



2017 CONSOLIDATED
STATEMENT OF
NON-FINANCIAL INFORMATION

pursuant to Articles 3 and 4 of Legislative Decree 254 of 2016

CONTENTS

1. Introduction	4
2. Estra and Sustainability	6
2.1 Materiality analysis	6
2.2 Stakeholder engagement	8
3. Management and Risk Management Model	10
3.1 Illustration of business risks	11
3.1.1 Environment	11
3.1.2 Company (supply)	12
3.1.3 Personnel	13
3.1.4 Respect for human rights	14
4. Group Certifications	15
5. Anti-Corruption Policies	18
6. Personnel and Training	21
6.1 Employment	23
6.2 Human capital growth	27
6.3 Occupational safety	28
6.4 Equal opportunities	29
6.5 Work-life balance	31
6.6 Freedom of association and industrial relations	31
7. Social Issues	33
7.1 Customers	33
7.1.1 Quality of services offered	35
7.1.2 System safety	38

7.1.3 Transparency in customer relations	39
7.1.4 Reputation and brand	40
7.2 Suppliers	41
7.2.1 Tender applications	46
7.3 Local community	47
7.3.1. Community and local development projects	48
7.3.2 Environmental education	51
7.3.3 Dialogue with Public Bodies	51
8. Research and Development	53
8.1 Innovative products and projects	53
9. Environment	56
9.1 Protecting the local area	57
9.1.1 Energy production plant	57
9.1.2 Consumption	59
9.1.3 Atmospheric emissions (generated and avoided)	61
9.1.4 Activities to improve energy efficiency on the sites	61
9.2 Waste management	63
Methodology Used	64
GRI Content Index	67

1. INTRODUCTION

Estra S.p.A. (hereunder also “Estra”), having issued on 28 November 2016, an unsecured non-convertible debenture loan on the regulated market of the Dublin Stock Exchange and having employee, balance sheet and net income figures above the thresholds provided by Article 2, paragraph 1, is subject to the application of Legislative Decree 254 of 30 December 2016 “Implementation of Directive 2014/95/EU of the European Parliament and the Council of 22 October 2014, amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups” (hereunder also “Decree”).

The Consolidated Statement of Non-Financial Information (hereunder also DNF) of the Estra Group at 31 December 2017 was drawn up in accordance with the provisions of Decree 254/16 and is a separate document from the Report on Operations, as provided for by the Decree (Article 5, paragraph 3b).

The information contained in the Consolidated Statement of Non-Financial Information refers to the companies wholly consolidated in the Group Consolidated Financial Statements at 31 December 2017. The following companies have been excluded for the reasons given below:

- being a company created on 7 August 2017 by the de-merger from Edma Reti Gas. TuArete manages the gas distribution concessions in the Municipalities of Mosciano, Citerna, Rieti and Magione;
- EDMA: being a holding company that became part of the consolidated Group on 28 December 2017.

Only the balance sheet, and not the income statement, was included in the consolidated financial statements for both companies, TuaRete and EDMA.

In addition, it should be noted that the figures relating to Verducci Servizi Energie, merged by incorporation into Estra Energie in 2017, are not material for purposes of an overall understanding of the commercial quality offered to customers by the Estra Group due to this company’s small number of customers (2,700). These figures are hence excluded from the report.

Further exclusions from the scope are indicated in respect of individual indicators or topics.

The figures reported refer to the 2017 calendar year; a comparison of the quantitative information for the latest two-year period 2016-2017 has been illustrated for comparative purposes, where possible.

The reporting standards adopted by Estra for the preparation of its Consolidated Statement of Non-Financial Information are the GRI Sustainability Reporting Standards, published by the Global Reporting Initiative in 2016.

In particular, as required by GRI Standard 101: Foundation (paragraph 3), reference has been made within the Consolidated Statement of Non-Financial Information to the Reporting Standards indicated in the Methodology Note attached to this document (GRI Referenced).

The materiality of each topic covered in this report is illustrated in respect of the analysis carried out by Estra, the related risks, Group policies, results achieved and related quantitative indicators.

The figures were gathered from Estra's various responsible functions using the Company's management systems, specific software and numerous reports. The company function responsible for Sustainability and Corporate Social Responsibility provided the necessary coordination and prepared this document.

This Consolidated Statement of Non-Financial Information was approved by Estra's Board of Directors on 5 March 2018 and subjected to limited audit by EY S.p.A.

The Consolidated Statement of Non-Financial Information is published in the section "The Group" of the Company website (www.estra.it).

2. ESTRA AND SUSTAINABILITY

Founded in 2010, Estra issued a Sustainability Summary for 2014 and produced its first Sustainability Report for 2015, followed by another for 2016. Its focus on sustainability reporting issues therefore began five years after its establishment. Having systematised all the administrative and accounting aspects, it was the right time to prepare also a Sustainability Report — the final piece in the puzzle of total corporate accountability.

Estra is aware that its ability to create value also encompasses more and more elements that are not traditionally taken into consideration: from reputation to the environment, human and social issues, and organisation. These elements have to be included in a detailed and thorough manner within planning processes, as they are key to quality and development.

Sustainability issues help to redefine the processes, making it possible to tackle change and respond to the needs and expectations of the world in which the company works, with a view to maintaining long-term profitability.

2.1 Materiality analysis

The concept of Materiality is defined by the GRI Sustainability Reporting Standards as follows: *“An organisation is faced with a wide range of topics on which it can report. Relevant topics, which potentially merit inclusion in the report, are those that can reasonably be considered important for reflecting the organisation’s economic, environmental, and social impacts, or influencing the decisions of stakeholders. In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them”* (GRI Sustainability Reporting Standards).

At Estra, the process of identifying material topics began during 2016, through the active involvement of a broad number of individuals, both internal and external to the Group.

An initial phase saw the analysis of the GRI-G4 guidelines (guidelines applied for the drafting of the 2016 Sustainability Report, now replaced by the GRI Standards) and the Group’s industrial plan. This produced the first list of material topics, also corroborated by the examination of sector-specific documents and those drawn up by Utilitalia, as well as by an analysis of the material topics of other similar companies operating in the utility sector.

During a second phase, the identified topics were grouped together on the basis of aspects that then underwent an internal evaluation, carried out by a team of around thirty people (including directors and managers of departments already involved in drafting the 2015 Sustainability Report, as well as members of the Board of Directors). At the same time, these aspects were presented to three groups of stakeholders (partners, suppliers and strategic consultants,

banks), selected on the basis of their authoritativeness and their knowledge of the Company and its sector, as well as their ability to offer innovative and original points of view.

During the assessment, the Company's functions and the stakeholders were presented a form containing a list of topics, broken down based on the reporting standard indications. They were asked to rate each topic on a scale from 1 to 7, assigning 1 to topics deemed to be not material and 7 to those deemed to be very material.

The material topics that emerged from the analysis are listed in the following table, reconciled with those identified by Italian Decree 254/2016:

Topics as per Legislative Decree 254/2016	Topics of the Consolidated Statement of Non-Financial Information
Anti-corruption and bribery matters	Anti-corruption policies
Personnel	<ul style="list-style-type: none"> Employment and work-life balance Human capital growth Safety in the workplace Equal opportunity Freedom of association Industrial relations and regulators
Company	<ul style="list-style-type: none"> System safety Management efficiency and transparency Transparency in dealings with customers Reputation and brand Tender applications Social impact of suppliers' operations Local development projects Environmental education Dialogue with public bodies Stakeholder engagement Service quality

Environment	<ul style="list-style-type: none"> Protecting the local area Impact of the vehicle fleet Energy efficiency Renewable sources and emission reduction Waste management Environmental impact of suppliers' operations
-------------	--

Human rights	<ul style="list-style-type: none"> Supply chain sustainability Equal opportunities
--------------	--

2.2 Stakeholder engagement

Engaging stakeholders and satisfying their expectations is a key objective for the Estra Group, as demonstrated by the numerous initiatives undertaken over time and dedicated to the various stakeholder categories. These initiatives form part of a context of environmental respect and protection, employee enhancement, client satisfaction, ongoing dialogue with the community and municipalities, close focus on the supply chain and transparent communication with shareholders and lenders.

These are the main initiatives regarding stakeholder dialogue and engagement (2017)

Stakeholder	Initiatives
Shareholders	<ul style="list-style-type: none"> Periodic meetings with shareholders Shareholders' meetings
Clienti	<ul style="list-style-type: none"> Gas and electricity customer satisfaction survey Convention with industrial customers and gas and electricity wholesalers Monthly newsletter to those registered in the customer area Estra TV channel screened to the public in our offices
Lenders	<ul style="list-style-type: none"> Convention with Estra Spa's main lenders

Corporate community	<p>Meetings to present strategic lines</p> <p>Corporate sales team meetings</p> <p>Meeting for gas and electricity sales company personnel</p> <p>Meeting for gas distribution company personnel</p> <p>Meeting with all employees for the 2016 year appraisal and year-end celebrations, held in Prato, Siena and Arezzo</p> <p>Development of the MyEstra website</p>
Indirect shareholders (Municipalities)	<p>Monthly newsletter</p>
Suppliers	<p>Convention with the main suppliers Estra Energie and Estra Eletticità</p>
Community	<p>News bites transmitted on regional and local television channels</p> <p>Posts published on the Facebook page</p> <p>Information published on the www.estra.it website</p> <p>Press releases and conferences</p>

3. MANAGEMENT AND RISK MANAGEMENT MODEL

In compliance with the regulations set out in Legislative Decree 231/2001, in 2010 the Estra Group adopted an Organisation, Management and Control Model, which serves as a management tool for establishing a company prevention and control system to prevent the commission of the offences provided for in the Decree. More specifically, to date the companies of the Estra Group that have adopted this Model are: Estra, Estra Energie, Centria, Estra Elettricità, Gergas, Prometeo, Solgenera, Estra Clima and Estracom.

Companies within the reporting scope that have not adopted a Management Model are either recent acquisitions (Piceno Gas Vendita and Gas Tronto) or have few or no employees (Eta3, Cavriglia, Tegolaia).

In structural terms, the Model consists of an organic system of ex-ante and ex-post control procedures and activities, the configuration of which has been based on:

- the requirements indicated in Legislative Decree 231/2001 and the related accompanying report;
- Utilitalia and Confindustria guidelines;
- the Position Papers of the Italian Association of Internal Auditors (AIIA) and the primary legal guidance on the matter.

The Model is constantly updated to comply with regulatory change. In this sense, for instance, it is important to note that the crime of market abuse will be added to the Model in 2018. This is a category already included in the predicate offences of liability pursuant to Legislative Decree 231/2001. This crime takes place when persons, profiting from confidential information, distribute false information or manipulate the mechanism for determining the price of financial instruments, causing unfavourable consequences for investors. The inclusion of this type of offence in the Model not only meets the Group's current need, in its capacity as an issuer of debt securities, to provide investors with adequate guarantees, but also the future need to adopt an organic system of safeguards and controls that is essential for operating on those financial markets that the Group will start to approach as early as 2018.

The Supervisory Board (ODV) constantly oversees the model's implementation and compliance, being vested with autonomous powers of initiative, action and control, which extend to all the Company's sectors and functions. These powers must be exercised to ensure that the tasks specified in the Model and the rules for its implementation are performed

effectively and promptly, and that effective and efficient oversight of the Model's functioning and compliance is provided, as laid down in Article 6 of Legislative Decree 231/2001.

In detail, the Supervisory Board performs the following duties:

- overseeing the Model's effectiveness, in other words that recipients comply with its requirements;
- monitoring the Model's implementation and updating;
- verifying the Model's adequacy, in other words its efficacy in preventing unlawful conduct;
- assessing that the Model remains stable and effective over time and promoting its update, where needed;
- approving and implementing the annual programme of supervisory activities within the Group's structures and functions;
- ensuring the respective reporting flows to the Board of Directors and business functions.

During the period between September and December 2017, all the companies that adopted the Model have reappointed their Supervisory Board, which will remain in office for three years up to approval of the 2019 financial statements. Estra S.p.A appointed a Supervisory Board which is the same for all the companies that have adopted the Model. The Supervisory Board is made up of five members, of which four are external and one internal. The internal member serves as the Head of the Internal Auditing of Estra S.p.A.

