Sustainability Report

WIND 3

2018
Building the future together.

Summary

Letter
to the stakeholders

Dear Readers,

I am pleased to present you with the third Sustainability Report for Wind Tre, the company born from the merger of Wind and H3G just over two years ago. As a member of a large multi-national group, this Italian company is at the forefront of the telecommunications sector, offering advanced technological and digital solutions for every segment of the market.

The prices in our sector have been fiercely competitive in recent years, and there has been a gradual decline in customer spending; a trend that's in stark contrast to all the other utilities, both in Italy and throughout Europe. Nevertheless, our industry has a unique strategic potential, because the governance of the technological infrastructure lies at the centre of the fourth industrial revolution, and the new services and applications require a fast and reliable telecommunications network.

We're about to witness the transition towards 5G networks and ecosystems, a fundamental technological enabler for the development of innovative solutions, which will be one of the key ingredients to this Country's growth and development.

We're therefore investing a total of 6 billion Euros in the integration and consolidation of our two networks, in order to provide our customers with a single high-quality network made up of over 21,000 sites that uses cloud and fibre architectures of the latest generation, with one major goal: to position ourselves as a leader of this digital revolution.

However, this transformation can only be achieved through partnerships, with the involvement of people and organisations from different backgrounds, each capable of providing added value. But we're also well aware that it's a revolution in which the technology cannot become an end unto itself... rather, it must play a functional role in improving our lives, our cities, and our future. From this standpoint, the international Sustainable Development Goals (SDGs) should serve as a "compass" for guiding everyone towards certain common solutions.

This Sustainability Report describes the ways in which we're striving to achieve all of this, as always with the indispensable help of Wind Tre's personnel. I'd also like to thank all of our partners: reliable travel companions with whom great projects and innovative technological solutions will be developed, once again with the conviction that a sustainable future can only be built together.

Thank you and happy reading,

Jeffrey Hedberg
Wind Tre C.E.O.

2018

About us
- Key players on the Italian telecommunications scene
- CK Hutchison becomes Wind Tre's sole shareholder
- 6 billion Euros in digital infrastructure investments
- An Ebitda of 2,040 million Euros
- Listening to our Stakeholders

TELCO: the dawn of a new paradigm
- While prices are decreasing, the dissemination of the services (both landline and mobile) is increasing
- The market is becoming increasingly competitive
- Internet of things, blockchain, big data, and cloud services: digital solutions are the future

Putting technology at the service of individuals
- 4G coverage reaches 97.4% of the population
- Meeting people's specific needs, thanks to different brands: Wind for families, 3 for technology enthusiasts, and Wind Tre Business for business needs
- Customer care and feedback: 34 contact centres, social media presence, dedicated apps, and customer care
- 78.2% overall customer satisfaction

Operating responsibly
- A solid governance model: Model 231, fight against corruption, whistleblowing
- Our certifications: quality, environment, safety, corporate responsibility, and information security
- Privacy and data security: on the front lines

Driving change
- Over 6,800 people
- HR Innovation Practice 2018: award by the Polytechnic University of Milan for the new leadership model
- #diciamo la nostra: our community
- Over 93,000 hours of training
- Future Land, On Stage: We're preparing the talents of the future
- Digital workplace: 12% of people are already working from remote locations
- Wind Tre for Us: our welfare program

Protecting the Environment
- Energy Consumption: the energy intensity index was halved in 3 years
- 2,200 GJ of self-produced solar energy
- Over 13,000 BTS with energy saving technology
- GenerAction Sea: working with the WWF to protect the Mediterranean
- Electromagnetic Emissions: our commitment to raising awareness about the subject

Building a sustainable future
- Wind Tre for the SDGs: our contribution to the global agenda
- Education for change: Connected generations, Stepping up the STEM, Life as a social, NeoConnessi
- 5G for the city of the future: the trials conducted in Prato and L'Aquila
- The ability to innovate: the evolution of the network, Wind Tre Business Factor, the partnership with Luiss Enlabs
- Helping communities: Wind Tre's solidarity efforts, together with its customers and employees

About us

Key players on the Italian telecommunications scene

Wind Tre S.p.A. was established on 31 December 2016 from the merger between Wind Group, made up of Wind Telecomunicazioni S.p.A. and Wind Retail S.r.l., which belonged to the company VimpelCom Ltd (now VEON), and H3G Group, made up of H3G S.p.A. and 3Lettronica Industriale S.p.A., which belonged to the company CK Hutchison Holdings Ltd, a multinational conglomerate with main operational headquarters in Hong Kong. [GRI 102-10]

The agreement is of the most important merger and acquisition operations to take place within our country in recent years. In addition to contributing to the country's growth through the provision **of 6 billion Euros in digital infrastructure investments**, it also allows the subsidiaries 3 ITALIA and WIND to assume the size and efficiency necessary to continue offering increasingly fast, reliable and innovative telecommunication services with 4G/LTE coverage at competitive prices. On 7 September 2018, CK Hutchison announced

that an agreement had been reached for the purchase of VEON's entire stake in Wind Tre: a transaction that, after the approval of the European Commission, would result in the Company officially becoming Wind Tre's sole shareholder.
The Company, which operates through the commercial brands "Wind", "3" and "Wind Tre Business" [GRI 102-2], has now become a leading player on Italy's landline and mobile telecommunications market, offering both voice and data services. Combined with other major investments, the integration of the two networks guarantees, and will continue to guarantee, a network of unparalleled quality for Italian customers, while at the same time accelerating the development of increasingly advanced mobile broadband and landline services. [GRI 102-4]

Wind Tre's goal is to expedite the modernisation of the country through the consolidation and development of network infrastructures and the provision of technological and digital solutions, offering efficient services capable of **connecting the entire Country**.

Despite heavy competition, especially on the mobile telecommunications market, Wind Tre closed out 2018 with total revenues amounting to € 5.6 billion and an EBITDA of € 2,040 million.[1] [GRI 102-7]. **There were approximately 30 million mobile and landline customers at the end of 2018.**
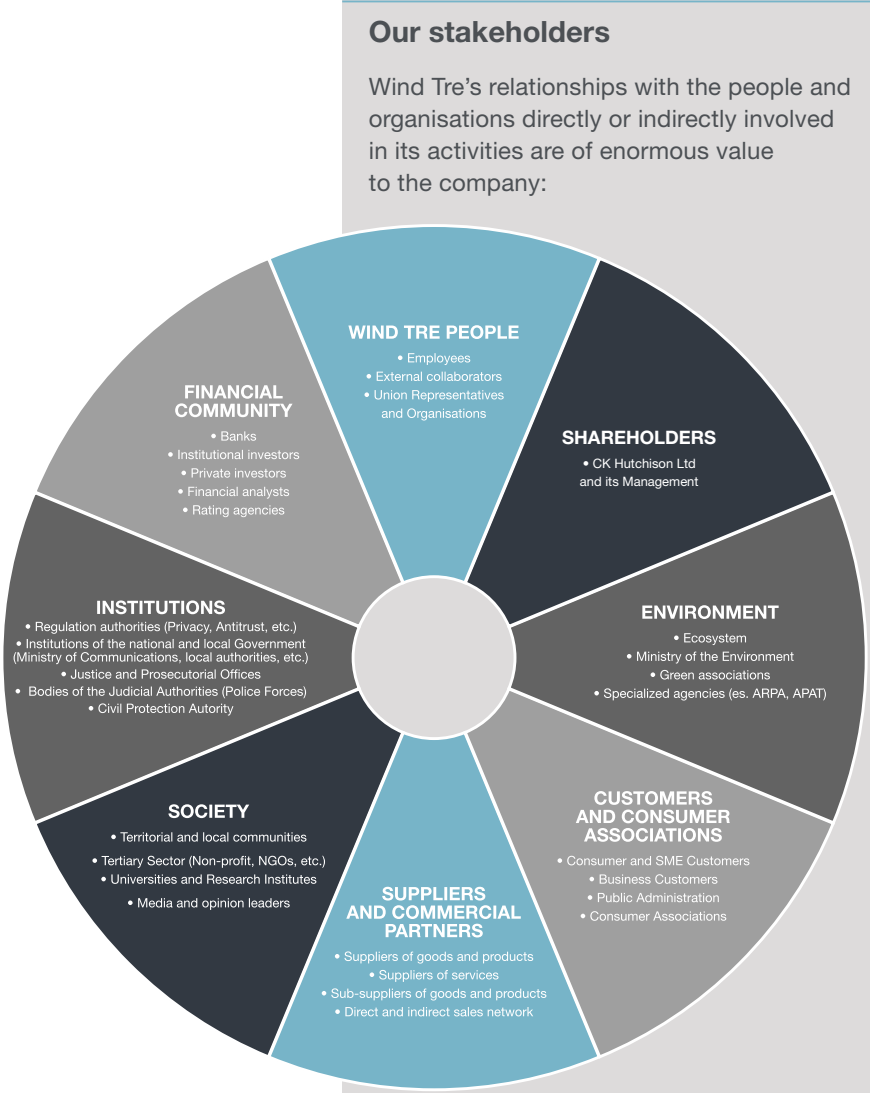
The issues discussed
The Sustainability Report discusses the issues that the company has identified as most important for its stakeholders and its strategy, by doing what the Global Reporting Initiative (GRI) defines as a materiality analysis.
In 2017, starting from a preliminary list of issues relating to the aspects contained in the GRI's specific standards, a shortlist of issues

potentially relevant to Wind Tre was identified, taking into account their recurrence within certain documentary sources: issues considered to be of a material nature by the SASB for the TELCO sector; Sustainability Reports of representative competitors and peers on the European market; interviews with opinion leaders associated with the Group's various stakeholder categories. The issues were then ranked according to the significance of the impacts generated by Wind Tre and the significance attributed to them by the stakeholders. As foreseen by the reference guidelines, the material issues identified were then integrated as new scenario elements, along with the stakeholder feedback linked to the digital innovation project for the SDGs. [GRI 102-46, 102-47]

[1] *EBITDA before the non-recurring costs linked to the Wind and H3G merger.*

The issues that matter		The related SDGs
PUTTING TECHNOLOGY AT THE SERVICE OF INDIVIDUALS	Network reliability and coverage. Customer Care and Customer Satisfaction. Transparency and responsible marketing.	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
OPERATING RESPONSIBLY	Privacy and data security.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
DRIVING CHANGE	Attention to our people.	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 4 QUALITY EDUCATION
PROTECTING THE ENVIRONMENT	Reduction of CO_2 emissions and smart technologies.	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS
BUILDING A SUSTAINABLE FUTURE	5G for the cities of the future. Education for the future. Innovation and open innovation.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS

Our stakeholders

Wind Tre's relationships with the people and organisations directly or indirectly involved in its activities are of enormous value to the company:

in fact, the loyalty and cooperation of others are crucial for ensuring continuous improvement and for implementing projects of common interest.

The stakeholders are those who have legitimate expectations from Wind Tre, or can have an impact on the company's operations. [GRI 102-42]

The following image shows the Wind Tre stakeholders grouped into categories. [GRI 102-40]

The company maintains regular relationships and dialogues with its stakeholders. The contact takes place in different ways, and at different frequencies, depending on the categories concerned. Some initiatives are organised specifically in view of the preparation of the Sustainability Report and the Integrated Management System. Starting with the launch of the Digital Innovation project for the SDGs in 2018, Wind Tre began a structured process of listening to its stakeholders, which entails their direct involvement in the construction of scenarios and solutions to help achieve the objectives of the Global Agenda. Most of the discussion and dialogue, however, falls within the scope of the customary practices of discussion and cooperation, regardless of the reporting activities. [GRI 102-43]

WIND TRE PEOPLE
• Employees
• External collaborators
• Union Representatives and Organisations

FINANCIAL COMMUNITY
• Banks
• Institutional investors
• Private investors
• Financial analysts
• Rating agencies

SHAREHOLDERS
• CK Hutchison Ltd and its Management

INSTITUTIONS
• Regulation authorities (Privacy, Antitrust, etc.)
• Institutions of the national and local Government (Ministry of Communications, local authorities, etc.)
• Justice and Prosecutorial Offices
• Bodies of the Judicial Authorities (Police Forces)
• Civil Protection Autority

ENVIRONMENT
• Ecosystem
• Ministry of the Environment
• Green associations
• Specialized agencies (es. ARPA, APAT)

SOCIETY
• Territorial and local communities
• Tertiary Sector (Non-profit, NGOs, etc.)
• Universities and Research Institutes
• Media and opinion leaders

CUSTOMERS AND CONSUMER ASSOCIATIONS
• Consumer and SME Customers
• Business Customers
• Public Administration
• Consumer Associations

SUPPLIERS AND COMMERCIAL PARTNERS
• Suppliers of goods and products
• Suppliers of services
• Sub-suppliers of goods and products
• Direct and indirect sales network

TECHNICAL APPENDIX LINK

TELCO: the dawn of a new paradigm

We discussed this issue with
Mario Frullone,
Director of Research for the Ugo Bordoni Foundation
Mario Frullone has been director of research for the Ugo Bordoni Foundation since 2003, where he coordinates scientific and applied research studies in the fields of electronic communications and computer science, among others. He's also been chairman of the Elettra 2000 consortium, which consists of the University of Bologna, the Guglielmo Marconi Foundation and the Ugo Bordoni Foundation, and is dedicated to studying the health impact of electromagnetic fields. He's the author of over 150 international scientific works.

What are the three strengths that the Italian Telco sector can leverage in addressing the challenges of the digital revolution?

5G lies at the centre of the digital revolution, and Italy can count on at least three advantages in making this transition.
The first lies in the fact that we immediately dedicated **the right amount of attention to this topic**: with more than 10 on-going projects, we're currently among the countries conducting the greatest number of active 5G experiments in the world, and we held the auction for the 5G frequencies ahead of almost every other European country. In fact, thanks to the necessary attention to the complex process of releasing the 700 MHz band, upon which most of the television channels are broadcast, we've witnessed a significant continuity in the actions of the successive governments, accompanied by forward-looking industrial policy decisions.
The second strength regards the institutional activities in the field of **technological innovation**. In fact, major initiatives have been promoted and launched regarding certain technical components fundamental for 5G, like artificial intelligence and Blockchain technologies. Such advanced initiatives have rendered our country a forerunner in the international scientific debate.

The third element is **the country system's increasing attention to the issue of national security**. The 5G system and the digital transformation will be pervasive throughout every industrial sector, including energy, transport, and healthcare, and these topics will therefore be faced with a comprehensive focus upon safety. In this sense, for example, major initiatives have been launched concerning the definition of appropriate evaluation and safety certification of the ICT devices, that will have to be used in various industrial sectors.

In this case, it is once again necessary to start with 5G, as it represents a major shift on the telecommunications scenario. The greatest new development is that, unlike the previous generations, the services won't target individual customers so much as entire new industrial sectors. The business model will therefore be B2B, and will target structured subjects like car manufacturers, major energy distributors, and hospitals. And this represents an enormous opportunity for the Telco sector to once again take centre stage and resume growing. That which will make the difference will be the ability to quickly understand these new subjects' needs and to come up with suitable solutions. The advantage that Telco operators have with respect

to the Over the Top players is their ownership of the frequency bands, which they must protect and fully exploit in order to seize upon new development opportunities. There is however a strong tendency toward the disintermediation of services and decentralization of the storage and calculation infrastructures, that will have to be taken into account.
The financial aspect must certainly be taken into account, because the present networks will have to be adapted to these new large entities by making major infrastructural investments. Financial partners and infrastructure sharing methods must therefore be identified: unlike in the past, when there was infrastructural competition among the operators, the 5G revolution will be characterised by elements of sharing. The competition will focus more upon network management, and in this sense artificial intelligence will come to play a central role, that for what's possible shouldn't be delegated.

Digital skills certainly play a decisive role, above all those relating to ICT infrastructures and network management. In fact, the Telco operators can decide whether to retain control of the networks, or to cede control to the suppliers or Over the Top operators. The topic of *machine learning* skills for the 5G revolution, which has

[2] AGCOM defines Over-The-Top (OTT) operators as companies that use the Internet to supply services, contents and rich-media type applications (e.g. advertising banners that appear at the top of a web page during a visit). These companies mainly make a profit from the sale of contents and services to end users through dealers (such as in the case of Apple and iTunes) or through the sale of advertising space, as in the case of Google and Facebook, OTTs are companies without their own infrastructure, that operate above the networks, hence the term over-the-top.

been taken up by a number of international research groups, also falls within this area. The country's educational and training system must be capable of promoting the development of these types of skills through its universities and research institutions. The Italian training system is quite good, but our talents and skills are continuously moving abroad.
Telco operators find themselves facing enormous complexities compared to the past: the 5G revolution will result in a considerable increase in terms of costs, infrastructural and cultural investments, and skills that must be able to be obtained from the operators' surrounding educational fabric. In fact, when we look at the examples of self-driving cars, the Internet of Things, and Smart Cities, we realise that the process currently taking place represents more

of a leap than a transition: the change will be disruptive, and the things of the past will no longer exist.
Right now, I think that we need to fully recognise also outside the ICT sector the magnitude of the challenge we're facing. It's the reason why, when the 5G trials began, the main topic was the creation of partnerships with local industries and government bodies, and this allowed us to raise awareness of the opportunities to be seized. The operators will no longer be just the main financial players... they'll also have to become the driving force behind the search for cultural skills, and will have to be at the forefront of the relationships with the different industrial sectors, otherwise certainly someone else will do it in their place.

