

AIM
2019 Sustainability Report
Consolidated Non-Financial Statement

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LETTER TO STAKEHOLDERS

Dear readers,

In the following pages we provide our Sustainability Report, now in its seventh edition. Over time, the commitment and sense of responsibility of the AIM Group towards its stakeholders have led to the evolution of this valuable tool, transforming it from a simple Corporate Social Responsibility Report of voluntary adoption to a document drawn up according to international standards and guidelines (GRI, Global Compact, SDGs) which for three editions now has also met the regulatory obligation on the non-financial statement (Legislative Decree 254/2016). We believe that this growth and improvement process is still not completed and that the new challenge for the next editions is to convey even more effectively a prospective and shared vision of the Group in the near future.

In fact, the 110 years of history of the AIM Group are clear and irrefutable proof of its ability to be sustainable and, at the same time, are a fundamental value of its sustainability strategy, a natural element rooted in its genetic code. This continuously-evolving approach has allowed the AIM Group to grow and achieve success, demonstrating its capability of innovating and being resilient to the changing context. Currently, this heritage of values is an indispensable lever to drive the Group towards new horizons, concentrating energies and resources in pursuing its ability to constantly create value that is shared with its stakeholders and achieving a transition to a “future-proof business model”.

Therefore, our objective for the next editions will be the design of an innovative reporting process that allows our stakeholders to see the strong link between our sustainability strategy and the new 2020-2023 Business Plan, which with the commitment, passion and dedication of our people will ensure the creation of a common heritage, a concrete legacy to be transferred to future generations.

While thanking all our customers, suppliers, lenders, institutions and local communities and wishing you all an enjoyable read, we would like to give you a quick foretaste of what has been done with regard to a number of aspects which are priorities to us.

Commitment to create and distribute value

In 2019, the activities carried out by the AIM Group generated and distributed a net global added value of Euro 57 million, also through more than Euro 38 million in supply orders,

50.9% of which were assigned to companies operating in the local territory. In order to underline the value of sustainability, for AIM, in some of the tenders carried out, the publication of a sustainability report by the supplier was considered a rewarding factor in the choice of the best offer.

Understanding stakeholder needs

Understanding and acknowledging the needs and demands of stakeholders is a fundamental step in defining business strategies and creating shared value; listening both within and outside of the Group was carried out with continuity and commitment during 2019 and allowed the Group to maintain the Materiality Matrix.

Human resources: a capital to be developed

The person at the service of the Company, and the Company at the service of the person. As in any balanced ecosystem, cooperation between the parties is essential to ensure balance and growth. The AIM Group is particularly interested in these aspects and is committed to making the most of its human capital. The result of this viewpoint, which has always been one of the cornerstones of the company's strategy, is the level of employment on permanent contracts, which in 2019 exceeded 95% of the total number of employees. But the optimisation of human capital is not exclusively due to the economic component; each employee received on average more than 10 hours of training, of which more than 60% were dedicated to safety in the workplace.

Defending environmental and natural value

The circular economy has its roots in the creation of a closed, self-healing and eco-sustainable cycle; it is clear that reuse, recycling and recovery of waste represent an essential behaviour for the achievement of these objectives. Also in this field, AIM is strongly committed and active in terms of operations and in terms of raising public awareness. The Group actively supports projects for the transformation of waste into a resource through its reuse; among these, we can mention the Prisca Project, carried out with Cooperativa Insieme, which, through the reconditioning and recycling of waste, allows to give new life to objects that were intended for disposal. In terms of waste recycling, sorted waste collection in the municipalities served reached an average of over 76%, a very important result at national level that shows that awareness raising has been well received by citizens.

The General Manager
Mr. Renato Guarnieri

The Sole Director
Mr. Gianfranco Vivian

METHODOLOGICAL NOTE

The AIM Group considers interaction with its stakeholders to be a determining factor in its strategy in order to listen to and understand their needs and requests through direct and continuous listening. Through the Sustainability Report, AIM wants to present the responsible management of the Group and its attention to the impacts on the community in economic, social and environmental terms.

This document, which covers the period from 1 January 2019 to 31 December 2019, was prepared in accordance with the GRI Standards guidelines published by the Global Reporting Initiative, GRI-Referenced option. During the analysis, the topics and related indicators (“Disclosure”) of the GRI Standards were selected, which are necessary to give a complete and consistent picture of the economic, environmental and social impact of the Group’s activities, as well as to respond to the requests for information of Italian Legislative Decree 254/2016. The list of reported indicators, any boundary omissions and any detailed notes are shown in the final Concordance table.

Since 2012, the AIM Group has been drawing up its **annual** Sustainability Report, officially publishing it on the website www.aimgruppo.it, in the **Sustainability** section. With the coming into force of Italian Legislative Decree 254/2016, the Report also meets the criteria for reporting non-financial information related in particular to aspects connected to the fight against active and passive corruption, and human rights, environmental, social and personnel-related aspects. Therefore, this document also constitutes the **Consolidated Non-Financial Statement**.

The structure of the document aims to present the activities carried on by the Group in as clear and organised a manner as possible, first providing a broader and more strategic view and gradually concentrating and analysing in detail the relationships with stakeholders and the peculiarities of the activities carried out on the territory.

The document includes materiality among the key drafting principles, i.e. the identification of a set of topics which AIM is particularly sensitive to. The selection of topics also included a process of listening to critical stakeholders for the organisation (e.g. banks, customers, employees, suppliers and other players in the territory...), in order to understand their requests in a precise manner.

The matrix and the material topics in the document report the results that emerged during the process of materiality related to the drafting of the previous edition of the document (2018). In this edition, it was considered appropriate to operate in continuity with what had emerged in the previous edition: a revision and updating of the entire process would have been incompatible with the exceptional timing requirements for the presentation of the document.

The document is drawn up by a working team of AIM personnel; the information and figures set out in the document are taken from documents officially adopted by the Company, or from reports created by personnel from the various operating areas.

In certain cases, the figures set out take account of the performance achieved in the three-year period from 2016 to 2018, while the income statement and balance sheet figures are taken from the approved Consolidated Financial Statements.

The Non-Financial Statement is audited by an independent company, BDO, in accordance with the procedures required by the regulations currently in force.

Reporting scope

The NFS includes within its scope the companies consolidated on a line-by-line basis in the Consolidated Financial Statements, which are considered significant for the group's business. According to this approach, some companies that are not subject to direct management and control of the Group have not been included in this report. The companies excluded from this report are listed below:

Acovis S.r.l.: a company controlled by the AIM Group, which holds 100% of the company's capital. This company deals with waste management and was excluded from the NFS scope.

BLUEOIL S.r.l.: a company controlled by the Group through TREV AMBIENTE S.r.l., which holds 54.12% of the company's capital. The company is involved in the production of energy from vegetable oils; the complete management of the cogeneration plant for the production of electricity from pure vegetable oil located in Bolzano Vicentino is currently assigned to a third party company. Since the activities carried out cannot be traced back to the operations of the AIM Group, it was decided not to include such information and statistics in this document.

THE AIM GROUP

ABOUT US AND THE VALUES OF THE GROUP

The AIM Group is a **multi-utility** group operating in the provision of local public services such as the distribution of electricity, gas and heat, environmental hygiene, parking services, and municipal property maintenance (green areas, roads, road signs, cemeteries, council housing and public lighting), and in the sale of electricity, gas and heat, the generation of electricity and the management of plants in the environmental sector.

The AIM Group is headed by a holding company, **AIM Vicenza Spa**, 100% owned by the **Municipality of Vicenza**.

The Group is composed of the Parent Company and the following **7 subsidiaries**, all based in Vicenza, which guarantee the development of the various lines of business. The organisational chart shows the companies that are included in the **scope of consolidation** of the AIM Group's Consolidated Financial Statements at 31 December 2019.

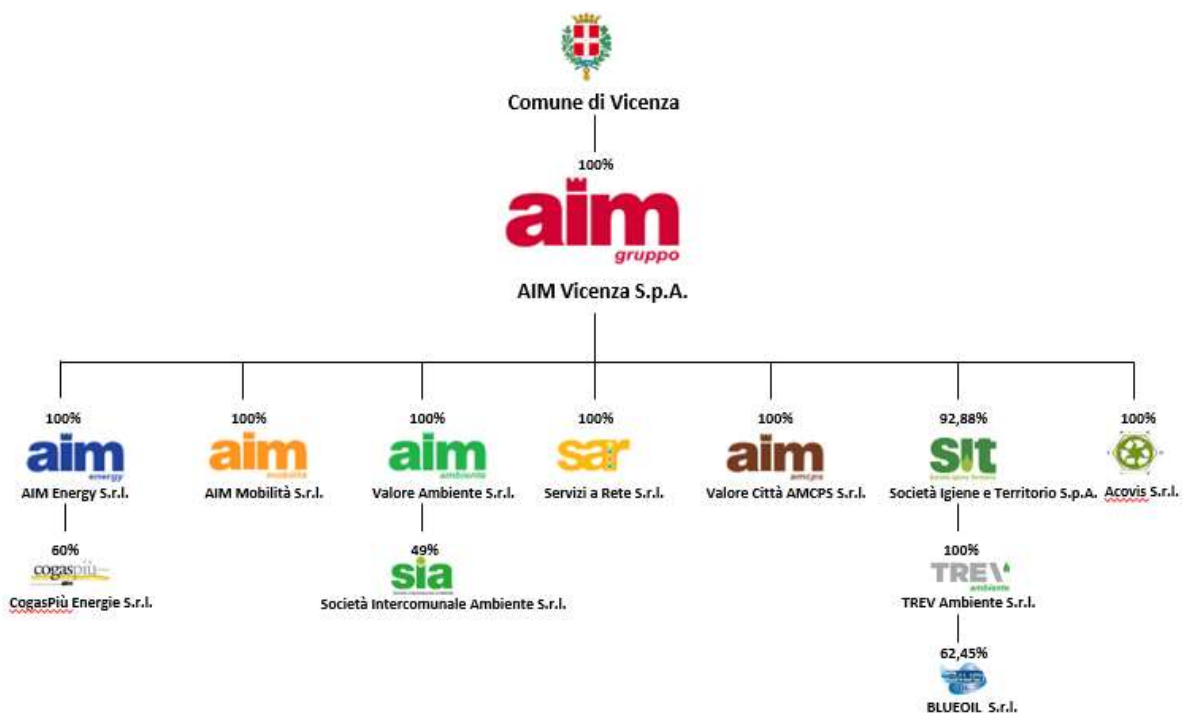


Figure 1 - Scope of consolidation of the 2019 Consolidated Financial Statements

THE HISTORY OF THE AIM GROUP

The following are the most **important stages in the historical development** of the AIM Group:

- **1906**: the foundation of the **Aziende Municipalizzate (Municipal Enterprises)**
- **1907**: the upgrading of the electricity and gas distribution plants and network
- **1911**: the inauguration of the electric tram in Vicenza
- **1950s**: the restart of AIM's operations following the Second World War
- **1963**: the construction of a methane gas storage facility in Monte Crocetta
- **1964**: the inauguration of the San Biagio head office
- **1985**: the construction of a district heating power plant
- **1996**: the foundation of **Aziende Industriali Municipali (Special enterprise)**
- **1997**: the signing of service agreements governing relations between the Municipality and AIM
- **2000**: the transformation of the company into **AIM Vicenza Spa**
- **2002**: the acquisition of a 75% equity investment in SIT Società Igiene e Territorio Spa and of a 40% equity investment in Valore Ambiente S.r.l.
- **2003**: the acquisition from Enel Spa of the electricity **distribution business unit** in the city of Vicenza
- **2003**: the foundation of AIM Vendite S.r.l., a company dealing with the sale of electricity and gas
- **2005**: new organisational arrangements: AIM Vicenza Spa becomes a Group Holding Company controlling the special-purpose vehicles
- **2008**: AIM Vicenza Acqua leaves the Group, and Acque Vicentine Spa is founded
- **2009**: the foundation of **AIM Servizi a Rete S.r.l.** resulting from the merger between AIM Vicenza Energia, AIM Vicenza Gas and AIM Vicenza Telecomunicazioni
- **2009**: the foundation of **AIM Energy S.r.l.**, previously AIM Vendite S.r.l., for the sale of electricity and gas in the Free Market
- **2010**: the takeover and merger of **AMCPS S.r.l.** in **AIM Vicenza Spa**
- **2011**: the foundation of **Valore Città Amcps S.r.l.**, a subsidiary of AIM Vicenza Spa, from the spin-off of the corresponding business unit, acquired the year before, from the Parent Company

- **2012:** the foundation of Ecoenergy S.r.l. from AIM and Manny Energy S.r.l., a company selling photovoltaic plants;
- **2012:** the foundation of 2V Energy S.r.l., a company owned in equal shares by AIM and AGSM, the purpose of which is to cooperate in the procurement of gas and electricity
- **2013:** withdrawal from the “**In House providing**” arrangement established by the Municipality of Vicenza
- **2013:** the acquisition of a 15% equity investment in Soenergy S.r.l. for cooperation in the procurement of gas and electricity
- **2014:** the establishment of “Rete Ambiente Veneto”, the first ever network of public enterprises operating in the waste management sector. The network agreement was signed by the companies AIM Vicenza, AVA Schio, Contarina Treviso, and Ecoambiente Rovigo
- **2014:** a credit facility of Euro 45 million was stipulated with the **European Investment Bank** to directly fund investments in the Environment, Gas, Electricity and Heat sectors for the five-year period from 2014 to 2018.
- **2015:** the acquisition of a 51% equity investment in CogasPiù Energie - a company selling gas and electricity - by AIM Energy
- **2016:** contribution of AIM Mobilità S.r.l.’s TPL business unit to SVT S.r.l.
- **2017:** transfer of the equity investment in SVT S.r.l. to the Municipality of Vicenza
- **2017:** issue of a Bond listed on the Irish Stock Exchange
- **2018:** proportional partial demerger of the Production business unit of Servizi a Rete S.r.l. in AIM Vicenza S.p.A.
- **2018:** second tranche of a Bond listed on the Irish Stock Exchange
- **2019:** the identification of an industrial partner to join the potential strategic partnership involving AGSM Verona Spa and AIM Vicenza Spa
- **2019:** the extension of the Global Service concession for the operation and maintenance of municipal roads, other appurtenances, the public lighting network, paid parking areas and car parks.
- **2019:** the signing of a Memorandum of Understanding with ENEA aimed at facilitating the organisation of projects and initiatives geared to improving energy efficiency

MISSION AND VALUES

The AIM Group's Mission is to “provide integrated public utility services, striking the right balance between quality and price, by equipping the communities it serves with infrastructure for their development while generating an adequate return for shareholders”.

In order to pursue the Group's corporate mission and the path towards the integrated management of sustainability, the AIM Group identified, through the adoption of its own Code of Ethics, the general principles and the rules of conduct recognised as having a positive ethical value.

In particular, our Values, representing the general principles guiding our operations, are as follows:

- fairness, loyalty, integrity and honesty in managing relations with counterparties and with the Group's own employees;
- the optimisation of human resources as the vital factor for the company's growth and business continuity;
- the protection of privacy in instruments and methods in order to ensure the confidentiality of information contained in databanks and personal records;
- the protection of the corporate image in order to safeguard the company's good reputation and credibility;
- the quality of the services provided in order to constantly meet users' requirements;
- impartiality in relations with Stakeholders, avoiding any form of discrimination or favouritism inside or outside of the Group.

The provisions of the Code of Ethics apply to all employees and to all those who directly or indirectly establish relations with AIM Vicenza, whether permanently or temporarily, and to all collaborators, consultants, agents, attorneys or anyone else operating in the name, and on behalf, of said company.

In fact, the aforesaid persons, each within their own sphere of responsibility, and in accordance with the principles of sound, prudent management and in observance of national and EU laws, and of internal policies, plans, regulations and procedures, must contribute to the corporate Mission.

The AIM Group, in accordance with its corporate Mission, maintains its **principal strategy** of identifying growth opportunities, through provincial-level and extra-provincial-level aggregation, with publicly-controlled enterprises operating in the local public services sector, according to a multi-business logic, and offering its expertise, know-how and financial solidity.

Furthermore, it pursues various **strategic approaches**, including that of improving relations with all Stakeholders, and of constantly adjusting the Group's business to meet the qualitative and quantitative change in the requirements of the environment in which it operates, through:

- the constant monitoring of demand (the community's needs), of supply (technological developments) and of changes in Italian and EU legislation;
- the congruous planning of investment, and of the reorganisation, improved efficiency and training of human resources.

The AIM Group's **2014-2018 Business Plan** offers the following strategic approaches, subdivided according to the corresponding business area:

- **External Growth:**

- the implementation of joint ventures in order to optimise the sources of gas and electricity supplies;
- the acquisition of "targeted" equity investments or small business enterprises in the local areas in question for the development of the customer base;
- the creation and development of a business network in the waste management sector.

- **Industrial development:**

- local development of gas network management;
- investment in the renewal of electricity network assets;
- the upgrade and extension of the district heating network;
- the acquisition of new customers and the development of new services;
- plant development and participation in tender procedures in the environmental sector;
- the development of the Electricity generation and improved energy efficiency business;
- the development of parking services.

- **Internal reorganisation:**

- the transfer of certain business units in order to optimise organisation;
- creation of the Vicenza environmental centre;
- the optimisation of logistics in the Group's various operating sites.

- **Financial reorganisation:**

- optimisation of the Group's financial structure (on the basis of financial requirements, through the more logical structuring of short or medium/long-term credit facilities);
- European funding and ad hoc funding, also with recourse to bond issues.

Furthermore, in developing its own business the AIM Group pursues the ten Principles set out in the **Global Compact**, and the Goals established by the **2030 Agenda**.

With regard to the Global Compact, since 2014 the Group has adhered to this United Nations' project for the promotion of a corporate citizenship culture that encourages enterprises throughout the world to create an economic, social and environmental framework designed to **promote a sound, sustainable global economy** (www.globalcompactnetwork.org). Each year, by a specifically established deadline, the AIM Group has to submit a **COP** (Communication on Progress), whereby it maintains a transparent relationship with the Association, stating how it manages to support and safeguard the ten fundamental Principles through its own operations.

The **10 Fundamental and Universal Principles** of the Global Compact concern:

- human rights
- labour rights
- the environment
- the fight against corruption

Attached herewith is the concordance table between the ten fundamental principles and the actions implemented by the AIM Group in pursuit of said principles.

The following are the objectives of the **2030 Agenda** – also known as the **Sustainable Development Goals** – to be pursued by the 193 UN member states by 2030.



Figure 2 - Sustainable Development Goals

The table below shows the concordance between the 17 global sustainable development goals and the actions implemented by the AIM Group in pursuit of some of said goals.

MATERIALITY ANALYSIS

The AIM Group prepared the **materiality analysis** by comparing the **importance given by the Group and the Stakeholders** to the activities carried on and the **material aspects** reported on in this Sustainability Report.

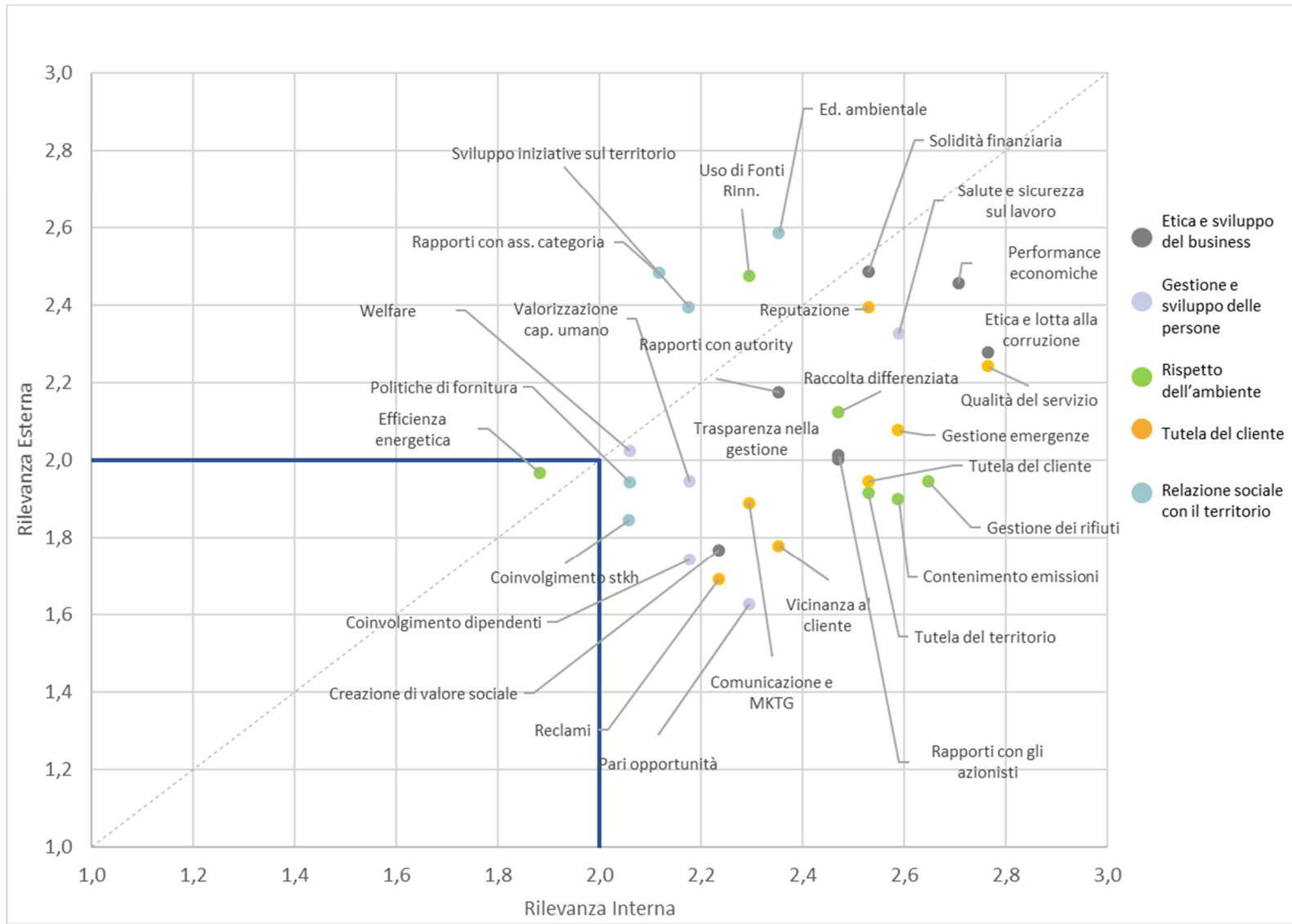
The materiality analysis process initiated for the purposes of the Non-Financial Statement is based on the methodological references provided by the GRI (101 Foundation) and the Communication 2017/C 215/01 from the European Commission ("Guidelines on non-financial reporting"). As highlighted in the methodological note, this 2019 NFS was implemented in continuity with that of 2018 and the contents were identified through a materiality analysis process that has led to the identification of priority issues for the Group and its stakeholders.

The process was characterised by:

- the involvement of the Management Committee (18 persons) of the Group who, during an ad hoc meeting, expressed their evaluations, taking this opportunity as an opportunity for discussion and exchange of ideas on the approach to sustainability of the Group;
- sending an online survey to the main stakeholders, including customers, banks, suppliers, shareholders and employees for a total of more than 200 questionnaires. At the end of the indicated listening activities, the aspects were also weighted according to the criteria of dependence and influence.

Bringing together the results of the two criteria, and considering the overall interpretation of the business model and business strategies, the 2018 Materiality Matrix is represented below. The aspects were clustered into thematic macro-areas for a better representation of the priority areas:

- **ETHICS AND BUSINESS DEVELOPMENT**
- **PROTECTION OF THE CUSTOMER**
- **RESPECT FOR THE ENVIRONMENT**
- **PEOPLE MANAGEMENT AND DEVELOPMENT**
- **SOCIAL RELATIONSHIP WITH THE TERRITORY**



THE STAKEHOLDERS

The AIM Group is committed to sharing the value produced as a result of its business operations, with its own local area and its Stakeholders. The continuous listening to the needs and requests of parties both within and outside of the Group is a key element for AIM, which aims to create, maintain and strengthen its relations with all stakeholders. To this end, the company is committed to guaranteeing adequate time and space for **listening** and **dialogue**.

The principles that AIM followed when mapping its Stakeholders are geared toward **transparency**, **fairness**, **social integration** and consideration for the **future generations**, through the activities managed by the various companies within the Group.

In particular, for a better representation of its stakeholders, in order to better understand their needs and structure the methods of interaction and dialogue, AIM has chosen to map them, as shown in **Errore. L'origine riferimento non è stata trovata..**



Figure 3 - Map of AIM Group Stakeholders

In establishing corporate policies, each category of Stakeholder is broken down into homogeneous segments sharing similar interests, in order to guide managerial decisions towards meeting the specific requirements of individual groups as best as possible.

Stakeholder engagement entails diverse means of communication, listening, dialogue and partnership, all designed to meet the actual needs and expectations of Stakeholders in terms of the company's strategies, and with the aim of improving the Group's socio-economic impact.

STAKEHOLDERS	CATEGORIES	GLOBAL COMPACT RIGHTS	PRINCIPLES OF CONDUCT
Territory	Local municipalities and citizens affected by the Company's strategic and operational actions	Environment	AIM, in accordance with its own mission, provides Municipalities with parking, environmental hygiene and energy distribution services, together with other services for the care of the town. AIM undertakes to establish the necessary conditions for the cultural, social and economic development of the community, and in particular for a liveable environment and for the safeguarding of the rights of future generations.
Customers/Users	Users/customers utilising the AIM Group's services, and thus the direct beneficiaries of the Group's business	Human rights Corruption	AIM acts on the basis of the principles of loyalty, helpfulness, transparency and professionalism, and to this end it has adopted the Services Charter with which it has made commitments to customers regarding the manner of its operations, in order to ensure that expected quality and perceived quality are duly aligned.
Suppliers	Individuals, companies and entities that furnish goods and services required for the Group's operations	Human rights Corruption Environment	AIM, during the procurement of goods and services, offers equal opportunities and partnerships to all suppliers, and guarantees the loyalty and impartiality of its decisions in this regard.

Lenders	Banks that finance the Group	Corruption Human rights	AIM bases its relations with lenders on the greatest possible transparency and the sharing of requirements deriving from current management and from development and investment plans.
The Public Administration	All Entities benefiting from the taxes and duties paid by the Group and/or the providers of contributions for the carrying out of the Group's business	Corruption	AIM undertakes to strictly comply with all laws and regulations, and to promote projects and collaborations that improve the public's perception of service provision.
Human resources	All persons carrying out their duties within the Group, and whose professionalism and expertise are of importance to the implementation of the Group's strategies and actions.	Human rights Labour	AIM adopts employment policies based on the rewarding of merit, professional development, and the involvement of workers' representatives in the processes of work reorganisation and of improving the efficiency of working units.
The Shareholder	Holders of the Group's equity in its various forms	Human rights Corruption	AIM regulates its relations with shareholders through articles of association, internal regulations, and the sharing of company plans and programmes.

THE GOVERNANCE SYSTEM

Material aspects

- TRANSPARENCY IN MANAGEMENT AND GOVERNANCE
- ETHICS IN BEHAVIOUR AND THE FIGHT AGAINST CORRUPTION

The Corporate Governance structure is represented by the rules and forms of behaviour adopted by AIM and designed to guarantee the fair, efficient and transparent working of the Company's governance bodies and control systems.

The organisational model assigns specific tasks and duties to the various company Functions. In particular, the Sole Director of AIM Vicenza Spa is responsible for the legal representation and the definition of institutional strategies, according to the guidelines given by the shareholders; the General Manager takes all measures aimed at implementing the guidelines set by the corporate bodies.

The Group's operating companies, in concert with the parent company, manage the "technical-specialist" aspects of the managed services - gas, energy, district heating, environmental hygiene, parking and management of public property - including through consultation with the various administrative, regulatory and control bodies.

The Company's Code of Corporate Governance aims to establish the roles for the definition and implementation of corporate strategies, and to identify the corresponding powers and responsibilities, in order to preserve the Group's uniqueness.

The Sole Shareholder of AIM Vicenza S.p.A. is the Municipality of Vicenza, which holds a 100% equity investment in the Company.

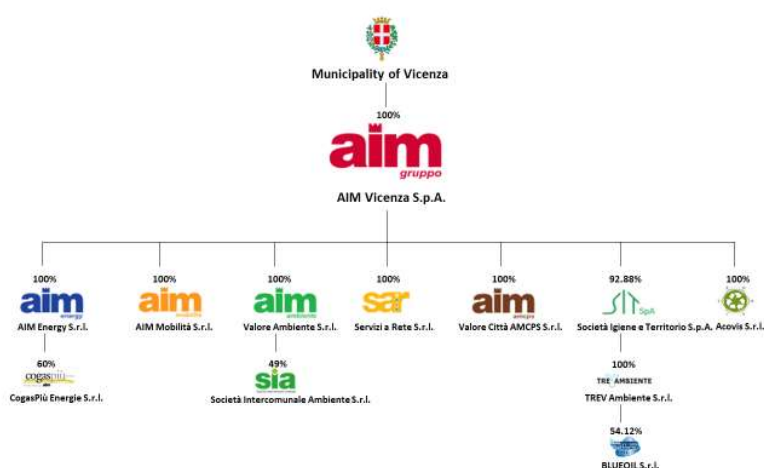


Figure 4 - AIM Group corporate structure

The Group's system of corporate governance is designed to create economic, social and environmental value for the Municipality of Vicenza and for the local community over the medium/long term, in the knowledge of the social importance of the fields in which the Group operates, and in view of the need to take account of all interests affected by the Group's business.