Regarding the business risk issue, the main risks are illustrated below. It should be noted that the risks described in the following section have been assessed by ESTRA in qualitative terms for purposes of preparing this Consolidated Statement of Non-Financial Information, since the assessment and management model for business risks at corporate level is still at the implementation stage.

3.1 Illustration of business risks

3.1.1 Environment

Environmental risks have always been absolutely central for energy sector operators. This is due to the strong link with economic, social and environmental development issues especially, but not exclusively, and their impact on local communities.

It has been shown that the effects of climate change can have a significant influence both on the value of company assets and the energy system overall, and this has given rise to a

new category of risks. This category, which is linked to the increasingly frequent occurrence of extreme meteorological events that can cause damage to infrastructures and electricity service continuity, has highlighted the need for operators in the sector to take action to reinforce infrastructure systems and implement prevention and mitigation solutions. The Estra Group is perfectly aware of this scenario; however, since it is not an electricity distributor, it is not in a position to take concrete action to mitigate the risk of the electricity service being interrupted.

Conscious of the fact that measures to reinforce and maintain infrastructures, as well as to prevent and mitigate potential risks caused by such infrastructures possibly being weakened, may contribute to enhancing medium-long term environmental performance, the Estra Group has drawn up policies and improvement actions designed to prevent potential environmental risks. Energy-saving and procurement diversification policies are adopted by the Parent Company and companies included in the “Natural gas and electricity sales” Strategic Business Unit (SBU) where the production process has no significant impact in environmental terms and is not subject to specific environmental regulations, together with companies in the “Gas Distribution” SBU and the “Energy Services” Activity Area (ADA). In the “Gas Distribution” SBU and “Telecommunications” ADA, where the production process involves excavations on public land and the creation of waste subject to specific environmental legislation, the monitoring and continual improvement measures undergo constant certification checks aim to reduce the environmental risk.

3.1.2 Company (supply)

The general stagnation of the economic situation, accompanied by geopolitical instability, has certainly not helped the structural rationalisation and development processes pursued by the Estra Group, whose business consolidation and growth actions have, on the contrary, had to go through the implementation of numerous safeguards against the main social risks to which its activity is continuously subjected.

In greater detail, the “Sale of natural gas and electricity” SBU (subject to a process of gradual liberalisation accompanied by a highly intrusive regulatory framework) is threatened with a potential increase in the number of competitors, to include large businesses currently operating on foreign markets. In this sense, strong competition in terms of price and high levels of variability, fuelled by the constant openness to new supply methods, have driven the Estra Group to work towards the development of supply chain integration policies, which have

distinguished it throughout the course of its evolution.

At the same time, the emerging demands for new services in the energy and telecommunications sectors have been driven by factors that characterise the changes to the current scenario. In this sense, the need to encourage lower energy consumption (partly through more widespread use of renewable sources and the exploitation of the potential offered by information technology) have driven the “Energy services” and “Telecommunications” ADA to take frontline action towards tackling opportunities and risks directly linked to the diversified development of the respective growth strategies.

As regards the “Gas distribution” SBU, the last financial year was characterised by further deferments to liberalisation processes. It was therefore not possible to tangibly measure the most significant risk/opportunity component for the forthcoming financial years, i.e., the so-called field tenders, which the Estra Group is adequately prepared to tackle.

In reference to the prevention of risks linked to a possible gap in supplies from Estra Group companies and, more specifically, to the prevention of risks relating to potential unexpected interruptions to the service, attributable to problems relating to raw material supplies and infrastructural malfunctions, the Estra Group performs ongoing monitoring of levels of compliance with current legislation and standards dictated by Italy’s competent authorities. However, alongside all this, the Estra Group strives to constantly improve its performance by focusing on the integration of all phases of the marketing chain and by adopting policies designed to increase service quality standards, in which strategic infrastructure management is one of the key aspects.

3.1.3 Personnel

The Estra Group is well aware of the strategic importance of its human resources — an essential element in the creation of value and in improving internal processes. In light of this, and with the objective of tackling the risks linked to inadequate development of the professional skills and abilities of its personnel, the Estra Group runs training and refresher courses that involve employees at every level of the organisation, promoting methods for the selection and inclusion of new employees that are strongly oriented towards educational and/or professional knowledge already acquired and the specific role they will play, while keeping a constant focus on making the most of trained talents, as demonstrated by the incentivisation

and career growth mechanisms reserved for the Group's most deserving employees.

As regards the risks linked to health and safety in the workplace, all the companies with employees have prepared risk assessment documents in order to:

- identify the methods adopted by the organisation for pinpointing hazards;
- identify the occasions when it is necessary to draw up or review a risk assessment;
- identify the methods used to control the identified and assessed risks, using the tools provided for by the Occupational Health and Safety Management System and the Occupational Health and Safety technical and organisational prevention and protection tools.

What is more, Estra, Estracom, Estra Elettricità, Estra Energie, Estra Clima, Centria and Gergas have obtained OHSAS18001 management system certification.

3.1.4 Respect for human rights

Respect for human rights is one of the Estra Group's core founding values and features heavily in its Code of Ethics. In this sense, the Estra Group guarantees respect for the human rights of its workers and protects the rights of its suppliers' employees by including social protection clauses in its offer requests and subsequent contracts.

Since its foundation, Estra has never recorded any episodes linked to the violation of human rights. At present, it has not identified any risks to this regard.

4. GROUP CERTIFICATIONS

In order to achieve the set quality, environment and safety objectives, Estra and the other group companies under its management (Estra Energie, Estra Com and Estra Elettricità) concretely implemented their activity through tangible management system reorganisation operations during the course of the 2017 financial year, adopting an Integrated System for UNI EN ISO 9001:2015, UNI EN ISO 14001:2015, OHSAS 18001:2007 and UNI CEI ISO/IEC 27001:2014 certifications.

In 2017, all the internal audits and the audits programmed for the recertification of the current system and acquisition of new certifications were carried out with a positive outcome.

Here below is a breakdown of certifications by company:

Company	Type	Name	Scope
Estra S.p.A.	Quality management system	UNI EN ISO 9001	Quality management system
Estra S.p.A.	Environmental management system	UNI EN ISO 14001	Environmental management system
Estra S.p.A.	Information Security Management Systems	UNI ISO IEC 27001	Information Security Management Systems
Estra S.p.A.	Occupational health and safety management system	OHSAS 18001	Occupational health and safety management system
Estra Energie	Quality management system	UNI EN ISO 9001	Quality management system
Estra Energie	Environmental management system	UNI EN ISO 14001	Environmental management system
Estra Energie	Occupational health and safety management system	OHSAS 18001	Occupational health and safety management system
Estra Elettricità	Occupational health and safety management system	OHSAS 18001	Occupational health and safety management system
Estracom S.p.A.	Quality management system	UNI EN ISO 9001	Quality management system

Estracom S.p.A.	IT Systems	UNI CEI ISO 27001	Design, construction, management and maintenance of telecommunications networks and systems. Design, installation and maintenance of security systems. Provision of telephone, ADSL and broadband connection services.
Estracom S.p.A.	Environmental management system	UNI EN ISO 14001	Design, construction, management and maintenance of telecommunications networks and systems. Design, installation and maintenance of security systems. Provision of telephone, ADSL and broadband connection services.
Estracom S.p.A.	Occupational health and safety management system	OHSAS 18001	Design, construction, management and maintenance of telecommunications networks and systems. Design, installation and maintenance of security systems. Provision of telephone, ADSL and broadband connection services.
Estraclima S.r.l.	Quality management system	UNI EN ISO 9001	Ordinary and extraordinary design, management and maintenance of heating and air conditioning systems. Asset, real estate and ancillary plants management. Management of thermal and electrical energy production.
Estraclima S.r.l.	Occupational health and safety management systems	OHSAS 18001	Design, management and maintenance of heating and air conditioning systems. Real estate management and maintenance. Cogeneration system management.
Estraclima S.r.l.	Environmental management systems	UNI EN ISO 14001	Design, management and maintenance of heating and air conditioning systems. Real estate management and maintenance. Cogeneration system management.
Estraclima S.r.l.	Energy management – Companies rendering energy services (ESCo)	UNI CEI 11352	Provision of energy services, including the funding of work to boost energy efficiency and the acquisition of the energy carriers needed to provide the energy efficiency service.
Estraclima S.r.l.	Management of stationary refrigeration, air conditioning and heat pump equipment containing certain fluorinated greenhouse gases	Regulation (EC) 303/2008	Installation, maintenance or servicing of stationary refrigeration, air conditioning and heat pump equipment containing certain fluorinated greenhouse gases, pursuant to the Regulation (EC) 303/2008.
Gergas S.p.A.	Quality management systems	UNI EN ISO 9001	Design, construction, running, maintenance and assistance for natural gas and LPG distribution systems (sector EA-28).
Gergas S.p.A.	Environmental management systems	UNI EN ISO 14001	Design, construction, running, maintenance and assistance for natural gas and LPG distribution systems (sector EA-28).
Centria S.r.l.	Asset management system	UNI EN ISO 55001	Management of systems and networks for natural gas distribution; measurement equipment and tools; human resources.

Centria S.r.l.	Energy management system	UNI EN ISO 50001	Design, development and management of natural gas distribution systems and networks. Provision of natural gas distribution conveyance and measurement services. Photovoltaic system management. Design of energy efficiency boosting systems, including those designed to achieve white certificates.
Centria S.r.l.	Quality management system	UNI CEI ISO/IEC 27001	Development and management of the communications network, remote management and remote reading of data acquired from smart metres and subsequent management of the SAC System. Development and management of the communications network, remote management and remote reading for RE.MI systems and for natural gas distribution network pressure reduction stations.
Centria S.r.l.	Occupational health and safety management system	OHSAS 18001	Design, development and management of natural gas distribution systems and networks. Provision of natural gas distribution conveyance and measurement service.
Centria S.r.l.	Quality management system	UNI EN ISO 9001	Design, development and management of natural gas distribution systems and networks. Provision of natural gas distribution conveyance and measurement service.
Centria S.r.l.	Environmental management system	UNI EN ISO 14001	Design, development and management of natural gas distribution systems and networks. Provision of natural gas distribution conveyance and measurement service.
Centria S.r.l.	Environmental management system	Emas Regulation	Design, development and management of natural gas distribution systems and networks. Provision of natural gas distribution conveyance and measurement service; this is a voluntary adjustment to European regulation 1221 of 2009.
Centria S.r.l.	Quality management system	UNI EN 15838, in accordance with the criteria of UNI 11200	Switchboard and emergency service: inbound contact centre (telephone) services for gas network emergencies and gas supply emergencies and accidents, 24 hours a day, 365 days a year; UNI 11200 is the Italian version of 15838, with the same scope.
Centria S.r.l.	Quality management system	UNI EN ISO 3834-2	Quality requirements for fusion welding of metallic materials Part 2: Extended quality requirements; Execution of welded joints in steel gas pipes.
Centria S.r.l.	Quality management system	UNI 11024	Quality requirements for welding pipes for transporting combustible gases, water and other pressurised fluids; Execution of welded joints in polyethylene pipes.
Centria S.r.l.	Quality management and social responsibility	SA8000	Design, construction and management of gas distribution networks and systems.

5. ANTI-CORRUPTION POLICIES

Our commitment to fight corruption is reflected in the Code of Ethics of Estra S.p.A. (and its subsidiaries) according to which the Company's interests cannot be pursued in breach of the law; in addition, the Code prohibits any favouritism, collusive behaviour, payment of tangible or intangible benefits and any other action aimed at influencing or rewarding the actions of public or private third parties.

Estra Group has adopted an Organisational, Management and Control Model aimed at preventing the risk of commission of any of the offences envisaged by Legislative Decree 231/2001, including the offence of private corruption for the benefit of the Company.

