's (National Statistics Institute) national and regional databases, information solely related to airport systems and assessments conducted directly in the airports. The Value of Production was estimated by applying average employee productivity indices to the employment data.

Indirect and spin-off economic impact

The indirect impact is that generated by the provision of services and goods to passengers outside of the airport and by the supply chain - triggered by the providers of direct activities. This concerns the increase in end demand prompted by the expenditure of those operating in various forms on the basis of the presence of the airport. Estimating indirect and spin-off effects was undertaken using economic multipliers (respectively Leontief and Keynesian models), as is common practice in economic impact studies. These multipliers are based on national economic input-output models, adjusted per region, so it could be applied to the Lombardy scenario. The model establishes how much output each company or sector needs to acquire from every other sector to produce Euro 1 of goods or services.

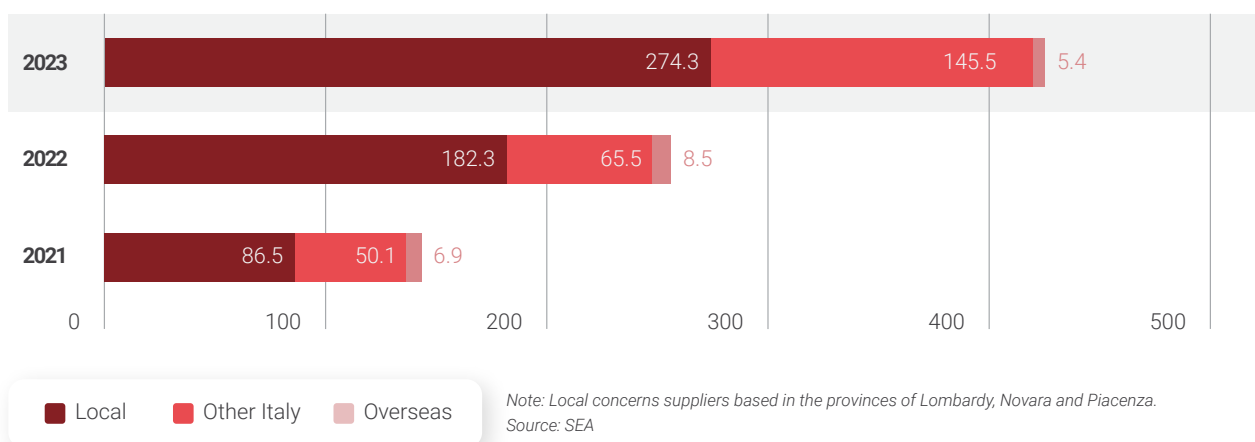
Catalytic impact

The definition of catalytic impact encompasses all the static and dynamic effects arising from the presence of an airport in terms of the attractiveness and the competitiveness of the area involved in its activity. By creating connectivity, the airport either triggers or amplifies socioeconomic development mechanisms, boosting the economic growth of the region.

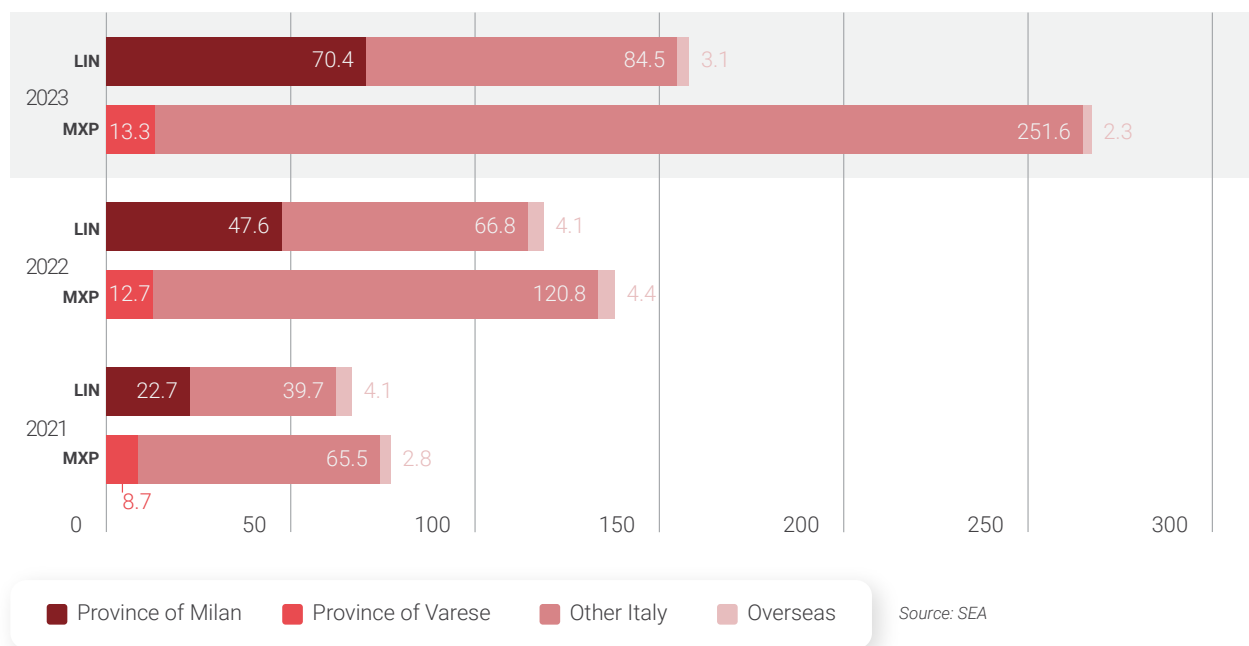
SEA'S IMPACT ON THE SUPPLY CHAIN

The economic impact generated on the local area by the SEA Group alone through purchases of goods and services supplies amounted to Euro 274.3 million in 2023, corresponding to 65% of the total value of Group purchases.

Order value by geographical origin (Euro millions)



Linate and Malpensa - Order value by region (Euro millions)



This result was achieved despite the fact that SEA does not select its suppliers by geographical origin, due both to the constraints of public tenders and to the Group’s prioritising of qualitative, economic and sustainability aspects over other supply criteria.

At Linate Airport, the value of orders placed with suppliers located in the Province of Milan was 45% of the total, while at Malpensa Airport, the value of orders placed with suppliers in the Province of Varese was 5% of the total.

Direct socioeconomic impact of Malpensa airport

In 2023, Malpensa airport recorded a significant increase in the number of operational units compared to the previous year (511 vs. 486), which reflects a substantial increase in both employment (+3,538 jobs, up by 19.6%) surpassing 2019 figures, and production value (Euro 6.16 billion, up by 18.6%), rising by just under Euro 1 billion compared to 2022.

Direct socioeconomic impact generated by Malpensa airport

Year	No. companies	Jobs created	Value of production (Euro mil.)
2021	484	18,141	3,040
2022	486	18,005	5,195
2023	511	21,543	6,162

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

However, we note that both the increase in production value and jobs created were influenced partly by the effects of inflation (a phenomenon that continued into 2023) and partly - to a much more significant extent - by the reopening of Terminal 2 to traffic.

DIRECT EMPLOYMENT IMPACT OF MALPENSA ON CUV (VOLUNTARY URBAN COMMITTEES) MUNICIPALITIES

The analysis of the regional employment distribution, directly due to Malpensa airport, shows that 76.2% of employees live in Lombardy, with over 6.3% residing in the neighbouring province of Novara and almost 16.3% residing in other regions.

Employment impact of Malpensa on the CUV municipalities

Year	Total direct employment activated from Malpensa	Direct employment activated at CUV municipalities	% CUV employed of total
2021	18,141	3,839	21.1
2022	18,005	3,828	21.3
2023	21,543	4,254	19.7

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

Less than half of employees (45.7%) were based in the Province of Varese, in which Malpensa airport is located, while in the CUV municipalities approx. 20% of employment generated by the airport was located (43.2% of the employment directly generated by Malpensa in the Province of Varese).

Indirect and spin-off socioeconomic impacts of Malpensa

Testament to the indirect impact of Malpensa airport (related to the supply chain external to the production units operating within the airport) in 2023 are the over 13.2 thousand job openings, related to Euro 2.2 billion of value of production generated.

Development of Malpensa's indirect and spin-off effect

Year	Indirect impact		Spin-off impact	
	Employment	Value of production (Euro mil.)	Employment	Value of production (Euro mil.)
2021	11,163	1,081	8,449	1,427
2022	11,079	1,848	8,385	2,437
2023	13,265	2,192	10,034	2,891

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

The spin-off effect (resulting from the increase of aggregate demand generated by salary and payments to employees operating inside the airport structures) represents, on the other hand, just over 10 thousand job openings with a value of production worth Euro 2.9 billion. The increases in the two impact dimensions are explained by the effects of inflation and the reopening of Terminal 2.

Catalytic socioeconomic impact of Malpensa airport

The concept of the catalytic impact is in line with the idea that the airport contributes to generating (and is a part of) a sort of eco-system of which the airport is initially the driving force and then the co-pivot.

Catalytic dynamics may therefore be the forces, which, in the long term, bring together in the airport's territory, people, production activities, competencies and technologies. By placing catalytic-type impacts in the broader context of territorial attractiveness it is clear that:

- the catalytic activation tends to become significant and transversal only beyond a certain airport size threshold and, correlates in a non-linear manner, to traffic flows;

- it is not easy to identify and separate the various breakdowns of the catalytic impact;
- there are feedback mechanisms, even if relatively weaker, by which the economic context, in its turn, triggers airport development.

ANALYSIS OF THE COMPONENTS OF MALPENSA'S CATALYTIC IMPACT

International trade

Manufacturing companies present in the territory benefit from the airport connections to export markets.

Tourism

Air access increases the number of inbound tourists to a country. This tourist spend supports a wide range of businesses: hotels, restaurants, shops, entertainment and leisure services, car hire, etc.

The attraction and the retention of production investments in the territory

The presence of an international airport in the vicinity is a key factor for companies deciding to relocate their offices, production plants or warehouses and to locate them there in the long term, as it ensures fast travel for both people and cargo, thereby increasing productivity.

THE ROLE OF MALPENSA IN INTERNATIONAL TRADE

The volume of air cargo to and from Italy represents a negligible share (2%) of the external national trade flows and is trumped by maritime transport as the key mode (despite international bottlenecks and the “container crisis” often leading to sudden changes in the overall picture). This might imply that the catalytic effect on trade at Malpensa airport is insignificant. However, this is not the case, as is evident when looking at the value of cargo rather than its volume alone. In Italy, air cargo accounted for over 9% of total international trade in 2023. This demonstrates that air cargo transportation is a crucial resource for driving a region's economic performance.

Development of the import-export flows of air cargo in Italy (Euro millions)

	Imports + Exports			Exports		
	Total Italy	Italy by air	Northern Italy by air	Total Italy	Italy by air	Northern Italy by air
2021	937,197	87,626	53,626	499,841	50,303	33,730
2022	1,231,115	108,289	68,987	601,306	68,141	44,828
2023	1,241,802	118,565	72,204	630,985	78,795	47,512
CAGR	4.8%	5.2%	5.1%	4.0%	7.8%	5.9%
Growth 23/22	0.9%	9.5%	4.7%	4.9%	15.6%	6.0%
Share 2021		9.3%*	61.2%**		10.1%*	67.1%**
Share 2022		8.8%*	63.7%**		11.3%*	65.8%**
Share 2023		9.5%*	60.9%**		12.5%*	60.3%**

* Italy by air/Italy total

** North by air/Italy by air

Note: last quarter estimated

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

However, the picture changes if we consider the value of goods transported by air, which, in 2022, accounted for 8.8% of Italian foreign trade, with a weighted average growth rate of 5.2% over the last three years, which is higher than the 4.8% of the value of the country's total foreign trade.

The three-year CAGR of exports by air also exceeded the overall figure (7.8% vs 4.0%). Overall, goods transited to and from Italy by air in 2023 amounted to Euro 118.5 billion, a significant increase compared to the previous year (+9.5%) and also considerably higher than the level achieved in 2019 (Euro 76 billion). If the focus is shifted to exports, it may be noted that 12.5% of Italian exports by value were moved by air in 2023 (compared to 11.3% in 2022). Of this total, more than 60% transited through northern Italian airports.

The import-export values (57.7 billion, +2.5 billion over the previous year, +4.5%) that transited through Malpensa in 2023 correspond to 4.65% of Italian foreign trade, which in 2022 was Euro 1,241 billion. The export-import balance from trade flows transiting through Malpensa remains positive and growing (Euro 18.2 billion in 2023, compared to 16 billion in 2022, and 11 billion in 2021).

Malpensa's role in this regard remained highly significant, not only in terms of its impact on the overall value of Italian exports (stable at 6.0% in 2023), but also in terms of its impact on national direct exports outside the European Union (where air cargo faces less competition from rail and road transport) which remained substantially unchanged in 2023 compared to the previous year (11.6% vs. 11.8%).