The internal control and risk management system

The **Internal Control and Risk Management System** of AIM Vicenza S.p.a. applies the administrative liability management system referred to in Italian Legislative Decree no. 231/2001.

Said system consists of a series of rules, procedures and organisational structures designed to permit the identification, measurement, management and monitoring of the Group's principal corporate risks, that is, criminal offences committed in the interest, or for the benefit, of the entity itself by persons vested with representation, administration, management and control functions within the entity, or by the aforementioned persons' subordinates.

The AIM Group has adopted an organisation and control model, and at the same time has appointed the **Supervisory Board (SB)**. The model provides for the initial monitoring of the various operations exposed to the identified risks of crime, and establishes, among other things, a number of specific protocols to be observed in order to prevent those crimes referred to in Italian Legislative Decree no. 231/01 and in other legislation, including the crimes of corruption and extortion.

For example, the SB has the following functions:

- the supervision of the effectiveness of the Model, by verifying whether actual behaviour is in line with that provided for in the Model itself, through the monitoring of those areas at risk of the commission of criminal offences - both those characterising the Group's traditional business activity and those instrumental in the commission of crimes;
- the regular control of the adequacy of the Model, that is, its capacity to prevent undesired forms of behaviour, and of the Group's ability to constantly meet the requirements of solidity and functionality, through the continuous monitoring of the system of controls and protocols;
- to propose adjustments to the Model in the event that the controls operated call for adjustments to be made.

The Group's companies are constantly engaged in keeping the adopted risk control model updated and effective. The Holding Company's SB has free access to all company documents deemed of relevance, and during the course of 2019, it **met 5 times**.

With a special reference to the areas indicated by Decree 254/2016, the environmental risk factors, related to social aspects, personnel management, respect for human rights and the fight against corruption, are reflected in the management of the Group's activities in order to ensure continuity and efficiency.

The Group, in pursuing the continuous improvement of the quality of services provided, and in order to limit its own environmental impact, adopted the main standards, based on ISO standards, for effective management of business processes. Moreover, considering the Group's activities, AIM is

subject to regular checks by the Veneto Regional Environmental Protection Agency (ARPAV, Agenzia Regionale per la Protezione Ambientale Veneto).

COMPANY	REFERENCE STANDARD	DATE OF ISSUE	DATE OF EXPIRY
Servizi a Rete	ISO9001:2015	29/05/2018	02/08/2020
Valore Città Amcps	ISO9001:2015	29/05/2018	02/08/2020
AIM Spa	ISO9001:2015	29/05/2018	02/08/2020
Valore Ambiente	ISO9001:2015	29/05/2018	02/08/2020
AIM Mobilità	ISO9001:2015	29/05/2018	02/08/2020
SIA	ISO9001:2015	29/05/2018	02/08/2020
AIM Energy	ISO9001:2015	29/05/2018	02/08/2020
Valore Ambiente	ISO14001:2015	29/05/2018	19/07/2020
SIT	ISO9001:2008	11/07/2018	10/07/2021
SIT	ISO14001:2015	24/7/2018	23/07/2021
SIT	OHSAS 18001:2007	29/03/2018	31/12/2020
TRE V Ambiente	ISO14001:2015	29/08/2018	10/07/2020

Table 1 - Group ISO Standards

Plus, the AIM Group obtained certification from the **certifying body (SOA)**¹, that is, the mandatory certification required in order to submit bids for public works contracts. This certification proves the company's capacity to carry out, either directly or through subcontractors, public works subject to a starting price, for the submission of bids, of more than Euro 150,000, and it guarantees that the company meets all of the requirements established by current legislation governing public works contracts.

¹ SOA certification is valid for five years, and is issued by companies authorised to operate for such purpose by the Public Contracts Supervisory Authority (Autorità per la Vigilanza sui Contratti Pubblici - AVCP).

The following companies in the AIM Group have been granted SOA certification:

COMPANY	REFERENCE LAW	NO. OF CERTIFICATE	DATE OF ISSUE	DATE OF EXPIRY	CATEGORY	CLASS
AIM Servizi a Rete S.r.l.	Consolidated Act on Tender Procedures	SOA-certificate 15028AL/16/00	29/12/2015	28/12/2020	OG6, OG10	IV, V
Valore Città Amcps S.r.l.	Consolidated Act on Tender Procedures	SOA-certificate 16722/16/00	22/09/2015	21/09/2020	OG1-2-3, OS3-6-9-10-23-24-30	IV-III-III BIS, I-II-I-II-I-III BIS-III
SIT S.p.A.	Consolidated Act on Tender Procedures	SOA-certificate 15930/16/00	20/11/2018	19/11/2021	OG9-OG12-OS1-OS14	IV- VI-V- VIII
SIT S.p.A.	Consolidated Act on Tender Procedures	SOA-certificate 20494/16/00	20/11/2018	19/11/2023	OG9-OS14	III BIS-IV
SIT S.p.A.	Consolidated Act on Tender Procedures	SOA-certificate 19500/16/00	20/11/2018	19/11/2023	OG9-OS14	III BIS-IV
Valore Città AMPCS S.r.l.	Consolidated Act on Tender Procedures	SOA-certificate 21455/16/00	24/09/2018	23/09/2023	OG1-OG2-OG3-OG6-OS3-OS6-OS9-OS10-OS24-OS30	III-III-III BIS-II-I-I-I-II-III BIS-III

Table 2 - AIM Group SOA Certificates

The Three-year Plan for the Prevention of Corruption is the measure through which AIM VICENZA implements its strategy to prevent corrupt practices (see the next paragraph for details). To this end, an analysis was carried out of the level of exposure to the risk of corruption of corporate activities, focusing on the events at risk in the mandatory areas identified by Italian Law no. 190/2012, as well as on other areas potentially exposed to the risk of corruption as a result of the risk assessment carried out as part of the activities also related to Italian Legislative Decree 231/2001.

A summary table that identifies the sources to monitor risk management in the various areas is available below.

SCOPE OF THE DECREE	MAIN RISK FACTORS	MONITORING SYSTEMS AND INSTRUMENTS
ENVIRONMENTAL TOPICS	<ul style="list-style-type: none"> • Inadequate management of generated waste, temporary storage at the production site and transfer to third parties for transport/disposal/recovery of waste • High generation and inadequate containment of greenhouse gas emissions and pollutant emissions • Contamination of soil, subsoil and water 	<ul style="list-style-type: none"> • Code of Ethics • ISO 14001 • ISO 9001
SOCIAL TOPICS	<ul style="list-style-type: none"> • Inadequate management of information systems and IT security 	<ul style="list-style-type: none"> • Code of Ethics • ISO 9001 • GDPR
PERSONNEL-RELATED TOPICS	<ul style="list-style-type: none"> • Loss of key competences 	<ul style="list-style-type: none"> • Code of Ethics • Regulations on staff recruitment criteria and methods • Beneficial models • Incentive system
TOPICS RELATING TO RESPECT FOR HUMAN RIGHTS	<ul style="list-style-type: none"> • Inadequate working conditions of people such as possible cases of child labour, healthy working environment, possible discrimination, health and safety of people, freedom of association and collective bargaining 	<ul style="list-style-type: none"> • Code of Ethics • 231 management model • OHSAS 18001 • ISO 9001 • Internal rules on Safety in the workplace
TOPICS RELATING TO THE FIGHT AGAINST CORRUPTION	<ul style="list-style-type: none"> • Inadequate negotiation, signing and performance of contracts for the sale of goods and services to private individuals 	<ul style="list-style-type: none"> • Code of Ethics • 231 management model • Code of Governance

SCOPE OF THE DECREE	MAIN RISK FACTORS	MONITORING SYSTEMS AND INSTRUMENTS
		<ul style="list-style-type: none"> • 2018-2020 three-year plan for the prevention of corruption • Regulations on expenditure on a time and materials basis • Tender procedure

Finally, in 2019, walkthrough activities were carried out in relation to the potentially most sensitive areas, in particular on the tender procedures carried out by the Procurement Office for Group companies and on the procedures used by Administration, Finance and Control for payments. In particular, with regard to the former, sample checks were carried out for the tender procedures in progress and to ascertain the adaptation of the procedures to the new law provisions on the matter, which found no significant critical issues pursuant to Italian Legislative Decree no. 231/01.

Transparency and Anti-Corruption

To further strengthen interaction with all Stakeholders, a special section of the company website has been set up, headed “**Transparent Administration**” (<http://www.aimgruppo.it/amministrazione-transparente/>) containing both economic-financial, social and governance-linked information, and up-to-date data and documents of specific interest, enabling Stakeholders to get a multi-disciplinary, integrated picture of the company.

The AIM Group possesses an internal policy designed to ensure that each administrative procedure is characterised by **transparency and accessibility**, in accordance with existing legislation, that is, with Italian Legislative Decree 33/2013 regarding the reorganisation of provisions concerning the duty to disclose and divulge transparent data and information on the part of the public administration and publicly-controlled enterprises, in regard to activity of public interest governed by national or EU law. The business activities governed include the management of public services.

Since 2017, the AIM Group has been included in the category of **listed public companies**, and the **Italian National Anti-Corruption Authority (Anac)**, in its resolution no. 1134 of 8 November 2017, set out guidelines, considering it appropriate to “further examine the legislation applicable to listed public companies, as defined by Section 18 of Italian Legislative Decree no. 175/2016, already subject to a separate system of obligations and penalties, and thus to erase that part of the guidelines concerning listed companies, pending the results of such examination”.

As a result of the foregoing, AIM Vicenza Spa is exempted from the scope of the provisions regarding transparency under Italian Legislative Decree 33/2013, as are its direct or indirect subsidiaries or investees. The AIM Group, however, continues to disclose information regarding the management of the individual companies, in particular vis-à-vis its Stakeholders, and maintains a level of transparency that is in line with the corresponding legal forms.

The AIM Group considers transparency to be a fundamental instrument with which to **prevent corruption** and to ensure the efficiency and effectiveness of its administrative actions. The **Code of Ethics** is a document expressing a series of “**ethical-behavioural**” **principles** that the company adheres to, and which it demands be complied with by its own corporate bodies, employees, collaborators, users and suppliers, and in general by all those who have any dealings with the company.

The Holding Company AIM has introduced a series of specific organisational and managerial measures to prevent corruption, and has extended the scope of its own Organisational Model pursuant to Italian Legislative Decree 231/2001 to those crimes referred to in Italian Law 190/2012, through the adoption of a **Three-Year Corruption Prevention Plan** and of a **Three-Year Transparency and Integrity Programme**, as well as the corresponding updates to such, which constitute an Appendix to the Organisational Model itself.

The aforementioned Plan establishes the following objectives:

- to reduce the likelihood of cases of corruption;
- to increase the capacity to identify cases of corruption;
- to create an environment unfavourable to corruption.

Since 2015 the AIM Group has developed and implemented a series of organised actions and activities designed to prevent crimes of fraud against the State and the public administration from being committed, together with the crimes of undue inducement to give or promise benefits, extortion and corruption, in relation not only to public administrations but also to private individuals.

Observance of the laws and the fight against corrupting behaviour are clearly established in the Group’s Code of Conduct, implemented in practice and in the operating methods established and adopted through company procedures, and is supported, encouraged and monitored by means of the principal instrument of prevention that AIM has created, namely the Anti-corruption and transparency unit (**N.A.T. Nucleo Anticorruzione e Trasparenza**), which mainly:

- carries out internal controls in order to monitor company processes and to identify any critical situations or anomalies;
- specifically identifies areas potentially at risk;
- maps existing processes;
- assesses risk;
- identifies appropriate preventive measures.

The AIM Group, aware of the importance of the fight against corruption, decided to strengthen its model of prevention on the basis of the provisions of Italian Law 190/2012 and of the Italian National Anti-Corruption Authority's guidelines on the matter.

Moreover, in 2019 no corruption actions (active and passive) or legal actions concerning unfair competition or antitrust were recorded, nor were such actions brought by any third parties against the Company itself.

It should be noted, in so far as it may be necessary, specifically with reference to Italian Legislative Decree 231/01, that criminal proceedings are pending before the Court of Grosseto for liability under Legislative Decree no. 231/01 in relation to the crime of fraud alleged against the special attorney of SIT, with the aggravating circumstance of significant profit to the detriment of the Municipality of Grosseto.

The organisational structure

The AIM Group, in order to carry out its operations, established the following organisational structure subdivided into functions, each of which is headed by a **Function Manager**.

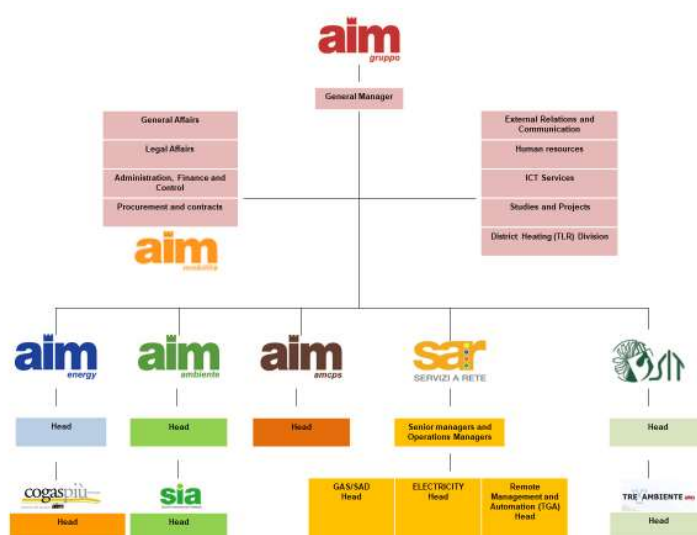


Figure 6 - AIM Group corporate structure

Corporate bodies

The articles of association provide for the following **corporate bodies**:

- The shareholders' meeting
- Management body: Sole Director
- Company control body: Board of Statutory Auditors
- Control body: Audit firm

Moreover, the **Corporate Governance Code** provides for two additional bodies

- The directors' committee
- The management committee

The Shareholders' Meeting

The Shareholders' Meeting is responsible for approving the Financial Statements and for deciding on the distribution of profits, for the appointment and dismissal of the Management Body, the Control Body and the Audit Firm.

During the course of 2019, the Shareholders' Meeting was held **3 times**.

The Sole Director

The Management Body sees to all ordinary and extraordinary operations concerning the management of the company, in some cases subject to the favourable opinion of the General Manager, which are required in order to achieve the corporate purpose in accordance with the goals established by the Shareholders.

The following table shows the appointments of directors, of which 14.29% are **women**.

COMPANY	SOLE DIRECTOR/ BOARD OF DIRECTORS	DATE OF APPOINTMENT
AIM Vicenza S.p.A.	Sole Director - Mr. Gianfranco Vivian	29/10/2018
Servizi a Rete S.r.l.	Sole Director - Mr. Gildo Salton	Until 28/03/2019
	Sole Director – Mr. Giampaolo Dalla Via	From 29/03/2019
Valore Ambiente S.r.l.	Sole Director - Mrs. Maria Menin	Until 28/03/2019
	Sole Director – Mr. Mariano Farina	From 29/03/2019
AIM Mobilità S.r.l.	Sole Director - Mr. Piercarlo Pucci	Until 26/02/2019
	Sole Director - Mr. Francesco Omassi	From 27/02/2019
AIM Energy S.r.l.	Sole Director - Mr. Giovanni Battista Segato	Until 26/02/2019
	Sole Director – Mr. Fausto Costenaro	From 27/02/2019
Valore città AMCPS S.r.l.	Sole Director - Mr. Stefano Cominato	Until 26/02/2019
	Sole Director – Mr. Carlo Rigon	From 27/02/2019
SIT S.p.A.	Sole Director - Mr. Massimo Toniolo	Until 26/02/2019
	Sole Director – Mr. Gaetano Stella	From 27/02/2019
CogasPiù Energie S.r.l.	Chairman - Mr. Dario Vianello	20/04/2018
	Director - Mr. Fabio Candeloro	
	Director - Mrs. Alba Dalla Lana	

Società Intercomunale Ambiente	Chairman - Mr. Andrea Treu	On 29/10/2019, the Board of Directors was renewed with the same members as the previous one
	Director - Mr. Ruggero Casolin	
	Director - Mrs. Antonella Barcaro	
TRE V Ambiente S.r.l.	Sole Director - Mr. Massimo Toniolo	On 20/05/2019, the office of Sole Director was renewed with the same person

Table 3 - AIM Group Governance Instruments

Finally, **129 resolutions of the Sole Director were passed in 2019.**

The Board of Statutory Auditors

The Group's **Board of Statutory Auditors** is composed of **five standing statutory auditors**, three of whom are regular auditors and the other two are alternate statutory auditors. The statutory auditors remain in office for three financial years.

This Body is called on to supervise: compliance with the law and with the articles of association in accordance with the principles of correct management, the process of financial reporting, the adequacy of the Company's organisational structure, internal control system and administrative-accounting system, on the statutory audit of the annual financial statements and the consolidated financial statements, the independence of the audit firm, and finally, the actual manner of implementation of the rules of corporate governance established by the Code of Corporate Governance.

The Boards of Statutory Auditors of the other investees of the AIM Group met as follows:

COMPANY	NO. OF MEETINGS
AIM Vicenza S.p.A.	10
AIM Servizi a Rete S.r.l.	7
Valore Ambiente S.r.l.	7
AIM Mobilità S.r.l.	6
AIM Energy S.r.l.	7
Valore città AMCPS S.r.l.	2
SIT S.p.A.	6
CogasPiù Energie S.r.l.	5
Società Intercomunale Ambiente	4

Table 4 - AIM Group Governance Instruments

The other two bodies envisaged by the **Code of Corporate Governance** are:

The Directors' Committee

The **Directors' Committee** is composed of the Sole Director of AIM Vicenza Spa, the Sole Directors of the special-purpose vehicles, and the General Manager of the Parent Company. It establishes the Business Plan and the policy documents, analyses any deviation from the budget, and establishes the corrective actions to be taken.

The Management Committee

The **Management Committee** is composed of the General Manager and the senior or middle managers in charge of companies/divisions/services.

It meets once a month to examine issues relating to operations. The key role is played by the Management Body of the Parent Company, AIM Vicenza Spa, which is responsible for the management, coordination and control of the companies belonging to the AIM Group.

The executive management of the business constituting the corporate purpose is entrusted to the General Manager, who is also responsible for coordinating the operational structure and the organisation of the work of the AIM Group, including the logistical aspects thereof.

Mr. Dario Vianello was appointed General Manager by deed of 26 August 2011.

RESOURCE MANAGEMENT AND ECONOMIC PERFORMANCE

THE SHARE CAPITAL

Material aspects

- RELATIONS WITH SHAREHOLDERS

The sole shareholder of AIM Vicenza Spa is the **Municipality of Vicenza** that owns **100% of the share capital**. The Company, vis-a-vis its shareholder, ensures the **effective participation** of all members of corporate bodies in the shareholders' meeting through timely information on the items on the agenda, in order to establish a fruitful dialogue among the Shareholder, the Board of Directors and the Board of Statutory Auditors; in addition, the AIM Group seeks maximum transparency in both corporate disclosures and personal relationships.

The relationship, from a corporate point of view, consists of the **statutory shareholders' meetings** and those envisaged by the **articles of association**. The company has concluded contracts called "**service contracts**" with the Municipality of Vicenza for performance of the activities subject to concessions and/or administrative authorisations.

The share capital of AIM Vicenza Spa amounts to **Euro 71,293,000** and consists of **1,425,860 ordinary shares**, worth Euro 50.00 each, owned entirely by the Municipality of Vicenza.

In 2019, the AIM Group paid **dividends** to the Municipality of Vicenza of **Euro 3.7 million referring to the profits allocated from the 2018 Financial Statements**.

RELATIONS WITH LENDERS

Material aspects

- **ECONOMIC AND FINANCIAL PERFORMANCE**
- **FINANCIAL SOUNDNESS**

The Group pursues a policy aimed at the utmost transparency and fairness in communications with lenders, maintaining a balanced diversification and distribution of debt.

The financial management objective is to guarantee the Group an adequate current and future balance between investments and capital use on the one hand and sources of financing on the other hand and, for the latter, negotiate sustainable conditions, both in terms of repayment plan and rate type and extent.

For the performance of its activities, the AIM Group resorts to self-financing as well as to short-term debt capital (to be repaid within the following year) and long-term debt (to be repaid beyond the following year).

Net financial debt at 31 December 2019 was equal to **Euro 145.21 million**.

	2019	2018	2017
Current net financial debt	-27.53	- 43.00	- 25.34
Non-current financial debt	116.83	127.87	135.39
Net financial debt	89.30	84.80	110.05

Table 5 - Net financial debt (in millions of Euro) for 2017-2019

The Group's financial structure shows a modest change in debt; about 80% of the debt structure consists of medium/long-term debts.

The credit facilities are not concentrated on a single lender but are distributed among the leading Italian banks with which the Group has entertained consolidated relations for years. The **Net Financial Position** amounts to **Euro 89.30 million, up compared** to 2018. The AIM Group is among the first Italian companies operating in the local public services sector which the **European Investment Bank** has involved in the new loan programme called "**Medium Sized Utilities Programme Loan**", intended to support companies' medium-term development plans.

The **financial expenses accrued on debt capital** in 2019 fell from **Euro 5.1 million to Euro 4.7 million** with a reduction of 8.6%.

The AIM Group, for over 5 years, has entertained relations with the **Banca Etica** credit institution that recognised the Company's corporate and environmental requirements, thereby allowing the opening of some credit facilities aimed at the company's economic-corporate sustainability.

It should be noted that in 2017, AIM Vicenza issued the first tranche of an unsecured bond amounting to Euro 50 million through listing on the regulated market of the Irish Stock Exchange (ISE), one of the reference trading venues at the European level for the corporate bond market. This operation was

followed in 2018 by the issue of a second tranche of the Green Bond, demonstrating the commitment and interest shown by the AIM Group in making investments in favour of growth and sustainable development.

The unrated private placement was fully subscribed by institutional investors. The bonds will have a duration of 7 years, expiring in 2025, and an annual coupon of 1.984%.

The principal will be repaid according to an amortisation schedule divided into constant annual principal amounts. The proceeds from the issue will be used to fund the important investment programme, in the various business areas, envisaged by the Business Plan approved by the Municipality of Vicenza and will allow, through a diversification of the sources of financing, to continue the Group's financial consolidation process pursued in recent years.

Among others, complex operations will be carried out on the electricity networks and part of the financial resources will contribute towards the upcoming tenders for the award of the methane gas distribution service. The operations planned in the environmental sector are not of secondary importance, among which the construction of a major centre in eastern Vicenza stands out.

RELATIONS WITH LOCAL AUTHORITIES

Material aspects

- **RELATIONS WITH REGULATORY AUTHORITIES**

The AIM Group pursues the objectives set by the reference public institutions and collaborates effectively with their bodies in the regulation and control of local public services. The company pursues these objectives by combining them with its mission and with the need for the organisational and managerial autonomy typical of any economic operator.

As laid down by its Code of Ethics, "the Company does not grant contributions or benefits of any kind to political parties, movements, committees and political and trade union organisations, to their representatives and candidates, which may, in some way, be linked to the company's intention to favour them, except those that may be due according to specific regulations and agreements".

The AIM Group regularly pays the **contributions** and **registration fees** due to entities and institutions.

In particular, the entities to which contributions are paid include the following:

- Regulatory authorities (ARERA, AA To, ...)
- Confederation bodies and membership fees
- Utilitalia
- Industry Association
- Confservizi
- Provincial entities (TARI)
- Regional entities

The Institutions represent a privileged partner with whom to collaborate in the implementation of initiatives designed to generate positive effects on the social and economic fabric of the territory and on the citizens' quality of life, including by virtue of the essential nature of the services provided by the Group and their impact on the communities.

The AIM Group interacts with the various institutional players in compliance with the principles and rules set out in the Group's **Code of Ethics**, which dedicates Article 4 to relations with political institutions and trade unions.

In the relations with reference local authorities, "the company pursues the objectives set by the reference public institutions and collaborates effectively with their respective bodies in charge of regulating and controlling local public services. The Group combines these objectives with its mission and with the need for the organisational and managerial autonomy typical of any economic operator".

In relations with public administrations, "the AIM Group's corporate bodies must conduct themselves with the utmost fairness and integrity vis-à-vis the Public Administration".

Therefore, there are no logics of conditioning the counterparty decisions, expressed or implemented in any form, aimed at influencing decisions in favour of the Company or requesting or obtaining favourable treatment.

It is also forbidden to accept requests from Public Administration personnel aiming to subordinate decisions and acts in favour of AIM Vicenza to awards of whatsoever nature.

During business negotiations, requests or business relations with the Public Administration, no actions proposing employment and/or business opportunities that may provide benefits, for oneself or others, to employees of the Public Administration or their relatives or in-laws, must be undertaken directly or indirectly.

Relations with Public Administrations are maintained by delegated corporate representatives. All the documentation summarising the procedures through which the AIM Group entered into negotiation or administrative contact with Public Administrations must be duly collected and filed. Upon the occurrence of episodes of this kind, or of more or less explicit attempts, it is required to promptly inform the Supervisory Board.

Finally, the Group maintains the utmost transparency and independence in “**relations with political and trade union organisations**”.

The relationship with the institutions is defined by a complex organisational model that assigns specific tasks and duties to the various company Functions, of which reference should be made to the chapter on corporate governance.

The AIM Group also maintains relations with **trade associations** by participating and **actively collaborating** in benchmarking against other companies and to promote regulatory and technological updates, including Utilitalia, Confservizi and Confindustria.

Moreover, the AIM Group maintains relations with the ARERA authority. **ARERA** is an independent body established by Law 481/1995, which protects consumer interests and the promotion of competition, efficiency and the distribution of services through regulation and control activities. It also performs an advisory role vis-à-vis the Parliament and the Government to which it can submit reports and proposals.

The tax burden incurred by the AIM Group was as follows:

Taxes and duties Euro/000	2019	2018
Direct income tax for the year, of which:	4,579	3,295
IRES and IRAP	4,579	3,295
Indirect taxes and duties, of which:	754	742
Other taxes	700	689
Vehicle ownership taxes	54	53
Total	5,333	4,037

Table 8 – The tax burden incurred by the AIM Group in thousands of Euro

The AIM Group is attentive to compliance with rules and regulations and **has no significant litigation proceedings against the Public Administration.**

The AIM Group also receives contributions from the Public Administration, mainly from the *Cassa Conguaglio del Settore Elettrico*, the Adjustment Fund for the Electricity Sector.

GENERATED AND DISTRIBUTED ECONOMIC VALUE

The added value is the ability of a company to produce wealth and then distribute it to the various stakeholders. The added value can therefore be analysed from two points of view:

- that of the wealth produced by the AIM Group (production of added value);
- that concerning its distribution among the stakeholders involved in the activities of the AIM Group (distribution of added value).

The reclassification of values followed the principles established by the Sustainability Report Study Group (GBS). The measurement of the added value is shown in [Table 6](#).

The amount of Added Value distributed to **Personnel** is equal to **59.21%** and consists of wages and salaries, for both employees and collaborators; **9.67%** was distributed to the **Public Administration** through the payment of direct and indirect taxes; **8.20%** to **Lenders** through financial expenses paid to credit institutions; **6.49%** to the **Shareholder** in the form of dividends and reserves; for the **Group's capitalisation**, **13.31%** was allocated and, finally, **3.11%** was disbursed to the **Local community**, mainly through contributions to social, cultural and sporting initiatives and to consumption and environmental education.

Considering that **86.7% of AIM Group employees live in the municipality of Vicenza or in other municipalities in the province of Vicenza**, more than Euro 29.3 million was distributed locally in the form of wages and salaries, which contribute significantly to the economic and social growth within the territory.

The added value distributed in 2019 is broken down as shown in [Figure](#) .

