

The logo for INWIT, consisting of the letters 'INWIT' in a bold, blue, sans-serif font. The letter 'I' has a horizontal bar at the top, and the letter 'T' has a horizontal bar at the top and a vertical bar on the right side.

INTEGRATED REPORT
SUMMARY

2020



Non-financial statement

Provided on a voluntary basis in accordance with Legislative Decree 254/2016 art.7

The INWIT business model and the strategy for value creation

OUR MISSION

Management and development of infrastructures and technologies supporting the operators to improve the reception of wireless services making it more and more optimal

OUR PRINCIPLES

- Sustainable business
- Digital operations
- Resource optimization
- People & knowledge

INPUT

FINANCIAL CAPITAL	INFRASTRUCTURAL CAPITAL	INTELLECTUAL CAPITAL	SOCIAL AND RELATIONAL CAPITAL	HUMAN CAPITAL	NATUARAL CAPITAL
Financial resources Finding actions	Infrastructure and real estate Devices Technologies (e.g. 5G) Technological assets	Business know how Technological know how	Business partners Local communities Universities and research centers	Employees Collaborators	Energy consumption Resource use

BUSINESS MODEL



OUTPUT

FINANCIAL CAPITAL	INFRASTRUCTURAL CAPITAL	INTELLECTUAL CAPITAL	SOCIAL AND RELATIONAL CAPITAL	HUMAN CAPITAL	NATUARAL CAPITAL
Assets strenght	Communication Infrastructure Fiber optic connections of transmission sites	Service Innovation	Innovative projects with local communities Digitization projects in the territory	Skills growth Well-being of employees and contractors	Emissions Waste production

OUTCOMES

- Value creation
- Decrease of digital divide and increase of transmission capacity
- Development of productivity of the territory
- Distribution of new technologies (eg 5G)
- Business network development
- Local community development
- More social and digital inclusiveness
- Corporate identity and talent attraction
- Health and employment security
- Diversity enhancement and inclusion
- Environmental impacts reduction

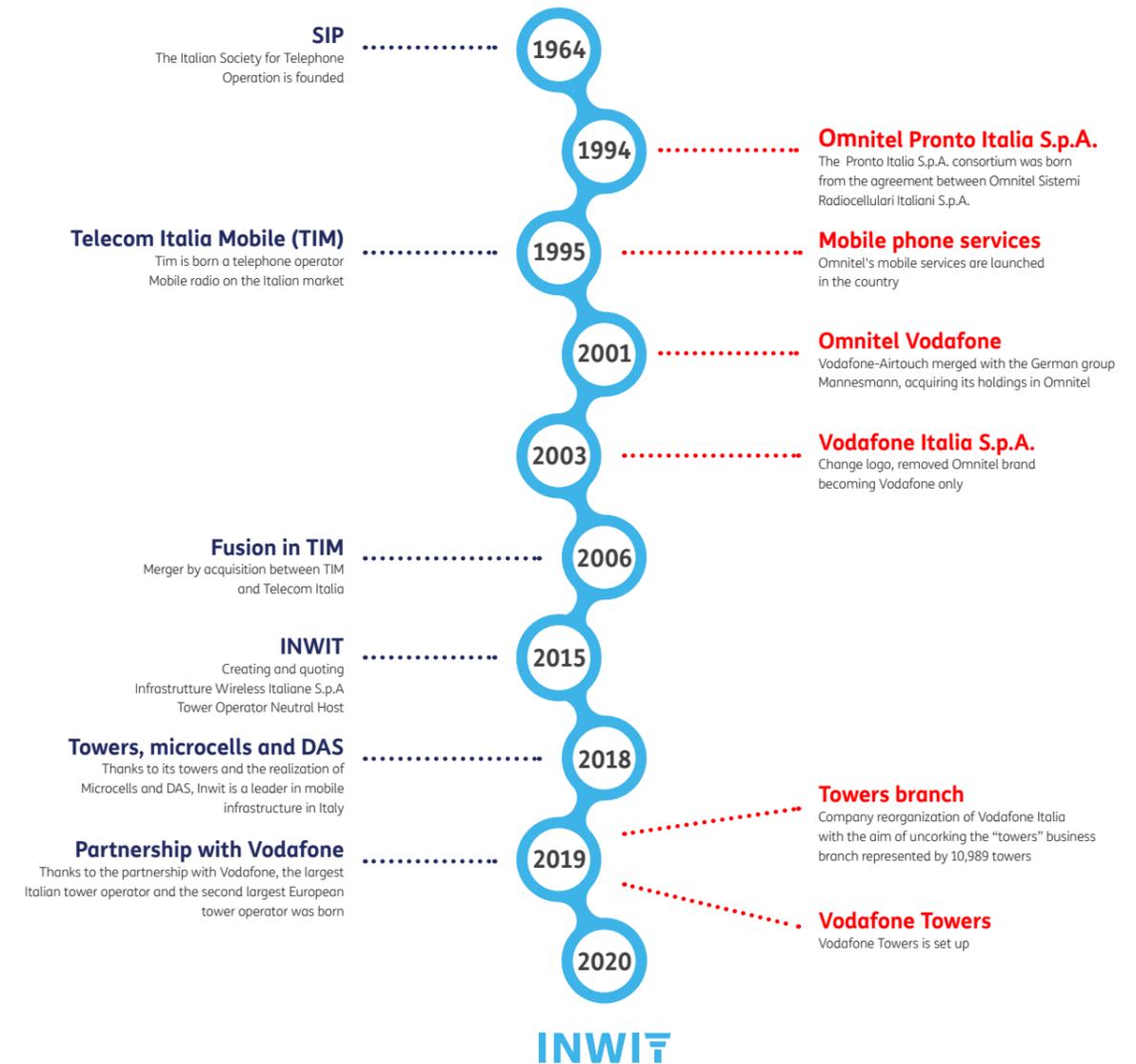
The INWIT path to date

The story of INWIT, which began in March 2015, passes through a path of intense organic growth that brought, in March 2020, to merger with Vodafone Towers, significantly changing its profile, size and strategic.