The Model contains a series of protocols and behavioural rules which the Company, the members of the Board of Directors, the statutory auditors, employees, collaborators and, more generally, all those who work in the name and on behalf of the Company, must abide by in their relations with other parties, including especially the Public Administration. In defining its Model pursuant to Legislative Decree 231/2001, the Company has mapped the business areas most at risk of commission of private corruption offences that could provide benefits to the organisation. This mapping does not include the risks of passive corruption. The aforementioned mapping has found that the risk of committing the offence of private corruption is low. The Company has nevertheless put in place safeguards to prevent the perpetration of this offence; for example, specialised protocols have been established for activities considered as most sensitive (gifts and E&I expenses, management of payments, sponsorships, purchases and tenders; external consultancies and collaborations, personnel). Special attention was given to gifts, which are only allowed if they are of modest value and which cannot exceed a unit value of €150. In 2017, no specific processes were put in place to assess risks related to passive corruption. The Risk Management function, recently set up, focused on other issues and, specifically, on the mapping of risks associated with the main businesses and the preparation of new technical specifications for insurance coverage.

Supervision and control of the Model is entrusted to a Supervisory Board with autonomous powers of initiative and control to which information flows are periodically sent. These flows involve all parties operating in the name and on behalf of the Estra Group and concern actual or potential critical situations related to the offences envisaged by Legislative Decree 231/2001 and the Organisation, Management and Control Model. Based on monitoring results, specific audits are subsequently planned and conducted by the Supervisory Board along with the functions involved in the activities.

A channel is available to the Model recipients to anonymously report any alleged infringements through boxes located at the company offices. In this regard, in the two-year period 2016-2017, no corruption incidents were reported or detected and neither the Company nor its employees were involved in public lawsuits concerning corruption issues.

Following the entry into force of Law 179/2017 on “provisions for the protection of whistleblowers reporting offences or irregularities”, the Group shall assess whether to set up an electronic channel for e-reporting and a formalised procedure for anonymous reports (whistleblowing) to be submitted to the Board of Directors.

The organisation’s anti-corruption policies and procedures are disclosed to all members of the governing and control bodies (Board of Directors and Board of Statutory Auditors) of the companies that have adopted the 231/2001 Model and the Code of Ethics. Unlike in 2016, when no anti-corruption training was delivered for members of the governing bodies, in 2017, 7.32% of members of the governing and control bodies (6 people) received training in this area.

Upon approval, the Management Model and the Code of Ethics were disclosed to all employees of the related companies. A copy of the Management Model and the Code of Ethics is delivered to all new employees.

Total and percentage of employees that received training on anti-bribery issues, broken down by category and region

	2016	2017
Number of employees that received training on anti-bribery issues	2	8
White-collar workers	1	0
Middle managers	1	2
Executives	0	6*
Percentage on total employees	0,32%	1,24%
Geographical distribution:		
Arezzo	0,00%	0,00%
Prato	50,00%	75,00%
Siena	50,00%	25,00%

** Executives that received training are also members of the Company’s governing bodies*

In 2016 and 2017, no incidents occurred in which employees infringed the 231/2001 Model for issues related to corruption.

With reference to years 2016 and 2017, all suppliers who received purchase orders and some who received contract orders from companies that adopted the 231/2001 Model and the Code of Ethics were required to read said documents. Failure to comply may result in a claim for damages and / or termination of the contractual relationship.

The following tables highlight the number of suppliers required to read the Group's 231/2001 Model and the Code of Ethics, with reference to both purchase orders and contract orders, and show the percentage of these over total suppliers for 2017.

2017			
Total number of suppliers		1.962*	
Purchase orders	Total number of suppliers	Total number of suppliers which were required to share and accept the principles of the 231/2001 Model and of the Code of Ethics	Percentage of suppliers which were required to share and accept the principles of the 231/2001 Model and of the Code of Ethics
	635	635	100%
Contract orders	Total number of suppliers	Total number of suppliers which were required to read the 231/2001 Model and of the Code of Ethics	Total number of suppliers which were required to read the 231/2001 Model and of the Code of Ethics
	465	191	40,08%

* The following companies are not included: Prometheus, ETA 3, Gas Tronto and Piceno Gas, as they are not managed by the Procurement and Tenders Service of Estra S.p.A.

Furthermore, as regards tender procedures, both public and negotiated procedures, suppliers are informed about Model 231/2001 and the Group Code of Ethics in the calls for bids and in the letters of invitation. More specifically, companies that apply for admission or participation in tenders undertake to read, agree with, and accept the principles set forth in these documents. The firm that is awarded the contract is subsequently assessed with regard to aspects of integrity, anti-mafia and criminal records, as well as compliance with tax and social security regulations.

In 2016 and 2017, no incidents occurred where contracts with commercial partners were terminated or not renewed due to infringements of the Management Model entailing corruption.

1. For purchase orders only, in addition to reading the documents, suppliers are required to agree with, and accept the related principles.

6. PERSONNEL AND TRAINING

Respect for human rights is one of the Estra Group's core founding values and features heavily in its Code of Ethics. Despite not having a formalised personnel management policy, the main elements of the policies adopted by Estra are highlighted in its Code of Ethics, which guarantees respect for the human rights of its workers.

The document states that:

Estra S.p.A. strongly rejects any form of irregular work or exploitation.

All forms of favouritism and discrimination by race, gender, nationality, religion, language or trade union membership or political association in respect of recruitment, remuneration, promotions or dismissal are prohibited. The Company repudiates any actions that may constitute an abuse of authority and that more generally violate the right to individual dignity and mental and physical wellbeing. For the entire duration of the working relationship, employees and contractors shall receive instructions that enable them to understand the nature of their duties and to perform them adequately, in a manner appropriate to their positions. Employees undertake to comply with the obligations inherent in their roles, diligently and loyally.

Estra S.p.A. undertakes to ensure the conditions necessary to the existence of a collaborative working environment, free of hostility, and to prevent discriminatory behaviour of all kinds. All parties are required to collaborate in maintaining a climate of mutual respect for the dignity, honour and reputation of others.

Employees who believe that they have been the victim of discrimination may report the events to their immediate supervisors, who will investigate whether a breach of the Code of Conduct has in fact occurred.

The Estra Group believes that people play an essential part in the ongoing improvement of its corporate activity and in the creation of sustainable value: in fact, the human factor is a key organisational resource, whose continuous and constant development is an essential condition for the successful pursuit of the highest levels of customer/user satisfaction while respecting the local area and its values.

A key aspect of the Estra Group's personnel policy is its ongoing commitment to selecting and retaining personnel with adequate skills for the role they cover and the tasks they carry out. When hiring personnel, the Estra Group adopts a specific procedure that identifies the essential requirements, criteria and recruitment methods, all in compliance with current legislation on the subject. In greater detail, it guarantees equal opportunities in accessing employment, with no discrimination in terms of gender, ethnicity, nationality, language, religion, political

opinions, sexual orientation, personal and social conditions, in accordance with current legislation, particularly Italian Legislative Decree 198 of 11 April 2006, which contains the “Code of equal opportunities between men and women, pursuant to Article 6 of Law 246 of 28 November 2005”, and personal data protection in accordance with Italian Legislative Decree 196 of 30 June 2003, containing the “Personal data protection code.”

It focuses particularly on ongoing training in technical, professional and/or managerial skills, based on legislative obligations and the analysis of specific individual and corporate training requirements, as demonstrated by the fact that each employee received almost thirty-two hours of training in 2017.

The Estra Group also sees it as a priority to ensure a working environment that complies with current health and safety legislation, with its fundamental principles that guide its choices and decisions. It pursues this aim with great stringency, as demonstrated by the implementation of an Occupational Health and Safety Management System OHSAS 18001:2007.

Said system, integrated in a broader context of monitoring, managing and preventing the risks inherent in the conduct of its business activity, in full compliance with applicable prevention and protection legislation in accordance with Legislative Decree 81/2008, sees the Estra Group:

- adopting all security measures required by changes in technology in order to ensure a safe, healthful working environment;
- ensuring respect for all current national and EU regulations on accident prevention (also taking technical regulations and international standards into consideration) among all those working within the organisation;
- promoting the adoption of responsible and safe behaviour among all those working within the organisation, and employee engagement in the risk prevention and health and safety protection process with regard to their colleagues and third parties, so as to make it clear to everyone working within the organisation:
 - that everyone carries out tasks and activities that are a source of potential risks to themselves and other people;
 - that risks to the workers’ health and safety can be eliminated or kept under control through the adoption of collective and/or individual prevention and protection methods.
- pursuing ongoing improvements to the Occupational Health and Safety Management System by actively involving the workers themselves, both in drawing up the management procedures and safe working practices, and in reporting and managing any non-conformities encountered.

In application of the above-mentioned principles, Estra undertakes to:

- ensure that all personnel and all other subjects concerned are aware of the workers' health and safety policy, the principles behind it and its objectives, using the most appropriate means to this end;
- prevent accidents and occupational diseases;
- carry out ongoing training, information and awareness campaigns among the management and workers so that they are as well-equipped as possible to carry out the tasks assigned to them in total safety;
- design and implement production processes and activities on the basis of criteria able to prevent potential accidents, safeguard the health and safety of workers and the general population, adopting the best techniques available on the market for this purpose;
- adopt organisational processes and models that can also be used to trace the relative responsibilities.

6.1 Employment

Since 2014, the number of companies forming part of the Estra Group has grown, particularly in the gas and electricity sales sector and in methane distribution. In order to integrate the various processes and create more synergy between the companies, some employees have been seconded, either totally or partially, to companies other than those where they are legally employed. As well as making better use of the Company's professional skills, this decision also ensures the establishment of the same organisational and management model in all the Group companies. Twenty-one employees were sent to other companies in 2016 and seventeen in 2017.

As a result, the following data has been calculated using the Full Time Equivalent (FTE) method. This method, provided for by the GRI, is particularly suitable for providing an accurate representation of employment profiles such as those at the Estra Group, where the total working commitment of certain employees is shared over several Group companies, including those that do not come under the umbrella of the Consolidated Financial Statements and this Declaration.

As regards employment, it should be noted that the number of employees and the total dominance of permanent contracts increased.

In terms of gender balance, there is still a gap between men and women as regards job positions; this gap is bigger than the natural gap due to the percentage of female

employees (38%).

Around 90% of part-time contracts at the Estra Group are requested by female employees.

During the two-year period in question, eighty people were hired and this number can be divided almost equally between men and women. As regard age bands, almost half were aged 29 or younger and half between 30 and 50.

Total number of employees

	2016	2017
Total number of employees	616	644

Breakdown of employees by job position

	2016	2017
Job position		
Executives	16	17
Middle managers	25	36
White-collar workers	451	475
Blue-collar workers	119	112
Delivery people	5	4

Breakdown of employees by job position and gender

	2016		2017	
Job position by gender	Men	Women	Men	Women
Executives	15	1	16	1
Middle managers	16	9	26	10
White-collar workers	230	221	241	234
Blue-collar workers	119	0	112	0
Delivery people	5	0	4	0

Breakdown of employees by employment contract and gender

	2016	2017
Permanent contract	576	609
Men	365	386
Women	211	223
Fixed-term contract	40*	35**
Men	21	13
Women	19	22

* Of which 20 are leased workers (10 men and 10 women)

** Of which 19 are leased workers (7 men and 12 women)

	2016	2017
Full-time	567	593
Men	378	395
Women	189	198
Part-time	49	51
Men	7	4
Women	42	47

Hirings (broken down by gender and age) and hiring rate

	2016	2017
Hirings		
Total	44	36
Men	24	17
Women	20	19
New recruits by age		
Less or equal to 29 years	21	18
Between 30 and 50 years included	22	13
Over 50 years	1	5

	2016	2017
Hiring rate*		
Total	0,07	0,05
Men	0,06	0,04
Women	0,09	0,06
Hiring rate by age		
Less or equal to 29 years	0,49	0,41
Between 30 and 50 years included	0,50	0,03
Over 50 years	0,01	0,02

* Calculated as the number of new recruits/total workforce

Terminations (broken down by gender and age) and turnover rate

In 2017, employees left the group due to retirement, resignation, expiry of fixed-term and temporary staff-leasing contracts, and transfers to other companies. In 2016, in addition to the traditional reasons cited above, employees also left due to dismissal. Most of those who left were aged under 29, illustrating the more mobile nature of employment among young people.