Impact of Malpensa cargo traffic on Italian export values (Euro millions)

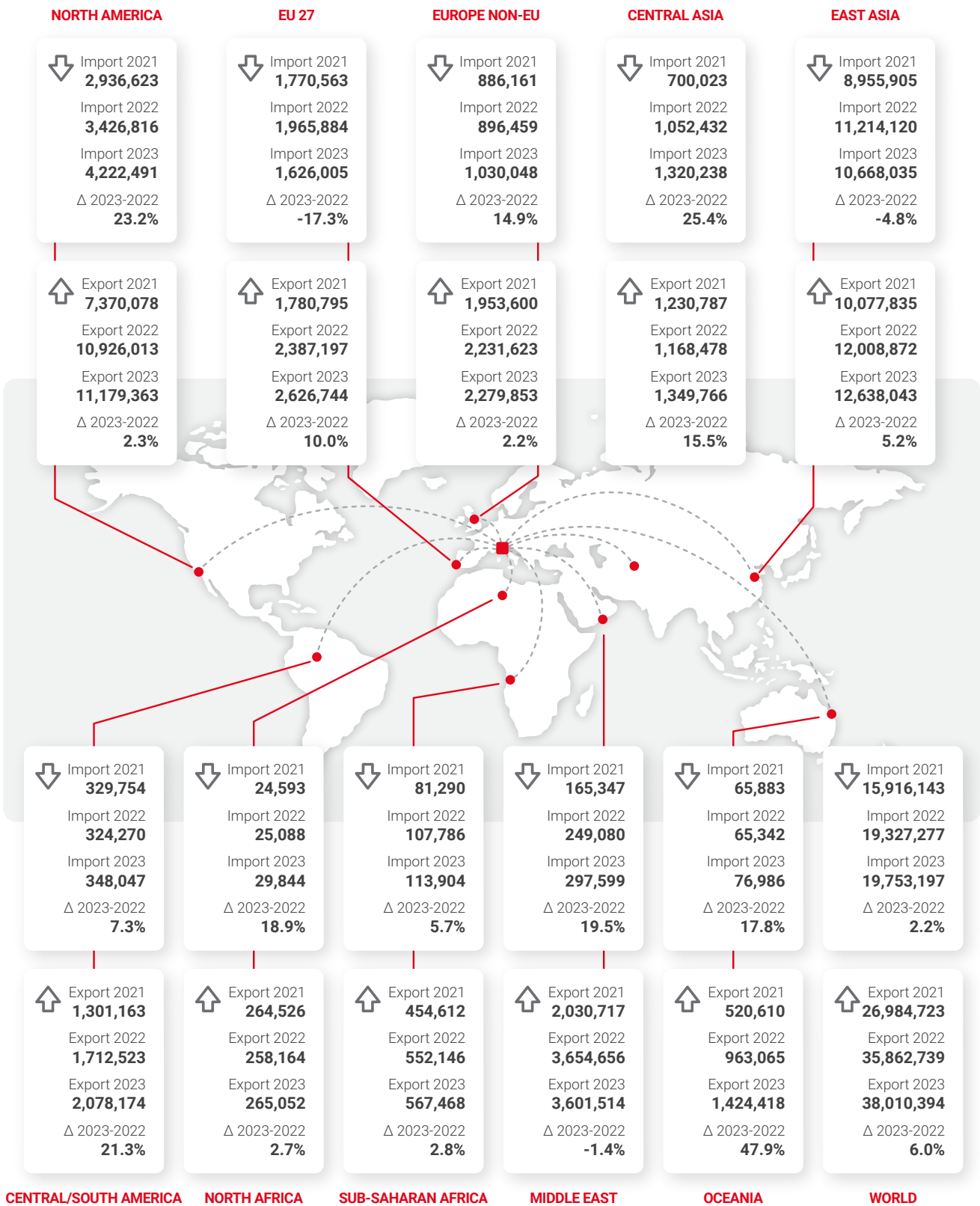
Year	Exports Italy	Exports via Malpensa	Exports via Malpensa/ Exports Italy	Exports Italy Non-EU	Non-EU exports via Malpensa	Exports via Malpensa Non-EU/Non-EU - Italy exports
2021	499,841	26,985	5.4%	239,840	25,204	10.5%
2022	601,306	35,862	6.0%	282,674	33,475	11.8%
2023	630,985	38,010	6.0%	303,322	35,383	11.6%

Note: last quarter estimated

Source: Observatory on Milanese airports - LIUC BS based on ISTAT-Coeweb data

With regard to the cargo flows transiting through Malpensa's Cargo City, imports amounted to Euro 19.7 billion (compared to Euro 19.3 billion in 2022), whereas exports grew to Euro 38.0 billion (compared to Euro 35.8 billion in the previous year).

Import-export movements in value terms via Malpensa by region (Euro thousands)



Note: last quarter estimated

Source: Observatory on Milanese airports - LIUC BS based on ISTAT-Coeweb data

The main reference markets are Eastern Asia, North America and the European Union. The Middle East and the rest of non-EU Europe are included when we consider only export values. Fluctuating trends for goods transiting through Malpensa were reported in major trade volume markets: Middle East (+19.5% imports, -1.4% exports), North America (+23.2% imports, +2.3% exports), East Asia (-4.8% imports, +5.2% exports). Significant disparities were also noted in the EU 27 market (-17.3% imports, +10.0% exports), Central Asia (+25.4% imports, +15.5% exports), and Oceania (+17.8% imports, +47.9% exports), which offset the less than stellar performance in major destination markets, especially in terms of exports. An analysis of flows of goods of the five main industrial sectors (together accounting for 93.1% of imports and 90.7% of exports in terms of value managed by Malpensa in 2023) suggests a strong drop in imports of furniture/furnishings (-14.5%) and chemical/plastics (-19.5%), which is counterbalanced by a significant increase in imports of means of transport (+27.5%) and mechanical products (+9.0%). Overall, imports of these five industrial sectors transiting through Malpensa grew by 2.1% on 2022.

Change in import-export flows through Malpensa per industry sector (Euro thousands)

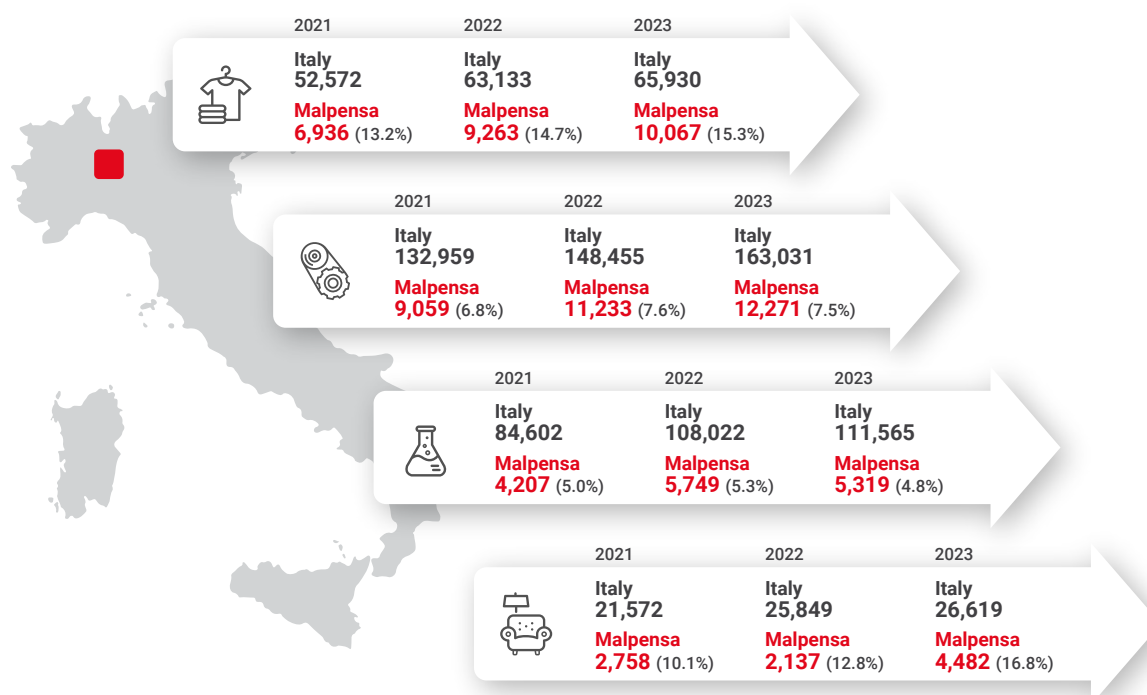
	Import 2021	Import 2022	Import 2023	Δ 2023-2022 (%)	Export 2021	Export 2022	Export 2023	Δ 2023-2022 (%)
Machinery	8,930,680	11,249,541	12,267,721	9.0	9,059,531	11,233,759	12,271,531	9.2
Fashion/clothes	1,304,919	1,647,864	1,408,832	-14.5	6,936,611	9,263,542	10,067,656	8.7
Chemicals/plastic	3,076,718	3,052,541	2,458,327	-19.5	4,207,919	5,748,999	5,319,365	-7.5
Furniture/furnishings	965,485	1,275,682	1,258,131	-1.4	3,068,669	4,064,456	4,482,592	10.3
Transport vehicles	605,524	776,880	990,320	27.5	1,823,812	2,509,279	2,330,004	-7.1
Total	14,883,326	18,002,508	18,383,331	2.1	25,096,542	32,820,035	34,471,148	5.0

Note: last quarter estimated

Source: Observatory on Milanese airports - LIUC BS based on ISTAT-Coeweb data

Export flows also performed unevenly. Furniture/furnishings (+10.3%), mechanics (+9.2%), and fashion/clothing (+8.7%) recorded significant increases compared to 2022. Meanwhile, chemicals/plastics (-7.5%) and means of transport (-7.1%) declined. Overall, exports via Malpensa in these industrial sectors grew by 5%.

Export value shares for some industrial sectors via Malpensa (Euro millions)



Note: last quarter estimated.

Source: Observatory on Milanese airports - LIUC BS based on ISTAT-Coeweb data

In addition, when looking at the share of exports transiting through Malpensa against the national total, broken down by industrial sectors, it is clear that for the furniture/furnishing and fashion/clothing sectors, exports managed by Malpensa's Cargo City continue to show a significant and growing trend (16.8% and 15.3% respectively), while the shares of the mechanical (7.5%) and chemical/clothing (4.8%) sectors remain stable compared to previous years.

In 2023, Malpensa's Cargo City saw nearly half and over one-third of the value of all Italian fashion and apparel sector exports to the rich and dynamic markets of the Far East and North America respectively, in addition to approximately a third of furniture/furnishings exports to the same markets. The shares of exports via Malpensa to East Asian markets by the mechanical sector (24.5%) are also significant (one-quarter of the national total).

Export quotas via Malpensa to the main world markets (Euro millions)

	2021		2022		2023	
	North America	East Asia	North America	East Asia	North America	East Asia
Fashion/clothes						
Total exports Italy	4,012	9,694	6,264	11,363	6,448	12,210
Total exports via Malpensa	1,354	4,342	2,340	5,239	2,483	5,542
Total exports via Malpensa/Total exports Italy	33.7%	44.8%	37.3%	46.1%	38.5%	45.4%
Machinery						
Total exports Italy	14,982	13,395	18,182	13,087	20,783	14,133
Total exports via Malpensa	2,692	2,783	3,555	3,363	3,918	3,459
Total exports via Malpensa/Total exports Italy	18%	20.7%	19.5%	25.7%	18.9%	24.5%
Chemicals/plastic						
Total exports Italy	7,882	6,200	10,826	7,845	12,687	11,304
Total exports via Malpensa	1,369	1,481	2,594	1,498	2,096	1,734
Total exports via Malpensa/Total exports Italy	17.4%	23.9%	24.0%	19.1%	16.5%	15.3%
Furniture/furnishings						
Total exports Italy	3,247	2,216	3,996	2,527	3,878	2,575
Total exports via Malpensa	833	638	1,042	771	1,097	875
Total exports via Malpensa/Total exports Italy	25.6%	28.8%	26.1%	30.5%	28.3%	34.0%

Note: last quarter estimated.

Source: Observatory on Milanese airports - LIUC BS based on ISTAT-Coeweb data

THE ROLE OF MALPENSA IN LOMBARDY'S TOURISM INDUSTRY

The existence of a positive and significant correlation between airport connectivity and tourist attractiveness is well-established in research literature.

On the basis of the data produced by the LIUC - SEA airport-tourism Observatory - it is estimated that:

- in 2023 Malpensa airport transported about 6.6 million tourists to Lombardy (+1.4 million compared to the previous year), of which 5.8 million were international tourists;
- the average stay in Lombardy was around 3.4 days for international visitors and around 2.6 for domestic visitors;
- the average daily expenditure was Euro 290 for foreign tourists (vs. Euro 252 the previous year) and around Euro 225 for Italian tourists (vs. Euro 200).

These figures were used to estimate the total overall expenditure generated by the influx of tourists passing through Malpensa on their way to Lombardy. These values, compared to the average productivity per employee per relevant sector, also generated data on the catalytic impact on employment.