DETERMINATION OF ADDED VALUE (Euro/000)	2019
A) Value of production	289,555
1. Revenue from sales and services	259,400
- revenue adjustments	- 2,821
2. Changes in inventories of work in progress, semi-finished and finished products (and merchandise)	1,050
3. Change in contract work in progress	-
4. Other revenue and income	5,700
4 bis. Grants related to income	12,203
Revenue from typical production	275,531
5. Additions to internally produced non-current assets	14,023
B) Intermediate cost of production	211,729
6. Consumption of raw materials and/or consumables	96,838
7. Services	94,018
8. Leases and rentals	4,133
9. Provisions for liabilities	

10. Other provisions	3,728
11. Other operating costs	13,012
Gross characteristic added value (A–B)	77,825
C) Ancillary and non-recurring components	1,589
12 +/- Ancillary operations balance	1,122
+ Ancillary revenue	1,223
- Ancillary costs	- 101
13 +/- Non-recurring component balance	467
+ Non-recurring revenue	731
- Non-recurring costs	- 264
Gross global added value	79,414
- Depreciation/amortisation of operations for homogeneous groups of goods	-22,406
Net global added value	57,009

Table 60 – Value added related to the AIM Group's activity in 2019

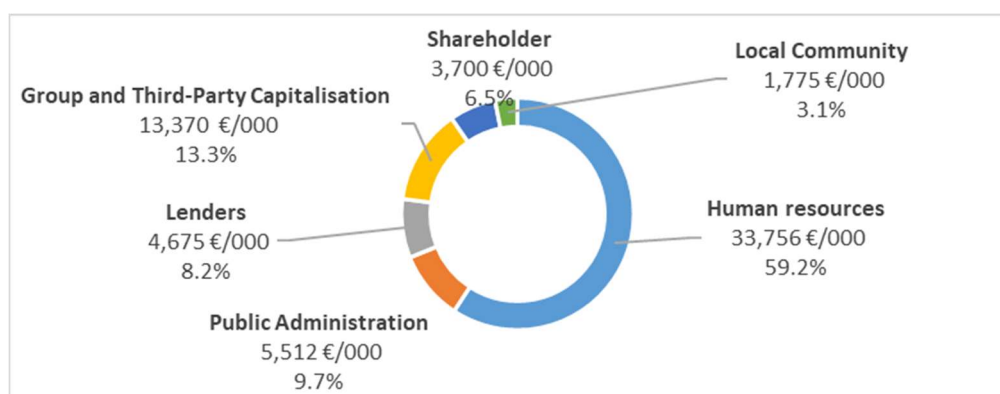


Figure 8 - Breakdown of the net global added value generated by the AIM Group in 2019

In particular, the portion allocated to the local community was broken down as follows:

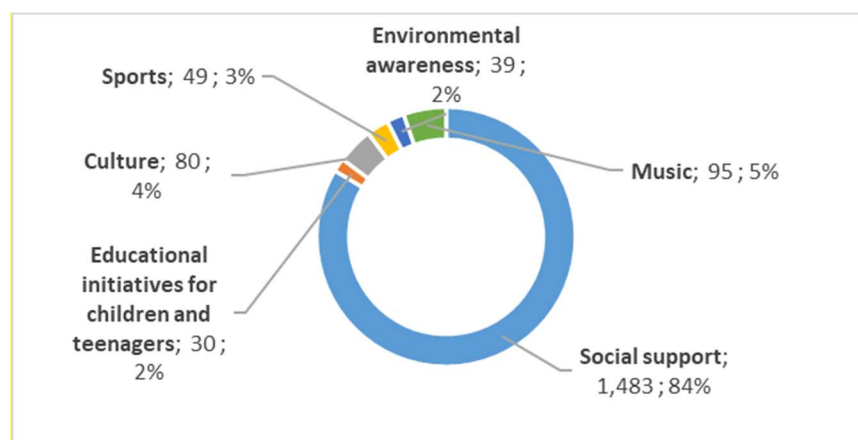


Figure 9 - Breakdown of the net global added value dedicated to the local community generated by the AIM Group in 2019

CUSTOMERS

Material aspects

- EXTERNAL COMMUNICATION AND MARKETING
- REPUTATION AND BRAND
- INNOVATION IN CONTACT CHANNELS WITH CUSTOMERS
- COMPLAINT MECHANISMS AND MANAGEMENT
- PROTECTION OF THE CUSTOMER

Customers and users are key Stakeholders in the eyes of the AIM Group. In order to further customer retention, all customer relations must be based on the principles of loyalty, helpfulness, transparency and professionalism.

To this end, the AIM Group has adopted a Services Charter by means of which it has made a series of undertakings to the public, in regard to the performance of its activity, and on the basis of its UNI EN ISO 9001 certification it undertakes to constantly provide customers with services that meet their requirements and that are compliant with applicable legislation.

The AIM Group, through its investees, guarantees its **customers equal rights, equal treatment and non-discrimination**. The Group is increasingly committed to rendering information about its services simple and readily available. These are the key underlying principles that the Group follows in order to ensure that customer relations are long-lasting, through the adoption of a variety of channels of communication with customers.

For years now, the Group has undertaken to comply with general and specific quality standards, and to constantly improve the services provided through technological, organisational and procedural solutions designed to further the effectiveness and efficiency of its operations.

QUALITY AND PROXIMITY: RELATIONS WITH ENERGY CUSTOMERS

AIM Energy and CogasPiù Energie are the AIM Group's commercial companies, and they operate in the sale of electricity and natural gas to various types of customer. In the three-year period from 2017 to 2019, AIM served the following number of customers:

	2019	2018	2017
Electricity	104,412	94,826	88,030
Natural gas	131,711	129,001	128,028
Total Customers	236,123	223,827	216,058

Table 11 – Customers served by the AIM Group in the three-year period from 2017 to 2019

82.33% of Electricity customers are of the residential type, whereas 92.91% of Natural Gas customers are of the residential type.

AIM Energy's marketing campaign is designed not only to strengthen its own identity in the Veneto region, but also to further reinforce its presence in other Italian regions, such as Lombardy where in 2016 it began a **joint project with a marketing agency** operating in Milan, Monza and the Brianza area. In order to offer a service that is increasingly efficient and close to customers and potential customers, a sales network was set up in 2018, which at the end of 2019 consisted of **10 agents**. The activity of CogasPiù Energie is also aimed at bolstering its own identity in the Region of Abruzzo and, through **21 sales agencies**, in many regions of Italy.

The strong presence and attachment to the territory that characterises the AIM Group is also unequivocally reflected in the customer base and its concentration. As can be seen in **Table 7**, about 80% of the contracts are registered in the Veneto region, and in particular in the Vicenza area.

ENERGY CUSTOMERS	ELECTRICITY %	NATURAL GAS %
Veneto region	80.66%	72.17%
Other regions	19.34%	27.83%
Vicenza's position in the Veneto region	91.99%	86.70%

Table 72 – Geographical distribution of customers

In 2019, the sales undertakings of the AIM Group issued **more than 1 million bills** for the sale of electricity and natural gas, with a positive trend in regard to the consolidated service of electronic billing, through **STOPCARTA** and **Vi@Mail**, whereby paper bills are eliminated and customers have easy access to past bills through a convenient digital archive, constantly accessible also by means of an APP for smartphones. In 2019, **more than 27,000 customers** subscribed to the STOPCARTA and Vi@Mail services, showing an increase compared to 2018 (18,800).

Almost 177,000 electronic bills were issued in 2019, **16%** of all bills issued.

Moreover, thanks to the possibility of paying bills also through the website, the Group also encourages responsible use of its users' consumption. In 2019, the number of online payments increased significantly, resulting in significant paper saving.

Types of payment made	2019	2018	2017
SEPA direct debit	54.2%	52.4%	51.4%
Pre-printed postal payment slips	44.9%	46.6%	47.5%
Collection orders and bank transfers	0.8%	1.0%	1.0%
Bills paid directly at desks	Over 20,000	Over 39,900	Over 43,500
Bills paid online	Over 15,300	Over 12,600	Over 9,500

Table 13 – Types of payment used by AIM Energy and CogasPiù Energie customers in 2019

Inclusion and increased access to services

AIM always operates in the best interests of its customers: through the **"Social Bonus"**, it promotes saving on energy expenditure for families in economic hardship and for large families.

In particular, the **Gas Bonus** is a discount on the gas bill, introduced by the Government and implemented by the Italian Regulatory Authority for Electricity, Gas and Water (ARERA) with the cooperation of the nation's municipalities, to guarantee a saving for those families who find themselves in specific difficult circumstances.

The **Electricity Bonus** is also a discount on the electricity bill, introduced by the Government and implemented by ARERA with the cooperation of the nation's municipalities.

Considering the years from 2017 to 2019, it is clear that there is an upward trend in the number of people who have benefited from this facility in terms of both electricity and gas consumption.

Disbursement of the Social Bonus	2019	2018	2017
Gas Bonus	Euro 547,536.55	Euro 411,569.04	Euro 316,444.63
Electricity Bonus	Euro 432,546.85	Euro 289,585.90	Euro 202,341.27
Contracts that benefited from the Bonus	8,815	8,104	7,126

Table 84 – Social Bonuses paid in the three-year period from 2017 to 2019 by the AIM Group

Another form of welfare support for poorer families in the Municipality of Vicenza is that offered by the **cooperation with the charitable organisation "Caritas"**, through the creation of a fund for the association Diakonia Onlus, the operating wing of Caritas, for those families in temporary financial difficulties, intended to cover part of the cost of gas and electricity. The AIM Group, which has renewed this agreement for the past eight years now, in 2019 disbursed Euro 8,423.22, a sum that was used in 49 local situations of social and economic difficulty. Euro 20,620.85 are added to this sum that AIM, in collaboration with the Municipality of Vicenza, has allocated to help families with financial difficulties.

Moreover, AIM Energy also provides for special **repayment plans for families in socio-economic difficulties** resident in the Municipality of Vicenza. An annual agreement is stipulated with the latter to help with the payment, in instalments, of gas and electricity bills.

Finally, special educational/informational projects have been agreed on with the Municipality of Vicenza, designed to inform people about the correct use of electricity so as to avoid unnecessary waste. In 2019, agreements were stipulated with **68 resident families**.

Responsible and transparent offers

The Group's commercial companies provide diversified energy offers and tariff plans, suited to the needs of the various types of customer, comprising households and companies.

The offers provide benefits in terms of savings through discounts, support services, energy bonuses, electronic billing, online desk and billing based on real consumption.

The campaign, aimed at illustrating the difference between protected market and free market, promoted the offers and services developed by AIM Energy in the free market, with a view to **brand loyalty** and **brand reputation consolidation**.

For the sale of electricity, AIM Energy and CogasPiù Energie continued to promote **green energy** in 2019 in order to serve end customers in the free market with the supply of electricity produced entirely from certified renewable sources, or with certifications (Guarantees of Origin) that attest to the green source of production. The end customers are therefore guaranteed **100% renewable energy** with no additional costs or contractual changes. Other active commercial offers are: **Energia Più and Sempre Luce**, which allow customers to save 10% on the energy price set by ARERA; **Idea Fissa Luce**, on the other hand, allows customers to set the price of the commodity for a whole year, while **Business Light** offers a discount on the electricity market price for small and medium-sized businesses.

For the sale of natural gas, the **Easy Winter** promotion is active, which involves sending monthly bills from November to April, and on a bimonthly basis for the remaining months of the year. This billing method allows the payment of the winter bills, those in which most of the consumption is concentrated, to be spread out. On top of this is the advantage of reporting self-reading, obtaining a Euro 5 discount each, and paying only for the actual consumption. **Idea Fissa Gas** allows to set the price of natural gas for a year and obtain a further discount through self-readings. **Solido Risparmio** grants up to 80 m³ of natural gas free of charge for customers with consumption greater than or equal to 1,000 m³ and who pay by bank account or otherwise of 60 m³ in case of payment by postal payment slips. **Ben Spesa** and **IperSpesa** offer customers Euro 50 in store credit that can be used at a major local retailer. Another active promotional offer is **PiùReale** that offers a fixed discount on the commodity price for the supply of natural gas.

Agreements

The Group's commercial companies entertain relations based on an effective collaboration with the representatives of the various consumer associations operating in the territory concerned.

As mentioned, in 2019 AIM confirmed the agreement with Caritas Diocesana in Vicenza, providing the association Diakonia Onlus with a fund needed to help the less fortunate families of the City of Vicenza.

For several years, an agreement has been in place with the **Christian Association of Italian workers (ACLI)** of Vicenza, which provides exclusive discounts to members in relation to the supply of natural gas and electricity, as well as the agreement in the supply of information on energy consumption to raise citizens' awareness of the correct use of energy.

Customer protection and continuous listening

In all relationships with customers, the AIM Group ensures compliance with the Privacy Code in the management of personal data (Regulation (EU) 2016/679) and ensures continuous contact thanks to its territorial presence.

With reference to energy services, there are **9 sales desks**, of which **7 are located in the Veneto region, 1 in Abruzzo and 1 in Lazio**. Furthermore, CogasPiù Energie makes **21 sales agencies** available in the regions of Abruzzo, Molise, Lazio, Puglia and Lombardy.

In the 9 physical desks open to the public, customers can find numerous information leaflets concerning the self-reading service, consumer education campaigns and the many promotions active in the electricity and natural gas market. In 2019, **66,757 tickets** were managed through the desks, broken down as follows by type of paperwork:

Desk service	Tickets issued at the desk	Average Waiting Time
Information desk	11,888	12.3 min
Payments desk	25,268	8.4 min
Contracts desk (including COGAS transfer registrations)	23,939	11.1 min
Sportello snello	5,641	6.0 min
Base energy desk	21	5.0 min
Total	66,757	

Table 95 – Desk services offered by the AIM Group

The "Sportello Snello" service allows customers to **speed up the completion of paperwork** through the autonomous compilation of the forms collected in a kit and distributed in specific areas equipped with a photocopier and advice from our collaborators. Once completed, the file is delivered to the competent desk that in turn forwards it to the back-office service for it to be checked and closed. Alternatively, customers can log in to the dedicated area on the AIM Energy website for contract management enquiries (SEPA change, change of residence, change of power level, cancellation, StopCarta activation), whereas for contract transfer registrations and new contract activations, customers can download the kits from the aimenergy.it website and then fill them in and return them via email or directly to the service desk.

Over the course of 2019, **71,781 Sportello Snello files** were handled, showing significant growth compared to 2018 and with an extremely positive trend over the three-year period from 2017 to 2019.

	2019	2018	2017
Sportello Snello files	71,781	57,852	43,555

Table 106 – Files handled by Sportello Snello in the three-year period from 2017 to 2019

The number of files handled as a whole covered several areas. Note that the most commonly used services concern customer loyalty requests (renewal of the free market offer) and the communication of self-readings, which are thus acquired in a rapid and organised way.

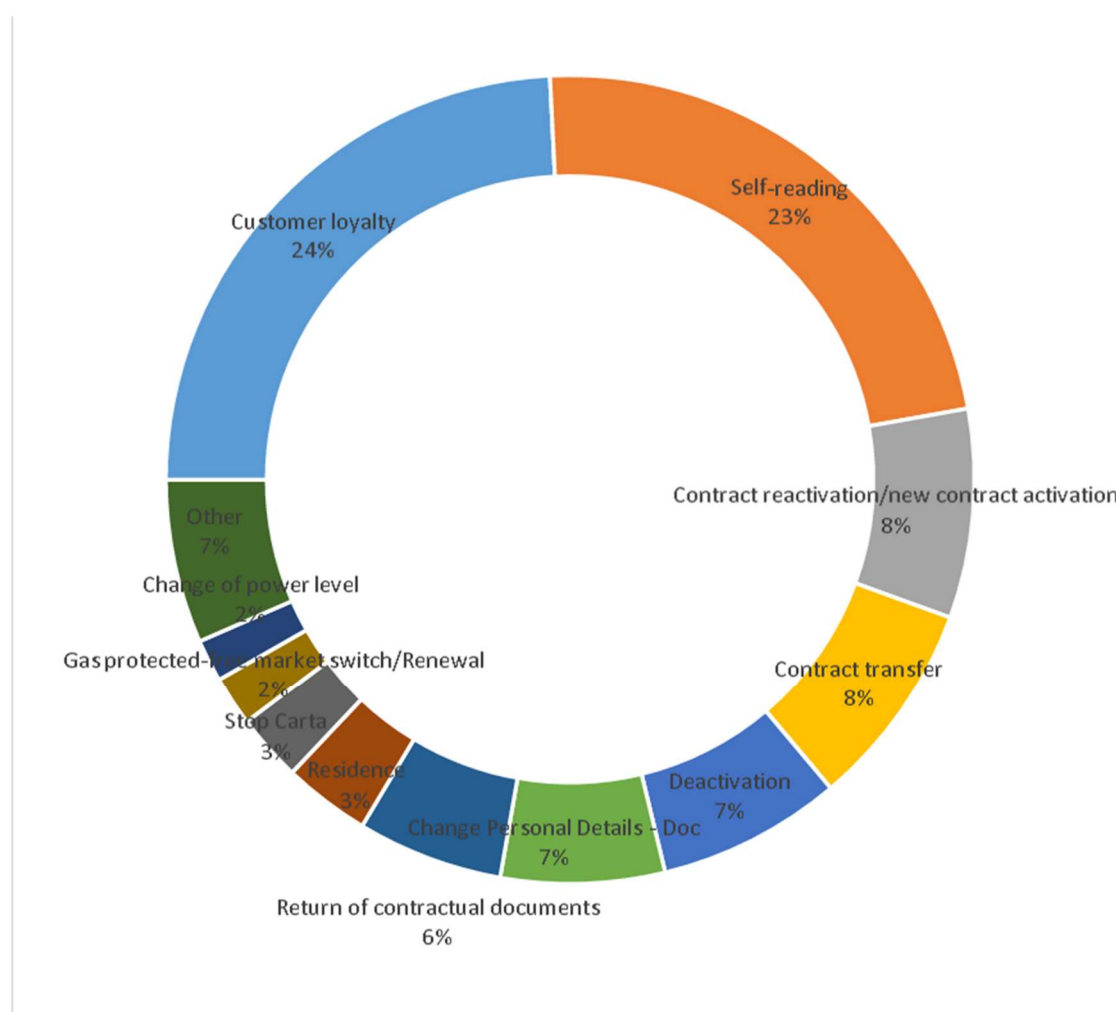


Figure 110 – Types of files handled through the Sportello Snello service in 2019

In addition to the desks, AIM Energy and CogasPiù Energie provide a call centre service. During 2019, **130,689 calls were received with a percentage of successful calls of 92.56%**, showing an increase on 2018.

During 2019, **the average call centre waiting time was 75 seconds**, a slightly better result albeit very similar to that recorded in 2018.

The Group also provides continuous, widespread and interactive listening through social channels and official websites and since 2019 through a **chatbot on the AIM Energy website**. In 2019, over **800 online contracts** were signed via the AIM Energy website

The contact channels	2019	2018
no. of Likes on Facebook	5,623	5,478
no. of followers on Twitter	467	461
no. of visitors on LinkedIn	492	395
no. of followers on Google+	-	50
no. of views on YouTube	4,155	5,700
no. of App users	10,946	13,737
no. of visitors on websites	157,777	110,197
no. of subscribers on the Customer area of websites ²	60,742	51,977

Table 127 – Contacts through the AIM Group’s network of channels in 2019

Finally, AIM Energy and CogasPiù Energie's **Mobile applications** offer a wide range of features, including a list of contracts, itemised bills, payment status, and push notifications (deadlines, payments, and self-reading reminders).

During 2019, the restyling of the Customer Area was completed. This was aimed at making existing services more intuitive and easier to use and implementing a set of new digital services to allow customers to have more and more information and manage their contract with increased autonomy. Therefore, since 2019 the Customer Area has been enriched with the following features:

- automatic registration of new customers to the portal
- viewing the progress of tickets
- possibility to update and change contact details
- notice about the expiry of current offers and the possibility of renewal
- sending files with security codes (OTP)
- graphic display of consumption
- “communication” area with targeted contents for each customer

² www.aimenergy.it and www.cogaspiu.it

- schedule showing dates of the future issue and expiry of bills

a digital communication programme has also been activated to inform customers about the new services available.

AIM Energy, with the guidance and collaboration of the marketing agency selected in 2019, completed a project organised through a number of workshops attended by personnel working in contact with customers (call centre and desk operators, agents, salespeople, marketing personnel and management) to improve brand communication, which resulted in the following Value Proposition:

IL FUTURO SEMPLICE

AIM Energy è ogni giorno al fianco di famiglie e imprese per rendere il futuro di tutti più semplice e sostenibile.

Gas e luce entrano nella quotidianità della tua impresa e della tua casa senza pensieri, senza imbrogli, senza sorprese, nella serenità che solo una relazione di fiducia ti sa dare.

In un mondo complesso, iperconnesso e caotico, crediamo che la **semplicità sia ancora un valore**.
Di più: che sia in sé stessa un risparmio.

- Scopri com'è **semplice essere naturali**: scegli energia pulita prodotta esclusivamente da fonti rinnovabili, per un futuro più sostenibile.
- **Semplificati la vita**, attraverso un servizio di assistenza multicanale sempre più proattivo e una presenza sul territorio grazie agli sportelli e ai consulenti che ti garantiscono un servizio professionale, umano e personalizzato.
- Ricevi **solo offerte veramente semplici**: chiare, trasparenti, senza asterischi.
- Goditi la **semplicità di rimanere a casa**, grazie alla nuova area riservata che ti permette di gestire online il tuo contratto in modo smart, secondo i tuoi tempi e le tue preferenze.
- **Entra in un mondo di semplicità** in cui AIM Energy è il tuo interlocutore unico per molti altri servizi per la tua casa e la tua impresa.

Con alle spalle una **storia di oltre 110 anni**, AIM Energy vuole crescere per farsi il **partner innovativo** di tutti coloro che desiderano un **futuro senza pensieri**.

Customer support

In order to improve the quality of the service, AIM provides customers with a Customer Relations department that handles customer requests with care and punctuality, including those that can be classified as Complaints.

The objective of the ongoing monitoring of complaints by the AIM Group is to identify critical issues and define and implement corrective actions.

In particular, the department manages written requests from customers through a specific system.

Customers can find the email address **reclami@aimenergy.it** or **info@cogaspiu.it** in their bills. When they use these addresses to report an issue, they automatically receive information on the method and timing of the reply.

In addition, a complaint form or other written report can be found at AIM's customer service desk. Since 2016, a page for the direct submission of reports has been active in the restricted access area of the website www.aimenergy.it.

The reports received via the various AIM Group channels were **4,154**, broken down as follows:

- 37.94% were complaints, which were answered in over 96% of cases within the 30 days required by regulations;
- 61.40% were information requests, which were answered in over 85% of cases within the 30 days required by regulations;
- 0.67% were billing adjustment requests, which were answered in over 92% of cases within the 90 days required by regulations;
- There were no requests for adjustments due to double billing.

Quality in the electricity distribution service

The AIM Group, through its subsidiary Servizi a Rete - Electricity and Natural Gas Division, manages the electricity network of the Municipality of Vicenza and the natural gas network in the city and in other 12 municipalities in the province of Vicenza, as well as two other municipalities of the province of Padua and in the municipality of Treviso.

For the **distribution of electricity**, with Resolution 646/2015/R/eel, which came into force on 1 January 2016, AEEGSI approved the "*Integrated Output-Based Regulation of Electric Power Distribution and Metering Services*" for the period from 2016 to 2023. The AIM Group annually reports all indicators requested by the Authority, and these were fully satisfied in 2019. Compliance with commercial quality standards is constantly monitored through the use of dedicated software that can transmit alerts at the same time as every anomaly that is recorded and may generate an order for automatic compensation to be paid.

In 2019, Servizi a Rete served **72,385 users**, as shown in **Table 1813**, on a **1,116.87 km** network.

	2019	2018	2017
Domestic	54,701	54,335	54,021
Non-domestic	17,684	17,691	17,805
Total	72,385	72,026	71,826

Table 1813 – Users of the electricity distribution service served by Servizi A Rete in the three-year period from 2017 to 2019

Below are some indicators that measure the quality of the service and can have an impact on end customers. **The specific commercial quality standards for electricity were 100% complied with in 2019.**

	2019	2018	2017
Average number of interruptions - no./users:³			
Scheduled	0.168	0.18	0.25
without notice	0.873	0.38	1.07
Average duration of interruptions - min/user			
Scheduled	13.445	19.47	28.12
without notice	14.106	7.59	18.29
Electrical losses	6.1%	6.1%	6.1%

Table 19 – Quality standards offered by the service of Servizi A Rete in the three-year period from 2017 to 2019

Quality in natural gas distribution service

For the **distribution of natural gas**, Servizi a Rete manages gas transport through local pipeline networks, for delivery to end users through two phases: the pick-up of gas from Snam Rete Gas' pipelines through first-stage pick-up points, followed by its transport and distribution to end users.

Gas distribution activities are carried out by the AIM Group according to the rules of functional unbundling envisaged for vertically integrated companies in the sector, in compliance with the principles of economy and profitability and the confidentiality of company data for the purpose of promoting continuity, efficiency and adequate quality levels in the service provided.

Overall, in 2019 Servizi a Rete, for the division relating to the distribution of natural gas, managed more than **134,000 users**, introducing more than 251 million standard cubic metres of natural gas into the network. As can be seen, the number of users served in 2019 consolidates the trend for the three-year period from 2017 to 2019

	2019	2018	2017
no. of users served	134,015	133,866	133,853

Table 140 – Users served by Servizi A Rete in the three-year period from 2017 to 2019

The natural gas distribution service makes reference to the commercial quality parameters set by ARERA. In 2019, the **minimum times and levels required by the Gas Distribution Service Quality Regulation (RQDG) were widely complied with.**

³ overall in MV/LV transformers and lines

ARERA quality standards	Maximum time expected by ARERA	2019	2018	2017
Estimation for simple works	15 business days	✓	✓	✓
Estimation for complex works	30 business days	✓	✓	✓
Execution of simple works	10 business days	✓	✓	✓
Supply activation	10 business days	✓	✓	✓
Supply deactivation	5 business days	✓	✓	✓
Reactivation following deactivation due to lack of payment	2 business days	✓	✓	✓
Gas losses (no.)		213	262	263
Gas network interruptions (no.)		671	634	405
Gas network interruptions (users)		1,742	1,573	1,070

Table 21 – Quality standards offered by Servizi A Rete in the two-year period from 2018 to 2019

The **interruptions in the gas supply service** take place mainly during the execution of renewal works on the network, upon switching of user connections from the old to the new pipeline. They are divided into **scheduled interruptions**, if the works are scheduled in advance and citizens can be promptly notified of the interruption, and **interruptions without notice**, usually in case of breakdowns with immediate operations, or those for which it is not possible to notify all customers involved at least one day prior to the interruption. To limit the duration of the interruptions as much as possible, Servizi a Rete intervenes with the timely scheduling and rationalisation of operations. In all cases in which it is technically feasible, however, **Servizi a Rete informs the users involved in the interruptions** in advance through the affixing of information posters and, in some specific cases, through telephone contact.

The safety of the network is key. The inspection of the networks, an effective emergency response service and the right concentration of the **level of odourisation** are basic elements for the correct management of the gas distribution system, which is supported by the continuous **modernisation of the networks**. ARERA envisages obligations for gas distribution companies in relation to network safety, including the inspection of high, low and medium pressure networks with the aim of greater control over losses. It also imposes minimum levels of odourisation for the protection of people and property from damage resulting from accidents caused by the distributed gas.

In 2019 Servizi a Rete - Gas Distribution carried out **205 call-outs for odourisation checks**.

Through Resolution 574/14, ARERA established that gas distribution companies are required to comply with safety service obligations, including those concerning the frequency of network inspections.

The current regulation provides for a differentiation of the obligation depending on the type of network and operating pressure, requiring compliance with the following criteria:

- 100% inspection of high and medium pressure networks: 3 years
- 100% inspection of low pressure networks: 4 years
- 100% inspection of HP/MP and LP networks in materials other than cathodically protected steel, polyethylene, re-cast iron and cast iron with joints not in hemp and lead: 1 year.

The scheduled inspection of the gas networks also leads to greater control over losses.

The initiatives taken by the company to reduce gas losses in the network are focused on the search for leaks, preventive maintenance of the gas pipes and the replacement of the grey cast iron network with hemp and lead joint. In 2019, **86.5% of the network was in steel and polyethylene.**

The Group has a **Gas Emergency Service, active 24 hours a day, 365 days a year**, which is activated following reports of potentially dangerous situations related to:

- gas losses from the distribution network, from user connection systems, from metering units
- gas supply interruption
- gas supply irregularity
- damage to the distribution network, user connection systems and metering units, in the absence of losses
- gas loss downstream of the redelivery point and on any part of the user connection system that is not managed or owned by the distribution company even by those who do not own the pick-up point itself.

QUALITY AND PROXIMITY: RELATIONS WITH ENVIRONMENTAL HYGIENE SERVICE CUSTOMERS

Through the company Valore Ambiente, the AIM Group manages the urban health service of the Municipality of Vicenza for 62,718 users served. The breakdown by type of user is shown in **Table 15**.

	2019	2018	2017
Domestic users	54,989	54,657	54,354
Non-domestic users	7,729	7,721	7,816
Total users served	62,718	62,378	62,170

Table 152 – Users reached by the environmental health service offered by the AIM Group in the three-year period from 2017 to 2019

In order to provide support to the citizen with regard to environmental health services, Valore Ambiente is available with a desk for the delivery and pick-up of magnetic keys to open cylinder depository systems, bins for door-to-door collection of residual waste, paper, plastic, garden waste, composter delivery and general information requests. Valore Ambiente makes available to all domestic users access to **4 recycling centres** for the correct disposal of **bulky and recyclable waste**: North Recycling Centre; West Recycling Centre; South Recycling Centre; and S. Pio X Recycling Centre.

The company's commitment to promoting responsible behaviour in the management of waste and resources, respecting the environment and citizens, has continued over the years. There are many initiatives promoted and developed to **raise citizens' awareness of collection and more effective consumption**.

