

2013 SUSTAINABILITY REPORT



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2013 Sustainability Report

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Letter from the President and Managing Director

Bologna Marconi Airport's **2013 Sustainability Report**, now in its fifth edition, aims to report the achievements and objectives that will guide our actions in relation to the issues of sustainable development, environmental protection, attention to needs of the local territory and passengers and enhancing the value of people, focusing on the most relevant aspects for our strategy and our stakeholders.

The results achieved in 2013 are highly positive and often go against the general trend in the still negative economic context. The main highlights include:

- The **number of passengers has passed the 6 million mark: passenger traffic shows significant growth (+4%)**, bucking the trend of the overall market in Italy (-1.9%) and slightly higher than the average growth in Europe (+3.8%);
- the **quality of service** has maintained high satisfaction levels: attention to the Passenger Experience has resulted in the achievement, for the third year running, of the majority of the targets set in the Economic Regulation Agreement and in the Service Charter;
- the **Terminal upgrading works**, the main project in the first phase of the Masterplan, have been completed, giving airport users a more comfortable and functional layout and a larger, restyled shopping area;
- the **environmental protection targets** have been reached, thanks to the reduction in energy and water consumption and CO2



emissions. In addition, there has been a significant decrease in the population affected by airport noise due to the new take-off and landing procedures for aircraft;

- **employment stability** has been maintained in spite of the overall context of economic downturn and the closure of the Ticket office.

SAB's objectives for 2014 include: **extending the range of connections offered to passengers and local businesses** by opening new routes to developing markets, **developing the aviation infrastructure** following a two-year investment in the passenger Terminal, **continuing to improve the Passenger Experience** aiming towards reduced waiting times, impro-

ved cleanliness and comfort of infrastructure and quality and range of commercial opportunities, and **developing an employee welfare system** to be integrated with mechanisms of direct participation of workers in the company's economic and qualitative performance. Alongside these objectives is an important new plan for the company's growth and development, identified by the public sector shareholders: the start of the process for listing the company on the stock exchange, a process which is functional for the implementation of the Industrial Plan and the further development of Bologna Airport as a key player within the Italian airport sector.



The President

A handwritten signature in black ink, appearing to read 'E. G. G. G. G.'.

The Managing Director

A handwritten signature in black ink, appearing to read 'N. G. G. G. G.'.

Methodological Note

This document represents the fifth Sustainability Report by "Aeroporto G. Marconi di Bologna SpA" (hereafter, for the sake of brevity, referred to as SAB) and describes the characteristics of the Company and the airport sector, the recent stages of the Airport's growth, objectives for future development and the main results achieved during the year in terms of economic, environmental and social sustainability.

The work of planning this document and preparing the contents has been a joint effort across all the departments within SAB. This report is the result of a carefully reasoned process that has enabled us to identify the sustainability issues that are strategic for company growth and are relevant to day-to-day operations and to assess their significance in relation to the expectations of SAB's stakeholders.

Compared to the previous editions of this report, for 2013 SAB has aimed to provide a more concise document: as such, the report focuses on the most significant aspects for the corporate strategies and for the stakeholders, while readers can refer back to the previous editions for further details about the functioning of the sector and the company where there have been no significant changes.

Contents of the Sustainability Report

In order to ensure the **completeness** and **significance** (materiality) of the issues considered in the Report for the stakeholders, the definition of the reporting areas has taken into account a number of different factors:

- the sustainability aspects which characterise the **airport sector**. For this purpose, an analysis was made of the Guidelines for Sustainability reporting prepared by GRI, with particular reference to the sector guidelines ("Airport Operators"), the "Airport Voluntary Commitment on Air Passenger Service" document prepared by ACI Europe, the legislation that disciplines the responsibilities and the activities of airport management companies (ENAC regulations and circulars, ministerial decrees, etc.) and the mandatory documents (Airport Regulations and Airport Manual). A benchmark has also been created concerning the issues considered in the sustainability reporting by other Italian and European airports;
- SAB's Mission, Values and **corporate strategy**, which are centred on aspects of quality, economic sustainability and environmental

protection. Therefore, the Airport's strategic and development plans were analysed and in-house interviews were organized with the managers of all the company departments;

- the topics of greatest interest for SAB's **stakeholders**, as they have emerged over the years via the tools and ongoing discussions between the Company and the different categories of stakeholders (page 11).

Perimeter

The information refers to the period between 1st January and 31st December 2013, except where indicated otherwise; in some cases, when events which are significant for the purposes of understanding the issue occurred at the beginning of 2014, these are also mentioned. A

comparison with the performance achieved in 2012 and 2011 is provided for the majority of the indicators.

The activities and the indicators reported refer to "Aeroporto Guglielmo Marconi di Bologna SpA", as the "overall management company" for Bologna Airport. For the calculation of atmospheric emissions (page 40 and energy consumption (page 41), on the other hand, sources outside SAB, but over which the company has direct functional and/or financial control, were also taken into account, as required by the "*Greenhouse Gas Protocol*" - *Corporate Accounting and Reporting Standard* methodology of the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

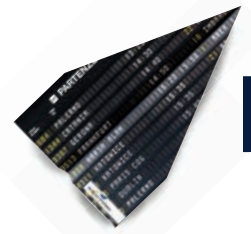


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VOLO FLIGHT	PER TO		
684	PALERMO	13:25	22
1344	CATANIA	14:30	16
9367	GERONA	14:40	16
3513	FRANKFURT	14:50	21
1808	MARSA ALAM	15:20	16
4311	KATOWICE	15:35	21
476	KATOWICE	15:50	16
74	PARIS CDG	15:35	21
11	DUBLIN	15:40	21
11	PALERMO		

PARTEENZE





“Bologna Airport is one of the major airports in Italy in terms of number of passengers and international destinations served, with cutting-edge technological equipment for safety and environmental protection.

Bologna Airport serves a traffic catchment area of more than ten million people. This represents a great wealth but also a significant responsibility for SAB, the airport management company, who is committed to ensuring continuous improvement in order to provide services at the highest quality levels in Europe and to offer a comprehensive and extended network of connections that creates value for the economy of the local, regional and national territory and favours the internationalisation of business, for the benefit of the entire community.”

1.1 SAB's Mission and Values

“Our mission is to promote international connectivity for people and businesses, through the development and management of facilities that aim at the highest levels of quality and safety. We help to make our region more attractive by facilitating access from all countries in

Europe and across the world. We are committed to fulfilling our role as an important driver of the local economy, while ensuring economic sustainability, care for the community and environmental protection”.

SAB's value system is founded on the main cornerstones that accurately express the company's

sentiment. SAB's values, identified through employee focus groups, have been classified as follows:

- **Operational Excellence - Our day-to-day challenge**
- **Flexibility - Managing the Unexpected**
- **Tenacity - Our Character**
- **Identity - The Pride of Belonging**



1.2 The airport management business and SAB's role

The airport is a collective transport infrastructure and, as such, it provides a **public service** for the local territory. The nature of the services provided mean that the airport business is subject to strict external regulation, both at a national and international level, with partial limitations on the leverages that can be used by companies operating at the airport to improve their competitiveness.

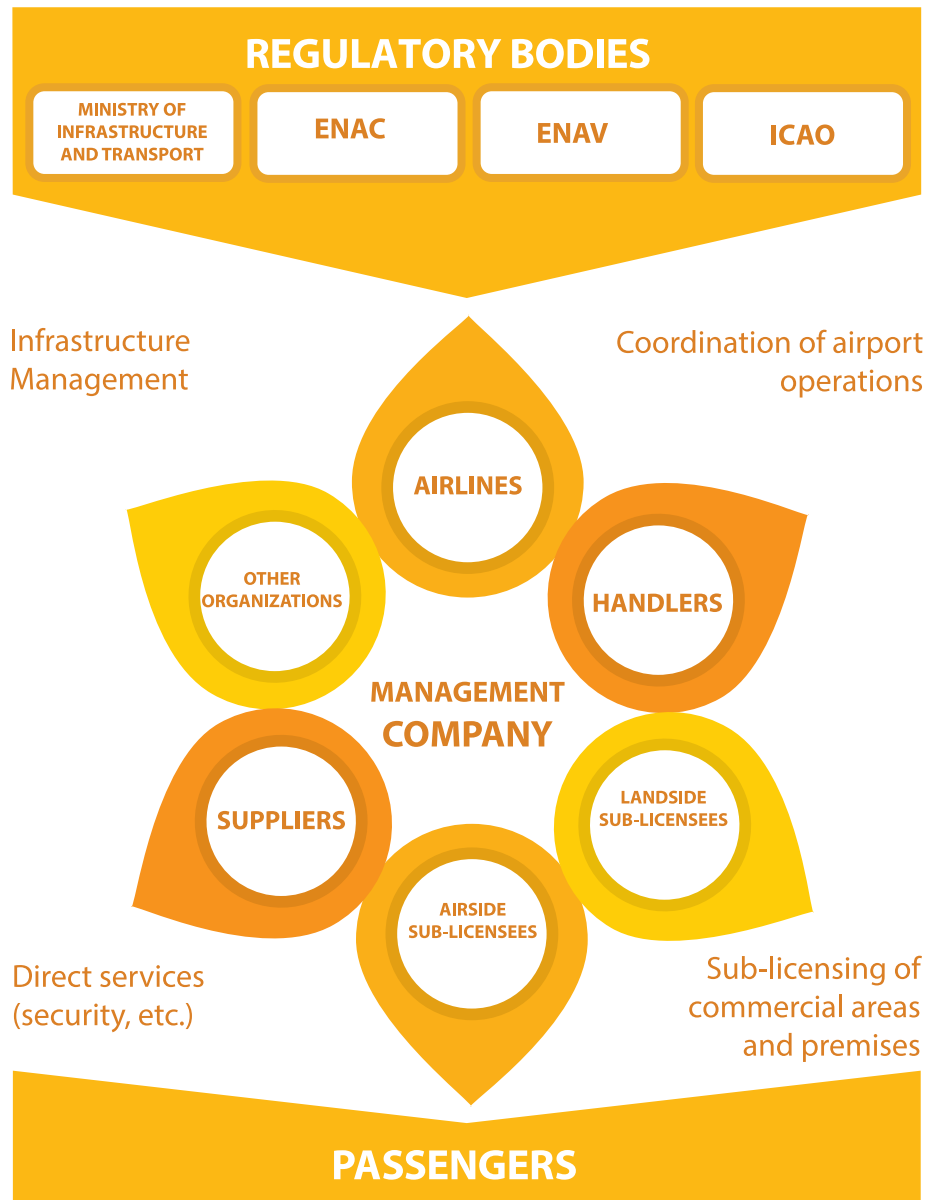
In particular, the management of the airport infrastructure, the activities carried out and coordinated by airport management companies and the quality and safety parameters of the services are strictly regulated by a series of statutory bodies for this sector, including **ICAO** (*International Civil Aviation Organization*), **ENAC** (*Ente Nazionale Aviazione Civile* – Italian Civil Aviation Authority), **ENAV** (*Ente Nazionale di Assistenza al Volo* – Italian Flight Assistance Authority) and the Ministry of Infrastructure and Transport.

The fees applied by airport management companies for the provision of air transport infrastructures and preparatory services (in particular airport charges, the fees for security activities and other sources of aviation revenue) are also defined on the basis of ministerial decrees or following specific supervisory activities performed by ENAC. The fee structure, by which we mean the fees applied for services offered to airport users (airlines, handlers, etc.), the investment plan and the other economic and financial relations between SAB and ENAC are defined by the **ENAC-SAB Economic Regulation Agreement**.

The ENAC-SAB Economic Regulation Agreement, extended until 31 December 2014, contains financial implications (updating of the level of charges and simplification of the fee system) that are subject to the achievement of specific targets in terms of traffic growth, airport development and management (investment plan and operational costs) and performance with regard to quality of service and environmental protection.

The implementation of the Economic Regulation Agreement therefore requires SAB to maintain the highest quality standards in the services offered to passengers and to reach environmental protection targets.

Once again in 2013, **SAB was rewarded for achieving the predetermined quality and environmental targets**, resulting in an increase of fees amounting to 146,000 euros.



On the basis of the concession granted by the Ministry of Infrastructure and Transport in 2004 and valid until 2044, SAB is entrusted with the overall management of Bologna Airport. In particular, SAB is responsible for:

- administrating airport infrastructures;
- coordinating airport operators;
- coordinating airport operations;
- sublicensing areas and premises;
- activities and services managed directly.

SAB is responsible for the task of administrating the **infrastructures**, through the design, development, management and maintenance of the Terminal, runway and other airport areas and facilities. Proof of this commitment can be seen in the important redevelopment works in the Terminal, which were completed this year with the aim of improving the facilities to cater

to the growing number of passengers that use Bologna Airport.

In the overall coordination of the "Airport system", SAB is responsible towards the supervisory bodies for the quality and safety standards of the services provided to passengers, both for those activities performed directly and for those performed by other companies operating at the airport (airlines, handlers, etc.).

1.3 Governance

1.3.1 The Group

Compared to 2012 the structure of the SAB Group has not undergone any significant changes. As of 31 December 2013, SAB owns



two controlling shareholdings in the sector: one in Commercial Aviation handling for the cargo and mail sector (Fast Freight Marconi SpA) and the other in General Aviation infrastructure handling and management (Tag Bologna srl).

In addition, SAB owns a linking shareholding in Ravenna Terminal Passeggeri srl, the concessionary company for the maritime station and passenger boarding/landing and transit service in the Port of Ravenna.

Lastly, SAB owns a 10% share in Bologna Congressi SpA, while the 4.13% share in SAGAT SpA, the airport management company for Turin Airport, was ceded in January 2014.



Figure 1 ► The structure of the SAB Group



Share in SAGAT ceded in January 2014

1.3.2 Our Shareholders

Ministry of Transport Decree No. 521 of 1997 stipulates that at least one fifth of the share capital of airport management companies must be owned by public Authorities or Shareholders at any given time. SAB's current shareholding structure is 50.55% owned by the Chamber of Commerce of Bologna and 35.55% owned by the public Authorities of the local territory (Municipality and Province of Bologna and Emilia-Romagna Region). The remaining shares are owned by private parties. In detail:

- **Chamber of Commerce of Bologna: 50.55%**
- **Municipality of Bologna: 16.75%**
- **Province of Bologna: 10%**

- **Emilia-Romagna Region: 8.80%**
- **Aeroporti Holding S.r.l.: 7.21%**
- **Other Shareholders: 6.69%**

1.3.3 Corporate Bodies

THE BOARD OF DIRECTORS

The Board of Directors has the fullest powers for the Company's ordinary and extraordinary administration. The current Board of Directors, made up of 5 members appointed by the Shareholders' Meeting, including 1 with a limited executive role (the President) and 4 non-executive members, will remain in office until the 2013

Financial Statements are approved.

The Company by-laws stipulate that the members of the Board of Directors are to be appointed on the basis of lists submitted by the Shareholders, unless unanimously decided otherwise at the Shareholders' Meeting.

The definition of the current Board structure and the choice of President in office was decided unanimously by the Shareholders. The President has a limited executive role based on specific powers of attorney conferred by the Board members.

A wider managerial and operational mandate was conferred by the Board to the Managing Director of the Company, who was attributed wider authority over routine and non-routine ad-

STRUCTURE OF THE BOARD OF DIRECTORS (2011-2013)

Name	Role	Executive / Non-executive
Giada Grandi	President	Executive
Bruno Filetti	Board member	Non-executive
Luca Mantecchini	Board member	Non-executive
Fabio Rangoni	Board member	Non-executive
Giorgio Tabellini	Board member	Non-executive



ministration, with certain explicit and formalized limitations.

The law establishes a capping for the fees to be paid to SAB's President and Board Members (Law No. 296/2006, Articles 725-733), since the Company's shareholding structure is mixed. Besides capping the fees, with reference to the mandate period of the current corporate bodies the Shareholders' Meeting decided that the fee to be paid to non-executive directors is to be based on an "attendance fee" when participating in Board Meetings and in Shareholders' Meeting. Lastly, it is important to note that SAB's Managers who are members of Boards of Directors in other Companies in the Group do not receive fees for the office held, since their contractual economic conditions are deemed to be all-inclusive for all the activities performed for the Group; in the case of companies where fees are envisaged, these fees are paid to SAB.

1.4 Sustainability Governance and Management

SAB has adopted a **Code of Ethics** that sets out the values and principles to which the actions of the Company, the employees and all the Corporate Bodies must aspire. The task of ensuring it is complied with, monitoring its implementation and updating it, where necessary, falls to the Supervisory Body.

In addition to the Code of Ethics, the **Integrated Quality-Environment-Safety** policy, in place since 2011, establishes the principles and means by which the Company aims to ensure the required standards in terms of service quality, health and safety of workers, environmental protection and airport safety, considered primary objectives for the Group.

As fundamental tools to implement their strategies and monitor sustainability results, SAB

uses the five Management Systems that have been adopted over the years:

- **Quality Management System (QMS)**, compliant with the requirements of UNI EN ISO 9001 standards, with certification since 1998;
- **Environmental Management System (EMS)**, compliant with the UNI EN ISO 14001 standards, with certification since 2005;
- **Occupational Health and Safety Management System (OHSMS)**, with certification since 2011;
- **Safety Management System (SMS)**, complying with the requirements established by ENAC in the Regulations governing the Construction and Operation of Airports;
- **Energy Management System (EnMS)**, compliant with the requirements of UNI EN ISO 50001 standards, with certification achieved in 2013.