	2016	2017
Number of terminations		
Total	21	18
Men	12	11
Women	9	7
Number of terminations by age		
Less or equal to 29 years	8	8
Between 30 and 50 years included	5	6
Over 50 years	8	4

	2016	2017
Turnover*		
Total	0,03	0,03
Men	0,03	0,03
Women	0,04	0,03

Turnover by age		
Less or equal to 29 years	0,19	0,18
Between 30 and 50 years included	0,01	0,01
Over 50 years	0,05	0,02

* Calculated as the number of terminations/total workforce

6.2 Human capital growth

The Estra Group's focus on enhancing its human capital as a fundamental aspect in creating and maintaining value over time is backed up by the results it achieved in the field of training during 2017, with more than 86% of workers, equivalent to 555 employees, receiving 17,526 hours of training in a wide range of subjects, from accounting and administrative aspects to safety in the workplace, risk management and the Organisational, Management and Control Model, as well as highly innovative topics such as Industry 4.0 and the Internet of Things.

Total and average hours of training

	2016	2017
Total hours of training	14.347	17.526
Average hours of training per worker	23,29	27,21

Average hours of training by job position and gender

	2016	2017
Executives		
Men	44,87	33,81
Women	16,00	0,00
Middle managers		
Men	54,63	82,27
Women	34,11	47,83
White-collar workers		
Men	23,98	29,54
Women	14,87	11,18
Blue-collar workers		
Men	30,63	40,93
Women	0,00	0,00

Delivery people		
Men	6,40	12,50
Women	0,00	0,00
Total		
Men	27,88	36,17
Women	15,65	12,63

Carrier advancement figures paint a numerical picture of human capital growth, which was particularly apparent in 2017 with 100 employees changing level. The number of men and women taking a step up was substantially identical. A higher increase was recorded among women in 2016, while a higher increase was recorded among men in 2017, but the differences only amount to 1-2 percentage points.

Career advancement by gender and percentage on total employees

	2016	2017
Career advancement		
Men	25	65
% on total male employees	6,49%	16,32%
Women	18	35
% on total female employees	7,79%	14,29%
Total career advancement	43	100
% on total employees	6,98%	15,54%

6.3 Occupational safety

The two-year period in question recorded no:

- workplace deaths of employees, for which corporate liability has been definitely established;
- serious workplace accidents that resulted in serious or very serious injury to employees for which corporate liability has been definitely established. In this sense, the categories of accidents recorded in the two-year period 2016-2017, which are virtually identical for the two years, related primarily to falls from reduced heights, falls and minor traumas in offices, whilst travelling and during outdoor events, as well as traumas and strains relating to the head, back, torso, upper and lower limbs during work and, lastly, road accidents whilst commuting and on board company vehicles;

- complaints regarding occupational diseases for employees or former employees for which the company was declared to be definitely liable.

Given the type of work (all the workers are male), the accidents involved mainly men.

No cases of occupational disease were recorded and so the rate is equal to zero.

Absenteeism rate (overall and by gender)

	2016	2017
Absenteeism rate	5,38	5,26
Men	5,67	5,22
Women	4,82	5,33

Total number of accidents (overall and by gender)

	2016	2017
Total number of accidents	12	12
Men	9	10
Women	3	2

Accident rate (overall and by gender)

	2016	2017
Accident rate	12,55	11,43
Men	14,46	14,95
Women	8,99	5,25

Accident severity rate (overall and by gender)

	2016	2017
Accident severity rate	0,33	0,25
Men	0,45	0,36
Women	0,09	0,06

6.4 Equal opportunities

The prevalence of men in Estra Group's employees is explained by the high number of workers, who are all male, assigned to the natural gas distribution sector.

Two thirds of employees are in the 30 to 50 age range and include personnel hired recently and those already working in the Group at the time it was formed.

The percentage of women serving on Group company governance and control bodies (Boards of Directors and Statutory Auditors) remained stable at around 10%.

Number of employees by gender

	2016	2017
Men	385	399
Women	231	245

Number of employees by age

	2016	2017
Less or equal to 29 years	43	44
Between 30 and 50 years included	405	402
Over 50 years	168	198

The table below contains key data relating to Group Governance, and pays particular attention to aspects linked to the roles and to the members serving on the corporate Governance and control bodies, as well as to the gender and personal details of the members themselves:

	2016	2017
Composition		
Number of roles	106	105
Number of members	72	66
Women	11	10
Men	61	56
Age		
Less or equal to 29 years		
Women	0	0
Men	0	0
Between 30 and 50 included		
Women	11	9
Men	23	22

Over 50 years		
Women	0	1
Men	38	34
Average age		
Women	47,45	46,20
Men	52,93	53,23
Overall average age	52,10	52,16

6.5 Work-life balance

In 2012, Estra signed a flexible working agreement with the single trade union association (RSU) and a canteen service has always been provided on the Prato, Siena and Arezzo sites. These two solutions make employees' lives easier and produce better working time management. Work-life balance is also reflected in a work organisation that facilitates flexible working practices (in 2017, 51 people in the Estra Group worked part-time and 52 were on parental leave) or avoids situations that inhibit work-life balance such as holding meetings at times that are likely to prolong the working day, or making work travel arrangements during non-working days.

The Estra Group's main sites (Prato, Siena, Arezzo, Ancona) are all equipped with a video-conference system to avoid travel and hence reduce the risk of overtime due to travelling time. Since 2017, a personal computer video-conference system has also been in operation to facilitate work communication between colleagues located on different sites, thereby further reducing the need for travel.

The focus on holiday entitlement also ensures a healthy work-life balance. The Estra Group is particularly alert to this aspect, matching a portion of the production bonus to annual leave taken within the contractual terms.

6.6 Freedom of association and industrial relations

In the event of extraordinary operations (reorganisation, discontinuation, expansion, sale of all or part of the organisation and merger), the Estra Group complies with legal requirements, giving at least 25 days' notice.

Freedom of association is obviously guaranteed; around 40% of all employees are trade union members.

Numero di lavoratori iscritti al sindacato, suddivisi per genere

	2016	2017
Total	245	243

	2016	2017
Men	173	168
Women	72	75

7. SOCIAL ISSUES

Company behaviour is inspired by the principles of fairness and transparency. It is for this reason that, in its relationships with all its counterparties, Estra shall avoid discrimination based on the age, race or ethnic origin, nationality, political convictions, religious beliefs, gender, sexual preference or state of health of any person with whom the Company may treat or deal.

Estra undertakes to engage in ongoing dialogue and communication with all of its stakeholders, be they internal (employees and trade unions) or external (citizens, shareholders, public entities, associations, etc.), and it is committed to taking their needs into account, reporting the Company's performance to them and involving them, where possible, in achieving the Company's goals, within the framework of a policy of transparency and participation in company life (Code of Ethics).

The Estra Group does not have a formal policy on social issues in general, but it does have various policies linked to quality management systems. In addition, the creation of sustainable value by the Estra Group is also reflected in its relations with the Public Institutions, first and foremost with the institutions and organisations that govern and regulate the sector, the working groups set up therein and the various trade associations, founded on continual collaborative dialogue processes, as well as its relations with the Public Administration, based on propriety, transparency, clarity, collaboration and respect for individual roles.

The relationship that the Estra Group has with the media is fundamental and cuts right across the information needs of all its stakeholders. In fact, the spirit of collaboration and respect for individual roles that drives the Estra Group's relationship with the media means that the Group can engage in ongoing dialogue and communication with all the stakeholders, both internal (employees, trade unions) and external (citizens, shareholders, public bodies, associations, etc.). In addition, this spirit, together with publications of general interest and a constantly updated website, also allows the Estra Group to meet its reporting needs in a timely, comprehensive and transparent manner.

7.1 Customers

The Estra Group's creation of sustainable value finds its first and most immediate expression in the pursuit of the highest levels of customer/user satisfaction, which is also formalised in the Group's quality management systems policy. In fact, one of the Estra Group's primary objectives is the ongoing improvement of quality and safety standards, through periodical monitoring of the quality of the service it provides together with appropriate and timely

notification of the information relating to any changes and variations in service provision.

The Estra Group promotes the adoption of a clear and simple language in its contracts and communications, as close as possible to that of its widespread clientele, and encourages interaction with customers through the rapid handling and resolution of any complaints via appropriate communication systems, favouring dialogue distinguished by the highest standards of professionalism and quality, focusing on the key values of respect and non-discrimination, politeness and full collaboration, rather than getting involved in disputes.

This is demonstrated by the fact that, in 2017, Estra Energie and Estra Elettricità approved a new version of the Voluntary protocol for the self-regulation of unrequested contracts and activations. The Estra Group companies carried out a complex procedure, involving a series of investments designed to provide all consumers with the most extensive possible guarantees in the contractual relationship with them. In fact, the sales process was made much clearer and more transparent, carrying out multiple checks to ensure that the customer really wants to switch to Estra.

In terms of integrating the supply chain, the Estra Group has identified two sectors to operate in: 1) the gas and electricity market, as supervisor of the gas trading industry, including through optimisation trading; 2) in energy efficiency and renewables, as supervisor of the two sectors, encouraging development in the field of energy efficiency and the internalisation of its investees working in the renewables sector.

It has therefore improved the sales process, with a procedure that is more focused on clarity and transparency, carrying out a number of checks to ensure that the customer really wants to switch to Estra. To obtain systematic feedback from its customers, the Estra Group conducts regular and periodic customer satisfaction surveys as a precious source of information in verifying the level of achievement of service improvement objectives. At the end of 2017, it carried out a customer satisfaction survey for its gas sales service in the provinces of Arezzo, Grosseto, Prato and Siena, which revealed an Estra customer satisfaction level of 8.2 on a rating scale from 1 to 10.

These are the satisfaction results regarding the specific commercial aspects of the supply:

- 8.27 for bill delivery;
- 8.17 for the suitability of the time lapse between receipt of the bill and the payment due date;
- 8.17 for bill accuracy;
- 8.17 for bill clarity and ease of understanding.

As regards users of the natural gas distribution service, there has been a significant focus on

systems and networks, with inspections involving gas leaks and escapes that go beyond legal requirements². Excellent results were also achieved regarding the quality of the service linked to the handling of gas leaks. For example, the percentage of compliance with the maximum gas emergency call response time (90% within 120 seconds) was 100% for Gergas, while Centria established an improved corporate standard (99% within 100 seconds), which was met in 99.99% of cases.

7.1.1 Quality of services offered

The following data shows the good quality of the services offered to customers. Between 2016 and 2017, improved performance was recorded in the gas and electricity sales service, both as regard the public offices and the call centre: despite an increase in the number of calls and larger numbers of people visiting the offices, waiting times fell in both cases. As regards the natural gas distribution service, the percentages for meeting the service standards relating to emergencies were between 99% and 100%. In greater detail, Centria improved its emergency call response standard, meeting it in 99% of cases.

In terms of complaints, the Group's sales system changed between 2016 and 2017, so that it no longer uses foreign call centres. The decision to stop outsourcing this type of service explains the decrease in data relating to complaints, which halved between 2016 and 2017.

The standard maximum response time was met in 96% of cases.

Written complaints: total number, number of cases awaiting a response at 31 December, responses issued within the standard maximum time and compliance with the maximum time

	2016*	2017
Number of written complaints	10.529	5.011
Number of cases awaiting a response at 31 December	324	187
Responses issued within the standard maximum time	10.169	4.794
Compliance with the maximum time (40 days)	96,58%	95,67%

**The Gas Tronto and Piceno Gas sales companies are excluded as the former was not managed by the Group and the latter had not yet been taken over.*

2. Provisions concerning "Control and adjustment to distribution service quality and gas metering system for the period 2014-2019", entered into force on 1 January 2017. (For further information, reference should be made to section 7.1.2 System safety).

Natural gas and electricity sales service

Number of customers served per office and average waiting time*

	2016	2016 TM attesa	2017	2017 TM attesa
No. of gas and electricity customers	105.908	15 minuti	144.195	12 minuti

*The data refers to Estra Energie, Estra Elettricità. For Prometeo: this data was not recorded in 2017, but will be available from 2018 onwards following the installation of the access data recording system at the new public office; the data for Veia and Coopgas, merged as a result of their incorporation into Estra Energie, and the data for Gas Tronto and Piceno Gas Vendita, which rented the business unit of the company relating to gas and electricity sales to Estra Energie, is not included, but will be included from 1 January 2018, when their offices will also be fitted with a system to record office access data.