Valore Ambiente, in order to meet the demand for more information to **foreign citizens** living in the city, has distributed and included on the website **9 guides on waste collection in as many foreign languages** (French, Spanish, English, Arabic, Serbian, Romanian, Ukrainian, Bengali, Chinese).

In order to prevent the dumping of waste on the ground, Valore Ambiente has strengthened its **supervision** through video surveillance systems on a police car and provided, for more than 200 hours, a resource on the street to carry out **training** at strategic points of the city of Vicenza. Over 600 people have been contacted for mutual listening and dialogue. Valore Ambiente began to conduct an **additional lay-by cleaning service** on Monday mornings to remove any dumped waste. It **developed and implemented the service for door-to-door paper and plastic collection lines** for commercial users, recreational places such as sports facilities in the city, local festivals and events.

A collection service is also active for **special waste in the city's neighbourhoods**, through a structure that provides for the controlled delivery of small waste that users, who habitually adopt the door-to-door service, hardly hand over to recycling centres: used clothing, batteries, expired pharmaceuticals, neon tubes.

Other initiatives carried out for citizens in 2019

Training activities in schools continued during 2019. Collaboration with various high schools has resulted in activities to raise awareness and consolidate good practices for the correct sorting of waste. During the summer a new phase started, in close collaboration with the Education Department of the Municipality of Vicenza, which made it possible for first and second level primary schools to include in their Curriculum Prospectus (POFT) the activity on creative reuse and visits to Collection Centres free of charge.

The **extraordinary street cleaning service** with towing that, in the first week of each month, provides for the simultaneous washing and sweeping of the road and the pavement, as well as the external washing of any bins, in addition to the routine street cleaning and hygiene services that are already carried out throughout the city.

A convenient free SMS messaging service has been made available to users that notifies in advance in which streets the washing service will take place and what roads need to be vacated.

The **free distribution** by Valore Ambiente, for the **campaign for the collection of waste cooking oil**, of a 3-litre container, equipped with a sieve and airtight cap, for the collection of domestic oil, which can then be emptied at one of the 4 urban recycling centres. The company sought to invest energy and resources in service and practicality, bringing collection points closer to users. Therefore, in collaboration with some supermarkets and businesses, ten green containers were placed in ten strategic points in the city, with a capacity of 500 litres each, equipped with special systems designed to prevent the leakage of liquid.

Another service dedicated to users is the **collection of garden waste at home**. The collection of garden waste is a service offered to users free of charge.

Valore Ambiente provides the **toll-free number** to reserve the **collection of bulky waste at home**. The service is **free** and is reserved to domestic users, and envisages one call-out every two months, for a maximum of 5 pieces at a time and 30 pieces throughout the year.

QUALITY AND PROXIMITY: RELATIONS WITH PARKING SERVICE CUSTOMERS

For the relationship with the citizen and, in general for the **parking service**, AIM provides **2 physical desks**: one at the head office of AIM Mobilità, and one at **Park Verdi**, in the city centre of Vicenza.

AIM Mobilità, a company of the AIM Group, manages the car parks of the Municipality of Vicenza. At the entrance to the city, AIM Mobilità manages, on behalf of Società Vicentina Trasporti, the new operator of the urban and suburban public transport service of the Province of Vicenza, also **2 large barrier interchange car parks** that allow, through the **high-frequency CentroBus service**, to reach the city centre in a few minutes. In this case, during the shuttle bus service times, parking is free and customers only pay for the transport service. For those entering the car parks with camper vans, trucks, vans or buses, the system envisages a ticket for the use of the shuttle bus up to 5 people, and allows a stay of up to 24 hours including the **“camper service”**.

There are **9 barrier car parks** in the city centre that allow quick and convenient access to the city, also through the innovative system that allows to see available parking spaces in real time and the available car park that is nearest to where the customer is. The user has the possibility to choose whether to pay for a one-day ticket or to sign a subscription with AIM Mobilità, with issue of the **AIM Card**. At Park Verdi, **disabled users can park for free** for up to 48 hours at the 8 stalls reserved for them, by displaying their disability permit. For what concerns the services offered in the **Vicenza Trade Fair area**, AIM Mobilità manages **two barrier car parks** with over 880 parking spaces.

The city centre of Vicenza is within the Limited Traffic Zone and a camera system controls all accesses 24 hours a day. Vehicles without authorisation are subject to administrative sanctions. The parking system on **blue lines** is designed to favour fast and rotating parking. Parking fees vary depending on the area, and they get cheaper the further away from the city centre the parking space is. **Aimfacile**, **EasyPark** and **MyCicero** are innovative services that allow users to pay for their actual parking period, using special smartphone apps. City residents can instead park on the **yellow-line** parking spaces reserved for them, following the purchase of the respective parking permit. For these types of parking, users can prepare, update or renew a subscription through the physical desk in Vicenza or with the innovative **Pass** service, a virtual desk, accessible 24 hours a day throughout the year, which provides the option to make payment by credit card or PayPal.

In order to promote the use of **non-polluting vehicles**, the Vicenza car parks, through municipal ordinance no. 68327/13, allow **free parking** on blue-line spaces and car parks with controlled access to **vehicles powered exclusively by electricity**, upon display of a dedicated window sticker (or copy of the vehicle's registration document) by the owners of these vehicles and of the **AIM Card** which allows free-of-charge access to barrier car parks.

Another service dedicated to electric mobility is the **use of electric vehicle charging stations** provided by the Municipality of Vicenza and managed by AIM. There are **a total of 4 active electric vehicle charging stations** in Piazza Matteotti, Viale Verdi, inside Park Stadio and inside Park Fogazzaro, which currently supply electricity free of charge.

AIM is planning to activate a **further 5 electric vehicle charging stations** that will be placed in some private car parks but for public use.

In 2019, **4,653 electric cars entered the barrier car parks** of the Municipality, compared to 2,730 in 2018. For **Hybrid vehicles**, on the other hand (**8,293**) entered car parks in 2019 compared to 6,946 in 2018), a **reduced fee** is offered in blue parking spaces, through the use of the aimfacile, EasyPark and MyCicero apps with the code dedicated to this type of vehicle and on parking areas with access controlled via AIM Card, issued by AIM on presentation of the vehicle registration document.

QUALITY AND PROXIMITY: RELATIONS WITH CITIZENS FOR CITY SERVICES

The desks made available by Valore Città Amcps S.r.l. are: a housing desk for council housing; a breakdown and maintenance desk; a public land occupation desk; and a cemetery desk.

The Group, which has always provided operational and logistic support for the **Civil Protection of the Municipality of Vicenza**, provides manpower and means to intervene in case of danger and disasters. In the case of exceptional weather events that can cause flood risks, for example, **Valore Città Amcps** provides sandbags for the areas at risk, free of charge, at its head office or at the distribution points located in the city, in pre-defined strategic areas.

The AIM Group, for **emergencies and breakdowns related to electricity, public lighting, telecommunications, district heating and potholes**, has activated the **toll-free number 800 394 888**, active 24 hours a day and 365 days a year, for the securing of potentially dangerous situations pertaining to the various activities performed. More specifically, as regards the area of responsibility of Valore Città Amcps, the number of operations carried out is shown in **Table 16**.

	2019	2018	2017
no. of operations carried out	442	369	383

Table 163 – AIM Amcps on-call and emergency interventions in the three-year period from 2017 to 2019

Valore Città Amcps, for the **road and pavement maintenance service**, ensures routine maintenance guaranteeing a round-the-clock emergency service and the regular monitoring of the roads in the city road network, informing the Municipality of Vicenza of the outcomes if extraordinary maintenance repairs need to be financed.

It also manages the **cemetery service**, understood as assistance, information and complaints to citizens and companies for the routine and extraordinary maintenance of the cemeteries of Vicenza, from the structures themselves to the access roads, during the various phases of design, works management and construction, the maintenance of green areas in these spaces, such as flower beds, trees and plants, as well as votive lighting. It also controls the operations of third parties in regard to the cemetery (the transport of coffins, the laying of tombstones, family tombs). There are **8 managed cemeteries**: Cimitero Maggiore in the city, Bertesina, Casale, Longara, Maddalene, Polegge, Setteca and the “non-Catholic” cemetery.

In 2019, the desk served **10,492** citizens for requests for information and paperwork to be carried out.

For **public residential buildings and emergency housing units** Valore Città Amcps takes care of the administrative and technical part by providing a desk where tenants can report any breakdowns or maintenance operations to be carried out. In 2019, the desk served **2,322** citizens for requests for information or reports.

For the management of the **heating service to municipal buildings**, Valore Città Amcps carries out the maintenance and operation of the heating systems of the City structures. These are mainly school buildings, municipal offices, sports facilities, libraries, museums and welfare offices. The aim of the service is to ensure the safety of such facilities, guaranteeing environmental comfort and reducing waste, by acting on combustion efficiency and their operation. Plant management is carried out through a computerised system (remote management).

Another **service** offered by Valore Città Amcps is the **routine maintenance of municipal property**, municipal non-residential buildings and other public assets. Valore Città Amcps takes care of the **management of public green spaces** in the city of Vicenza taking care of flowerbeds, trees, parks and the green areas annexed to sports facilities and public buildings. Routine maintenance is scheduled during the year and the tree health status is also checked. Citizens can **report a request for operation** through the website.

GROUP'S BUSINESS

The management of public utility services represents a complex element of management that requires the constant maintenance of delicate balances and continuous innovation to pursue the objectives of effectiveness, efficiency, economy, transparency, technical and economic feasibility, set by Italian Legislative Decree 152/2006 in accordance with the principles of precaution, prevention, sustainability.

The Group aims to guarantee the highest quality of the offered services, minimising the possibility of failure and aiming to eliminate, or at least minimise, malfunctions and/or inefficiencies. This quality and level of service is achieved thanks to an infrastructure network closely related to the territory, which guarantees speed and control of the service.

In order to better illustrate this link between the Company and the territory, the main technological systems owned by the Group and its investees are listed below:

- Storage facilities:
 - Monte Crocetta, with operational head office in Strada Monte Crocetta, is a storage, sorting and recovery facility of urban waste collected in the Municipality of Vicenza together with other smaller quantities of waste from other adjacent municipalities.
 - Casale, with operational head office in Strada Casale, is a storage facility with selection and sorting of "green" waste CE200201 from the sorted waste collection of the Municipality of Vicenza
 - Strada Caperse in Vicenza is a preliminary storage facility for urban waste prior to treatment, which has been active since August 2018 when it replaced the former Biron di Sopra site

- Landfills:
 - Grumolo delle Abbadesse: landfill operational since 1999 for special non-hazardous urban waste and solid urban waste; there is a plant for the recovery of the Biogas produced by the old plots of farmland, under the management of Valore Ambiente, with a rated total capacity of 905 kW.
 - Sandrigo: post-operating landfill located in Masona, where supervisory, environmental monitoring and maintenance activities are carried out.
 - Lonigo: landfill of non-hazardous waste in "post-operating" phase since 2010 located in Fossalunga where supervisory, environmental monitoring and maintenance activities are carried out. A photovoltaic plant is operational.
 - Legnago (VR) landfill, located in Torretta for non-hazardous waste with a selection and bio-stabilisation plant. A Biogas energy recovery plant is operational.

- Treatment facilities:
 - Sandrigo: lightweight multi-material selection and sorting facility from sorted waste collection, light plastic and metal packaging and recovery of special non-hazardous waste from productive operations.
 - Grosseto: landfill leachate purification system with reverse osmosis process, with adjoining photovoltaic plant
 -

- Collection centres:

- West Recycling Centre: located in Via Fornaci
- North Recycling Centre: located in Via De Faveri
- South Recycling Centre: located in Via Venier
- Pio X Recycling Centre: located in Via Giuriato

ENVIRONMENTAL SERVICES

Material aspects

- SORTED WASTE COLLECTION
- CREATION OF SOCIAL AND ENVIRONMENTAL VALUE

The AIM Group, through the companies of the Group, offers a series of environmental services, such as waste collection and management, urban health and maintenance of urban decorum.

Through the company Valore Ambiente, the Group manages the collection, recovery and disposal of solid urban waste and the cleaning of public streets and pavements in the municipality of Vicenza.

SIT Spa (Società Igiene Territorio) operates in the environmental hygiene sector, where it collects and transports urban waste providing urban health services and ancillary services to local authorities and environmental management companies, and operating waste treatment, disposal and storage facilities. Moreover, the SIT Group consolidates the company TRE V AMBIENTE S.r.l. on a line-by-line basis. The company was established for, and operates mainly in, the marketing of services for the management of special hazardous and non-hazardous waste from local and national artisan and industrial activities. The structure deals with the entire management chain in terms of technical-legislative advisory services and all the implicit and consequent actions, which are divided into two macro-activities. The first one responds to requests for specific action by means of inspections aimed at waste recognition, identification and classification. These activities are guaranteed by the commercial structure which, on the basis of the information acquired in situ, the activities and the use of the raw materials that generated the waste, takes a representative sample of the same and then submits it to analytical tests required by law, which determine its specific identity. All operations are guaranteed by the high level of professionalism and the legal classification of TRE V as a company listed in the Register of Environmental Management Companies, certified in accordance with the UNI EN 14001 Environmental standard, and through a careful and strict selection of suppliers, which entails the assumption of any liability, including criminal liability. The second macro-activity consists in constantly monitoring market needs and critical issues with the aim of responding to the entrepreneurial fabric as a determining stakeholder in all sustainability processes. The continuous transformation and modernisation of production processes generates types of waste that often cannot be dealt with efficiently in the plants in the local territory, or that in any case need appropriate technical-structural modifications in order to manage and pursue the virtuous recovery of waste fractions instead of merely disposing of them, also in compliance with the fundamental principles of the Consolidated Law on the Environment and EU regulations. Therefore, TRE V acts as an observatory of the market demand/supply trends, in order to search for possible solutions, preferentially as regards the structural availability within the Group, also proposing initiatives aimed at adapting existing structures. The intention to provide timely responses to market conditions means that, in addition to enhancing the

value of the Group's internal economic advantages, AIM is increasingly and markedly confirming its decisive role as guarantor of the environment and the community.

SIT Spa's investees include LESE (Legnago landfill), AGRILUX (technological plant producing electricity from organic waste), FUTURA (physical and biological treatment plant for unsorted waste and quality composting).

Since 2011, S.I.A. S.r.l. (Società Intercomunale Ambiente), controlled by the C.I.A.T. Consortium, which brings together 45 Municipalities in the Province of Vicenza, including the Municipality of Vicenza itself, and an investee of Valore Ambiente, has been managing the construction and operation of the landfill at Grumolo delle Abbadesse, equipped with a system for collecting and exploiting energy from the produced biogas⁴.

AREE INTERESSATE DELLE ATTIVITÀ AMBIENTALI	
<p>Sedi operative</p> <ul style="list-style-type: none"> Vicenza in Contrà Mure San Rocco, Ca' Perse, Strada Pelosa 	<p>Discariche</p> <ul style="list-style-type: none"> Grumolo delle Abbadesse (VI), Sandrigo (VI), Lonigo (VI)
<p>Impianti di messa in riserva, selezione e recupero</p> <ul style="list-style-type: none"> Monte Crocetta (VI) 	<p>Impianti di trattamento</p> <ul style="list-style-type: none"> impianti di trattamento a Sandrigo (VI)
<p>Impianti di messa in riserva con deposito</p> <p>Casale (VI) e Caperse (VI)</p>	<p>Comuni serviti dal servizio di igiene ambientale</p> <ul style="list-style-type: none"> Vicenza, S. Bonifacio (VR), Bolzano Vicentino (VI) e Costabissara (VI)

Waste management is governed by Italian Legislative Decree no. 152/2006 - the Environmental Decree (Articles 177 et seq.) and by Veneto Region Law no. 52/12.

AIM manages waste in accordance with the philosophy of prevention, preparation for reuse, recycling, other forms of recovery (for example, the recovery of energy), and disposal, according to the guidelines outlined by the Parliament on the Circular Economy already presented by the European Commission on 2 December 2015, and approved in April 2018 that set the following objectives:

- Recycle 55% of urban waste by 2025, 65% by 2030; 75% by 2035;
- Reduce landfilling to 10% by 2035.

⁴ It should be noted that the economic responsibility lies with S.I.A. for the part relating to the expansion, while with regard to the already existing lot, this lies with Valore Ambiente.

AIM's commitment to the creation and development of a sustainable business has always been one of the founding and most important pillars of the group's strategy. Today, the creation of value also passes through the adoption of a sustainable economic model, in which the flows of materials are reused in subsequent production cycles, according to the principles of circular economy, minimising the amount of waste.

This approach requires a constant and continuous commitment as well as an organisation as refined and coordinated as possible to increase the efficiency of each phase of transformation.

A waste management system aimed solely at sorted waste collection and recycling of material, which is certainly necessary, is no longer sufficient. It is necessary to go further. There is a need to promote waste reduction and to encourage and develop the preparation of such waste for its reuse. Reuse means using an object or material again for its own original purpose or for similar purposes without significantly altering its physical form.

In principle, it will become increasingly necessary for publicly-owned companies such as AIM to make efforts not only in response to the needs of private users but also to introduce waste produced by local production activities into the same virtuous supply chain. The statistical data periodically published by the ARPAV Observatory indicates that industrial waste accounts for 60% of all waste produced by the Veneto region, which is mostly managed by private companies that do not always meet the requirements of transparency and virtuosity. This means that industrial waste is often diverted to destinations outside the region or even abroad due to market opportunities, losing a part of the economies of scale that could be enjoyed by the territory and its citizens.

In the last five years, the market and the available resources for the recovery and/or disposal of industrial waste have fluctuated greatly due to the lack of plants in the area and the devaluation of secondary raw materials, the latter mostly linked to the saturation on Asian markets, where precious materials such as paper and plastics have been delivered for years due to private-enterprise market opportunities. It will therefore be necessary to set up a strategic technical and economic panel for discussions with trade associations (Confindustria, artisans associations, etc.) in consultation with the Region and the Ministry of Economic Development, and the compulsory National Consortia, in order to develop a "Marshall Plan" for the efficient use of waste at global level in support of citizens but also of the companies where the citizens actually work.

Since the entry into force of Legislative Decree 36/2003 in implementation of the EU directive on the promotion of energy recovery from waste instead of its disposal, Italy, unlike the other EU countries, has not complied with the above provisions, leaving itself open to heavy penalties every year, which added to the increase in costs for each citizen and company exponentially increase national production costs, in fact putting the country at a disadvantage compared to the global market.

Therefore, initiatives should be encouraged in order to provide correct and accurate information, including scientific information, to the whole community and to institutional bodies to pursue consistently the highest goals for the benefit of citizens, the territory and the country in the wider EU and global contexts.

INITIATIVES TO PROMOTE A CULTURE OF REUSE

• COLLECTION CENTRES

As part of the planned activities for the management of the various Municipal Collection centres (Recycling centres), the activity of intercepting reusable items from the waste flow is now well established. This activity, launched in 2013 with the operational experimentation of the PRISCA project, also allowed in 2019 over 203 tons of items to be prepared for reuse.

Table 174.

Quantity of waste for reuse (t)	2019	2018	2017
used clothing	66.77	47.58	56.54
furniture and bulky items	120.85	115.04	91.53
electrical appliances	15.65	19.52	38.35
Total	203.27	182.14	186.42

Table 174 – Quantity of waste reused through the PRISCA Project

• THE COLLABORATION WITH INSIEME COOPERATIVA SOCIALE

Directive (EU) 851/2018 in force since 04/07/2018 reiterates the provisions of Directive 98/2008 on the hierarchy of waste management:



Figure 7 – Insieme Cooperativa Sociale

1. Prevention;
2. Preparation for reuse;
3. Recycling;
4. Other recovery operation;
5. Disposal.

In Vicenza, Valore Ambiente, which manages the urban waste recycling chain, is actively involved with Cooperativa Sociale Insieme for a form of waste management that gives precedence, where possible, to reuse over recycling.

In order to transform the idea into a concrete act, Insieme has created the Smart Reuse Park, a network of structures and relationships between institutions and private, public and social companies.

These smart reuse parks can exploit waste that is still usable and return it to the second-hand products chain, starting from where the waste has its regulatory origin, the collection centre.

Since the end of October, project visits have been planned for 14 schools with over 50 classes and more than 800 pupils involved.

The offered environmental hygiene services

Municipality of Vicenza

The Municipality of Vicenza where Valore Ambiente operates covers a **total area of 80.46 km²** and a **catchment area of 110,944 inhabitants** and a total of **62,718 users**, 7,729 of whom are non-domestic users.

The method of collection is diversified based on the real nature of the territory and the characterisation of the users, in particular supplementary home services for specific types of waste are active for non-domestic users.

Four areas were identified:

- **Outer areas:** the municipal area beyond the outer ring road (Via del Sole, Diaz, Verme, Cricoli, Quadri) comprising the outer neighbourhoods and surrounding villages with low population density.
- **Inner areas-boundary area:** the municipal area situated between the outer ring road and the inner ring road (Viale Milano, Mazzini, d'Alviano, Rodolfi, Legione Galieno, Margherita) comprising the most densely populated neighbourhoods.
- **City centre area:** the area inside the inner ring road.
- **Monumental area:** the monumental zone of the city centre, of greater architectural value.

Figure 8 shows the method of collection activated according to the position of each user.

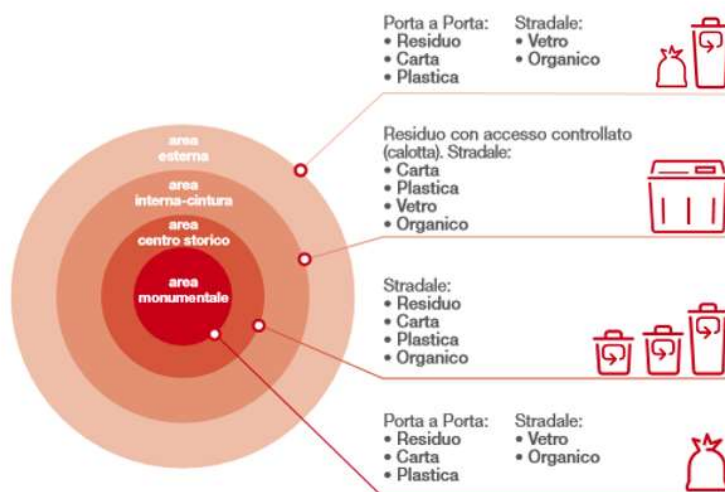


Figure 81 – Waste collection system implemented according to the position of the served users

The **waste collection system** utilised by **62,718 users** of Valore Ambiente during the three-year period from 2017 to 2019 is subdivided as follows into **different types of waste collection**:

Year	2019			2018			2017		
Type of collection	Paper	Plastic	Residual	Paper	Plastic	Residual	Paper	Plastic	Residual
Roadside rubbish containers/bins	42,873	42,873	9,108	42,641	42,641	9,012	42,487	42,487	8,996
Door-to-door collection	19,845	19,845	19,845	19,737	19,737	19,737	19,683	19,683	19,683
Cylinder depository system with magnetic key operated covers	0	0	33,765	0	0	33,629	0	0	33,491

Table 185 – Collection services offered by the AIM Group

Compared to the number of **containers** used for the **collection of solid urban waste** in the three-year period from 2017 to 2019, the figures are now stabilising, subsequent to the gradual increase in the number of home pick-up containers and the concurrent reduction in the number of roadside containers from previous years, as a direct consequence of the reorganised waste collection, which has seen a progressive increase in door-to-door collection, as can be seen in **Table 19**. That said, in 2019, the **tons** of solid urban waste collected amounted to **70,868.509**, **increasing by 2.06% compared to the result in 2018 (Table 20)**.

Types of container	2019	2018	2017
Unsorted waste containers	16,148	16,087	15,976
Sorted waste containers	11,623	11,397	11,206
Total number of containers	27,771	27,484	27,182

Table 196 – Type of waste collection containers and their distribution

Type of collection	2019	2018	2017
Unsorted waste (in tons)	16,939	17,099	16,908
Sorted waste collection (in tons)	53,930	52,333	50,171
Total waste collected (in tons)	70,869	69,432	67,079

Table 207 – Quantity (in tons) of waste collected in 2019 by type of collection

For non-domestic users, in addition to the ordinary collection circuit, additional home pick-up services are available for particular types of waste.

The service covers the collection from large settlements, which are basically of two types:

- institutional users represented by barracks, institutes, cohabitations, schools, hospitals
- authorised production users.

In 2019, **sorted waste collection** stood at **76.10%**, slightly higher than the result achieved in the previous year (**75.4%**). The solid urban waste collected per capita amounts to 638 kg, which corresponds to an average daily collection of 1.7 kg/day, of which 1.3 kg derive from sorted waste collection. Compared to 2018, the quantity of waste per inhabitant increased by 1%.

Unsorted waste		Quantity (in tons)
Unsorted	residual	15,937.4
	cemetery waste	37.92
	bulky waste to be disposed of	963.06
	sweeping waste to be disposed of	0.0
UNSORTED	Total	16,938.38
Sorted waste		Quantity (in tons)
Non-hazardous	paper	9,895.7
	glass	4,983.67
	organic	11,873.61
	garden waste	9,519.48
	mixed packaging	4,381.36
	other plastic	188.475
	wood	3,842.565
	metal	913.131
	clothing	294.471
	market waste	105.92
	vegetable oils	28.08
	tyres	47.31
	pharmaceuticals	20.60
	mineral oils	11.19
	batteries	47.831
Total non-hazardous waste		46,153.39
Hazardous	paints and varnish	76.36
	toxic and flammable containers	24.18
	spray canisters	4.06
Total hazardous waste		104.60
Other	bulky waste to be recovered	3,142.077
	sweeping waste to be recovered	1,131.28
	household compost	1,379.153
	IT waste	18.37
Total other		5,670.88

Electronic waste	neon tubes	3.596
	appliances containing CFCs (fridges, etc.)	151.02
	hazardous appliances (TVs, video equipment, etc.)	112.162
	electrical appliances (washing machines, ovens, etc.)	317.261
	Total electronic waste	584.039
Debris	fire extinguishers	4.04
	inert waste (rubble, etc.)	1,413.18
	Total debris	1,417.22
SORTED	TOTAL SORTED	53,930.129

Table 28 – Quantity (in tons) of waste collected in 2019 by type of collection

Sorted waste collected was sent to the sorting and recovery facilities depending on its commercial nature and classification established by the European Waste Catalogue (EWC).

The residual waste with respect to the sorted waste collection is treated at the mechanical treatment plant of Monte Crocetta and sent to the two final plants of the area, namely the Schio Waste-to-Energy Plant, not owned by AIM, and the landfill at Grumolo delle Abbadesse operated by the investee S.I.A. S.r.l.

Services for the city

Street hygiene is necessary for the decorum and cleaning of streets and public areas, and is a constant commitment of AIM Ambiente towards the territory of the municipality of Vicenza.

Street cleaning and hygiene services are carried out exclusively in public areas, or private areas for public use, within the territory of the Municipality of Vicenza. The services offered by Valore Ambiente include:

- sweeping the streets (mechanically or manually) indispensable for the urban health and decorum of the city, for the cleaning of streets, squares and pavements. The frequency of manual and mechanical street sweeping is defined according to the characteristics of the area, vehicle traffic and use. The current organisation includes Sunday activities, both morning and afternoon, as well as night time during the week. Manual sweeping activities also include emptying the wastepaper bins, replacing the bag and replenishing the dog waste shovel dispensers. The road area subject to manual sweeping is **376 km**, while the mechanically-treated network is **245 km**;
- street washing, normally active in the period from March to November, when the weather conditions make it possible to ensure the safety of road traffic, to assist the activity of manual and mechanical sweeping for cleaning and hygiene of public streets and pavements. It takes place during the night in the monumental area, and during the day in the areas outside the city centre including rainy days. The activity structured as above is a real sanitisation of the public streets and pavements as it combines the three basic activities: manual and mechanical sweeping and street washing. The road area subject to road washing is **245 km**;
- cleaning of municipal parks and gardens including regular emptying of waste-paper bins. The frequency of service provision depends on the location and use of the site; the current

programme envisages service provision at least once every fifteen days, and as often as daily if necessary.

- high-pressure water cleaning is an indispensable addition to standard cleaning procedures, and is used to treat important, architecturally prestigious sites, or particular situations of decay, and to rid surfaces of excreta and guano;
- collection of leaves, performed using small and large mechanical or vacuum auto-sweepers, operated by workers who either manually, or with the aid of blowers, move the leaves from the roadsides and pavements towards the area where the sweepers are operating, and if necessary using a truck fitted with leaf-vacuuming equipment;
- weeding, managed on behalf of the municipal administration, three times a year, through manual and mechanical systems by using a 'vapodiserbo' (steaming of weeds), a natural system for the elimination of weeds. The service includes weeding of the roadsides, pavements and the edges of traffic islands along the entire length of the city's road network for a distance of approximately 650 km;
- eco-mobile or mobile recycling centre; this is a kind of skip, equipped for the delivery of seven types of special waste. The skip is placed daily in the vicinity of the local markets. In addition to the practical function of waste collection, it acts as a means of communication for the community thanks to the presence of an operator.