INWIT is leader in Italy with over 22,000 towers, over 41,500 hospitality and the best quality asset park.

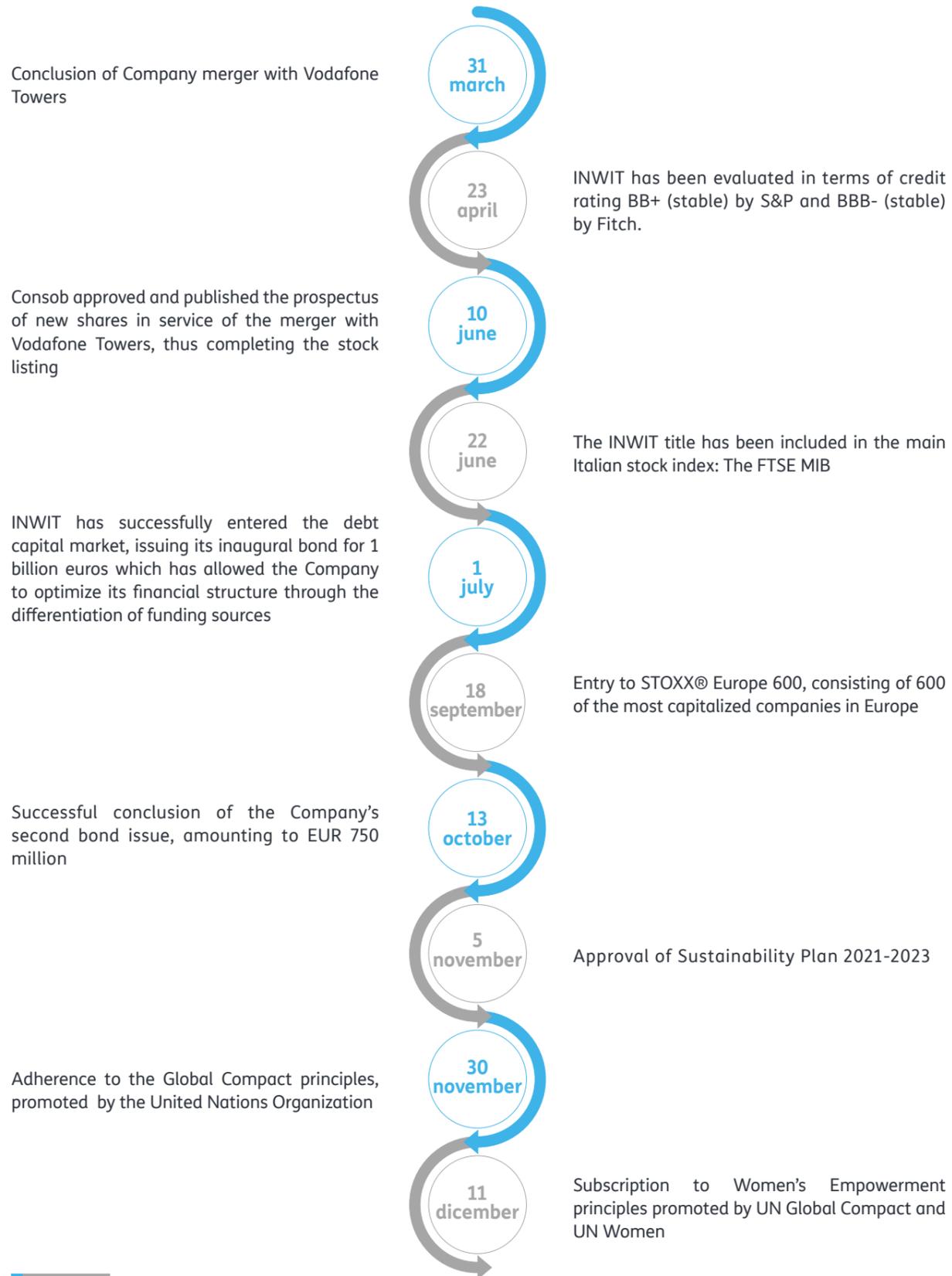
INWIT today is the largest operator in the sector in Italy.