Total number of successful calls to the operator (call centre), average waiting time, level of service and accessibility.*

2016					
	Received	Answered	Waiting time	Accessibility	Service Level
Estra Energie	246.057	239.887	55 secondi	100%	97,49
Estra Elettricità	208.984	201.360	54 secondi	100%	96,35
Prometeo	140.808	137.761	52 secondi	100%	97,84
Coopgas	20.530	19.326	23 secondi	98%	94,14
Total	616.379	598.334			

2017					
	Received	Answered	Waiting time	Accessibility	Service Level
Estra Energie	342.700	336.023	13 secondi	100%	98,05
Estra Elettricità	181.466	177.930	13 secondi	100%	98,05
Prometeo	128.566	125.809	13 secondi	100%	97,86
Coopgas ³	24.394	21.064	40 secondi	98%	86,35
Total	677.126	660.826			

*With reference to Veia, Gas Tronto and Piceno Gas Vendita, reference should be made to the above-mentioned information.

3. Regarding these aspects, a decision was made to list Coopgas separately as the inclusion of this data with the data regarding Estra Energie would not be suitably representative of the level of service provided.

Every year, the ARERA (Autorità di Regolazione per Energia Reti e Ambiente – Regulatory Authority for Energy Networks and Environment) publishes an annual report on the quality of the telephone services offered by electricity and gas sales companies. The most recent published report regards 2016 and compares data for thirty-eight sales firms (<https://www.arera.it/it/docs/17/425-17.htm>). The quality of the Estra Energie and Estra Elettricità call centre achieves the highest score for service access, the third place for service level and comes in the top ten for the average waiting time.

Natural gas distribution service

Percentage of phone calls for the faults service with time of arrival at the site within sixty minutes: type of intervention (on the distribution system/downstream from the redelivery point), level provided for by Resolution 574/13, average time recorded (minutes) and percentage of compliance with maximum time

Company	Intervention type	Level provided for by Resolution 574/13 (Art. 10)		Average time recorded (minutes)		% compliance with maximum time	
		2016	2017	2016	2017	2016	2017
Centria Gergas	On the distribution system	90% within 60 minutes	90% within 60 minutes	32,21	33,55	99,71%	99,74%
				22	20	100%	100%
Centria Gergas	Downstream from the redelivery point	90% within 60 minutes	90% within 60 minutes	32,66	32,36	99,36%	99,85%
				22	18	100%	100%

Percentage of compliance with the maximum call response time for gas emergencies and level provided for by Resolution 574/13

Company: Centria

	Level provided for by Resolution 574/13 (Art. 9)	Improved standard established by Centria	Compliance with improved standard
2016	90% within 120 seconds	99% within 100 seconds	99,87%
2017	90% within 120 seconds	99% within 100 seconds	99,99%

Company: Gergas

	Level provided for by Resolution 574/13 (Art. 9)	Compliance with standard
2016	90% within 120 seconds	100%
2017	90% within 120 seconds	100%

Gas emergency: number of calls and average waiting time before speaking to an operator (seconds)

Società	Number of calls		Average waiting time before speaking to an operator (seconds)	
	2016	2017	2016	2017
Centria	14.393	13.413	32,62	36
Gergas	235	967	29	27

7.1.2 System safety

The Group's service that could have an impact in terms of health and safety is the natural gas distribution service. The data in the following tables, which show the activities involving the inspection of meters and the general network, refers to this service. Systematic monitoring for gas leaks makes it possible to carry out repairs to ensure that the community is kept safe. Information relating to inspections of the distribution network, almost all of which is checked on a yearly basis, is particularly important in terms of the health and safety of the community. The remote control system applied to delivery point for natural gas pressure reduction is particularly important for ensuring the safety of the systems. A series of alerts makes it possible to intervene as quickly as possible in the event of faults or leaks.

In addition to this fundamental activity, the Estra Group also offers an information service for those living in the natural gas distribution area. Multilingual brochures and messages on company vehicles provide useful tips on how to prevent gas-related incidents in the home.

Inspected metering devices

	2016	2017
Number of high and medium-pressure redelivery points	71	165
Number of low-pressure redelivery points	5.830	3.382

Aerial line inspections

	2016	2017
High and medium-pressure metres inspected	49	486
Low-pressure metres inspected	9.082	3.550
Number of high and medium-pressure lines	36	99
Number of low-pressure lines	3.567	1.051
Number of repairs	42	11

The reduction in the number of metering devices and aerial lines inspected in 2017 compared to 2016 is due to having checked high and medium-pressure systems that had not previously been inspected. In addition, the old meters in the metering devices were replaced with new smart meters that do not need checking.

Underground line inspections

	2016	2017
High and medium-pressure metres inspected	62.328	65.022
Low-pressure metres inspected	833.069	803.645
Number of high and medium-pressure lines	9.011	10.468
Number of low-pressure lines	110.249	116.559
Number of repairs	48	39

Gas distribution network inspections

	2016	2017
Total high and medium-pressure metres	2.256.113	2.278.857,14
High and medium-pressure metres inspected	2.256.098	2.276.460,55
Total low-pressure metres	3.039.785	3.046.430,42
Low-pressure metres inspected	2.974.954	3.043.554,69
Number of repairs	49	57

7.1.3 Transparency in customer relations

In July 2016, the Antitrust Authority implemented a procedure against Estra Energie and Estra

Elettricità regarding improper practices in its distance sales of natural gas and electricity supply contracts. The above-mentioned procedure concluded on December 2016, with a fine of €500,000.

In fact, around two years ago the two Estra Group companies were involved in gas and electricity sales across Italy, using external partners specialised in marketing. As acknowledged by the Antitrust Authority itself, Estra Energie and Estra Elettricità had already “started internal processes designed to check current contract procedures and, before concluding the procedure, proposed and implemented significant changes to their contract procedures in order to overcome the consumer issues that had been raised.”

The Estra Group companies appealed to the administrative jurisdiction against the decision reached by the Antitrust Authority. Numerous other national sales companies, also fined for the same reason, appealed too. The complex nature and, at times, the lack of clarity in the regulatory framework created difficulties for many in the sector.

The main protections introduced by Estra Energie and Estra Elettricità, from late 2016 and throughout 2017, include:

- telephone checks on all door-to-door contracts;
- offer of an express choice between written confirmation or telephone confirmation in the event of contracts taken out over the phone;
- provision of contractual documentation to consumers and recordings of phone calls finalising the contract and confirmation calls before the consumer is tied in;
- double telephone check to make sure that the contractual documentation has been received and the consumer agrees to it;
- plenty of opportunity given to customers to withdraw, allowing them to notify their decision at various points during the contract process.

There were no records of the following in 2016 and 2017:

- damage caused to the environment for which the company declared itself to be definitively responsible;
- definitive sanctions or penalties inflicted on the company for environmental crimes or damage.

7.1.4 Reputation and brand

The Estra brand is very well-known within its own traditional local areas, thanks to the use of

offline and online communication channels and investment made in distributing and upgrading stores and public offices, sponsorship of major sporting events and support provided to many youth sports clubs with the EstraSportClub project, advertising campaigns on the main national television channels and the online, radio, television and social media network created in the Tuscany and Marche Regions.

At the end of 2017, a survey was carried out on Estra's image with the population of the provinces of Arezzo, Grosseto, Prato and Siena.

This survey highlighted the Estra brand's excellent reputation with percentages ranging from 90% to 95% agreement (strongly agree or somewhat agree), on the following definitions:

- it is a professional company, which I can trust;
- it guarantees quality services;
- it is environmentally-friendly;
- it responds to customer needs;
- it is efficient and quickly resolves problems;
- it is present and rooted in the local area;
- it is competitive;
- it is innovative.

7.2 Suppliers

With the aim of extending the focus on the environment and social development beyond its own sphere of action, Estra Group pays the utmost attention to the environmental and social impact of its own suppliers. The integration of the supply chain combined with management of the sustainability aspects is a strategic issue.

The Estra Group is well-aware of the environmental impact of its suppliers. Despite the fact that no procedure is applied to all new suppliers for an assessment based on environmental criteria, this awareness is proven by the gradual increase in procedures requiring suppliers to comply with, implement and pursue the environmental responsibility principles required by ISO 14001 certification, which — unlike the OHSAS 18001 and SA8000 certifications, intended to implement an employee health and safety management system — aims to implement an environmental management system based on the continual improvement model defined by the PDCA Cycle (Plan-Do-Check-Act). In addition, the supplier assessment system adopted by Estra includes a specific category regarding the individual supplier's respect for the environment.

In detail, within its procurement processes, Estra Group is strongly committed to ensuring that environmental conditions are respected and that such processes are carried out in a manner consistent with its ethical principles. The activities described below apply to all new suppliers and are repeated if the supplier's bank details or company name change over time. In this regard, when a supplier asks to be included on the suppliers' register of Estra S.p.A. and Centria the Estra Group declares that it is fully and directly aware that the supplier is not subject to any final judgements and that the supplier has not been issued with any criminal sentences that have become irrevocable or judgements applying a plea bargain agreement pursuant to Article 444 of the Code of Criminal Procedures for crimes against the State or Community for one of the offences provided for by Article 80 of Legislative Decree 50/2016. The article lists numerous offences, including those relating to the professional integrity of economic operators that would exclude them from participating in tenders issued by the Public Administration. Suppliers enrolling on the Register also declare that there are no situations preventing them from dealing with the Public Administration, including the requirements set out in Legislative Decree 231/2001, that they are compliant with the provisions on the traceability of financial flows indicated in Article 3 of Law 136/2010 and that they undertake to provide suitable documentation for verifying compliance with the same regulations, also in contracts entered into with direct and indirect subcontractors. In addition, in the personal record that each supplier completes in order to be added to the SAP management system the supplier accepts the financial flow traceability obligation and declares that no grounds exist for forfeiture, suspension or ban in terms of the antimafia legislation provided for in Article 67 of Legislative Decree 159/ 2011. In the Purchase Orders sent to suppliers the latter undertake to read, acknowledge and accept the principles of the Ethical Code and the Organisational, Management and Control Model presented pursuant to Legislative Decree 231/2001, upon penalty of a claim for compensation for damages and termination of the contractual relationship.

Despite the fact that no procedure is applied to all the Group's new suppliers for an assessment based on social criteria, Estra Group is increasingly more conscious of their social impact. This is demonstrated by the gradual increase in procedures in which suppliers are asked to comply with, implement and pursue the principles of social accountability required by SA8000 certification, obtained by Centria (a company at greater risk in human rights terms along the supply chain), designed to certify the Corporate Social Responsibility (CSR) aspects of company management, including respect for employee rights and assurance of workplace health and

safety, as well as Centria's adoption of a system for assessing its own suppliers' social risk that classifies them on different levels of potential risk and associates these levels with a progressively more complex monitoring procedure as the risk increases.

24 out of 367 suppliers are exposed to a medium-high social risk over which Centria may have, or has, a significant influence. The social risk assessment of its own suppliers has been adopted exclusively by Centria because the natural gas distribution operations involve the use of companies that are more greatly exposed to possible social risk as they operate directly in the field.

The supplier assessment audits continued in 2016 and the first half of 2017. The results of the self-assessment questionnaires for high social risk suppliers showed that compliance with SA8000 requirements ranges from 100% to 91.4%.

The table below indicates the number of suppliers classified by goods category and risk level.

	LEVEL OF SOCIAL RISK ⁴				Totale
	3	2	1	0	
Works contracts	4	2	3	3	12
Insurance			1		1
Consultancy		2	9		11
Supplies		7	26	4	37
Rental		1			1
Professional		2	2		4
Prevention professional			4		4
Services	3	2	1		6
SW services	1				1
Other categories				290	290
Overall total	8	16	46	297	367

Suppliers with a 2 and 3 risk level were served with questionnaires regarding their SA8000 compliance, and the level of compliance ranged between 100% and 90.9%.