[GRI 102-6, GRI 102-15]

The telecommunications industry's global landscape is changing faster than ever, and the industry finds itself facing the emergence of a **new paradigm**.
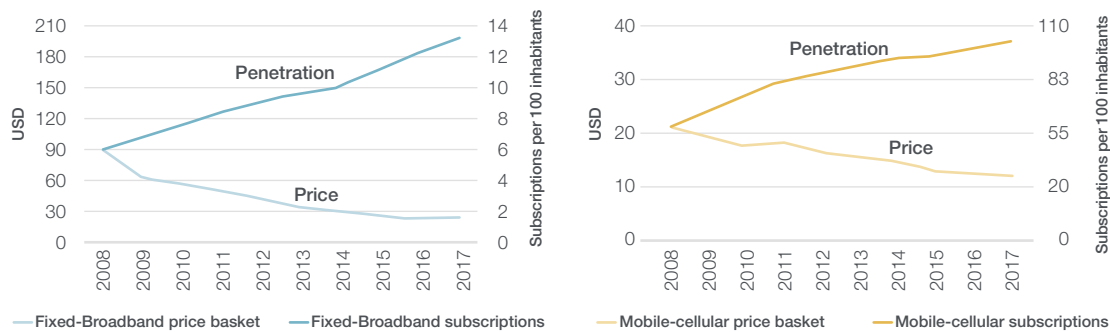
For several years, in fact, the Telco operators have found themselves facing a continuously changing technological and cultural scenario, as well as an extremely competitive market that has required the operators to gradually alter their business models.
Over the past 10 years, the Telco operators

have lost more than 25% of their turnover. There have been two main reasons for this loss: the reduction in the prices for landline and mobile network services, which has been particularly evident in Italy (according to the latest Agcom Observatory there has been a reduction of over 41%), and competition from the so-called Over-the-Top players[2], who have succeeded in quickly taking over large shares of the new digital markets enabled by the networks.
And while the prices of both mobile and fixed telecommunication services continue to diminish, their use and dissemination are showing precisely the opposite trend, and are constantly increasing.

Price trends for landline and mobile telephony services and relative penetration from 2008 to 2017

Source: ITU

So what does the future hold for the Telco sector?

One initial certainty will be the transition from broadband to ultra-broadband connectivity services, which is leading to considerable growth in the fibre-optics segment.

But the most promising prospects for growth lie in the diversification of the business strategies, and the development of innovative solutions enabled by artificial intelligence, the Internet of Things, Big Data Analytics, Blockchain and Cloud services, which at least partly compensate for the reduction in revenues causes by the decline of traditional products and services.

This opportunity is so great that industry analysts estimate that the Internet of Things will generate **1.1 trillion dollars** in global turnover by 2025.

Around the world

The telecommunications sector certainly plays an important role in the global economy: **retail sector revenues in 2016 amounted to 1,700 billion dollars, more than 2% of world GDP**. The mobile segment provides for the greatest share of turnover worldwide, thus attesting to the declining trend in landlines and the increasing role played by mobile telephony, especially in the data segment.

Given the fixed costs associated with transmission network maintenance and promotional campaigns, in order to absorb competitors active on the domestic or neighbouring markets, incorporations and mergers have become increasingly widespread throughout the European market in recent years, and are aimed at exploiting the economies derived from the increasing of the production levels.

With regard to broadband connectivity, although **the number of landline broadband subscriptions has been steadily increasing** in recent years, **the increase in mobile subscriptions has been even greater**, with the penetration rate having increased from 4 subscriptions for every 100 inhabitants in 2007, to 69.3 in 2018[3].
Investments in the Telco sector increased by 4%, from 340 to 354 billion dollars, and were mainly directed towards large infrastructures. This trend reflects a market in which the financial pressure and competition are gradually intensifying, leading operators to change their business models in search of new revenue sources.

In Italy

After the United Kingdom, Germany and France, Italy ranks in fourth in Europe in terms of turnover for both mobile and landline telecommunications services, with **120,000 workers employed**.
The prices of the services have decreased by 41.6% over the past 10 years[4], with a consequent reduction in the revenues of approximately 30%.
There was a slow recovery in 2017, with gross revenues increasing by + 0.8% with respect to the previous year, reaching a total of € 32.1 billion.
The steady decline of landline telephony has now been more than compensated by the growth of data-related revenues, thanks to the increase in Broadband and Ultra-broadband users, and the increased sales volumes for connected devices.

Following the past two years of recovery, the mobile market once again showed a decline in revenues due to several factors, including the repositioning of customers towards offerings with more services at the same price.
Since 2007, the main Telco operators have made more than € 75 billion in investments towards the development of the domestic broadband infrastructure and the purchase and renewal of network licenses. According to the latest data from the European Commission, as of June 2017, 86.8% of Italian households had access to broadband services with speeds greater than 30 Mbps. With this value, Italy surpassed the European average (80%)[6] for the first time ever, and took a major step towards reducing its infrastructure gap in relation to the other countries of Europe.
While the use of the Internet and ICT technologies in our country continues to grow, a major gap still remains for both businesses and private users compared to other EU countries.

As of 2018, 73.7% of Italian households accessed the Internet from home with a broadband connection, and 94.2% of companies with at least 10 employees utilised a mobile or landline broadband connection[7].
With regard to the landline networks, the data traffic volumes increased by 36% in 2017 (2.5 times the value of 2014 and 5 times that of 2010). With regard to the mobile networks, on the other hand, despite amounting to just one-tenth of the landline figure, the growth rates were even higher, with a 52% increase compared to 2016, and an

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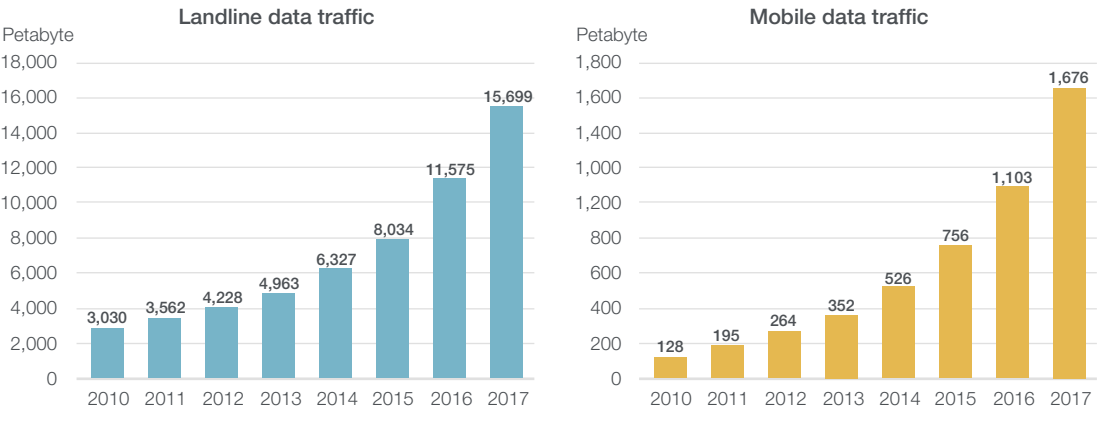[3] ITU (2018), Measuring the Information Society Report 2018, ICT country profiles.
[4] AGCOM (2018), Observatory on communications, fourth quarter 2018.
[5] CORCOM (2018), Telco for Italy, Report 2018.
[6] Asstel and Digital Innovation Observers Polytechnic University of Milan (2018), report on the Telecommunications chain in Italy.
[7] Istat (2019), 2018 Statistics Report, Citizens, businesses and ICT.

absolute value 13 times greater than that of 2010. If these growth rates were to continue over the next 7 years, the mobile data traffic consumption would exceed 21,000 petabytes, thus revealing the need to invest in the availability and quality of the mobile broadband service offering.

The digital transformation under way requires both organisations and the people involved in them to get back into the game. In order to do this, companies must take action on two distinct levels. The first consists of **seeking out resources with excellent digital skills**, and not necessarily from outside the company (in order to make this determination, however, one must have an excellent knowledge of the in-house skills present, so that a professional transformation and *reskilling* process can be initiated).

The second, on the other hand, involves the **development of Digital Soft Skills**, or rather the skill set that has emerged in the light of the digital transition under way: relational and behavioural soft skills that allow people to effectively use the new digital tools in order to increase the productivity and quality of the work activities. The in-house development of digital skills and a culture suitable for the transition under way has now become one of the most difficult challenges faced by human resources. Considering that the number of the sector's employees aged 55 years and over have doubled from 6% to 12% over the past 4 years, even as a result of the pensionable age increase, this challenge has revealed itself to be even more crucial in the Telco sector. Less than 30% of the population is under 40 years of age, and only 4% is under 30.

Evolution of landline and mobile data consumption in Italy from 2010 to 2017

Landline data traffic

Petabyte

Year	Value
2010	3,030
2011	3,562
2012	4,228
2013	4,963
2014	6,327
2015	8,034
2016	11,575
2017	15,699

Mobile data traffic

Petabyte

Year	Value
2010	128
2011	195
2012	264
2013	352
2014	526
2015	756
2016	1,103
2017	1,676

Source: Asstel and PoliMi

Putting technology
at the service of individuals

INTRODUCTION

An integrated, reliable and widespread network, to deliver traditional and innovative services; three different brands, to respond in a targeted manner to people's needs; 34 contact centers and 4 dedicated numbers, for an high customer focus.

HIGHLIGHTS

97.4% 4G coverage of Wind Tre Network

78.2% overall customer satisfaction

82.9% customer loyalty

The Union Makes the Network
[GRI 103-1, 103-2 and 103-3]

A reliable and wide-reaching network
The establishment of a reliable and extensive network is necessary for the provision of all the telecommunications services (voice and data), and makes a significant contribution to the perception of service quality on the part of the clientele.

Following the merger of Wind and H3G, Wind Tre committed itself to the gradual integration of their respective network infrastructures, and this objective has already been achieved in the cities of Trieste, Agrigento, Modena, Bologna, Alessandria, Prato, Milan, Ascoli Piceno, Rimini, Bari, Brindisi, Caserta, Terni, Asti, Ragusa, Cosenza and Rome, thus resulting in real benefits for the customers, who find themselves with better connectivity in terms of both coverage and signal quality. [GRI 203-1 b and c]

In the cities where it launched its own integrated networks, the company has created dedicated communication campaigns under the slogan L'Unione Fa La Rete ("The Union Makes the Network"). The new infrastructures provide considerable benefits for both private and corporate customers. In the various cities where they were launched, a significant **increase in 4G speed (up to 250%) was recorded, as well as a significant improvement in coverage, especially indoors**.

At the end of 2018, the new consolidated network's 4G coverage reached approximately 47% of the Italian population, and the company's commitment to this goal will remain strong in the coming years, with the aim of obtaining an extensive and wide-reaching network with over **21,000 transmission sites throughout Italy**. Meanwhile, in collaboration with several partners, Wind Tre is also strongly committed to the **development of 5G technology**, which will allow for much faster data transmission speeds than those which are currently possible, thus allowing for the large number of connections between devices necessary for the growth of the Internet of Things.

The network performance targets are established in such a way as to guarantee high standards of service, and to meet the predictable traffic expectations; the network is monitored by a perpetually active NOC (**Network Operation Centre**).

The mobile network
The **Wind Tre mobile network's outdoor coverage reaches 100%** of the population, with the respective figures being 99.9% for 2G (GSM), 99% for 3G (UMTS/HSPA), and 97.4% for 4G (LTE).

During the course of the year, the modernisation and consolidation of the corporate mobile network entrusted to ZTE suffered a temporary slowdown due to a provision issued by the U.S. Department of Commerce, which has refused export and re-export privileges on U.S. software products and technologies, as a result of which Wind Tre entered into a RAN agreement with Ericsson Italia. This provision was withdrawn after a few months, and both suppliers are now once again working on the Wind Tre mobile network's modernisation and consolidation.

During the course of the year, Wind Tre proceeded with its development of 4G LTE technology (**4.5G**), making use of the 800 MHz, 1800 MHz and 2600MHz band frequencies.

In order to meet the high demand for data traffic, the company has focused its efforts upon expanding its LTE coverage in order to cover larger areas and increase the network capacity

offered to its customers. The company decided to invest approximately **€ 240 million** in this solution in order to improve the quality of its mobile network, and to simultaneously obtain benefits in terms of reduced energy consumption.

Landline network
Wind Tre is currently capable of offering "the last mile" for connections to direct subscribers at nearly 2,000 sites, with a capacity of approximately 3.5 million lines, and is interconnected with 32 GW IPs on the TIM network, which allow for "indirect" Carrier Selection throughout Italy, as well as WLR (Wholesale Line Rental[8]) and BS Ethernet[9] services.

In 2015, Wind Tre began investing in fibre optics and, using **Fibre To The Cabinet** (FTTC) and **Fibre To The Home** (FTTH) technologies, activated ultra-broadband services that reached over 60% of the Italian population by the end of 2018.

With regard to the transmission network used for the landline and mobile services, the company is capable of handling all the high-speed fibre optic backbone network's traffic through its own infrastructures.

TECHNICAL APPENDIX LINK ⊕ 🔍

[8] WLR, an acronym of Wholesale Line Rental, is a service that the network's owner, Telecom Italia, offers to operators who want to offer traditional telephone lines to their customers while entirely managing the commercial aspects with their own brand name.

[9] Ethernet is a family of computer networking technologies commonly used in Local Area Networks (LAN), Metropolitan Area Networks (MAN), and Wide Area Networks (WAN).

The Network Functions Virtualisation project
In 2018, Wind Tre continued a series of studies in order to evaluate the effects of the introduction of NFV (Network Functions Virtualisation), which will lead to a significant change in the way we implement telecommunication networks, by effectively breaking the hardware and software link present in the traditional equipment. In fact, the landline and mobile network functions will both become software applications, thus allowing telecom service providers to **progressively decrease the development and installation times required for the equipment used to provide services to the end users**.

The study set the stage for the awarding of a major technological tender later in the year. A challenging project is still under way for the adaptation of the network infrastructure towards a private cloud NFV environment, which will enable new service scenarios, will

change the management paradigm, and will improve the network's reliability.

The extension of FTTH – Fibre To The Home – services
During the course of 2018, in addition to Milan, Turin, Bologna, Perugia, Venice, Padua, Naples, Bari, Catania, Cagliari, Genoa and Palermo, Wind Tre extended its ultra-broadband FTTH – Fibre To The Home – connectivity services to include 28 other major cities, including Florence, Matera, Udine, Pescara and Verona. The project is being carried out in partnership with Open Fiber which responsible for providing the fibre optic connections.
Thanks to agreements that have already been concluded, the cities currently reached by this service will be joined by another 258 by 2022, for a total of **271 Italian cities**. This amounts to a total of approximately 10 million homes and businesses that will have access to fibre optic connections at speeds of up to 1 Gigabit per second.

Meeting people's specific needs
Wind Tre operates on the market with distinctive trademarks, whose different placements and portfolios allow them to meet the customers' needs in a targeted manner.
Wind is positioned as a reliable choice for Italian families, offering clear, simple and affordable

solutions, even with bundled landline and mobile services.

3 has strengthened its position as a leading technological brand and a benchmark for the most innovative solutions, and is based on the values of transparency, innovation and technology.

Wind, for families

The Wind brand considerably strengthened its positioning as a **Family Brand** in 2018 by offering new services and solutions designed to meet the needs of all members of the family.
The **Prezzo Vero Wind** promotion guarantees maximum affordability and transparency for the entire family: no hidden costs and no interruptions in data traffic upon reaching the plan's limit, with voicemail and services included. One of the main challenges we're experiencing with regard to the digital transformation is providing young people with access to the Internet. In fact, the Internet is a daily factor in the lives of children, adolescents and families, and therefore has an enormous impact upon habits and relationships. And while the Internet is a source of opportunity in many respects, it can also simultaneously be a source of many dangers. Aware of the role that it plays in relation to children who are first introduced to the Internet through smartphones, Wind offers **parental control** services with dedicated services, and even collaborates with schools and major organisations to educate children on the proper use of digital technologies and Smartphones. Another important issue is the **digital inclusion** of family members Over 60, who should be given the opportunities and the tools necessary so that they don't feel excluded by the technological and digital transformations taking place. That's why Wind has developed an offer dedicated exclusively to them: the **All Inclusive Senior** promotion, which, in addition to data traffic and unlimited calling time, also includes a smartphone or another easy-to-use phone.

Once again on the subject of customer awareness, Wind Tre pays special attention to the communities of foreigners residing in Italy. The **Call Your Country** promotion is an offer reserved for customers with foreign citizenship, which, in addition to a large amount of data traffic for surfing the internet and unlimited calling throughout Italy, also includes a number of benefits like monthly minutes for international calls, Hot Spot Browsing, Texting, and free online activation.

3, for technology enthusiasts

In keeping with its core values of transparency, innovation and technology, the 3 brand further developed its portfolio in 2018 by continuing its technological research aimed at implementing an efficient network service capable of connecting the country by breaking down geographical boundaries. Combined with a range of deals offering exclusive and value-added contents, particularly in terms of data traffic, this aspect has always been the brand's greatest strength. The most important new development introduced by 3 during the course of 2018 was the launch of its **Unlimited** service for the first time on the Italian telecommunications market. Thanks to the bundling of landline and mobile services, Internet connectivity has become truly unlimited, and the price of the mobile offering is discounted. A unique, practical and effective solution for both inside and outside the home, for those who always need to be connected, and all at an extremely affordable rate.
What's more, the **ALL-IN** and **FREE** promotions allow customers who can't do without the latest

technologies to even include a next generation smartphone, with zero money down and extremely competitive monthly rates. Customers who are most attentive to the latest technological developments will find that the **FREE** promotion offers customisable options, with the possibility of getting a new smartphone each year with insurance coverage against accidental damage, all at no additional cost.
Thanks to the additional options like the **GIGA BANK** service, which allows customers to accumulate unconsumed data traffic and use it during the following months, the **Apple Music** service, which is included for 6 months, and the **Grande Cinema 3** program, the brand has diversified and differentiated its portfolio with respect to the competition, offering customers unique content and excellent value.
In terms of inclusiveness, for people with hearing disabilities, the 3 brand has come up with the **ALL-IN 60** deal, which, for a cost of just € 4.99 / month, offers unlimited domestic calling, 2,000 text messages, and 60 GB of data traffic.
2018 also saw the launch of the **3Cube Giga Illimitati** promotion, which is specifically designed for those who live in Italian cities where fibre optic connections aren't yet available.