Guidelines for SAB's business activities and relations with the stakeholders



THE DEVELOPMENT OF THE LOCAL TERRITORY

- Respond to the needs of the local territory, creating new opportunities for those who live there and improving accessibility
- Promote the image and appeal of the local territory on a national and international level
- Consolidate its role as an active and attentive interlocutor through close relationships with local institutions and communities
- Ensure that resources invested by the local territory are used efficiently and effectively
- Contribute significantly to employment stability and act as a driver of the local economy



FIRST-RATE PASSENGER EXPERIENCE IN TERMS OF QUALITY AND SAFETY

- Foster a high quality Passenger Experience through careful commitment to satisfying the needs of all types of passenger
-with particular focus on developing innovative technological solutions to intercept new demands
- Work together with the other airport operators to ensure maximum safety for all airport users

ENVIRONMENTAL SUSTAINABILITY

- Minimize environmental impact by carefully monitoring all airport operations...
- ...paying particular attention to protecting the people and environment surrounding the airport



SAB'S PEOPLE

- Consolidate a personnel management program focused on enhancing the value of people and ensuring wellbeing by listening to the needs of each individual
- Protect worker health and safety by implementing strict procedures and encouraging proper and responsible conduct



Our aims...

...the results achieved...

...how our strategy is evolving

Strengthen the Airport Infrastructure

The investment plan is aimed at extending and upgrading the airport infrastructure to accommodate the growing volumes of traffic, in terms of space for both passengers and operations.

Upgrading of Airport Infrastructure

Work is complete on the Terminal upgrading, the most important project in the first phase of the Masterplan, giving rise to a Terminal capable of providing airport users with more efficient services and a more functional and better organized layout.

Investments in €/000	2013	2012	2011
Investments made	20,838	18,662	15,033
Investments that became operational	33,894	8,777	21,121

Investments in the development of the aviation infrastructure

Bringing up the rear in the upgrading process are some additional improvements (seating refurbishment, introduction of counter-flow walkways, etc.). In 2014 plans are underway to complete the construction of the **boarding bridges** (and relevant telescopic tunnels with optical guidance systems) and the optimization of the **road network** through the creation of Lot III. As soon as ENAC gives the go-ahead to start the works, a public tender will be announced for the work on the **de-icing platform** and **Aeroclub apron**. Other improvements planned for 2014 include the design of the new **cargo building** and the new **departures pier**.

Increase traffic volumes in line with the market, keeping a balanced mix between traditional and low-cost airlines and extending the range of destinations

SAB is committed to the growth of airport traffic both by developing the low-cost segment, expanding the possibilities for travel and helping to enhance Bologna's tourist appeal, and by consolidating its position in the business segment, enriching opportunities by opening connections to developing markets.

Traffic growth

In a national context that shows a 1.9% decrease in the number of passengers, Bologna Airport achieved **4% growth**, which allowed us to **exceed the 6 million passenger mark** for the first time. This growth is due not only to the relative resilience of the business / economic fabric of the area, but also to investments in a increasing number of carriers of different and complementary types. 2013 was also marked by the change in the composition of the offer in terms of destinations, targeted primarily towards high-growth areas (Romania, Poland, Bulgaria, North Africa, etc.). The new entries include Wizz Air, Vueling and Transavia for the low-cost segment, and Tunis Air and Tarom for the traditional segment.

	2013	2012	2011
Traditional scheduled flights	2,932,099	2,841,097	3,026,671
Low Cost	2,974,178	2,674,944	2,421,824
Charter	205,731	333,928	320,023
Connecting flights	59,344	71,372	61,511
Cruise	15,213	29,658	45,988
General aviation	7,218	7,396	9,671
Total passengers	6,193,783	5,958,395	5,885,688

Evolution of the offer in line with new market trends

Changes in the national and international markets prompt a review of the mix of flights offered, in which the low-cost component is likely to play an increasingly important role. As a result, SAB will undertake to build relationships with low-cost carriers capable of enriching its offer especially in Eastern and Northern Europe, while for the traditional segment the focus will be on further strengthening the links with the Russian market and the fast-growing Turkish market, and identifying new non-European airlines to open up direct connections towards Asia and the Middle East.

Improve the quality of service

To meet the constantly evolving needs and expectations of passengers, SAB tirelessly pursues its objective of ensuring an excellent Passenger Experience for airport users, through their commitment to providing the highest standard of service from all points of view.

This commitment, oriented towards providing an efficient, clear and understandable service, is achieved through continuous improvement of the level of its services also thanks to the use of cutting edge technology.

Technological Innovation to improve passenger services

The introduction of innovative technological solutions is increasingly seen as a distinguishing factor in the services that airports offer to passengers: SAB has decided to adopt cutting-edge solutions by developing technological equipment and systems that allow passengers to operate independently during the phases of check-in and bag scanning (Si-check and Logiscan devices), so as to reduce waiting times and consequent inconveniences. With the same time-saving objective, SAB has launched a project for a general overhaul of the WI-FI infrastructure which, by tracking passenger movements, will allow for the optimization of passenger flows and queuing.

Time in 90% of cases	2013	2012	2011
Waiting time at Ticket office	6'02"	5'37"	5'41"
Waiting time at check-in	10'54"	13'03"	15'21"
Waiting time at baggage x-ray check	6'13"	5'18"	6'07"
Waiting time on board for the first passenger to disembark	4'01"	3'58"	4'01"

With the aim of further exploring themes related to the passenger experience and with a view to comparing and sharing best practices with other international airports, SAB has joined the ASQ (Airport Quality Survey) scheme, developed by ACI - Airport Council International.

Continuous Improvement of the Passenger Experience

In 2014 a series of important investments are planned that will impact on the Passenger Experience for improving the service both in terms of waiting times, and comfort and cleanliness, as well as the infrastructural facilities available to passengers. A significant proportion of these projects falls within the area of technological innovation, confirming Bologna Airport's orientation towards the best use of the technological resources available. From 2014 the data collected from satisfaction and quantitative surveys, combined with the results of the ASQ survey (quarterly and annual summaries) will be used by SAB as a useful operational tool for identifying new projects to implement and for confirming investment in new infrastructure and services.

Our aims...	...the results achieved...	...how our strategy is evolving																																												
<p>Strengthen the non-aviation business offer Changing passenger profiles and consumer habits is a factor that greatly influences the commercial activity inside the airport. As such, SAB aims to continuously adjust the range of non-aviation activities offered, according to new market demands.</p>	<p>Service excellence The completion of the upgrading works has provided passengers with a completely renovated terminal in terms of layout and quality of services. The new shopping area, covering a total of 5900 square metres, enhances local excellence while also showcasing the most important international brands. The MBL, extended further with the addition of a new lounge with an exclusive design, is designed to satisfy the needs of even the most demanding passengers.</p>	<p>The key role of the non-aviation business offer To differentiate itself from its main competitors, SAB has developed a plan to qualify non-aviation business as an important hallmark of its own offer, so that it is capable of building a relationship of trust with consumers and ensuring, even more than is the case today, a truly excellent Passenger Experience.</p>																																												
<p>Improve tools for communication and dialogue with the local territory Using the communication tools available and devising new means or channels of information, SAB intends to increase visibility in the external community with regard to their activities, their commitment, their values and their successes. SAB aims to illustrate the Airport's full potential both in terms of destinations offered and ensuring continuity of service even in the event of adverse weather conditions (eg. heavy snowfall).</p>	<p>Improved communications</p> <table border="1" data-bbox="432 797 1083 1099"> <thead> <tr> <th></th> <th>2013</th> <th>2012</th> <th>2011</th> </tr> </thead> <tbody> <tr> <td>Desktop website (number of hits)</td> <td>2,312,984</td> <td>2,676,952</td> <td>1,378,741</td> </tr> <tr> <td>Mobile website (number of hits)</td> <td>607,258</td> <td>300,546</td> <td>-</td> </tr> <tr> <td>Iphone app (number of downloads)</td> <td>8,860</td> <td>8,500</td> <td>962</td> </tr> <tr> <td>Android app (number of downloads)</td> <td>2,104</td> <td>1,421</td> <td>-</td> </tr> <tr> <td>Number of followers on twitter profile</td> <td>6,200</td> <td>3,900</td> <td>400</td> </tr> <tr> <td>Number of tweets</td> <td>7,000</td> <td>4,500</td> <td>250</td> </tr> <tr> <td>Newsletter</td> <td>25,611</td> <td>21,084</td> <td>16,656</td> </tr> </tbody> </table> <p>In response to rapid changes in the way people access information, SAB has decided to innovate and extend its information channels. Bologna Airport has activated a wide range of communication tools: from the most traditional (brochures, press releases, house organ, website, online newsletter) to the most modern and interactive tools (Apps, SMS Flight Info, social media). As regards the traditional formats, the BLQUI magazine has a circulation of over 30,000 copies per edition, while in terms of social media, once again this year Bologna Airport's Twitter profile has confirmed its leadership among Italian airports with the largest number of followers.</p>		2013	2012	2011	Desktop website (number of hits)	2,312,984	2,676,952	1,378,741	Mobile website (number of hits)	607,258	300,546	-	Iphone app (number of downloads)	8,860	8,500	962	Android app (number of downloads)	2,104	1,421	-	Number of followers on twitter profile	6,200	3,900	400	Number of tweets	7,000	4,500	250	Newsletter	25,611	21,084	16,656	<p>Developing further opportunities for interaction between the Airport and its passengers 2014 will see the launch of the new website with a layout in keeping with international trends which will involve, in addition to flight-related content, greater interaction between the public and the commercial opportunities offered by the airport. Moreover, given the increasingly apparent demand from users to receive feedback from the Twitter profile even on weekends and during "out-of-office" hours, coverage will be extended 24/7.</p>												
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<p>Improve the environmental sustainability of our business The strategic objectives of traffic volume growth are closely related to the upgrading of the Airport's infrastructure which, conversely, has an impact on the surrounding environment and on the people who live in the areas near the airport. For this reason, the Airport Development Plan, which identifies the strategies and infrastructure improvements, is the result of a process of joint consultation with local authorities and national institutions aimed at identifying the best solutions for the territorial inclusion of the airport.</p>	<p>Certifications and Awards through international schemes Over the course of 2013, SAB obtained certification for its energy management system according to the standard required by ISO 50001. This result, together with confirmation once again of second level accreditation, "Reduction", in the Airport Carbon Accreditation scheme sponsored by ACI-Europe and the conduct of specific studies in the field of energy and transport as part of the D-AIR project, is testimony to SAB's concrete commitment to reducing its environmental impact.</p> <table border="1" data-bbox="432 1615 1083 1890"> <thead> <tr> <th>Energy sources</th> <th>2013</th> <th>2012</th> <th>2011</th> </tr> </thead> <tbody> <tr> <td>Methane (M3)</td> <td>528,031</td> <td>588,420</td> <td>444,902</td> </tr> <tr> <td>Diesel for heating (Kg)</td> <td>188,516</td> <td>196,419</td> <td>215,169</td> </tr> <tr> <td>Automotive diesel (l)</td> <td>48,246</td> <td>434,272</td> <td>368,760</td> </tr> <tr> <td>Petrol (l)</td> <td>21,031</td> <td>17,966</td> <td>16,843</td> </tr> <tr> <td>Electricity (kWh)</td> <td>13,272,338</td> <td>14,270,237</td> <td>14,839,432</td> </tr> <tr> <td>of which photovoltaic (kWh)</td> <td>76,072</td> <td>76,916</td> <td>87,397</td> </tr> <tr> <td>of which purchased (kWh)</td> <td>13,196,266</td> <td>14,193,321</td> <td>14,752,035</td> </tr> </tbody> </table> <p>In terms of noise reduction, initiatives to raise awareness among the airlines and the introduction, from 10 January 2013, of the new noise-abatement procedures for take-off, resulted in a 44% decrease in the population affected by noise pollution.</p> <table border="1" data-bbox="432 2007 1083 2114"> <thead> <tr> <th></th> <th>2013</th> <th>2012</th> <th>2011</th> </tr> </thead> <tbody> <tr> <td>Average monthly LVA in dB(A)*</td> <td>61.20</td> <td>61.60</td> <td>62.45</td> </tr> <tr> <td>Number of movements</td> <td>65,392</td> <td>67,529</td> <td>62,153</td> </tr> </tbody> </table>	Energy sources	2013	2012	2011	Methane (M3)	528,031	588,420	444,902	Diesel for heating (Kg)	188,516	196,419	215,169	Automotive diesel (l)	48,246	434,272	368,760	Petrol (l)	21,031	17,966	16,843	Electricity (kWh)	13,272,338	14,270,237	14,839,432	of which photovoltaic (kWh)	76,072	76,916	87,397	of which purchased (kWh)	13,196,266	14,193,321	14,752,035		2013	2012	2011	Average monthly LVA in dB(A)*	61.20	61.60	62.45	Number of movements	65,392	67,529	62,153	<p>Planning of future initiatives to continue to improve performance In 2014, in order to maintain ISO 50001 certification, the entire organization and in particular the Energy Management Team will pay attention to reducing energy consumption and the costs associated with energy bills. With this in mind, the array of improvement measures outlined in the D-AIR project will be carefully analyzed to assess their technical and economic feasibility, to enable SAB to define the energy-saving action plan to be implemented in the future. With regard to aircraft noise, once the second ILS (Instrument Landing System) has been tested and approved by ENAC, a further reduction in noise pollution will be achieved by significantly reducing take-offs on the Bologna side of the airport (the loudest).</p>
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Our aims...	...the results achieved...	...how our strategy is evolving																								
<p>Improve efficiency and productivity by supporting and enhancing the value of SAB's people</p> <p>SAB strives to be a competitive company in the market and to create value for its shareholders, and believes that its employees play a crucial, inextricable role in contributing to the achievement of this result. For this reason, the company's key objectives are to harness talent and enhance skills, support the changing needs of their employees and ensure a high quality of work.</p>	<p>Professional growth and support for the needs of families</p> <p>SAB has developed an Annual Training Plan with the aim of supporting professional development, enhancing skills and encouraging innovation, responding to new market demands also with a view to controlling and reducing costs (better calibration of the length of courses, knowledge-sharing among colleagues, etc.).</p> <table border="1" data-bbox="438 584 1078 792"> <thead> <tr> <th></th> <th>2013</th> <th>2012</th> <th>2011</th> </tr> </thead> <tbody> <tr> <td>Managerial training</td> <td>5,806</td> <td>7,880</td> <td>5,703</td> </tr> <tr> <td>Specialist/role functional training</td> <td>1,431</td> <td>1,717</td> <td>1,845</td> </tr> <tr> <td>Safety training</td> <td>887</td> <td>825</td> <td>928</td> </tr> <tr> <td>Security training</td> <td>1,642</td> <td>2,521</td> <td>1,122</td> </tr> <tr> <td>Total</td> <td>9,766</td> <td>12,943</td> <td>9,501</td> </tr> </tbody> </table> <p>In the summer of 2013, on an experimental basis, an initiative was introduced to support families by providing partial reimbursement of the costs of summer camps for employees' children through direct agreements with local associations.</p>		2013	2012	2011	Managerial training	5,806	7,880	5,703	Specialist/role functional training	1,431	1,717	1,845	Safety training	887	825	928	Security training	1,642	2,521	1,122	Total	9,766	12,943	9,501	<p>Developing a company welfare system</p> <p>'In line with the evolving needs and requirements of its staff, SAB intends to pursue a new personnel management model that recognizes a more widespread wellbeing, by means of a flexible benefits and welfare system to be integrated with mechanisms of direct participation of workers in the company's economic and qualitative performance.</p> <p>With a view to offering a corporate welfare plan that is as complete as possible and responsive to employees' needs, SAB has planned a series of meetings with Trade Unions in order to study and enhance the value of existing business experiences.</p>
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Stakeholders	SAB's commitments	Tools for listening and dialogue
Partners and Shareholders	<ul style="list-style-type: none"> Productivity and efficiency Creating sustainable value Complying with policy guidelines 	<ul style="list-style-type: none"> Periodic meetings
Passengers	<ul style="list-style-type: none"> Quality of service Developing traffic and range of services offered Operational Safety Security checks Accessibility Respecting diversity Information and Communication 	<ul style="list-style-type: none"> Complaints and reports Customer Satisfaction surveys Internet website Social networks Apps BLQui Magazine
Carriers and the airport community	<ul style="list-style-type: none"> Competitive fairness and propriety Quality of services Sharing of objectives and results Operational Safety Occupational health and safety 	<ul style="list-style-type: none"> Airport Users Committee Committee on Regularity of services and continuous improvement Customer Satisfaction surveys with carriers, handlers and retailers Mystery Client surveys shared with retail operators Occasions for information and debate on specific topics requested by carriers Safety Committee Safety Management System reports Reports from workers and direct contacts in day-to-day operations
SAB's people	<ul style="list-style-type: none"> Equal opportunities Involvement and value enhancement Recognition of merit Skills development Job security Occupational health and safety 	<ul style="list-style-type: none"> Industrial relations Bottom Up Innovation: ideas competition Annual Retreat In House Meeting Mail For All Meetings, conventions, workshops Forums and Noticeboards for company info In-house customer satisfaction surveys BLQui Magazine People & Facts Security Work in Progress Newsletter Survey on corporate culture Safety Management System reports Reports from workers and direct contacts in day-to-day operations
Suppliers and Partners	<ul style="list-style-type: none"> Transparency in selection criteria Competitive fairness and propriety Prompt payments 	<ul style="list-style-type: none"> Suppliers Regulation and Register
Community and Environment	<ul style="list-style-type: none"> Creating value for the local territory Development consultations Transparent and pro-active communication Airport noise abatement Reducing environmental impacts 	<ul style="list-style-type: none"> Consultation with Institutions Noise Technical Group Meetings with local residents Environmental complaints Participation in Airport Carbon Accreditation scheme Participation in European D-AIR project Internet website Social media Press releases Press Conferences BLQui Magazine
Sector (Other airports / airport associations / Authorities)	<ul style="list-style-type: none"> Compliance with mandatory requirements Sharing good practices Contribution to sector enhancement Participation in international bodies aimed at improving the Passenger Experience 	<ul style="list-style-type: none"> ACI Europe membership Assaeroporti membership World Airport Vip Forum ASQ Survey EAPN (monitoring airport punctuality) International Audit Participation in courses as "speaker" Participation in conferences and meetings

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As the management company for Bologna airport, SAB provides a service of national and international connectivity for people and businesses.