Other urban health services

Through SIT Spa, the Group collects waste in two municipalities in the Vicenza area (Bolzano Vicentino and Costabissara) and one in the Verona area (San Bonifacio), which together have a population of 35,000. 11,868 users were served in 2019, and a total of over **12,500 tons of waste** was collected (**Table 29**).

By distributing the amount of waste over the population served, it can be seen that in 2019, 352 kg/inhabitant were collected, in line with the result obtained in 2018 (349 kg). 3,508 tons of waste, amounting to 28% of the total waste collected, were landfilled.

The overall percentage of sorted waste of the Municipalities served by the company SIT in 2019 exceeds **76%**, a value that is particularly relevant considering the national average value.

SIT also carries out - in support of the marketing activities of TRE V AMBIENTE - a service for the micro collection of special non-hazardous waste in the province, with recovery and disposal in third-party facilities.

The treatment of waste

Material recovery facilities

AIM, through its subsidiary Valore Ambiente, also carries out waste treatment activities on behalf of other municipalities, thanks to the use of the Monte Crocetta and Caperse transfer plants, for the treatment and recovery of bulky waste, soils from sweeping activities and organic waste. The amount of waste treated for the other municipalities is **3,085 tons**, with an increase of 20% compared to the previous year.

Unsorted waste		Quantity (in tons)
Unsorted	residual	2,962.6
UNSORTED	Total	2,962.6

Sorted waste		Quantity (in tons)
Non-hazardous	bulky waste to be disposed of	91.7
	sweeping waste to be disposed of	453.7
	paper	764.1
	glass	534.4
	organic	3,339.9
	garden waste	1,603.80
	mixed packaging	1,254.4
	other plastic	4.2
	wood	536.4
	metal	33
	clothing	0
	market waste	0
	vegetable oils	0
	tyres	7.4
	pharmaceuticals	4.1
	mineral oils	0
	batteries	3
Total non-hazardous waste		8,630.1
Hazardous	paints and varnish	0
	toxic and flammable containers	0
	spray canisters	3.2
Total hazardous waste		3.2
Other	bulky waste to be recovered	438.4
	sweeping waste to be recovered	0
	household compost	0
	IT waste	0
Total other		438.4
Debris	fire extinguishers	0
	inert waste (rubble, etc.)	507.75

Total debris	507.7
TOTAL SORTED	9,579.4

Table 29 – Waste treated by SIT in 2019

Collection centres

The four **recycling centres** are at the service of all domestic users for the correct disposal of bulky and recyclable waste⁵.

The recycling centres take in **13.8% of collected waste**, representing an increase over the result achieved in 2018 (8.3%); more than 85% of waste is recovered, and **only 14.45% is disposed of as unsorted waste**.

The adoption of the systems of door-to-door collection and nearby bin collection (cylinder depository system) has strongly encouraged sorted waste collection, and has thus led to an increase in the recovery of bulky waste, largely recoverable and recyclable through treatments carried out in recycling centres.

	2019	2018	2017
West in Via Fornaci	6,034.9	5,466.8	4,645.8
North in Via De Faveri	3,239.3	3,099.8	3,083.1
South in Via Venier	312.47	314.9	2,075.0
Pio X	192.60	146.4	21.4
Total	9,779.27	9,027.9	8,025.2

Table 30 – Tons of waste treated in the Group's recycling facilities in 2019

⁵ Including: sheets of glass; plastic, paper and cardboard objects and containers; wood; garden waste; iron scrap; furniture; books and items of furnishing; car batteries; vegetable and mineral oils, etc. possible disposal of limited quantities of inert materials, electrical appliances and other durable goods, neon lamps and energy-saving light bulbs, tyres, and cartridges and toner for printers.

	2019		2018		2017	
	Recovery ⁶	Disposal ⁷	Recovery	Disposal	Recovery	Disposal
West Recycling Centre	86.1%	13.9%	86.8%	13.2%	87.4%	12.6%
North Recycling Centre	85.4%	14.6%	85.7%	14.3%	86.4%	13.6%
South Recycling Centre	83.5%	16.5%	83.6%	16.4%	82.8%	17.2%
Pio X Recycling centre	73.6%	26.4%	71.0%	29.0%	62.2%	37.8%
Total	85.55%	14.45%	86.1%	13.9%	86.8%	13.2%

Table 31 – Tons of waste treated in the Group's recycling facilities in 2019

Landfills

The AIM Group, also through its subsidiaries, manages 4 landfills located in the Municipalities of Lonigo (VI), Grumolo delle Abbadesse (VI), Sandrigo (VI) and Strillaie (GR).

A system of recovery and exploitation of biogas produced by the stabilisation of stored waste is active in one of these facilities (Grumolo delle Abbadesse); it is used for the generation of electricity (which amounted to 3.45 GWh in 2019), thus allowing the exploitation of the resource and reducing the emission of these greenhouse gases into the atmosphere. At the landfills of Lonigo, Sandrigo and Strillaie, there are three photovoltaic parks for the production of electricity introduced into the network.

In the Fossalunga (Lonigo) landfill, there was a biogas extraction facility that produced electricity, but it ceased operation in 2017 following a sharp and progressive reduction in the concentration of methane content in the biogas. The photovoltaic plant installed at this site remains in operation and, in 2019, it generated 936,746 GJ of energy, 99.7% of which was transferred to the network.

At the Sandrigo site, within the plastic and metal packaging treatment plant, there is a photovoltaic power generation system which in 2019 produced 145,925 kWh.

At the Strillaie (GR) site, on the roof of the leachate purification plant there is a photovoltaic plant, which produced 87,561 kWh of energy in 2019.

⁶ Recovery refers to any operation the main result of which is to permit the waste to have a useful role to play, by replacing other materials that would have been used otherwise to perform a specific function, or to prepare such waste in order that it may perform such function, inside the facility or in the economy in general. The waste to be recovered is separated into the various supply chains, and is then sent to the various recovery plants on the basis of the type of waste.

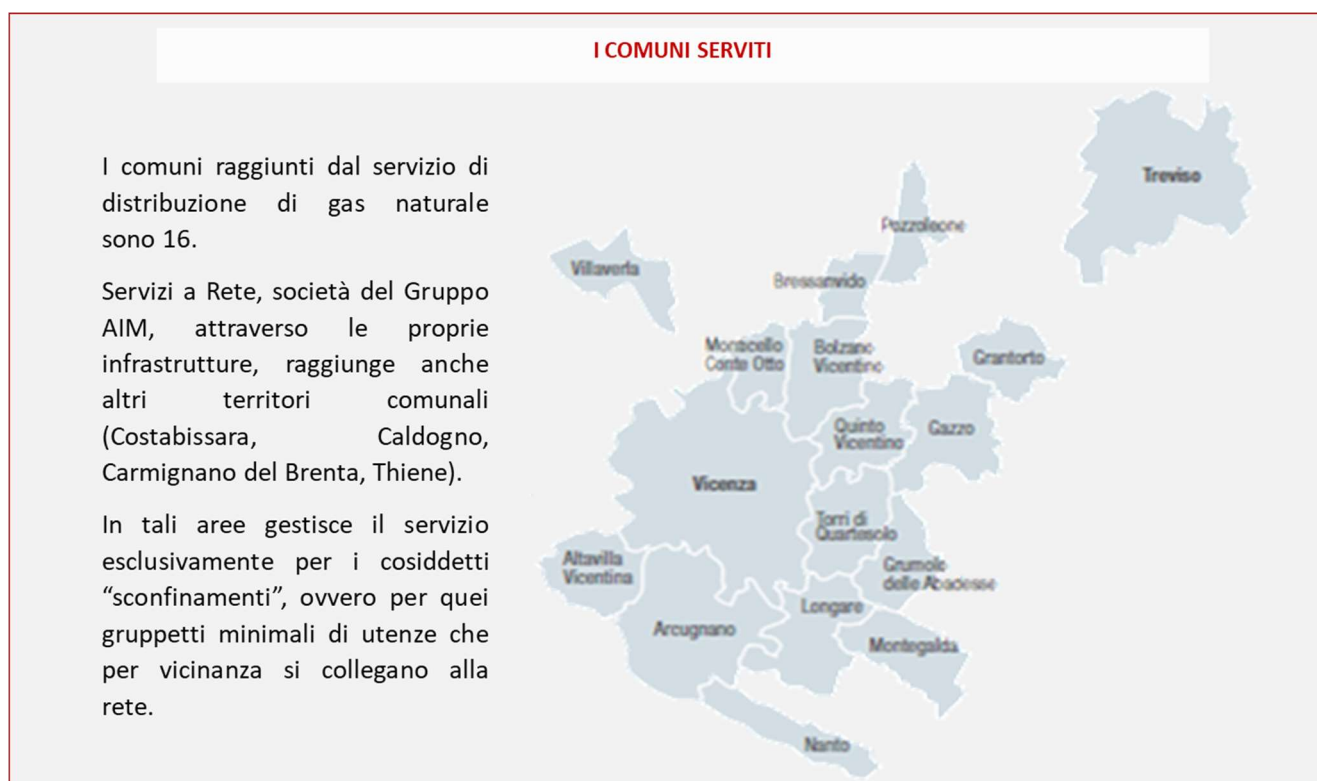
⁷ Any operation other than recovery, including when the operation has the recovery of substances or energy as a secondary consequence.

NATURAL GAS DISTRIBUTION SERVICE

Material aspects

- PROTECTION OF THE TERRITORY

The gas sector is governed by Italian Legislative Decree no. 164/2000 (the “Letta Decree”), which launched the deregulation of the national gas system. The **methane gas distribution service** involves transporting the raw material over the local gas pipeline network, which Servizi a Rete S.r.l. operates in the Municipality of Vicenza and in certain adjacent Municipalities, as concession holder, and in Treviso on the basis of a service agreement with AIM Vicenza S.p.A, the concession holder, for the delivery of gas to end users. Operations consist in two phases: the pick-up of gas from Snam Rete Gas’ pipelines through first-stage pick-up points, followed by its transport and distribution to end users.



Gas distribution

As regards the proprietary infrastructure used, the total development of the gas network in 2019 is equal to 1,479 km.

The infrastructure for the distribution of gas resources is made of different materials, the choice of which comes from technological and performance requirements. **Table 22** shows the extension of the network for the main types of pipelines.

	2019	2018	2017
Medium Pressure in km	440	438	438
Low Pressure in km	1,039	1,037	1,034
Length of the gas network in km	1,479	1,475	1,472

Table 212 – Network length in the three-year period from 2017 to 2019

	2019	2018	2017
Gas network in steel - km	781	784	786.00
Gas network in polyethylene - km	498	487	482.00
Gas network in other materials - km	200	204	204.00
Length of the gas network in km	1,479	1,475	1,472

Table 223 – Main pipelines used for gas distribution and their extension

The volume of gas **injected into the distribution network** in the three-year period from 2017 to 2019, expressed in millions of m³ is shown in **Table 23**.

	2019	2018	2017
Vicenza and other municipalities within the province of Vicenza	177	181	186.0
Treviso	74	77	78.9
Total volume of gas injected into the distribution system	251	258	264.9

Table 234 – Total volume of gas injected into the network in the three-year period from 2017 to 2019 (in millions of m³)

With regard to network development, expressed as the number of gas delivery points, **Table 24** shows the statistics for the three-year period from 2017 to 2019.

As can be seen, in 2019 the investments in the modernisation of the infrastructure network also involved the updating of the meters with the installation of a total of 34,570 new electronic units (56.10% of all the electronic units installed).

Electronic meters now account for **43.57% of installed meters**.

	2019			2018			2017		
	ACTIVE	NON-ACTIVE	TOTAL	ACTIVE	NON-ACTIVE	TOTAL	ACTIVE	NON-ACTIVE	TOTAL
Traditional meters	73,127	6,691	79,818	106,883	6,688	113,652	126,988	7,123	134,111
Electronic meters	60,749	869	61,618	26,820	303	27,123	6,667	113	6,780
Total number of meters	133,876	7,560	141,436	133,703	6,991	140,685	133,655	7,236	140,891
<i>of which the following numbers were installed during the year</i>	34,616	0	34,616	22,056	0	22,056	6,017	0	6,017

Table 245 – Active and non-active meters in the three-year period from 2017 to 2019

One of the elements that has the greatest impact on the environment and on safety during normal operation of the gas distribution service is certainly the dispersion of methane gas in the atmosphere.

Methane gas, which is naturally odourless and colourless, is constantly **odorised** in the collection and metering plants, through a controlled and tested procedure, so that humans can smell it in the event of a leak or of accidental use, and thus limit the risk of harmful or dangerous phenomena. It represents both a dangerous element because of its flammability, and a polluting element because of the high holding power of the terrestrial infra-red radiation, which classifies it as a greenhouse gas. For these reasons, notwithstanding the fact that the quantity of gas lost to the atmosphere is negligible compared to the total amount introduced into the network, the containment and resolution of the problem of gas losses represent the main aim on which the safety, quality and continuity of the service are based.

In order to monitor these risks, the principal monitoring systems distributed are **remote control systems** that monitor the distribution system's key parameters, and the alarm **systems that discourage or give warning of intentional acts**. Moreover, planned checks are constantly made for any gas leaks from piping, together with the routine and extraordinary maintenance of the networks.

White Certificates (ARERA resolution)

The White Certificates or Energy Efficiency Certificates (EEC) are tradable securities that certify the energy savings achieved in end uses of energy, implementing measures to increase energy efficiency. The promotion of **energy savings** through the system of the **White Certificates** was provided for by the Ministerial Decrees of 20 July 2004 (Ministerial Decree 20/7/2004 on electricity, Ministerial Decree

20/7/2004 on gas, as amended). They represent an incentive designed at European level for the achievement of the primary energy reduction targets set in the “20-20-20 Climate and Energy” package following the Kyoto Protocol, that is to say:

- reducing CO₂ emissions by 20%;
- increasing the share of renewables in final energy consumption to 20%;
- moving towards a 20% increase in energy efficiency.

Distributors of electricity and natural gas are expected to meet certain targets each year in terms of energy savings, measurable in Tonnes of Oil equivalent (TOE) saved; each **white certificate is equivalent to savings of one tonne of oil equivalent**.

Servizi a Rete S.r.l. is an obligated party with regard to both the gas sector and the electricity sector, and each year has always met its own set targets through its support for the modernisation, the rationalisation and the reduction in energy consumption in the various sectors.

In the three-year period from 2017 to 2019, ARERA (former AEEGSI) assigned the following white certificates to Servizi a Rete, which for the sake of completeness were broken down by sector:

	2019	2018	2017
Gas	22,464	19,836	18,977
Energy	5,776	5,346	5,015
Total	28,240	25,182	23,992

Table 25 – White certificates awarded to Servizi a Rete

ELECTRICITY MANAGEMENT AND DISTRIBUTION SERVICE

Material aspects

- PRODUCTION OF ENERGY FROM RENEWABLE SOURCES

The entire supply chain of the electricity market is composed of 5 phases: Generation, Wholesale, Transmission, Distribution and Metering, and Retail operations to end customers.



The AIM Group, through the Energy Division of Servizi a Rete S.r.l. is mainly concerned with the transformation and distribution of electricity throughout the Municipality of Vicenza and public lighting service in the Municipality of Vicenza. Moreover, the Group, through its holding company AIM Vicenza, manages a number of electricity generation plants.

Generation of electricity

On 27/12/2017, Servizi a Rete s.r.l. transferred its electricity generation business unit to Aziende Industriali Municipalì S.p.a.

The generation of electricity in 2019 was **216,231 GJ (Table 37)** from plants owned by the AIM Group, of which **3.72%** was generated from renewable sources. The details on the production of energy from the Group's plants and on that consumed for their operation are shown in **Table 38** and **Table 39**.

	2019	2018	2017
Total non-renewable sources, of which	208,198	166,716	244,661
Thermoelectric - Mincio Power Plant ⁸	185,213	139,134	211,963
Cogeneration - Cricoli Power Plant	22,985	27,612	32,698
Total renewable sources, of which:	8,033	7,344	6,998
Hydroelectric - Lobia Local Plant	1,095	612	762

⁸ Data obtained from internal surveys, pending confirmation by A2A, the majority shareholder.

Group's photovoltaic plants	6,938	6,732	6,236
Total electricity produced (GJ)	216,231	174,420	251,659

Table 26 – Electricity produced in the three-year period from 2017 to 2019 (in GJ) from sources owned by the AIM Group

	2019	2018	2017
Energy consumed for the operation of the plants	6,499	4,835	6,228
Electricity consumed as a percentage of the total produced⁹	3%	2.82%	2.47%

Table 38 – Electricity consumed in the three-year period from 2017 to 2019 (in GJ) by sources owned by the AIM Group

The **Mincio Thermoelectric Power Plant**, jointly owned with the companies AGSM of Verona, A2A of Milan and Dolomiti Energia, is the principal source of electric power for AIM (which owns a 5% share in the plant).

The **Lobia Local Hydroelectric Plant**, which is owned by AIM Vicenza Spa and operated by Servizi a Rete, draws on a diversion from the Bacchiglione River to produce green electricity. In 2019 output increased by 75.01% compared to the same period in 2018. The reduced production capacity (in absolute terms) stems from the collapse in 2013 of part of the masonry structure of the Bacchiglione River intake system, which effectively limited the water flow that could be used for generation of hydroelectric power. The lower output also reflects the machinery maintenance shut-down, which is constantly increasing due to the old age of the plant. The electricity produced but not consumed was sold to GSE under the relevant agreement and with specific withdrawal.

The production of electricity from sources not belonging to the AIM Group, but connected to the Group's network, subdivided according to source, in the three-year period from 2017 to 2019, is as follows in GJ.

SOURCE	2019	2018	2017
Traditional - non-renewable sources, of which	3,034	3,192	2,258
Cogeneration	3,034	3,192	2,258
Renewable sources	25,933	25,385	22,966
Photovoltaic	18,511	18,089	18,726
Hydroelectric	7,422	6,670	4,239
Total production of electricity from sources not belonging to the AIM Group	28,967	28,577	25,224

⁹ Data obtained by applying the % estimate on actual production.

Table 39 – Production of electricity from sources not belonging to the AIM Group in the three-year period from 2017 to 2019 (GJ)

Number of **photovoltaic plants** connected to the network:

	2019	2018	2017
photovoltaic plants	1,302	1,236	1,108
<i>of which operated, but not owned, by AIM¹⁰</i>	18	18	18

Table 40 – Plants owned and not owned, managed by AIM in the three-year period from 2017 to 2019

Distribution of electricity

In the three-year period from 2017 to 2019, the length of Servizi a Rete Srl's low, medium and high voltage electricity networks was as follows:

Extension	2019	2018	2017
High Voltage in km of network	21.59	21.59	21.59
Medium Voltage in km of network	447.44	446.66	445.50
Low Voltage in km of network	647.84	645.58	643.38
Total km of network	1,116.87	1,113.83	1,110.47

Table 271 – Extension of the electricity distribution network in the three-year period from 2017 to 2019 (km)

In 2019, the medium voltage network was extended by 2.36 km, while the low voltage network was extended by 4 km. The following **electricity was introduced into the network** in the three-year period from 2017 to 2019:

Electricity	2019	2018	2017
Lower than 220 kV	1,762,628	1,780,560	1,784,009
Greater than 220 kV	2,168,257	2,422,001	2,433,805
Total Energy introduced into the network	3,930,885	4,202,561	4,217,814

Table 282 – Energy introduced into the network in the three-year period from 2017 to 2019 (in GJ)

¹⁰ Plants installed on schools within the Municipality of Vicenza.

The number of meters connected to the distribution network in 2019 stood at 72,385, an increase of 0.5% compared to 2018. **Table 293** shows the evolution of the number of meters in the three-year period from 2017 to 2019.

	2019			2018			2017		
	ACTIVE	NON-ACTIVE	TOTAL	ACTIVE	NON-ACTIVE	TOTAL	ACTIVE	NON-ACTIVE	TOTAL
Meters present	72,385	11,575	83,960	72,026	11,655	83,681	71,824	11,515	83,339
<i>of which the following numbers were installed during the year</i>	688	0	688	690	0	690	718	0	718

Table 293 – Meters installed and operational in the three-year period from 2017 to 2019

Public Lighting

The Energy Division includes the Public Lighting Department that manages the operation and standard maintenance of the public lighting service in the Municipality of Vicenza, on the basis of the Global Service agreement stipulated in 2009 by the Municipality of Vicenza and AIM Vicenza S.p.a.

In 2014, work began on replacing the old lighting installations with more modern, energy-saving LED lighting, with a view to replacing all public lighting in Vicenza, should the project submitted to this end be approved by the appointing authority.

In 2019, the **lighting points** in the city of Vicenza **increased by 24 units**, while **energy-saving LED lights** in the city of Vicenza **increased by 89 units**, leading to a total of **301 LED elements installed in the three-year period from 2017 to 2019**.

City of Vicenza	2019	2018	2017
Lighting points	16,266	16,242	16,226
<i>of which LED</i>	<i>1,324</i>	<i>1,235</i>	<i>1,054</i>
New installations	89	181	31
Length of network (km)	456	456	456
Reduction of CO₂ emissions (in tCO₂/year)	120	112	92

Table 304 – Lighting elements and public lighting network in Vicenza in the three-year period from 2017 to 2019

Public lighting in other Municipalities

During 2019, SAR - Energy Division acquired new Public Lighting Concessions for the management of the service and maintenance of the system for a period of 15 years, with the task of designing and

upgrading the system through the replacement of gas-discharge lamps with LED lamps. In addition, there are plans for the next phase of the public lighting service and for the operation and maintenance for a period of 15 years.

The Concessions acquired, one of which in the Province of Vicenza, 16 in the Province of Padua and 22 in the Province of Belluno, will involve the replacement of the entire set of lamps during 2020 and 2021.

The planning related to the new concessions is as follows:

	Province of Vicenza	Province of Padua	Province of Belluno
Granting Municipalities	1	16	22
LED lighting points	221	18,410	16,690
Planned investment (Euro)	163,000	7,160,189	6,200,000
Expected reduction in CO₂ emissions after commissioning (in tCO₂/year)	-21.39	-1,890	-1,800

Table 45 – Highlights of the public lighting installations in other municipalities

DISTRICT HEATING SERVICE

AIM Vicenza S.p.A. manages the production of both electricity and thermal energy, and distributes and sells thermal energy to customers connected to the district heating network in the Municipality of Vicenza.

The district heating service project goes back to 1980, when a market survey involving the entire city of Vicenza was conducted, regarding the consumption of thermal energy for heating and hot water purposes.

Studies developed by AIM, in the framework of the initiatives for the rational use of energy, as per Italian Law 308/1983, had found favourable conditions for the implementation of a district heating system powered by cogeneration, based on gas engines.

The existence of a powerful geothermal reservoir in the deep subsoil of the city of Vicenza (from 1,500 m to 2,100 m) resulted from the geological-mining picture of the area, as previously acquired by the company Agip during the oil exploration activity carried out in the Po Valley.

After agreement with AIM, the Agip-Enel "Joint Venture" decided to drill a well in the area identified by AIM to locate the district heating plant, with the aim of using the geothermal resource, clean and renewable, to replace and integrate the cogenerated heat fed into the distribution network.

In 1983, Saipem drilled the geothermal well for the AGIP-ENEL joint venture.

The construction of the district heating system, approved by the Municipality of Vicenza in the mid-eighties, began in the summer of 1988 and the system was started in 1990. The network was

developed starting from the area of Viale Cricoli, the headquarters of the production plant, towards the city centre.

To meet increased heating requirements, the power plant was upgraded in 1997 with the installation of two new cogenerators, commissioned in 2000, and a new boiler in 2008, thus bringing the rated capacity of the plant to produce electrical power up to 4.5 MW, and its capacity to produce thermal power up to 29 MW.

PRINCIPALI ALLACCIAMENTI DELLA CITTÀ DI VICENZA al servizio di teleriscaldamento

- Teatro Olimpico
- Ostello della gioventù
- Palazzo del Territorio
- Seminario vescovile
- Palazzo Chiericati
- Università
- Tribunale di Vicenza
- Pensionati per anziani
- Comune di Vicenza in Piazza Biade
- Porzione dell'Ospedale San Bortolo
- Palazzo Folco
- Scuole pubbliche
- Palazzo Nievo
- Scuole private
- Palazzo Angaran
- Nuova sede ospedaliera in via Cappellari
- Teatro Astra

In 2011, the second reserve and integration thermal production pole was activated in Via Monte Zebio in Vicenza following the expansion of the city's district heating network.

The data relating to the district heating infrastructure and equivalent apartments served in the three-year period from 2017 to 2019 are shown in the table:

	2019	2018	2017
Length of network (km)	23.09	22.53	22.53
Thermal energy to end customers (GJ)	140,724	143,856	155,016
Electricity introduced into the network (GJ)	22,968	27,612	0
equivalent apartments¹¹ (no.)	11,594	11,308	11,290
residential type (%)	28.34	28.19	28.07

¹¹ Residential housing unit with trading area and volume of 80 m² and 224 m³, respectively.

service sector type (%)	71.66	71.81	71.93
heated volume (m³)	2,597,000	2,533,000	2,529,000
residential type (m³)	736,000	714,000	710,000
service sector type (m³)	1,861,000	1,819,000	1,819,000
Equivalent inhabitants served by district heating¹²	24,579	23,933	

Table 316 – District Heating in 2017 - 2019

28.34% of the buildings connected to the service in 2019 were of a residential type, while 71.66% (table above) were of the service-sector type. The total user volume heated at the end of 2019 was 2.6 million m³ (table above); a total of 24,579 inhabitants¹³ were connected to district heating.

In 2019, 200,171 GJ of primary energy were consumed¹⁴, which, compared to the energy that would have been consumed with a traditional plant, led to a saving of 670 GJ. This saving in consumption resulted in a mitigation of the carbon footprint related to the activity of district heating, which in 2019 emitted 793 tCO₂eq.

AIM clearly highlights the concepts of sustainability and industrial excellence by directing the production system to energy transition as envisaged under the objectives of the European Commission and national regulations.

It is worth noting that in 2019, as a result of the public tender procedure launched by the Veneto Region in 2017, a 30-year geothermal concession was awarded to AIM Vicenza SpA.

This energy is considered renewable and is excellent for heating and domestic hot water production.

Moreover, the Vicenza City Council approved the agreement for surface rights in the Cricoli area with a term of 30 years. The agreement was signed on 1 July 2019.

The objective is to design the service for geothermal production to reach 50% of heat generated from renewable sources, while extending the district heating service to other areas in the city.

¹² Evaluated on the basis of the average number of members of a family for each equivalent apartment equal to 2.12 inhabitants (ISTAT, 2019) (A1-A5).

¹³ Considering the average number of inhabitants per housing unit in the city of Vicenza, published by ISTAT.

¹⁴ The method used to calculate emissions and energy savings derives from "District heating", Yearbook 2018, published by AIRU and ENEA.

TELECOMMUNICATIONS AND REMOTE MANAGEMENT SERVICE

Material aspects

- QUALITY AND RELIABILITY OF THE SERVICE
- EMERGENCY MANAGEMENT

Servizi a Rete S.r.l. designs and lays optical fibre networks in the **Municipality of Vicenza**. The infrastructure is mainly used by the Companies of the Group to create broadband connections between their head offices and their facilities, and by the Municipal Administration for similar connections among municipal offices and for city video surveillance.

Moreover, the network is used in the "dark fibre" mode by national telecommunications operators in order to provide private and business customers with telephone and IT broad-band FTTC and FTTH connectivity.

The launch of the Telecommunications Service and its mission were decided by the Municipal Administration of Vicenza when, with Resolution No. 180 of 4 June 2001, it entrusted AIM with the activities of coordinating above-ground and underground operations for the excavation, laying and management of structures for the installation of telecommunications networks within the Municipality of Vicenza, with the aim of entrusting a single entity with the planning, design, construction, maintenance and management of technological systems.

The Municipal Administration's intention was primarily to reduce the impact on the city and its inhabitants due to the excavation work for the laying of telecommunications infrastructure by assigning this task to a single entity. The assignment of this task to AIM Spa, already a major player in the management of underground networks in the city of Vicenza, allowed the city to enjoy in recent years the sustainable development of optical fibre networks and highly reliable telecommunications services thanks to the coordination entrusted to AIM for underground works.

In fact, in the design and execution of the laying of new optical fibres, it has been possible to make use of existing cable conduits of other company networks for cable routing, particularly low voltage electricity networks, reducing the need for new excavations. Network maintenance and fault repair activities have also benefited from the availability of the emergency fault management facilities of the gas, electricity and water networks, which provide high service levels.

From an infrastructural point of view, the telecommunications network employed is generally of the ring variety, thus reducing to a minimum any inefficiencies due to faults. The network management service, intended as marketing and maintenance, is carried out by the ICT Services of AIM Vicenza Spa.

The ICT Services of AIM Vicenza Spa manage optical fibre connections among various company offices, and on the computer systems adopted to safeguard the technological network used to monitor and control operations.

The **response service** is available for **24 hours a day, 365 days** a year. The optical fibre laid in the three-year period from 2017 to 2019 is shown in **Table 32**.