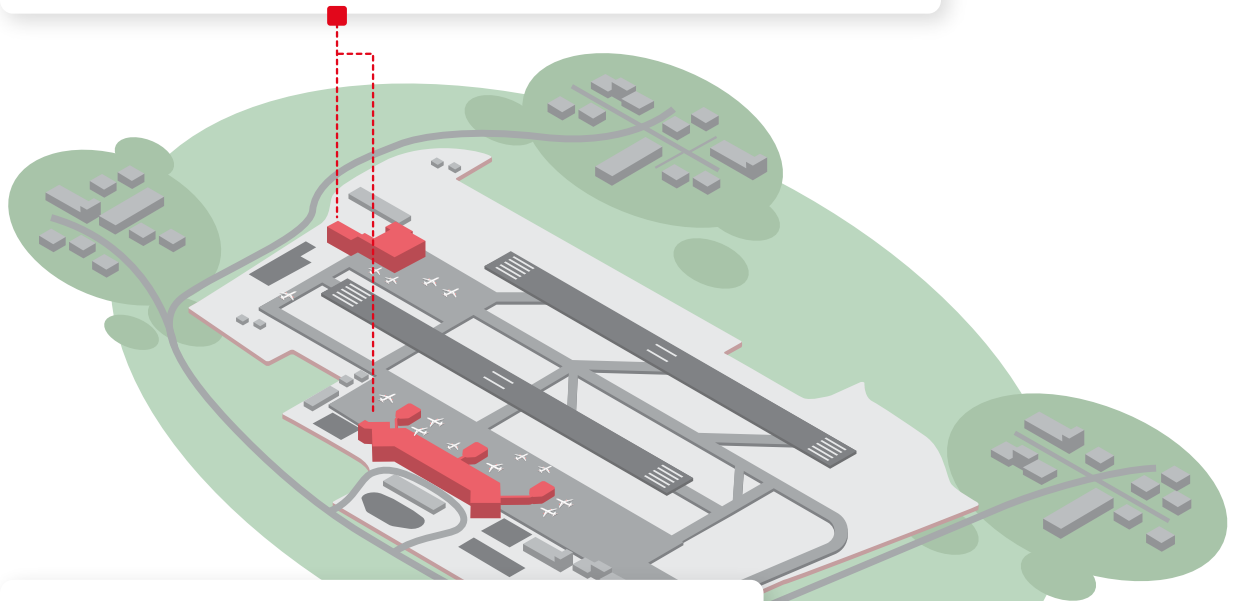
The economic scale of incoming tourism in 2023 is estimated at about Euro 6.2 billion (+Euro 2.1 billion compared to 2022). Employment generated by incoming tourism related to Malpensa is just under 110,000 units (+36,500 from 2022).

Socio-economic impact generated by tourist flows through Malpensa in 2023



Malpensa

6,612,270 Incomers	941 Total spend per passenger (Euro)
21,891,198 Nights spent in the region	6,220 Value of production (Euro mil.)
3.3 Average stay (days)	109,799 Jobs effect
283 Expenditure per night (Euro)	



Total international passenger expenditure (Euro)

81.8	292.6	182.9	346.4	81.8	TOTAL 985.3

Expenditure per night international visitor (Euro)

24.0	86.1	53.8	101.9	24.0	TOTAL 289.8

Total domestic passenger expenditure (Euro)

50.2	173.2	116.5	194.2	51.8	TOTAL 586.0

Expenditure per night domestic visitor (Euro)

19.3	66.6	44.8	74.7	19.9	TOTAL 225.4

Source: Observatory on Milanese airports - LIUC BS

The increase in the value generated by the tourism sector via Malpensa in 2023, compared to the previous year, is essentially the combined result of a significant increase in incomers during the year (especially international) and the equally strong rise in average spending per night, while the average stay in the area remained unchanged.

Development of Malpensa's catalytic impact on tourism

	2023	2022	2021	Δ% 23 vs. 22
Incomers	6,612,270	5,188,026	2,197,710	27.4
Nights spent in the region	21,891,198	16,945,242	8,664,981	29.2
Average stay (days)	3.3	3.3	3.9	-
Expenditure per night (Euro)	283	243	384	16.5
Total spend per passenger (Euro)	941	887	1,499	6.1
Value of production (Euro mil.)	6,220	4,151	3,294	49.8
Jobs effect	109,799	73,292	48,818	49.8

Source: Observatory on Milanese airports - LIUC BS

Overall socioeconomic impact of Malpensa

Putting together the results obtained from the estimates of the different types of impacts considered, it emerges that the overall socio-economic impact of Malpensa in 2023 - with variable degrees of intensity within a regional catchment area, which, based on the processes considered, stretches from the immediate hinterland, to Lombardy, to the entire north of Italy - corresponds to over Euro 41 billion of production value generated (+6 billion on 2022), and the creation of approx. 243,000 jobs (+47,000 on 2022).

Cumulative socioeconomic impact of Malpensa airport in 2023

Type of impact	Jobs effect	Value of production (Euro mil.)
Direct	21,543	6,162
Indirect	13,256	2,192
Spin-off	10,033	2,891
Catalytic	198,124	30,585
of which International trade	78,244	23,257
of which Tourism	109,799	6,220
of which Locating businesses	10,081	1,108
Total	242,956	41,830

Source: Observatory on Milanese airports - LIUC BS

Direct socioeconomic impact of Linate airport

Regarding direct impacts, as many as 318 businesses were active around Linate in 2022, (in line with the previous year), providing for an estimated 13,300 jobs, up 7.9% on 2022.

The main impact concerns state entities, handling operators, maintenance services and carriers, but also SEA, which had an impact of around 7.4% on the overall data.

The value of production was Euro 2,980 million, up 18.4% on 2022. Once again, the effect of inflation on the report value must be taken into account.

Direct socioeconomic impact generated by Linate airport

Year	No. companies	Jobs created	Value of production (Euro mil.)
2021	313	11,829	1,752
2022	321	12,369	2,516
2023	318	13,347	2,980

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

Indirect and spin-off socioeconomic impacts of Linate

The 2023 indirect impact generated by Linate (referring to external supply chains of production units operating within the grounds) grew by 7.9% in job creation terms, and by 18.4% in value of production terms, largely due to inflation. The same trend applies to the induced impact values (+7.9% job creation, +18.5% production value).

Development of the indirect and spin-off impact of Linate airport

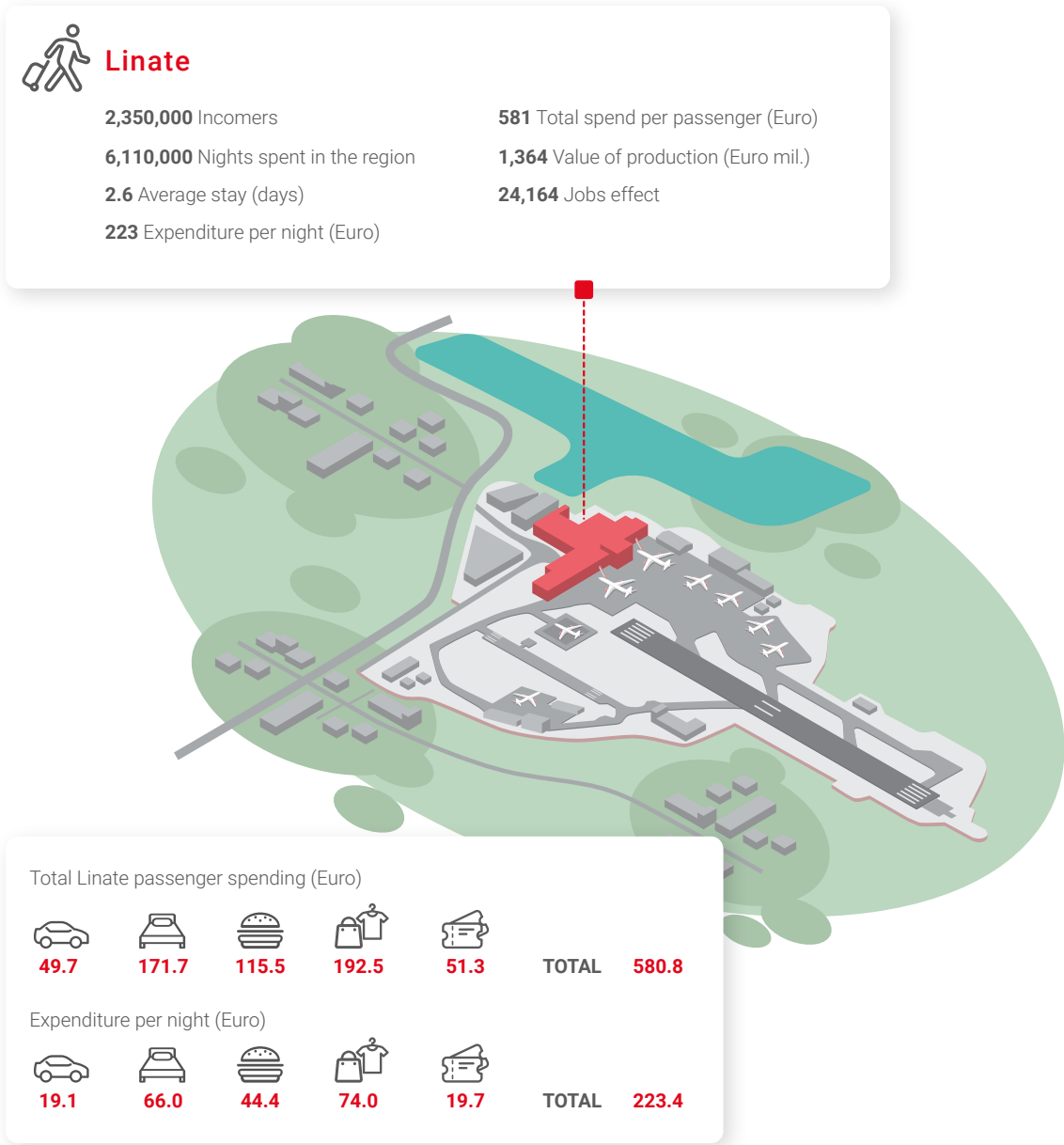
	Indirect impact		Spin-off impact	
	Employment	Value of production (Euro mil.)	Employment	Value of production (Euro mil.)
2021	7,279	623	5,509	822
2022	7,611	895	5,761	1,180
2023	8,213	1,060	6,216	1,398

Source: Observatory on Milanese airports - LIUC BS based on ISTAT data

Linate airport - Catalytic impact on tourism

The catalytic impact of tourism generated by the airport had an economic value equal to over Euro 1.36 billion, corresponding to the creation of more than 24 thousand jobs.

Socio-economic impact generated by tourist flows through Linate in 2023



Source: Observatory on Milanese airports - LIUC BS

Development of Linate's catalytic impact on tourism

	2023	2022	2021	Δ% 23 vs. 22
Incomers	2,350,000	1,917,293	1,076,891	22.6
Nights spent in the region	6,110,000	4,984,962	3,661,429	22.6
Average stay (days)	2.6	2.6	3.4	0
Expenditure per night (Euro)	223	199	186.2	12.1
Total spend per passenger (Euro)	581	518	633.0	12.2
Value of production (Euro mil.)	1,364	994	681	37.2
Jobs effect	24,164	17,603	9,851	37.3

Source: Observatory on Milanese airports - LIUC BS

Comparing the catalytic impact of 2023 with that of the previous year highlights a significant increase in the number of incomers (approximately +430 thousand) and of nights spent in the area (over 1.1 million more), in addition to a 12% increase in spending per night, with total passenger spending increasing by 12% compared to 2022.

Overall socioeconomic impact of Linate

Putting together the results obtained from the estimates of the different types of impacts considered, it emerges that the overall socioeconomic impact of Linate in 2022 - with variable degrees of intensity within a regional catchment area, which, based on the processes considered, stretches from the immediate hinterland, to Lombardy - corresponds to around Euro 6.8 billion of production value generated (+1.2 billion on 2022), and the creation of just under 52 thousand employment positions (+15,000 on 2022).

Cumulative socioeconomic impact of Linate airport in 2023

Type of impact	Jobs effect	Value of production (Euro mil.)
Direct	13,347	2,980
Indirect	8,213	1,060
Spin-off	6,216	1,398
Tourism catalytic	24,164	1,364
Total	51,940	6,802

Source: Observatory on Milanese airports - LIUC BS

ECONOMIC VALUE GENERATED AND DISTRIBUTED

The economic value generated represents the last stage of the SEA value creation process that derives from and depends on balanced, effective and forward-looking capital management which facilitates the offering of a competitive service and the generation of systemic positive outcomes capable of supporting and consolidating the organization's economic and financial success over time.

Economic performance of the Commercial Aviation business

The Commercial Aviation business includes Aviation and Non-Aviation operations: the former regards the management, development and maintenance of airport infrastructure and plant and the offer to SEA Group customers of services and activities related to the arrival and departure of aircraft, in addition to airport safety services.

The revenues generated by these activities are established by a regulated tariff system and comprise airport fees, fees for the use of centralised infrastructure, in addition to security fees and tariffs for the use of check-in desks and spaces by airlines and handlers.

Aviation operating revenues in 2023 amounted to Euro 412.8 million, equal to 57.0% of the total revenues of the Group, (up 20% compared to the previous year).

Portion of revenues from Aviation activities

	2023	2022
Aviation operating revenues (thousands of Euro)	412,773	343,442
Aviation revenues (% of total revenues*)	57.0	58.1
Other revenues (% of total revenues*)	43.0	41.9

* Net of airport fees collected relating to sentence no. 7241/2015 of the Court of Milan.

Source: SEA

The Non-Aviation business however provides a wide and segregated offer, managed both directly and under license to third parties, of commercial services for passengers, operators and visitors to the Airports, in addition to the real estate segment. The revenues from this area consist of the market fees for activities directly carried out by the Group and from activities carried out by third parties under license and of royalties based on a percentage of revenues generated by the licensee, usually with the provision of a guaranteed minimum. This segment includes also income from warehouse, space and office rental to cargo business operators, such as cargo handlers, transport companies and couriers.