Figure 1 The main stages of INWIT's history



Merger of INWIT and Vodafone Towers

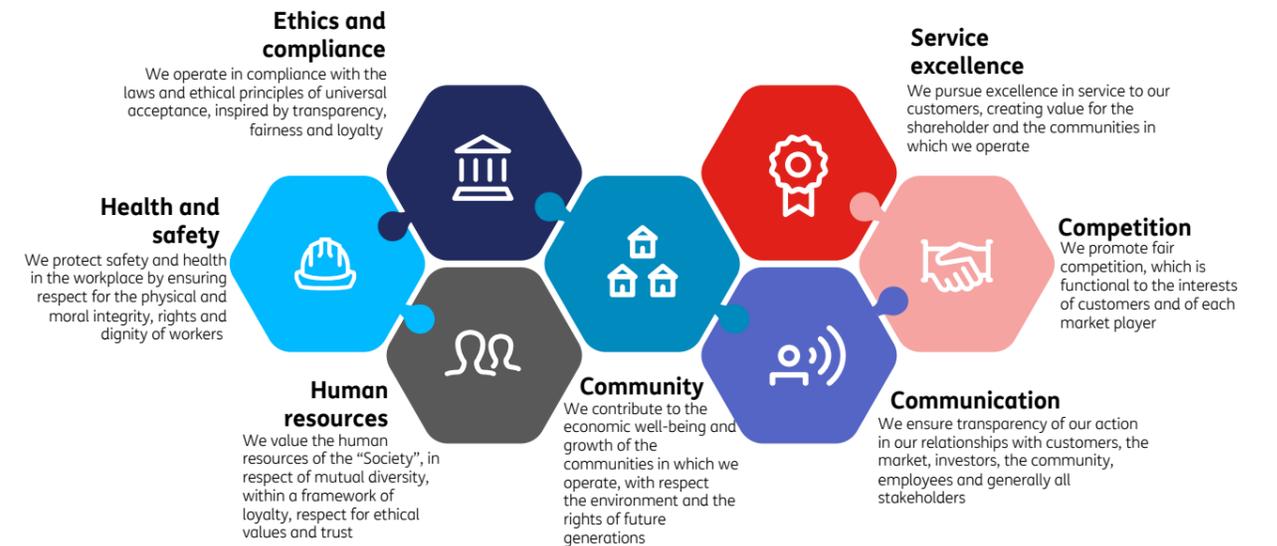
Most significant events in 2020



INWIT VALUES

INWIT directs its business activities for conducting business based on the values and principles contained in its Code of Ethics, inspiring, in programmatic terms, all the actions of the components of the social organs, management, business partners, as well as internal and external collaborators.

Figure 2 INWIT values



Source: Code of Ethics

INWIT has also **subscribed the Global Compact principles promoted by the United Nations**, referring to human rights, labour standards, environmental protection and anti-corruption, committing to integrate the ten principles into the company's strategy, culture and daily operations.

In addition, in order to strengthen its commitment in terms of inclusion and sustainability, INWIT has **signed up to the Women's Empowerment Principles** promoted by the UN Global Compact and UN Women.



Competitive positioning

In current context, which the importance of digitization, innovation and competitiveness are key elements for security of company production system and Public Administration of the post-Covid, **INWIT plays a strategic role in the development of digital infrastructures**, to support telecommunications operators, responding to market needs related to the evolution of wireless technology that is extending 5G coverage and related densification requirements, an important development element.

As a testament to this effort, **INWIT has updated the 2021-2023 Industrial Plan** by identifying 4 growth pillars and 4 enablers.

GROWTH PILLARS



ENABLERS



SUSTAINABILITY FOR INWIT

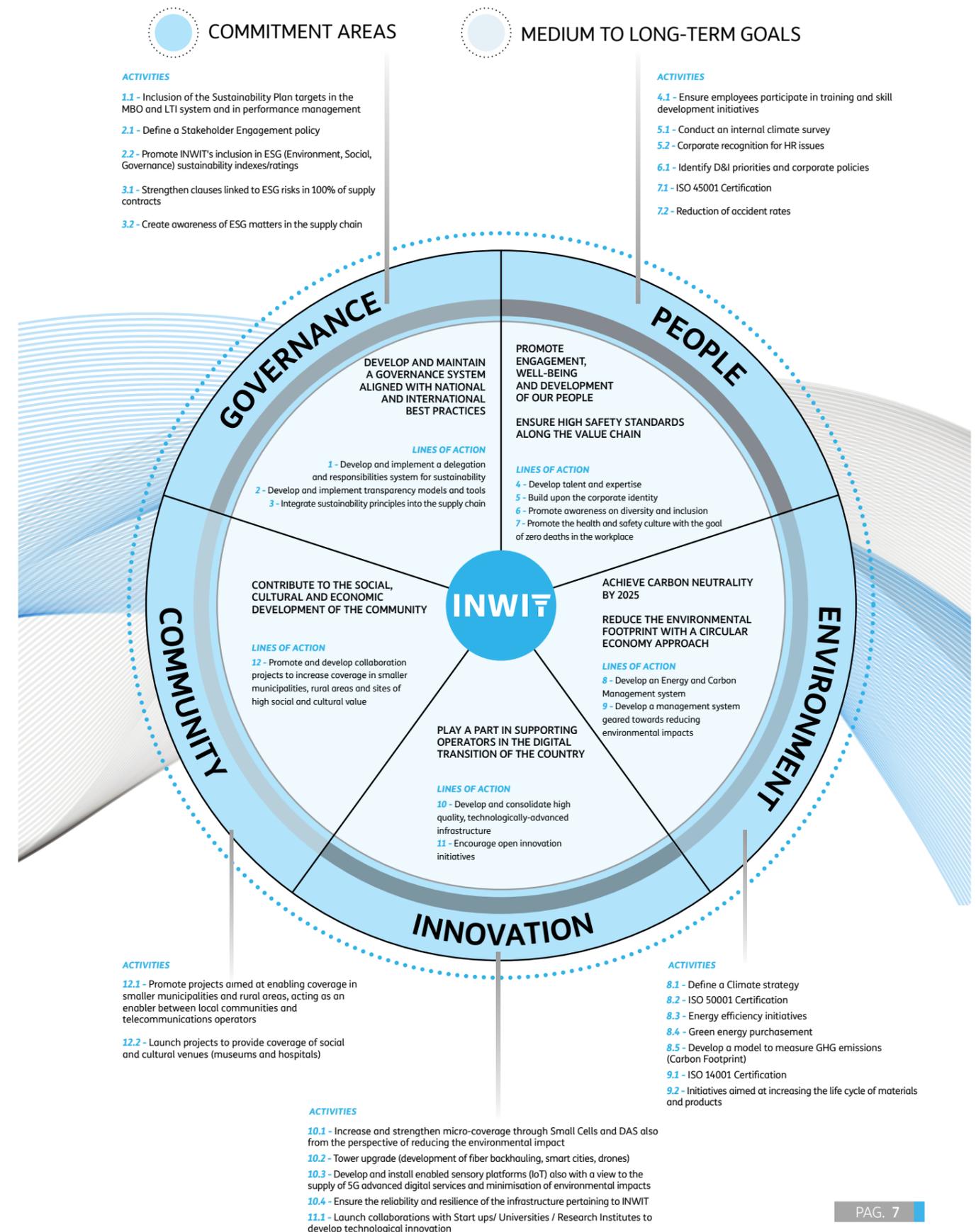
Aiming to generate value in a long-term perspective and contribute to the growth, improvement and social and economic development of the communities in which it operates, **INWIT has accelerated on the road of sustainability.**