The relationship between SAB and the local territory takes on a dual significance: on the one hand, the airport offers advanced solutions in terms of destinations and quality of service, thus contributing to the economic and social development of the local territory, especially in a highly globalized context; on the other hand, SAB grows and adds value benefiting from the development of its surrounding territory.

At the root of these requirements lies **the relationship between SAB and the institutions, particularly local ones, aimed at ensuring that the planning of development and activities is shared with the territory.**

Today, those very local institutions constitute SAB's main shareholders and therefore SAB's key objective is to strive for **the right balance between business opportunities and economic sustainability.**

2.1 Main features and trends in the airport sector

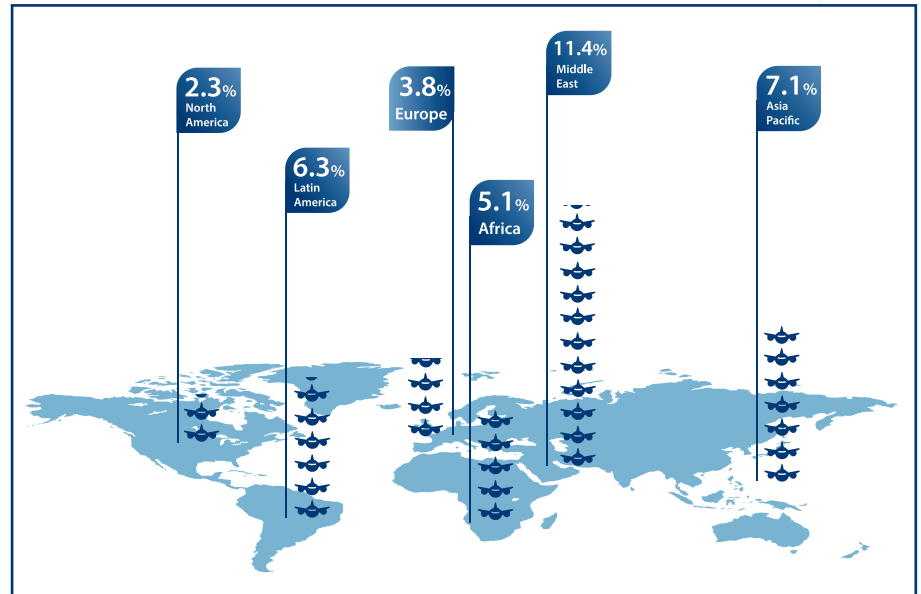
The airport sector is undergoing a period of significant change due to a combination of factors that influence the evolution of the whole business.

The important growth of low cost airlines, institutional regulation, continuous technological innovation, overlapping of the catchment area and, not least, the growing tendency to perceive air travel as a commodity are leading to a gradual **increase in competition between airports.** This increased competition between airports pushes airport management companies to act on the fees charged to airlines in order to keep their range of destinations competitive and attractive to passengers, **albeit while reducing profit margins.**

If we look at the figures, on a global level 2013 showed an overall increase of 5.2% in the number of passengers compared to 2012, growth driven mainly by strong market growth in developing countries (+11.4% Middle East and +7.1% Asia/Pacific). Europe experienced a 3.8% growth in passenger traffic, with non-EU countries accounting for an ever-increasing share of traffic (22% of total passenger traffic compared to 15% in 2008).

2013 ended on a positive note also for world-

Figure 2 ► Air traffic trends by geographical area



Source: IATA, Air Transport Market Analysis, December 2013

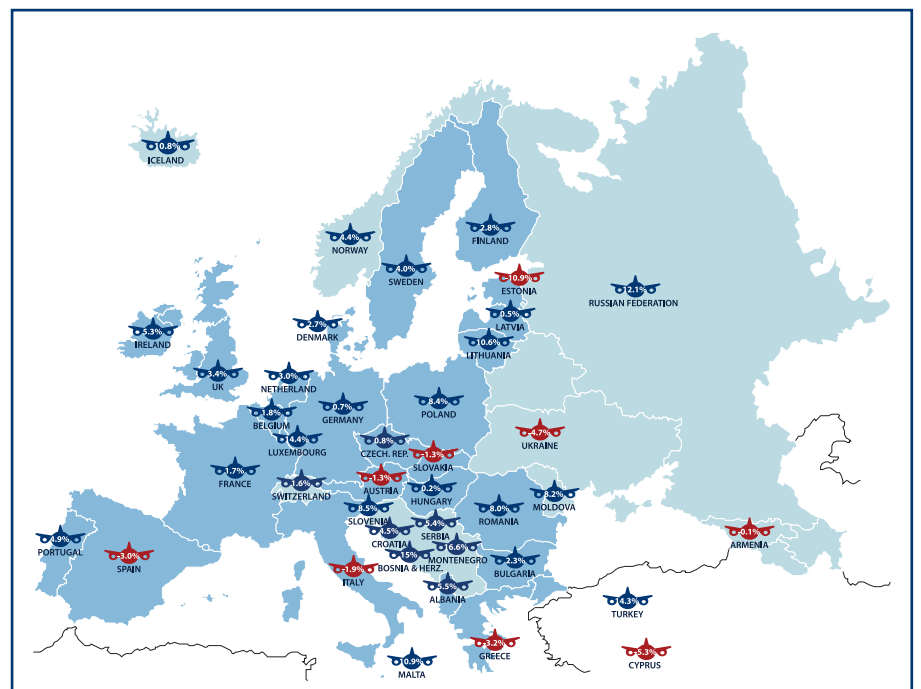
wide cargo traffic (+1.4%), showing slow but steady growth throughout the year and a stronger recovery in the second half of 2013. Again it was the Middle East that showed the greatest growth by volume (+12.8%), while European cargo traffic grew by 1.8%.

The Italian market, however, ended another year on a negative trend: down 1.9% compared to

2012, corresponding to a drop of more than 2.7m passengers.

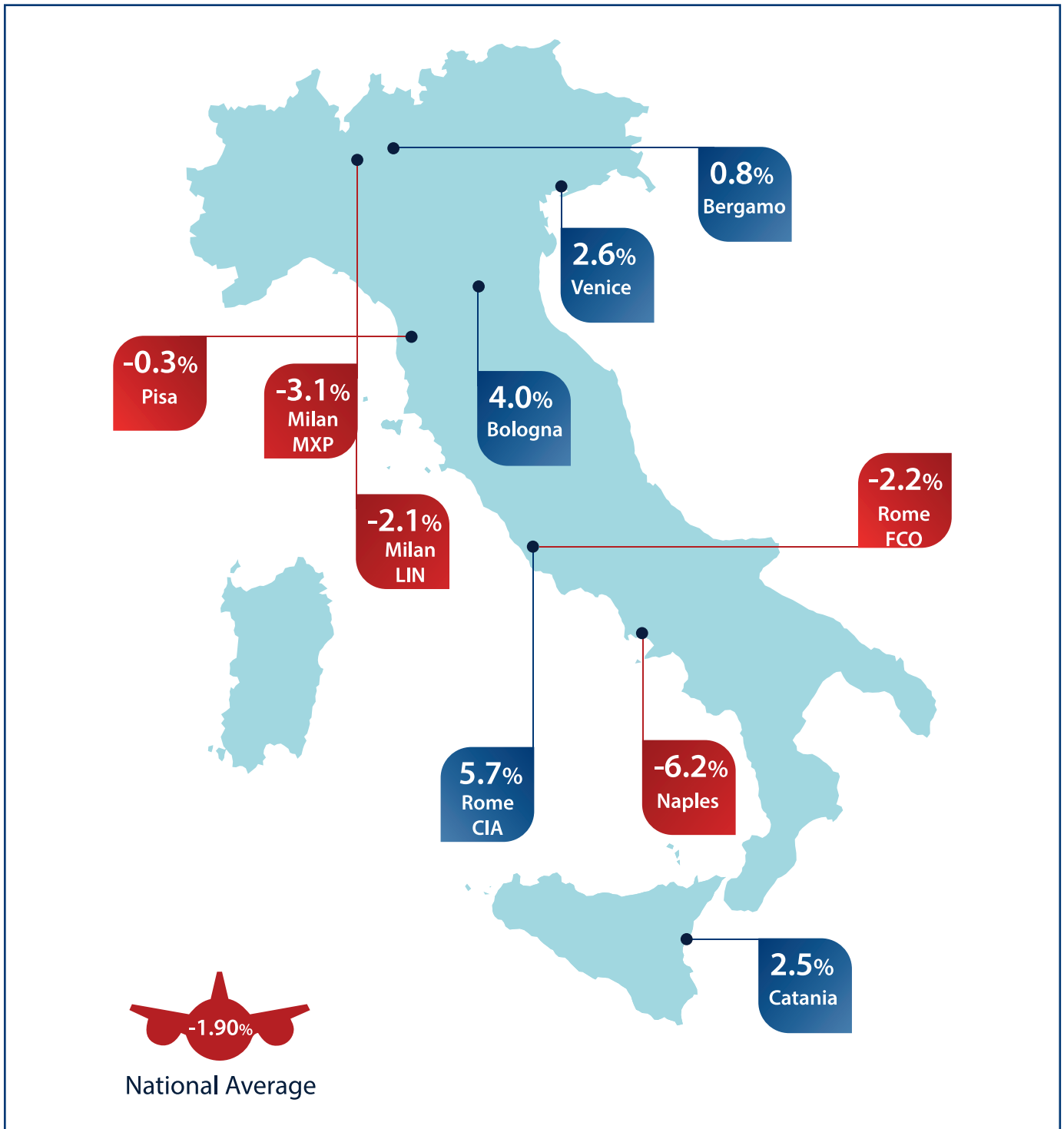
As in other southern European countries, the air transport industry in Italy has been strongly affected by macroeconomic phenomena as well as by a particular decline in traditional airlines in favour of low cost airlines and increasing competition from alternative means of transport such as high speed trains.

Figure 3 ► Air traffic trends in Europe



Source: ACI Europe, Airport Traffic Report, December 2013

Figure 4 ► Air traffic growth trends at the top 10 Italian airports (*)



(*) Not including General Aviation passengers
Source: Assaeroporti

2.2 Creating opportunities through the development of aviation business

The area surrounding Bologna Airport is characterized by the presence of several industrial districts, with established socio-cultural relevance, as well as by its proximity to popular tour-

ist destinations and its importance as a strategic geographical hub. This leads to a convergence of several segments of potential customers into the same catchment area. SAB aims to intercept these customers through a careful balancing of the offer, including both domestic and European "point to point" flights and direct flights to hubs that feed into intercontinental traffic.





Passenger profiles remained largely consistent with the last five years, with a strong presence of young people (under 24) and a further increase in passengers aged between 25 and 54, who account for 68.3% of overall users, confirming the growth in leisure and VFR (visiting friends and relatives) passengers. 67% of passengers live in Italy and 33% abroad. Outgoing passengers account for over 52% of the total. For incoming passengers, the most represented countries overall are Germany, Spain and France. Bologna continues to be the prime destination: approximately 38% of incoming passengers stop in the city, more than 20% stay in the province and 28.4% travel within the region. With regard to the outgoing traffic, Spain, France and Germany are the most popular destinations.

2.2.1 Traffic volume growth

Taken within the overall context of a 1.9% decrease in the number of passengers in Italy, the positive trend observed at Bologna Airport, with **4% growth that has pushed traffic over the 6 million passenger mark for the first time**, is even more significant. This result confirms SAB's position as 7th in the ranking of Italian airports (according to Assaeroporti) edging closer to the preceding airport (Catania, with a difference of around two hundred thousand passengers). This result, achieved in a general context of economic downturn, can be attributed to several factors including the investment in a growing number of carriers of different and complementary types and the relative resilience of the business/economic fabric of the area. This year's results have also been affected by the consolidation of overland connections and the unfavourable situation of certain airports with a partially overlapping catchment area. During 2013, particular attention was paid to carefully balancing the mix between traditional and low cost carriers.

The **low cost** offer has been enhanced and diversified with the entry of Wizz Air (the market leader in Eastern Europe), Vueling, the up-and-coming airline for Spain and France, and Transavia connecting Bologna to Eindhoven (Netherlands). Specific markets have therefore been developed that make the low cost offer complementary to that of Ryanair.

On the other hand, a balance has been maintained with **traditional scheduled flights** with the arrival of two important new entries: Tunisair, with flights three times a week to Tunis, and Tarom with twice-weekly flights to Iasi (Romania). With regard to existing traditional sched-

Graph 1 ► Airport Passenger Profiles

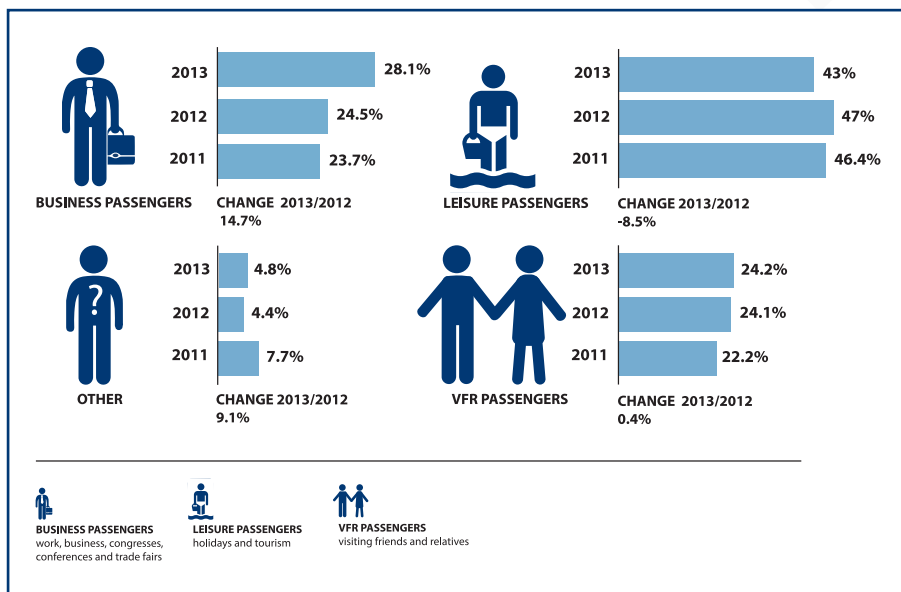


Table 1 ► Number of passengers

	2013	2012	2011	% change 2013/2012
Traditional scheduled flights	2,932,099	2,841,097	3,026,671	3%
Low Cost	2,974,178	2,674,944	2,421,824	11%
Charter	205,731	333,928	320,023	-38%
Connecting flights	59,344	71,372	61,511	-17%
Cruise	15,213	29,658	45,988	-49%
General Aviation	7,218	7,396	9,671	-2%
Total passengers	6,193,783	5,958,395	5,885,688	4%

Table 2 ► Composition of passengers per segment

	2013	2012	2011
Traditional scheduled	47.34%	47.68%	51.42%
Low Cost	48.02%	44.89%	41.15%
Charter	3.32%	5.60%	5.44%
General Aviation	0.12%	0.12%	0.16%
Cruise	0.25%	0.50%	0.01%
Connecting flights	1%	1%	1.05%

uled flights, excellent results are confirmed for Turkish Airlines, Pegasus and Aeroflot. During the year the airline Belle Air, with regular flights to Albania, had its licence suspended. The destination (Tirana) was immediately

served with scheduled flights by Blue Panorama, Air One-Alitalia and New Livingston. The **charter** segment continues to decline, due to obvious difficulties with some major destinations (Egypt in particular) and the fact that

passengers are less inclined to use tour operators to buy holiday packages with charter flights. In fact, it is becoming more and more common for passengers to organize their own holidays booking through the Internet. Finally, the decline in charter traffic is also due to a decrease in flights related to the **cruise** sector, which is still operating but with fewer frequencies (6 days of operations in 2013 compared to 11 in 2012). 2013 was also marked by a change in the range of destinations offered. The number of destinations with direct connections decreased compared to 2012, mainly due to a decline in domestic connections (Naples, Reggio Calabria, Crotone) and long-standing destinations subject to seasonality (Gran Canaria, Reykjavik, Larnaca, Helsinki).

This led to a decrease in the number of countries with direct connections. On the other hand, there was a concentration on certain markets driving growth, which is why we have observed an increase in the number of countries with connections to not only the capital city.

For example, besides the long-standing tourist destinations, the main ones being Greece, Spain and Egypt, there are also countries that stimulate more widespread coverage for business and ethnic traffic: Romania (with the introduction of Cluj, Tirgumures and Iasi) and Poland (with a new route to Warsaw Chopin in addition to the existing one to Warsaw Modlin) and Bulgaria (Sofia). North Africa has also strengthened its connections with an important new entry: the flight to Tunis.

There is now also a greater coverage of Morocco with the new flight to Marrakech, alongside the existing route to Casablanca served by three carriers.

Despite the decline in destinations with direct connections, Bologna Airport continues to be the **4th most important airport in Italy for global connectivity** (source ICCSAI 2013 - *International Center for Competitiveness Studies in the Aviation Industry*).

From the point of view of **cargo traffic**, the airport registered an 8.6% increase, higher than the average growth in Italy (+1.5%) and the EU (+1.8%), up from 40,651 to 44,149 tonnes, placing Bologna Airport 4th in the national rankings. The reasons for this growth in Bologna are mainly attributable to an increase in air traffic, up 9.7%, due to the courier segment in particular.