	2019	2018	2017
Km of optical fibre laid	228	225	221
Network nodes and terminal points managed	366	359	355
Vodafone cabins	226	226	226

Table 327 – Development of the optical infrastructure in the three-year period from 2017 to 2019

PRINCIPALI COLLEGAMENTI ALLA RETE IN FIBRA NEL COMUNE DI VICENZA	
• Sedi AIM	• Cabinet Vodafone
• Sedi SVT	• Ospedale San Bortolo di Vicenza
• Sedi Viacqua	• I.P.A.B. Vicenza
• Sedi amministrazione Comunale	• Università degli studi di Vicenza e Verona (sede Vicenza) e Padova (sede Vicenza)
• Sedi amministrazione Provinciale	• Tribunale di Vicenza
• Cabine Elettriche	• Parcheggi della città di Vicenza
• Basi Americane	
• Fiera di Vicenza	

Cybersecurity and personal data protection

The telecommunications network of AIM Vicenza Spa has a special feature that distinguishes it from other similar networks. It is in fact a fully private network that connects the various users in point-to-point mode, i.e. employing one optical fibre for each user point. This allows completely isolated data

transmission within the network in order to guarantee a very high level of security and confidentiality of the transmitted communications and data.

Projects for technological innovation

Thanks to the cooperation between AIM Vicenza and TIM - Telecom Italia S.p.a., regarding experimentation for installing **5G radio stations**, the experimentation, research and development operations in relation to the Internet of Things (IoT) continued with the aim of boosting the creation of a next-generation radio network designed to provide Vicenza with a range of advanced services, thus rendering it a smarter city.

On this point, in 2018 an experimental project (POC - Proof of Concept) was completed concerning the application of “Smart City” technologies in certain processes managed by company services, such as the monitoring of parking, temperatures inside buildings (offices, schools, public residential units), filling of waste containers and traffic light failures. The aim of the project was to verify the potential of these instruments for reducing the operating costs of the services and for increasing the quality of the service provided.

The positive results achieved by the POC induced some Group companies to start a transformation of the project from an experimental application to actual service provision during 2019. In particular, the LoRaWAN radio coverage for communication with IoTs has been stabilised, extending it geographically to certain sites of interest to the Companies. Additional sensors have been acquired to meet the needs of Valore Città AMCPS in the field of smart buildings, and in particular in the monitoring of temperature in school buildings and public residential units with the aim of preventing situations of discomfort due to the malfunctioning of heating plants or structural defects in buildings (e.g. unsuitable doors and windows, inadequate systems, etc.).

In addition, the **Remote Management and Automation** functional area sees to:

- the supervision, 24 hours a day and 365 days a year, of key technological facilities such as the electricity, gas and water distribution networks;
- the construction and maintenance of various remote monitoring and control facilities;
- the management of radio-communications systems;
- the checking and calibration of “electronic measuring transmitters” and “measuring instruments”;
- the management of various alarms.

In 2019, it managed:

- 546 remote-controlled technological systems
- 18,615 reporting points
- 5,132 controllable points
- 4,671 measuring points

The “reporting” points are devices installed in distribution and other facilities, designed to report information on the state of the facility. “Controllable” points are devices that may be remotely controlled, without the need to be on site when one or more physical operations are required.

“Measuring” points are devices installed on site, at the facilities, that establish and measure physical parameters.

The variations detected at the remote-controlled points are transmitted in real time to the central monitoring systems, where an operator constantly monitors (24/24) the optimal state of equilibrium of the distribution networks, and if necessary promptly carries out any on-site checks required.

CITY MAINTENANCE SERVICES

Material aspects

- PROTECTION OF THE TERRITORY

Valore Città Amcps provides numerous services, some of which are based on the intercompany framework agreement stipulated with AIM Vicenza Spa on 18 June 2010, under which Valore Città Amcps provides for the Holding Company those services it is responsible for under the **Global Service** concession signed.

The services provided by Valore Città Amcps mainly regard the management of **Vicenza Municipality's** assets (roads and vertical and horizontal road signage, underpasses and traffic light systems, municipal buildings, including council housing and the corresponding heating plants, municipal parks and gardens, etc.), the carrying out of construction work, and the management of cemetery services.

Real Estate Management

The management of public residential buildings

Valore Città Amcps manages, on behalf of the Municipality of Vicenza, the **municipality's public residential buildings** and emergency housing units (Table 47), as well as certain properties/facilities from the non-disposable assets of the Municipality of Vicenza (Table 50).

The service concerns the maintenance/repair, renovation and replacement of finishes on public buildings/housing units, the work required to supplement, or maintain the operation of, existing technological systems, and extraordinary maintenance operations involving the renovation or replacement of structural parts.

Valore Città Amcps has a sophisticated **remote management system** with which it **remotely controls the operation of heating systems in the main buildings owned by the Municipality**, including schools. This technology is capable of optimising consumption on the basis of outside temperatures, and can promptly report any faults or malfunctioning. During 2019, the Company also extended this remote management system to some public residential buildings.

	2019	2018	2017
Number of public residential buildings	1,516	1,516	1,533
Number of households present	1,151	1,208	1,236
Number of empty housing units	24.1%	20.3%	17.4%
Number of extraordinary maintenance operations	161	41	43

Table 338 – Results of the public residential building service managed by AIM Amcps in the three-year period from 2017 to 2019

Managed structures	2019
Sports grounds	13
Care facilities	5
Cemeteries	8
Primary schools	25
Nursery schools	30
Middle schools	12
Decentralised offices	10
Museums, libraries, historical buildings	19
Kindergartens	8
Historic palaces	12
Gyms	27
Municipal parks	52
Crematorium	1
Total	222

Table 49 – Main public structures managed by AIM Amcps in the three-year period from 2017 to 2019

In its maintenance activities, AIM Valore Città AMCPS has always favoured the use of eco-sustainable materials and products and promoted energy efficiency measures.

The most used types are:

- building insulation (e.g. external thermal insulation, replacement of doors and windows, etc.)
- improving the performance of the heating systems in buildings (e.g. boilers, heating fixtures, etc.)

In 2019, AIM Valore Città Amcps continued with the work undertaken in the previous year with the construction site in “Impresa Civica” between the Municipality of Vicenza, Valore Città AMCPS and Centro Edile A. Palladio, in accordance with the provisions of a specific agreement for the carrying out of maintenance work on the property of the Municipality of Vicenza, with the students of Centro Edile A. Palladio supporting the workforce of VCAMCPS. A dozen students from Centro Edile had the opportunity to carry out the structural redevelopment works of the small chapel in the Non-Catholic Cemetery. This opportunity allowed the students involved to express and develop their skills and knowledge in a real working environment, also through the experience and professionalism that the Valore Città Amcps operational teams shared with the students, and similarly the company teams had the opportunity to work assisted by the new generations. These initiatives allow AIM Amcps to continue on its path of sustainable development and growth linked not only to economic variables but also to social and environmental variables.

Management of road and cycle/pedestrian works

The road management service includes the maintenance of the road network, composed of roads owned or used by the municipality, cycle lanes and pavements and paths, public squares, bridges, ditches, storm drains, parking spaces and car parks operated by AIM Mobilità.

Routine maintenance regards the tarmacing of potholes and cracks in roads, by means of a **system of identification and geo-localisation of potholes**, the repair and maintenance of existing pavements, the repair and maintenance of roadside gutters, of sections of permanent paving, and the patching up of road and pavement surfaces.

Extraordinary maintenance, on the other hand, concerns the Municipality ordering the laying and alteration of traffic islands and pedestrian precincts, the laying of new road surfaces, the maintenance of bridges, the construction of new sections of road, and the repair of damage from vandalism or accidents.

The **road signage** service deals with the maintenance of the proper working order of vertical and horizontal road signs, luminous signs, directional and monument signs, present within the Municipality, through routine and extraordinary maintenance operations. Also in this case, AIM Amcps carries out routine maintenance operations, in particular with regard to the preservation of the proper working order of road signs, such as the regular re-painting of horizontal signs, the regular control of road signs to ensure that they are clearly visible, the maintenance of luminous road sign systems. At the same time, extraordinary maintenance operations are carried out relating to the installation of new signs, the replacement of signs that are no longer compliant with requirements and the disposal of obsolete and non-compliant signs.

	2019	2018	2017
Km of road managed	544	544	540
Number of potholes reported	3,182	4,076	2,726
Km of cycle/pedestrian lanes managed	65	65	65
Number of sign repair operations	417	540	340
Number of audio-signal buttons for the visually impaired	138	138	138

Table 34 – Results of the management service of roads and cycle/pedestrian paths offered by AIM Amcps in the three-year period from 2017 to 2019

The management of public parks and gardens

The **parks and gardens** service regards the maintenance of lawns, flower beds, trees and other plants.

The parks and gardens service comprises:

- care for grassed areas and lawns: cutting, watering, reseeding and over-seeding

- care for bushes, climbers and hedges: the pruning of deadwood and reduction, weeding, replanting and watering
- care for flowered beds and green spaces on roundabouts: weeding, mulching, watering, fertilisation, addition of plant varieties
- the care and management of trees: pruning of deadwood, topping, reduction, thinning, suckering, putting in and tying plants to stakes, visual monitoring of plants, instrumental monitoring, emergency watering, phytosanitary control, phytosanitary treatment
- watering service: emergency watering, watering of lawns, green spaces on roundabouts, flowers, flower beds in general
- weeding service: chemical weeding and weeding by hand
- irrigation systems service: checking the operation of systems, and turning them on and off.

	2019	2018	2017
m² of parks and gardens managed	1,148,689	1,148,709	1,141,165

Table 51 – Results of the management service of parks and gardens offered by AIM Amcps in the three-year period from 2017 to 2019

In order to counter the presence of weeds in those municipal areas under management, the use of weeding methods, such as the *flaming* or *steaming* of weeds, continued. This is to pursue the national guidance for “integrated weed control” aiming at a massive reduction of chemical herbicides.

Moreover, for mowing and pruning operations the preference is for the use of electrical and/or in any case, technologically-advanced, high-performance equipment and machinery (chainsaws, blowers, hedge trimmers, hedge cutters, strimmers, pole pruners) that minimise the environmental impact of operations, that is, they reduce emissions and fuel and energy consumption, and considerably reduce noise levels to the benefit both of nearby residents and passers-by, and the operators themselves.

Funeral and cemetery service management

As from 1 January 2000, the Municipality of Vicenza has assigned Valore Città Amcps S.r.l., by means of AIM Vicenza Spa, the management of **funeral and cemetery services**. The Company is thus responsible, in addition to burial operations, for the routine and extraordinary maintenance of Vicenza’s cemeteries, from the structures themselves to the access roads, during the various phases of design, works management and construction. The Company is also responsible for looking after the green spaces in the cemeteries, such as the flower beds, trees and plants, as well as votive lighting. It also controls the operations of third parties in regard to the cemetery (the transport of coffins, the laying of tombstones, family tombs, etc.).

CIMITERI IN GESTIONE	
• Maggiore	• Bertesina
• Longara	• Settecà
• Casale	• Maddalene
• Pologge	• Acattolico

Valore Città Amcps provides all of the cemetery services that the law requires the Municipality to provide, the control and coordination of the fitting, removal, preparation of tombstones and votive lighting, the cremation of bodies at the Maggiore cemetery in Vicenza, and burials.

The routine maintenance of cemeteries regards the buildings, systems, machinery, tools, land and green spaces, while extraordinary maintenance regards all cemetery properties and is carried out on the basis of specific assignments ordered by the Municipality. All graveyard maintenance services are excluded, as they are the responsibility of the concession holders. Valore Città Amcps also manages the crematorium at the Cimitero Maggiore in Vicenza, which provided the following services in the three-year period from 2017 to 2019:

	2019	2018	2017
No. of cremations	2,624	2,178	2,358

Table 352 – Activities of the crematorium managed by AIM Amcps in the three-year period from 2017 to 2019

In order to glean the degree of customer satisfaction with the cemetery services offered by AIM Amcps, the first customer satisfaction survey was conducted at the end of 2018. The service received a good/excellent rating from more than 83% of the voting users (205 in total) with an average of 3.93 on a scale of 1 to 5, which conveys a very good level of satisfaction from the user base. This survey, on the basis of the Services Charter drawn up by the Municipality of Vicenza, must be carried out every two years.

ISO 14000 Certification

AIM Valore Città Amcps initiated some time ago a programme of sustainable development and growth linked not only to economic variables but also to social and environmental ones, both in terms of awareness and care in carrying out its activities, as well as in terms of guarantees for stakeholders and legislative compliance. With this in mind, the process was begun for obtaining the UNI EN ISO 14000:2015 Certification – international environmental standard.

CAR PARKS AND CAR PARKING SERVICES

Material aspects

- PROTECTION OF THE TERRITORY

Since 2009, AIM Mobilità S.r.l. has managed ground-level and underground car parks, and also free and pay parking areas, in the city of Vicenza.

These operations come within the scope of the “**Global Service**” concession that the parent company, AIM Vicenza Spa, signed with the Municipality of Vicenza on 23 November 2009, resulting in the assignment of only the parking management business to the company AIM Mobilità S.r.l.

On 25 February 2016, AIM Mobilità S.r.l. and FTV Spa assigned their respective transport businesses to SVT S.r.l., the balance sheet results of which reveal the following equity investments: a 34.66% stake held by AIM Mobilità S.r.l.; a 65.34% stake held by FTV Spa.

Since 1 March 2016, as a result of the assignment of the Local Public Transport business unit to SVT S.r.l., AIM Mobilità has only managed the car parking service. AIM Mobilità S.r.l. has thus continued to manage the car parking service within the Municipality of Vicenza, on behalf of AIM Vicenza Spa, this being a **service under concession that is part of Global Service**, by carrying out the following activities:

- the management of pay barrier car parks, and street-level car parks (parking spaces marked by blue lines are for pay-by-the-hour parking, while those marked by yellow lines are parking spaces for local residents);
- the control of, and the issue of fines in relation to, blue and yellow marked parking spaces;
- the maintenance and management of public mobility support systems (information panels, etc.).

Car parking spaces in the City of Vicenza are subdivided as follows:

	2019	2018	2017
Car parking spaces marked by yellow lines	636	634	634
Car parking spaces marked by blue lines	6,316	6,521	6,521
Barrier car parks	4,240	4,488	4,488
Total parking spaces	11,192	11,643	11,643

Table 363 – Car parking spaces in the City of Vicenza in the three-year period from 2017 to 2019

	2019	2018	2017
Cars that entered barrier car parks	2,586,477	2,205,229	2,138,020

Table 374 – Vehicles that have made access to the City of Vicenza barrier car parks in the three-year period from 2017 to 2019

With regard to the above table, the difference compared to 2018 is mainly due to the transformation of the street-level car park (parking spaces marked by blue lines) to a barrier car park for the parking area in Via F.lli Bandiera, as well as the partial closure of the Cattaneo Park for environmental clean-up works. As for cars entering barrier car parks, the increase is also due to the reporting from 2019 onwards of cars belonging to users with a car park subscription.

Parking in blue-marked parking spaces in the city may be paid for not only in cash through the parking meters, but also by smartphone using apps like “**Easy Park**” and more recently “**MyCicero**”, which are also active in other Italian cities. A customised APP for Vicenza has also been developed, **AIMFACILE**, which is available free of charge for download and can be used to pay for actual parking time in the blue-marked parking spaces and in barrier car parks managed by AIM.

Parking fees vary depending on the area, and they get cheaper the further away from the city centre the parking space is. **Payment via APP** has increased from last year, moving from **5% to 9%** of the total payment transactions made during the year for blue-marked parking spaces. Payment for parking services is also available by using the Telepass system; this circuit was used in 1% of payments.

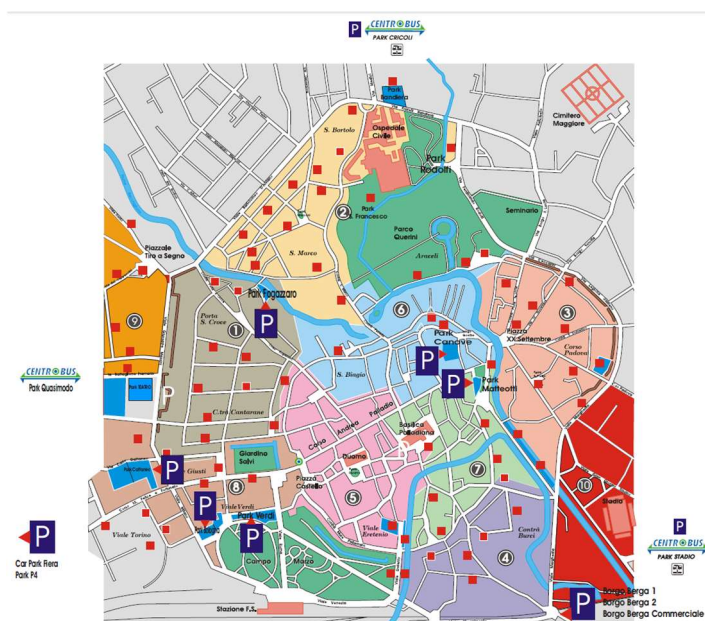


Figure 92 - Barrier car parks and interchange car parks managed by AIM Mobilità

The city of Vicenza has **215 parking meters** serving the parking areas available to users. There are POS terminals on **91** payment devices (parking meters and automatic tellers), and these readers can be used to pay by electronic cards rather than using cash, facilitating the payment transaction and making it easier and faster.

The yellow-line parking spaces in the city are reserved for residents who can use them subject to acquisition of the corresponding parking permit. For these parking areas, a portal called PASS 3.0 has been developed, where customers can conveniently renew their parking permits online from home (also via a mobile device) by paying by credit card.

In order to ensure accessibility to the parking service for all citizens and the correct rotation in the paid parking areas, AIM has activated maintenance and emergency services for the payment devices (parking meters and automatic tellers) and control on the regularity of the parking, with the possibility of issuing the penalties under applicable regulations.

There are **13 barrier car parks** and **2 interchange car parks in the city**, accounting for a total of **4,240 available parking spaces**. The **shuttle bus service** enables people who use the interchange car parks to get directly to the city centre in Vicenza, reducing traffic and pollution. In 2019, access to the car parks managed by AIM **increased by 17.29%** compared to the previous year, recording a total of **2,586,477** accesses.

In order to innovate and make parking easier in controlled car parks, AIM Mobilità activated the **“POSSibile”** payment service on the city’s 13 barrier car parks. Vicenza was the first Italian city to introduce this **new “Card in – Card out” contactless payment system**, which is based on the use of a credit/debit card and a smartphone providing access to and from car parks, without having to use cash and without having to get out of the car. This completely original system, the first of its kind in Italy, can be used by all those who possess a contactless card, and does not require any registration or pre-authorisation. In 2019, **19%** of the transactions in the barrier car parks were carried out using the POS service.

In order to contribute to the reduction of traffic in the city, AIM uses variable message panels that constantly inform drivers, in real time, about the availability of parking spaces in the barrier car parks. The data is also available via the portal www.aimmobilita.it.

An experimental chatbot has been activated on TELEGRAM (AIM Parcheggi) that allows users to ask about how many parking spaces are available and where. The system is able, at the moment on an experimental basis and just for one car park, to provide a forecast on the future availability of parking spaces for a specific date and time. There are plans to extend the forecasting feature for all the managed car parks and thus provide customers with an additional tool to limit fruitless driving around by directing them to the least busy parking areas.

CORPORATE RESPONSIBILITY

PEOPLE MANAGEMENT

Material aspects

- INVOLVEMENT
- PROMOTION OF WELL-BEING IN THE COMPANY
- PROTECTION AND OPTIMISATION OF HUMAN CAPITAL
- OCCUPATIONAL HEALTH AND SAFETY
- PROTECTION OF DIVERSITY AND EQUAL OPPORTUNITIES

Human resources are an **essential business asset**. Their development represents a fundamental factor for the performance of the activity and for the achievement of the AIM Group's objectives. The **human resource optimisation** principle is one of the guiding values, as indicated in the Code of Ethics.

The people of the Group

Efforts to optimise Human Capital are also channelled through the use of contractual forms that offer greater guarantees, such as that of permanent employment, which characterises more than **95%** of employment contracts. Almost all employees reside within the areas in which the Group operates, in particular Veneto (AIM) and Abruzzo (CogasPiù Energie).

	VENETO	OTHER REGIONS	Total
Temporary	26	3	29
<i>Women</i>	5	1	6
<i>Men</i>	21	2	23
Permanent	560	20	580
<i>Women</i>	128	8	136
<i>Men</i>	432	12	444
	586	23	609

Table 385 – Employees of the AIM Group, broken down by type of contract and region of residence

The breakdown by **age of human resources** shows, in particular, a greater presence in the age group included between 50 and beyond, equal to 49.75% of personnel (**Table 39**).

	Women	Men	Overall Total	%
Temporary	6	23	29	4.76%
<i>less than 30</i>	1	3	4	0.66%
<i>from 30 to 50</i>	5	15	20	3.28%
<i>above 50</i>	0	5	5	0.82%
Permanent	136	444	580	95.24%
<i>less than 30</i>	10	9	19	3.12%
<i>from 30 to 50</i>	74	189	263	43.19%
<i>above 50</i>	52	246	298	48.93%
Overall Total	142	467	609	

Table 396 – AIM Group employees, broken down by age, gender and type of contract in 2019

To better describe our resources, below is their breakdown by **job title**, **age** and **gender** in 2019:

	Women	Men	Total	%
Senior managers	0	9	9	1.48%
<i>less than 30</i>	0	0	0	
<i>from 30 to 50</i>	0	3	3	0.49%
<i>above 50</i>	0	6	6	0.99%
Middle managers	4	14	18	2.96%
<i>less than 30</i>	0	0	0	
<i>from 30 to 50</i>	2	4	6	0.99%
<i>above 50</i>	2	10	12	1.97%
White collar workers	134	157	291	47.78%
<i>less than 30</i>	11	3	14	2.30%
<i>from 30 to 50</i>	75	69	144	23.65%
<i>above 50</i>	48	85	133	21.84%
Blue collar workers	4	287	291	47.78%
<i>less than 30</i>	0	9	9	1.48%
<i>from 30 to 50</i>	2	128	130	21.35%
<i>above 50</i>	2	150	152	24.96%
Overall Total	142	467	609	

Table 407 – AIM Group employees, broken down by age, gender and professional qualification.

The Group's workforce breaks down as follows: **1.48% senior managers**, 2.96% middle managers, 47.78% white collar workers and 47.78% blue collar workers. The breakdown of the **female presence** within the Group's workforce indicates that women are **23.32%** of the company's population, of which 94.37% is qualified as a white collar worker. **55.63%** of the **women** employed in the Group are in the **30 to 50 age group**; during 2019, there were no women in management positions.

In order to better reconcile private life and work, the Group implements flexible working hours that allow many employees to perform their job with working hours that can be compatible with their daily private life needs. In the AIM Group, **54 employees take advantage of reduced working hours**, with an increase over the previous year, as broken down below by job and gender:

	Women	Men	Total	%
Temporary	6	23	29	4.76%
<i>Full-Time</i>	5	22	27	4.43%
<i>Part-time</i>	1	1	2	0.33%
Permanent	136	444	580	95.24%
<i>Full-Time</i>	89	439	528	86.70%
<i>Part-time</i>	47	5	52	8.54%
Overall Total	142	467	609	

Table 418 – AIM Group full-time/part-time employees by gender in 2019

The percentage of employees who take advantage of **part-time** is **8.87%** of which **88.89%** are women. Moreover, within the Group some **personnel belong to the protected categories**, representing 5.25% of the total workforce. In 2019, 77 people took **parental leave**: 51 women and 26 men.

Row Labels	Women	Men	Total
Senior managers	0	0	0
Middle managers	0	0	0
White collar workers	11	9	20
Blue collar workers	2	10	12
Overall Total	13	19	32

Table 429 – Employees of the AIM Group belonging to the protected categories in 2019

Employment protection

Personnel seniority, relating to 609 total Group resources, is as follows: 35.30% from 16 to 25 years, and 25.29% above 25 years.

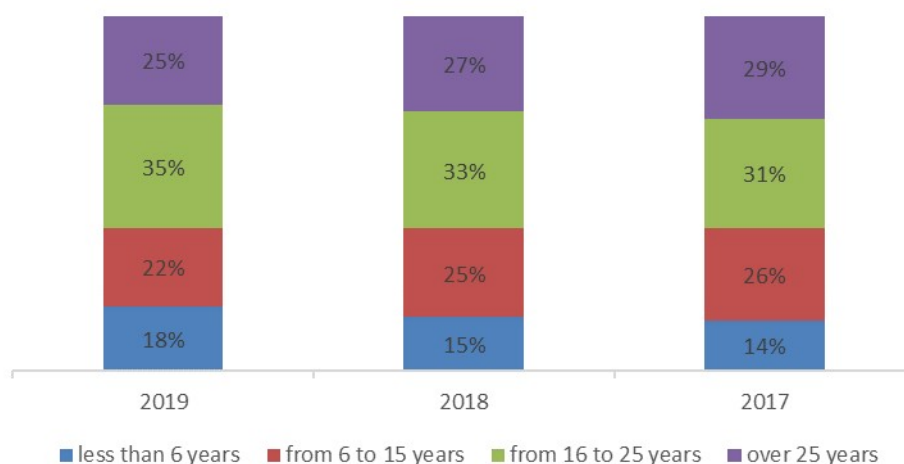


Table 60 – Personnel seniority in the AIM Group in the three-year period from 2017 to 2019.

The personnel turnover rate (rotation rate), obtained from the ratio of the sum of people joining and leaving the company in the year to the total number of employees, is 13.30%.

In 2019, **36 people were hired** (Table 43), of whom 20% were aged under 30, and **46 left the company** (Table 43).

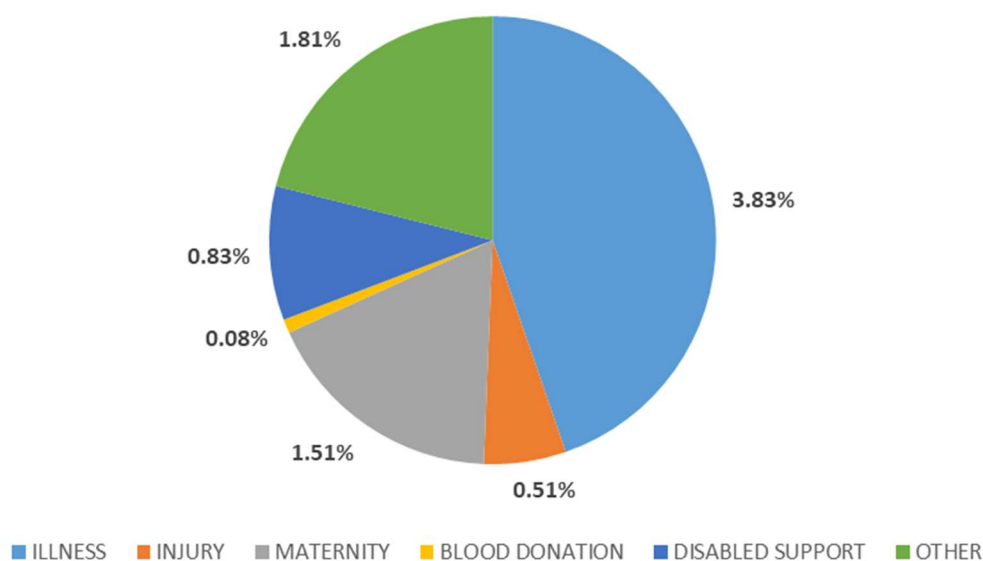
	Recruitment	Terminations	Total employees (at 31/12/2019)	Turnover
Women	6	10	142	11.27%
<i>less than 30</i>	3	3	11	54.55%
<i>from 30 to 50</i>	3	3	79	7.59%
<i>above 50</i>	0	4	52	7.69%
Men	30	36	467	13.92%
<i>less than 30</i>	4	2	12	50%
<i>from 30 to 50</i>	20	10	204	14.71%
<i>above 50</i>	6	24	251	11.55%
Total	36	46	609	13.30%

Table 43 – Recruitment and terminations of AIM Group's personnel, by level and gender in 2019

With regard to the main **reasons** for the **termination of employees** from work, over 36% is attributable to retirement, 26.09% to voluntary resignation and 30.43% due to temporary employment contract expiry; one case was due to dismissal for just cause, one employee died and one was no longer fit for work.

Note also that in 2019 **20 disciplinary measures** were issued against employees.

With regard to the **absenteeism rate**, intended as the ratio of hours not worked to total hours worked by all employees, it mainly concerns health reasons (3.8%).



** The Group's total absenteeism rate does not include holidays and generic leave of AIM Group human resources.

Figure 13 – Absenteeism rate recorded by the AIM Group in 2019

In support of employment and in order to reconcile daily life with personal needs and work commitments, the AIM Group has adopted and intends to adopt some measures, which are currently being developed and studied. These include:

- Flexibility under exceptional circumstances
- Part-time on return from maternity leave
- Smart working
- Negotiations have begun with the social partners on the creation of a “solidarity bank of hours”.

THE PROCESS OF SELECTION

The process of recruiting new employees of the parent company and its investees is carried out in accordance with the principles of adequate publicity of the recruitment,

impartiality and respect for equal opportunities between female workers and male workers.