The **Sustainability Plan 2021-2023** has been defined and approved among the activities undertaken.

Figure 3 SDGs identified and included in the Sustainability Plan 2021-2023 by INWIT



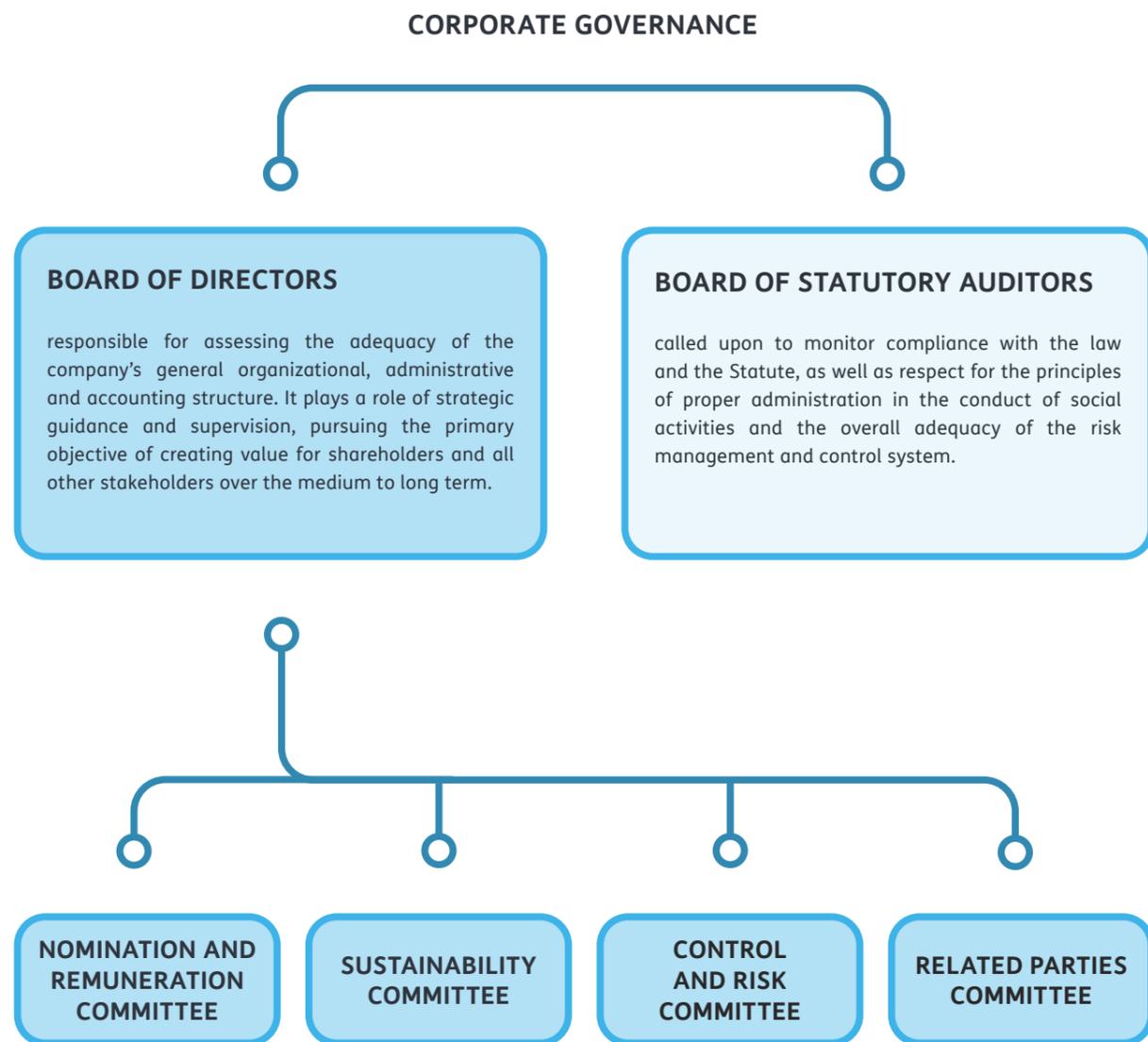
Inwit sustainability plan 2021-2023



GOVERNANCE

Carrying out all its activities, INWIT's corporate bodies members comply with the applicable law, the 231 organizational model, the Code of Ethics and Conduct adopted by the Company, the Statute and the Code adopted by Borsa Italiana, the Anti-Corruption Policy, the principles of self-discipline and the regulations governing corporate bodies functioning.