An SA8000 Audit plan to be carried out at the suppliers was drawn up to ensure the monitoring of risk 3 level suppliers (suppliers with a high social risk over which Centria has a significant influence). The plan was implemented in two audits in 2016 and two in 2017.

4. In particolare, si va da un livello di rischio trascurabile pari a 0 ad uno alto pari a 3.

Possession of an effective qualification and assessment system for economic operators is of primary importance for the Estra Group.

In particular, the qualification system regulates:

- the qualification of economic operators to ensure that they possess specific requisites of a general, technical-organisational and health and safety nature. In particular, regarding this last aspect, it is deemed necessary that the qualification requisites expressly indicated in Article 26 of Legislative Decree 81/08 and in TITLE IV of the same decree should be included;
- the qualification of economic operators to ensure that they possess specific environmental requisites, where necessary (for example, transport authorisations, authorisations of disposal plants, enrolment in the suppliers' register);
- the regular oversight of registered economic operators, to ensure that they remain on the Register;
- the assessment of services carried out to ensure that they comply with the requirements of the processes managed by Estra S.p.A.

A performance assessment system for evaluating the services received is in place for all the suppliers of companies included on the SAP management system.

As far as products are concerned, control activities are carried out when they are received, focused on:

- the match between quantity ordered and quantity consigned;
- quality and state of conservation;
- respect for the delivery times required in the orders.

With reference to services, on the other hand, the assessment, carried out on receipt of the service from the economic operator, is based on an analysis of:

- respect for contractual conditions;
- competence during the assistance phase;
- speed of intervention.

In exactly the same way, when works are completed by the economic operator, an assessment is carried out based on:

- respect for contractual conditions;
- competence during any assistance phase;

- speed of intervention;
- respect for completion times;
- quality level.

This assessment activity, linked to the completion of individual transactions to purchase or provide services or works, is accompanied by another activity involving the preparation of summary reports assessing economic operators, at least once a year, by the Purchasing, Contracts and Tenders Service.

More specifically, each economic operator is attributed a summary score based on particular parameters, such as:

- quality of the individual services provided;
- respect for the requirements set out in the Rules of the Register of Economic Operators and current legislation on the matter of public contracts;
- any non-conformities found.

The overall scores achieved by the economic operators are examined by the Company's Management which, in the event of clear critical issues and/or non-conformities for the services delivered by the latter or of conduct considered to be hazardous for the safety of plant and/or people, identifies the corrective action to be taken — action that may even result in the suspension of contracts/purchase orders placed with such Economic Operators.

It is important to note that Estra S.p.A. has recently embarked on a path to define and implement an economic operator assessment system based on environmental parameters, with the ultimate aim of extending the scope of the monitoring of environmental aspects to the entire supply chain in the future.

It is important to highlight how, for the Group, local suppliers are represented by those located in the Regions of Central Italy (Abruzzo, Lazio, Marche, Tuscany and Umbria). In this sense, the Group's close link with its territory of origin and the areas where it is developing is confirmed by an examination of the geographical distribution of the value of supplies, more than 50% of which is concentrated in Central Italy (Tuscany in particular). The figures do not include fees paid to the Municipalities for natural gas distribution, the purchase of raw materials such as gas and electricity, and inter-company items.

Total value of supplies and geographical % breakdown

	2016	2017
Total value of supplies (€ thousand)	194.978	204.465

%	2016	2017
Northern Italy	36,12	38,22
Central Italy	58,90	58,72
Southern Italy	3,89	2,40
Sicily and Sardinia	1,09	0,66

% breakdown of supplies by Central Italy Region

%	2017
Abruzzo	0,67
Lazio	13,28
Marche	4,78
Molise	0,07
Tuscany	80,05
Umbria	1,21

7.2.1 Tender applications

During the two years in question, more than half (18 out of 30) of the tendering procedures carried out required SA8000 certification, as a clear sign of the attention paid to corporate social responsibility matters (respect for employee and human rights, workplace health and safety assurance).

Public tenders

	2016	2017
Overall amount (€ thousand)	4.147	5.626
Number	8	3
Required certifications	ISO 9001 (4 procedures) SA 8000 (4 compliance requests) Certifications for specific processes (7 procedures)	ISO 9001 (2 procedures) SA 8000 (1 compliance requests) Certifications for specific processes (1 procedures)

Negotiated procedures

	2016	2017
Overall amount (€ thousand)	3.155	2.644
Number	8	11
Required certifications	SA 8000 (6 procedures) Certifications for specific processes (6 procedures)	SA 8000 (7 procedures) Certifications for specific processes (7 procedures)

7.3 Local community

Despite its national credentials, Estra has decided to be an active and responsible party, with regard to its own local areas, starting with a careful strategy of listening to the needs of local stakeholders. So this is the direction taken by Estra in its initiatives in the social, cultural and sports fields, respect for the environment and life-long learning schemes both through shared projects or in the form of patronage, donations and sponsorships.

In any case, Estra pays the utmost attention to the quality of the projects and related activities, with particular reference to sustainability and inclusion-related aspects, to ensure that its joint efforts with local stakeholders provide measurable and durable benefits.

7.3.1 Community and local development projects

Estra Sport Club

“Estra Sport Club” is a project set up to support the youth sections of those sports clubs that deal with so-called ‘minor’ disciplines.

This is a new sport-business partnership model that nurtures values that go beyond mere sponsorship and become a source of sharing and mutual involvement. In 2017, 36 clubs belonged to Estra Sport Club (5,587 athletes, 15 sporting disciplines) from 8 Provinces in Tuscany, Marche and Abruzzo: Prato, Florence, Arezzo, Siena, Ancona, Macerata, Pesaro Urbino and Teramo.

The project’s goal is to establish a network of sporting institutions and people, able to grow the social value of individual associations and clubs that already play an independent role, through sport, in upholding social cohesion in the areas where they operate.

Through this project, Estra supports sport as a tool for encouraging young people’s healthy physical growth and motor development and as a means for affirming, with ever greater force, a culture of inclusion amongst the next generations, both in and out of the sporting arena.

The “Estra Sport Club” project has also inspired a journalism prize that has been national since 2017. 140 journalists took part in the first “Estra per lo sport. Raccontare le buone notizie” prize competition, aimed at journalists reporting on sports education and practice who told stories of sacrifice and integration, solidarity and joy, simple and courageous acts and initiatives dedicated to the disadvantaged.

International student exchange programmes

For five years Estra has been taking part successfully in the Erasmus+ scheme as part of KA1 (Key Action 1). Thanks to the European projects won, the company offers students and recent leavers from technical and vocational institutions from every part of Italy the opportunity for a transnational mobility experience in the Vocational Education and Training sector.

The mobility schemes include a training apprenticeship, in the renewables and energy efficiency field, in companies, organisations and educational establishments in one of the European countries involved in the programme.

In 2016 and 2017, more than 100 young people took up apprenticeships.

This path enables participants to increase and improve their vocational, personal and interpersonal skills and develop a sense of initiative and entrepreneurship. In addition, this

scheme sharpens and raises the ability of individuals to communicate constructively in cultural contexts and social environments that are different from their own.

Estra's work on planning and managing these activities makes an important contribution to helping young people transition to the world of work, in an innovative and sustainable perspective.

The utmost attention is thus paid to all the quality-related aspects of projects. In fact, all the available tools for recognising and transferring the skills acquired by learners (Ecvet Methodology, Europass), essential for building a Europe-wide vocational training system, are adopted.

Energicamente

2015/2016 and 2016/2017 academic years

"Energicamente" is the educational project that Estra has designed for schools on the topics of energy saving and renewable energies. During the 2015/2016 and 2016/2017 academic years, this project was run in collaboration with Legambiente and Giunti Progetti Educativi.

250 classes were involved (year 5 in Primary School and the first three years of Secondary School) from Tuscany, Umbria, Marche, Abruzzo and Molise. About 6,500 pupils took part in class teaching sessions, each of 6 hours, as well as 18 theatre workshops entitled "Energia del Teatro". The classes took part in the Green Pirates Competition, whilst families were involved in the Ri-Energy Competition with prizes made up of free gas supplies.

2017/2018 academic year

Now in its 7th year, the Energicamente project, with which Legambiente continues to collaborate, uses new "digital learning" techniques to teach classes, students and families. This is a methodology that is now indispensable in an educational project, as provided for by the Italian Ministry of Education's (MIUR) National Plan for Digital Schools. In addition, it is thanks to this methodology that the project is becoming national, albeit concentrated mostly in Tuscany, Marche, Umbria, Abruzzo, Molise, Campania, Calabria and Sicily.

Energicamente (www.energicamenteonline.it) offers schools, teachers and families important educational resources. The platform uses the new digital languages for increasing knowledge

about energy topics in a fun and creative way, tackling the climate challenge not in theoretical terms, but presenting it in terms of individual lifestyle and concrete actions to carry out at home, at school and in your local area. The process aims to reinforce youngsters' scientific and technological skills and, at the same time, the skills of increasingly more active and responsible citizens.

The project's basic components are:

- the learning-recreational path for primary schools and lower secondary, for which, at 31 December 2017, 493 institutions had already registered throughout Italy, for a total of about 12,000 pupils;
- through interactive lessons, quizzes and online games, the youngsters are invited to discover how best to use energy in daily life, exploit smart technologies to make towns and cities more liveable and design a more sustainable future, also talking about alternative mobility and renewable sources;
- the classes access the path by registering as a team in the EstraCommunity and, as well as developing the content presented by amusing cartoon characters, they can take part in the Team Energy Merit Competition, which will award a prize for the best multidisciplinary project dedicated to energy with the opportunity to host an EstraDay. This is a special day for the entire school when the Energicamente content can be revisited and the youngsters can play;
- families are also invited to tell their children's schools about the project and access the Ri-Energy competition. Answering a few questions about their domestic habits in terms of energy consumption and savings gives them access to a draw for a number of prizes (electric bicycles, LED lamps, smart thermostats);
- the teacher training, which offers methodological support for the planning, management and assessment of the recreational learning path, promoting citizens' skills. The courses are run online through the Moodle e-learning platform and are recognised by the Ministry of Education (MIUR) with a 20-hour training certificate. The content provides a deeper analysis of Energicamente's topics and proposes a number of activities to be done in class, and includes guidelines for completing surveys and additional research in the local area;
- work-school exchanges for Upper Secondary pupils in the provinces of Arezzo, Prato, Siena, Ancona and Ascoli Piceno. The project, lasting 30 hours, involves about 100 students and aims to make them more aware and educate them on the most topical energy topics, also focusing on the professional expertise existing in the green economy field. The youngsters will work in mixed groups, each of which will adopt a participatory approach and organise its own path based on the local situation and the resources and issues in the local area.

ROARR

During the 2017/2018 academic year, 150 primary school classes in the provinces of Arezzo, Prato and Siena are taking part in Roarr! Save, recycle...roar, an environmental education project dedicated to energy saving and recycling conceived by Straligut Teatro in collaboration with Estra and the participation of many other partners.

About 4,000 pupils roar in defence of the environment, engaging in an ecological race based on a photographic treasure hunt of energy saving eco-actions, which each class can then “stick” in its own digital album on the website www.roarr.it, and the collection of metal and plastic tops. Each of these actions will win points for the class and the score achieved will give access to a rich catalogue of theatre and environmental prizes.

Estraclick is a competition that gives a weekly prize for the most original sticker uploaded and offers a coupon for teaching material and the photo’s publication on the project’s social channels.

7.3.2 Environmental education

The goal of the *Energicamente* and ROARR projects, described above, is to raise the awareness of students and their families and inform them about respect for the environment and the right way to behave.

This is supplemented by leaflets providing useful energy saving tips that are available at the Estra Group’s public offices. These have been attached to the utility bills, on several occasions. Finally, an APP is available on Estra’s website, developed together with Legambiente, which allows home electricity usage to be checked and indicates how to consume less energy. It also calculates the financial saving.

7.3.3 Dialogue with Public Bodies

The Estra Group bases its own operations on ongoing collaborative dialogue with the public bodies involved in its activities in various capacities. These are first and foremost the institutions, the organisations that govern and regulate the sector, the working groups set up therein, as well as the various trade associations.