Overland traffic has also shown positive growth, with an increase of 5.2%. In 2013, work continued to improve the dialogue with couriers from the local territory and, at the same time, with the couriers operating at the airport. The

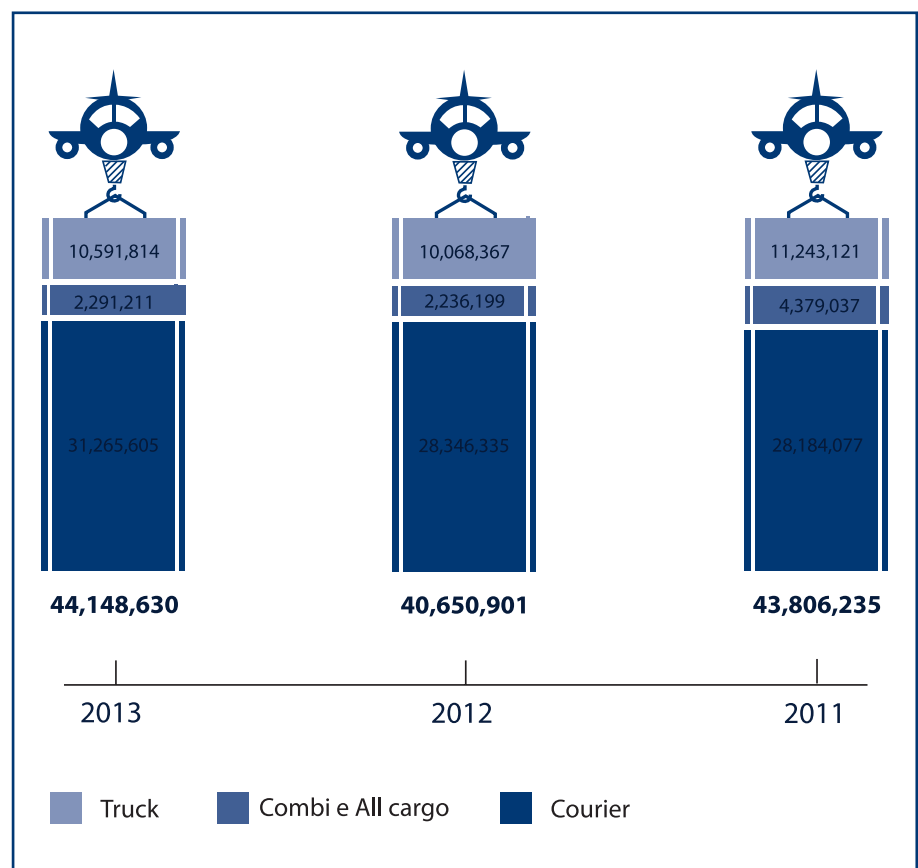
Table 3 ► **Composition of the Airport offer**

	2013	2012	2011	% change 2013/2012
Scheduled traffic	95.97%	93.37%	93.35%	2.6%
- of which traditional airlines	47.91%	48.39%	52.11%	-0.5%
- of which low cost airlines	48.05%	44.98%	41.24%	3.1%
Charter traffic	3.67%	6.14%	5.86%	-2.5%
Cruise traffic	0.25%	0.49%	0.78%	-0.2%
General Aviation	0.12%	0.12%	0.16%	0.0%

Table 4 ► **Destinations and Countries reached from Bologna Airport**

	2013	2012	2011	% change 2013/2012
Destinations (airports) with direct connections	99	104	108	-4.8%
Countries (other than Italy) with direct connections	29	34	34	-14.7%
Countries with connections to not only the capital city	13	8	10	62.5%
Destinations (airports) connected with scheduled flights	75	81	72	-7.4%

Graph 2 ► **Cargo Traffic (Kg.)**





search continued for new specialist carriers to attract cargo business.

Certification has been obtained for the airport infrastructure and handlers to receive dangerous goods, allowing for the handling of dangerous goods up to 50 TI (Transport Index). Another key success factor is represented by faster **customs clearance** times for goods, particularly significant for time-sensitive goods.

2.3 The relationship with the local territory

2.3.1 Consultation with Institutions

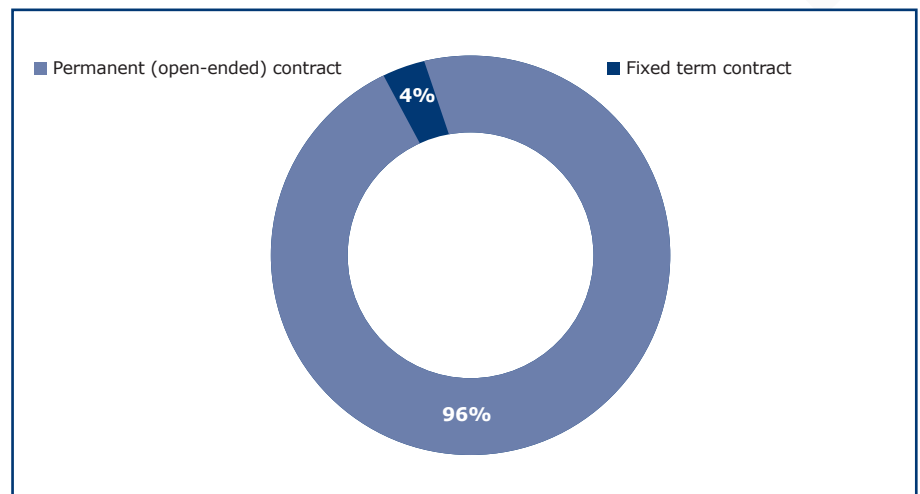
The consultation with the local territory from an institutional, economic and social point of view focuses on numerous issues, from strategic policies to infrastructural development plans, also considering the **dual role that a number of institutional bodies have in relation to SAB**, for example, the Chamber of Commerce of Bologna, the Municipality and Province of Bologna and the Emilia-Romagna Region: on the one hand, **as representatives of the territory's stakeholders** and their multiple interests, also with authorization roles concerning some aspects, on the other hand, as the **Company's shareholders**. The same approach is also adopted in relation to the more operational requirements.

In particular, the institutions have been heavily involved in the process of defining and approving the strategic plan in recent years, based on a **preliminary consultation** concerning the growth aspects which have the greatest impact on the territory and on the municipal and provincial planning tools (for example: urban planning).

Of primary importance in this sense is the **Territorial Agreement for the Airport Functional Centre**, signed in 2008, which establishes the territorial and urban-planning policies for the expansion of the airport in terms of infrastructure and development of functions complementary to aviation business activities.

This agreement, with macro-objectives to qualify the airport as a "strategic international hub for accessibility of the economic system in Bologna and Emilia-Romagna" and ensure "the sustainability and the effective inclusion of the functional centre in the specific territorial context", has allowed Bologna Airport's Masterplan to be included within a broader and shared Territorial Agreement and has been the basis for defining the key points in both the previous 2008-2012

Graph 3 ► **Composition of workforce by type of contract**



Plan and the new 2014 -2018 Plan. Bologna Airport has also spurred on local institutions to participate in the **European D-AIR Project**. The objective of this project, which involves SAB as a technical partner of the Province of Bologna, is to identify and implement innovative solutions aimed at contributing to the sustainable development of airport areas, through carbon reduction initiatives.

2.3.2 Promoting the local territory

Bologna Airport is committed to strengthening the close relationship with the local territory in which it operates. We have chosen to visually emphasize this bond with new maxi graphics throughout the Terminal depicting the skyline of Bologna. Marconi Airport has always been a showcase for local excellence, giving commercial space to the major brands from the Emilia-Romagna area, and has consolidated its partnership with **Automobili Lamborghini** through the creation of a permanent exhibition area devoted to this renowned car manufacturer from Sant'Agata Bolognese. The opening of the **Vecchia Bologna** trattoria, in the Departures hall, aims to further enhance the value of typical products from the Emilia-Romagna region. In addition, the Airport has also taken part in community events on environmental issues (Switch), university placement (Alma Fest) and has supported cultural and social events and initiatives for the city.

SAB's partnership with Ryanair, further consolidated in 2013, is an important part of this objective to increase visibility, by using the airline's website to showcase Bologna and advertise events and initiatives. Recent highlights include the Lamborghini parade through the centre of Bologna on 11 May, to celebrate the

50th Anniversary of the car manufacturer and the special promotion with a ticket to the "**Norma**" opera on the occasion of the 250th Anniversary of the **Teatro Comunale** in Bologna.

2.4 1.1 The direct and indirect impact on the local territory

2.4.1 Employment stability

In an overall context of economic downturn, the results achieved by SAB have made it possible to keep employment levels fairly constant, while at the same time ensuring largely stable contractual relationships.

SAB had an average of 349 employees (FTE Full-Time Equivalent) for the year 2013, indicating a workforce that remains in line with figures from the previous year (-1% compared to 2012), despite the closure of the Ticket Office, where 12 of the 14 workers were reallocated internally. It is important to note that SAB offered any vacant positions that became available in 2013 to the specialist personnel laid off due to the closure of Forlì Airport: this initiative led to the permanent employment of 3 Security staff members, one Follow-me operator, one ICT technician and an Airport Coordination (COS) staff member. With regard to employment protection and development of the territory in which SAB operates, for 2013 it is estimated that Bologna Airport generated overall employment for approximately 6,000 employees and a production value of 700 million euros, corresponding to 2% of Provincial GDP and 0.5% of Regional GDP. This result takes on an even greater significance if we consider that it was achieved in years of severe economic downturn. The data presented

here were calculated using the methodology proposed by ACI Europe (Airports Council International Europe, the European association of airport operators representing more than 440 airports in 45 European countries). In order to provide an increasingly precise estimate of the economic and social impact of airports, SAB actively participates in the European project to review and update the methodology promoted by ACI Europe.

2.4.2 Relationships with Suppliers

The working relationship between SAB and its business partners has always been characterized by the utmost clarity and transparency and allows for the concrete realization of day-to-day business activities and optimal management of the airport services provided.

Supplier **selection** is carried out by means of clearly defined, non-discriminatory procedures based on objective criteria related to competition, quality of products and services offered and fair payment of those services, and aims to foster a fair competition between local, national and international suppliers.

When evaluating the **award** of tenders, SAB often adopts the criterion of the "most economically advantageous" offer, following carefully considered and balanced assessment of the quality of the technical proposal and the price. The award is only based on the "lowest price" criteria in cases where the complexity and/or the technical and performance quality of the proposal received are not decisive in relation to the contract to be entered into, or where the technical and performance specifications are very precise and detailed. The internal Regulations also establish the principle of supplier rotation, as a further safeguard to protect competition and in limited cases which derogate from the use of the competitive mechanism of tendering. This principle ensures that the entrepreneurial chances for aspiring suppliers are multiplied and encourages fair competition practices among the operators.

The plurality of suppliers and their distribution highlight SAB's full and positive interrelation with both the manufacturing and the services industry. Of the 673 national suppliers, 356 (53%) are based in Emilia-Romagna.

Table 5 ► Number of suppliers by area

	National	International	Total 2013
Suppliers	673	58	731

Figure 5 ► Average supplier payment times



(*) net of invoices to be received

SAB is committed to being a reliable partner for its suppliers and undertakes to comply scrupulously with the commitments made during the contractual phase. In particular, prompt payments represent one of the distinguishing features of SAB's conduct.

2.5 The economic sustainability of the strategies

2.5.1 Financial Results

The 2013 financial year closed with a net profit of 2,253 thousand euros, up 43% compared to the previous year. The previous year had been negatively affected by the exceptional snowfall in winter 2012 which led to higher costs and lower revenues due to decreased activities, resulting in a negative impact estimated at over 1.4 million euros. In addition, the earthquake in the region led to a decline in traffic also linked to the slow recovery of local businesses. Even isolating the above factors, growth in 2013 looks very positive and the following paragraphs outline the main results and profit margins.

The first significant margin from ordinary operations, **added value**, stood at 36,502 thousand euros, up 5% compared to 2012, thanks to the

increase in **revenues** (+4%). This increase is due to not only the growth of traffic, but also to the increased space now available for sub-licensing on completion of the Terminal upgrading works, and to the positive results of the car parks that, after a few years of lower performance, have begun to grow again thanks to the increase in passengers, the promotional policies adopted and incremental revenues related to the access roads. 2013 also saw a levelling off of **external operating costs** which grew by only 2%, mainly due to some significant savings achieved in certain cost items (snow removal, fuel, utilities, professional services / consulting), which offset the increase in costs of airport traffic development and higher maintenance costs related to the Terminal upgrading works. **Labour costs** have remained broadly in line with 2012 due to the effect of various factors; on the one hand, the savings due to the reduction in the average number of full-time equivalent employees from 352 to 349, including 1 manager, the increased use of previous paid leave and less use of overtime, and on the other hand, the increase in the use of supply staff associated with the growth of traffic and the need to limit recruitment to reserve vacant positions for the staff from the former ticket office. Overall, however, these factors have limited the incremental effects from the normal salary increases for seniority and automation as well as the increase in variable and performance-related bonuses.

The **Gross Operating Margin** stood at 16,274 thousand euros, showing an increase of 12% compared to 2012. Operating costs were up (7%) mainly due to higher depreciation and amortization (6%) determined by the progression of the Investment plan. As a result, the **EBIT** amounted to 4,841 thousand euros, up 29% compared to 2012. The **"ancillary", or financial, subsidiar-**

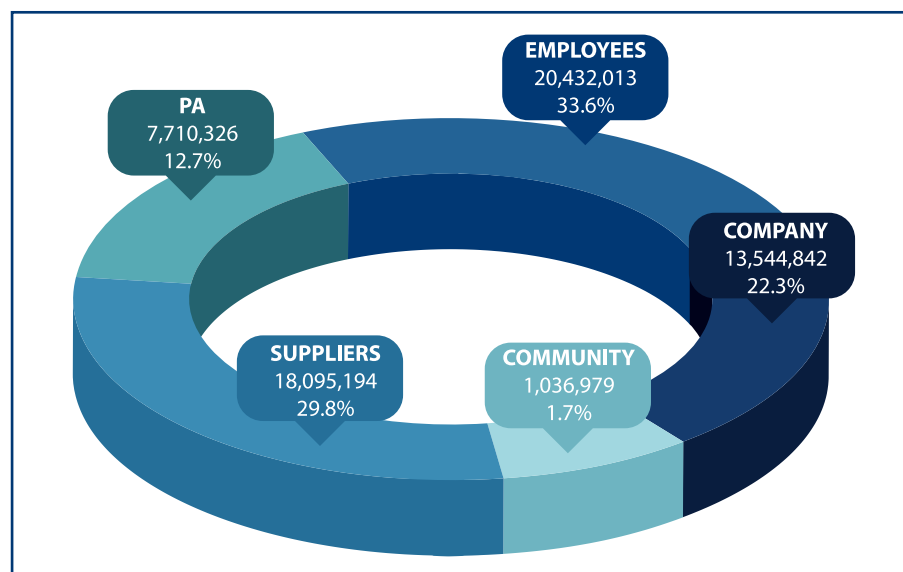


► RECLASSIFIED INCOME STATEMENT (in thousands of euros)

	2013	% of turnover	2012	% of turnover	absolute change	% change
Aviation revenues	52,337	66%	50,688	66%	1,650	3%
Commercial/non-aviation revenues	24,904	31%	23,581	31%	1,323	6%
Other revenues and income	2,441	3%	2,519	3%	-78	-3%
Total revenues	79,683	100%	76,787	100%	2,895	4%
Consumption of materials	-857	-1%	-992	-1%	134	14%
Maintenance costs	-3,470	-4%	-3,137	-4%	-334	-11%
Third party services	-26,072	-33%	-25,089	-33%	-984	-4%
Utilities, etc.	-3,282	-4%	-3,594	-5%	312	9%
General costs	-3,813	-5%	-3,896	-5%	64	2%
Fees and rental costs	-5,667	-7%	-5,476	-7%	-191	-3%
External operating costs	-43,181	-54%	-42,184	-55%	-997	-2%
Added Value	36,502	46%	34,604	45%	1,898	5%
Labour cost	-20,227	-25%	-20,133	-26%	-95	0%
EBITDA	16,274	20%	14,471	19%	1,803	12%
Depreciation and Amortization Costs	-11,433	-14%	-10,715	-14%	-718	-7%
EBIT	4,841	6%	3,756	5%	1,085	29%
Interest and other financial operations	-450	-1%	-376	0%	-74	-20%
Result from participated companies	-74	0%	-1,352	-2%	1,278	95%
Result from extraordinary operations	12	0%	1,482	2%	1,470	-99%
Pre-tax profit	4,329	5%	3,509	5%	820	23%
Income taxes	-2,076	-3%	-1,937	-3%	-139	-7%
NET PROFIT	2,253	3%	1,572	2%	681	43%

ies and extraordinary operations amounted to -512 thousand euros, an amount determined almost entirely by the balance of financial operations (-450 thousand euros) since the balance of the area of participated companies (-74 thousand euros) and the extraordinary operations (+12 thousand euros) are not so relevant in 2013. As a result of the above, the **Pre-Tax Profit** amounted to 4,329 thousand euros compared to 3,509 thousand in 2012 (+820 thousand euros, 23%). Finally, the **income tax expense** of 2,076 thousand euros (-7% compared to 2012) consists of 1,467 thousand euros from current taxes and 609 thousand euros from deferred tax assets. Also as a result of the lower income tax rate on the Pre-Tax profit, down from 55% in 2012 to 48% in 2013, the **net profit** for the year amounted to 2,253 thousand euros, showing an increase of 681 thousand euros compared to 2012.