The Corporate Governance System:



In order to ensure that the conduct of all those who operate on behalf of or in the interest of the Company is always in accordance with the principles of legality, correctness and transparency in the business conduct and business activities, INWIT has **provided an organizational model of internal control and management in accordance with Legislative Decree no. 231/01.**

The organizational model ex D. Legislative Decree 231/01 is divided into:

- **CODE OF ETHICS AND CONDUCT** where, as will be subsequently argued, the founding values and principles underlying the Company in the conduct of business are indicated
- **GENERAL PRINCIPLES OF INTERNAL CONTROL:** the "instruments" intended to provide a reasonable guarantee of achieving the objectives of operating effectiveness and efficiency, reliability of financial and management information, compliance with laws and regulations, and safeguarding of social heritage even against possible fraud
- **PRINCIPLES OF CONDUCT,** where specific rules of conduct have been introduced in relations with third parties, as well as for the performance and activities of a corporate nature
- **INTERNAL CONTROL SCHEMES** developed for business processes at risk, both operational and instrumental, and structured in:
 - rules for identifying the main phases of each process
 - offenses which may be committed in relation to individual processes
 - specific control activities to reasonably prevent the related risks of crime
 - behavioral indications
 - appropriate information flows to the Supervisory Body to highlight possible crime situations to be investigated

INWIT has adopted an internal control and risk management system, designed to allow - through a process of main risks identification, measurement, management and monitoring - a healthy, correct and coherent management of the business with the objectives set, compliant with the Code of Ethics and the principles of self-discipline of the Company approved by the Board of Directors. In this respect, INWIT has adopted a dedicated **Enterprise Risk Management Framework (ERM),** which aims to identify and assess potential events that may affect the achievement of key business objectives defined within the Strategic Plan.

INWIT's ERM Framework is a cyclical process involving several steps:

- **RISK IDENTIFICATION**
- **RISK EVALUATION**
- **RISK MITIGATION**
(For each remaining Top risk determined during the Risk Evaluation phase)
- **RISK REPORTING**
(quarterly reporting to the Top Management)

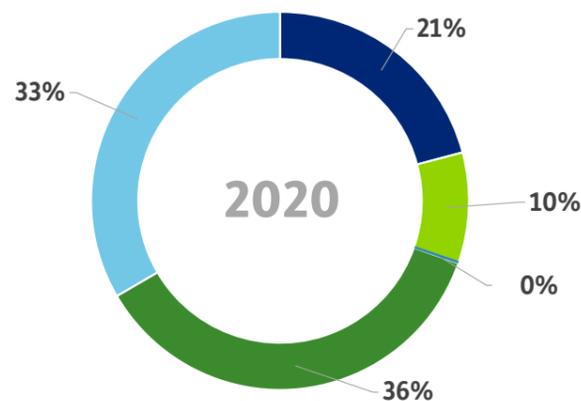
In 2020, for each material topic INWIT has identified the main ESG risks and opportunities.

Financial Capital

INWIT, through its activities, also contributes to the development of the economic and social fabric of the areas in which it operates.

INWIT generated **an economic value of over 663 million euros in 2020. The distributed value, more than EUR 192 million**, represents the capacity to meet the needs of its stakeholders, in particular toward its suppliers of goods and services (reclassified operating expenses), toward its employees (staff salaries), toward the community, toward financiers and shareholders and toward the public administration.

DISTRIBUTED ECONOMIC VALUE



- Suppliers
- Personnel
- Community
- Financing and shareholders
- Public Administration

Infrastructure Capital

As the first Tower Operator in Italy, and as neutral host, the company's core business is identified in the offering of "integrated hospitality services" with over 22,000 towers distributed throughout Italy. In this period INWIT is expanding its business by developing a plurality of integrated services that, on one hand, aim to ensure an increasingly effective reception of mobile telecommunications services, and on the other hand, enable the company's business to be diversified.

THE SERVICES OFFERED BY THE COMPANY INCLUDE:



Integrated services of hospitality, providing: Infrastructures for the realization of wireless networks, towers and trestles for the antennas, wirings, parables, spaces for the equipment, technological systems for the feeding and the conditioning



Realization of indoor and outdoor coverings with micro-cells and distributed antenna system (DAS) in stations, hospitals, airports, museums, universities, industrial plants, highways, shopping centers, stadiums and places of aggregation and entertainment



Site access and security management services, 24h supervision, routine, corrective and extraordinary maintenance



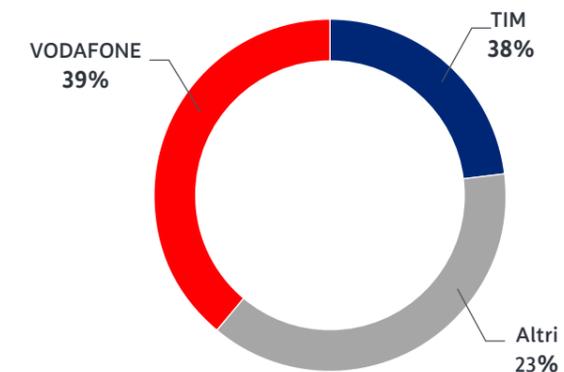
Design and creation of new sites



Fiber-optic links of transmission sites (Tower or DAS) to increase backhauling capacity