Non-Aviation Business operating revenues reported in 2023 totalled Euro 293.6 million (+26.6% compared to the previous year) and represented 40.6% of total Group revenues.

Portion of revenues from Non Aviation activities

	2023	2022
Non-Aviation operating revenues (thousands of Euro)	293,610	231,982
Non-Aviation revenues (% of total revenues*)	40.6	39.3
Other revenues (% of total revenues*)	59.4	60.7

* Net of airport fees collected relating to sentence no. 7241/2015 of the Court of Milan.

Source: SEA

Specifically:

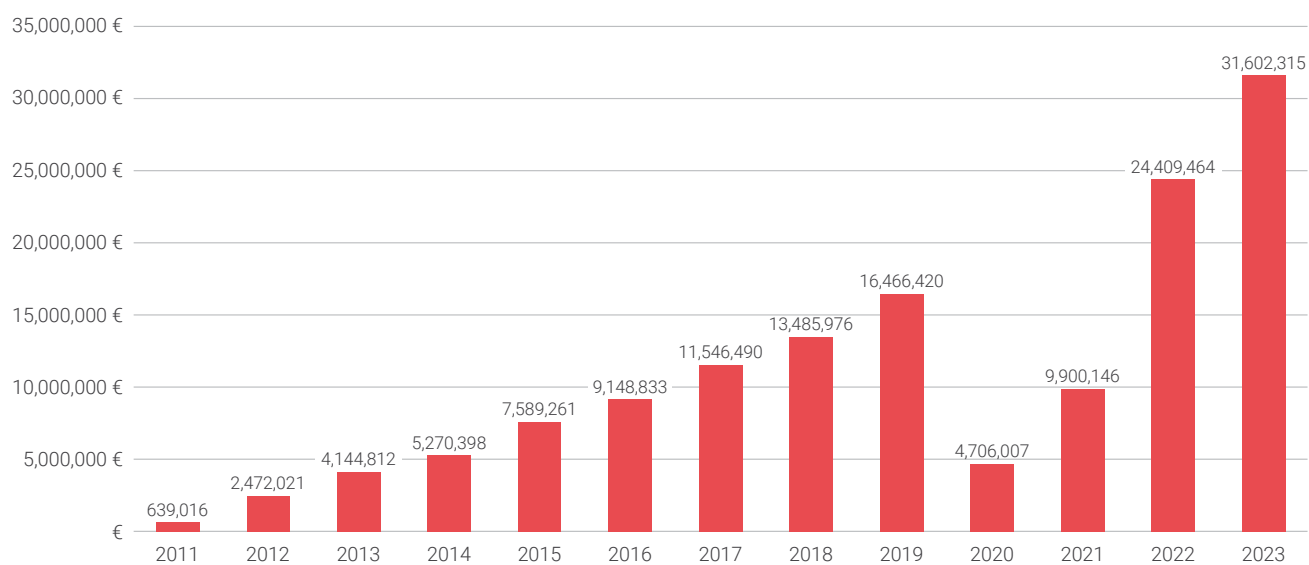
- the retail segment (stores, catering, car rentals and banks) reports revenues of Euro 126,054 thousand, up 33.6%;
- the parking business was up 23.8% on 2022, generating Euro 81,454 thousand in 2023;
- the Premium Services segment increased by 23.3% on 2022, generating revenues of Euro 26,255 thousand in 2023.

E-COMMERCE

E-Commerce turnover reached Euro 31.6 million in 2023, up 29% on 2022.

The most significant investments supporting e-Commerce channel sales include:

- the makeover of the B2B channel for Companies, Travel Agencies, and Freelancers;
- improvements to the sale of fast-track products and VIP lounges by time slot.



Source: SEA

Value generated and distributed to stakeholders

In 2023, SEA generated economic value of Euro 762.7 million, a 3.8% increase on the previous year.

Statement of the economic value generated and distributed by the Group (thousands of Euro)

		2023	2022	2021
Economic value directly generated		762,732	734,840	325,232
a) Revenues	Operating revenues	762,732	734,840	325,232
Economic value distributed		559,955	472,821	318,500
b) Reclassified operating costs	Reclassified consumable material costs and other operating costs	238,129	247,313	147,594
c) Commercial costs	Commercial costs	5,607	3,985	1,977
d) Employee salaries and benefits	Personnel costs	178,583	192,527	138,642
e) Payments to providers of capital	Dividends distributed in the year	84,710	2	2
	Financial charges	21,392	18,188	21,428
e) Payments to the Public Administration	Current income taxes and tax charges	30,513	10,329	8,738
g) Investments in the community	Donations, sponsorship and communication	1,021	478	118
Economic value	Calculated as the difference between the economic value generated and the economic value distributed	202,777	262,019	6,732

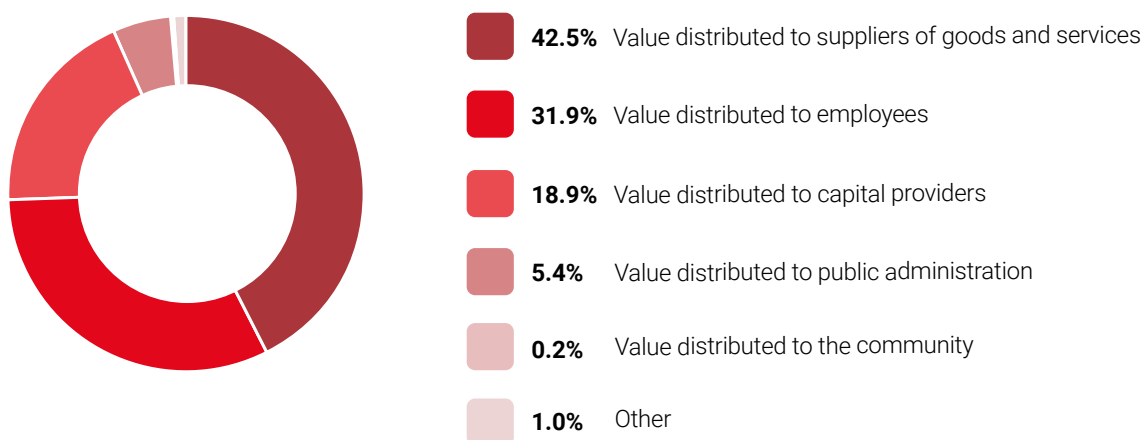
73.4% of this amount (Euro 560.0 million) was distributed to stakeholders in the form of payments and other forms of transfers (+18.4% on the previous year), increasing from Euro 472.8 million to Euro 560.0 million.

The main recipients were suppliers, who were distributed Euro 238.1 million (Euro 247.3 million in the previous year), equal to 42.5% of the total, and human resources, receiving Euro 178.6 million (31.9% of the overall value distributed).

The value distributed to capital providers was Euro 106.1 million, equating to 18.9% of the distributed value (Euro 18.2 million in 2022). The value distributed to the public administration in taxes and duties amounted to Euro 30.5 million, representing 5.4% of the total value distributed.

Finally, the value distributed to society and to the local area amounted to 0.2% and related to donations to service-sector entities and associations supporting cultural, humanitarian, scientific and sports projects.

Economic value distributed in 2023



Source: SEA

EU Taxonomy

As part of the European Union's strategy and the European Commission's Sustainable Finance Action Plan, a central role is taken by the classification system or "taxonomy" of sustainable activities, set out in Regulation (EU) 2020/852. This provides a unified system for classifying economic activities that can be considered environmentally sustainable.

The Taxonomy Regulation currently establishes a classification of environmentally sustainable economic activities. The European Commission has to date adopted Delegated Acts regarding the following environmental objectives:

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

Any company subject to the obligation to publish a Non-Financial Statement must include within that document information on how and to what extent the company's activities relate to economic activities considered environmentally sustainable under Articles 3 and 9 of the Regulation.

In accordance with the Regulations, to be considered "environmentally sustainable", an activity must:

- meet the substantial contribution criteria defined in the Regulation for each type of activity for at least one of the environmental objectives under the Regulation;
- do no significant harm (DNSH) to any of the other five objectives;
- comply with minimum safeguards, recognizing the importance of human rights and international standards, regarding labour rights, taxation, fair competition and corruption.

Non-financial entities must report the proportion of their turnover deriving from products or services associated with economic activities that are considered environmentally sustainable, the proportion of capital expenditures (CapEx) and the proportion of operating expenditures (OpEx) associated with such activities, in accordance with Articles 3 and 9 of the Regulation.

Analysis regarding the eligibility of activities was conducted for the six objectives under the regulation, while alignment covered only the climate change mitigation objective.

ELIGIBLE ECONOMIC ACTIVITIES

In 2023, in line with the European Commission's Delegated Regulation (EU) 2021/2178, passed on July 6, 2021, which supplements the Regulation by specifying the content and presentation methods of the information that companies are required to provide concerning environmentally sustainable economic activities, SEA updated the analysis of its revenue generating economic activities to assess their possible eligibility and alignment with the Delegated Acts of the EU Taxonomy Regulation.

Eligible revenue generating economic activities

Section	Activity	Environmental objective
2.1	Water supply	Sustainable Use and Protection of Water and Marine Resources
3.4	Maintenance of roads and motorways	Transition to a Circular Economy
4.9	Transmission and distribution of electricity	
6.17	Low carbon airport infrastructure	Climate Change Mitigation
6.20	Air transport ground handling operations	
7.7	Acquisition and ownership of buildings	

2.1 Water supply

SEA has full autonomy over its water supply following the construction of a series of artesian wells within the airport grounds. The principal water sources utilised are aquifers, to which seven wells located at Malpensa and eight wells located at Linate are linked. The water drawn from wells at the airport sites of Malpensa and Linate are distributed through internal aqueducts for consumption by SEA and other airport operators.

This activity generates revenues arising from the operation and maintenance of extraction and distribution systems and costs arising from system expansion and maintenance activities.

3.4 Maintenance of roads and motorways

This economic activity is applicable to SEA because the description refers to maintenance of “aerodrome runways, taxiways and aprons.” This activity generates revenue - through right-of-use fees for flight infrastructure and aircraft standby areas - and investment and operating expenses relating to upgrades and maintenance.

4.9 Transmission and distribution of electricity

The activity carried out by SEA relates to the management of distribution systems carrying electricity in high, medium and low voltage distribution systems. This activity is revenue generating because as of January 1, 2022, when the Closed Distribution System (SDC) came into effect, SEA assumed the role of electricity distributor for the grid. Investments and operating expenses related to the maintenance and upgrade of power lines, substations and generators are associated with this activity.

6.17 Low carbon airport infrastructure

SEA builds, operates and maintains infrastructure for the carbon-neutral operation of the airport’s own operations and for the supply of electricity and preconditioned air to parked aircraft. The business generates revenue by collecting airport fees related to centralised infrastructure management. Capital and operational expenses include the construction of 400 Hz facilities for parked aircraft and electric charging facilities for operational airport vehicles. It was not possible to estimate revenues associated with this activity in 2023 because SEA does not apply a fee specifically to this infrastructure. The calculation methodology will be defined next year.

6.20 Air transport ground handling operations

SEA carries out ground handling activities on behalf of handling companies operating at its airports, for which it collects revenues for centralised handling services (e.g. de-icing, maintenance work for third parties, airside passenger transport) and incurs capital and operating expenses for the design, purchase, operation and maintenance of related equipment (border control, entry-exit system, BHS, self bag-drop, operating equipment).

7.7 Buying real estate and exercising ownership of that real estate

SEA considers this activity eligible as it generates revenues from retail and real estate activities that can be considered as “exercising ownership of real estate.” The right-of-use that SEA has for the buildings it operates on the basis of the state concession may fall under the definition of “ownership.” According to point 158 of the FAQ published by the European Commission on December 19, 2022, income from property ownership - e.g. rents - can in fact be considered irrespective of the activities that take place in a building. The FAQ specifically mentions revenues generated by airport operators as part of their business (specifically, duty free stores).

ASSESSMENT OF ALIGNMENT WITH THE “CLIMATE CHANGE MITIGATION” GOAL OF REVENUE GENERATING ACTIVITIES

Alignment with the climate change mitigation objective was assessed for the activities described below, with the exception of activities 2.1, 3.4 and 6.20, which do not require such assessment as they are in their first year.