Figure 6 ► Added value generated and distributed in 2013 (thousands of Euros)



2.5.2 Investments

Total investments made in 2013 amounted to nearly 21 million euros, of which 15 million euros went into the Masterplan and the remainder into airport operations. The main project, the Termi-

nal upgrading works, was completed on 30 November 2013, 138 days ahead of schedule. On completion of the works, the overall commercial areas increased from approximately 3,600 to 5,900 square meters and operational areas have been reorganized thanks to the additional space

available and improved infrastructure including technology. The terminal now has a single area dedicated to passenger check-in operations with a rationalization of layout and improved redefinition of passenger flows also thanks to the reversal of the Schengen and non-Schengen depart-

tures and arrivals areas, which took place in July. The East Terminal was closed in conjunction with the opening of the third check-in island in early June, with the transfer of Ryanair flights to the main Terminal. For 2014, some further Terminal upgrading works are planned such as, for example, refurbishment of the seating in the departure lounge and boarding gates, the introduction of counter-flow walkways in the arrivals hall and the installation of Si-check desks allowing for self-check-in operations, though with the support of dedicated staff.

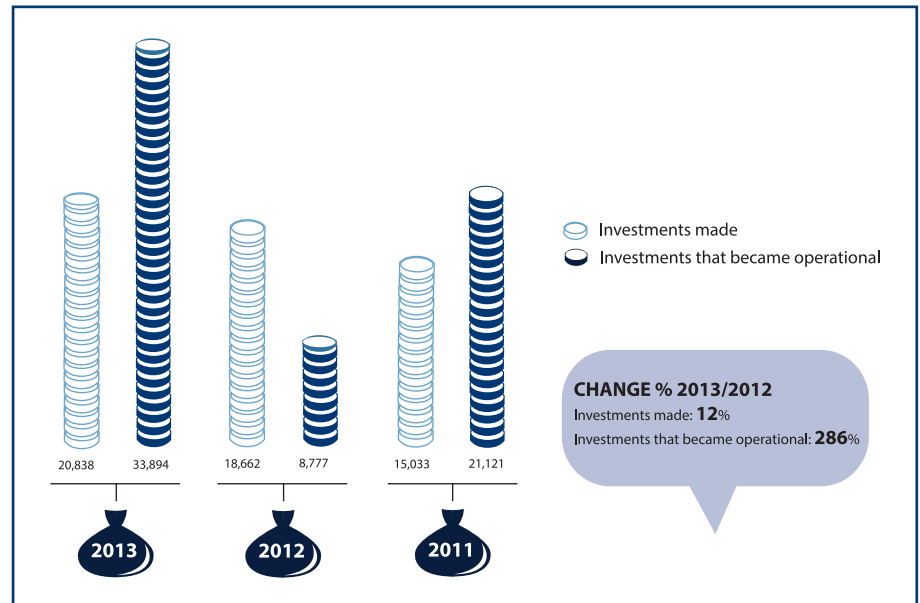
As part of the technological innovation projects aimed at supporting operations and passengers, following a test phase, at the beginning of 2014, 9 Logiscan devices were installed in front of the relevant access points to the security gates. Finally, 2014 sees the launch of the new phase of the Airport Master Plan that involves several ongoing projects including the boarding bridges, the extension of the boarding pier, the upgrading of the former-Aeroclub building and forecourt, the de-icing stand and relevant building.

2.5.3 2014 – 2018 Industrial Business Plan: highlights

2014 will be the first year of implementation of the 2014-2018 Industrial Business Plan, the second step in the Airport Development Plan which aims to achieve an infrastructural traffic capacity of 10 million passengers by 2023.

The guidelines, which take into account the context of profound changes in the market, can be summarized as follows:

Graph 4 ► Investments (thousands of Euro)



- **Development of aviation business**

Aim for a balanced mix of types of carriers and partnerships with airlines that share vision and goals oriented towards profitability.

- **Development of non-aviation business**

Enhance the value of the commercial offer through a better understanding of the different customer profiles, in order to define a proposition tailored to their specific and diverse needs.

- **Passenger Experience**

Combine functionality and sustainability of infrastructure, efficiency of processes, quality of ambience and communication with the aim of improving the passenger experience, from the point of view of business and customer loyalty.

- **Expanding the airport infrastructures**

Expand and upgrade the infrastructures to accommodate the increasing volumes of traffic, both in terms of availability of space and facilitation of all operational processes.

- **Profitability**

Focus attention on all potential areas of development and on the management of internal demand for goods and services, with the aim of constantly improving efficiency.

- **Airport Community**

Strengthen the airport's ties with the local community, through closer dialogue with the surrounding territory, business partners and authorities and spread this culture within the organization.



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BOARDING PASS

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ORIGIN

DESTINATION

DEPARTS

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BRD TIME

1200

SEAT

19F

FLIGHT DATE

ORIGIN

DESTINATION

OPERATED BY



Aeroporto di Bologna



The quality of services provided, understood in terms of punctuality of service, customer service, infrastructure and facilities aimed at passenger comfort, was the driving force behind the planning and coordination of the airport upgrading works. This upgrading is now completed, barring some additional refurbishments planned for 2014, and has given airport users a Terminal with more efficient services and more a functional, better organized layout. It was with this goal in mind, in 2013, that work progressed within the Passenger Experience Group, the in-house cross-functional working group that identified the priority action areas for implementing the most appropriate corrective measures. SAB's attention to improving the Passenger Experience was substantiated through the achievement, for the third year running and despite the upgrading works, of the majority of the quality standard targets set out in the Economic Regulation Agreement and the Service Charter. The **Customer Satisfaction Index** remained within 95% and above the national benchmark of other comparable airports. In particular, analysis of the detailed data for individual sessions shows an upward trend following the summer, in parallel with the gradual closure of the construction sites. Overall, the most significant negative impact was on indicators related to comfort (at times dropping below the benchmark) and infrastructures, which were heavily affected by the works, while satisfaction levels remained high for operational staff and safety. In 2013, with the aim of exploring Passenger Experience themes more in-depth and with a view to comparing and sharing best practices with other international airports, SAB joined the *ASQ (Airport Quality Survey) program, developed by ACI - Airport Council International*. This program, which includes more than 200 airports around the world and sets the most important benchmark in the world, involves passenger satisfaction survey sessions using a set of internationally agreed indicators and collects detailed analyses from all participating airports. ASQ then extracts from all of these data an in-depth analysis of the factors of excellence and priority areas for improvement, providing a useful tool for identifying new projects and confirming investments in new infrastructure and services.

3.1 Technological innovation to improve the Passenger Experience

Today, improvements to the quality of service

Graph 5 ► Customer Satisfaction Index 2011-2013

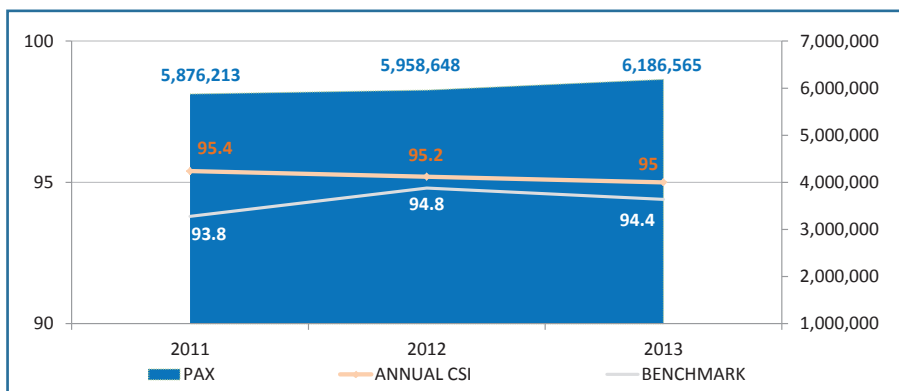


Table 7 ► Overall perception of the regularity of services provided at the airport

	2013	2012	2011
Percentage of satisfied passengers	94,9%	95,6%	96,2%

are increasingly linked to the introduction of innovative technology solutions, and it is precisely in the development of technologies capable of supporting diverse passenger profiles with constantly evolving needs that SAB has invested significantly over the course of 2013.

Among the projects launched, the one that has had the greatest impact is undoubtedly the installation of the **Logiscan** machines in the Terminal. These machines, patented by SAB, together with a local partner, can be used to scan boarding passes and automatically check the size and weight of baggage before going through the security checkpoints. In June 2013, the Logiscan project won the National Award for Innovation (also known as the 'Award of Awards') in a ceremony attended by the President of the Republic Giorgio Napolitano and the Minister for University and Scientific Research, Maria Chiara Carrozza. The Logiscan project also won the National Award for Innovation in the Tourism category, sponsored by *ConfCommercio*.

Another example of the close link between technology and the Passenger Experience is the **Si-check** system. This fully automated self-check-in system, created by Siemens in partnership with SAB, allows passengers to check in their hold baggage using a self-service, multi-airline system. There are now 4 Si-check desks, two for Alitalia CAI passengers and two for Lufthansa-Austrian passengers. Given the demand from other airlines, others are expected to be installed in 2014.

In recognition of the new passenger profile,

which shows a constantly increasing use of the Internet, SAB has initiated a project to review the overall **Wi-Fi infrastructure, a service that has been provided free of charge for some years now**. The aim is twofold: on the one hand, to continue to provide passengers with a free Wi-Fi service that is reliable and easy to use, and on the other, to lay the groundwork for setting up a system aimed at tracking passengers. The data collected will be used to improve the services offered, by optimizing infrastructure and monitoring waiting times at security checkpoints.

With a view to providing passenger information services that are increasingly geared to individual needs, a project is being developed for a new system of "delocalized" info points, which will provide information directly to passengers throughout the terminal, via interactive information totems.

3.2 Features of a high quality Passenger Experience

3.2.1 Punctuality and speed of service

Overall flight delays in 2013 decreased compared to 2012, confirming the trend of improvement seen over recent years. Even the peaks that typically characterize the winter and summer months were less significant. Delays attributable

Table 8 ► **Delay indicators**

		2013	2012	2011	% change 2013/2012
Overall delays	No. of overall delays / total outbound flights	14.9%	16.05%	18.42%	-1.15%
Flight delays attributable to SAB	No. of delays / total outbound flights	0.56%	0.47%	0.22%	0.09%
Transit times made up for delayed incoming flights	% time made up on the scheduled transit time	0.20%	-1.00%	-1.45%	1.20%

Table 9 ► **Indicators relating to departures**

		2013	2012	2011	Trend
Waiting time at Ticket office	Time in 90% of cases	6'02"	5'37"	5'41"	Negative
Waiting time at check-in	Time in 90% of cases	10'54"	13'03"	15'21"	Positive
Waiting time at baggage x-ray check	Time in 90% of cases	6'13"	5'18"	6'07"	Negative
Waiting time on board for the first passenger to disembark	Waiting time from aircraft block-on in 90% of cases	4'01"	3'58"	4'01"	Stable

to the Airport Management Company are in line with the previous year, a result of the ability to successfully coordinate operations even during the launch of the new BHS, the automated baggage handling system for departing flights. The recoup rate of transit times is positive, albeit only slight, demonstrating nonetheless a collaborative effort between SAB and the service providers that has definitely paid off.

In 2013, passenger waiting times were still within the threshold targets set out in the Service Charter and Economic Regulation Agreement, even if slightly higher overall. A clear exception can be observed in waiting times at check-in, where the positive result was also due to a shift in passenger profile, as people are more inclined to print their boarding passes at home, as well as to airline policies, which tend to encourage this habit. In addition,

there is an increase in the number of passengers who self-check-in at the airport. As for waiting times at security checkpoints, there was an increase (of around 17%) due, among other things, to the increase in passengers, the distribution of flights on peak periods and the construction sites that restricted the area adjacent to the security checkpoints.

Now the upgrading works have been completed, the new security checkpoint area has nine access points for passengers and so waiting times should greatly improve. Even the ticket office waiting times increased slightly, a phenomenon that was accentuated by the transfer of the service to third party operators, on August 4, 2013. The Company continues to monitor ticket office services both from a qualitative (customer complaints) and quantitative point of view, in order to en-

sure quality of service. Finally, as regards waiting times for the first passenger to disembark from aircraft block-on, SAB works in partnership with the handlers that provide the service planeside, to evaluate possible measures to optimize the use of resources.

The number of reduced mobility passengers assisted in 2013 rose by 12.65% (showing a higher percentage of growth than passenger traffic). Despite the increase in the number of requests for assistance, the PRM service has maintained a high standard of quality as demonstrated by the fact that the key indicators have surpassed the targets. The changes compared to 2012 should also be interpreted in relation to the inconvenience caused by the upgrading works that have altered flows and information resources available to passengers.

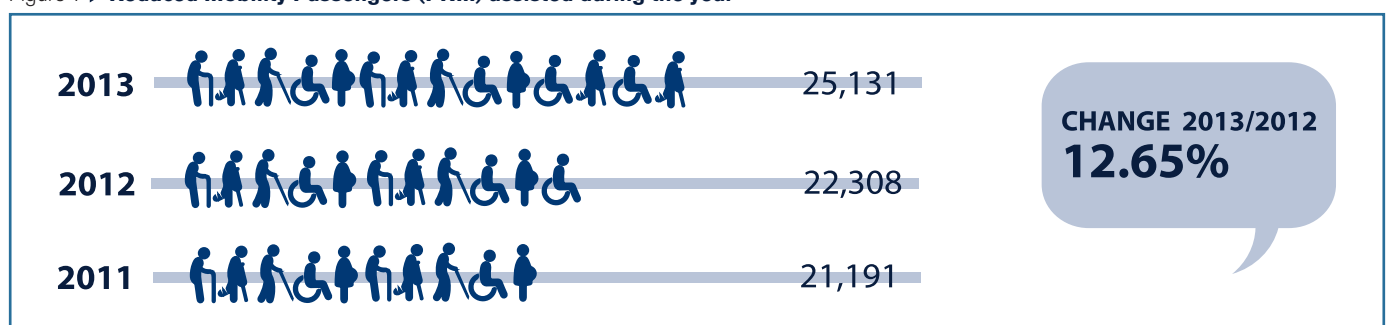
Figure 7 ► **Reduced Mobility Passengers (PRM) assisted during the year**



Table 10 ► **Waiting times for PRM**

Departing PRM booked in advance	2013	Target	2012
Waiting time less than 10 mins	82.50%	80.00%	91.50%
Waiting time less than 20 mins	97.20%	90.00%	99.00%
Waiting time less than 30 mins	99.30%	100.00%	99.80%
Departing PRM not booked	2013	Target	2012
Waiting time less than 25 mins	97.80%	80.00%	99.20%

Incoming PRM booked in advance	2013	Target	2012
Waiting time less than 5 mins	82,30%	80,00%	76,70%
Waiting time less than 10 mins	97,30%	90,00%	92,80%
Waiting time less than 20 mins	100,00%	100,00%	100,00%

Table 11 ► **PRM satisfaction levels**

	2013	2012	2011	% change 2013/2012
Satisfied PRM	99.00%	99.00%	99.00%	0%

The number of satisfied passengers continues to be just shy of 100%, a result of the excellent work by staff who are supported through continuous training with the aim of maintaining consistently high standards of service even at peak times and in unforeseen circumstances. In 2014, the new **Sala Amica** lounges will be ready on landside and airside and the wheelchair park available for passengers will be renovated.

The performance of the baggage reclaim service is essentially stable and in line with the previous two years, which were penalized, despite the best efforts of both the handlers and the airport, by the presence of construction sites on airside. The aim is to recover the improvement of times achieved

in 2011, partly offset by the works, through targeted actions agreed with the service providers, and thanks to the improved road network on airside.

The number of misrouted baggage items has significantly decreased, despite the increased numbers of passengers.

3.2.2 Passenger Information and Communication

Information and communication to passengers and airport users plays an increasingly important role in the qualitative evaluation of the servic-



Table 12 ► **Indicators relating to Arrivals**

		2013	2012	2011	Trend
Baggage reclaim time for first/ last item of baggage from aircraft block-on	First item of baggage (time in 90% of cases)	19'17"	19'21"	18'34"	Stable
	Last item of baggage (time in 90% of cases)	25'00"	24'45"	23'25"	Stable
Overall misrouted baggage items	No. of misrouted baggage items per 1000 departing passengers	0.41‰	0.51‰	0.48‰	Stable

Table 13 ► Overall perception of the effectiveness of information

	2013	2012	2011	Trend
Percentage of satisfied passengers	95.3%	95.6%	96.5%	Stable

es provided. Over the course of 2013 work has focused primarily on managing passenger information in relation to the upgrading works, both to reduce inconvenience and to illustrate the improvements that would be introduced. The main changes that have affected the airport areas include the extension of the spectrum of use of the **SIE (Advanced Information System)** and the updating of high-visibility signage for the airport car parks.

In early 2014, work was completed to update the signs in the Terminal to facilitate new passenger flows and a project was launched to revise the layout of the boarding gate monitors. This is the first in a series of projects to increase and update the visual display of the information monitors throughout the terminal.

The passenger satisfaction trend shows a decline due to the upgrading construction sites. This is precisely why in 2013, work continued on improving passenger information using up-to-date graphic tools to follow the progress of the upgrading works (maps, flight times, service charter, information signs in the Terminal and road traffic

reports). In addition, the social network tool Twitter has been widely used to follow the construction sites, giving real-time updates to passengers and providing feedback and answers.

In response to rapid changes in the way people access information, SAB is innovating and extending its information channels from the most traditional (brochures, press releases, *house organ*, website, online newsletter) to the most modern and interactive tools (Apps, SMS Flight Info, social media).