INWIT'S KEY CUSTOMERS:

Figure 4 Hospitality distribution (%) until 31.12.2020



OTHER COMPANY CUSTOMERS ARE:

- Fixed Wireless Acces (FWA) operators such as Linkem, Fastweb, and Open Fiber, providing mobile radio services based on GSM, UMTS, LTE, or radio licensing technologies in other wireless technologies (e.g. Wireless Local Loop, Hyperlan, WiMAX, Point-to-Point and Point-to-Point PDH and/or SDH)
- Broadcasting service operators for broadcasting and broadcasting of radio and television signals (e.g. DVB-T standard technologies)
- Institutions, public bodies, Armed forces for the creation of private networks

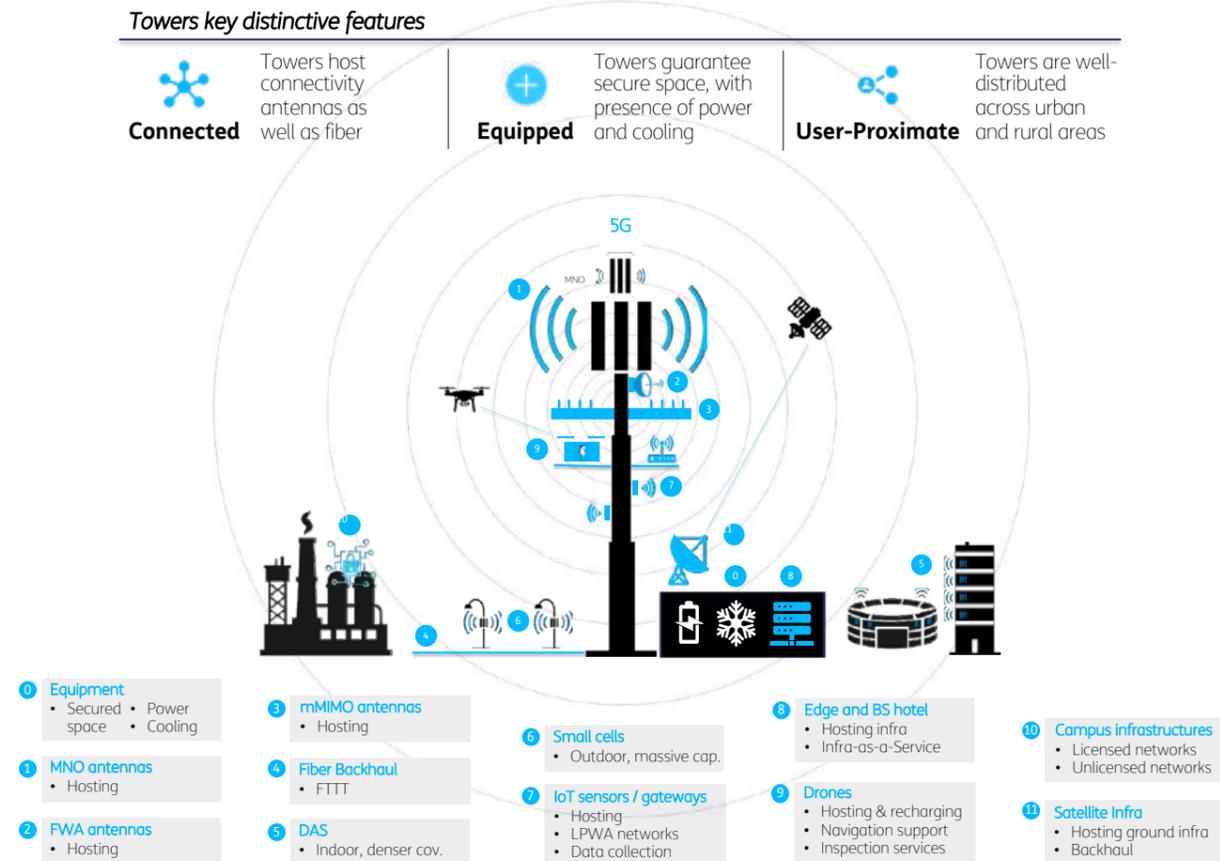
Intellectual Capital

INWIT introduces the innovation among the main 5 areas of intervention foreseen in the sustainability plan 2021-2023 on which it will focus in the coming years, with the aim of **being an actor in support of operators in the digitization of the Country**, contributing significantly to the wireless coverage of the Italian territory, also depending on the development of new technologies, starting with 5G and FWA.

In 2020, INWIT continued its innovation path to support the new 5G networks:

- Equipping with new technical specifications for the creation of new sites and energy systems, designed to support the new types of MIMO massive antennas and the greatest energy requirements of 5G equipment. These new types can also accommodate from a minimum of 2 to 4 or more tenant, depending on specific needs
- Realizing a new experimental solution of small cell with equipment and antennas housed inside new type of road wells, able to house also the future 5G apparatuses
- Completing certification of new DAS technology solutions for The integration of 5G
- Launching some trials and proof of concept to support the evolution toward the Smart Tower, aimed at transforming from infrastructure for the hospitality of radio transmission systems, to the technology center, where IoT components, drones, communication systems, are combined to support telecommunications operators.