The Evaluation Committee is made up of the Company's Director or one or two of his delegates, the direct superior of the candidate in the recruitment phase and the Human Resources Manager or his delegate; the Company's Directors as well as the personnel who hold political offices or union positions may not hold the role of members of the Evaluation Committee. Screening of the CVs is based on the objective and transparent recruitment requirements and criteria established in the recruitment notice, taking into account the organisational position that the candidate is called to fill.

At the end of the recruitment process, the Evaluation Committee draws up a document that summarises the recruitment processes adopted, indicating a final ranking based on the criteria followed, proposing the hiring of the candidate(s).

In the event of withdrawal of the chosen candidate(s), the next candidate will be hired, moving down in the ranking to the last of the candidates deemed suitable.

The CVs received at the office, after a period of two years, will be destroyed, according to the provisions of the current legislation on privacy.

Hiring takes place with an individual employment contract, in line with the national collective agreements (of a private nature) applied by the Company depending on the category to which it belongs.

Remuneration and corporate welfare

The costs that AIM incurs for its employees mainly take into consideration: both immediate (personnel remuneration and miscellaneous expenses) and deferred (severance indemnities) direct remuneration; indirect remuneration (social security contributions borne by AIM Group companies); and remuneration for non-employee personnel.

In the performance of their activities, in addition to employees, AIM Group companies make recourse to the professional services of the Management Bodies (non-employee personnel), for the management and control functions.

These reclassified **personnel costs** in the three-year period from 2017 to 2019 are shown in **Table 44**.

Personnel Costs	2019	2018	2017
Total Direct remuneration, of which:	24,103	26,491	26,765
Wages and salaries	22,279	22,505	23,048
Employee severance indemnities	1,243	1,496	1,525
Employee pensions and similar obligations	246	248	247
Miscellaneous services for employees	2,034	1,944	1,706
Other personnel costs	334	299	237
Total Indirect remuneration, of which:	7,116	7,275	7,451
Social security contributions	7,116	7,275	7,451
Employee personnel costs	31,219	33,766	34,216
Board of Directors fee	305	235	275
Board of Statutory Auditors fee	199	193	199
Non-employee personnel costs	504	428	474
Total personnel costs	33,756	34,195	34,690

Table 44 – Personnel costs of the AIM Group for the three-year period from 2017 to 2019 (thousands of Euro)

These costs are a significant indicator of the contribution of the AIM Group to employment in the **local area (Vicenza and province)** in which **86.70%** of its employees reside.

In terms of distribution of remuneration, the company guarantees equality of remuneration between males and females with the same conditions; this figure is justified and shown in **Table 45**.

	Women	Men	Average by professional qualification
Senior managers	0	96,787.67	96,787.67
Middle managers	55,630.05	55,539.11	55,584.58
White collar workers	28,273.29	35,618.94	31,946.12
Blue collar workers	23,505.84	27,387.50	25,446.67
Total average			

Table 45 – Average remuneration of AIM Group employees broken down by professional qualification and gender in 2019

The gap shown by the above values is justified by the greater length of service of men compared to women, as can be seen from the previous table showing the seniority data.

As from 2017, certain AIM Group companies signed, together with the Trade Union Organisations and, where present, the single company union representative, an agreement establishing the Performance Bonus for the two-year period from 2019 to 2020. The possibility of converting, in whole or in part, the amount of the Performance Bonus into forms of welfare was also envisaged.

To all workers who freely choose to convert their Bonus into welfare goods and services, the Company makes available an additional package of welfare goods and services with a value equal to 12% of the converted portion of the Bonus (minimum conversion amount = Euro 250).

Among the "Flexible Benefits" that the AIM Group makes available to beneficiaries are: fuel vouchers, food vouchers, shopping vouchers, health packages, travel packages, cinema, theatre, gym and swimming pool season tickets, educational and training expenses, other care costs, etc.

AIM Group companies make available an individual budget to beneficiaries, equal to the portion of the envisaged Performance Bonus, to be paid via the forms described above. Beneficiaries can convert their Bonus into welfare benefits by logging on to the Welfaremeet portal. Failure to choose conversion into one of the proposed benefits will result in full payment of the Bonus in the salary, with reduced taxation.

AIM is also designing and developing innovative systems that are increasingly in line with the needs of its workers through new welfare packages, such as the negotiations among the social partners, still in progress, for the conversion of bonus portions into hours of leave for workers.

The optimisation of resources

For the AIM Group, training is an important aspect of its operations. Given the nature of the activities provided, continuous updating in the regulatory and technical field is essential and is the basis for providing an adequate and efficient level of service.

In 2019, the per capita training hours per employee of the AIM Group amounted to 10.13; during this year, 86% of employees took part in at least one training event, an increase on the result achieved in 2018 (76%).

	Total workforce	Total hours	Hours per capita
Women	142	718	5.06
Men	467	5,450	11.67
Senior managers	9	225	25
Middle managers	18	272	15.11
White collar workers	291	2,800	9.62
Blue collar workers	291	2,871	9.87

Table 46 – Average hours of training by gender and level in 2019

As evidence of the Group's focus on its employees, in 2019 61.22% of total training hours were dedicated to occupational safety. As regards the remaining training areas, 20% were related to technical issues and 19% to regulatory issues (**Figure 10**).

81% of the resources trained are men, a figure in line with the greater presence of men in the Group's workforce. (Make a new chart)

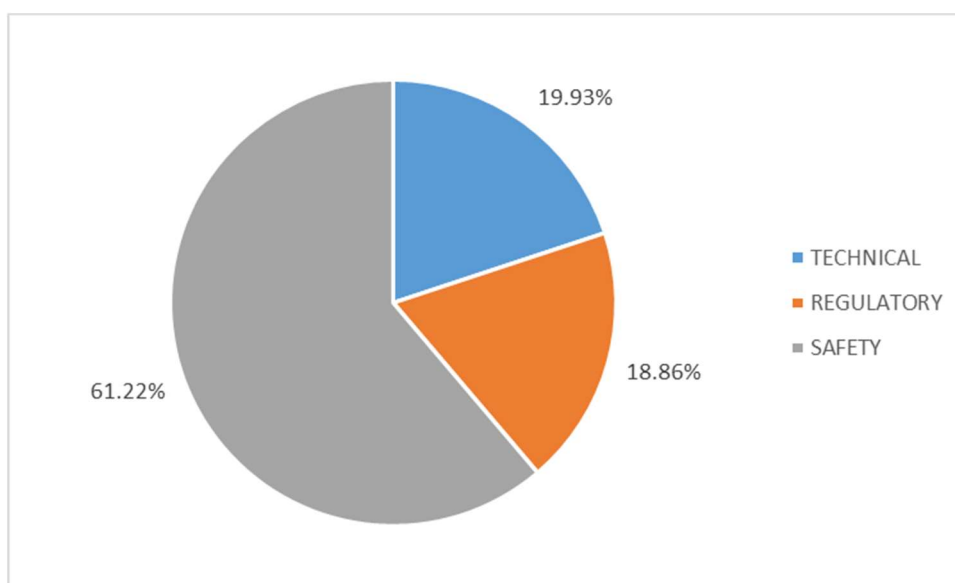


Figure 104 – Type of training provided in 2019

As far as the training of its employees is concerned, the AIM Group organises courses inside the company or in external training centres in the vicinity of the company head office.¹⁵

During 2019, the AIM Group collaborated with High Schools and Universities, giving the opportunity to **20 students**, for a total of **257 weeks**, to be able to test their school/university knowledge in the field, through the implementation of both paid and unpaid internships.

¹⁵ In 2018, 94 courses were held internally, and 67 at locations outside the company.

INCENTIVE SYSTEM**DEFINITION OF PROFITABILITY, PRODUCTIVITY AND QUALITY OBJECTIVES:**

The profitability, productivity and quality objectives to be pursued in 2019 and 2020 in all Group Companies are geared towards the implementation of the development and rationalisation guidelines contained in the Business Plan, as defined and structured in the budgets of each individual Company.

The possibility of receiving the Bonus will depend on the achievement of the profitability, productivity and quality objectives of the Group and of each Company/Division/Service.

Therefore, the annual Performance Bonus for the employees of AIM Vicenza SpA will be related:

- a) to the profitability parameter for a percentage of 40%;
- b) to the productivity and quality parameters and, in particular, to the results obtained in implementing the projects/objectives as set out in this agreement, for a percentage of 60%. The objectives refer to the years 2019 and 2020.

PROFITABILITY PARAMETER

Given the need to record a positive final result, the Profitability parameter is deemed to be achieved if AIM Vicenza SpA's EBT for 2019 (2020) is higher than AIM Vicenza SpA's EBT for the average result in the previous three-years from 2016 to 2018. For the other Group companies, the parameter referred to is EBITDA.

The final result, as indicated in the financial statements, must be considered net of any unforeseeable external factors due to any business/organisational choices aimed at guaranteeing the public service. In this case, the result will be normalised on a like-for-like basis without taking into account the change from previous years. The average result for the previous three years shall be considered an adequate benchmark, according to current legislation on de-taxation, in the light of the progress envisaged by the AIM Group's Business Plan (corporate development and reorganisation).

Without prejudice to the above, if AIM Vicenza SpA's EBT for 2019 (2020) is less than or equal to the average result of the previous three years in a range between 90.1% and 100%, the bonus will be granted proportionally according to the linear interpolation criterion. The profitability parameter shall be deemed not achieved if the value is less than or equal to 90%.

PRODUCTIVITY AND QUALITY PARAMETERS

Productivity and quality objectives coincide with the achievement of the projects/objectives set out in this document and referring to the years 2019 and 2020, as well as with the improvement of the quality of the services rendered.

The projects/objectives concern the improvement of current activities or the development of new activities aimed at improving the efficiency/quality of the service rendered. Each project/objective is assigned a percentage value based on the achievement of the same by each Company/Division/Service (from 0% to 100%).

Industrial Relations

The National Collective Bargaining Agreements (CCNL) applied in the AIM Group and the labour relations governed by each agreement are as follows:

	2019
Public transport and inland navigation CCNL	4
Trade CCNL	20
Senior managers of public utility service companies CCNL	9
Building CCNL	9
Gas-Water CCNL	204
Federambiente environmental services CCNL	135
FISE environmental services CCNL	53
Electricity CCNL	159
Services CCNL	16
Overall Total	609

Table 47 – Collective agreements applied within the AIM Group in 2019

In AIM Group Companies, as required by the National Collective Bargaining Agreements, the negotiating delegations have been set up, consisting of, on the part of the company, the management and the Head of the Human Resources Department, and, on the part of the trade unions, of the single company union representative, where present, and of representatives of the relevant Trade Union Organisations.

The Companies inform the trade union organisations of operations of a general nature, concerning employment relations, organisation of the departments and human resources management. Depending on the subject matter, the Companies convene the entire trade union delegation.

The trade union membership rate in the AIM Group in 2019, calculated considering the number of personnel having **joined the union** compared to the total number of employees, was equal to **38.75%** (SEE FILES E-E1m); during 2019, 22 union meetings were held. **Table 48** shows the statistics on trade union activity within the Group.

	2019	2018	2017
Union membership rate %	38.75%	40.0%	41.85%
Number of union meetings	22	26	25
Hours of union meetings	1,081.51	949.5	1,206
Absenteeism due to strike	0%	0.02%	0.06%

Table 48 – Trade union activity within the AIM Group in the three-year period from 2017 to 2019

Note that absenteeism due to strikes shows a clear downward trend in the three-year period from 2017 to 2019, an indication of greater confidence in the Group and appreciation of the climate in the workplace.

Occupational Health and Safety

Commuting accidents refer to accidents involving employees that take place while commuting from home to the workplace, whose causes depend mainly on factors that cannot be managed by AIM Group companies. As regards **accidents in the workplace**, in order to prevent them and minimise their number, AIM Group companies carry out the following activities, in line with legislative requirements regarding safety in the workplace:

- information on risks in the workplace;
- health surveillance (periodic examinations);
- preparation of risk assessment documents;
- preparation of internal emergency plans;
- provision of personal protective equipment (accident prevention equipment);
- health and safety training.

	2019
Total number of accidents	28
Frequency index	31.05
Severity indicator	0.82
Lost working days (total between occupational disease and accidents)	737
Absenteeism rate	0.07%
Work-related deaths	0

Table 49 – Accidents involving AIM Group employees in 2019¹⁶.

Meetings are scheduled during the year involving the Management, the Health and Safety Department, the Company Doctor and workers' safety representatives to manage actual or potential problems related to workers' health and safety. It is believed that the jobs most exposed to high incidence and high risk of specific occupational diseases are those related to construction, road and urban health activities.

¹⁶ As indicated by UNI 7249, the *severity* indicator is calculated considering (total days of absence/total hours worked) x 1000; the *frequency* index is calculated considering (total accidents/total hours worked) x 1,000,000.

In 2019, the AIM Group maintained the trade union agreement to protect workplace safety concerning adoption of the "man on the ground" system for isolated or solo workers.

SUPPLIER RELATIONS

Material aspects

- PROCUREMENT POLICIES AND SUPPLIER ASSESSMENT

The suppliers of the AIM Group Companies, meaning in particular contractors of supplies, works and services, occupy a strategic position in achieving the Group's growth and sustainability objectives.

The AIM Group Companies are subject, in the various sectors, to the regulations governing public procurement contracts, the acquisition of assets and the assignment of services and the execution of works to third parties, the main legislative reference of which is the **Public Contracts Code**.

In 2019, AIM also approved the Regulation on sub-threshold procurement contracts.

The selection of Suppliers is therefore carried out in compliance with the principles enshrined in the **EU Treaty for the protection of competition**, as well as the general principles of sound governance, effectiveness, efficiency and economy, aimed at ensuring that acquisitions and awards of contract are carried out with transparency and at the best conditions.

The internal rules of awards of contract and performance are also inspired by the legislative principles of proportionality, rotation, non-discrimination and equal treatment between economic operators.

The AIM Group, through the Tenders Portal, manages a List of Suppliers (**Online Supplier Register**), which allows the registration of those who intend to apply and express their interest in being invited to submit bids, without prejudice to the fact that the economic operators are qualified on a case-by-case basis according to the call for tenders.

The economic operators to be consulted are identified on the basis of information regarding compliance with requirements related to general qualification, professional ethics, characteristics of economic-financial and technical-organisational qualification, and in particular, recently, minimum environmental requirements.

For some types of supplies and services, the AIM Group Companies require candidates, within reason and where permitted, to possess **specific technical, organisational and economic-financial skills**, as objective as possible and always proportionate to the nature and the subject of the contracts, as well as, more and more frequently, to prove the **fulfilment of the quality standards** issued on the basis of the European standards of the UNI EN ISO 9000 series and others.

All suppliers and contractors are required to comply with environmental and safety standards, to protect work conditions, and finally to **adhere to the Code of Ethics approved by the Group** and the management model pursuant to Italian Legislative Decree No. 231/2001.

The AIM Group is implementing the dissemination and promotion of **sustainable issues and criteria** related to procurement and contracts, especially for specific types of purchases and for the performance of works, including through the application of **CAMs**, the **Minimum Environmental**

Criteria required for a contract to be identified as "green" according to the guidelines of the PAN-GPP, National Green Procurement Action Plan.

In 2019, the Group Companies supported various collaborations for the development of sustainable information campaigns targeted at local trade associations interested in the various CAMs.

The AIM Group considers it important to spread knowledge and use of **environmental certifications**, not only referred to products and services but also within the scope of other processes and projects, a requirement that is now consolidating in many tenders, through ISO 9000, ISO 14000, OHSAS and other certifications.

The Group aims, in conclusion, to build a transparent, proactive and cooperative relationship with suppliers, involving them in the compliance with the quality, environmental and safety standards adopted by the Group. In 2019, the AIM Group Companies placed **orders** with a value of **Euro 26,884,362.94** through tender procedures under the Public Contracts Code referred to in Italian Legislative Decree no. 50/2016 as amended (above the threshold of Euro 40,000.00), and of **Euro 11,484,787.56** with the market survey or direct award procedures for contracts below the threshold of Euro 40,000.00.

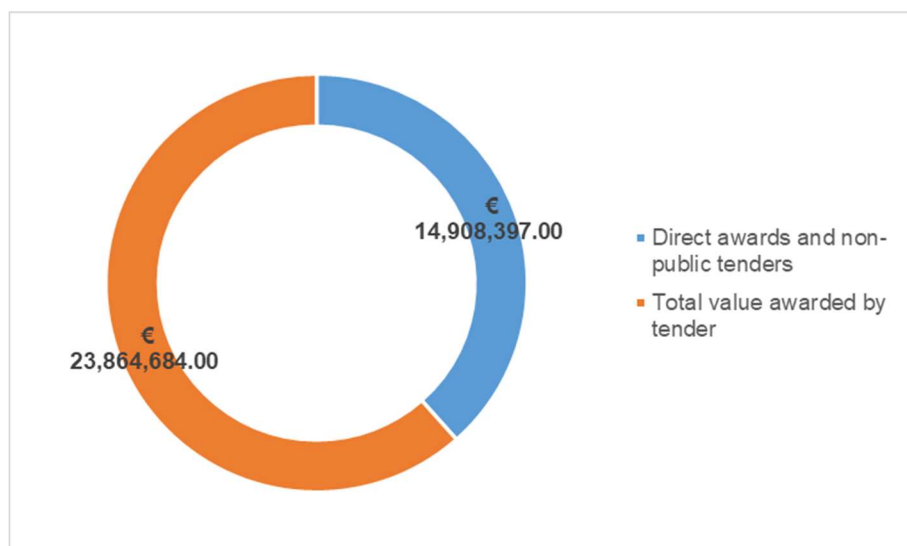


Figure 115 - Total value awarded through tenders and direct awards via market surveys performed by the AIM Group in 2019

Public tenders of the so-called ordinary and negotiated award types

The requirements to participate in tenders are related to professional competence as well as to the priority compliance with the requirements of professional ethics. It is also often required to meet requirements relating to economic and financial standing, and technical and professional suitability. In particular, in tenders concerning waste disposal, the legal authorisations required from the Contractor for the transport, storage and disposal of waste, both with regard to the vehicles used and the plants

of destination, are always verified so as to ascertain the legal suitability to operate with total respect for the environment.

The awarding of tenders mainly takes place with the criterion of the **most economically advantageous tender**, in order to evaluate, according to different parameters based on the type and characteristics of the award, economic, qualitative, social, environmental, ethical and safety aspects. The Group Companies undertake to inform the supplier in a correct and timely manner regarding the characteristics of the contracts, the payment methods and times in compliance with current regulations and internal accounting procedures, contents and contractual clauses in general.

The AIM Group guarantees its contractors that the performance of the contract is carried out in a manner consistent with the principles of equality, fairness, diligence and good faith in compliance with current legislation, the contracts signed and internal company procedures.

The professional and technical suitability of contractors or subcontractors in relation to works, services and supplies to be awarded either under a tender or by works contract or manpower supply contract is scrupulously verified, providing companies with detailed information on specific risks in the environment in which they are intended to operate and on the preventive and emergency measures taken in relation to their activities.

Where applicable, the Companies (and, in particular, the persons responsible for the procedure - RUP) prepare the **risk assessment document** which indicates the measures taken to eliminate or minimise the risks from interference; they draft the interference risk assessment document which includes an evaluation of the standard risks related to the type of work that could potentially derive from the performance of the contract.

The companies cooperate in the implementation of the measures designed to prevent and protect from risks on the work site that have an impact on the work activity subject to contract, coordinate the operations aimed at the protection from and prevention of the risks to which the workers are exposed, thereby exchanging information, in order to eliminate risks due to interference between the activities of the different companies involved in the performance of the overall work (Articles 14 and 26 of Legislative Decree 81/2008).

The portal for the registration of suppliers is available at <http://gareonline.aimvicenza.it/portale/index.php> and can be accessed by all economic operators wishing to collaborate with the AIM Group. (The Group Companies, through AIM Vicenza Spa, in particular, use the specific electronic Portal for a more prompt and functional management of the procedures for the acquisition of goods, services and for the assignment of works) **I would remove it.** All communications between AIM Vicenza Spa and the companies, as far as the management of the receipt of bids is concerned, are transparent as they are guaranteed by the online Tenders Portal. The registration system of economic operators within the Portal, and their subsequent profiling, contributes to expanding the list of potential suppliers, as well as making the supply of goods and services and the assignment of works more open and competitive. Registering suppliers are assigned unique and confidential credentials, which allow access to the Portal and the respective files.

The number of (ordinary) public tenders carried out by the Group in 2019 came to 26 for a total awarded value of Euro 12,574,557.25. A total of 18 tenders were called for to evaluate the most advantageous

offer and 8 tenders were called for running for the price slide. On the other hand, the number of negotiated award procedures during 2019 was 58.

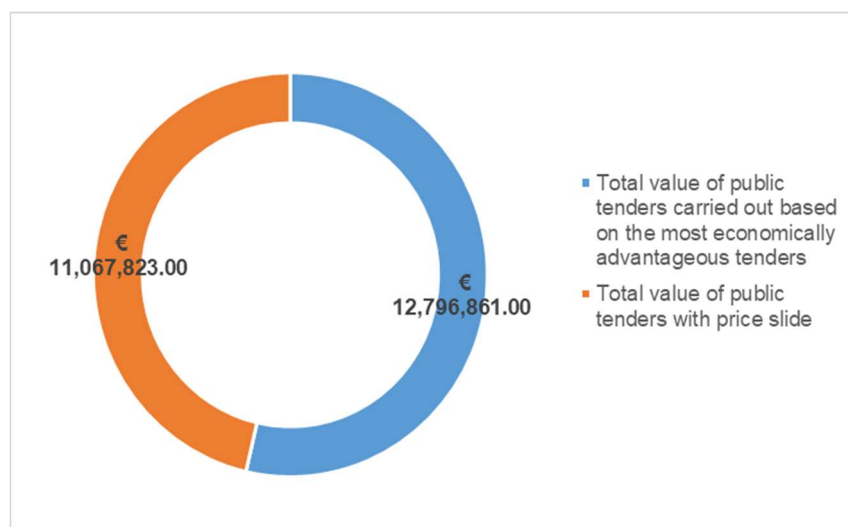


Figure 16 – Value awarded through (so-called ordinary) public tenders, broken down by tenders carried out with the most economically advantageous tender and tenders running for the price slide, operated by the AIM Group in 2019

Purchases on the territory

In the awarding of tenders relating above all to Companies operating in the environmental field (Valore Ambiente and SIA, in particular, but not only these), if considered appropriate also on the basis of the movement of the vehicles involved, the containment of the movement of vehicles within the territory and the homologation classes referring to the emissions into the atmosphere of the discharges are often evaluated in rewarding terms. The aim of the valuation criteria is to reduce atmospheric emissions and hence air pollution as much as possible. Considering the extent of the movements and the use of means for collecting and transporting waste for disposal, this criterion is particularly effective in terms of respect for the environment and therefore for the objective of sustainability.

In 2019, the AIM Group issued **1172 orders** to **449 suppliers** registered in Vicenza for a total value of **Euro 16,350,207.71**¹⁷.

¹⁷ Note that the information entered does not consider the company TRE V in that it does not process orders but only commercial offers.

Commercial orders	2019	% of total orders	2018	% of total orders
no. of orders of which:	2,356		2,501	
Companies registered in Veneto (no.)	1,637		1,786	71.4%
of which Companies registered in Vicenza (no.)	1,172		1,274	50.9%
Companies registered outside the Veneto region (no.)	719		715	28.6%

Table 50 – Commercial orders placed by the AIM Group in 2019, showing those placed in the local territory

Value of commercial orders	2019	% of total value of orders	2018	% of total value of orders
Value of orders (Euro) of which:	38,369,150.50		38,773,081	
of which from Veneto (Euro)	26,830,503.56		21,964,840	56.6%
of which from Vicenza (Euro)	16,350,207.71		11,683,638	30.1%
Companies registered outside the Veneto region (Euro)	11,538,646.94		16,808,241	43.4%

Table 51 – Amounts of commercial orders placed by the AIM Group in 2019, showing those placed in the local territory

As can be seen, a significant percentage of the orders is for companies in the area, also envisaging the use of type B social cooperatives for the management of recycling and mowing of green areas in order to create shared value with local communities.

THE SOCIAL COMMITMENT OF THE AIM GROUP

Material aspects

- LISTENING TO, INVOLVING AND RAISING AWARENESS AMONG STAKEHOLDERS
- RELATIONS WITH CONSUMER AND TRADE ASSOCIATIONS
- DEVELOPMENT AND SUPPORT OF INITIATIVES AND PROJECTS IN THE TERRITORY
- ENVIRONMENTAL EDUCATION
- CREATION OF SOCIAL AND ENVIRONMENTAL VALUE

The AIM Group has been at the service of the city and territory of Vicenza for over 110 years and has supported initiatives and activities that, for various reasons, can be traced back to the pillars of the company's mission: **social integration, fairness and development sustainability**.

The department in charge of coordinating and achieving these aims is the External Relations and Communication Department which manages relations with the media, ensuring timely and uninterrupted collaboration with information operators and looking after the image of the Holding and of its special-purpose companies, and relations with the third sector associations that have always made Vicenza one of the cities and provinces most rich in volunteer opportunities.

In 2019, the External Relations and Communication Department also produced over fifty press releases, which generated around one hundred television reports, and helped to inspire, directly or indirectly, almost two thousand articles in the local and national press, also on the basis of the activities for extraordinary corporate transactions that occurred during the year.

In addition, the year 2019 was characterised by an attentive promotion of initiatives that generated social integration, fairness and development sustainability.

The criteria adopted in the disbursement of economic resources through sponsorships and donations always comply with the principles of consistency with the corporate purpose of AIM Vicenza SpA, exclude bodies or entities that are clearly political in nature and refer to the Regulation for investments in communication, branding and service advertising to AIM Group customers.

During the year, the AIM Group provided its support in the promotion and organisation of numerous cultural, sports, social and environmental events of not only local but also national importance, with an economic commitment of over Euro 300,000. The most significant events included the Biblical Festival, the Municipal Theatre season and summer shows in the city, the great exhibitions in the Basilica Palladiana, the summer activity centres for young children and teenagers, sports events in the city and the charity dinner in support of the Mountain Community of the Sette Comuni following the devastating storm, Vaia.

Support to the community

INITIATIVES IN 2019	(Euro)
Social events	1,472,620
Educational initiatives for children and teenagers	30,180
Cultural initiatives	79,830
Sports initiatives	49,390
Initiatives raising environmental awareness	38,537
Musical initiatives	94,652
Total sponsorships provided	1,775,210

SOCIAL SUPPORT

ELECTRICITY AND GAS SOCIAL BONUS: AIM Energy provided the Electricity and Gas social bonus introduced by AEEGSI (now ARERA) in collaboration with the Municipality of Vicenza to help families in financial difficulties and large families with the cost of gas and electricity.

AIM-CARITAS AGREEMENT: the agreement, through which AIM makes available to the association Diakonia Onlus (operating unit of the diocesan Caritas) Euro 20 thousand for individuals and families in momentary financial difficulties, was renewed for the sixth time. The agreement promotes a service aimed at people and families who are unable to meet their economic and financial commitments with respect to essential goods and services, such as electricity and gas, due to job loss, precarious employment or reduced income.

“INSIEME PER LA VITA” (Together for Life): the AIM Group signed up to the TV marathon organised by Videomedia and Publiadige that succeeded in raising funds for five non-profit associations: **Fondazione OTB** in Breganze, **social farm IL POMODORO** in Bolzano Vicentino, **Fondazione San Bortolo** in Vicenza, **CUAMM** in Padua, **Associazione Italiana Progeria Sammy Basso onlus** in Tezze sul Brenta.

EDUCATIONAL INITIATIVES FOR CHILDREN AND TEENAGERS

AIM ENERGY CAMP: AIM Energy supported the summer camps called “AIM Energy Camp” for children and teenagers aged 6 to 13 years who took part in many interesting sports activities.

CHILDREN AND FAMILY: AIM Ambiente took part in the fifth edition of Children and Family, organising, in collaboration with the operators of the Ecotopia cooperative, play and educational activities on the reuse of materials that would otherwise be destined to become waste.

ROSSI HIGH SCHOOL PROJECT: the collaboration with ITIS Rossi, a high school in Vicenza, was also renewed in 2019 in the field of ecology and environmental sustainability. AIM Ambiente organised teacher-led lessons and classroom activities for the first and second classes, with a view to getting the students to learn about the company’s activity and raising their awareness on the correct waste sorting practices with a particular focus on reducing plastic in the classroom. The project ended with the distribution of over 2,500 aluminium water bottles to the students and the installation of a (still and sparkling) water dispenser from the mains in collaboration with VIACQUA.

SCHOOLS AND MUNICIPAL THEATRE PROJECT: AIM Ambiente took part in the project promoted by the Municipal Theatre of Vicenza aimed at promoting education in theatrical communication, with a particular focus on environmental sustainability. The project involved over 600 students from primary and secondary schools in the Municipality and province of Vicenza. It included a workshop led by specialist professionals assisted by the class teacher, aimed at the production of a play that was staged at the Municipal Theatre of Vicenza, on three successive evenings, entitled “Like a meteor I’ll change the world”. The play highlighted the theme of eco-sustainability and imagined a world where there is universal respect for human rights and dignity, justice, equality and equal opportunities.