Wind Tre for business clients

For **Business clients**, Wind Tre has reinforced its strategic offering with new commercial and technological partnerships aimed at developing solutions driven by the Internet of Things, mainly in the Utilities and Smart Working sectors, once again with the aim of **improving the work quality**

and lifestyles of its customers.
With regard to the **Smart Working**, Wind Tre has enriched its portfolio of digital services for VAT holders and Small and Medium-sized Enterprises with smart and innovative solutions designed to assist them with the transformation and digitalisation of their processes, communications and services.
In 2018, the latest developments in the **Business Digital Solutions** portfolio were largely dedicated to security and compliance with the new legal standards, and included the following services:

• **Secure Web**: the new Cloud-based service designed to protect network connected devices and personal and business data against the latest generation of cyber attacks. Using the world's most sophisticated technologies, it provides complete protection against Phishing, Malware and Botnet attacks. The company's lines are protected by Cisco's Secure Web solution, which protects the connection against security risks by continuously analysing and updating the possible threats and attempted attacks;

• **Electronic Billing**: in order to manage the company's accounting and store documents in compliance with the latest legal standards, which will enter into force in January of 2019;

• **MyGDPR**: to help customers adapt to the new General Data Protection Regulation, with a comprehensive solution made up of dedicated tools and a specialised support service.

The portfolio of Business Digital Solutions includes Business Tools like **Pay&Go**, for managing mobile electronic payments, and

Office 365, in order to ensure the constant availability of cloud-based office and collaboration tools.
There are even Digital and Contextual Marketing solutions like **MyWeb**, for creating highly engaging and functional websites, **MyMarketing**, for optimising digital channels with integrated social media campaigns and e-commerce features, and **Hotspot Wi-Fi**, for enriching the clientele's user experience with high quality Wi-Fi connections.
In terms of channels of communication with

customers, Wind Tre remains committed to improving, renewing and rendering its digital touchpoints more efficient, including the Website, the Apps, the new Customers' Area, and the Social Media channels, all of which have been optimised with the latest technologies complete with features designed to interact with customers in an innovative manner, even using chat bots, which are capable of providing customers with increasingly accurate replies thanks to their fast and comprehensive learning capabilities.

The Alliance with telefonica

Thanks to the **partnership signed by Hutchison Group with Telefonica**, Wind Tre has enriched its catalogue of solutions for large companies and, above all, has expanded its presence on the international market. Thanks to this alliance, Wind Tre will be capable of meeting the needs of multinational companies with advanced connectivity solutions and integrated digital services that can be adapted to all of their branches, thus ensuring simplified network management through technological upgrading. A new **Multinational Accounts** sales channel, which operates on a global scale, will have access to a rich portfolio complete with

Telefonica connectivity services in the countries where it operates, while Telefonica will likewise have access to the Hutchison network's services throughout Europe and Asia. What's more, the alliance can even strengthen the offering of Cloud, Security, IoT and Big Data solutions on an international scale for the sectors in which they will be most beneficial, like the Industrial, Retail, Finance and Tourism sectors.
The partnership between two large international telecommunication groups (Hutchison group, present in Italy, Austria, England, Ireland, Sweden, Denmark and Asia, and Telefonica Group, present in Spain, Germany, England, and Central and South America) will enable **operating on three continents while competing on a global scale**.

We like to be clear
[GRI 103-1, 103-2 and 103-3]
Through the **Service Charter**, which was adopted in accordance with the provisions of the

Italian Communications Authority (AgCom), Wind Tre informs its customers about their rights and its commitments to quality, including its service activation and fault repair times. This document,

which can be found on the institutional and brand websites, is updated whenever required due to the marketing of new services or the issuance of special provisions by the Authorities overseeing the market, as well as whenever the targets of the performance indicators change.
In order **to provide its customers with ample opportunities for feedback and verification**, the company offers them a range of tools, such as apps and websites, for monitoring their use of the service, for verifying the correctness of the charges, and for contacting customer service.
All information relating to the services provided, charges invoiced, and any complaints submitted are managed via the **Contact Centres**. These centres receive the referral from the customer, check the validity of the complaint, and, if found to be valid, arrange for the termination of the contract or the reimbursement of the amount due, with the complaint being resolved within the times frame indicated on the **Service Charter**.

Value-added Services (VAS), also known as Premium Services, are added to the basic telephony (voice and data) service, and entail extra charges with respect to the basic services (e.g. digital editions of newspapers and magazines, music, film and TV services, games, horoscopes, ringtones, chats, dating and adult content). The Value Added Services are provided and promoted by third parties (Content Service Providers), but are billed to the end customer by the telephone service provider, who in turn, based on the contractual arrangements, relegates the payment received to the service provider, retaining a share for itself.

Wind Tre combats the unsolicited sale of paid services using the various countermeasures:
1. the adoption of a caring and refund policy in the event that a service is disputed;
2. the adoption of specific guidelines for the purchase of these services, which are more restrictive than the applicable regulations, in order to guarantee an informed purchase;
3. the monitoring of the communication adopted by the distributors of the services, via an outside company, in order to detect any abnormalities and sanction any violations of the rules;
4. possibility of charging the Content Service Providers for the refunds granted to the customers.

Complaints and disputes regarding VAS services are also handled through the Call Centre, which, after receiving a referral, checks the validity of the complaint and, if found to be valid, arranges for the deactivation of the VAS service and the reimbursement of the amount paid.
One major new development in this regard is the technical round table held between the operators and service providers and the Data Protection Authority. The agreements reached, accompanied by a trial period, have resulted in a new 4.0 version of the **Premium Service Self-Regulatory Code** (CASP), which includes comprehensive changes aimed at protecting the consumer and creating a safer and more transparent Customer Experience.

Customer care and feedback

Communication channels
[GRI 103-1, 103-2 and 103-3]
The quality of a telecommunications service depends upon the company's ability to **communicate with its customers, answering their questions and meeting their expectations throughout every stage of the relationship**: before making a purchase, during the stipulation of the sales agreement, during the course of the supply relationship, whenever any problems are encountered, and whenever the customers' communication habits or requirements should change, up until the termination of the contractual relationship.

The Contact Centres aim to ensure customer loyalty with **specialised teams for each market segment** (retail and business), capable of understanding the customers' needs throughout the entire lifecycle of the service. Their typical activities consist of providing commercial, technical, and administrative information, implementing the customer's orders, and overseeing the management of any complaints or faults reported.

The Wind Tre Contact Centres

34 Contact Centres:
  10 for Business clients
  24 for Retail clients

The contact centres have dedicated numbers based on customer categories:
1928: Wind Tre Business
155: Wind landline and mobile
139: 3 Business
133: 3 Retail

Wind Tre manages the websites Wind.it, Tre.it, Infostrada.it and Windtrebusiness.it, which describe the new deals, and the ways to activate the various services. These websites also provide access to the **Selfcare Area**, where customers can find useful information, such as their activated rate plans and traffic usage, and can perform configuration activities. Private customers can even obtain support from the **virtual agent** in the Selfcare Area.
The main Apps, which can be downloaded from Google Play and the App Store, are the following:
- **MyWind**: intended for Wind retail customers;
- **MyTre**: intended for 3 retail customers;
- **Wind Tre Business**: introduced in 2017 and intended for both Wind and 3 business customers;
- **Talk Business**: intended for customers and business prospects.
Like the Selfcare Areas accessible from the websites, these apps allow customers to monitor their traffic

usage, recharge their accounts, check network coverage, and monitor their active promotions.

Customer Care
The quality of the customer care service is essential to the company's marketing and sales strategies: in fact, the proper management of the same allows the company to maintain the loyalty of its customers and the good relations that it has instilled with them, and consequently fosters the company's growth and development. The Wind Tre **Customer Care** units are responsible for ensuring the "end-to-end" management of the customer care processes, assisting the customer in a proactive manner, wherever necessary and possible, in order to ensure the best use of the service from a technical and economic standpoint, and notifying the customer of any anomalies that could alter the standards of the services in terms of usage and costs, even if only temporarily.
The Customer Care personnel are involved in **e-learning training projects** aimed at improving their skills and professionalism. In particular, a considerable increase in the e-Learning channel's usage was recorded in 2018, with the number of training hours exceeding 15,000. Another area of focus is that of **trainer empowerment**, which saw 9 editions held in 2018, for a total of 72 classroom hours involving 50 trainers: 44 figures engaged by suppliers, and 6 from the company's proprietary call centres. During the course of the year, **web writing** courses were organised to improve the effectiveness of the communication skills of approximately 80 process analysts. These courses

will also be offered to all the trainers and operators in the Commercial Operations area during 2019.

The "Cross Channels" Model

For the past two years, Wind Tre has been implementing the "cross channels" service model on both the consumer and business channels, which allows the Customer Service operator to see all the interactions generated on the various communication channels by the customer. This not only allows for the more effective, transverse, and independent management of the channels through which the customers interact with Customer Service (phone, postal service, email, social networks, apps, etc.), but also allows the company to obtain a simple and comprehensive overview of all the interactions generated by the customer using the different channels, even within the context of the same support request.
Within the framework of the systems integration and modernisation projects, the IP Protocol Contact Centre project (IPCC) was launched in 2018, and was 80% complete by the end of the year. In particular, the project involves the integration of all the Contact Centres within a single technological ecosystem, where an integrated cross-brand solution for the management of the voice, e-mail, chat, SMS, fax and letter channels will be introduced.

The Social Networks

The Wind and 3 commercial consumer brands have channels on all the main social networks (Facebook, Twitter, Youtube, Instagram, Google+), while the Wind Tre Business brand has channels on Facebook, Twitter and LinkedIn. Finally, the company has two Wind Tre institutional channels on Twitter and LinkedIn, which are dedicated to the company's business activities and communications of a non-commercial nature. In addition to the sales campaigns, some of which had dedicated editorial streams, the social channels were also used for special projects and sponsorships. Among these, the Wind channels stood out thanks to their support for musical events, like the Wind Music Awards and Wind Summer Festival, as well as their sponsorship of The Voice. There were also important partnerships with social Influencers, like that carried out with The Jackal, which ranked as the top Branded Content dedicated to Christmas, and obtained more than 6 million views.

The 3 brand entered into an important partnership with WHAM for the finalisation of the new guidelines, and with Xiaomi for the launch of the new Mi 8 device supported by IG stories, with a Xiaomi brand expert available to answer the users' questions, 3 also launched its online shop on Instagram. Finally, in support of the launch of the new Wind Tre Business brand in 2017, a showcase page was set up on LinkedIn in September, with campaigns dedicated to publishing activities and recruiting Business Agents.
The use of innovative formats for promotional and engagement/entertainment editorials, including animated GIFs, dynamic covers, video teasers, and playful images/videos, had a considerable impact upon the increase and the maintenance of high engagement and sentiment indicators for all the brands. From a performance standpoint, a streamlining operation was carried out in relation to the sponsored Campaigns, with the goal of supporting the sale of the online promotions.

TECHNICAL APPENDIX LINK ⊕

Wind Tre Followers on the main social media channels

over
2.3million
followers
on Facebook

nearly
300,000
followers
on Twitter

over
53,000
followers
on Instagram

Customer satisfaction
[GRI 102-43]

In 2018 the company once again measured its level of customer satisfaction on a scale of 10 to 100 by conducting telephone surveys specific to each market, carried out by an independent external company. The survey was conducted on a quarterly basis with 1,000 interviews of Mobile Consumer customers, using a sample of customers by geographic area, type of contract (pre-paid or subscription), nationality, data usage mode, and contract duration.

TECHNICAL APPENDIX LINK ⊕

Results of the Customer Satisfaction Mobile Consumer analyses[10]

78.2
overall satisfaction

82.9
customer loyalty

The pursuit of shared solutions

In the event of any disputes, Wind Tre uses two types of mediation tools to minimise the use of the ordinary justice system:
• an **attempt at mediation**, required by the Italian Communications Authority (AgCom), with the support of a third party (such as the Co.re.com - Regional communications committees), in order to reach an amicable solution. In the event of a negative outcome, the user may ask AGCom and the Co.Re.Com to settle the dispute, or else may turn to the ordinary law courts;
• The **ADR procedure**, carried out by the consumer associations registered with the National Council of Consumers and Users (CNCU). The mediation is managed online, and for each successful mediation the consumer associations are awarded a contribution of € 35 by the Ministry of Economic Development, and a contribution of € 20 by the company that managed the mediation proceeding itself. The joint mediation process requires a Complaint to be submitted by the customers, even via the Consumer Associations. These complaints are also promptly handled, with a high rate of successful mediation.
In 2018, even after the introduction of the **Conciliaweb** platform (AGCom resolution 203/18/CONS), the company's model for managing customer disputes was promptly adapted. Despite the commitment that the new operating method imposed by AGCom would require, as of today the outcomes of the mediation proceedings and disputes are generally positive.

79%
solutions
agreed upon
between the
parties

TECHNICAL APPENDIX LINK ⊕

[10] Weighted average of the findings for the Wind and 3 brands; for detailed results, please refer to the technical Annex.

Operating responsibly
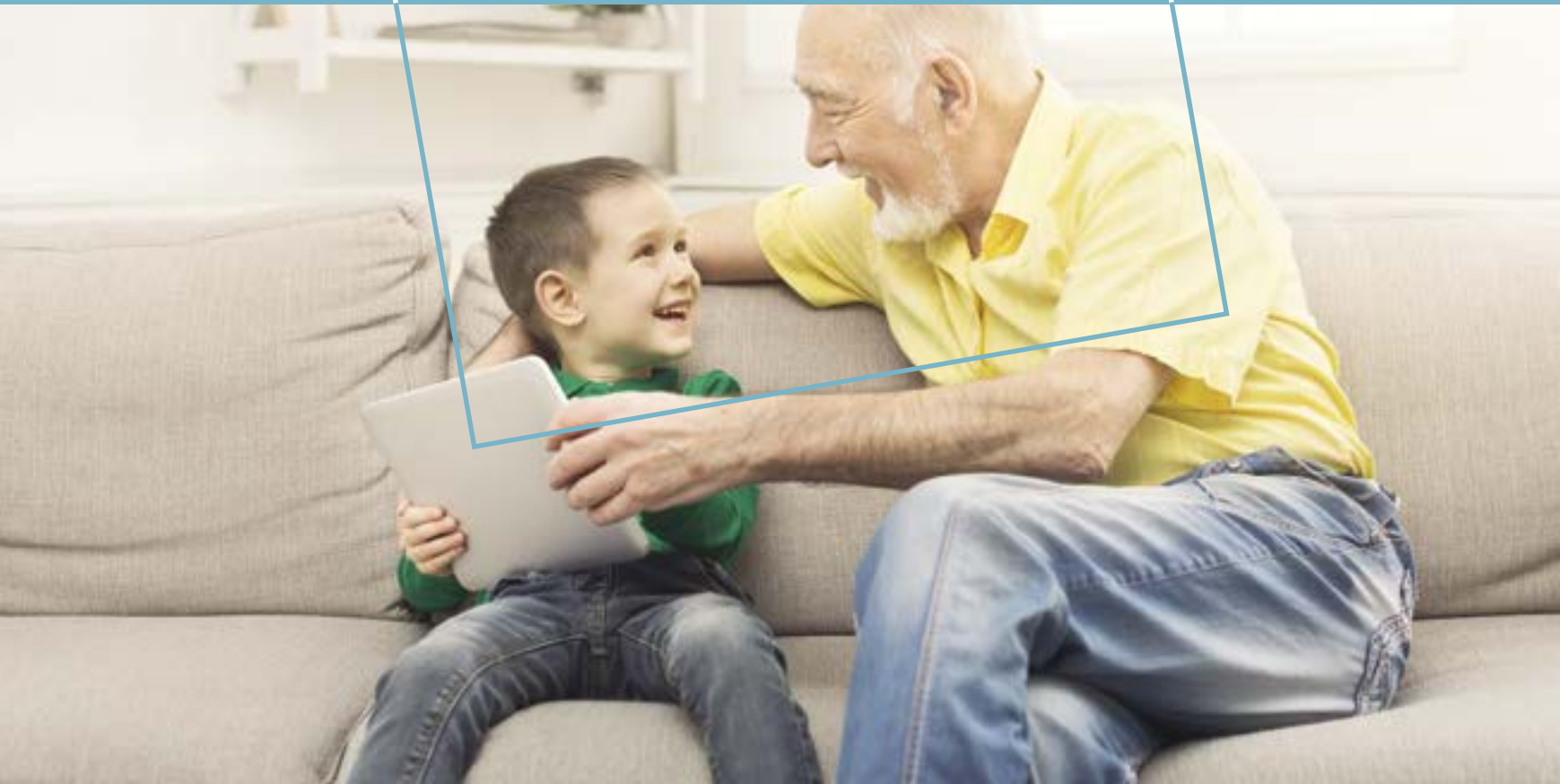
INTRODUCTION

Wind Tre pays great attention so that its activities are carried out with integrity and correctness, going far beyond compliance with the regulation. Transparency, correctness, security and responsibility are the basis of corporate culture and organization.

HIGHLIGHTS

300 Due Diligence procedures carried out in relation to the business partners in 2018

5 certifications at the core of an integrated management system

over 800 questionnaires on suppliers in Privacy issues

A solid governance model

Although not listed on the stock exchange, Wind Tre has adopted an extensive series of rules and organisational structures aimed at **ensuring a fair and efficient system of corporate governance** designed to protect the rights and interests of the investors and all the other stakeholders. In fact, the company has chosen to go well beyond mere compliance with the current laws and regulations, and has adopted an approach inspired by the international best practices.

In order to be able to adapt to the legislative changes and the various organisational requirements, Wind Tre's system of corporate governance is continuously changing. In this regard, the Company is well aware of the importance of training and raising awareness among all people who work on the organisation's behalf.

The Model [GRI 102-16]

Wind Tre is dedicated to ensuring that its business activities are carried out with integrity, and in a fair and professional manner, while at the same time

maintaining high ethical standards and respecting the local and international regulations. The **Code of Conduct** (www.windtre.it/governance/codice-condotta-e-mo) provides **behavioural guidelines** for the company's personnel while performing their day to day duties, thus strengthening the company's credibility and reputation within its operating context.