The strong regulation of the sector in which the Estra Group operates (where unforeseeable regulatory change may have significant repercussions for market operation, tariff plans, the service quality levels required, technical-operating compliance, as well as the Group’s economic, financial and capital position, in terms of falling revenues, a tightening of margins and/or abandonment of initiatives in progress), makes it essential for the Group to implement collaborative processes with all the key players in the industry’s economic and regulatory

system. These processes are based on a joint examination of the regulatory changes and measures enacted by the Authorities for the sector, an assessment of their potential socio-economic effects, as well as the preparation of shared solutions to comprehensively tackle the changing trends in the industry.

8. RESEARCH AND DEVELOPMENT

In recent years, Estra has focused on the research and development of innovative applications to be added to its traditional businesses and has started to invest in new sectors.

The introduction of innovative solutions and the technology upgrade have led to the development of numerous projects cutting right across the Group's companies. These are effective synergies that have allowed business processes to be re-engineered and a new approach to end customers featuring an expanded product and service range.

This process has increased the Group's know-how and opened up inter-disciplinary applications developed around the traditional businesses also due to the innovative component added by the IT and ICT departments.

Thanks to its structured growth and important agreements signed with Universities, Research Institutes and specialist companies, Estra is one of the companies that will conduct the 5G trial in the Municipality of Prato.

8.1 Innovative products and projects

The two innovative projects described below are the major initiatives completed by the Estra Group, in this sector, between 2016 and 2017.

E-qube

The presentation of "e-qube" was held in Milan on 5 May 2017, on the Copernico workspace site; this was Estra's first start-up call, in collaboration with BIBA Venture Partners, to select innovative ideas at Italian and international level, with strong scalability capabilities, in sectors involving the multi-utility business.

The areas covered by the competition, in particular, were:

- Internet of Things area:
 - applications and solutions in fields such as: IoT platforms, smart homes and smart buildings; smart cities.
- Energy area:
 - energy efficiency: applications and solutions for energy diagnosis and consumption;
 - renewable energy: applications and solutions for energy generation, optimisation and storage;
- High added-value services area:
 - Big Data, business analytics, marketing automation and sales optimisation, retail experience and customer management.

The project arose from the Group's desire to give a voice to and support high added-value ideas, which, although promising, are unable to fully develop their business due to difficulties in obtaining the necessary funding.

The Start-up Call ended in the middle of July 2017, with the Adabra, Vertical m2m and Datumize victory. The three projects, with strong scalability capabilities, in sectors involving Estra's key business, stood out amongst more than 230 projects originating in 40 countries over 4 different continents.

First place was awarded to *Adabra*, a company based in Arezzo and Milan, which presented a customer engagement platform that can organise and coordinate business marketing activities through the online and offline channels in real time. Adabra thus won the €30,000 offered for first place.

Second place went to *Vertical m2m*, a company based in Paris, which has developed a fully scalable and integrable IoT able to standardise the management of all the devices through a single channel. This platform features characteristics compatible with all the main communication standards. A prize of €20,000 was awarded.

Third place went to *Datumize*, a company based in Barcelona, which has developed Data Collector, a highly innovative solution that allows companies to exploit so-called Dark Data, namely all unused data, to increase the understanding of the internal processes of organisations. A prize of €10,000 was awarded.

5G technology

Estra has launched in Prato two projects on the IoT and video-surveillance, as part of the "Città 5G" trial promoted by Wind Tre and Open Fiber. This provides for the production of services with a major impact in terms of social and economic benefit.

Open Fiber and Wind Tre, awarded the Ministry of Economic Development (MISE) tender for developing technology and enabling new services in Prato and L'Aquila, are proposing a "Città 5G" model to encourage the creation of a broad ecosystem, open to universities, research centres, small and medium-size enterprises, administrations and citizens, with the aim of developing new services.

In this context, the first use case developed by Estra, with Florence University and Prato's University Centre, is aimed at applications for collecting data for things with technologies connected to the IoT galaxy, but with the goal of the IoE (Internet of Everything).

The purpose is to develop an IoT/IoE platform, which is 5G enabled, to monitor usage remotely, for the industrial automation processes as part of Industry 4.0, for the "smart city" management

and production procedures. The trial also provides for the integration of different services on a single IoT platform.

The second use case headed up by Estra, as part of the Open Fiber and Wind Tre 5G trial, consists in creating a city video-surveillance system, with advanced automatic video stream analysis functionalities, to be installed around the local city area.

The 5G technology band makes it possible to use very high definition TV cameras, to control them remotely and use them, for example, on roads or to check for illegal dumping. In fact, the trial's objective is to create a television camera network to be repositioned according to need. 5G technology is a hugely powerful solution that can enable highly innovative services for future smart cities.

Estra's two projects confirm the Group's approach and its constant search for new technological frontiers and innovation in the telecommunications field. An approach that reflects the natural complementary nature of the main activities in the natural gas and electricity sector and affinity with the areas in which the Group operates.

9. ENVIRONMENT

The Estra Group is aware of the impact that its operations have on economic-social development and on quality of life in the local area and is actively engaged in helping to protect the natural environment and contribute to sustainable local development, by basing its own choices on those solutions in which the pursuit of corporate aims and environmental needs are compatible.

Despite the fact that Estra has not adopted a single group policy on environmental matters, this vision has been translated into several key points, which, to date, make up the environmental policies described in the environmental management systems. The 14001 certified companies are the most important in the Group and those that have the greatest environmental impact: Estra, Estra Energie, Estracom, Estra Clima, Centria and Gergas.

In particular, the Estra Group works to:

- maintain over time the certification of its Environmental Management System by an accredited third party organisation. The non-certified companies produce non-material environmental impact, as they are small gas and electricity sales companies that have been recently acquired and in many cases, since 1 January 2018, merged by incorporation into Estra Energie;
- continually improve environmental performance, in line with the improvement standards defined, environmental regulations signed by the organisation and the parameters laid down by relevant legislative provisions;
- reduce, when carrying out its operations, the use of natural resources and the contribution made to climate change on the planet;
- cut the total waste produced, especially hazardous waste, and develop recycling activity, encouraging the use of non-hazardous substances in working activities and promoting waste separation;
- prevent pollution and possible environmental risks related to the activities of structures, performing prior assessments and keeping proper tight control of all the critical parameters, as well as steadily reducing risks arising from the use of hazardous substances;
- improve the levels of awareness of personnel working in the Group or on its behalf, encouraging the responsibility of employees and co-workers for protecting the environment and implementing staff information and training programmes;
- raise awareness of its own suppliers and contractors about the Group's key environmental management principles;

- commit to actions to maximise energy saving in its own offices and sites, in its vehicle fleet management, favouring more efficient and less polluting technologies;
- raise awareness, in its operations, of residents of the towns and cities served regarding energy saving, reducing greenhouse gas emissions as well as sustainability and sustainable development issues in general;
- reduce the use of energy resources per unit of gas supplied to the grid through plant maintenance and improvement;
- optimise the use of fuels for vehicles by renewing the vehicle fleet and through innovative systems for managing mobility;
- manage construction sites for any pollution in an optimal manner and in accordance with applicable legislative provisions;
- activate suitable measures to reduce and prevent accidents, handle emergencies and limit the consequences for the environment and people's health.

9.1 Protecting the local area

The Estra Group has always been actively engaged in the responsible management of the environmental heritage of the areas in which it operates. The environmental policies of the various companies aim, in the first place, to reduce the impact of their own activity, through responsible use of resources to restrict self-consumption and the quantity of waste produced. In addition, the Group produces renewable source energy and deals with energy efficiency measures allowing customers to optimise, and thereby reduce, their own consumption.

9.1.1 Energy production plant

Over the past 10 years, Estra has installed more than 30MW of renewable source plants distributed throughout 6 Italian regions, through stakeholdings and partnerships. During 2016, the Estra Group started a process to reorganise the renewables sector: this restructuring, carried out through specific corporate operations, has optimised the activities and resources related to this sector, taking account both of the stakeholdings in place and the geographical distribution of the plants.

In particular, since June 2016 plant previously owned by Centria, the Solgenera Group and the NovaE Group, as well as the interest held in the Casole Energia company, has been transferred to the Estra Clima company and the Venticello company has been merged by incorporation. The new structure in which costs and revenues arising from renewable source plants flow into a single company will result in improved operations, both in production and in technical-

administrative terms.

The tables below indicate the electricity and thermal production figures for the various plants. One can see that production is substantially uniform, except for wind power electricity production that has fallen due to the full transfer of the Montefalcone (Benevento) wind plant to the Montedi company and the increase in photovoltaic production following the Cavriglia and Tegolaia plants' inclusion in the consolidation scope.

Total electricity from renewable sources

Total electricity from renewable sources	2016		2017	
	kWh	Giga Joule	kWh	Giga Joule
Solar photovoltaic	8.190.663	29.486	30.303.341	109.092
Biomass	4.593.807*	16.538	4.649.340*	16.737,62
Wind	4.423.980	15.926	19.000	68
Total	17.208.450	61.950	34.971.681	125.898

* The table gives the figure for electricity from biomass; biomass electricity fed into the grid amounted to 3,186,998 kWh in 2016 and 3,174,333 kWh in 2017.

Total thermal energy from renewable sources

Total thermal energy from renewable sources	2016		2017	
	kWh	Giga Joule	kWh	Giga Joule
Biomass	21.906.299*	78.863	21.894.488*	78.820

* The table gives the figure for thermal energy from biomass; biomass thermal energy fed into the grid amounted to 5,256,392 kWh in 2016 and 5,576,880 kWh in 2017.

Electricity produced by the Sesto Fiorentino and Siena cogeneration plants (Malizia plant and Mattioli plant) owned by Estra Clima

Electricity from non-renewable sources	2016		2017	
	kWh	GJ	kWh	GJ
Electricity	406.359,98	1.462,90	263.309,64	947,91
Thermal energy	6.439.950,00	23.183,82	5.850.510,00	21.061,84
Refrigeration energy	19.230	69	10790	38,84

9.1.2 Consumption

Here below is a list of the Group consumption relating to natural gas and electricity. The 2016 figures indicated in the table relating to methane consumption for office heating refer to the Arezzo, Grosseto, Modena, Montepulciano, Osimo, Prato, Siena and Sesto Fiorentino sites. The 2017 figures, on the other hand, refer to the same sites but exclude Sesto Fiorentino, the lease of which Estra had not renewed.

Natural gas is used for air conditioning of sites, food cooking and water heating. Gas consumption remained essentially the same over the two years.

The REMI delivery points for methane distribution consist of plant in which the natural gas is decompressed and regulated. These processes include a phase when the gas has to be heated and then transferred to the grid. The high pressure and medium pressure decompression phase inevitably causes the gas temperature to drop: for safety reasons, the gas has to be heated to above 0°C before entering the distribution network.

The table below also gives methane consumption for the delivery points.

Finally, the methane consumption of back-up boilers is shown in the event of biomass and cogeneration plant shutdown due to a fault or for maintenance.

In particular, the operation of the district heating system in the Municipality of Calenzano (Florence) is based on a biomass cogeneration plant, located in the same Municipality, which uses, in self-consumption mode, some of the electricity produced to power electric pumps, circulators, fans, etc. The plant features back-up boilers that cut in when the plant is shut down due to a fault or for maintenance, whilst they are shut off when the biomass cogenerator is in service. The following table includes back-up boiler methane consumption for the years 2016 and 2017.

Group gas consumption	2016		2017	
	mc	GJ	mc	GJ
Methane consumption – office heating	215.459	7.569,94	215.017	7.554,41
Methane consumption – gas distribution	836.531	29.390,68	878.299	30.858,16
Methane consumption - plant	1.045.050	36.716,79	999.604	35.120,09

The Group's electricity consumption mainly concerns the Group's sites, the electricity drawn from the grid by photovoltaic plant, biomass plant and cogeneration plant.