Figure 5 Smart Tower



Social and Relational Capital

INWIT strongly believes that digitization of the country represents an opportunity for development that fully integrates all dimensions of sustainability, ensuring equality of opportunity in the use of the network and in the development of a culture of innovation and creativity, combating new illiteracy and social and cultural discrimination, in line with the targets of the Sustainability Plan.

INWIT pays strong attention to the development of communities, demonstrating an active part in responding to the needs manifested by the territories in which it operates.

Hospitals

Installed DAS systems in more than 15 hospitals. With DAS technology, telemedicine can work better, and patient families can feel closer to their loved ones, even more so in this delicate phase of health emergency.



Museums

the mobile coverage was realized in the MAXXI Museum, the first museum structure in Italy to have a 5G ready DAS system.



University

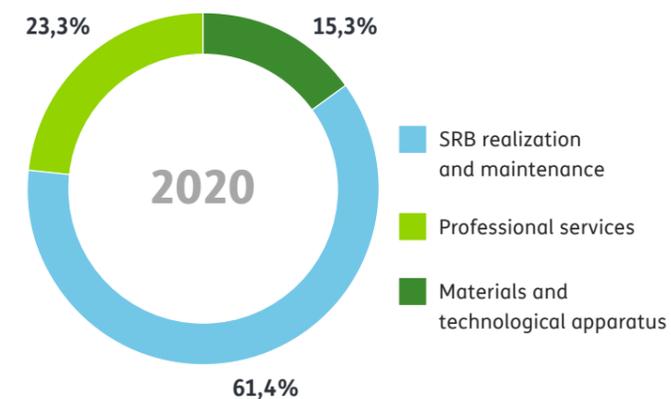
INWIT supports Italian culture by investing in the coverage of important Universities such as Luiss and Federico II University of Naples, realizing a mobile coverage that allows to improve and expand the opportunities of study, diversifying and modernizing the activities of universities.



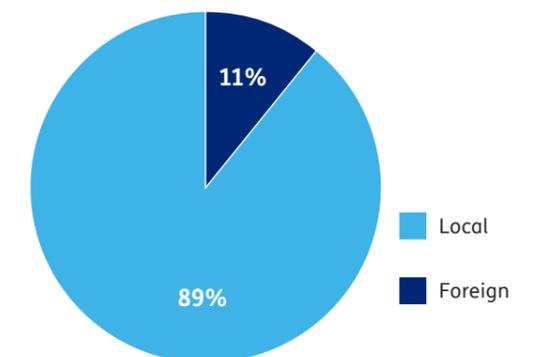
Business partners

During 2020, INWIT has maintained commercial relations with **354 suppliers**, of which **169 new suppliers**, for a total expenditure of **about 98 million euros** (61% SRB implementation and maintenance services, 23% professional services and 15% suppliers of materials and technological equipment). The **89% of the expenditure** incurred in 2020 can be defined **as local**, as it relates to suppliers operating on the Italian territory (the remaining 11% of foreign origin).

MONETARY VALUE OF PAYMENTS MADE TO SUPPLIERS



GEOGRAPHICAL DISTRIBUTION OF EXPENDITURE OF 2020



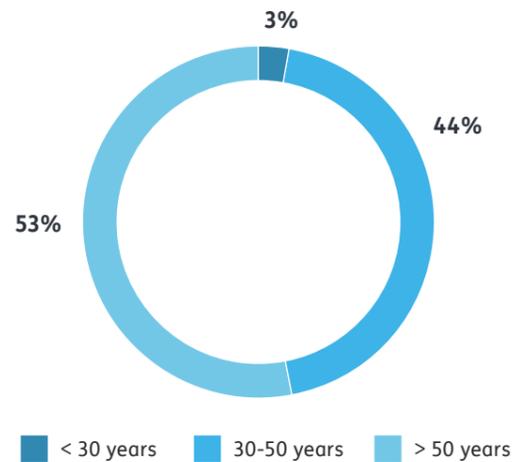
Human capital

The involvement, well-being and development of people are some the pillars of INWIT's sustainability strategy, in awareness that a business culture that is oriented toward including and enhancing diversity will bring about a change for all stakeholders, generating a positive impact on the society in which we operate.

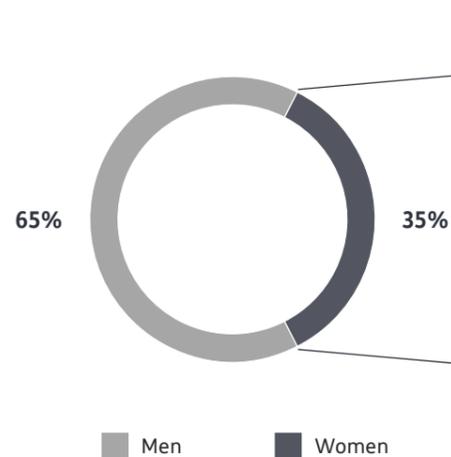
As of 31 December 2020, INWIT has **206 employees**, 99% of which are full-time and permanent. **Women** account for **35% of** the total number of employees. By 2020, **there was a 69% increase in employees** over the previous year, reflecting the merger with Vodafone Tower and the hiring policy, with **a 58% employment rate**.

INWIT uses an integrated system of people's development aimed at evaluating and exploiting both performance and potential at the same time.