"The Code of Conduct is an essential part of the Corporate Governance system, and is a tool that Wind Tre uses to continue boosting its credibility and reputation as a business and as a member of the national community in which it operates.

Jeffrey Hedberg, CEO of Wind Tre

Wind Tre's **Compliance Office** promotes the corporate culture based on ethical principles and compliance with the standards and procedures, while at the same time providing ethics and

compliance related training. In particular:
- it carries out monitoring activities in order to identify any potential regulatory violations, and receives and manages reports of potential violations of the Code of Conduct;
- it carries out "Risk Assessment" activities in order to identify and evaluate any compliance risks;
- it supports all the Company's management bodies by providing clarifications on the Code of Conduct's application, as well as on the topics of anti-corruption, conflicts of interest, anti-money laundering, social investments, sponsorships, gifts, and hospitality;
- it assists the Company's management bodies with the development of procedures, policies and guidelines, with the aim of mitigating risks of a regulatory nature (e.g. Italian Legislative Decree no. 231/01);
- It ensures Wind Tre's compliance with the obligations and responsibilities imposed by Italian Legislative Decree no. 231/01, through an annual compliance program.

For each of the companies belonging to Wind Tre Group, Wind Tre has adopted an **Organisation and Management Model pursuant to Italian Legislative Decree no. 231/01**, which identifies the rules and principles of control for preventing the offences covered by the Decree itself, and is periodically updated in order to effectively meet the legal requirements and adapt to any organisational changes. Wind Tre has also appointed a collegiate **Supervisory Body**, consisting of two external professionals and two internal managers, which is responsible for monitoring the Model's adequacy and effectiveness.

The fight against corruption
[GRI 205-2]
Drawing inspiration from a series of domestic and international anti-corruption regulations, Wind Tre has adopted an **Anti-Corruption Policy** that defines the ethical principles and standards to be observed during the management of the company's activities, in order to mitigate the risk of corruption and ensure compliance with the applicable standards and regulations.

300

Due Diligence procedures carried out in relation to the business partners in 2018

Wind Tre has implemented a Due Diligence Procedure in relation to its Business Partners, which, based on the risk level, requires appropriate preventive checks ("due diligence") to be carried out upon the Business Partners themselves. The procedure requires a verification and assessment of the relative reputational risk to be carried out prior to initiating a commercial relationship with a Business Partner. This verification is based on the collection and verification of information about the partner, such as its qualifications and skills, its reputation, and any ties/interactions it may have with Public Officials or other politically exposed individuals. At the same time, in order to determine the overall risk, the purpose of the contract, the nature of the activity, and the type of compensation are also analysed. Approximately 300 due diligence procedures were carried out in 2018.

Conflicts of interest
In 2017, Wind Tre adopted a **Conflicts of Interest Policy** in order to provide guidelines for identifying any actual, potential, or perceived conflicts of interest, and to define the relative communication and management process. In order to implement the principles of the Policy, the company asked all the managers to sign a relative declaration, with all of the declarations received being filed in a special register.
In 2018, in order to render the procedure itself more effective, a dedicated digital platform for the collection and monitoring of all the declarations was implemented on the company's intranet.

Whistleblowing
[GRI 102-17]
In compliance with the Italian legislation on **whistleblowing**, the **Whistleblowing Procedure** defines the process of receiving and managing any reports of behaviour and/or conduct that may constitute a potential violation of the Code of Conduct, the Organisation and Management Model pursuant to Italian Legislative Decree no. 231/01, the company's procedures and regulations, as well as the current laws and regulations.

The procedure defines the responsibilities and operating methods relating to the storage of the information provided, the verifications to be carried out, and the confidentiality of the whistleblower's identity. There are various **channels of communication** (telephone, dedicated website, e-mail) that any employee and/or third-party can access in good faith, even anonymously, without fear of retaliation, in order to **report** any **potentially illegal conduct**.

These channels are managed by an external and independent company that's able to guarantee the confidentiality of the whistleblower's identity (as required by art. 2 paragraph 3 of Italian Law no. 197/2017) using computerised methods.

The Compliance Officer oversees and coordinates the reporting management process, involving all the necessary business functions, and evaluating any verification and/or investigative activities based on the severity of the violation itself.

The supply chain
[GRI 102-9, 102-10 and 102-11]
The main players in the supply chain often consist of large international providers of physical infrastructures, equipment, network services, and software, Wind Tre had 410 qualified suppliers in 2018.

At the time of their selection and qualification, throughout the course of the relative management period, Wind Tre requires its suppliers to meet **certain criteria in terms of quality, environmental performance, health and safety, and ethics**, in compliance with the provisions of the company's integrated management system.

Within the scope of its **SA8000** Management System, Wind Tre carried out checks upon a sample of suppliers by administering a specific questionnaire on the following issues:

- **workforce**: size, distribution in terms of gender and level, contractual level, number of hours worked, management of overtime and benefits;
- **health and safety in the workplace**, environmental policy, analysis of stress levels and internal micro-climate;
- **environmental policies**, certifications held, qualification procedures.

TECHNICAL APPENDIX LINK ⊕🔍

The Integrated Management System

Wind Tre's Integrated Management System, which was adopted by Wind in 2005, was extended to cover the entire organisation (locations, personnel, processes, and functions) in 2017.
The system engages all the company's functions in guaranteeing and documenting the quality and the correctness of the processes, with the aim of guiding and monitoring the performance levels, while at the same time applying the principle of continuous improvement typical of "Total Quality Management".
Wind Tre's integrated system consists of five certifications:
- Quality | ISO 9001:2015
- Environment | ISO 14001: 2015
- Occupational health and safety | OHSAS 18001:2007

Integrated Management System activities

ISO 27001:2013 certification was obtained with two distinct certificates, one regarding the provision of Security Management services and the management of the SOC (Security Operations Centre), and the other regarding Cloud Services, Data Warehousing, and the physical security of the supporting Data Centres.
In 2018 the Quality Certification unit was responsible for carrying out the improvement activities and the internal audits of the locations and department randomly selected throughout the country, while an external certification body verified the System's compliance with the regulatory requirements.
In 2018 the company also adapted its Management System to the latest edition of the international ISO 9001 and ISO 14001 standards, and carried out the tri-annual renewal process for its ISO 27001 certification (Cloud services, Data Warehousing, and physical security of the supporting Data Centres), with all of the relative activities being verified and approved by the external certification body.
With the participation of all the Company's management bodies, the maintenance and improvement activities required by the standards were carried out for all the other certification schemes.
During 2019, Wind Tre intends to obtain

the three-year renewals and the periodic confirmations for all the certifications comprising the Integrated Management System from the external certification body, as well as to begin providing online employee training on the Integrated Management System's characteristics, with a particular focus upon the SA8000 certification.

Privacy and data security

For the telecommunications industry, the main challenge in the field of **data protection** (both personal and otherwise) is to combine the complexity of ensuring rigorous respect for the regulatory obligations, with the simplicity desired by the customer in using the services, all within an extremely dynamic environment in which the business and the relative technologies are constantly changing.

TECHNICAL APPENDIX LINK ⊕🔍

Precision and simplicity
[GRI 103-1, 103-2 and 103-3]
The issue of **privacy and data security** is important to Wind Tre, as the company's systems contain an enormous amount of information regarding its customers and their habits and preferences. Furthermore, if requested, certain data must be rendered available to the judicial authorities for the purposes of investigating and punishing crimes.
While the impacts associated with the

management of the customers' personal and non-personal data are the direct responsibility of Wind Tre with regard to the data stored, they may also be derived from the business relationships that the company entertains with third parties who handle parts of the sales and support processes, and who consequently have an entirely legitimate need to access the customers' data.

Any significant loss of data would entail considerable risks for the company in terms of its reputational, economic, and operational profile. In view of these risks, the company has taken all the measures necessary to ensure maximum privacy and data security, in the interests of both the company itself and its customers. The company's Network Management also has an Information Security department, which is dedicated to maintaining the integrity and security of the data stored on the company's infrastructures. The Company also has a Company Security Governance Department, whose purpose is to prevent and combat illegal acts detrimental to the company by defining, developing and implementing guidelines and security policies, and ensuring the company's implementation and observance of the same.

The company's policy on privacy and data security is primarily aimed at ensuring regulatory compliance on both a domestic and European level, even taking into account the introduction of the new General Data Protection Regulation

(GDPR) approved in 2016, which became effective on 25 May 2018. Wind Tre also aims to prevent any loss or damage of the data managed by the same, and to limit the damage and restore normal business operations as quickly as possible in the event that any incidents should occur.

The Company's Internal Organisation

In terms of internal organisation, Wind Tre has structured organisational units dedicated respectively to ensuring regulatory compliance with the Privacy legislation and its implementation, and defining and implementing the internal security policies, with the following responsibilities:

- the **Privacy and Customer Protection** Unit within the Regulatory Affairs Department is responsible for overseeing Privacy issues and ensuring compliance with the domestic and international legislation by providing advisory services to all the company's Management Bodies, by managing the procedures for monitoring the personal data processing activities, and by managing the company's relations with the Data Protection Authority; in accordance with the European regulations, the Company has also appointed a Data Protection Officer (DPO) in charge of verifying compliance with the regulations applicable to the sector;

- the **Information Security** Unit within the Technology department is responsible for defining the IT risk management strategies, defining the security standards and the policies to be applied during the design, development and operation of the systems, applications and services, and ensuring the proper management of technological security issues by determining the levels of compliance and managing the IT security incidents and the lifecycles of the logical utilities;
- the **Corporate Security Governance** Unit within the Legal Department is responsible for preventing and combating illegal acts detrimental to the company by defining, developing and implementing guidelines and security policies consistent with the group's indications, the current regulations, and the best practices, and ensuring the company's implementation and observance of the same. This unit is also responsible for managing the security awareness initiatives.

Thanks also to the harmonisation processes that have taken place over the past two years, the company has now adopted a Governance, Risk Management and Compliance system (eGRC) that allows it to monitor the entire data processing chain, as well as to analytically assess the level of compliance of each system involved. Furthermore, the company periodically conducts risk assessments in relation to its

data processing activities, and, in the case of new services, carries out preventive analyses in order to ascertain the legality of the data processing methods envisaged. In consideration of the provisions of the GDPR, new analysis and verification processes were developed (e.g. Privacy by Design and by Default) during the course of the year, which have been implemented on a company-wide scale. In particular, the company's intranet contains all the procedures for which the Regulatory Affairs Department is responsible, which have been implemented in compliance with the GDPR. In addition to the Privacy by Design and by Default procedures,

these also include the procedure established for managing Data Breaches, the procedure for handling requests from data subjects, the procedure for appointing internal data processing managers, the training procedure, and the data processing manager verification procedure. Wind Tre complies with the Data Protection Authority's requirements in terms of authorisation for data processing, profiling, data enrichment, and data transfers. The company maintains regular contact and collaborates fully with the Data Protection Authority, and helps to define the best Privacy Protection practices in the field of telecommunications.

The Data Protection Authority

Like in previous years, the company once again underwent 2 inspections by the Data Protection Authority in 2018. In one instance the inspection concerned a previous inspection activity begun in 2017, namely the data breach reported in relation to the 3 Customers' Area. In the other instance the inspection concerned the process of activating multi SIM cards with retailers in compliance with the Data Protection Authority's general provision of 2006. A modem configuration network vulnerability potentially affecting 21 customers was reported in 2018, and was immediately remedied. Finally, the proceedings initiated by the Data Protection Authority against WIND and H3G in 2016, prior to the merger, both of which entailed limitation periods and penalties, were terminated by the Data Protection Authority with its acknowledgement that the procedures and activities had been rendered uniform, in compliance with the legislation, following the harmonisation process implemented the first day following the 2017 operation.

With regard to the commercial telephone calls not authorised by the recipients, Wind Tre's attention to this phenomenon is demonstrated by marked decrease in the number of requests for information from the Data Protection Authority following complaints submitted to the Authority by customers. At any rate, replies are regularly submitted to the Data Protection Authority whenever requests for information are received following customer reports. The DPO is also currently conducting internal auditing activities. The verifications carried out in 2018 showed that none of the 10 complaints submitted were attributable to business contacts initiated by the former companies Wind or H3G, nor the current company Wind Tre S.p.A. Furthermore, 2 of the 9 complaints submitted to the Data Protection Authority were closed with a positive outcome, meaning that the Authority closed the investigation without applying any sanctions, while we are still waiting to receive information on the remainder. At the end of December 2018 and in February of 2019, information requests

were received from the Data Protection Authority following reports submitted by customers, to which the company has responded accordingly. With regard to a 2018 complaint submitted by a customer (January 2018), we have provided the Authority with

the appropriate feedback and are currently awaiting the outcome. Finally, a technical anomaly that occurred in the commercial mailing system was detected in March of 2019, and was promptly reported to the Authority, as well as to the customers affected,

Privacy-related checks conducted upon the suppliers in 2018

6
privacy-related checks on suppliers

118
verification questionnaires adeministered to external suppliers

724
verification questionnaires administered to sales agents

S.I.Mo.I.Tel. - The Information System on Intentional Arrears in the field of Telecommunications

In 2016, a project was launched at the behest of Asstel for the creation of a database (referred to as S.I.Mo.I.Tel.) concerning intentional customer arrears in the telecommunications sector, in order to implement a provision of the Data Protection Authority.

This database, which is managed by a private subject, is aimed at preventing intentional arrears on the part of customers holding contracts for the provision of landline and mobile telecommunications services, which can be understood as payments withheld intentionally by

the subjects, and not as a result of unforeseen and contingent circumstances. This project is extremely useful for the company, as it reduces the risk of bad debts by allowing a customer's presence within the database to be verified beforehand.

In 2018, Crif S.p.A., with registered offices at no. 1-3 Via Mario Fantin, Bologna, Italy 40131, was appointed as the database's manager (consumatori@simoitel.it). Once the database was begun, the Privacy policy was updated and a suitable prior notification was sent to the Agcom and AGcm Authorities, as well as to the Data Protection Authority, at which time an in-depth study was also begun at Asstel for the implementation of the specific Privacy requirements.

Data Processing Register

In compliance with the GDPR, an internal data processing register was also implemented by conducting specific interviews with over 100 of the company's organisational units. The register is available for any requests made by the competent bodies.

Cybersecurity

With regard to **Cyber security** the company continued its cooperation with the relevant public sector organizations, the review of the information security management framework, and the development of new processes and technical solutions designed to protect the customer's and the company's data, by keeping the systems that process them secure.

Based on the foundations laid in previous years, in 2018 the company embarked on a pathway of developing and transforming the existing security measures by adopting orchestration and automation tools designed to ensure comprehensive protection throughout the technological chain, and to strengthen the capacity for prevention, detection and management of security threats events. During 2018 a particular focus was placed on the security verification of the internet-exposed applications that are developed and managed for Wind Tre by third parties, and to the Modems that are provided on a gratuitous loan to consumer customers.

IoT and data security

The proliferation of internet-connected objects can only take place if the cost of the objects themselves is accessible to a large portion of the

population, a condition that limits their guarantees of security. Since data security is an issue of strategic importance to Wind Tre, the company only markets solutions that offer sufficient guarantees in this respect. The data entrusted by customers are stored in data centres designed to prevent physical intrusions by unauthorised individuals.

The dedicated security software and hardware create a perimeter that's constantly monitored. The stored data are protected by anti-virus systems, firewalls, and anti-phishing systems. One weakness that remains in terms of data security, however, is the risk exposure of the end users, who are often unaware of the vulnerability of the devices that they use. Every device with an IP address (such as a sensor, a smart-tv, a meter, a drone, etc.) can potentially be accessed by malicious software (malware) capable of stealing the data transmitted or recorded on the device itself. Objects with better security features naturally have a higher price, but the average buyer often does not have the technical knowledge to appreciate the difference in value of two items with different security levels.

Digital identity management and access to corporate resources

In 2018, an interdepartmental team began drawing up the model for managing digital identities and accessing corporate resources (e.g. data, applications, systems, etc.), with the aim of standardising, simplifying and automating the underlying processes. At the same time that the model was being reviewed, the new centralised identity management and access control technological platform was prepared.

Driving change

3 GOOD HEALTH AND WELL-BEING   **8** DECENT WORK AND ECONOMIC GROWTH   **4** QUALITY EDUCATION

INTRODUCTION

Wind Tre people collaborate every day in an open work environment, committed to their growth and attentive to their needs. Continuous development of skills and competences, attention to young people and innovation, well-being at work and outside of it, have always been at the center of corporate values.

HIGHLIGHTS

93,000 hours of training

75% the use of "Wind Tre per Noi" services in 2018

HR Innovation Practice 2018 award

Wind Tre considers people to be at the centre of its project, and is well aware that the company's success largely depends upon a number of intangible factors and the organisation's ability to respond to the cultural transition taking place with concrete actions.

Ongoing skill development, starting with the new digital skills, the pursuit of the best talents, and a focus upon individual well-being both inside and outside the workplace, are all decisive areas of

intervention for the sector, in which the company has always continued to invest.

Almost all of the employees have open-ended contracts, and 82% have full-time contracts. The workers not employed by the company, who make up less than 3% of the total, typically consist of in-store sales consultants (Wind retail).

The Wind Tre personnel

over **6,800** people

4.2% turnover rate

47% women (22% of the Managers)

A new leadership model

Within the framework of the complex and ambitious integration process following the corporate merger from which Wind Tre was born, the company launched the **New Performance Development** system, for which it received the **2018 HR Innovation Practice Award** from the Polytechnic University of Milan, which is awarded to HR Directorates that have distinguished themselves by their ability to respond to the changes taking place as a result of new technologies and organisational models.

Award
HR Innovation
Practice 2018

"This prestigious award acknowledges Wind Tre's commitment to using digital technologies to improve the human resource management processes. Our innovative Performance Development model has allowed us to increase the personnel's integration and engagement, to highlight the work carried out, and to intervene with improvement measures wherever necessary. The goal is to create a business culture that's focused upon performance, as well as the recognition of individual merit."