The alignment analysis regarding compliance with the substantial contribution criteria and DNSH of economic activities conducted for the remaining activities (4.9, 6.17 and 7.7) produced the following results:

4.9 Transmission and distribution of electricity

Substantial contribution criteria	Assessment result
<p>The transmission and distribution infrastructure or equipment is in an electricity system that complies with at least one of the following criteria:</p> <p>a. the system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems.</p>	<p>Criterion met</p> <p>The airport distribution network (ASDC - Other Closed Distribution Systems) is in turn interconnected to the national distribution network.</p>
<p>Do no significant harm</p> <p>Climate change adaptation</p> <p>The physical climate risks that are material to the activity have been identified from among those in the table under section II of Appendix A, by performing a robust climate risk and vulnerability assessment.</p>	<p>Criterion not met</p> <p>The Climate Change Adaptation Plan for Malpensa and Linate airports is nearing completion and will be adopted by the Company by 2024.</p>
<p>Transition to a circular economy</p> <p>A waste management plan is in place and ensures maximal reuse or recycling at end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners, reflection in financial projections or official project documentation.</p>	<p>Criterion not met</p> <p>Current general conditions for construction work do not explicitly contain minimum values for reuse, recycling, and recovery of waste generated.</p>
<p>Pollution prevention and control</p> <p>Activities do not use PCBs polychlorinated biphenyls.</p>	<p>Criterion met</p> <p>The electrical equipment containing dielectric fluids (e.g. insulation oil) used in the distribution network that could potentially contain PCBs (e.g. oil-insulated transformers, power capacitors, etc.) are certified as PCB-free from origin.</p>
<p>Protection and restoration of biodiversity and ecosystems</p> <p>An Environmental Impact Assessment (EIA) or screening has been completed in accordance with Directive 2011/92/EU. Where an EIA has been carried out, the required mitigation and compensation measures for protecting the environment are implemented. For sites/operations located in or near biodiversity-sensitive areas, an appropriate assessment, where applicable, has been conducted and based on its conclusions the necessary mitigation measures are implemented.</p>	<p>Criterion met</p> <p>Both airports recently underwent Environmental Impact Assessment for their master plans. The EIAs contain the appropriate Impact Assessments (Appropriate Assessment) in terms of the protection of habitats and ecosystems. Validity timeframe: 2030 Linate, 2035 Malpensa.</p>

6.17 Low carbon airport infrastructure

Substantial contribution criteria	Assessment result
<p>The infrastructure is dedicated to the provision of fixed electrical ground power and preconditioned air to stationary aircrafts. the infrastructure is dedicated to the zero direct emissions performance of the airport's own operations: electric charging points, electricity grid connection upgrades, hydrogen refuelling stations. The infrastructure is not dedicated to the transport or storage of fossil fuels.</p>	<p>Criterion met The airports are equipped with systems to supply power and air conditioning for parked aircraft.</p>
Do not significant harm	
<p>Climate change adaptation The physical climate risks that are material to the activity have been identified from among those in the table under section II of Appendix A, by performing a robust climate risk and vulnerability assessment.</p>	<p>Criterion not met The Climate Change Adaptation Plan for Malpensa and Linate airports is nearing completion and will be adopted by the Company by 2024.</p>
<p>Sustainable use and protection of water and marine resources Where an Environmental Impact Assessment is carried out in accordance with Directive 2011/92/EU of the European Parliament and of the Council and includes an assessment of the impact on water in accordance with Directive 2000/60/EC, no additional assessment of impact on water is required, provided the risks identified have been addressed.</p>	<p>Criterion met Both airports recently underwent Environmental Impact Assessment for their master plans. The EIAs contain the appropriate Impact Assessments (Appropriate Assessment) in terms of the protection of habitats and ecosystems. Validity timeframe: 2030 Linate, 2035 Malpensa.</p>
<p>Transition to a circular economy At least 70% (by weight) of the non-hazardous construction and demolition waste (excluding naturally occurring material defined in category 17 05 04 in the European List of Waste established by Decision 2000/532/EC) generated on the construction site is prepared for reuse, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy and the EU Construction and Demolition Waste Management Protocol. Operators limit waste generation in processes related to construction and demolition, in accordance with the EU Construction and Demolition Waste Management Protocol and taking into account best available techniques and using selective demolition to enable removal and safe handling of hazardous substances and facilitate reuse and high-quality recycling by selective removal of materials, using available sorting systems for construction and demolition waste.</p>	<p>Criterion not met Current general conditions for construction work do not explicitly contain minimum values for reuse, recycling, and recovery of waste generated.</p>
<p>Pollution prevention and control Measures are taken to reduce noise, vibration, dust and pollutant emissions during construction maintenance works.</p>	<p>Criterion met Specific directions and requirements in this regard are provided to contractors performing the work in compliance with specific requirements of the Master Plan EIAs and as stipulated in the general terms and conditions of the contract, which require specific Site Environmental Plans to be prepared.</p>
<p>Protection and restoration biodiversity and ecosystem An Environmental Impact Assessment (EIA) or screening has been completed in accordance with Directive 2011/92/EU. Where an EIA has been carried out, the required mitigation and compensation measures for protecting the environment are implemented. For sites/operations located in or near biodiversity-sensitive areas, an appropriate assessment, where applicable, has been conducted and based on its conclusions the necessary mitigation measures are implemented.</p>	<p>Criterion met Both airports recently underwent Environmental Impact Assessment for their master plans. The EIAs contain the appropriate Impact Assessments (Appropriate Assessment) in terms of the protection of habitats and ecosystems.</p>

7.7 Buying real estate and exercising ownership of that real estate

Substantial contribution criteria	Assessment result
For buildings built before December 31, 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before December 31, 2020 and at least distinguishes between residential and non-residential buildings	Criterion not met At December 31, 2020, no buildings on airport grounds have energy performance in line with APE Class A.
For buildings built after December 31, 2020, the Primary Energy Demand (PED), defining the energy performance of the building resulting from the construction, is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements. The energy performance is certified using an as built Energy Performance Certificate (EPC).	Criterion not applicable to SEA in 2023
For buildings constructed after December 31, 2020 and larger than 5,000m ² : <ul style="list-style-type: none"> ■ The building resulting from the construction undergoes testing for air-tightness and thermal integrity, and any deviation in the levels of performance set at the design stage or defects in the building envelope are disclosed to investors and clients. ■ The life-cycle Global Warming Potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle and is disclosed to investors and clients on demand. 	Criterion not applicable to SEA in 2023
Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW) it is efficiently operated through energy performance monitoring and assessment.	Criterion not applicable to SEA
Do not significant harm	
Climate change adaptation The physical climate risks that are material to the activity have been identified from among those in the table under section II of Appendix A, by performing a robust climate risk and vulnerability assessment.	Criterion not met The Climate Change Adaptation Plan for Malpensa and Linate airports is nearing completion and will be adopted by the Company by 2024.

MINIMUM SAFEGUARDS

The minimum safeguards are procedures put in place by entities conducting economic activities in order to ensure that it is in line with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions identified in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

The nine categories evaluated were as follows: human rights policies, human rights due diligence and risk assessment, management of human rights impacts, grievance mechanisms, consumer interests, anti-corruption, competition, and taxation.

SEA ensures that its activities align with the principles mentioned above through policies, procedures, management systems and controls, namely:

- The Corporate Code of Ethics, which outlines the rules, values, and principles underpinning SEA's operations and serves as a guide for the behaviour and actions of all relevant stakeholders. It includes mechanisms for reporting breaches by stakeholders, which are collected and investigated by the Ethics Committee.
- The Supplier Code of Conduct, which all suppliers who participate in public tenders are required to sign when establishing new contracts. SEA verifies the suppliers' policies on the protection of human and labour rights, possession of certification such as SA8000, inclusion of human rights in suppliers' Codes of Ethics, or adherence to global human rights conventions.
- The Whistleblowing Procedure, which governs the process of reporting conduct in potential breach of the 231 Model and Code of Ethics.
- Anti-corruption policy and management system (ISO 37001).
- UNI PdR 125/2022 certification on gender equality.

For more detailed information, please refer to the “Governance” and “Sustainability” sections of the company website, and <https://milanairports.com/business/en/b2b/suppliers>.

At present, SEA has not adopted specific human rights adaptations within the scope of its internal audit and corporate risk assessment processes. For this reason, when adopting a conservative approach, SEA’s procedures do not fully cover the requirements of minimum safeguard guarantees.

INDICATOR CALCULATION METHODOLOGY

Revenues

For the calculation of turnover associated with the taxonomy, SEA has no direct regulated revenues associated with the activities included therein. However, it is possible to pinpoint revenues attributable to the mapped activities by identifying a portion of airport charges and regulated fees in 2023, based on the descriptions of eligible economic activities.

Eligible regulated revenues were evaluated by cross-referencing the economic activities described in the taxonomy with the list of services and infrastructure provided in the base year, along with the charges and fees collected, which are subject to regulation.⁸ Each Italian airport manager is required to compile this information. The latter document provides a list of infrastructures/facilities, services, and related equipment related to each regulated fee.

The contents of the aforementioned list and the details of the economic activities are not perfectly aligned. Some fees relate to infrastructure, facilities, equipment, and services listed in more than one economic activity, while the description of some economic activities in the taxonomy corresponds to more than one fee.

Several aspects of the economic activities listed in the taxonomy refer to cross-cutting elements that relate to multiple regulated fees, albeit to a limited extent. Therefore, SEA decided to select potentially eligible revenues by identifying the regulated fees that closely

align with the most relevant economic activities in the taxonomy.

The economic activities most closely corresponding to the regulated revenue elements include:

- 3.4. Maintenance of roads and motorways
- 6.17. Low carbon airport infrastructure
- 6.20. Air transport ground handling operations
- 7.7. Acquisition and ownership of buildings

The regulated revenues that closely align with the content of economic activities include:

- Landing and departure fees
- Parking fees
- Passenger boarding fees
- De-icing services
- Fee for providing assistance to disabled passengers or passengers with reduced mobility (PRM).

Therefore, eligible/relevant revenues aligned with the taxonomy were calculated by including the portion of revenues obtained from the methodology described above in the numerator, and the net turnover of the consolidated Group as at December 31, 2023 in the denominator.

Capital expenditure (CapEx)

Capital expenditure (CapEx) was calculated by including the assets defined as eligible/aligned in the numerator and the Group’s total CapEx in the denominator. The denominator comprises increases in tangible and intangible assets occurring during the financial year and considered before amortisation and depreciation, write-downs, and revaluation.

Operating expenditure (OpEx)

Operating expenses (OpEx) were calculated by including the maintenance costs (external and internal) and cleaning costs associated with the taxonomy activities in the numerator, and the total costs of the same entries used for the numerator in the denominator.

⁸ Resolution No. 38/2023 - Measure 7, paragraph 7.1.1, subparagraph 3

Proportion of turnover of economic activities aligned and eligible for the taxonomy

Financial year 2023	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Taxonomy-aligned or eligible proportion of Turnover, FY 2022	Category enabling activity	Category transitional activity		
	Economic activities	Code (a)	Absolute Turnover (€ in Millions)	Proportion of Turnover, Year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy					Biodiversity	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	%																%		
of which Enabling		0	%																		
of which Transitional		0	%																		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																					
Water supply	2.1 WTR	510	0.1%	N/AM	N/AM	AM	N/AM	N/AM	N/AM	N	N	Y	N	N	Y	N					
Maintenance of roads and motorways	3.4 CE	142,071	18.6%	N/AM	N/AM	N/AM	N/AM	AM	N/AM	N	N	Y	Y	Y	Y						
Transmission and distribution of electricity	4.9 CCM	3,939	0.5%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	Y	N	Y	N	%				
Low carbon airport infrastructure	6.17 CCM	0	0%	AM	AM	N/AM	N/AM	N/AM	N/AM	N	N	Y	Y	N	Y	N	%				
Air transport ground handling operations	6.20 CCM	30,030	3.9%	N/AM	N/AM	AM	AM	N/AM	N/AM	N	N	Y	Y	N	N						
Acquisition and ownership of buildings	7.7 CCM	388,567	50.9%	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	N	N	N	N	%				
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		565,116	74.1%	55.4%	-	0.1%	-	18.6%	-										%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		565,116	74.1%	55.4%	-	0.1%	-	18.6%	-												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy-non-eligible activities		197,616	25.9%																		
Total (A+B)		762,732	100%																		

Proportion of turnover/total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	55.3%
CCA	0%	%
WTR	0%	0.1%
CE	0%	18.6%
PPC	0%	%
BIO	0%	%

Proportion of capital expenditures (CapEx) of economic activities aligned and eligible for the taxonomy

Financial year 2023	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)											
Economic activities	Code (a)	Absolute Capex (€ In Millions)	Proportion of Capex, Year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Taxonomy-aligned or eligible proportion of Capex, FY 2022	Category enabling activity	Category transitional activity		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	%																	%	
of which Enabling		0	%																	%	
of which Transitional		0	%																		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																					
Water supply	2.1 WTR	19	0.02%	N/AM	N/AM	AM	N/AM	N/AM	N/AM	N	N	Y	N	N	Y	N					
Maintenance of roads and motorways	3.4 CE	24,446	21.4%	N/AM	N/AM	N/AM	N/AM	AM	N/AM	N	N	Y	Y	Y	Y						
Transmission and distribution of electricity	4.9 CCM	2,047	1.8%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	Y	N	Y	N	%				
Low carbon airport infrastructure	6.17 CCM	3,074	2.7%	AM	AM	N/AM	N/AM	N/AM	N/AM	N	N	Y	Y	N	Y	N	%				
Air transport ground handling operations	6.20 CCM	4,362	3.8%	N/AM	N/AM	AM	AM	N/AM	N/AM	N	N	Y	Y	N	N						
Acquisition and ownership of buildings	7.7 CCM	46,379	40.6%	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	N	N	N	N	%				
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		80,327	70.3%	48.9%	-	0.02%	-	21.4%	-											%	
A. CapEx of Taxonomy eligible activities (A.1+A.2)		80,327	70.3%	48.9%	-	0.02%	-	21.4%	-												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy-non-eligible activities		33,915	29.7%																		
Total (A+B)		114,242	100%																		