During 2013, work began on redesigning the website, which will be unveiled in 2014 with more user-friendly navigation and improved visibility of contents and airport services. The current website dates back to 2009, and over the past 4 years design standards, available technologies, and not least user experiences have evolved considerably, making it necessary to bring the website up to speed with the new trends.






In designing the new website the aim has been to follow the main market trends, providing, in addition to content related to flights, greater interaction between the public and the commercial

opportunities offered by the airport. With regard to the use of online services, the main innovation is the e-commerce for the Parking and VIP Lounge services.

Bologna Airport's Twitter profile has confirmed its leadership among Italian airports with the largest number of followers. The most popular information relates to the operational status of the airport and flights, above all in relation to weather conditions, followed by information about new routes



Table 14 ► Use of external means of communication

	 DESKTOP WEBSITE	 MOBILE WEBSITE*	 IPHONE APP**	 ANDROID APP***	 NEWSLETTER
2013	2,312,984	607,258	8,860	2,104	25,611
2012	2,676,952	300,546	8,500	1,421	21,084
2011	1,378,741	-	962	-	16,656
CHANGE 2013/2012	-14%	102%	4%	48%	21%
	Number of hits	Number of hits	Number of downloads	Number of downloads	Number of subscribers

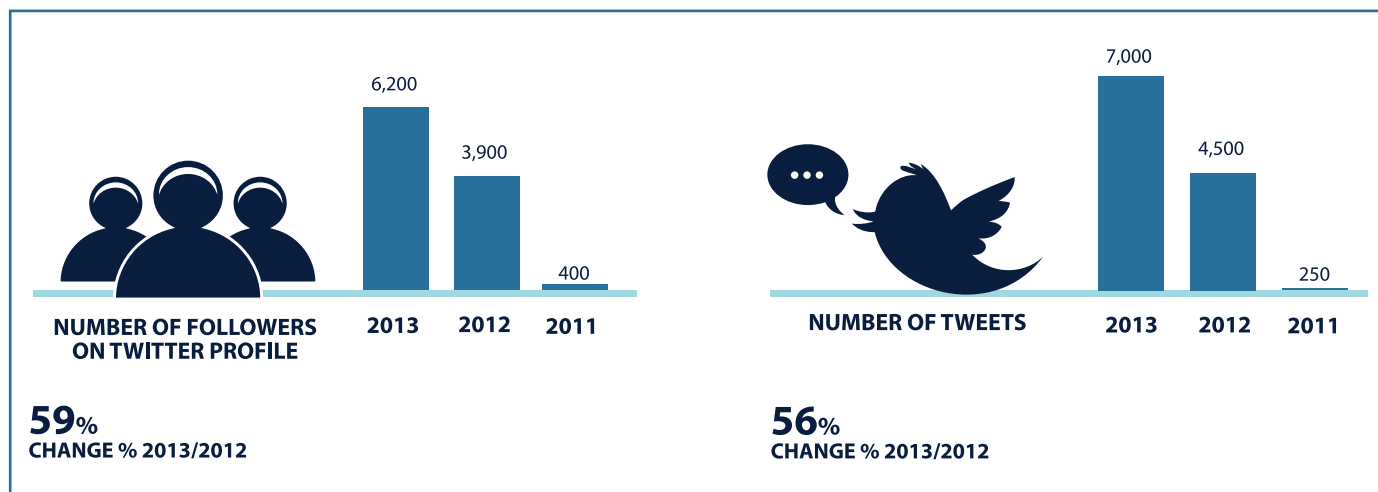
* Service active since August 2010

** Service active since December 2011

*** Service active since April 2012



Graph 6 ► Use of Social Media



and new services. Questions are answered quickly, usually within an hour. Given the increasingly apparent demand from users to receive feedback from the Twitter profile also on weekends and during "out of office" hours, it has been decided to experiment with a wider coverage for 2014. 2013 was also marked by the revitalization of

the BLQUI magazine, the *SAB house organ*, in terms of format, graphics and distribution. 30,000 copies were printed for the 4 editions and distributed as a free insert in the main local newspaper. Copies of BLQUI were also made available to passengers with 5 special totems positioned throughout the Terminal.

3.2.3 Comfort in the Airport

As in 2012, quality targets related to comfort have been temporarily calibrated with a view to maintaining the standard, due to the upgrading works that inevitably have a significant impact on this aspect.

Overall, the perception of comfort remained stable compared to 2012, although satisfaction with the cleanliness of the terminal and toilets has decreased notably.

It should be noted that renovation work has been completed on almost all of the toilet blocks and the **Cleaning Call** system has been extended to ensure a more efficient management of cleaning services by monitoring the influx of users to the toilet facilities, in a total of eleven blocks.

By spring 2014, the new tender for cleaning services should be awarded, which will include a bonus system tied to satisfaction levels of passengers and airport operators, which will be recorded on a quarterly basis.

In 2013, in relation to the issues that emerged from customer satisfaction surveys, plans were put in place for new seating in the departure lounge (Schengen and non-Schengen) and



Table 15 ► Indicators relating to comfort in the airport

		2013	2012	2011	Trend
Perception of the level of cleanliness in the terminal	Satisfied passengers	88.3%	90.0%	91.4%	Negative
Perception of the level of cleanliness and functionality of the toilet facilities	Satisfied passengers	87.8%	89.1%	90.4%	Negative
Overall perception of the level of comfort	Satisfied passengers	95.0%	94.9%	92.9%	Stable

battery charging stations for electronic devices throughout the terminal.

Attention to comfort and quality are key features of the services offered to guests of the Marconi Business Lounge.

Following its launch in 2012, the *YouFirst* VIP service has been consolidated, with the aim of meeting the needs of *Premium* customers through highly personalized services and dedicated staff for the whole duration of their stay at the airport.

Meeting room use, while substantially on a par with the number of events, has increased compared to the previous year in terms of hours of usage (+12%). The breakdown by category of user, on the other hand, remains the same with a high prevalence of companies for commercial and training purposes, and airlines mainly for training purposes.

During 2013, rooms were also used by several international delegations for conferences organized by Associations. In addition, in view of the increasing number of Lounge users and to ensure the utmost comfort for guests even during peak access times, the MBL underwent a major restyling in 2013 that resulted in a new relaxation area of around 100 square metres, considerably differentiated in terms of design and furnishings. In 2013, in addition to the already consolidated customer satisfaction analysis of passengers, SAB continued the surveys aimed at investigating the satisfaction of the airlines who have used the MBL services. The surveys revealed a satisfaction level of 5 (on a scale of 6) both for staff professionalism and services offered to passengers and airlines.

3.2.4 The quality of the commercial offer

The completion of the upgrading works has resulted in an overall commercial area of about 5,900 square metres. During the year, new areas have been opened and passenger flows re-defined for a better use of the airport, also from a commercial point of view. 2013 also saw the inauguration of the new Heinemann Duty Free shops, developed according to the new concept of *walk-throughs*, designed to enhance the passenger experience while waiting to board. In the first half of 2013, the supermarket Carrefour Express also opened in the airport arrivals hall, with a new Travel store format designed to serve both passengers and the airport community. The new store offers customers all the services usually

Table 16 ► **Passengers who used the MBL**

	2013	2012	2011	% change 2013/2012
Passengers who used the MBL	88,869	87,745	84,942	1.3%

Table 17 ► **Business Center Customers**

	2013	2012	2011	% change 2013/2012
Companies	76%	77%	62%	-1.3%
Authorities – Institutions	8%	8%	21%	0.0%
Airlines	11%	10%	13%	10.0%
Others (Tour Operators, Car Rental, ...)	5%	5%	4%	0.0%
Total number	96	95	113	1.1%

provided by neighbourhood supermarkets, such as home delivery and laundry services. On the whole, the type of stores and their location are the expression of a project aimed at enhancing local excellence while also promoting the most important brands in the market.

In 2013, considering the inconveniences caused by the construction sites, the *Mystery Client* survey was suspended. However, this survey will begin again in early 2014, with a wider reach (to include banking services, baggage-wrapping, currency exchange, etc.) and a greater focus on highlighting the retail elements that contribute to providing a truly excellent passenger experience.



Graph 7 ► **Expansion of commercial areas**

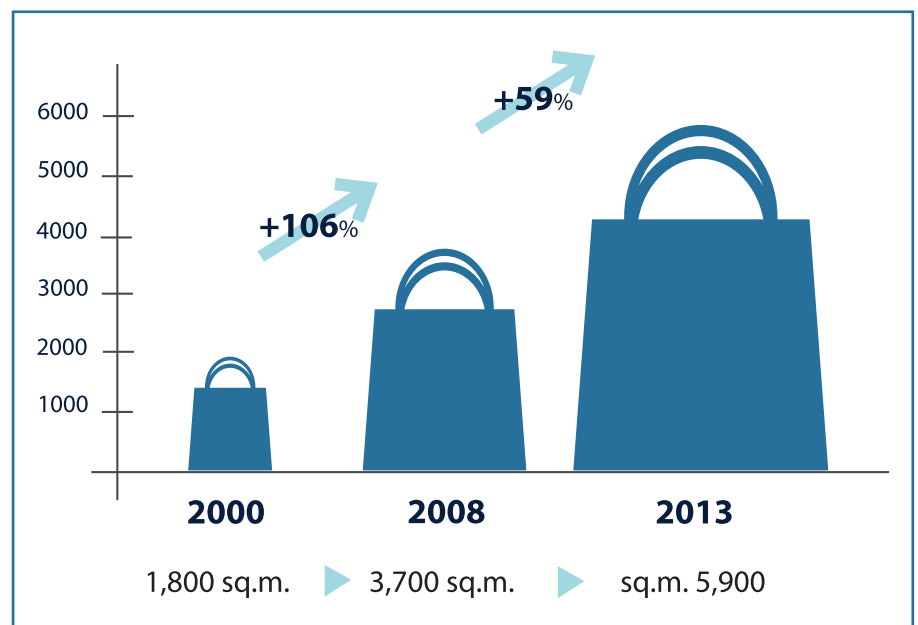
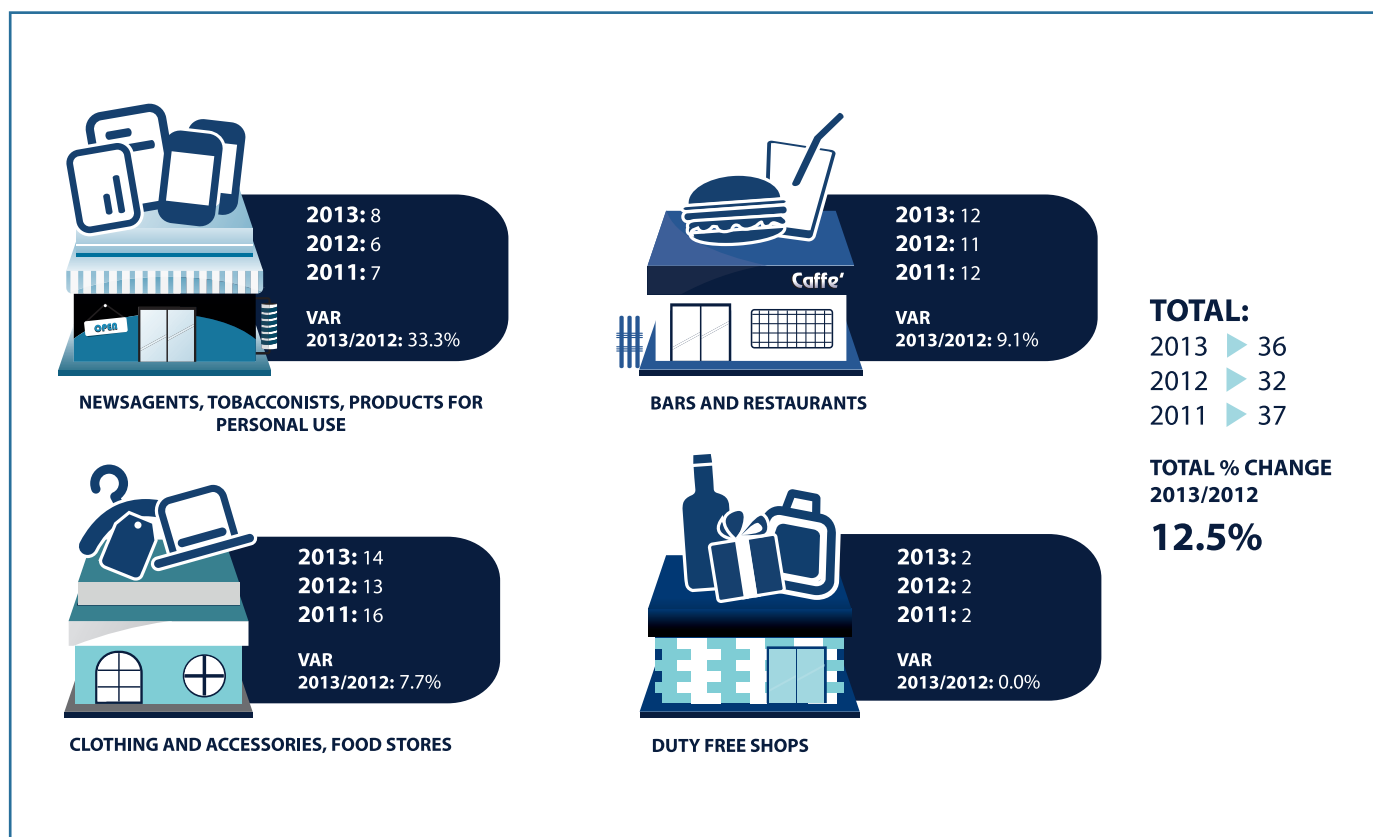




Figure 8 ► Number of shops in the Terminal by category of goods



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SAB is committed to monitoring prices and promotional activities, so as to ensure maximum transparency for consumers. In fact, Bologna Airport performs benchmark analysis on the prices of products offered by other local operators and the competition. Suggestions from passengers are also collected and analyzed through the quality system and indications that emerge from customer satisfaction surveys, audits, passenger feedback and mystery client surveys.

3.2.5 Ensuring Operational Safety

The **Safety Management System** is an operational system required by ENAC for all Italian airports. The aim of the system is the prevention of

aviation accidents and incidents through continuous improvement and achievement of Safety targets. The system, supported by software, allows the constant monitoring of events by providing a dashboard of data.

The significant number of data collected is an indication of a greater awareness and sensitivity achieved among operators.

In order to improve airside safety management, SAB is implementing a new software that can collect inspections, report any critical issues and support the operators during the reporting procedure.

The monitoring process over the last few years has revealed a sharp increase, in line with the

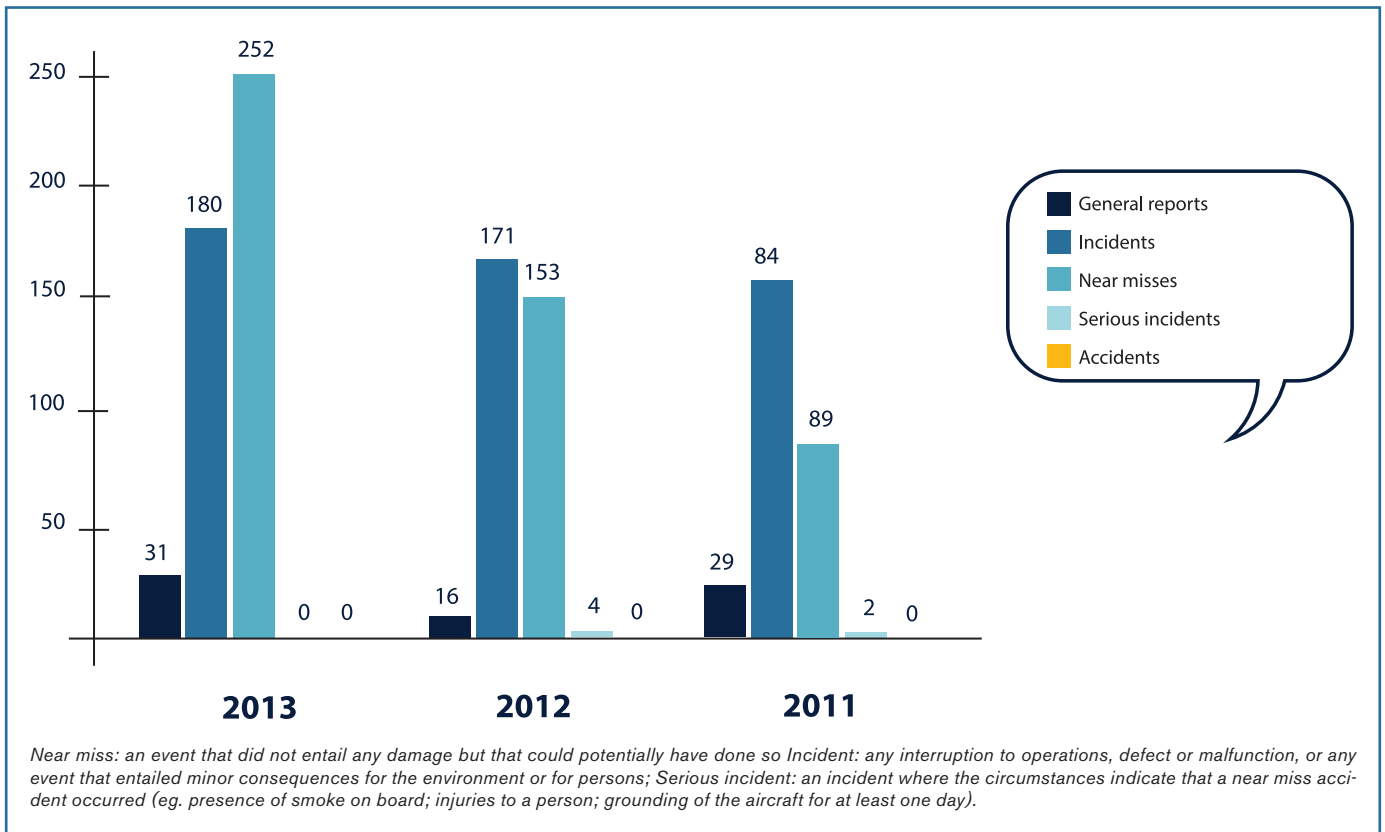
national trend, in bird sightings in the vicinity of the movement area that rose from 89,494 to 139,049 between 2010 and 2013. Starting from this premise, therefore, the distancing measures implemented by SAB may be considered effective.