Rossella Gangi, Human Resources, Wind Tre

The concept of the leadership model was developed with the aim of supporting the cultural transition process, starting with the sharing of a common leadership model among all the managerial staff. The resulting model is based on the three fundamental dimensions in which leadership must be exercised (the **personal** dimension, the **relational** dimension, and the **business** dimension), and identifies the most relevant skills for each. Overall, the model defines ten leadership skills deemed to be critical and of the utmost importance for the company.

The New Performance Development model arose as a **tool for the development of a culture that focuses upon people as the protagonists of change**, and it promotes the 360° feedback approach, which, in addition to the management's top-down evaluation, also provides for:
- **self-assessments** carried out by individuals concerning their own skills, the projects they've carried out, and results they've achieved;
- **Reverse Feedback**, or rather the possibility of providing feedback to direct superiors;
- **Cross Evaluation**, whereby everyone can request an evaluation from other colleagues. For example, a manager can request a cross-evaluation of one of his/her collaborators in order to obtain a broader overview of his/her personnel.

Through the continuous evaluation of the activities, the digital **ConversatiON** platform helps to improve individual results, promote

dialogue, and establish personalised development plans.

#beleaders

In July, the **#beleaders** event was held in Rome, which involved all the Wind Tre Executives, including the CEO and the top management team, along with the Luiss Business School, which had been engaged to assist the company with the transformation of its leadership model, thanks also to the scientific and methodological support of the People Management Competence Centre & Lab.

The day was dedicated to celebrating "**Leadership in Action**", the main theme of the integration process begun one year ago. In particular, the course participants wrote more than sixty stories on the subject of leadership, three of which received awards and were celebrated during the event.

At the end of the day, several keywords were collected, which, more than any others, represent Wind Tre's culture of leadership:
- Trust, Listening, Responsibility
- Example, Energy, Transparency
- Value, Innovation, Courage

#diciamo la nostra

The #diciamolanostra community is a group made up of 36 Wind Tre employees from all the company's departments, levels and locations, who have volunteered to establish a Task Force aimed at gathering new ideas and different

viewpoints on how to best develop Wind Tre's culture by proposing concrete solutions to both daily and ongoing problems. The community is seizing upon a great opportunity: the possibility of expressing ideas and points of view through brainstorming and interviews, and transforming those ideas into structured and achievable actions.

According to the results of an engagement survey conducted throughout the entire company, there are 4 main areas of opportunity and investment for Wind Tre: Communication, Personal Development, Innovation and Customer Focus.

In relation to these 4 areas, after months of teamwork, the #diciamolanostra community met with the Management Team to share 12 concrete solutions, 3 for each stream. The ideas proposed will be examined and assessed together with the relevant departments in order to subsequently develop their implementation plans.

Skill development

The **training** activities carried out at Wind Tre are linked to a wide range of topics, and, by way of example, include contents of a technical, regulatory, and linguistic nature, or relating to technological development, transversal skills, and specific "job-related" skills.

Wind Tre's 2018 training figures

Training (hours)	2018	2017	2016
Total training	93,293	61,035	63,635
of which health and safety training	*16,109*	*8,027*	*13,961*
Average training per person	15.6	7.5	7.0

2018 concluded with a training program, which, as of the last quarter of 2017, engaged approximately 700 managers and coordinators on the topics of leadership models and skills. This was accompanied by the "**Leader as a Coach**" project, in which the Company's directors, managers and coordinators were involved in order to develop coaching skills as fundamental levers for the engagement of the entire company population.

Due to the technological changes in progress, the training initiatives were carried out in continuity with the previous years, and always in support of projects for the implementation of **Lean6Sigma** and **Agile** models: resource, work area, and production cycle optimisation models that simultaneously ensure high quality production and process management.
With regard to the changes in the **4G/5G** and **NFV** networks, various e-learning and distance learning initiatives were implemented, and several

technical programs were launched to support the digital transformation of the operations in the field of technology (ITIL).

The next great challenge will be the development of the **Digital Mindset** of the company's employees, with regard to both the more common and transverse skills, as well as the more specific skills relating to specific jobs and the different professional groups to which they belong within the organisation.

Training opportunities for young people and the pursuit of the best talents

Wind Tre maintains ongoing partnerships with leading Italian universities, and participates in student orientation initiatives (e.g. career day, company testimonials, etc.). With the aim of building a bridge between the world of academia and the professional sphere, Wind Tre takes in

students for curricular, orientation, and training internships. The school-work alternation projects, on the other hand, are aimed at helping high school kids gain familiarity with the labour market and choose the most suitable pathways for their futures.

At Wind Tre, the human resource recruitment process is based on the principles of merit and equal opportunity. The process begins with a request from the department concerned and, through the subsequent tests and evaluations carried out by professionals with specific skills,

reveals the most suitable candidates. In 2018, a total of 85 resources were hired by the company.

Future Land

The goal of the Future Land project is to offer young people a series of stimuli in order to help them better discover themselves, their resources, and their natural abilities. Within the context of the school-work alternation programs, the project represents an initial orientation opportunity designed to provide the high school students with an important support for choosing their academic and professional pathways.

The 2018 Future Land figures

10 high schools involved	**240** students involved	**56%** women

The project consists of 5 days during which the students participate in various **workshops** dedicated to acquiring and improving specific behavioural, technological, and business skills. During the workshops, the students carry out a **project work** in which they develop a concrete idea together with the Wind Tre Managers, and participate in **orientation sessions** involving Group Coaching, orientation tests, and mock interviews. **Wind Tre decided to create the Future Land**

project with the aim of familiarising young people with the labour market, while at the same time instilling them with passion and confidence in the future. With this project, the Company aims to provide young people with an awareness of the labour market and their own strengths and areas for improvement, while at the same time encouraging them to learn and develop various important skills, such as team working, communication, and Project

Management. The students also learn how to better structure their curricula vitae, and are provided with the tools necessary to better handle interviews.
At the end of the Future Land program, the students engage in group coaching sessions with the teams they worked with and, upon completing the course, are left with documents for the project carried out, an orientation test, and a new curriculum vitae.

OnStage
The third edition of the Wind Tre internship program, OnStage, was held in 2018: a structured training program for both undergraduate and graduate students. The program consists of two separate sections: the classic highly qualified work project, followed by a company tutor, and a personal growth section that offers stimuli and experiences to broaden the individual's horizons and improve their self awareness. This section consists of **6 structured experiences designed to combine personal growth with personal development:** Welcome Day, Personal Branding Day, Luiss EnLabs Day, Team building Day, Charity Day and Graduation Day. The internship program has a duration of six months, and the 2018 edition involved a total of 40 people from the Rome and Milan locations.

The Big Data & Analytics Team
In 2018, via a dedicated and structured selection process, the **Big Data & Analytics Team** was formed from scratch in order to cope with a twofold challenge: the shortage of available talent in the field, and the high level of market competition for their recruitment.
The selection process was carried out with the support of two recruiting agencies specialised in Data & Digital experts, and was largely based on the use of video interviews, which significantly expedited the preliminary selection phase with each candidate, with less than a week elapsing between the first interview and the evaluation of a potential job offer. Out of 141 candidates, 107 were selected for an initial interview, 52 were called back for a second interview, and 17 individuals were hired.
The selected individuals mainly came from the managerial consulting, insurance, banking, start-up and telco fields, and had 2 to 6 years of professional experience. On an academic level, most of the selected profiles had educational backgrounds in Statistics, Computer Science, Computer Engineering, Mathematics or Physics.

A focus upon individual well-being
Once again in 2018, Wind Tre committed itself to maintaining and updating the numerous welfare programs offered to its employees, always taking changing needs into account. The company considers individual well-being to be a fundamental aspect, not only in order to gradually improve the level of **personal well-being** within the organisation itself, but also in order constantly improve the **quality of dialogue** with its employees.
The same applies to **Workplace Health and Safety**, which has always been considered an indispensable element for ensuring a high quality of life at the workplace for the people employed by the organisation.

Workplace Health and Safety
The issue of **Workplace Health and Safety** is of the utmost importance for ensuring quality of the life at the workplace, and is overseen internally by a dedicated Management System compliant with of the most widely recognised international standards.
By establishing improvement goals and virtuous practices that are periodically verified by an accredited external certification body, Wind Tre intends to progressively improve its health and safety record with results that go well beyond the statutory requirements. This intent is evidenced by the total number of injuries in recent years, which have been steadily decreasing.
All the elements useful for evaluating the company's results in the field of Workplace Health and Safety, such as the outcomes of the audits, any anomalies encountered, the training initiatives, the objectives, and the available resources, are re-examined by the Top Management on an annual basis. Based on the evidence that emerges from this analysis process, Wind Tre is able to determine any changes that need to be made to the relative internal Management System, once again with the aim of ensuring continuous improvement.

Wind Tre's 2018 Health and Safety figures

Injury rate per million hours worked (no.)	2018	2017	2016 Wind	2016 H3G
Employees (during work)	1.5	2.7	4.37	3.71
Suppliers (during work)	0.5	0.5	0.7	n.d.
Employees (during travel)	3.7	5.6	5.32	7.19
Total	**5.7**	**8.8**	**10.39**	**10.9**

Benefits
The main **benefits** offered to all the company's staff, regardless of their level or contract type, include the following:
• The **Wind Tre Solidarity fund**, which provides all the employees with universal healthcare coverage, including dependants, common-law spouses, and domestic partners;
• **100% supplementary remuneration for mothers during the period of optional maternity leave**;
• insurance policy covering life and permanent disability due to disease;
• injury policy;
• supplementary pension fund;
• various contractual benefits (e.g. paid time for medical visits and nursery school acclimatisation time).

A smart and digital workplace

Among the welfare initiatives promoted in recent years, those which Wind Tre believes to be particularly important are the use of innovative tools, such as telecommuting and other flexible forms of work (**Smart Working**), as well as the company's willingness to engage part-time employees on a more widespread basis. In particular, the Smart Working program, which was begun in 2017 with a test phase limited to several departments, was gradually expanded in 2018 to include various business areas, and now includes about 800 people, amounting to approximately 12% of Wind Tre's workforce.

In 2018, Wind Tre invested in the **Digital Workplace** with a series of initiatives designed to facilitate the digital transformation of the workplace and its use. The most important initiatives included the modernisation of the machinery fleet, the provision of headsets equipped with microphones to the employees, and the introduction of video-conferencing tools and software useful for improving the interaction and collaboration between individuals (like Skype for business). By way of example, the use of video-conferencing increased by 75% with respect to 2017, which led to a significant decrease in the number of total trips taken by Wind Tre personnel.

Wind Tre for children

Among the welfare programs, the initiatives intended for the employees and, in particular, the employees' children, hold a prominent position. These projects have the important goal of offering Wind Tre's personnel opportunities to facilitate the management of their children, often even giving them the chance to have some fun. For example, from 1 September through 31 July, the Rome, Pozzuoli and Palermo locations operate **company daycare centres** capable of accommodating up to 90 children, which offer flexible services in relation to the business hours, in order to meet all the children's needs.

Wind Tre also offers **summer camps** for the children of employees at its Milan, Rome, Ivrea, Pozzuoli, and Palermo locations ranging from 6 to 13 years of age. This program provides significant help during the summertime, when schools are closed. With the support of dedicated and qualified staff, the camps offer areas for conducting educational, sports, leisure, and recreational activities. The company makes a contribution to the participation fee, for a maximum of two weeks. A total of 340 children participated in 2018, and 75% of the applications submitted were accepted, based on the order in which they were received.

The company helps its employees afford the cost of schoolbooks with **School Vouchers**, which can be paid back in instalments deducted from the employees' pay cheques: in 2018 this service was utilised by 252 employees. In 2018 an orientation initiative was also organised in collaboration with the LUISS for the pre-university age children of Wind Tre employees.

12%
of the personnel are in the Smart Working program

The figures of the 2018 children's initiatives

90
children hosted at the company daycare centres

340
children hosted at the company summer camps

252
employees made use of the School Voucher

Elder Care

The **Elder Care** service is designed for those who are facing difficult situations in assisting elderly or disabled relatives. The service provides help with locating and booking home care solutions or accommodations at healthcare facilities, and even provides information on bureaucratic procedures, such as applications for attendance allowance, invalidity, and national health service accreditation. In this manner, the service allows for immediate support to be provided for any requirements or emergencies linked with the care and/or assistance of elderly or disabled family members. A total of 120 Wind Tre workers took advantage of this service in 2018.

Wind Tre per Noi

Through the Wind Tre per Noi (Wind Tre for Us) platform, the company offers its employees a series of popular services, such as family assistance, healthcare assistance, and ways to save time and money, thanks to a range of corporate agreements and discounts. The platform contains a series of services designed to simplify people's daily lives and relieve employees of various burdens, such as:

- **Concierge service**: laundry, shoe repair and minor clothes repairs, with collection and pick-up on the company premises free of charge, purchase of over-the-counter medicines.
- **Administrative procedures**: the execution of administrative procedures free of charge by a staff member who collects all requests in the company, carries out the activities required, and returns the related documentation to the company (Post Office, Government Offices, Universities, etc.).
- **On-line consulting service**: free news and detailed information relating to the fields of medicine, paediatrics, psychology, law, and taxation, with the possibility of requesting the assistance of certified professionals for personalised consultancy for an agreed fee.
- **Easy Ticket**: the possibility of reduced prices for cinema and amusement park tickets, which can be collected directly on the company's premises.

75%
Use of Wind Tre per Noi services in 2018

- **On-line Temporary Shop:** allows products to be purchased at discounted prices for a limited period of time.
- **Concessions**: operating nationwide in Italy, with discounts available from a large number of retailers and service providers in the immediate vicinity of the workplace.

In 2018 all the services provided by Wind Tre Per Noi were appreciated considerably, with a total usage percentage of 75% among the employees. During the course of the year the company also launched a series of additional employee welfare initiatives, including:

- **#schoolreward**, the initiative that rewards the first three students by order of merit in each class, from the first grade of lower secondary school to the 5th grade of upper secondary school, providing them with scholarships as an educational support and incentive;

- the installation of **changing rooms** and **showers** at the Rome and Milan locations in order to encourage physical activity during the hour-long break;
- the installation of **Amazon Lockers** at the Milan, Rome and Pozzuoli locations in order to allow employees to receive their purchases at the office, without interrupting their work activities;
- the hiring of a **physiotherapist** and **nutritionist** at the Milan and Rome locations, who can provide expert advice on health and lifestyle issues during lunch breaks.

Finally, there's also the much appreciated **Company Library** initiative: an in-house "book crossing" that employees can use to donate and borrow books recommended by their co-workers.

Protecting the Environment

INTRODUCTION

Together with its partners, Wind Tre constantly works to reduce the environmental impact generated by its activities, and to promote habits and lifestyles respectful of the environment, that can be enacted also thanks to the new technologies.

HIGHLIGHTS

over 13,000 BTS with energy saving technologies

2,200 Gj of solar energy self-produced

over 120,000 tons of CO_2 avoided in 5 years

For Wind Tre, protecting the environment means reducing the environmental impacts of its activities, as well as promoting more conscientious and respectful habits and lifestyles.

The company's adoption of an Environmental Management System compliant with the ISO 14001 standard and certified by a third party guarantees its ability to monitor and improve its environmental performance over time.

Energy consumption
[GRI 103-1, 103-2 and 103-3]

Wind Tre's main environmental impact is linked to **energy consumption**. In fact, a telecommunications service provider's activities are based on the use of network infrastructures and plants, such as antennas and data centres, which require a continuous power supply, as well as air conditioning to keep the machinery within a constant temperature range.

Energy consumption broken down by percentage

94% of energy consumption by network infrastructures

5% of energy consumption by offices, call centres and shops

1% of energy consumption by corporate vehicles

The **network infrastructure** is responsible for 94% of the Company's energy consumption. As for the remainder, 5% is attributable to the **offices**, **call centres** and proprietary **shops**, and just 1% is attributable to the consumption of fuel for the **corporate vehicles**.

Energy consumption management for the reduction of carbon dioxide (CO_2) and other greenhouse gas emissions into the atmosphere is currently considered to be one of the main challenges of combating climate change. Emissions caused by human activity have increased considerably over the past century and a half, generating a layer of substances around the earth that which retain heat and consequently cause global warming. The current production models are still heavily dependent upon the use of fossil fuels for meeting their energy consumption needs, and are therefore a major cause of this global phenomenon.

In recent years, the rise in the average global temperatures, the gradual melting of the ice caps, and the increase in the frequency of extreme atmospheric phenomena have prompted the mobilisation of the international community, which has identified the **fight against climate change** as a priority, and has demanded that all countries take concrete actions. Since the 1990s, the European Union (the world's largest energy importer) has played a global leadership role in combating climate change by adopting policies for reducing greenhouse gas emissions and for increasing the efficiency of

its industries and consumption systems. On 28 November 2018, in view of the COP 24 meeting in Poland, the European Commission introduced a new long-term climate strategy called "A Clean Planet for All". Its goal is to achieve a new total decarbonisation scenario by neutralising greenhouse gas emissions, and to identify the tools necessary for Europe to become "the world leader in the transition to a zero emissions economy", all in the name of social equity and the efficient use of resources.
In Italy, the National Energy Strategy, as laid out in the National Energy Plan, defines the steps to be taken in order to achieve the European Union's ambitious goals, from the improvement of energy efficiency, to the complete decarbonisation of the energy system.