Proportion of Total CapEx/Total CapEx	
	Taxonomy-aligned per objective
CCM	0%
CCA	0%
WTR	0%
CE	0%
PPC	0%
BIO	0%
	Taxonomy-eligible per objective
	48.9%
	%
	0.02%
	21.4%
	%
	%

Proportion of operating expenses (OpEx) of economic activities aligned and eligible for the taxonomy

Financial year 2023	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)						Minimum Safeguards	Taxonomy-aligned or eligible proportion of Opex, FY 2022	Category enabling activity	Category transitional activity
	Code (a)	Absolute Opex (€ In Millions)	Proportion of Opex, Year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	%																%	
of which Enabling	0	%																%	
of which Transitional	0	%																	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Water supply	2.1 WTR	0	0%	N/AM	N/AM	AM	N/AM	N/AM	N/AM	N	N	Y	N	N	Y	N			
Maintenance of roads and motorways	3.4 CE	8,276	1.9%	N/AM	N/AM	N/AM	N/AM	AM	N/AM	N	N	Y	Y	Y	Y				
Transmission and distribution of electricity	4.9 CCM	402	0.1%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	Y	N	Y	N	%		
Low carbon airport infrastructure	6.17 CCM	91	0.02%	AM	AM	N/AM	N/AM	N/AM	N/AM	N	N	Y	Y	N	Y	N	%		
Air transport ground handling operations	6.20 CCM	11,492	2.7%	N/AM	N/AM	AM	AM	N/AM	N/AM	N	N	Y	Y	N	N				
Acquisition and ownership of buildings	7.7 CCM	27,326	6.4%	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N	N	N	N	N	N	N	%		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	47,587	11.1%	9.2%	-	0%	-	1.9%	-									%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)	47,587	11.1%	9.2%	-	0%	-	1.9%	-											
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities	382,030	88.9%																	
Total (A+B)	429,617	100%																	

	Proportion of total Opex/Opex	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	9.22%
CCA	0%	%
WTR	0%	0%
CE	0%	1.9%
PPC	0%	%
BIO	0%	%

Commitment

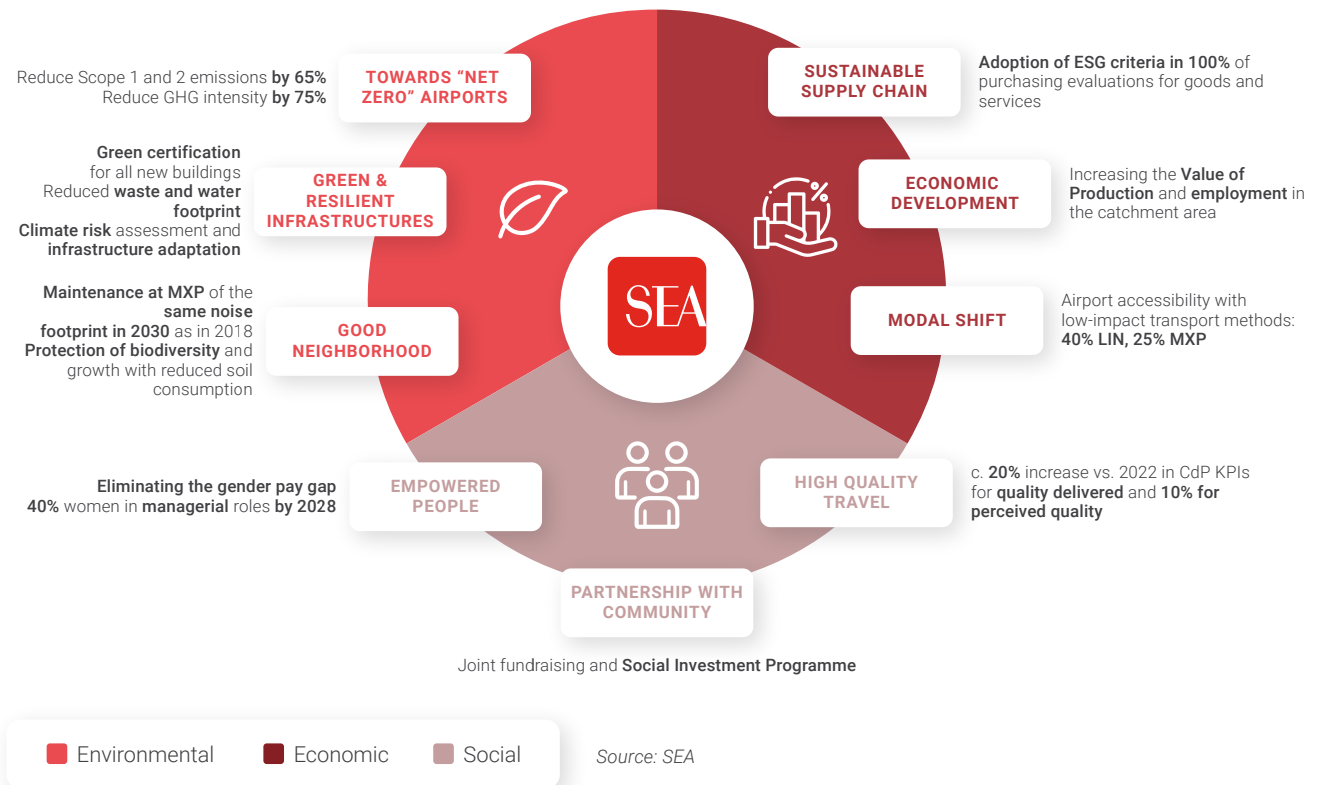
COMMITMENT

STRATEGY INTEGRATED ESG GOALS

Sustainability Vision 2030

SEA integrates sustainability issues into its strategic planning, its risk assessment system (ERM) and its performance management system, meaning that the Company’s ability to create value over the long term takes into account all the variables that affect it. The chart below summarises SEA’s vision and the Group’s strategies.

Sustainability Vision of Milan airports to 2030



Environmental

In this regard, SEA has set itself three targets:

- An ambitious path to cut CO₂ emissions by 2030 to Net Zero (see the chapter on “Natural Capital”, and the section on “Environmental Externalities” in this document) and significantly cutting scope 3 emissions, from other operators in the airport ecosystem.
- The construction of all new infrastructures to energy efficiency and circular economy criteria, and making sure they are resilient to the effects of climate change and green certified.
- To limit the acoustic footprint of each airport and manage the distribution of its effects in the best possible way, in order to keep it at or below volumes reported from 2018 until 2035.

Social

In this area, which includes value generation strategies for the benefit of passengers, partners and local communities, SEA has set itself the goal:

- Of constantly investing in improving the excellence of environments, services and customer experience, placing both

airports among the highest perceived quality rankings of European airports.

- Of developing a working environment that is based on full gender equality, is increasingly inclusive and which values diversity.
- Of working in partnership with non-profit organisations to effectively direct resources to help people deal with emergencies and critical problems in the communities in which the airports operate, and in other contexts, including international ones.

Economic

The economic dimension of sustainable value pursued by SEA includes:

- The progressive integration of ESG criteria into supplier pool qualifications and bid evaluation grids. On the one hand, the goal is to influence the commercial approach of supply chain partners through a dedicated Code of Conduct and Sustainable Procurement Policy, and on the other hand, to enhance the sustainability content of procured goods and services by integrating specific clauses into specifications and contracts. In addition to this, audit plans are developed to ensure that suppliers adhere to the defined socio-environmental management criteria.
- In partnership with local institutions and land transport operators, developing ways of connecting airports that favour collective transport and, in general, solutions with low CO₂ emissions.
- Promoting a network of links and connections with global destinations able to serve the local community and promote its economic development ambitions by integrating the manufacturing system into global value chains and by enhancing of the value of Milan and Lombardy as a destination of interest.

2024-2028 Integrated Business Plan

The SEA Group’s ESG objectives are outlined in the 2024-2028 Integrated Business Plan, approved by the Board of Directors, in line with the materiality assessment results.

SEA’s sustainability strategy is aligned with the “Sustainability Strategy for Airports” model proposed by ACI Europe and policies and frameworks for the sustainability of the international aviation industry (e.g. EU Pact for Sustainable Aviation, Destination 2050).

2024-2028 SEA integrated business plan

Strategic Business Pillar	ESG focus	Targets	Action
Optimise use of existing infrastructure	Climate adaptation	Increase Malpensa airport’s resilience to extreme weather events	<ul style="list-style-type: none"> ▪ Adoption and approval of a Climate Change Adaptation Plan. ▪ Airport infrastructure works plan and installation of an intelligent monitoring system.
		Digitalise and automate passenger services	<ul style="list-style-type: none"> ▪ Investment in new technologies such as face boarding, self bag drop, and smart security.
Increase passenger service levels	High quality travel	Raise service levels for PRMs	<ul style="list-style-type: none"> ▪ Co-design of PRM environments with disability associations. ▪ Strengthening of the assistance service, with reduction of waiting times.

Strategic Business Pillar	ESG focus	Targets	Action
Reduce negative business externalities	Net Zero Airports	Achieve a zero carbon footprint by 2030	<ul style="list-style-type: none"> Energy efficiency measures. Progressive energy supply from renewable sources (photovoltaic parks, PPAs, OG purchases).
	Good neighborhood	Mitigate the impact of noise on areas bordering airports	<p>Trial and final adoption of a nighttime operational scenario and its future management. Commitment, in coordination with ENAC/ENAV, to adopt the following mitigation actions:</p> <ul style="list-style-type: none"> revision of SIDs based on the findings of the Commission's technical committee; non-use of the noisiest aircraft at night; definition of the Noise Containment and Abatement Plan.
Retain and develop expertise in an innovative and dynamic environment	Empowered people	Develop an inclusive company culture and improve gender equality	<ul style="list-style-type: none"> Enhance work-life balance and caregiving opportunities as part of the onboarding plan. SEA Gender Policy handbook to be shared with external suppliers. Training activities dedicated to women's empowerment in the workplace. Training for the whole workforce on gender bias and stereotypes. Improvements to the performance appraisal system, with which pay policy interventions should be aligned. Enhancement and strengthening of all parenting-related services. Specific training at all levels on "zero tolerance" concerning all forms of violence against employees.

Source: SEA

Climate change: decarbonisation goals

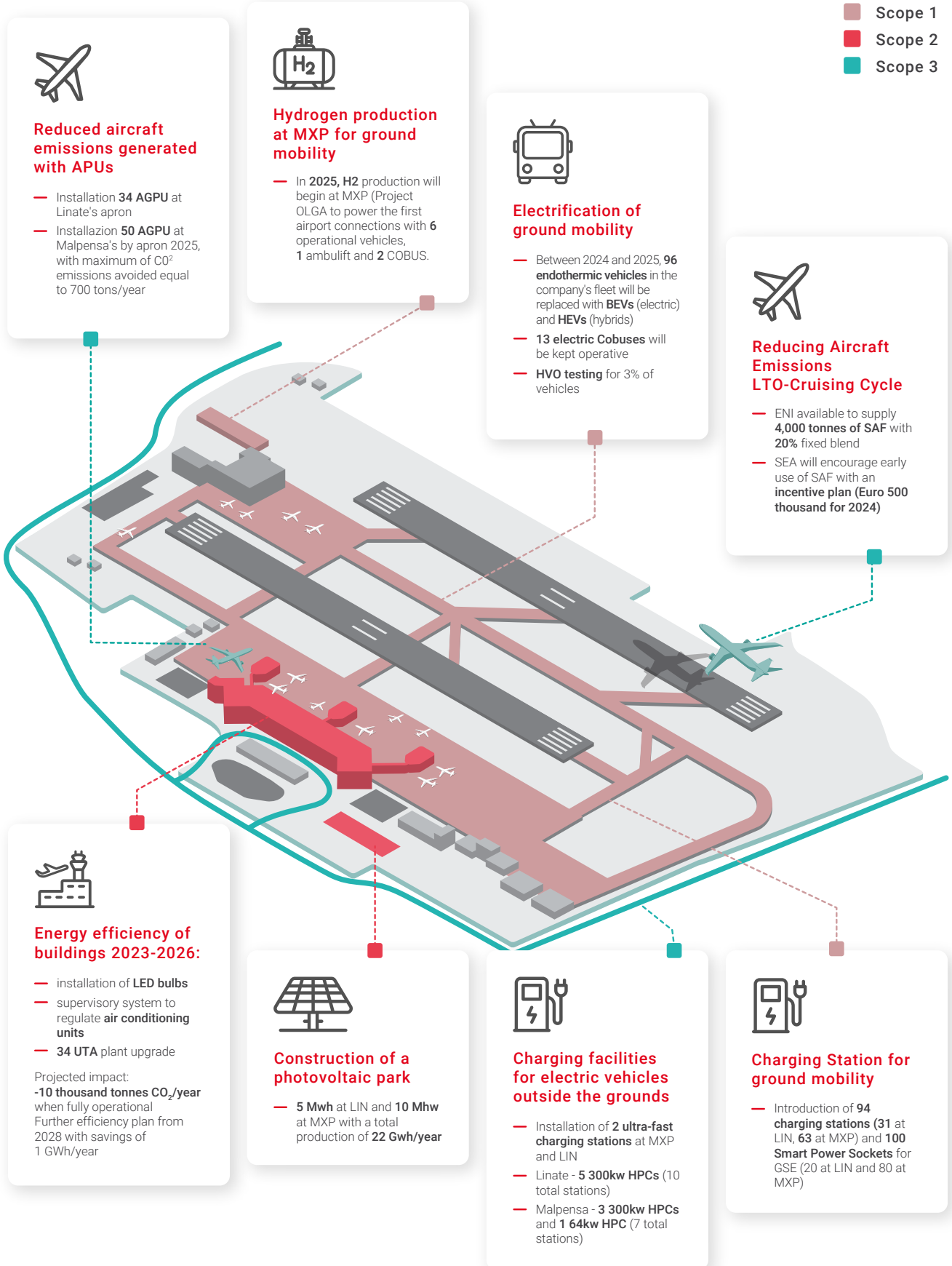
In 2021, both SEA airports obtained Airport Carbon Accreditation Level 4+ Transition certification, issued for a plan to reduce scope 1 and 2 emissions and engage with other airport operators to reduce scope 3 emissions, setting the goal of cutting emissions by 97% compared to those of 2010, by 2030.