In accordance with ENAC provisions, SAB is also responsible for carrying out **security checks** at gates in liaison with other State authorities involved in checking passengers and baggage. In 2013, with the aim of adjusting the passenger check capacity to accommodate the traffic growth expected over the coming years, while maintaining a high standard of service in terms of waiting times, new security attendants were added to the team of staff and new equipment was introduced to ensure that checks are both reliable and fast.

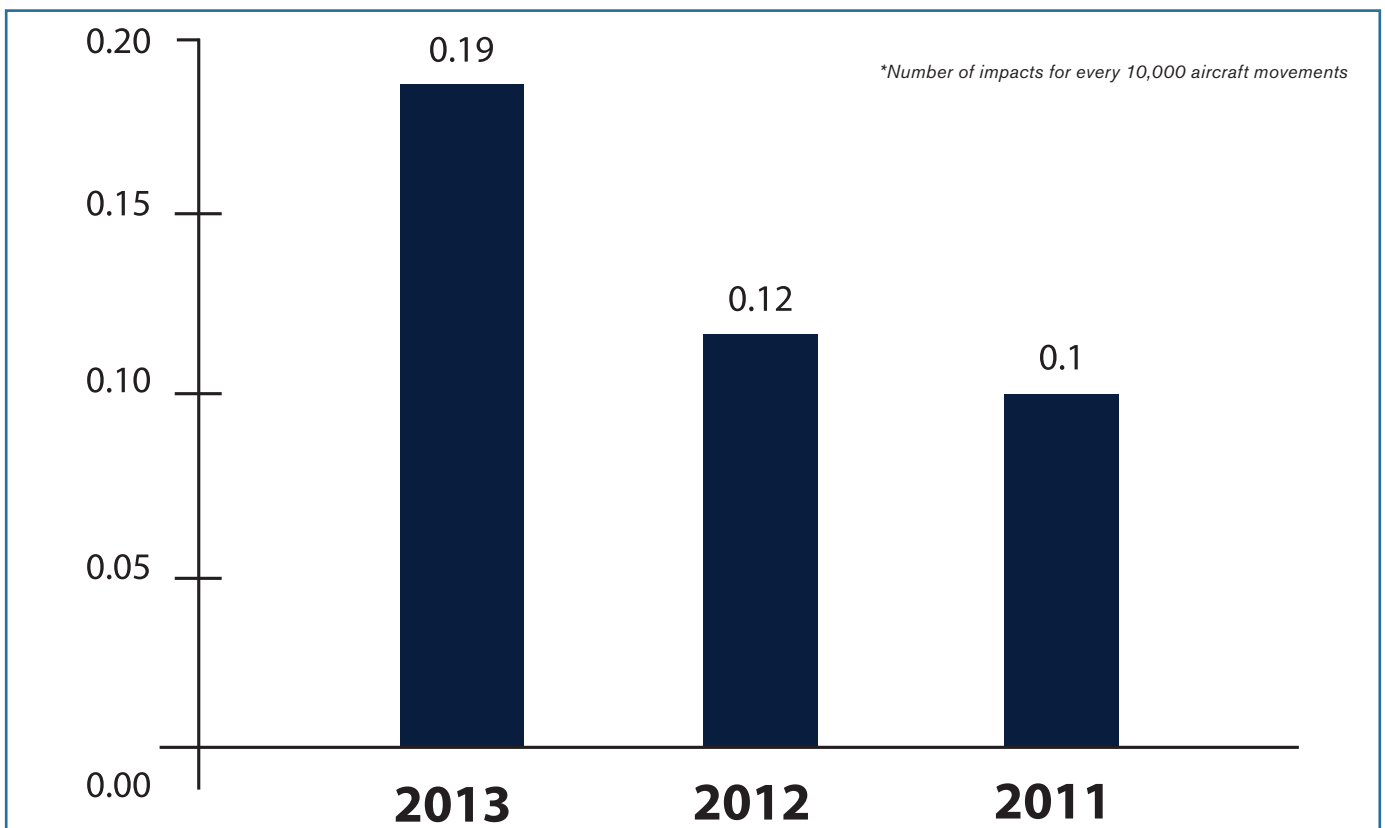
Table 18 ► Perception of availability, quality and prices in the shops

		2013	2012	2011	Trend
Quality/price ratio – bars	% of satisfied passengers	71.2%	65.7%	67.6%	Positive
Quality/price ratio – self-service restaurant	% of satisfied passengers	82.4%	80.7%	79.2%	Positive
Quality/price ratio – products (shops/newsagents)	% of satisfied passengers	90.9%	88.6%	90.3%	Positive

Graph 8 ► Incidents recorded during the year

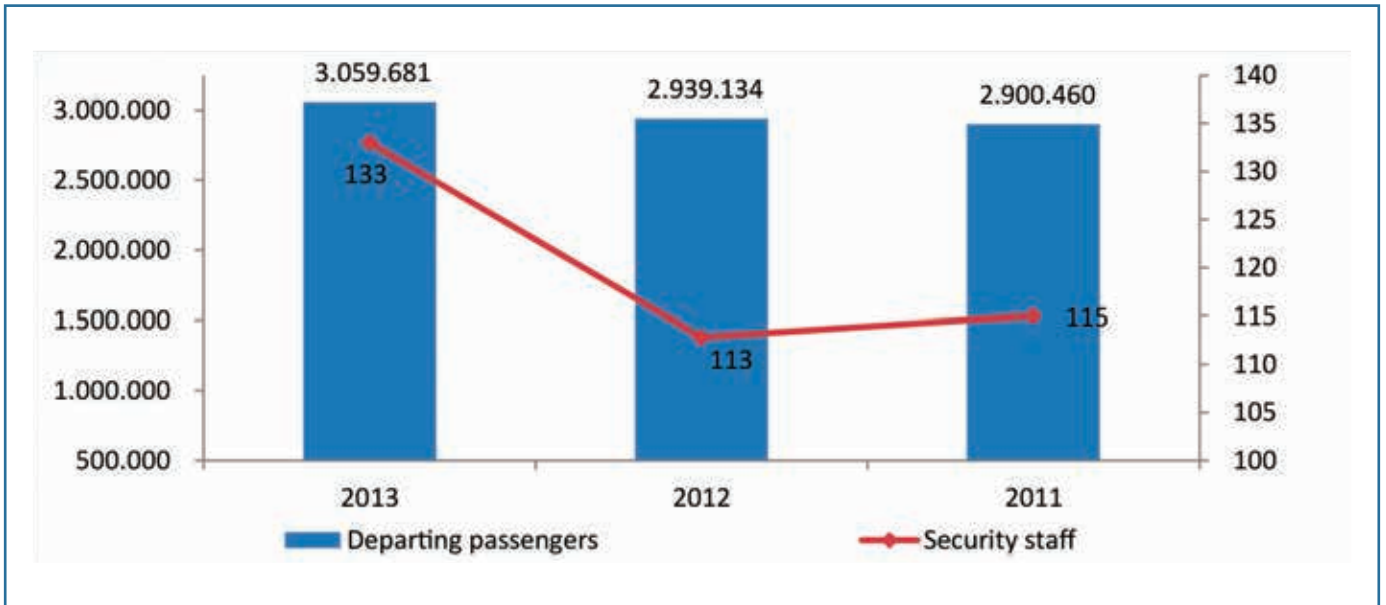


Graph 9 ► Trend for number of impacts rate*





Graph 10 ► Number of departing passengers and security staff





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4.1 Environment

The strategic objectives for increasing traffic volumes are closely related to the airport infrastructure expansion, which also has an impact on the surrounding environment and the people living near the airport. As a result, right from the early planning stages, the development of the Airport has to balance the territory's growing mobility needs with the need to protect the environment and the quality of life of the local community.

For this reason, the **Airport Long-Term Masterplan**, which identifies the strategies and infrastructural development to bring Bologna Airport's capacity up to 10 million passengers by 2023, was examined under the **Environmental Impact Assessment (EIA)**, which concluded in 2012 with the approval of the relevant ministerial bodies.

4.2 Aircraft Noise

Aircraft noise is the main environmental impact issue for airport operations and becomes a 'polluting' element when it creates a disturbance for people. SAB's primary goal, therefore, is to reduce the number of people exposed to critical levels of noise pollution.

In compliance with Italian legislation, Bologna Airport is equipped with an Airport Noise Monitoring System to constantly monitor noise levels and check whether airlines are complying with the procedures. This system, in place since 2001, was completely renewed in 2010 and consists of monitoring stations located around the airport. The data is processed in monthly reports, which SAB shares with the local authorities and publishes on the website. ARPA periodically performs parallel measurements using its own equipment in order to consolidate the validity and reliability of the data processed.

4.2.1 Noise abatement procedures

The airport management company does not have the authority to intervene directly on the conduct of the airlines, nor can it impose on them limits to the noise produced during take-off or landing operations based on sanctions or policies to exclude them from the airport.

However, SAB is nevertheless committed to working actively together with the airlines to **increase awareness**. In 2013, joint meetings were organized to share the results of the monitoring system and the procedures, aimed at limiting, as far as possible, take-off operations over inhabited areas during certain time bands and encouraging compliance with noise abatement flight procedures.

A valid tool to reduce noise is represented by **noise-abatement procedures for take-off and landing**. On 10 January 2013, new initial climb procedures were introduced for take-offs that occur in the direction of Bologna. The monitoring campaign carried out during the year al-

lowed us to measure the environmental impacts associated with the new procedures; specifically, an analysis was conducted not only in terms of noise on the ground but also of population exposed to the levels of noise pollution. The final evaluations from 2013 led us to obtain a 44% reduction in the population annoyed by airport noise (the latter defined in terms of equivalent sound exposure level for daytime greater than 50 dB).

In 2013, with the same goal of minimizing noise pollution caused by airport operations, work was completed on the implementation of the second ILS (Instrument Landing System), which, once tested by ENAV, could significantly reduce take-offs (noisier than landings) on the Bologna side of the airport.

2013 shows a significant improvement in the acoustic impact on the city in terms of population subjected to airport noise. This result is due not only to the new procedures but also to the decrease in the number of movements compared to the previous year.



Table 19 ► Population subject to aircraft noise (LVA > 50dB)

Noise level range (LVA)	2013	2012	2011	2003 (base year)	% change 2013/2012	% change 2013/2003
50 – 55	13,231	24,502	27,006	32,854	-46.0%	-46.0%
55 – 60	4,608	7,549	7,950	11,456	-39.0%	-39.0%
60 – 65	3,486	3,482	3,675	4,628	0.1%	0.1%
65 – 75	18	20	22	22	-10.0%	-18%
> 75	-	-	-	-	-	-
TOTAL	21,343	35,553	38,653	48,960	-40%	-56%

Table 20 ► Average monthly change in LVA compared to number of movements

	2013	2012	2011	% change 2013/2012
Average monthly LVA in dB(A)*	61.20	61.60	62.45	-9%**
Number of movements	65,392	67,529	62,153	-3%

* Data relating to noise monitoring terminal No. 6 of the monitoring system and expressed in dB(A).

** A deviation of 3 dB is equivalent to doubling or halving the noise level measured, based on the mathematical laws which regulate noise. By way of an example, a noise event that corresponds to 55 dB is equivalent to twice the noise level compared to a noise event that corresponds to 52 dB.

Managing the noise impact is one of the greatest concerns for the people living around the airport. SAB's commitment to a transparent communication and continuous dialogue with the local territory is demonstrated by the **Noise Technical Group**, set up in 2003, that included the Munic-

ipality of Bologna, the Municipality of Calderara di Reno, ARPA, the Province of Bologna and the Navile District. The aim is to establish an open and collaborative relationship with local organisations in order to prevent and manage the occurrence of critical issues.

4.3 Reducing climate change

Reducing air emissions is one of the main objectives in order to limit the environmental impact of airport operations. Bologna Airport has created a structured procedure for monitoring and managing their CO₂ emissions, adopting the methodology used by the international **Airport Carbon Accreditation** scheme promoted by ACI-Europe. This accreditation scheme, subdivided into four levels according to the results achieved, aims to encourage Airport Management Companies to adopt processes for the mapping, reduction and optimization of their "carbon footprints". Airports participating in the scheme are required to provide explicit details of their plan to reduce CO₂ emissions compared to a base year, which must be respected in order to maintain the level of accreditation achieved: (see table below)

Relative emissions	2012	2013	2014	2015	2016
CO ₂ emissions by total number of passengers (Kg)	1.44	1.43	1.41	1.40	1.39





By 2016, SAB aims to reduce relative CO₂ emissions by 36% compared to 2008, fixed as the base year as the initial year of the accreditation procedure.

For 2013, in recognition of achievements, Bologna Airport maintained the Level 2 Reduction achieved in 2012.

The Airport's Carbon Footprint was down on the previous year. This success is the result of a number of actions among which the most important appears to be the technological improvements to the lighting in the Terminal, with the installation of LED lighting, allowing a saving of around 1 million kWh. It should also be noted that the exit of the former subsidiary Marconi Handling from the SAB organization had an impact on reducing emissions. Nevertheless, even on a comparable basis, emissions were down 8%.

With a view to further consolidating the improvements in relation to environmental management, Bologna Airport, together with the Province of Bologna, continues to be part of the European **Clean Airport Decarbonated Regions (D-AIR)** project, developed as part of the INTERREG IVC territorial cooperation program.

Table 21 ► **Total direct and indirect emissions relating to emission sources under SAB's direct operational and functional control**

Emissions	2013	2012	2011	% change 2013/2012
CO ₂ emissions (Kg)	7,437,810	8,754,642	8,554,603	-15.0%



Table 22 ► **Emissions in relation to number of passengers**

Emissions	2013	2012	2011	% change 2013/2012
CO ₂ emissions by number of passengers (Kg)	1.20	1.47	1.45	-18.4%

The D-AIR project, which involves many European airports, aims at provide economic support for the development of innovative schemes to reduce the atmospheric emissions generated by airport operations and the resulting road traffic.

- Upgrading of the passenger Terminal especially with regard to the consumption of methane (due to the construction sites) and reduction of electric energy consumption (new LED lighting)
- Exit of Marconi Handling from the SAB organization, which has had an impact on the overall consumption of diesel.



As part of the Airport's participation in the project, in 2013 specific studies regarded energy aspect and surface access to the airport, aimed at identifying improvement actions both in the energy performance of airport infrastructure and in road accessibility.

4.4 Energy and Water Consumption

The energy consumption trend, which has shown some marked differences compared to the previous year, is the result of the following actions:



Table 23 ► Energy Consumption (*)

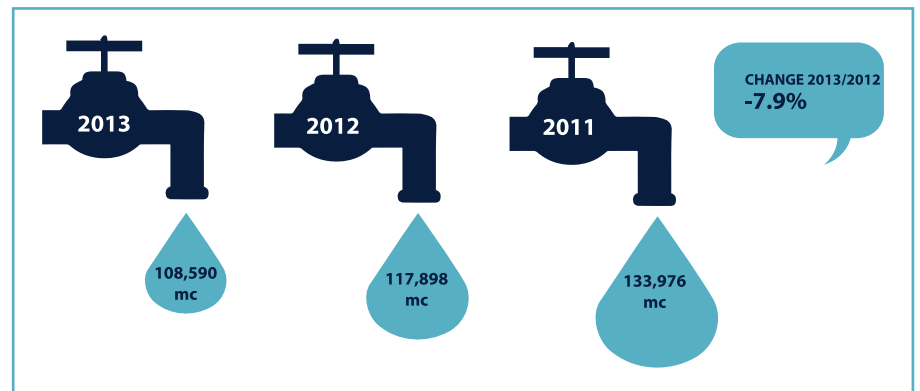
Energy sources	2013	2012	2011	% change 2013/2012
Methane (m ³)	528,031	588,420	444,902	-10.3%
Diesel for heating (kg)	188,516	196,419	215,169	-4.0%
Automotive diesel (l)	48,246	434,272	368,760	-88.9%
Petrol (l)	21,031	17,966	16,843	17.1%
Electricity (kWh)	13,272,338	14,270,237	14,839,432	-7.0%
- of which photovoltaic (kWh)	76,072	76,916	87,397	-1.1%
- of which purchased (kWh)	13,196,266	14,193,321	14,752,035	-7.0%

(*) Classification method according to the GHG Protocol, the international protocol that defines the criteria for measuring emissions of greenhouse gases linked to the life cycle of products and services, referred to as the method of reporting by the Airport Carbon Accreditation scheme.

Over the course of 2013 the process of implementing the **ISO 50001 energy management system** was also carried out. This is now fully integrated with the other existing systems (ISO 9001 - ISO 140001 - OHSAS 18001 - ACA) and the goal for the upcoming years will be to maintain the energy certification.

During 2013, intensive work was carried out to monitor water consumption that has led to an **optimized management of the requirements**. Together with prompt detection of wastage and optimal maintenance of the water distribution network, this has enabled us to reduce water consumption by 7.9% compared to the previous year.