Despite the need to maintain high levels of infrastructure technical performance to meet its Customers' expectations, **Wind Tre has been committed to significantly reducing its energy consumption for years**, in an effort to make a concrete contribution to the fight against climate change. For this purpose, the company has introduced **a unit within the Finance, Control & Procurement Division dedicated to monitoring energy consumption**, which is also the main reference for the company's Energy Manager. The main goal of Wind Tre's energy consumption management policy is to reduce the company's energy consumption significantly, while at the same time maintaining the infrastructure's technical performance at high levels in order to meet its customers' expectations. To this end, Wind Tre

[11] Since Wind Tre is not subject to any legal constraints concerning the reduction of CO_2 emissions, it should be noted that all the initiatives taken in this regard are purely voluntar.
[GRI 305-MA 1,2]

2,200 GJ
electricity on its own

monitors its energy consumption every month, promotes initiatives that allow it to reduce its costs and consumption without affecting the service levels offered, and takes appropriate precautions during the design, installation, and ration of its landline and mobile network equipment[11].

The most significant indicator of the company's environmental performance and the goals it has achieved is the **energy intensity index**, expressed as the ratio between energy consumption and annual data traffic.
[GRI 302-3]

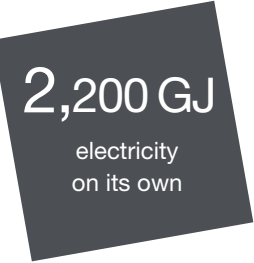**Energy intensity index (2016-2018)**

Energy intensity index	Unit of measure	2018	2017	2016
Total energy consumed	GJ	2,989,650	3,171,361	3,065,217
Landline and mobile data traffic	Tb	3,733,589	2,745,303	1,965,565
Energy intensity	**GJ/Tb**	**0.8**	**1.2**	**1.6**

The network infrastructure's extensive presence throughout the country requires it to be primarily powered by the national electricity grid, with only a small percentage being powered by proprietary photovoltaic systems and diesel generators. The same applies to the company's structures (offices, call centres and shops), almost all of which use electricity purchased from the domestic grid, and, to a much lesser extent, diesel and natural gas to power their generators and boilers, which provide heat or electricity.

Wind Tre produces energy from renewable sources thanks to its 13 proprietary photovoltaic systems connected to the domestic grid. In 2018, these systems allowed the company to generate 2,200 GJ of electricity on its own.

Energy efficiency projects
Following the merger of Wind and H3G, Wind Tre began **modernising its entire national network in order to guarantee that it would be capable of supporting services of the latest generation, while at the same time ensuring high energy efficiency standards**.
The main activities that will help the company achieve this goal are the following:
• the modernisation of the **mobile network equipment** (replacement of the Ericsson, Huawei and Nokia technology equipment with latest generation ZTE equipment);
• the modernisation of the **infrastructures** housing the equipment (migration toward outdoor configurations with lower requirements in terms of cooling energy);
• the **synergistic consolidation of the Wind and Tre networks' technological sites** (the centralisation of the equipment reduces direct

TECHNICAL APPENDIX LINK

and induced consumption and optimises the energy streamlining initiatives).

Base Transceiver Stations (BTS) are units equipped with antennas that receive and transmit radio signals for mobile phones within specific geographical areas, known as radio cells, and constitute the basic mobile telephony infrastructure.
Thanks to the modernisation of its equipment, in recent years the company has reduced the energy required for its activities, while at the same time preparing itself to handle the continuously increasing traffic volumes. The energy saved by the BTS is mainly electricity from the domestic grid. [GRI 302-4b]

Within the context of this modernisation process, one of the most significant initiatives has been the introduction of **Free Cooling** technology on the BTS and the large power stations. This cooling system is based on the use of external air to cool the equipment, and reduces the energy consumption of the air conditioning units by conveying the warm air outwards.

The introduction of Free Cooling technology not only provides for a reduction in energy consumption, but also extends the service life of the air conditioning units themselves, drastically reduces the needs for maintenance interventions, and provides for considerable financial savings.

TECHNICAL APPENDIX LINK +

Improvement of energy efficiency: no. of BTS with energy saving technologies

over
2,500
BTS with
Free Cooling
technology

over
13,500
Outdoor BTS

over
13,200
BTS with energy
saving
technologies

Together with the WWF to reduce atmospheric emissions
Wind has been collaborating with WWF Italia since 2014 to combat climate change. This partnership has resulted in Wind Tre's

commitment to minimise its atmospheric emissions of gases responsible for climate change.
Following the merger of Wind and H3G, Wind Tre joined forces with experts from the WWF to conduct

[13] The calculation of the emissions prevented by Wind Tre in 2018 was carried out based on an estimate of the energy efficiency certificates expected and yet to be received.

[12] The data relating to 2017 and 2016 have been corrected in accordance with the new ISPRA tables with regard to the emission coefficients for the electricity consumption (Source: Ispra (2018). Emission factors for the generation and consumption of electricity in Italy, sheet 14).

an **analysis of its atmospheric greenhouse gas emissions**, expressed in tonnes of CO_2 equivalent, which showed that over 90% of its emissions are caused by the telecommunications network's energy consumption.

Despite the considerable increase in traffic volumes generated by customers (see the table on the previous page), which have a major impact on the telecommunications network's indirect consumption of electricity purchased from third parties, from 2016 to 2018 the total emissions generated by Wind Tre's activities decreased by 4% (from more than 274,000 to approximately 263,000 tonnes of CO_2 equivalent).

Thanks to the energy efficiency interventions, emissions amounting to over 120,000 tonnes of CO_2 have been able to be avoided over the past 5 years. This calculation was carried out based on the energy efficiency certificates obtained as a result of the process of modernising the company's equipment begun in 2011[12]. [GRI 302-4 c, GRI 305-5 c]

In keeping with the actions already undertaken, **the company has set the goal of reducing its consumption per unit of traffic by an additional 50% by 2020**, and stabilising its CO_2 emissions despite an expected two and a half fold increase in data traffic with respect to 2016.

Greenhouse gas emissions (tonnes of CO_2 eq.)	2018	2017[13]	2016
Total emissions	262,919	278,229	274,301
of which indirect	*252,909*	*268,447*	*263,437*

Electromagnetic emissions
The guidelines issued by the ICNIRP (**International Commission on Non-Ionizing Radiation Protection**), an accredited international body dedicated to studying the effects of electromagnetic fields on human health, indicate a power density limit value of 10 W/m², which, in terms of electric field (e.g. for frequencies around 2 GHz), corresponds to a limit value of 61 V/m.

However, the regulatory limit values in Italy for electromagnetic fields are much more

conservative in all residential areas exceeding four daily hours (6 V/m as a daily average value). But while the limit value in terms of electric field is just one tenth of that proposed by the ICNIRP, that for the evaluation of the relative effects in terms of power density (which is measured in watts per square metre, and not in volts per metre) is 100 times lower.

When compared with the average of the other European countries, for a number of frequency bands the differences in the maximum emission values permitted are up to 15 times lower, thus

confirming an extremely cautious approach in Italy for all the radio technologies (400 - 900 - 1800 MHz and over 2 GHz).

Wind Tre constantly and carefully monitors its compliance with the limits imposed by the law, and all the analyses carried out have always shown electromagnetic emission values lower than those established by the Italian legislation, which are already much more restrictive than those of the other European countries.

For new installations and expansions of existing installations, Wind Tre performs preventive electromagnetic emissions monitoring in order to ensure that the level of overall emissions within the target area - which includes all the sources present therein (radio-tv repeaters, etc.) – remains within the levels required by law, even downstream of the intervention point.

Once the authorisations have been obtained from the competent ARPAs (Regional Environmental Protection Agencies) prior to activation, the company uses the latest remote monitoring systems to constantly monitor the meters in order to ensure that the equipment does not exceed the power and emission levels established for the area in question. Based on the Service Providers' declarations concerning the power levels transmitted and the technologies installed on their equipment, the ARPA carries out periodic checks on a sample basis or after receiving specific reports.

Furthermore, as of 2015, the monitoring data

for the plants covered by the regulations of 12/12/2014[14], which require the average daily power to be verified, have been rendered available on the regional ARPA websites.

Wind Tre is aware of the fact that the electromagnetism generated by its network infrastructure raises concern among the general public, despite the extremely precautionary approach adopted by the Italian legislature. For this reason, in addition to constantly monitoring its own emissions, the company is also committed to furthering the scientific research in this field, and helping to disseminate general knowledge in this area. Furthermore, thanks to its participation at the EU Horizon2020 and 5GPPP round table meetings, Wind Tre is able to monitor the developments relating to these issues on a European-wide scale.

Together for the environment

In its commitment to protect the environment, Wind Tre also offers **support to its customers for initiatives aimed at reducing energy consumption**, thereby generating a positive environmental impact along its value chain.

The company offers energy management devices on the market that can be classified as *smart technologies*, or rather highly advanced machines that are capable of "making decisions" based on certain context variables. Wind Tre also offers its customers and businesses numerous services to help them take advantage of the opportunities

offered by the digital transformation to reduce their energy consumption.

For example, the smart and innovative **Work & Life** product line, which has been developed by Wind Tre in partnership with Microsoft and Samsung, is aimed at helping companies and their employees reduce their need to travel, thus resulting in benefits not only for the environment, but also in terms of quality of life.

The **Digital Home & Life** solutions help customers keep up-to-date with the latest technologies, while at the same time improving their environmental sustainability. For example, thanks to thermostats capable of controlling the home's temperature in an intelligent manner, customers can easily save money on their heating bills, while at the same time limiting their atmospheric CO_2 emissions.

Wind Tre is establishing commercial and technological partnerships in the various sectors of industry, energy production and distribution, transport, agriculture, and public administration, in order to develop **IoT solutions** designed to help Companies and end users.

These technologies are aimed at improving their quality of work and lifestyles: to conserve and use the energy resources available in a conscientious manner (**smart energy**, **smart metering**), to obtain details regarding food production/distribution cycles (**smart food** and **blockchain**), to correlate environmental data in

order to prevent certain forms of illnesses (**smart health**), and to perform monitoring activities in order to render certain areas of our cities more secure (**smart city**). For more information, please refer to the chapter "Building a sustainable future".

GenerAzione Mare

In addition to addressing the topics of climate change and energy consumption, the partnership with WWF Italia also entails **joint activities aimed at raising the employees' and the customers' awareness** of environmental issues and supporting the WWF's environmental protection programs.

Within the context of this partnership, the **Wind brand has committed itself to protecting the Mediterranean Sea** (not only for the sake of Italy's natural heritage, but that of the entire planet as well) by supporting the WWF's **#GenerAzioneMare** (GenerActionSea) campaign, which is dedicated to protecting the landscapes of the Mediterranean region and its indigenous animal species often threatened by human activities and pollution.

By signing up for the "**Wind and the WWF for the Mediterranean**" option, customers can choose to donate 50 cents each month in support of the #GenerAzioneMare campaign. In turn, Wind Tre doubles the amounts donated, and transfers all the revenues to the campaign in order to help protect the species at greatest risk, like the loggerhead sea turtle.

[14] *Italian Ministerial Decree of 02/12/2014, "Guidelines concerning the definition of the ways in which the service providers provide the ISPRA and the ARPAs/APPAs the plant power data and the definition of the power reduction factors to be applied to the forecast estimates in order to take into account the temporal variability of the plants' emissions over the span of 24 hours" (OJ no. 296 of 22/12/2014).*

As part of its partnership with WWF Italia, each year during the month of March Wind Tre participates in **Earth Hour**, the largest global mobilisation organised by the WWF to combat climate change and to promote sustainable lifestyles, which involves over 2 billion people worldwide. Wind Tre promotes this initiative to its customers and employees via dedicated web and social media campaigns.

Awareness begins at the office

Wind Tre has committed itself to reducing its environmental impact through a series of initiatives promoted at its offices. The program is aimed at improving the sustainability of the work environment and reducing waste, even by performing simple daily tasks:

• the installation of automatic systems at the Network stations for turning the lights in the technical rooms on and off;

• the replacement of neon lights with LED bulbs at all the company's locations;
• the installation of curtains on the windows at all the company's locations to filter out sunlight, thereby rendering the use of the air conditioning units more efficient;
• the installation of Ecobox units at all the company's locations, and the ecological rating of the Rome location by the AMA;
• the use of recycled paper and recyclable toner cartridges in the office printers.

Building a sustainable future

INTRODUCTION

People are at the center, with their needs and expectations. Wind Tre's goal is to help them seize the advantages offered by the digital society, in order to support young generations and create a sustainable future.

HIGHLIGHTS

| almost **3,000** | startups registered on Wind Tre Business Factor | **40** stakeholders | involved in 2018 in the "Digital Innovation for the SDGs" project | **24** | solidarity initiatives proposed and voted by the company employees in the 2018 edition of "Together We Can" |

Wind Tre has recently begun conducting an in-depth review of how digital technologies can contribute to the achievement of the goals outlined by the 2030 Agenda for Sustainable Development: the **Sustainable Development Goals** (SDGs). These goals encapsulate a strong demand, expressed by civil society as a whole, for the creation of a global sustainable future, which is still widely disregarded in our country.

In this context, Wind Tre is strongly convinced that it can play a key role in helping the younger generations and their families make the transition towards a digital and interconnected society. This is the only way to **foster the development of new generations capable of enjoying the advantages that the technological transition offers, while at the same time protecting themselves against the many risks that it poses**.

Education for change
In order to **help people face the digital transition**, Wind Tre promotes various initiatives, often in partnerships with universities, schools and businesses, in most cases targeting young people and families.

These initiatives are mainly aimed at promoting technical/scientific training among young people, and raising awareness about the safe use of the Internet by children. Wind Tre also believes in the need to help young school and university students develop all the skills necessary to face their upcoming entry into the workforce in a successful and constructive manner.

Wind Tre for Internet safety
Wind Tre sits on the Advisory Board of the "**Connected Generations**" project, a program through which the European Commission promotes strategies aimed at making the Internet a safer place for young people by promoting its positive and conscientious use. The project is coordinated by the Ministry of Education, Universities and Research (MIUR), in partnership with the Ministry of the Interior/the Postal and Communications

Police, the Child Protection Authority, Save the Children Italia, and Telefono Azzurro. The program entails a series of initiatives, including a wide-ranging communication and outreach campaign, training activities for school communities (teachers, children, teens, parents, educators), and the improvement of specific help-lines managed by Telefono Azzurro and Save the Children.

Once again in 2018 the company took part in **Safer Internet Day**, which has been established and promoted by the European Union in order to raise awareness among young people of the responsible use of the web and new technologies. With its participation in the event, Wind Tre once again confirmed its attention and commitment to the issues associated with the protection of minors and the proper use of all the tools of the digital world.

In keeping with the current recommendations of the Digital Agenda for Europe (DAE) and the goals of the European Commission's "Europa 2020" strategy, the theme chosen for this edition was "Create, connect and share respect: A better internet starts with you", which is meant to make people reflect on the extent to which the Internet is present in the lives, relationships and habits young people and their families.

The project in the works for 2019 is titled **"NeoConnessi"**: a digital and media education initiative organised by Wind that's intended to raise children's awareness of the proper and responsible use of the Internet by educating them about the risks and the extraordinary opportunities of the Web. Approximately 3,800 fifth grade elementary school classes in Italy are expected to be involved in the project. The goal is to provide support for families and teachers during the extremely delicate time in which children first find themselves owning a smartphone and browsing the Internet, often unsupervised.

Wind Tre is also an official partner of the "**Una vita da social**" campaign promoted by the Postal Police, in collaboration with the Ministry of Education, Universities, and Research (MIUR), which falls within the scope of the various initiatives aimed at raising awareness and preventing the risks and dangers of the Internet for minors. The campaign will make numerous stops all over the country, and will discuss the topics of social networks, cyberbullying, online solicitation, and the importance of security and privacy.

That of May 2018 was the 5th edition of the initiative, which has now met with a total of over 1,300,000 students, both in town squares and school buildings, 147,000 parents, and 82,500 teachers, for a total of 10,750 schools, 39,000 km travelled, and 190 cities visited throughout the country, not to mention two Twitter and Facebook pages dedicated to the topic of online safety, with 121,000 likes and 12 million monthly users.

Stepping up the STEM
[GRI 203-2 a]

According to the Global Gender Gap Report, **Italy ranks 70th on a global scale in terms of gender equality.** The gender gap is even more accentuated when it comes to technical-scientific professions: only 1 out of every 4 of the company's STEM employees (Science, Technology, Engineering and Mathematics) is female, and in terms of management roles (managers and middle-managers), only 1 STEM manager out of 5 is female.

That's why in 2018 Wind Tre decided to join the European "**Deploy Your talents – Stepping up the STEM agenda for Europe**" campaign, which ambitiously aims to revamp the technical/scientific fields of study and to overcome their gender stereotypes, by building partnerships between schools and businesses.

This edition, which marks the sixth in Italy, involved 12 companies and 8 upper secondary schools, which worked together to **raise awareness among the young people of the value of pursuing studies in technical/scientific subjects**, and how a solid STEM education can help them find work and build their careers. In particular, the Wind Tre managers flanked a class at the Tito Livio Upper Secondary School in Milan, hosting meetings both in the classroom and at the company's offices in Milan Rho, where the kids had the opportunity to hear about the importance of STEM studies directly from our female managers.

Wind Tre between schools and the future
Wind Tre maintains regular relationships with numerous schools and leading Italian universities in order to organise various student orientation initiatives. The "**Wind Tre adotta una scuola**" initiative, in collaboration with Fondazione Sodalitas, consists of a training and professional program lasting 7 months that accompanies the pupils from the 4th to the 5th year of upper secondary school, and helps them acquire many of the skills necessary to successfully enter the workforce.

During the 2018 edition, 16 Wind Tre professionals in the cities of Milan and Rome, acting as "mentors", dedicated over 100 hours, for each of the three scholastic institutes involved, to training, meetings, and discussions on the most relevant current issues useful for work.

The kids are followed by their mentors, with personalised questionnaires and simulated first job interviews, for the entire period preceding the 2-week summer internship carried out at Wind Tre or other companies, which allows them to **fully "discover" the company environment** and to measure their own growth and improvement.