These measures will be progressively supplemented and developed in line with expected regulatory changes and technological innovations, in order to build up a framework of interventions and investments capable of guaranteeing the achievement of the Net Zero goal by 2030.

The following graph summarises the main measures of the Decarbonisation Plan that are already underway or due to be implemented in the Milan airports over the next four years.

Main measures of the SEA airports decarbonisation plan 2024-2028

- Scope 1
- Scope 2
- Scope 3



Source: SEA

Appendix

APPENDIX

APPENDIX: OTHER SUSTAINABILITY PERFORMANCES

SUSTAINABLE DEVELOPMENT GOVERNANCE

Public policy positions and participation

SEA is involved in the following national and/or international sector associations:

Assaeroporti - Italian Association of Airport Managers, with the duty to protect and strengthen the position of airport managers, developing their functionality and interacting with the governing institutions to ensure the development of air transport.

Assoclearance - Italian Association for the Management of Clearance and Slots, comprising airlines and Italian airport managers, with the duty to optimize distribution of time slots and allocate slots to airlines.

Assolombarda - National Association of small, medium and large enterprises, with the objective of protecting the interests of members in their dealings with external parties involved in various fields making available a wide range of specialist services which contribute to business development.

ATAG Air Transport Action Group - Association which represents all actors involved throughout the air transport industry chain, in order to encourage communication between the various actors and promote sustainable air transport development.

UNIVA Varese - Association of companies within the Confindustria System, in order to encourage the development of provincial industry, promoting collaboration between businesses.

ACI Europe - Association of European airports aimed at ensuring effective communications and negotiations regarding legislative, commercial, technical, environmental, passenger and other aspects.

IGI - Large Infrastructure Institute is a research center focused on public tender issues.

AIGI - Italian Association of Legal Counsel, with the scope to promote, train and develop legal councils and their role in Italy.

UNI Global Compact Network Italia - A foundation with the primary goal of contributing to the development of the United Nations Global Compact in Italy, through initiatives that promote a culture of corporate citizenship.

ORGANISATIONAL MANAGEMENT

Our people

Temporary by gender as of December 31 (No.)

Temporary staff	2023			2022		
	Female	Male	Total	Female	Male	Total
Linate	20	39	59	18	39	57
Malpensa	82	60	142	82	69	151
Total Group	102	99	201	100	108	208

Note: Workers who are not employees (outsourced) mainly perform activities related to airport operations for SEA and have fixed-term/permanent staffing contracts (known as staff leasing).

Source: SEA

Employees by contract type, gender and location as of December 31 (No.)

		2023			2022		
		Female	Male	Total	Female	Male	Total
Permanent	Linate	322	662	984	314	680	994
	Malpensa	448	915	1,363	401	959	1,360
	Total permanent	770	1,577	2,347	715	1,639	2,354
Temporary	Linate	1	0	1	1	4	5
	Malpensa	1	0	1	-	3	3
	Total temporary	2	0	2	1	7	8
Total Group	772	1,577	2,349	716	1,646	2,362	

Source: SEA

Employees by employment category and gender as of December 31 (No.)

	2023			2022		
	Female	Male	Total Group	Female	Male	Total Group
Full time	552	1,517	2,069	570	1,609	2,179
Linate	256	642	898	265	673	938
Malpensa	296	875	1,171	305	936	1,241
Part time	220	60	280	146	37	183
Linate	67	20	87	50	11	61
Malpensa	153	40	193	96	26	122
Total Group	772	1,577	2,349	716	1,646	2,362

Source: SEA

Contract type data indicates a marginal share of temporary contract workers, representing 0.1% of total employees at December 31, 2023, with part-time workers representing 11.9%. Temporary employees accounted for 8% of the Group's total workforce at December 31, 2023. Malpensa is the airport with the most staff, accounting for 58% of the corporate population.

There are no employees with zero-hours contracts.

Outgoing employees by location, gender and age grouping (No.)

	2023									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	4	2	6	5	5	10	16	44	60	76
Malpensa	4	2	6	7	8	15	20	58	78	99
Total	8	4	12	12	13	25	36	102	138	175
Turnover	14.5%	20.0%	16.0%	4.4%	2.3%	3.0%	8.1%	10.2%	9.5%	7.4%

	2022									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	-	4	4	8	4	12	24	110	134	150
Malpensa	-	1	1	1	3	4	23	146	169	174
Total	-	5	5	9	7	16	47	256	303	324
Turnover	0.0%	22.7%	17.9%	3.4%	1.1%	1.8%	10.6%	25.8%	21.1%	13.7%

Note: intra-group transfers are not considered.

Source: SEA

Regarding contract terminations, 67% involved administrative staff and 76% were the result of the pension support plan and incentivised redundancy. The outgoing population was 68% male, and around 79% of staff leaving were over 50 years of age. 57% of the outgoing population was from Malpensa airport.

Incoming employees by location, gender and age grouping (No.)

	2023									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	13	7	20	19	18	37	-	-	-	57
Malpensa	49	4	53	30	16	46	1	5	6	105
Total	62	11	73	49	34	83	1	5	6	162
Turnover	112.7%	55.0%	97.3%	18.1%	6.1%	10.0%	0.2%	0.5%	0.4%	6.9%

	2022									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Linate	-	7	7	8	23	31	-	7	7	45
Malpensa	-	3	3	-	4	4	-	2	2	9
Total	-	10	10	8	27	35	-	9	9	54
Turnover	0.0%	45.5%	35.7%	3.0%	4.3%	3.9%	0.0%	0.9%	0.6%	2.3%

Note: intra-group transfers are not considered.

Source: SEA

Of the 162 hires, 81% were middle managers and office workers and approx. 69% were women. 45% of new hires were under 30 years of age. 65% of hires were recruited for Malpensa airport. 62% of the corporate population is over 50, predominantly composed of white-collar and blue-collar workers; all management staff are also over 50 years of age. The airport with the oldest population on average is Linate.

Employees by professional level, gender and age grouping at December 31 (No.)

	2023									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	-	-	-	16	16	6	26	32	48
Managers	-	1	1	37	74	111	65	80	145	257
White-collar	55	14	69	222	291	513	348	585	933	1,515
Blue-collar	-	5	5	12	175	187	27	310	337	529
Total	55	20	75	271	556	827	446	1,001	1,447	2,349

	2022									Total
	<30			30-50			>50			
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Executives	-	-	-	2	14	16	4	26	30	46
Managers	-	-	-	36	69	105	68	87	155	260
White-collar	6	20	26	215	340	555	348	578	926	1,507
Blue-collar	-	2	2	15	208	223	22	302	324	549
Total	6	22	28	268	631	899	442	993	1,435	2,362

Source: SEA

SEA manages the compulsory hiring of employees of protected categories in full compliance with the requirements of the applicable legislation. At December 31, 2023, 110 employees belonged to protected categories (120 at December 31, 2022), of whom three belonged to categories referred to by Article 18 of Law 68/99 (four in 2022).

Training

In 2023, a total of 86,740 training hours were provided to the SEA Group, of which approximately 84% were mandatory.

Mandatory training - Average number of per capita training hours by gender & category

	2023		Total
	Female	Male	
Executives	13.2	13.5	13.4
Managers	10.7	17.4	14.7
White-collar	38.8	24.5	30.4
Blue-collar	84.8	38.8	42.2
Total	37.2	27.9	31.0

Source: SEA

Industrial Relations

100% of total employees are covered by collective bargaining agreements. The trade unionisation rate in the Group is in line with the previous year.

SEA Group Trade Union membership

	Number of trade union memberships	Trade Union memberships	% trade union membership
31/12/2023	11	CGIL; CISL; UIL; UGL; FLAI; USB; SINPA; CUB TRASPORTI; COBAS VARESE; ADL VARESE; LABOUR	51.4%
31/12/2022	11	CGIL; CISL; UIL; UGL; FLAI; USB; SINPA; CUB TRASPORTI; COBAS VARESE; ADL VARESE; LABOUR	55%
31/12/2021	11	CGIL; CISL; CUB-TRASPORTI; FLAI; SIN.PA; U.G.L.; UIL; USB; ADL VARESE; LABOUR; SI COBAS	57%

Main agreements with Trade Union Organisations in 2023

In 2023 the agreements signed concerned the following main topics:

- maintenance reorganisation and new professional figures;
- internal search for new drivers;
- snow emergency plan;
- welfare.

	2023	2022	2021
Number of agreements signed with the Trade Unions	4	8	6

Source: SEA

With regard to worker health and safety, March 19, 2020 saw the activation of the COVID-19 committee, consisting of union and company representatives pursuant to Article 1, paragraph 1, no. 9), of the Ministerial Decree of March 11, 2020 - Shared Protocol March 14, 2020. Since May 2023, despite the evolving health situation, SEA, along with the OSLs, General Workers' Representative Body (RSU), EHSRs, and the company doctor, have collectively agreed to leave certain safety measures in place as a precautionary measure and to protect all individuals (e.g. ensuring that hand gel remains available and providing FFP2 masks upon request for activities involving direct contact with the public).

In relation to the minimum notice period for operational amendments, the time necessary for the adoption of such may significantly vary, according to the issue for which the amendment is necessary and the availability of the Trade Union Organisations - according to that established by the regulation in force at the time - or where no regulation is in force (and therefore a trade union agreement or where sufficient a communication campaign is applied).

In the first case, the average quantifiable notice time is one month and in the second case two weeks. In relation to the change of shifts, company practices (in line with the Confindustria interpretation of Article 3 point three, first paragraph of the Inter-confederal Agreement of April 18, 1996 between Confindustria, Intersind, Asap and Cgil, Cisl, Uil and Cisl and Cisl and Confail), SEA provides 15 days of notice between communication to the Trade Unions and implementation.

The amendments for which (e.g. collective dismissals, lay-off schemes) the law establishes specific procedures were excluded from the cases already reported and therefore the number of days of the duration of the procedure and the frequency of the various stages scheduled.

MANAGEMENT OF ENVIRONMENTAL RESOURCES

Raw materials

As SEA is a supplier of services, the principal raw materials consumed, in addition to electricity consumption (including the gasoline and petrol utilised for operations at the airport), are the liquids for the de-icing of aircraft during the winter season amid particular weather conditions. Consumption is therefore tied to the trend in winter season weather conditions.

Malpensa - Raw material consumption

	2023	2022	2021
Kilfrost ABC3 TYPEII (Litres)	484,453	687,960	683,603
Solid de-icing material (Kg)	475	2,125	8,950
Liquid de-icing material (Kg)	-	131,227	211,335

Linate - Raw material consumption

	2023	2022	2021
Kilfrost ABC3 TYPEII (Litres)	148,108	179,023	158,461
Solid de-icing material (Kg)	-	-	-
Liquid de-icing material (Kg)	9,892	24,401	95,300

Source: SEA

ANALYSIS OF SCOPE OF MATERIAL TOPICS AND RECONCILIATION WITH GRI STANDARDS

Material topics	GRI topic reconciliation	Boundary	
		Party impacted	Type of impact
Airport Safety and security	GRI 416 Customer Health and Safety	Group, Airport operators	Caused by Group and directly connected through a business relationship
Employee Health & Safety	GRI 403 Occupational Health and safety GRI 2-30 Collective bargaining agreements	Group, (included temporary)	Caused by the Group
Training/Know how	GRI 404 Training and education	Employees	Caused by the Group
Business ethics/ Transparency	GRI 205 Anti-corruption	Group	Caused by the Group
Integration of ESG strategy into business	N/A	Group	Caused by the Group
Corporate Welfare	GRI 403 Occupational Health and Safety	Group, (included temporary)	Caused by the Group
Quality of passenger services	N/A	Group, Airport operators	Caused by Group and directly connected through a business relationship
Human rights	GRI 401 Employment GRI 2-30 Collective bargaining agreements	Employees	Caused by the Group
Inclusive accessibility to infrastructure	N/A	Group, Airport operators	Caused by Group and directly connected through a business relationship
Diversity & Inclusion	GRI 405 Diversity and equal opportunity	Employees	Caused by the Group
Community relations	GRI 203: Indirect economic impacts GRI 413: Local communities	Group, Airport operators	Caused by Group and directly connected through a business relationship
ESG Governance	GRI 404 Training and education	Group	Caused by the Group
Catalytic effect on local development	GRI 203 Indirect economic impacts A01, A02, A03 Market presence	Group, Airport operators	Caused by Group and directly connected through a business relationship
Sustainable supply chain	GRI 204 Procurement practices GRI 308 Supplier environmental assessment GRI 414 Supplier social assessment	Group, Suppliers	Caused by Group and directly connected through a business relationship
Noise	GRI 416: Customer Health and Safety	Group, Airport operators	Caused by Group and directly connected through a business relationship
Intermodality/ sustainable accessibility	N/A	Group, Airport operators Public Administration	To which the Group contributes
Climate change mitigation /adaptation	GRI 305 Emissions	Group, CNA, Suppliers, Airport operators	Caused by Group and directly connected through a business relationship; To which the Group contributes
Local air quality	GRI 416: Customer Health and Safety	Group, Airport operators	To which the Group contributes
Energy management	GRI 302 Energy	Group, Suppliers	Caused by Group and directly connected through a business relationship; To which the Group contributes
Waste management	GRI 306 Waste A06 De-icing fluid	Group, Airport operators	Caused by Group and directly connected through a business relationship; To which the Group contributes
Water management	GRI 303 Water and Effluents A04 Quality of storm water	Group, Airport operators	Caused by Group and directly connected through a business relationship; To which the Group contributes
Degradation of natural ecosystems	GRI 304 Biodiversity	Group, Airport operators	Caused by Group and directly connected through a business relationship; To which the Group contributes

GRI CONTENT INDEX

Statement of use SEA has reported in accordance with the GRI Standards for the period 01/01/2023-31/12/2023.