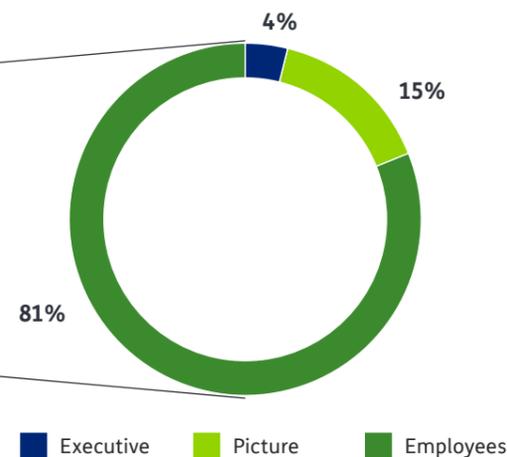
EMPLOYEES BY AGE GROUP



EMPLOYEES BY GENDER



PERCENTAGE OF WOMEN BY PROFESSIONAL CATEGORY



INWIT ESTABLISHED THE DIVERSITY & INCLUSION TEAM IN 2020

For first time, **a widespread shareholding plan** was aimed at all employees, with the aim of promoting the “active” participation of people in the Company's results and investing in the sense of identity to which **98% of employees joined**.

INWIT invests in quality training with the aim of supporting knowledge, the use of new technologies and the professional growth of people.

THE TRAINING HOURS PROVIDED IN 2020 WERE APPROXIMATELY 4,000, WITH AN AVERAGE OF 19 HOURS PER EMPLOYEE

Safety at work and the anti-Covid19 extraordinary measures

For INWIT the innovation, sustainability and care of people are key values for success. In 2020 **there was only one accident at work**.

With regard to the issue of employee health, in the face of the Covid 19 emergency, INWIT intervened with specific actions to protect personnel:

- large-scale use of **smart working** with the provision of the necessary equipment (laptop, ergonomic chair, headphones and monitors)
- provision of **specific training on safety protocols to all persons**
- continuous **sanitation of working environments** and restructuring of working environments to ensure social separation and use of an app to regulate presence at the workplace
- **a voluntary serological test campaign** involving **approximately 100 employees**
- all employees and their family members were given the opportunity to administer **the influenza vaccine over 18 years**.

In addition to the measures described above, and in order to increase the level of protection of personnel, INWIT has also made use of the best technologies on the market for the monitoring of environments, to detect the degree of sanitization of surfaces in common areas and to exclude the presence of pathogens of Covid-19. In addition, Covid-19 e-learning seminars were provided to 166 employees for a total of 250 hours.

Natural Capital

In 2020, INWIT started a path aimed at progressively improving the monitoring activities of the use of natural resources (materials and energy) and the environmental impacts generated by the activities of the organization. Specifically:

- activities for definition and implementation of an Environmental Management System and an Energy Management System were started, with the aim of certification ISO 14001 and ISO 50001 respectively by 2023
- process of supplying energy from renewable sources (55% of electricity) has been initiated
- new "Energy Management" function has been established, dedicated to the management of the active and passive cycle, the forecasting phase, the management of the allots, as well as the activities related to energy and carbon management
- for the first time, the company carbon footprint was measured

INWIT energy consumption

Energy consumption is mainly due to the supply of radio-base stations and to a residual extent to the supply of offices distributed in the territory, to the supply of power to the car park and to the power generators.

Table 1 INWIT energy consumption in 2020 (GRI 302-1)

Type of energy consumption	UdM	2020
Non-renewable fuels, of which:	GJ	22.087
Methane gas	GJ	742
Diesel fuel for automotive use	GJ	1.749
Diesel fuel for generator sets	GJ	19.426
Petrol for road traction	GJ	170
Electricity from non- renewable sources, of which:	GJ	938.870
Electrical power for radio base stations	GJ	936.531
Electrical power for offices	GJ	2.339
Electricity from renewable sources	GJ	1.159.670
Electrical power for radio base stations	GJ	1.159.670
TOTALE		2.120.627

INWIT emissions

In accordance with greenhouse Gas (GHG) Protocol, the emissions generated are divided into:

SCOPE 1	SCOPE 2	SCOPE 3
i.e. direct emissions related to INWIT's activities, which are mainly derived from the use of fossil fuels	i.e. indirect emissions associated with electricity generation	other indirect emissions currently associated with GHG Protocol categories Fuel and energy related activities not included in S1 or S2 and upstream transport and distribution, with reference to materials supplied during the year.

Table 2 Direct and indirect emissions in 2020 (GRI 305-1;305-2; 305-3)

	UdM	2020
Direct emissions - scope 1	tCO2eq	1.542
From methane gas	tCO2eq	42,6
From diesel fuel for automotive use	tCO2eq	122,9
Diesel fuel for generator sets	tCO2eq	1.365,1
From petrol for road traction	tCO2eq	11,6
Indirect emissions - scope 2 (Location based)	tCO2eq	168.991
from electricity from renewable sources	tCO2eq	93.385,6
from electricity from non-sources renewable	tCO2eq	75.605,2
Other indirect emissions - scope 3	tCO2eq	9.545
from goods transport activities	tCO2eq	79,9
from network loss	tCO2eq	9.463,5
fugitive emissions	tCO2eq	2,09
Total emissions		180.078

Table 3 2020 emissions generated by electricity consumption (Scope 2) according to LB and MB approaches

	UdM	2020
Total scope 2 Location based	tCO2eq	168.991
Total scope 2 Market based	tCO2eq	65.301



INWIT

INTEGRATED REPORT | 2020
SUMMARY

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