Figure 8 ► Total water consumption



4.5 Waste Management

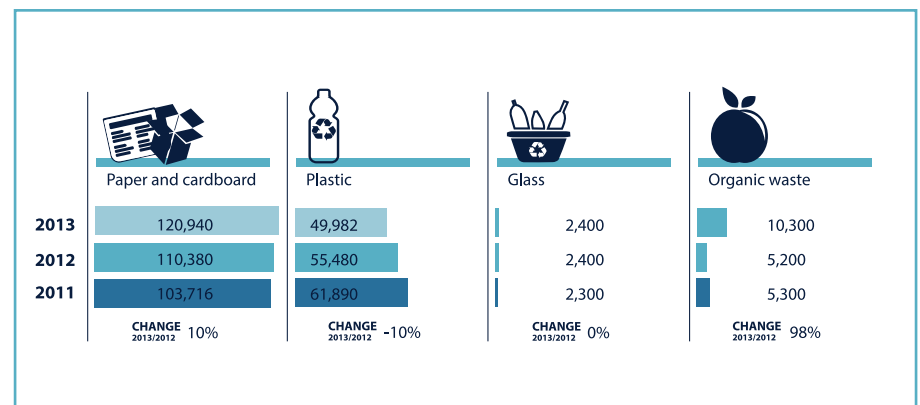
Separate waste collection has maintained the positive qualitative and quantitative results achieved in previous years. This is an indication of the good conduct of those who deposit the waste and increased awareness among those who collect and sort the waste.

The significant increase in the figure for the collection of paper, glass and especially organic waste, indicates a heightened awareness among passengers and the airport community, acknowledging the success of initiatives carried out by SAB during the year to raise awareness, in particular for foodservice operators where specific meetings were organized.

Table 24 ► Percentage of separation collection of urban solid waste and/or similar waste

Source	2013	2012	2011	% change 2013/2012
Percentage of urban waste and/or similar waste subject to separate collection	24.9%	24.4%	25.2%	0.5%

Table 25 ► Total weight of separately collected waste by type



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Aeroporto di Bologna




5.1 Facts & Figures

SAB had an average of 349 Full-Time equivalent employees in 2013, a figure in line with the previous year (down 1% compared to 2012).

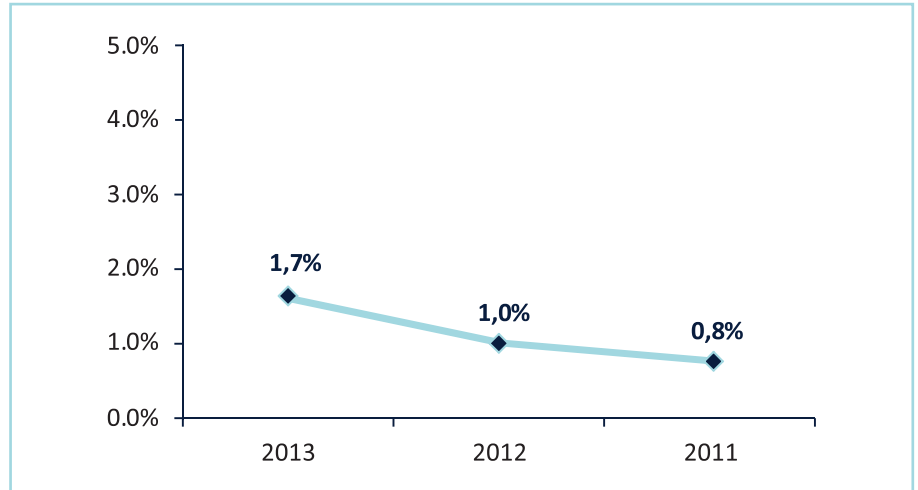
The average age of employees is just over 42, while the levels of seniority within the company reflect the airport's commitment to growth and renewal with a high percentage of people who have been working in the company for less than 10 years (52%) and who have teamed together over time with the solid core of highly skilled staff who have watched the airport grow for more than a decade (48%).

Female employment accounts for 43.30% of the total. Women hold a significant share of positions at all organisational levels: among the office workers, where the numbers are highest, in middle management (in particular, two Post Holders¹ out of four) and executive management roles (Corporate Affairs, Administration, Finance and ICT, Strategy and Corporate Performance Management), as well the Presidency of the company.

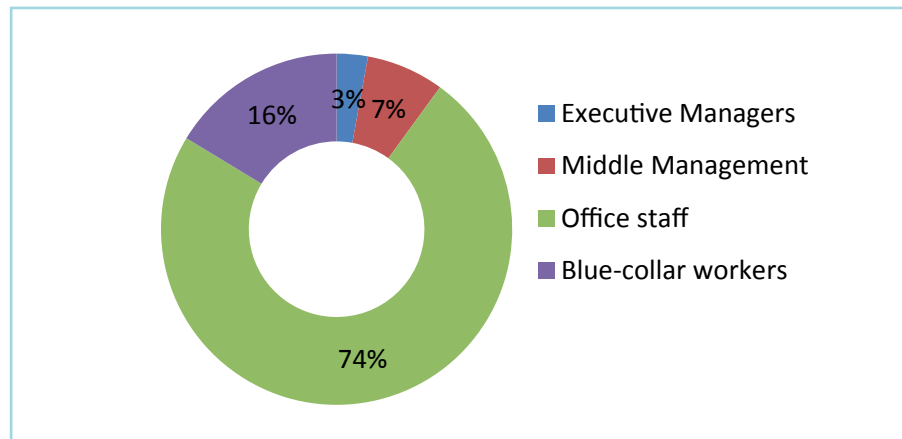
Table 26 ► Average number of employees by gender (full-time equivalents)

	2013	2012	2011	CHANGE 2013/2012
 WOMEN	151	152	152	-1%
MEN	198	200	194	-1%
TOTAL	349	352	346	-1%

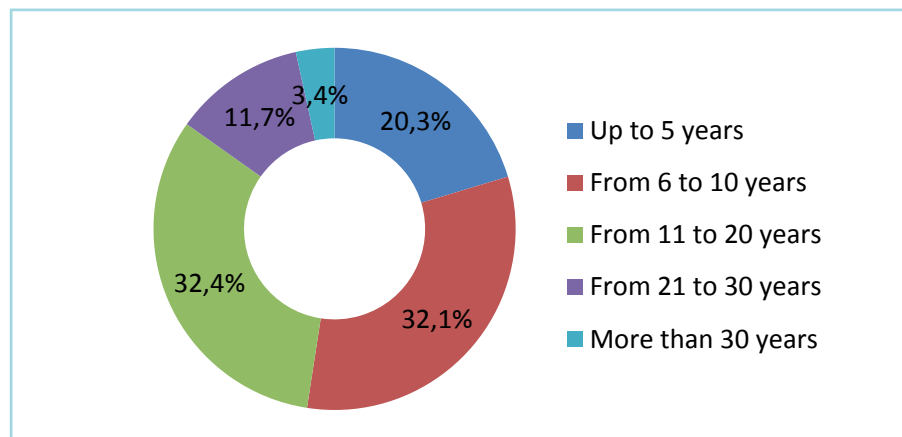
Graph 11 ► Average Turnover Rate



Graph 12 ► Breakdown of staff by job qualification



Graph 13 ► Breakdown of staff by seniority



¹ Post holders are responsible for ensuring compliance of the airport with the regulations and requirements related to their specific area of competence (Movement, Terminal, Design and Maintenance)

5.2 Enhancing the value of people

Harnessing talent and recognizing commitment are primary goals for SAB, whose Performance Management System (PMS) is based on two cornerstones: on the one hand, a clear system that can be used to set objectives and measure performance for all key roles, and on the other a structured framework for skills assessment, to evaluate the expertise and attitudinal traits shown by personnel in pursuing their objectives.

Applying the same principle of fairness and equity, the **remuneration policies** are then defined by a specialized company.

The 2013 **reward system**, however, shows a significant discontinuity. In fact, SAB has chosen to cancel the part of the supplementary contract that concerns the parameters and mechanisms for payment of the Performance Bonus. The intention is to initiate a process aimed at managing the working relationship more effectively, by recognizing a corporate welfare system and identifying criteria for the award of variable bonuses that are more closely tied to actual company performance.

The procedures used by the Security Managers for the **evaluation of operators and supervisors** have remained in line with previous years, where operators who show outstanding merit (three in 2013) are given the opportunity to obtain certification for the role of Supervisor, issued by ENAC.

In 2013, 3 positions were assigned internally by job posting: 1 in maintenance and 2 in airport coordination (COS), the latter reserved for former ticket office employees. Following an internal selection process, a key position was assigned to take on the role of Head of Retail and Advertising.

5.3 Training Policies

Training is a key lever for SAB to support professional development, enhance skills and encourage innovation, essential ingredients to remain competitive in a constantly evolving market.

As can be seen from the above data, the time and costs spent on training show a negative trend. However, this figure is not the result of reduced attention to the training needs of those who work at the airport, but rather a better calibration of the length of courses (typically between 3 and 16 hours), a strong culture of knowledge-sharing between colleagues, and the launch of a considerable number of funded training courses.

Table 27 ► **Employees who undergo skills assessments (average workforce)**

	2013	2012	2011	% compared to 2013 staff
Executive Managers	10	11	11	100.0%
Middle Management	24	24	24	96.0%
Office staff	228	228	143	88.7%
Blue-collar workers	-	-	-	0.0%
Total	262	263	178	75.1%

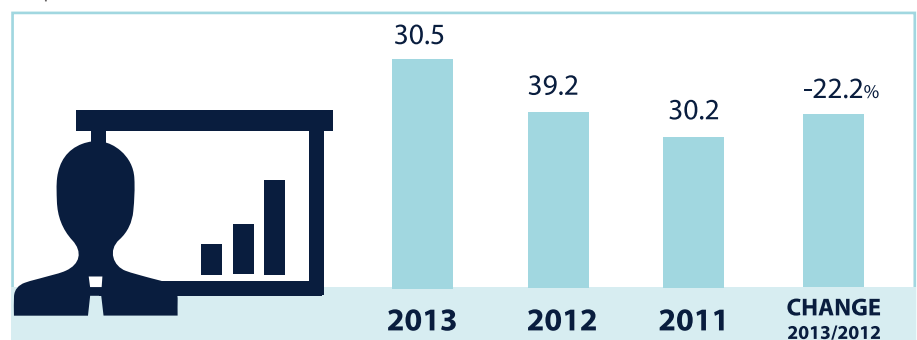
Table 28 ► **Promotions during the year (average workforce)**

	2013	2012	2011	% change 2013/2012
Executive Managers	-	-	2	-
Middle Management	-	-	5	-
Office staff	27	57	26	-53%
Blue-collar workers	4	2	3	100%
Total	31	59	36	-47%

Table 29 ► **Hours of training by category**

	2013	2012	2011	% change 2013/2012
Managerial training	5,806	7,880	5,703	-26.3%
Specialist/Role functional training	1,431	1,717	1,845	-16.7%
Safety Training	887	825	928	7.5%
Security Training	1,642	2,521	1,122	-34.9%
Total	9,766	12,943	9,501	-24.5%

Graph 14 ► **Average hours of training per employee**





5.4 Quality of work

Over the course of 2013, SAB considered it a priority to continue to listen to its employees' needs in terms of work-life balance. In this regard, two teleworking experiments have been launched, where staff work from home one day a week.

Two years on, the agreement with the insurance company that manages the supplementary health care plan has been renewed. Bologna Airport was the first in Italy to host an awareness campaign about the supplementary pension system for this sector.

In the summer of 2013, on an experimental basis, an initiative was launched to support families which provided partial reimbursement of the costs of summer camps for employees' children through direct agreements with local associations.

In early 2014, SAB cancelled the 2007 supplementary agreement which, among other things, established the parameters and regulated the award of the Performance Bonus. The intention is to pursue a different personnel management model that recognizes a more widespread well-being, by means of a flexible benefits and welfare system to be integrated with mechanisms of direct participation of workers in the company's economic and qualitative performance. A series of meetings are planned with trade unions to study and enhance the value of existing business experiences.

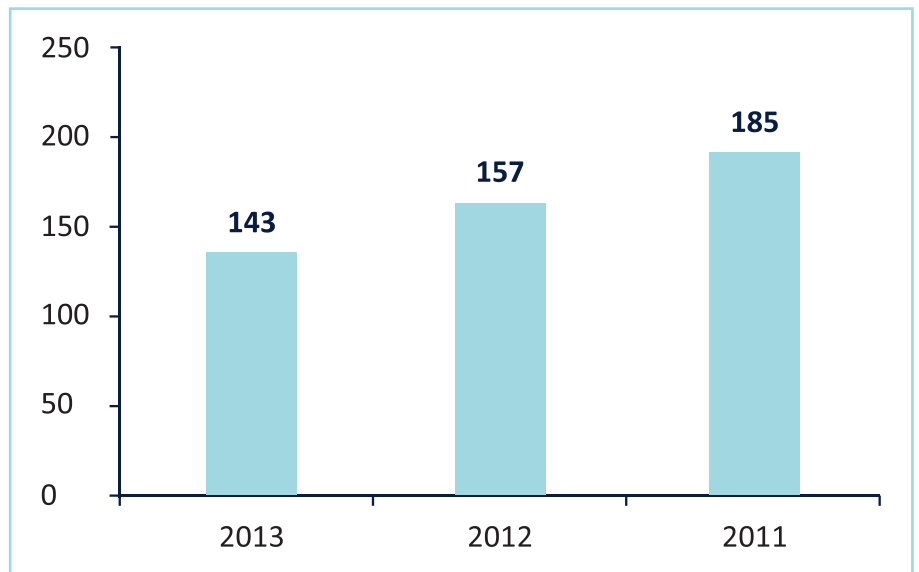
5.5 Protecting occupational health and safety

SAB ensures compliance with occupational health and safety legislation and is committed to promoting responsible and appropriate behaviour among the people working at the airport. This is demonstrated by the fact that they have maintained their Safety Management System certification in compliance with BS OHSAS 18001.

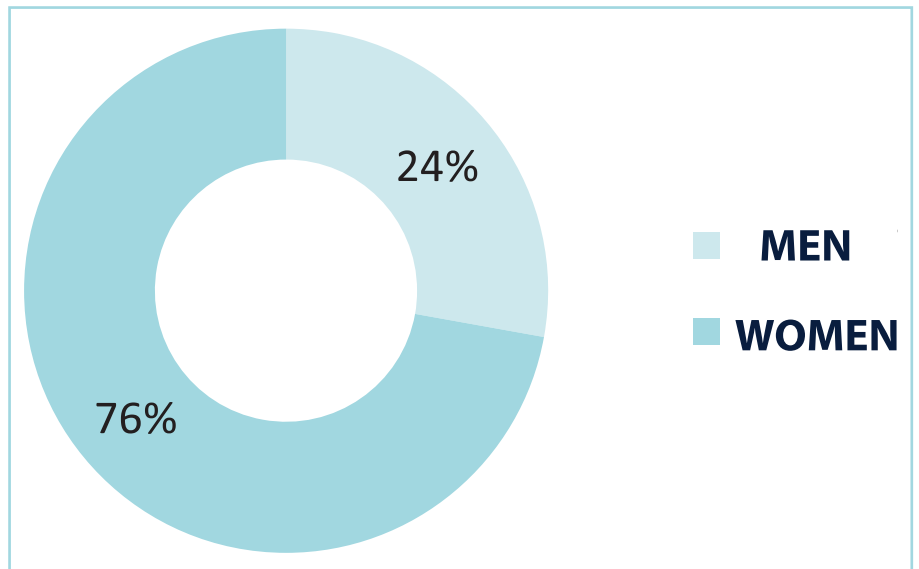
With the aim of fostering a widespread culture of safety in the workplace, the company has introduced tailor-made training courses in 2013, designed taking into consideration actual and specific operational situations.

In addition, in order to further emphasize safety awareness and ensure more effective protection and risk prevention measures, the General Manager, in the role of Employer, has set up a permanent technical committee, which meets every three or four months to analyze and discuss the

Graph 15 ► Training costs (in thousands of euros)



Graph 16 ► Use of part-time by gender



problems in this area and develop appropriate improvement plans.

The technical committee involves the direct participation of the General Manager, the Executive Managers and Employee Safety Representatives.

5.5.1 Training and Results

2013 saw the continuation of the consolidated training activities for employees to ensure their awareness of risks and preventive and emergency measures, and to promote conduct that is consistent with health and safety regulations, for their own protection and that of their colleagues.

The training indicators are in line with the trend of the previous year, confirming that training is now well established, particularly with regard to refresher 'updating' courses. In this regard, it should be noted that in 2013 there was a specific refresher course on security issues for executive management roles and for maintenance staff for the new baggage handling system.

In 2013 there was a decrease in the number of accidents compared to the previous year (from 16 to 19), as also confirmed by the decrease in the frequency index.

Regarding the extent of injury, the severity index has remained fairly constant, with a slight increase in average duration mainly due to accidents

while commuting (41% of overall days lost are in fact due to accidents while commuting, which account for 19% of total accidents).

5.5.2 Protecting workers during tenders

In addition to the contractual provisions, and consistent with the hard work and commitment in previous years, procedures to promote safety among third-party companies were carried forward, through audits, monitoring and the reporting system which, for some years now, has been extended to suppliers, customers and contractors.

Table 30 ► Health and Safety training

	2013	2012	2011
Effective hours of training (hours/year)	887	844	1,332
Employees who received training*	29%	33%	30%

* Percentage of total number of SAB employees

Table 31 ► Accidents/ injuries

	Unit of measurement	2013	2012	2011
Frequency index	Number of accidents that occur for every million hours worked	28.35	37.29	30.64
Severity index	Average number of days lost due to accidents for every 1000 days worked	0.44	0.40	1.33
Average duration of injury	Average duration of injury in calendar days (total days lost including public holidays)	10.19	8.84	28.70
Accidents while commuting	Percentage	19%	11%	47%





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