GRI used GRI 1: Foundation (2021)

Applicable GRI Sector Standard Airport Operators Sector Disclosures (2014)

GRI Standard	Disclosure	Pages N°	Omission			GRI Sector Standard Ref. No.
			Requirement omitted	Reason	Explanation	
GRI 2: General Disclosures (2021)	2-1	Organizational details	7-8			
	2-2	Entities included in the organization's sustainability reporting	4-5			
	2-3	Reporting period, frequency and contact point	4-5			
	2-4	Restatements of information	4-5			
	2-5	External assurance	178			
	2-6	Activities, value chain and other business relationships	9-10			
	2-7	Employees	83; 166-167			
	2-8	Workers who are not employees	166-167			
	2-9	Governance structure and composition	15 Ext. ref.:			
	2-10	Nomination and selection of the highest governance body	Report on corporate governance and ownership structures 2023 4.2; 4.3			
	2-11	Chair of the highest governance body				
	2-12	Role of the highest governance body in overseeing the management of impacts	15 Ext. ref.: RG 4.4; 4.5; 4.6			
	2-13	Delegation of responsibility for managing impacts	15 Ext. ref.: RG 8.1			
	2-14	Role of the highest governance body in sustainability reporting	15 Ext. ref.: RG 13			
	2-15	Conflicts of interest	15 Ext. ref.: RG 4.8; 4.9			
	2-16	Communication of critical concerns	15 Ext. ref.: RG 8.1			
	2-17	Collective knowledge of the highest governance body	15 Ext. ref.: RG 4.4			
	2-18	Evaluation of the performance of the highest governance body	15 Ext. ref.: RG 7.1			
	2-19	Remuneration policies	15 Ext. ref.: RG 7.2			
	2-20	Process to determine remuneration	15-16 Ext. ref.: RG 7			
	2-21	Annual total compensation ratio	15-16	Point b	Not relevant	The data is not comparable with 2022.

GRI Standard	Disclosure	Pages N°	Omission		GRI Sector Standard Ref. No.
			Requirement omitted	Reason Explanation	
GRI 2: General Disclosures (2021)	2-22	Statement on sustainable development strategy	2-3		
	2-23	Policy commitments	7; 16-18; 44		
	2-24	Embedding policy commitments	16-18; 44		
	2-25	Processes to remediate negative impacts	103-104		
	2-26	Mechanisms for seeking advice and raising concerns	18		
	2-27	Compliance with laws and regulations	19		
	2-28	Membership associations	166		
	2-29	Approach to stakeholder engagement	34-41; 44		
	2-30	Collective bargaining agreements	169-170		
GRI 3 MATERIAL TOPICS					
GRI 3: Material Topics (2021)	3-1	Process to determine material topics	34-41		
	3-2	List of material topics	38		
Airport Safety and Security					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 71-73; 123-125		
GRI 416: Customer Health and Safety (2016)	416-1	Assessment of the health and safety impact of product and service categories	71-73; 123-125		
	A09	Total annual number of wildlife strikes per 10,000 aircraft movements	124-125		
Employee Health & Safety					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 89-94		
GRI 403: Occupational Health and Safety (2018)	403-1	Occupational health and safety management system	89-90		
	403-2	Hazard identification, risk assessment, and incident investigation	93		
	403-3	Occupational health services	92		
	403-4	Worker participation, consultation, and communication on occupational health and safety	90		
	403-5	Worker training on occupational health and safety	91-92		
	403-6	Promotion of worker health	86		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by	92		
	403-9	Work-related injuries	93-94		
	403-10	Work-related ill health	93-94		

GRI Standard	Disclosure	Pages N°	Omission		GRI Sector Standard Ref. No.
			Requirement omitted	Reason	
Training/know how					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 84-85		
GRI 404: Training and education (2016)	404-1	Average hours of training per year per employee	85		
	404-2	Programs for upgrading employee skills and transition assistance programs	84-85		
Business ethics /Transparency					
GRI 3: Material Topics (2021)	3-3	Management of material topics	18-19; 34-41		
GRI 205: Anti-corruption (2016)	205-3	Confirmed incidents of corruption and actions taken	19		
ESG Strategy business integrated					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 161-164		
Corporate Welfare					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 86-88		
GRI 201: Economic performance (2016)	201-3	Defined benefit plan obligations and other retirement plans	88		
GRI 403: Occupational Health and Safety (2018)	403-6	Promotion of worker health	86		
GRI 401: Employment (2016)	401-2	Benefits provided to full-time employee that are not provided to temporary or part-time employees	86		
Quality of passenger services					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 125-132		
Human rights					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 44; 105-106		
Inclusive accessibility to infrastructure					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 125-128		
Diversity & inclusion					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 88-89		
GRI 405: Diversity and equal opportunity (2016)	405-1	Diversity of governance bodies and employees	168; Ext. ref.: RG tab. 2		
	405-2	Ratio of basic salary and remuneration of women to men	88-89		
Community relations					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 43		
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	132		

GRI Standard	Disclosure	Pages N°	Omission		GRI Sector Standard Ref. No.
			Requirement omitted	Reason Explanation	
ESG Governance					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 85		
GRI 404: Training and education (2016)	404-3	Percentage of employees receiving regular performance and career development reviews	85		
Catalytic effect on local development					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 134-147		
GRI 203: Indirect economic impacts (2016)	203-2	Significant indirect economic impacts	134-147		
GRI 202: Market presence (2016)	A01	Total number of passengers annually, broken down by passengers on international and domestic flights, and broken down by origin-and-destination and transfer passengers, including transit passengers	116-118		
	A02	Total annual number of aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation flights	116-118		
	A03	Total amount of cargo tonnage	118-119		
Sustainable Supply Chain					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 104-107		
GRI 204: Procurement practices (2016)	204-1	Proportion of spending on local suppliers	135-136		
GRI 308: Supplier environmental assessment (2016)	308-1	New suppliers were screened using environmental criteria	105-106		
GRI 414: Supplier social assessment (2016)	414-1	New suppliers were screened using social criteria	105-106		
Noise					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 71-73		
GRI 416: Customer Health and Safety (2016)	416-1	Assessment of the health and safety impact of product and service categories	71-73		
A07: Noise (2014)	A07	Number and percentage change of people residing in areas affected by noise	71-73		
Intermodality/sustainable accessibility					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 50-61		

GRI Standard	Disclosure	Pages N°	Omission			GRI Sector Standard Ref. No.
			Requirement omitted	Reason	Explanation	
Climate change mitigation/adaptation						
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 62-68			
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	64-65			
	305-2	Energy indirect (Scope 2) GHG emissions	64-65			
	305-3	Other indirect (Scope 3) GHG emissions	64-67			
	305-4	GHG emissions intensity	65			
Local air pollution						
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 69-70			
GRI 305: Emissions (2016)	305-7	Emissions of NO _x , SO _x and other significant emissions	69-70			
	A05	Ambient air quality levels according to pollutant concentrations in micrograms per cubic meter (µg/m ³) or parts per million (ppm) by regulatory regime	69-70			
Energy Management						
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 77-78			
GRI 302: Energy (2016)	302-1	Energy consumption within the organization	78			
	302-3	Management of material topics	78			
Waste Management						
GRI 306: Waste (2020)	3-3	Management of material topics	34-41; 79-80			
	306-1	Waste generation and significant waste-related impacts	79-80			
	306-2	Management of significant waste-related impacts	79-80			
	306-3	Waste generated	80			
	A06	Aircraft and pavement de-icing/anti-icing fluid used and treated (m ³ and/or tons)	75; 170			
Water Management						
GRI 303: Water and Effluents (2018)	3-3	Management of material topics	34-41; 74-75; 78-79			
	303-1	Interactions with water as a shared resource	78			
	303-2	Management of water discharge-related impacts	78			
	303-3	Water withdrawal	79			
	303-4	Water discharge	74			
	A04	Quality of storm water by applicable regulatory standards	75			

GRI Standard	Disclosure	Pages N°	Omission		GRI Sector Standard Ref. No.
			Requirement omitted	Reason	
Degradation of natural ecosystems					
GRI 3: Material Topics (2021)	3-3	Management of material topics	34-41; 81-82		
GRI 304: Biodiversity (2016)	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	81-82		
	304-2	Significant impacts of activities, products, and services on biodiversity	81-82		



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Independent auditor's report on the consolidated disclosure of non-financial information in accordance with art. 3, par. 10, of Legislative Decree 254/2016 and with art. 5 of Consob Regulation adopted with Resolution n. 20267 of January 2018

(Translation from the original Italian text)

To the Board of Directors of
Società per Azioni Esercizi Aeroportuali S.E.A.

We have been appointed to perform a limited assurance engagement pursuant to article 3, paragraph 10, of Legislative Decree December 30, 2016, n. 254 (hereinafter "Decree") and article 5, paragraph 1. g) of Consob Regulation adopted with Resolution 20267/2018, on the consolidated disclosure of non-financial information of Società per Azioni Esercizi Aeroportuali S.E.A. and its subsidiaries (hereinafter "Group" or "SEA Group") for the year ended on December 31, 2023 in accordance with article 4 of the Decree and approved by the Board of Directors on March 26, 2024 (hereinafter "DNF").

Our limited assurance engagement does not cover the information included in the paragraph "EU Taxonomy" of the DNF, required by art. 8 of the European Regulation 2020/852.

Responsibilities of Directors and Board of Statutory Auditors for the DNF

The Directors are responsible for the preparation of the DNF in accordance with the requirements of articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" defined by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), identified by them as a reporting standard.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the DNF that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the DNF within the matters mentioned in article 3, par. 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the DNF, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Auditor's independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (*including International Independence Standards*) (*IESBA Code*) issued by the International Ethics Standards Board for Accountants, based on fundamental

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principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. In the reference year of this engagement, our audit firm applied the International Standard on Quality Control 1 (ISQC Italy 1) and, as a result, maintained a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditor's responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the DNF with the requirements of the Decree and of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the DNF is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the DNF were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the DNF, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant matters in relation to the activities and characteristics of the Group reported in the DNF, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the DNF with those included in SEA Group's consolidated financial statements;
4. understanding of the following aspects:
 - o Group's management and organization business model, with reference to the management of the matters indicated in the article 3 of the Decree;
 - o policies adopted by the Group related to the matters indicated in the article 3 of the Decree, results achieved and related key performance indicators;
 - o main risks, generated or suffered, related to the matters indicated in the article 3 of the Decree.

With regard to these aspects, we obtained the documentation supporting the information contained in the DNF and performed the procedures described in item 5. a) below

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the DNF.
In particular, we have conducted interviews and discussions with the management of Società per Azioni Esercizi Aeroportuali S.E.A. and we have performed limited documentary evidence



procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the DNF.

Furthermore, for significant information, considering the Group activities and characteristics:

- at group level,
 - a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for Società per Azioni Esercizi Aeroportuali S.E.A., that we have selected based on its activities and relevance to the consolidated performance indicators, we have carried out site visits during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, no elements have come to our attention that cause us to believe that the DNF of the SEA Group for the year ended on December 31, 2023 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 of the Decree and the GRI Standards.

Our conclusions above do not extend to the information included in the paragraph "EU Taxonomy" of the DNF itself, that are required by art. 8 of the European Regulation 2020/852.

Other aspects

The DNF for the years ended on December 31, 2021 and December 31, 2022, whose data are presented for comparative purpose, have been subject to limited assurance procedures by another auditor, who expressed unqualified conclusion on April 12, 2022 and April 12, 2023, respectively.

Milan, April 11, 2024

EY S.p.A.
Signed by: Paolo Zocchi, Auditor

This report has been translated into the English language solely for the convenience of international readers.



SEA Group - Consolidated Non-Financial Statement 2023

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We thank the SEA Group people who contributed to useful data retrieval to define the chart accounts.

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