2019/2020 CURRICULUM PROSPECTUS (POFT): AIM Ambiente was included in the 2019/2020 POFT thanks to the activities offered to primary and middle schools in the Municipality of Vicenza involving workshop-lessons during which students carried out activities to raise awareness about waste, with a particular focus on the making the most of recycling, recovery and creative reuse. In addition to traditional teacher-led lessons, there was also a programme of workshops and visits to a recycling centre.

AIM AND UNIVERSITY: in collaboration with the undergraduates following a degree course in “Social Marketing, Communication and Change” at the University of Padua, the AIM Group held a series of educational seminars on Corporate Social Responsibility. The students prepared and presented a project of their own, aimed at encouraging sustainable behaviour by citizens with respect to the AIM Group’s services, via the chosen communication channel, i.e. social media.

CULTURAL INITIATIVES

There were numerous cultural initiatives involving the AIM Group, also together with its companies, as partner and main supporter, including the following:

EXHIBITIONS: the AIM Group was the main sponsor of the exhibition called **“Ritratto di donna: il sogno degli anni venti. Lo sguardo di Ubaldo Oppi”** (Portrait of a woman: the dream of the Twenties. Ubaldo Oppi’s point of view) scheduled from 6 December 2019 to 13 April 2020 in the Basilica Palladiana in Vicenza. During 2019 AIM also sponsored the exhibition **“Was furchten Sie denn jetzt noch?”** held in the spaces of the Municipal Theatre of Vicenza featuring a display of over thirty photographic portraits depicting people whose expressions reveal a disappointment in love, an abandonment or a loss.

SUMMER EVENTS: the AIM Group sponsored the theatrical, musical and cultural shows organised by **Theama Teatro, Stivalaccio, La Piccionaia, Musiche delle Tradizioni** and **Le Settimane Musicali al Teatro Olimpico** that animated the summer months in the city with a calendar of cultural events that was highly appreciated by citizens and spectators who also came from the surrounding cities.

LA RUA (the Wheel): on 8 September, for the patron saint’s day of Madonna di Monte Berico, AIM Amcps created the magnificent setting of the Rua, rebuilt by the Company of Viale sant’Agostino in 2007 based on a drawing by Francesco Muttoni.

SPORTS INITIATIVES

Also sport, as a moment of social aggregation and inclusion, was at the centre of attention of the AIM Group and in particular of AIM Energy, which in 2019 supported the **AIM Amateur Sports Group** and in particular the fourth edition of **“ULTRA & WILD TRAIL”** a footrace in the hills of Malo and Monte di Malo that has attracted the participation of over 900 athletes.

AIM also supported other sports groups that enrich the recreational offer of the Vicenza area: **Araceli Basketball Club, Vicenza Rugby Club, Fencing Club, Brendola Golf Club** and the **International Tennis Tournament**. In 2019, AIM also chose to support the football team, **LR Vicenza**, to promote a sports project that had been missing in the city for several years.

ENVIRONMENTAL AWARENESS AND INNOVATIVE SERVICES

VICENZA, RICOSTRUIRE INSIEME LE NOSTRE MONTAGNE (Vicenza, rebuilding our mountains together): AIM Energy sponsored the charity dinner organised in Piazza dei Signori in support of the Municipalities of the Asiago Plateau, hard hit by the storm Vaia.

M’ILLUMINO DI MENO (LESS LIGHT ON ME): also this year the AIM Group took part in the initiative to raise awareness on energy savings promoted by Radio Due by switching off the lights in one of the city’s most significant monuments for an hour.

YELLOW PAPER CONTAINERS: the entire set of containers used to collect paper have been renovated in over 650 collection points. This initiative means that there is greater flexibility in operations with respect to the needs of the territory.

RECYCLING CENTRES OPEN ON SUNDAYS: AIM Ambiente also opened the North and West Recycling Centres on Sundays, from 9 am to 2 pm from March to December. The initiative was

launched in order to further stimulate the collection of recyclable and reusable materials, given the fact that many users already use and appreciate the service during the week. Not only that: the opening on Sundays also provides citizens with a further opportunity to avoid improper waste deliveries or dumping.

WASTE FORUM: AIM Ambiente hosted the fourth edition of the Ecoforum, organised by Legambiente Veneto and held in Venice, Treviso, Padua and Vicenza, open to the 576 municipalities in the region with the theme of “The circular economy of waste”, with a particular focus on “reuse”, “plastic-free” and “environmental offences”.

COMMUNICATION CAMPAIGNS: AIM Ambiente has launched an intense communication campaign regarding education on the correct delivery of waste entitled “**TI RIFIUTI DI VEDERLO?**” (You refuse to see it?), featuring a large inflatable washing machine in the city squares and markets that, on the occasion of the Green Day, become “talking” and allowed adults and children to learn about the AIM services and good practices for proper waste sorting. AIM Mobilità launched the campaign “**PARCHEGGIA SENZA CONTANTI**” (Cashless Parking) to raise awareness and inform citizens about the many ways other than cash that can be used to pay for parking in Vicenza: credit card, debit card, AIMFacile App and MyCicero App are just some of the ways that make parking in the city easier and safer.

MUSICAL INITIATIVES:

FESTIVALSHOW: AIM Energy chose to be the sponsor of the highly successful and very popular travelling singing event in the main squares and cities of Veneto and Friuli Venezia Giulia. The event started in Prato della Valle in Padua and ended in Piazza Unità d'Italia in Trieste after visiting the squares in Jesolo, Bibione, Mestre, Chioggia, Caorle, Lignano, involving over 160,000 people in the 8 locations.

TREVISO SUONA JAZZ (Treviso plays jazz): AIM Energy sponsored the event held in the city centre of Treviso with concerts, meetings and workshops.

BIBLICAL FESTIVAL: AIM Energy sponsored the 15th edition of the Biblical Festival, an event called this year “**POLIS**”, which took place in the streets and squares of the city centre of Vicenza and province, Verona, Padua, Rovigo and Vittorio Veneto.

PROTECTION OF THE TERRITORY

The AIM Group operates in an area rich in Biodiversity, also due to the fact that the services provided are many and varied in terms of type and location, and therefore all personnel undertake daily to safeguard the environment in which they operate, be it a protected or urbanised area, implementing control and monitoring actions.

Before implementing new projects and maintenance activities of a certain importance, which could give rise to environmental impacts in particular areas, the Group submits the intervention to more specialised assessments for the safeguard of the area affected by the service.

The Group's electricity generation activities, in particular for the Lobia local Power Plant, have an impact on water resources - the Bacchiglione River - from which water is taken and in which it is subsequently discharged, and all the activity is managed in compliance with the concession issued by the competent Authorities and with current legislation.

In particular, the safeguard of the restocking of the fry is of interest to AIM; this is a regulatory requirement for operators of run-of-the-river hydroelectric plants, since the dam can be an obstacle to the reproduction of freshwater fish which run up and down the river.

Therefore, the Veneto Region requires the signing of a contract with its agency Veneto Agricoltura for restocking the rivers with new-born fish ("fry"), produced on farms and then released upstream of the dam and in tributaries, according to a defined criterion.

For the other waste production and management activities carried out by the Group, there is no environmental hazard since the areas of the sites are not of the protected type. The Grumolo delle Abbadesse landfill is managed in harmony with the vegetational climate of its location, also as regards the biogas plant.

For the natural gas and electricity distribution service, there is no impact on biodiversity, other than the utmost attention to the materials and equipment used to manage the network to guarantee there is no environmental impact.

GROUP CONSUMPTION

Material aspects

- CONTAINMENT OF EMISSIONS

Energy consumption

The Group's **direct energy consumption** refers to the use of fuel for the production of electricity and heat in the Group's plants (cogeneration plant, boilers, landfill) as well as non-renewable primary energy flows not directly connected with energy production (e.g. heating, transport fuels used in performing company activities).

Indirect energy consumption, i.e. the electricity that the Group purchases and consumes, refers to the Group's production sites and plants. The electricity used by the energy production plants is partly self-produced and the related values are included in the direct fuel consumption.

With the aim of reducing its environmental footprint, the Group certified the electricity used for its activities through the purchase of green certificates; these certificates cover the Group's entire electricity requirements. A total of **13,797 green certificates** were purchased.

Consumption ¹⁸	2019	2018
Thermal energy from Natural Gas for heating and technological uses	265,949.9	275,868.4
Energy consumed from petrol by the company fleet	2,085.2	2,155.2
Energy consumed from diesel by the company fleet	27,880.1	33,354.1
Energy consumed from natural gas by the company fleet	266.10	179.5
Purchased electricity consumption (renewable) ¹⁹	49,722.2	50,656.5
Energy for diesel oil heating	4,065.1	N.A.
Total	349,968.6	362,213.7

Table 52 – Group energy consumption in GJ in 2019

The AIM Group's company fleet is made up of vehicles of different types and power supplies; this differentiation derives from the heterogeneity of the services offered, which have necessarily required and continue to require the adoption of different technologies. The company vehicle fleet is subject to particular attention by the Group, which is committed to reducing atmospheric emissions deriving from road traffic, through the systematic renewal of the most polluting vehicles.

Emissions

The use of fossil fuels is one of the elements most responsible for climate change; reducing their use, together with increasing energy efficiency, is one of the most effective strategies for reducing the greenhouse effect, whose main actor is represented by carbon dioxide. The Group is committed to

¹⁸ For the 2019 data, the heat values published by DEFRA 2019 have been taken into account.

¹⁹ Considering the green certificates for all Group activities.

reducing these emissions and reporting the performance achieved, in order to ensure transparency and continuous improvement of its performance.

The Group's greenhouse gas emissions (*GHG - Greenhouse Gases*) derive in particular from plants (waste-to-energy plant and district heating), from losses in the gas network, from landfills and, albeit to a lesser extent, from technological plants relating to operating sites.

Table 53 shows the CO_{2eq} emissions, expressed in tons, related to the use of fossil fuels by the company fleet and the use of natural gas for heating and technological uses (Scope 1).

Scope 1 ²⁰	2019	2018
CO ₂ emissions from natural gas combustion for heating and technological uses (in tCO _{2eq})	15,087	15,662.8
CO ₂ emissions from petrol combustion by company fleet (in tCO _{2eq})	142.5	147.3
CO ₂ emissions from diesel combustion by company fleet (in tCO _{2eq})	2,015.5	2,441.3
CO ₂ emissions from natural gas combustion by company fleet (in tCO _{2eq})	15.1	10.2
CO ₂ emissions from diesel combustion for heating (in tCO _{2eq})	293.9	N.A.
Total CO₂ emissions (in tCO_{2eq})	17,554	18,261.6

Table 53 – CO₂ emissions from the use of fossil fuels by the AIM Group (in tCO_{2eq})

Considering the certified origin of green electricity, the emissions related to Scope 2 are to be considered nil.

The avoided greenhouse gas emissions are composed of 5 categories, resulting from:

- electricity purchased and consumed by Group companies for their operating activities, entirely generated from renewable sources;
- electricity from renewable sources that the Group purchases for its domestic and industrial customers, which guarantee their supply of electricity from renewable sources;
- the recovery and use of natural gas produced from biomass in the Group's waste storage facilities; this gas is used for the generation of electricity, which covers the internal consumption of the plants and the remainder of which is put on the market;
- the district heating activity that, thanks to the better efficiency compared to the individual production of thermal energy, allows to reduce the gas emissions deriving from the combustion of fossil fuel and consequently mitigate the emissions in urban environment.

²⁰ The emission factors published by DEFRA 2019 were taken into account for the assessment of CO_{2eq} emissions for Scope 1.

The replacement of public lighting systems with high-efficiency LED elements, as well as the adoption of low-absorption elements and the replacement of low-energy-efficient elements (such as the windows of the Group's operating sites) reduced over the years the Group's ecological footprint, contributing to the reduction of greenhouse gas emissions.

TABLE OF CONCORDANCE WITH THE GLOBAL COMPACT

The ten principles	2019 Sustainability Report Topic
<p>Human Rights Principles 1, 2 - Businesses should support and respect the protection of internationally proclaimed human rights within their respective spheres of influence, and make sure that they are not, albeit indirectly, complicit in human rights abuses.</p>	<p>The respect of human rights is explicitly mentioned in the AIM Group Code of Ethics and in the contractual relationships with suppliers. All suppliers are required to adhere to and comply with the Code of Ethics, international labour requirements and the declaration of non-employment of personnel of the minimum age required by law.</p> <ul style="list-style-type: none"> - Employees accident rates changed only slightly - implementation of cultural and sporting initiatives to encourage the aggregation of workers in the Group through recreational centres - agreement with Caritas and the Municipality for poor users - financing of initiatives aimed at the community - management of council houses - periodic meetings with Consumer Associations
<p>Labour Principles 3, 4, 5, 6 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> - The Gas-Water, Electricity, Public Transport, Trade, Federambiente, FISE, Senior Managers and Chemical Workers National Collective Bargaining Agreements are applied and union rights are guaranteed for all workers - 86% of the Group's resources received training - "school-work alternation" projects were created with high school students, high school leavers and university students - a transparent and impartial recruitment policy has been pursued while respecting equal opportunities - part time granted to 8.87% of employees
<p>Environment Principles 7, 8, 9 - Businesses should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> - Means available with low environmental impact - 31 new, energy-saving LED lights were installed - measures were taken to reduce energy consumption with the purchase of 28,240 white certificates

Anti-Corruption

Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.

- 18,511 photovoltaic plants are active in the Group's electricity network
- the percentage of sorted waste exceeds 76%
- 3.44 GWh of energy from biogas was produced.
- A three-year transparency and integrity programme was set up
- 231 hours of training dedicated to issues on the Code of Ethics, Model 231, transparency and anti-corruption conducted
- procedures were established for the awarding of works and procurement of supplies and services on a time and materials basis
- attention was paid to transparency in relations with the Public Administration. (Legislative Decree 231/2001).
- anti-corruption and transparency unit operational
- "Transparent Administration" section on the Group's website

TABLE OF CONCORDANCE WITH GRI (“GRI-referenced”)

GRI STANDARDS	DESCRIPTION	NOTES
GRI 102: General Disclosures 2016	102-1. Name of the organisation	Page 10
GRI 102: General Disclosures 2016	102-2. Activities, brands, products and services	Page 10
GRI 102: General Disclosures 2016	102-3. Location of headquarters	Page 10
GRI 102: General Disclosures 2016	102-4. Location of operations	Page 10
GRI 102: General Disclosures 2016	102-5. Ownership and legal form	Page 10
GRI 102: General Disclosures 2016	102-6. Markets served	Page 10
GRI 102: General Disclosures 2016	102-7. Scale of the organisation	Page 10
GRI 102: General Disclosures 2016	102-8. Information on employees and other workers	Page 96
GRI 102: General Disclosures 2016	102-9. Supply chain	Page 10, Page 108
GRI 102: General Disclosures 2016	102-10. Significant changes to the organisation and its supply chain	Pages 11-12
GRI 102: General Disclosures 2016	102-11. Precautionary Principle or approach	Pages 22-26

GRI 102: General Disclosures 2016	102-12. Subscription to or endorsement of externally-developed economic, environmental and social charters, principles, or other initiatives	Pages 14-15
GRI 102: General Disclosures 2016	102-13. Membership of associations	Page 36
GRI 102: General Disclosures 2016	102-14. Statement from senior decision-maker	Page 4
GRI 102: General Disclosures 2016	102-15. Key impacts, risks, and opportunities	Pages 25-26
GRI 102: General Disclosures 2016	102-16. Values, principles, standards, and norms of behaviour	Page 13, pages 21-27
GRI 102: General Disclosures 2016	102-18. Governance structure	Pages 21, pages 28-31
GRI 102: General Disclosures 2016	102-22 a. Composition of the highest governance body and its committees	Pages 28-30
GRI 102: General Disclosures 2016	102-23 a. Whether the chair of the highest governance body is also Chief Executive Officer in the organisation	Pages 28-30
GRI 102: General Disclosures 2016	102-25. Conflicts of interest	Page 27
GRI 102: General Disclosures 2016	102-36. Process for determining remuneration	Pages 101-103
GRI 102: General Disclosures 2016	102-40. List of stakeholder groups	Page 18

GRI 102: General Disclosures 2016	102-41. Collective bargaining agreements	Page 106
GRI 102: General Disclosures 2016	102-43. Approach to stakeholder engagement	Page 16
GRI 102: General Disclosures 2016	102-45. Entities included in the consolidated financial statements	Page 10
GRI 102: General Disclosures 2016	102-46. Defining report content and topic Boundaries	Pages 16-17
GRI 102: General Disclosures 2016	102-47. List of material topics	Page 17
GRI 102: General Disclosures 2016	102-48. Restatements of information	Page 7
GRI 102: General Disclosures 2016	102-49. Changes in reporting	Page 7
GRI 102: General Disclosures 2016	102-51. Date of most recent report	Page 7
GRI 102: General Disclosures 2016	102-52. Reporting cycle	Page 7
GRI 102: General Disclosures 2016	102-53. Contact point for questions regarding the report	Front cover
GRI 102: General Disclosures 2016	102-54. Claims of reporting in accordance with the GRI Standards	Page 7
GRI 102: General Disclosures 2016	102-55. GRI content index	Pages 126-132

GRI 102: General Disclosures 2016	102-56. External assurance	Page 8
GRI 201: Economic performance 2016	Management approach from GRI 103 (see 2016) relating to topic 201 "economic performance" (see 2016)	Pages 39-41
GRI 201: Economic performance 2016	201-1. Direct economic value generated and distributed	Pages 39-41
GRI 204: Procurement Practices 2016	Management approach from GRI 103 (see 2016) relating to topic 204 "procurement practices" (see 2016)	Pages 109-113
GRI 204: Procurement Practices 2016	204-1. Proportion of spending on local suppliers	The information entered does not consider the company TRE V in that it does not process orders but only commercial offers. Pages 112-113
GRI 205: Anti-corruption 2016	Management approach from GRI 103 (see 2016) relating to topic 205 "anti-corruption" (see 2016)	Pages 26-27
GRI 205: Anti-corruption 2016	205-3. Confirmed incidents of corruption and actions taken	Pages 27-28
GRI 302: Energy 2016	Management approach from GRI 103 (see 2016) relating to topic 302 "energy" (see 2016)	Page 120
GRI 302: Energy 2016	302-1. Energy consumption within the organisation	Page 120
GRI 305: Emissions 2016	Management approach from GRI 103 (see 2016) relating to topic 305 "emissions" (see 2016)	Pages 121-122

GRI 305: Emissions 2016	305-1 a. "Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent"	The emission factors published by DEFRA 2018 were taken into account for the assessment of CO2eq emissions for Scope 1 Pages 121-122
GRI 305: Emissions 2016	305-2 a. "Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent"	Considering the certified origin of green electricity, the emissions related to Scope 2 are to be considered nil Pages 121-121
GRI 306: Effluents and Waste 2016	Management approach from GRI 103 (see 2016) relating to topic 306 "effluents and waste" (see 2016)	Pages 66-68
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Pages 66-68
GRI 401: Employment 2016	Management approach from GRI 103 (see 2016) relating to topic 401 "employment" (see 2016)	Pages 97-100
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pages 97-100
GRI 403: Occupational Health and Safety 2016	Management approach from GRI 103 (see 2016) relating to topic 403 "occupational health and safety" (see 2016)	Page 108
GRI 403: Occupational Health and Safety 2016	403-1 b. Percentage of workers whose work, or workplace, is controlled by the organisation, that are represented by formal joint management-worker health and safety committees.	Page 108

GRI 403: Occupational Health and Safety 2016	403-2. For all employees and temporary workers of the organisation, report: Total number of accidents, Injury frequency index, Occupational disease rate, Lost days, work-related fatalities	The severity indicator is calculated considering (total days of absence/total hours worked) x 1000; the frequency index is calculated considering (total accidents/total hours worked) x 1,000,000. Source of references: UNI 7249 Page 108
GRI 403: Occupational Health and Safety 2016	403-3. Workers with high incidence or high risk of diseases related to their occupation	Page 108
GRI 403: Occupational Health and Safety 2016	403-4. Health and safety topics covered in formal agreements with trade unions	Page 108
GRI 404: Training and Education 2016	Management approach from GRI 103 (see 2016) relating to topic 404 "training and education" (see 2016)	Pages 104-105
GRI 404: Training and Education 2016	404-1. Average hours of training per year per employee	Pages 104-105
GRI 405: Diversity and Equal Opportunity 2016	Management approach from GRI 103 (see 2016) relating to topic 405 "diversity and equal opportunity" (see 2016)	Pages 97-99
GRI 405: Diversity and Equal Opportunity 2016	405-1 b. "Percentage of employees per employee category in each of the following diversity categories: gender and age"	Pages 97-99
GRI 417: Marketing and labelling 2016	417-1 b. Requirements for product and service information and labelling	Page 51

TABLE OF CONCORDANCE WITH GLOBAL GOALS

GOALS	Impact of the AIM Group activity
1. No Poverty: End poverty in all its forms	20 paid internships
	Agreement with Caritas Diakonia for discounts on gas and electricity bills for families in need
	Discounts on electricity and gas bills to guarantee these essential services to all customers
	Customer focus
	Gas and electricity bonus on bills issued
2. Zero hunger	Agreements with Caritas and the Municipality for poor users
	Emergency management plan thanks to which AIM guarantees support to the competent authorities in matters of civil protection and public safety
3. Good health and well-being	Support for the television marathon to raise funds for five non-profit associations
	Construction site management
	Support for the charity campaign "Ricostruire insieme le nostre montagne"
	60% of training concerned occupational safety
4. Quality education	Support for the Città della Speranza Foundation
	Educational interventions and projects with schools on environmental and social issues
	Personnel training
	Guided tours of the district heating plant (geothermal well)
	Offer of internships to students, undergraduates and graduates
	Agreement with Centro Edile A. Palladio for the carrying out of maintenance work on the property of the Municipality of Vicenza - "Impresa Civica"
5. Gender equality	Industrial PhD in Economics and Management of the University of Verona
	Ensuring equal rights for men and women: there were no episodes of discrimination.
6. Clean water and sanitation	Diversity
	Sustainable use of water resources: Lobia local hydroelectric power plant, Mincio Power Plant, Photovoltaic panels
7. Affordable and clean energy	Reduction of energy consumption with the production of 28,240 white certificates
	89 new, energy-saving LED lights installed in the Municipality of Vicenza and 35,321 in other municipalities under concession
	Electricity sold obtained entirely from renewable sources. Guarantees of origin

	18,511 photovoltaic plants in operation connected to the network
	The percentage of sorted waste exceeds 76%
	3.45 GWh of energy from biogas was produced
	District heating service: emission of 793 TCO ₂ eq
8. Decent work and economic growth	8.87% of personnel with part time contracts
	609 human resources in the Group Over 95% with permanent contracts
	Performance evaluation model
	Industrial relations
	Human Rights
	Training provided to 86% of resources 10.13 hours of training per capita
	Transparent and impartial recruitment policy pursued while respecting equal opportunities
	Decrease in Group accidents
9. Industry, innovation and infrastructure	AIM Energy APP updated and used by 10,946 customers
	“Where should I throw it away?” waste guide on www.valoreambiente.it
	www.aimgruppo.it (website under construction)
	Cylinder depository systems with limited access
	More than 43.50% electronic gas meters installed
	Increase in users heated in the city
	Car park payment through smartphone and Apps
Barrier car parks managed in Vicenza	
10. Reduced inequalities	Gas-Water, Electricity, Public Transport, Trade, Federambiente, FISE, Senior Managers and Chemical Workers National Collective Bargaining Agreements are applied and union rights are guaranteed for all workers
	Human Rights
	32 human resources belonging to protected categories
11. Sustainable cities and communities	Public residential buildings managed: 1,516
	Square metres of public parks managed: 1,148,689
	Roads managed: 544 km
	Public buildings managed: 222
	Over 4,600 electric cars entering car parks
	LED lights installed in Vicenza: +89
	Geothermal well - district heating
	Training activities promoted with schools to raise awareness in the community on energy saving and recycling issues
12. Responsible consumption and production	Green energy from sustainable production for all customers and for internal consumption
	Information outside the ecological centres to make collection easier for users
	District heating from geothermal well
	Biogas from Landfill
	Prisca Project with the Insieme association in Vicenza for reuse of waste
	AIM Ambiente website with “Where should I throw it away?” waste guide
	Service efficiency and reliability
	Use of new technical equipment to minimise environmental impacts
13. Climate action	Sorted waste collection management

	Energy efficiency, renewables and district heating
	Emissions
14. Life below water	
15. Life on land	
16. Peace, justice and strong institutions	Training delivered on the Code of Ethics, Model 231, Transparency and Anti-corruption
	Values and regulations for supplier selection
	Three-year transparency and integrity programme
	Attention to transparency in relations with the Public Administration (Legislative Decree 231/2001)
	Anti-corruption and transparency unit operational (N.A.T.)
	"Transparent Administration" section on the AIM Group's website
	Supervisory Board operational
17. Partnerships for the goals	Dialogue with public bodies
	Partnerships with Trade Associations, Municipality of Vicenza, Industry Associations
	Development of local communities

Independent Auditors' Report

on the consolidated non-financial statement pursuant to article 3, paragraph 10 of Legislative Decree no. 254 of December 30, 2016 and of art. 5 of CONSOB Regulation n. 20267 of January 18, 2018

To the sole Administrator (Amministratore Unico) of A.I.M. Vicenza S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 ("Decree") and to article 5 of the CONSOB Regulation n. 20267 of January 18, 2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of A.I.M. Vicenza S.p.A. and subsidiaries (the "Group") as of December 31, 2019 prepared on the basis of art. 4 of the Decree, and approved by the Sole Administrator on March 19, 2020 (hereinafter the "NFS").

Sole Administrators' and Board of statutory auditors' responsibility

The sole Administrator is responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative ("GRI Standards"), *GRI-Referenced* option, identified as the reporting standard.

The sole Administrator is responsible, within the terms established by law, for such internal control as he determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the sole Administrator is responsible for the identification of the content of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the Group' business and characteristics, to the extent necessary to ensure an understanding of the Group's business, performance, results and the related impacts.

Finally, the sole Administrator is responsible to design a business management model for the organisation of the Group's activities, as well as, with reference to the topics identified and reported in the NFS, for the policies for the identification and management of the risks generated or undertaken by the Group.

The Board of statutory auditors is responsible for overseeing, within the terms established by law, compliance with the provisions set out in the Decree.

Auditors' Independence and quality check

We are independent in compliance with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control that includes directives and procedures concerning compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the requirements of the Decree and the GRI Standards selected. We carried out our work in accordance with the criteria established in the *International Standard on Assurance Engagements 3000 (Revised) ~ Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*, issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with *ISAE 3000 Revised*, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence, as appropriate.

Specifically, we carried out the following procedures:

1. Analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the process in place for the selection process in the light of the provisions of article 3 of the Decree and taking into account the adopted reporting standard.
2. Analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance to the Decree.
3. If applicable: comparison of data and financial economic disclosures presented in the NFS with those included in the A.I.M. Vicenza Group's consolidated financial statements.
4. Understanding of the following matters:
 - Business management model of the Group's activity, with reference to the management of the topics set out in article 3 of the Decree;
 - Policies adopted by the entity in connection with the topics set out in article 3 of the Decree, achieved results and related key performance indicators;
 - Main risks, generated and/or undertaken, in connection with the topics set out in article 3 of the Decree.

With reference to these matters, we compared them with the disclosures presented in the NFS and carried out the procedures described in point 5, letter a).

5. Understanding of the processes underlying the origination, recording and management of significant qualitative and quantitative information disclosed in the NFS.

Specifically, we carried out interviews and discussions with the management of A.I.M. Vicenza S.p.A., A.I.M. Energy S.r.l., Servizi a Rete S.r.l., A.I.M. Mobilità S.r.l., COGAS Più Energie S.r.l., Valore Ambiente S.r.l., Valore Città AMCP S.r.l., SIT Società Igiene Territorio S.p.A. and we also performed limited documentary verifications, in order to gather information on the processes and procedures supporting the collection, aggregation, processing and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, with respect to significant information, taking into consideration the Group's business and characteristics, at parent company's level:

- a) with regards to qualitative information included in the NFS, and specifically with reference to the business model, policies applied and main risks, we carried out interviews and gathered supporting documentation to check for consistency with available evidence.
- b) with regards to quantitative information, we carried out both analytical and limited procedures to ensure, on a sample basis, the correct aggregation of data.
- c) For the following group companies: A.I.M. Vicenza S.p.A. and A.I.M. Energy S.r.l. selected on the basis of their activities, their performance indicators contribution and location, we carried out some interviews using conference call's methodology with its management and gather supporting documentation with reference to the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of A.I.M. Vicenza Group as of December 31, 2019 has not been prepared, in all material respects, in accordance with the requirements of article 3 and 4 of the Decree and the GRI Standards, *GRI-Referenced* option.

Padova, April 13, 2020

BDO Italia S.p.A.

Stefano Bianchi
Partner

*This report has been translated into English language
Solely for the convenience of international readers.*