Another important initiative in this regard is the **Future Land** initiative promoted by Wind Tre, which aims to provide students with tips on how to better discover themselves, their resources, and their natural abilities. The project is intended to serve as an initial orientation opportunity for the high school

students, and an important support for choosing their academic and professional pathways. The **OnStage** internship program for undergraduates and new graduates is another example of an initiative designed to offer young people stimuli and experiences aimed at broadening their horizons and improving their self-awareness. For more information about on these initiatives, please refer to the chapter titled "Driving change".

Our contribution to the global agenda

In addition to being a business opportunity for companies, ICT is also an excellent driver for achieving the United Nations' Sustainable Development Goals, as it has a direct and indirect impact on almost all the major issues for

which the Goals have been developed.

ICT solutions can significantly accelerate social, cultural, environmental and economic changes, and can therefore be an excellent enabler for achieving the SDGs.

While ICT is not the solution in and of itself, with commitment and targeted investments its proper use can have a targeted impact upon the individual problems highlighted by the goals.

According to GeSI and Accenture, if well directed, the **digital solutions applied to the SDGs** could generate **21 trillion dollars** each year up until 2020: a value equal to a 60% increase in the ICT sector's current revenues.

In September of 2015, the United Nations General Assembly adopted the 17 Sustainable Development Goals (SDGs) with the resolution titled "Transforming our World: the 2030 Agenda for sustainable development", and made an important promise: not to leave anyone behind.

Examples of actions being taken
- Cities and Infrastructures: ICT is the key tool for the sustainable management of mobility and services.
- Cooperation: ICT can facilitate international cooperation through the sharing of knowledge and technology.
- Education: ICT drastically changes the tools and methods that can be applied to education, and even allows for adequate education to be brought to remote areas.
- Energy and climate: ICT technologies are able to integrate renewable energy sources into the grid and monitor consumption, thus reducing pollutant emissions.
- Inclusion: digital solutions have a diffusion rate and capacity up to 23 times greater than traditional approaches.
- Health: digital health can be instrumental for prevention, access to treatment, and reducing health care costs.
- Economic development: the "unlimited" connection allows for access to all the markets and promotes investments.

Digital innovation for the SDGs
[GRI 203-2 a]
Digital innovation for the SDGs is the program sponsored by Wind Tre dedicated to the preparation, together with our stakeholders, of the current and future reference scenarios for the joint planning of initiatives in support of the Global Agenda.
With the research report published in May of 2018, **Wind Tre outlined the scenario**

for the 4 areas in which the Telco sector's contributions can have the greatest effect: education, social inclusion, digital responsibility, and quality of life. We sought to seize upon the key elements of the digital revolution in progress, and to rationalise the complexities of its wide-reaching paradigms.

We asked 40 stakeholders from major companies, universities, public institutions, and tertiary organisations to help us create a more comprehensive scenario in relation to these 4 topics; each from his/her own particular and unique vantage point. During the course of 4 dedicated meetings, one for each topic, together with our contacts we attempted to illustrate a scenario, laying out the complexities and evasiveness of such wide-reaching paradigms, and identifying the elements that best reflected our experiences, our perspectives, and our areas of common ground and collaboration.

The report was presented by Jeffrey Hedberg at the 2018 edition of Milan's Sustainable Development Festival.

For 2019, we have decided to concentrate on the future of our cities, with the aim of reflecting on how a smart transition will affect their sustainability, competitiveness, and quality of life. In the light of the central role that 5G technology will play in the success of smart cities, we especially want to investigate how our role in this technology's implementation can

best be combined with the promotion of the Sustainable Development Goals.

Goal 11, Sustainable Cities and Communities, "**Make cities and human settlements inclusive, safe, resilient and sustainable**", encompasses all the environmental and social challenges to which cities can offer effective responses. It is therefore an ideal container for many of the 2030 Agenda's other goals, such as the fight against poverty, the protection of the environment and water resources, the promotion of equality, and the support for quality health care and education for all.

5G for the city of the future [GRI 203-2 a]
5G technology does not simply represent an evolution of the current broadband networks, but rather **a new technology with enormous potential in terms of both network quality and services**: a revolutionary solution capable of supporting the development of new ICT applications, such as the IoT for mobility or health care. Thanks to the widespread presence of radio sites, which allow for high-capacity and low-latency services with amplified data-transmission capabilities, 5G networks are capable of handling a large number of devices, thereby rendering mobile connectivity faster and more efficient.

5G Technologies

Thanks to their high capacity, support for high device density, and low latency[15], 5G technologies are considered to be essential for allowing connections between objects (Internet of Things), with high levels of reliability and large numbers of connected devices; that's why 5G services can involve multiple application areas:

• **Environment** - through projects aimed at controlling pollution and the quality of the local territory.
• **Training** - creation of "enhanced" training experiences thanks to the greater interactivity offered by tools like augmented reality, virtual reality, and *mixed reality*.
• **Industry 4.0** - digitalisation of the production

chain and the support processes (e.g. freight traceability, cost reduction, monitoring of work progress), and management of distributed energy, energy efficiency, machine diagnostics systems, and staff management.
• **Mobility and safety** - projects dedicated to road safety, *assisted driving*, logistics and monitoring (e.g. to protect the driver with prompt notifications in cases of emergency or road hazards).
• **Monitoring of buildings and infrastructures** – tools for detecting and monitoring damage and movements in constructions.
• **Healthcare** - communication solutions to render healthcare services more efficient and cost-effective (e.g. the planning of

[15] In this case, latency represents the time interval between the transmission of the data from one source and their reception by another source. In the case of 5G, this interval is extremely low, generally below 5 ms.

personalised services to ensure ongoing care and assistance, distance care, hospital e-learning, remote connections between ambulances and the nearest hospitals, etc.).
• **Public security** - new security mechanisms, like the use of video surveillance drones or high-resolution video cameras with 5G connections to recognise people's faces, license plates, and the unauthorised dumping of waste materials.
• **Smart Energy, Smart Grid and Smart City** - innovative solutions for the sustainable

development of public service management models and transport monitoring.
• **Smart Port** - perimeter and environmental security mechanisms and logistics support (e.g. automation of loading and unloading operations).
• **Tourism and Culture** - projects designed to exalt our natural, artistic and cultural heritage using augmented reality (e.g. virtual reconstruction of archaeological sites, interactive museums, etc.).

In Italy, the Ministry of Economic Development initiated a procedure in 2017 for the assignment of projects dedicated to carrying out pre-commercial experiments on the 5G network in 5 Italian cities. And while these experiments were originally scheduled to take place from 2017 to 2021, the deadline was subsequently moved ahead to June of 2020.
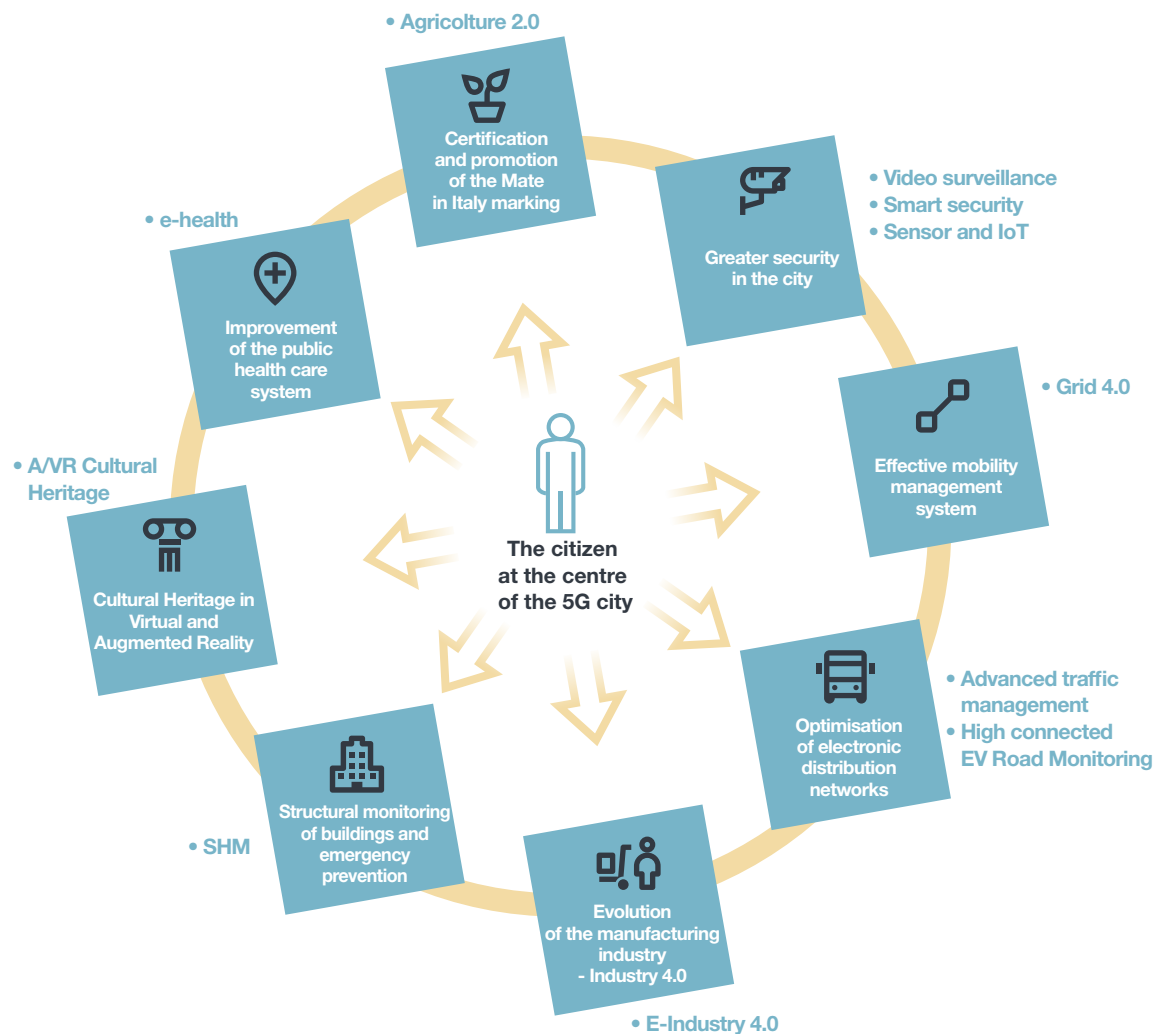
In partnership with Open Fiber, Wind Tre was awarded the tender for the 5G experimentation projects in the cities of L'Aquila and Prato. With the support of various companies, universities and research centres, the goal is to experiment with innovative technological solutions in order to transform L'Aquila and Prato into "5G Cities", this providing social and market opportunities for all the subjects involved in their social and productive fabrics.

The **city of the future** is based on urban planning strategies dedicated to the optimisation and innovation of public services, which bring together the infrastructures of the cities themselves with the human, intellectual and social capital of their inhabitants. These strategies allow for economic activities, environmental resources, mobility, and human relations to be managed in an intelligent manner, in order to **improve the quality of people's lives**, while at the same time meeting the needs of citizens, businesses and institutions.

Within the cities of the future, the new digital technologies will allow for the smarter management of the urban ecosystem, thereby enabling a model of sustainable economic development that offers high quality of life.

The partnership for the 5G experimentation projects

- Agricolture 2.0

Certification and promotion of the Mate in Italy marking

- Video surveillance
- Smart security
- Sensor and IoT

Greater security in the city

- Grid 4.0

Effective mobility management system

- Advanced traffic management
- High connected EV Road Monitoring

Optimisation of electronic distribution networks

- E-Industry 4.0

Evolution of the manufacturing industry - Industry 4.0

- SHM

Structural monitoring of buildings and emergency prevention

- A/VR Cultural Heritage

Cultural Heritage in Virtual and Augmented Reality

- e-health

Improvement of the public health care system

The citizen at the centre of the 5G city

L'Aquila

Structural monitoring of buildings and infrastructures

A system for detecting and monitoring damage and movements in constructions through a network of drones (e.g. Video Recordings and Video Analytics) and sensors (e.g. accelerometers, inclinometers), which will allow for the real-time monitoring of the 'health status' of the constructions themselves, as well as prompt corrective and preventive interventions, greater safety for citizens, and decreased construction and maintenance costs.

Agriculture 2.0

Innovative solutions in the agri-food sector, such as precision farming and supply chain traceability, thanks to the help of enabling technologies like drones, blockchains, and certification systems. The ultimate goal is to bring greater value to the *Made in Italy* brand by achieving high standards of quality and authenticity for the products and production processes.

E-health

An integrated telemedicine system for distance medical consultations (Smart Glasses), the remote monitoring of vulnerable patients and subjects using technological devices, and the delivery of drugs to patients' homes using drones. This will allow for more prompt and effective interventions, greater satisfaction on the part of patients receiving treatments from home, reduced costs for the healthcare system, and greater accessibility to treatments for citizens.

Smart security

Law Enforcement solutions for police and Private Security Agencies involving the use of Smart Glasses

provided to agents, and drones equipped with high-resolution cameras for filming from above, with direct connections to the Operations Centre. This will provide for an effective coordinated and collaborative management of the agents activities, preventive and timely management of security services, and greater security for both citizens and agents alike.

Advanced traffic management

Advanced traffic management solutions with 5G-connected vehicles capable of interacting with other vehicles and infrastructures, even applied to fleet management (e.g. rescue, emergency, and transport of hazardous substances), both during daily operations and in emergency situations. The advanced traffic management solutions will provide for efficient, effective and safe fleet management services, greater safety for vehicles, drivers and citizens, improved comfort and driving styles, and a significant reduction in road traffic and pollution.

Virtual and augmented reality applied to cultural heritage

Solutions aimed at enhancing our cultural heritage with Virtual Reality (VR) technologies for conducting virtual visits of museums and exhibitions in high resolution, and Augmented Reality (AR) for providing users with personalised guided tours, which will provide context information, even using artificial vision techniques.

Prato

Smart Industry (E-Industry 4.0)
This instance of use is linked to the digital transformation in the Industry 4.0 sector, thanks to the enabling functions of 5G technologies. The goal will be to demonstrate the advantages offered by 5G for the management and control of distributed energy, energy efficiency, machine diagnostics systems, and staff management, as well as the cybersecurity functions that 5G technology provides for critical applications.

Grid 4.0
The *e-distribution* company will update one primary substation and no less than 5 sub-substations in the Prato area with advanced remote control devices based on 5G network technology in order to implement *real-time self-healing* functionality. The secondary substations will also be equipped with connected sensors in order to detect ambient information (temperature, humidity, etc.) and equipment vibrations in real-time.

Sensors and IoT
An IoT/IoE platform enabled by 5G technology for Smart City Management applications, and for monitoring utilities in an intelligent manner, in accordance with the principles of industrial automation.

Public video-surveillance
The creation of a public video-surveillance system with advanced automated video stream analysis functions and the use of high resolution video cameras with 5G connections to the central analysis system for the recognition of people's faces, license plates, and the unauthorised dumping of waste materials.

E-health
The use of electronic and communication processes for the national health service in order to plan personalised services capable of guaranteeing ongoing treatments and assistance. The data collected and the possibility of providing ongoing remote support will allow physicians to establish interactive relationships with patients, thus providing them with a personalised treatment approach. The e-health solutions will use 5G technology to ensure high transmission speeds for UHD video streaming, and a reliable, low-latency network for collecting vital parameter data.

High connected EV Road Monitoring
The testing of a fleet of electric vehicles and charging stations, with the objective of monitoring the road surface (holes, surface slope, etc.) during normal work activities thanks to the installation of a "black-box" equipped with IoT sensors with a 5G radio transmission module. This module will allow for the real-time transmission of all the low-latency data collected in order to correlate all the IoT sensors installed within the city's perimeter.

Virtual and augmented reality applied to cultural heritage
Solutions aimed at enhancing our cultural heritage with Virtual Reality (VR) technologies for conducting virtual visits of museums and exhibitions in high resolution, and Augmented Reality (AR) for providing users with personalised guided tours, which will provide context information, even using artificial vision techniques.

The ability to innovate
[GRI 103-1, 103-2 and 103-3]
5G, Edge Computing, Internet of Things, Smart Grid, Big Data, and Artificial Intelligence. In the age of the digital revolution, innovation has become an imperative, and in order to innovate it is becoming increasingly necessary to establish strong relationships with outside partners in order to pursue new and improved solutions. This kind of open innovation is the only way to **promptly respond to the changes taking place and to generate development opportunities for many other business realities throughout the country**.

The evolution of the network
Wind Tre aims to introduce Narrow-Band Internet of Things **(NB-IoT)** technology, which, thanks to 100% 4G coverage, will allow businesses and the public sector to gain access to a series of 5G functions in advance, thereby rending various services possible, including energy, health, environmental and structural monitoring, while at the same time opening up new opportunities in fields like precision farming, smart cities and smart utilities.
Given the interest in the topics of Internet of Things, the safe management of collected data, and their transmission to the analysis centres, in 2018 Wind Tre also focused its attention upon the topic of **Blockchain** solutions, by collaborating with industrial and academic research centres. The new evolving network solutions will also lead to the introduction of application paradigms based on the use of "**edge computing**", with solutions capable of improving the performance of the computational resources rendered available throughout the territory.
These aspects are complemented by the **Virtualisation of the Core Network**, a technology aimed at ensuring a more flexible use of network resources through "network slicing", which is based on the sharing of a single physical access and transport infrastructure. This system facilitates the integration of technological and industrial partners for the creation of an ecosystem dedicated to the development of innovative services, which is fundamental for the emergence of new solutions and services to be applied in different vertical sectors, including media, energy, and transport.

Artificial intelligence
Wind Tre is currently also engaged in researching **Artificial intelligence** (AI), and investigating how it can serve as a fundamental field of innovation. The objective is to identify the ways of applying artificial intelligence to telecommunications, and vice versa (as well as the relative regulatory implications), Wind Tre has also begun evaluating the implications of AI from an ethical and security standpoint, even taking into account the relative opportunities in terms of delivering services and managing control of the network's elements.
The research is currently pursuing the possibility of bringing together the various fields of study in an attempt to develop solutions in which the AI services are integrated into those available within the catalogue of the "5G services" that we intend to provide as a telephone service

provider. These include "network slicing", or rather the combination of virtual networks that share the same physical access and transport infrastructure, enriched with AI services developed in collaboration with third party specialists, thereby strengthening the potential ecosystems that have been so highly anticipated from an innovation standpoint. It is also important to highlight that the activities carried out in this field are always subject to preliminary compliance checks in relation to that which has been established by the Data Protection Authority.