In addition, a smaller proportion refers to consumption of technological plant located locally such as for example gas cabinets and feeders for pipe cathode protection. The electricity consumption on sites is due primarily to lighting, electric engines and air conditioning of premises. In 2017 the electricity consumed on sites fell due primarily to the replacement of light fixtures in corridors on the Prato site with new more efficient ceiling lamps.

Finally, the electricity consumed in Prato and Arezzo comes from a renewable source because it is drawn directly from photovoltaic plant located on the sites, not owned by the Group.

Group electricity consumption	2016		2017	
	kWh	GJ	kWh	GJ
Electricity consumption from the grid	5.056.804	18.204,49	5.348.791	19.255,65
consumed on sites	3.754.580	13.516,49	3.476.664	12.515,99
Photovoltaic electricity consumption on sites	79.884	287,58	85.748	308,69

In addition to the consumption described above, some of the photovoltaic plant owned self-consume some of the energy they produce as indicated in the following table. The rise in self-consumption between 2016 and 2017 is due to the inclusion of the Cavriglia and Tegolaia plants within the line-by-line consolidation scope.

Self-consumption of photovoltaic electricity	2016		2017	
	kWh	GJ	kWh	GJ
	35.281	127,01	634.276	2.283,39

9.1.3 Atmospheric emissions (generated and avoided)

Emissions generated

The emissions generated include the consumption of renewable plant electricity, electricity consumption of Estra Clima's cogenerators, consumption by company sites (both methane and electricity), the methane consumed by back-up boilers when the biomass plant is shut down due to a fault or for maintenance, methane consumption for heating gas in the pressure reduction stations and methane losses due to major faults.

CO ₂ (t)	2016	2017
Scope 1 emissions	4.157,78	4243,88
Scope 2 emissions	2.605,96	2481,13

Other emissions (t)	2016	2017
NO _x emission	5,8734	5,8472
PM ₁₀ emission	0,0283	0,0274

Emissions avoided

270.01 tonnes of CO₂ emissions were avoided in 2017 due mainly to self-consumption of electricity generated by photovoltaic plant (and minimally photovoltaic electricity generated and consumed by sites).

Compared to 2016, when 43.19 tonnes of CO₂ were avoided, a more than six-fold increase has been recorded. This is due primarily to the inclusion in the total calculation of the self-consumption of energy generated by the Cavriglia and Tegolaia plants which, in 2016, were not included in the consolidation scope.

9.1.4 Activities to improve energy efficiency on the sites

Energy efficiency on the Prato site

Responding to a special energy diagnosis of the lighting system in the corridors of Estra's Prato site, Estra Clima drew up the project and carried out the following activities using its own

financial resources:

- raising the technological efficiency of the lighting system, by replacing 412 corridor lighting fixtures, dating back to 2004, with new ceiling lamps having the same technical characteristics in terms of lighting, reducing the installed power of each lighting fixture from 43.01 W/each to 12.65 W/each;
- reduction in lighting times after working hours; more specifically, it has been agreed with the audit's recipients that it would be sufficient to plan the first programmed lights-off in the corridors at 20:00 instead of at 22:30, leaving the second automatic switch-off at 22:00.

The dismantling of the heat pumps and circulators currently fitted to the building roof and the installation of two quiet high-efficiency heat pumps which will be positioned on a new base to be built in the parking area is instead planned for 2018. The two machines (connected to one another in parallel and separated from the distribution network by an inertial storage tank acting as a thermal flywheel) will be connected to the new distribution network. This network will be created starting from the new heat pumps up to the building roof where it will run up to the various connection points located on the existing pillars for supplying the emission terminals installed in the offices. All the circulators, both those for supplying the two new heat pumps and those installed to replace the existing ones, will be the inverter type. An on-off zone valve will be installed on each fancoil and a new remote management system will be put into service to monitor, control and manage the plant's parameters.

Energy efficiency on the Arezzo site

The heating plant is scheduled to be completely upgraded in 2018 and all the system components will be replaced. The current generator will be replaced with a methane-powered condensation generator and will generate thermal energy to provide the site with winter air conditioning. All the circulators fitted in the system will be replaced with inverter circulators. A thermal solar installation will be fitted to the roof of the plant to produce sanitary hot water which, if needed, may be supplemented by the new generator.

In addition, a new remote management system will be put into service to monitor, control and manage the plant's parameters.

9.2 Waste management

Total non-hazardous waste includes ash produced by the biomass plant, amounting to 288,340 Kg in 2016 and 359,330 Kg in 2017.

In the two-year period considered, one can see a rise in non-hazardous waste sent for recycling and hazardous waste sent for disposal, as total waste increases, due essentially to the increased ash produced by the biomass plant.

Waste (in Kg)	2016	2017
Total general waste	558.312	637.927
Total non-hazardous waste	501.817	574.597
Total hazardous waste	56.495	63.330
Total waste sent for recycling	464.331	561.220
Total waste sent for disposal	93.981	76.707
Total non-hazardous waste sent for recycling	462.622	559.741
Total non-hazardous waste sent for disposal	39.195	14.856
Total hazardous waste sent for recycling	1.709	1.479
Total hazardous waste sent for disposal	54.786	61.851

Methodology Used

Reporting standard

Here below are presented the material topics of Estra and the related selected GRI aspects.

Material topics	GRI aspects	Internal impact	External impact
Supply Chain Sustainability Tender Applications Environmental Impact of Suppliers' Operations	204 – Procurement Practices 308 – Supplier Environmental Assessment	X	
Anti-Corruption Policies	205 – Anti-corruption	X	Suppliers*
Management Efficiency and Transparency	206 – Anti-competitive Behaviour 307 – Environmental Compliance 419 – Socioeconomic Compliance	X	Suppliers*
Energy Efficiency Renewable Sources and Emission Reduction	302 – Energy	X	
Renewable Sources and Emission Reduction Impact of the Vehicle Fleet Protecting the Local Area	305 – Emissions	X	Suppliers*
Waste management	306 – Effluents and Waste	X	
Employment and Work-Life balance	401 – Employment	X	
Industrial Relations and Regulatory Authorities	402 – Labour/Management Relations	X	
Occupational Safety	403 – Occupational Health and Safety	X	Suppliers*
Human Capital Growth	404 – Training and Education	X	
Equal Opportunity	405 – Diversity and Equal Opportunity	X	
Equal Opportunity	407 – Freedom of Association and Collective Bargaining	X	
Freedom of Association Industrial Relations and Regulatory Authorities	407 - Libert� di Associazione e Contrattazione Collettiva	X	
Stakeholder Engagement Dialogue with Public Bodies Environmental Education Local Development Projects	413 – Local Communities 102-43 – Approach to Stakeholder Engagement	X	

Social Impact of Suppliers' Operations	414 – Supplier Social Assessment	X
Transparency in Dealings with Customers System Safety Service Quality	416 – Customer Health and Safety 102-43 – Approach to Stakeholder Engagement	X
Reputation and Brand	417 - Marketing and Labelling	X

** Reporting not extended to the external boundary*

As far as the requirements set out in Legislative Decree 254 are concerned, no account has been taken of the indicators on water resource use since the Group's materiality analysis has shown this to be insignificant, compared to the other environmental impacts, because it relates solely to water consumption on the Company's sites.

Calculation techniques

The main calculation techniques and any specific points linked to individual indicators illustrated in this document are set out below:

- the accident rate is the ratio of total accidents to total hours worked, multiplied by 1,000,000;
- the severity rate is the ratio of total working days lost due to accident (calculated as calendar days starting from the day after the event) and total workable hours, multiplied by 1,000;
- the absenteeism rate is the ratio of total hours of absence during the reporting period and total workable hours in the same period, multiplied by 100;
- the emission factors used to calculate the polluting emissions (NOx and PM10) reported are as follows:
 - for electricity: key emission factors for new plant or for electricity taken from the grid published by the Piedmont Region for calculating emissions in the area of energy diagnosis;
 - for natural gas consumption: INEMAR (Inventario Emissioni Aria – Air Emissions Inventory), 2013 Inventory Atmospheric Emissions in Emilia Romagna - Arpea Emilia Romagna;
- the emission factors used to calculate the CO2 emissions reported are as follows:
 - Scope 1 direct emissions: the emission and conversion factors taken from the table of national standard parameters published in 2017 by the Ministry of the Environment and Territorial and Marine Protection have been used for natural gas consumption;
 - Scope 2 energy indirect emissions: the emission factor taken from the Terna international Comparisons on Enerdata – 2015 has been used for the electricity purchased from the

national electricity grid;

- the key emission factors used to calculate avoided emissions are for new plant or for electricity purchased from the grid published by the Piedmont Region for calculating emissions in the area of energy diagnosis.
- Total workforce at 31 December 2016: Piceno Gas' employees are not included.
- Absenteeism rate: the 2016 figures do not include leased workers and the Prometeo, Veia and Gas Tronto companies. The 2017 figures do not include leased workers, nor the figures for the Piceno Gas company which are not available.

GRI Content Index

GRI Standard	Disclosure	Page	Omission
General Disclosures			
Reporting practice			
GRI 102: General Disclosures	102-8 Information on employees and other workers	Page 23-26	
	102-15 Key impacts, risks, and opportunities	Page 10-11	
	102-43 Approach to stakeholder engagement	Page 8-9 Page 33-38,41	
	102-46 Defining report content and topic Boundaries	Page 64	
	102-47 List of material topics	Page 8	
	102-55 GRI content index	Page 67	
Material Topics GRI 200 Economic Standard Series			
Procurement Practices			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 54 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Page 46	
Anti-corruption			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 18	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	Page 19-20	
	205-3 Confirmed incidents of corruption and actions taken	No confirmed incidents of bribery were recorded in 2017.	

Anti-competitive Behavior

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 41	

GRI 300 Environmental Standards Series

Energy

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 56-57	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 302: Energy	302-1 Energy consumption within the organization	Page 56-62	Some of the information required by the indicator (vehicle fleet figures) is not currently available. The Estra Group undertakes, in the next few years, to report the information required to cover the indicator.

Emissions

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 56-57	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Page 62	Some of the information required by the indicator (vehicle fleet figures) is not currently available. The Estra Group undertakes, in the next few years, to report the information required to cover the indicator.
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions		

Effluents and Waste			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 56-57	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306: Effluents and Waste	306-2 Waste by type and disposal method	Page 63	
Environmental Compliance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 56-57 Page 64	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	In 2017, the Estra Group received no significant fines or non-monetary penalties due to non-compliance with environmental legislation.	
Supplier Environmental Assessment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 308: Supplier Environmental Assessment	308-1 New Suppliers that were screened using environmental criteria	Page 41	

GRI 400 Social Standards Series

Employment

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 21-23	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 401: Employment	401-1 New employee hires and employee turnover	Page 24-26	

Labor/Management Relations

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 21-22	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 402: Labor/ Management Relations	402-1 Minimum notice periods regarding operational changes	Page 32	

Occupational Health and Safety

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 28-30	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 403: Occupational Health and Safety	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 28-30 Work-related fatalities: 0 Occupational diseases: 0	Some of the information required by the indicator (contractors' figures) is not currently available. The Estra Group undertakes, in the next few years, to report the information required to cover the indicator.

Training and Education

GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 21-23	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Page 27	

Diversity and Equal Opportunity			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 30-31	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 31	
Non-discrimination			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 21-23	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	In 2017, no incidents of discrimination were recorded.	
Freedom of Association and Collective Bargaining			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 32	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	In 2017, there were no recorded risks of infringement of the rights of freedom of association or collective bargaining for any Group operation, or for the most important suppliers taking part in tenders or for operators included in the suppliers' register.	
Local Communities			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 47-51	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Page 47-51	

Supplier Social Assessment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Page 41	
Customer Health and Safety			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 38-41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Page 38-41	
Marketing and Labeling			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 417: Marketing and Labeling	417-3 Incidents of non-compliance concerning marketing communications	In 2017, the Estra Group received no fines or non-monetary penalties due to non-compliance with legislation in terms of disclosure, except as indicated in paragraph 7.1.3.	
Socio - economic Compliance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Page 64 Page 41	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	In 2017, the Estra Group received no fines or non-monetary penalties due to non-compliance with legislation in the social and economic area, except as indicated in paragraph 7.1.3.	