Big Data
Big Data play a fundamental role in the processes of telephone service providers, because, thanks to their ability to generate knowledge of customers' needs, they can help to identify critical issues within the existing services, in order to improve them and come up with new ones. For example, Big Data can provide important information for the growth of high-speed broadband networks, thus helping to improve the mobile networks of the future. Within the context of Big Data, in 2018 Wind Tre participated in several EU-funded projects:

- **CloudDbAppliance**: aims to create a super-system upon which enormous amounts of data from various sources can be stored. This system will allow research, predictive analyses, and analytics to be carried out in real time in order to identify trends or critical situations for the provision of services in various sectors, including telecommunications. Within the

context of this project, Wind Tre is working to improve mobile number portability.
- **OpenREQ**: aims to identify new technical and business requirements for the creation, development or improvement of services through customer feedback collected on social networks or deduced from service usage data.

Activage
Since the end of 2016, Wind Tre has been collaborating on an e-health project funded by the European Union called **Activage**, which will continue until 2020. The goal is to create the first European ecosystem in seven countries, through open and proprietary IoT platforms, in order to disseminate solutions for monitoring people's health in their everyday environments, especially the elderly. In this project, Wind Tre plays the role of a technological partner, by participating in the design of the service, and helps to identify and develop the best methods for analysing the data collected.
The project responds to multiple needs expressed by health professionals, service providers, and public authorities. The remote monitoring of physiological and environmental parameters using the IoT, and the analysis of the relative data using Artificial Intelligence solutions, are providing a new approach for better decisions to be made regarding the health of individuals and entire categories of patients. **The remote monitoring using the IoT provides for a reduction in unplanned emergency hospitalisation and specialist visits, with consequent benefits for patients and family**

members, as well as the health system as a whole.

Horizon 2020
[GRI 203-2 a]
Wind Tre participates in several important projects that fall within the scope of the European Horizon 2020 programs:
- **5G CITY:** aims to create an open platform for multiple operators that extends the centralised cloud model to the entire network, even for the management of individual devices, with costs and functionalities being optimised thanks to the new Neutral Host model. The project will include final demonstrations in Barcelona, Bristol and Lucca. In 2018, Wind Tre contributed to several innovative activities, including the definition of the 5G network requirements and innovative digital services mainly based on solutions for Vertical "Media," such as, for example, the realisation of high definition video for the creation of business opportunities and services for smart cities.
- **5G ESSENCE:** entails the development of a virtualised "edge cloud" platform that provides for the possibility of offering extremely low latency solutions that can be applied to various contexts, such as the management of events in crowded places, the monitoring of critical infrastructures, and the use of services on board aircraft, Wind Tre has been helping to define the architecture of the new systems on the 5G network, and has been coordinating the dissemination of the project's results and the creation of the relative business models.

- **NRG-5:** Aims to foster the development of Smart Grids and the resulting solutions through close collaboration with telecommunications networks for high-impact applications dedicated to the smart management of energy "Demand/Response" processes, such as electric vehicle recharging, infrastructure maintenance, and electrical grid reconfiguration. Furthermore, cooperation between multiple networks, like the energy grid and the telephone network, will allow for predictive analyses to be conducted on the evolution of the infrastructures based on the actual territorial requirements. Wind Tre is responsible for defining the network architecture and, together with its other industrial partners, helps research the potential commercial fallout of the project's results.
- **ICT4CART**: dedicated to the development and dissemination of assisted/autonomous driving and the innovation of road infrastructures for "smart" mobility based on the automation and connection of fully automated road transport. Wind Tre is involved in researching solutions for the advanced management of urban and motorway parking areas, as well as for assisted navigation with advanced satellite maps that make use of the "European GNSS" - "Galileo" program. In particular, the project allows for the study of new solutions dedicated to the safe management of urban intersections, merging lanes on motorways, and the cross-border management and interoperability of services throughout the Europe.

Mobile Payment, Mobile Ticketing

The services that allow for payments or money transfers to be made via mobile phones are known as Mobile Payment services. The distinguishing factor is the use of the mobile phone in the payment process, regardless of the means of payment utilised and the communication technologies adopted.
Within the portfolio of services offered by Wind Tre, the Mobile Payment Services allow the customer to use his/her residual credit or mobile service account as a method of payment. The success and rapid dissemination of this payment method are due to its convenience and versatility.
The Mobile Payment services offered include the Carrier Billing and Mobile Ticketing services.
The **Carrier Billing** service allows customers to purchase digital content (e.g. apps, games, music, films, e-books) from their Smartphone's store using their mobile credit or by charging

the purchase directly to their phone bill. Wind Tre currently allows its customers to use Carrier Billing when making purchases on the market's main digital content platforms. In addition to the Apple platforms (e.g. iTunes, App Store), the Google Play Store, and the Windows Store, during 2018 this method of payment was also enabled on the Galaxy Apps Store and Chili TV for both Wind and 3 customers. Numerous promotional initiatives were also conducted in 2018 aimed at stimulating the use of the service, in partnership with leading brands like Apple Music, Netflix, and Google Play.

Mobile Ticketing indicates the possibility of purchasing and simultaneously validating tickets using mobile phones or other mobile devices, an innovation that Wind Tre has been promoting in the mobility segment since 2012. Following its initial adoption for public transport tickets, mobile credit/service

Carrier Billing transactions in 2018

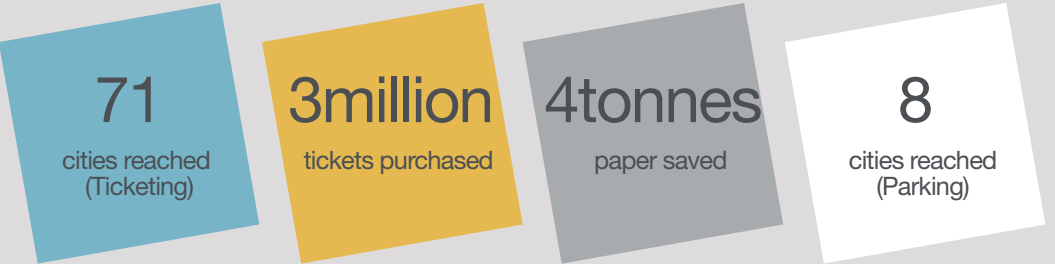| 2.3million	7million	100k
Apple Store	Google Play	Windows Store

accounts can now also be used to purchase parking vouchers and entry tickets to Limited Traffic Areas (ZTLs), as well as to recharge electric vehicles at enabled charging stations. It's an innovation that, with respect to paper ticketing, facilitates the operation for the customer, reduces costs for the supplier, and eliminates the environmental impact of paper production. The service is currently available in more than 70 cities (thanks to the addition of Empoli, Catanzaro, Catania, and Montecatini), which cover more than 15% of the entire Italian population. Nearly one million people now use this method of payment. Approximately 8 million tickets have been sold using this method over the past three years.

In 2018, the **Mobile Parking** service was launched in Milan: a service aimed at supporting the digitalisation of the city, which in 2019 announced the discontinuation of its paper "scratch and park" vouchers. Residents and

visitors can now use their mobile credit/service accounts to purchase public transport tickets, Area C admission tickets, and even parking time. These services are widely appreciated by both municipal police and customers, as they allow for mobile purchases to be made even by those who don't have credit cards.

Mobile Ticketing and Mobile Parking in 2018
In 2018, the process of transposing the new European Payments Directive (PSD2) was also finalised, which allows tickets for any type of service (e.g. cinemas, theatres, museums, concerts, etc.) to be purchased using mobile credit, and raises the ceiling for single transactions to €50 (compared to the previous €12.50). Wind Tre decided to seize this opportunity immediately, and, within the framework of the **WeAct** project promoted by Civita, has contributed the development of an electronic ticketing system for the Palazzo Barberini and Galleria Corsini museums.

Mobile Ticketing and Mobile Parking in 2018

71	3million	4tonnes	8
cities reached (Ticketing)	tickets purchased	paper saved	cities reached (Parking)

Wind Tre Business Factor
[GRI 203-2 a]

Wind Tre Business Factor is a **virtual incubator that has been supporting the establishment and development of businesses and young entrepreneurs in Italy since 2011**. The platform offers young start-uppers the possibility of taking part in its online competitions dedicated to helping young entrepreneurs define their business ideas and develop their potential, as well as that of their projects, and, finally, place them in contact with the ecosystem of the Luiss Enlabs business accelerator. The Business Advisor editorial platform (https://www.businessadvisor.it/), which provides entrepreneurs and start-uppers with authoritative and high quality educational materials and editorial content, was launched in 2018.

The **Start-up Award**, the contest dedicated to the platform's users, was also held in 2018, and saw the participation 31 start-ups.

Wind Tre Business Factor at the end of 2018

| over **24,000** registered users | nearly **3,000** start-ups registered | over **2,000** business ideas submitted | over **20,000** followers on social media |

2018 Startup Award

The winner

HEAR ME WELL: an application designed to help people suffering from hearing loss, by allowing them transform their smartphones into hearing aids using any pair of headphones. After conducting a brief audiometric test, the application amplifies and remodulates the various sound frequencies captured by the telephone's microphone in order to compensate for the individual's hearing impairments.

The finalists

ALLERGENIO: Intended for restaurateurs, this allergen search engine allows people with food allergies and intolerances to enjoy eating out with complete peace of mind.

PRIYATECH: a multi-sensor high resolution camera for monitoring that which happens in the home. It listens using an ultra-sensitive microphone, monitors the air quality with a special sensor, and, finally, communicates with its owner via the app.

TOURCITIFY: an app that users to listen to high quality audio guides recorded by professional tour guides.

TORA: a smartphone app designed for people with upper limb disabilities, which allows them to control many of the vehicle's commands by voice while driving.

YOURDESK: the first Italian portal where users can go to find or offer available work spaces.

Luiss Enlabs: the "startup factory"
[GRI 203-2 a]

With approximately 5000 m^2 of office space at the Termini railway station building in Rome, Luiss Enlabs has become one of the largest business accelerators in Europe. A veritable "start-up factory", recognised as a benchmark both nationally and internationally, that hosts approximately 400 young people offering courses, services, and contacts with potential investors. Wind Tre and the Luiss University have been part of the project since it was set up in 2012.

Six years after its launch, **Luiss Enlabs now has a portfolio of 55 start-ups, which have collectively raised over € 50 million in funds**. 80% of the start-ups that emerge from the five-month acceleration program succeed in raising money from third party investors, a percentage that's unrivalled throughout Europe.

The goal is to **provide students and aspiring entrepreneurs with an important opportunity on the job market**, transforming the best business ideas into successful economic initiatives. These partnerships have led to collaborations with successful digital start-ups who have gone on to become part of Wind Tre's range of services. By way of example, these include the Wind Gamepix products, dedicated to gaming lovers and developed in collaboration with the start-up Gamepix, and WindLex, the legal assistance platform for small and medium-sized enterprises developed in collaboration with the start-up NetLex.

Their successful experience in Rome led the Luiss Enlabs partners to launch a similar project in Milan by opening the new **Milano Luiss Hub**, which was inaugurated in early 2018.

Together for solidarity
[GRI 203-2 a]

Wind Tre believes in the importance of doing business in an ethically sustainable manner, and engages its customers and employees in initiatives that require the company's active

participation. In this regard, a series of activities have now become part of the corporate culture, and can be considered consolidated practices. In particular, with regard to its customers, the company renders its infrastructures available for numerous charitable fund-raisers, as well as for "cause-related marketing" initiatives, in order to collaborate in support of social projects alongside various non-profit organisations. With regard to its employees, Wind Tre promotes their engagement in solidarity initiatives, in terms of both direct participation and shared choices.

Together with our customers
For many years now, Wind Tre has offered a **solidarity fund-raising service** to non-profit organisations, charities, associations, and foundations, in collaboration with the other Italian telecommunications service providers. With this service, customers can donate the amount of €2 by sending an SMS from their mobile phones, and can donate €2, €5 or €10 by making a call from a landline.
The funds raised are entirely transferred to the charity running the project supported.

In 2018, Wind Tre **collected and donated a total of approximately € 2.7 million to charity**, all in support of 129 social and humanitarian initiatives, including scientific research, child protection, support for developing countries, prevention of violence against women, and the protection of the natural environment.

Charity SMS 2018

129
social and humanitarian initiatives

2.7 mln€
million to charity
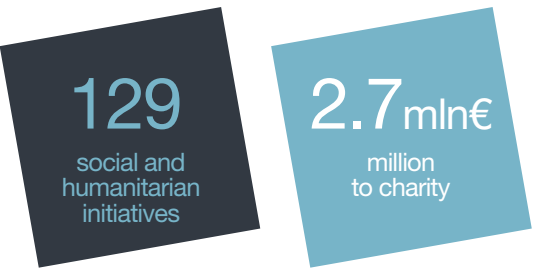
The "**Wind Solidarity Option**" is another example of how social issues are integrated into the company's offering to the customer. Each month, customers who take part in the initiative contribute 50 cents from their bank accounts to social support projects, and the company doubles each customer's donation with another 50 cents. The funds raised are entirely transferred to the charity running the project supported. This year Wind and its customers are supporting the GenerAzione Mare Project: the WWF campaign dedicated to protecting the Mediterranean and its indigenous species, like sea turtles, which are all too often threatened by human activities and by water pollution.

Together with our people
Once again in 2018, through the "**Insieme Si Può**" (*Together We Can*) initiative, all the Wind Tre employees were engaged in proposing and voting on (through the corporate intranet)

the solidarity initiatives eligible to receive a contribution from the company. It's a **method of joint charity selection** that allows the employees to propose and express their preferences for the initiatives they hold most dear.

5,000
votes collected in one month

8,000€
for each of the 4 projects that received the most votes

The initiatives proposed were evaluated by a special Committee made up of Wind employees from the Legal, Finance, Regulatory and Compliance departments, which verified the legal and organisational aspects of the non-profit proponents and the submitted projects' compliance with the initiative's regulations. Once the process had been completed, the Committee admitted 24 projects to the final vote on the corporate Intranet.

After collecting over 5 thousand votes in one month, the four top-ranking projects, each of which received a grant from the company amounting to € 8,000, were the following: "**LeggerePerVivere,ViverePerLeggere**", to fund a scholarship; "**Diventare**

InSuperAbily", to support young people suffering from serious neurological diseases; "**Carezze che curano**", to fund pet therapy for cancer patients; and "**Curarsi è un diritto di tutti**", to contribute to the purchase of an ambulance for transporting cancer patients.

In collaboration with the **Italian Red Cross** and **Avis**, in 2018 our employees were once again given the opportunity to donate blood at our offices in Rome, Milan, Ivrea and Pozzuoli. A simple yet extremely important gesture.

Remaining on the topic of healthcare, in May of 2018 more than 800 Wind Tre employees also took part in the **Race For the Cure**, the fund-raising marathon dedicated to the fight against breast cancer and raising public awareness of the importance of prevention. Wind Tre made a matching donation equal to the same amount paid by its employees for their registrations. The total amount raised in 2018 was nearly € 25,000.

In addition to once again holding its **Charity Days**, which are organised at our offices in collaboration with various non-profit organisations, in 2018 Wind Tre also adhered to the international **Jumper Day** initiative organised by Save the Children. Our employees participated during the Christmas holidays by wearing ridiculous Christmas-themed sweaters and inviting social media users to donate to Save the Children.

The origins
of this document

This Sustainability Report once again highlights Wind Tre's commitment to reporting to its stakeholders on the Group's economic, social and environmental performance, in accordance with the consolidated practices already observed by Wind since 2003.

The information contained herein refers to the 2018 financial year (1 January – 31 December), and is compared to the relative 2017 and 2016 information, wherever possible.
[GRI 102-51 and GRI 102-52]

Like the Financial Statements, this document describes the reality and the performance of Wind Tre S.p.A. and its subsidiaries during the course of 2018.
[GRI 102-1, GRI 102-45 and GRI 102-50]

This report has been prepared in accordance with the GRI Standards: Core option. The Global Reporting Initiative Standards are currently considered the national and international benchmark for the communication of non-financial information. [GRI 102-54] The content that meets the requirements of the GRI standards is indicated within the text using a series of identification codes starting with "GRI", contained within square brackets.

In order to identify the non-financial issues most relevant to the Group, a materiality analysis was carried out, which entails the establishment of a threshold beyond which an issue acquires a level of importance that must be reported.
[GRI 102-46, GRI 102-49] For the GRI, material issues are those which could be reasonably considered important in order to reflect the economic, environmental or social impacts generated by the organisation, and which, in turn, could potentially influence the Stakeholders' decisions. Wind Tre has decided to focus upon the material issues that currently best describe the Group's commitment in terms of sustainability.

The issues have been identified taking into account the aspects of the scenario that have the greatest impact upon our sector, the sustainability communications of the key players at the national and international levels, and several interviews conducted with opinion leaders representing the various stakeholder categories and the management's point of view. Starting from a first shortlist of potentially relevant issues, we focused upon those deemed to be truly material based on the significance of the impacts generated during the performance of our business activities, and the significance perceived by our stakeholders. [GRI 102-29] For the list of material issues covered by this document and their correlation with the topics of the GRI, please refer to the Technical Appendix.

The collection of the information and the relative contents contained within this document have been prepared in collaboration with all the Wind Tre personnel, each for the activities of his/her own competence, thus providing a comprehensive and accurate flow of information, which in turn has ensured the validity of the reporting model adopted. The Corporate Social Responsibility (CSR) department coordinated the project, thus ensuring consistent results.

For more details about the contents of this document, the calculation methodologies, and the index of the GRI disclosures reported, please refer to the Technical Appendix available on our website www.windtre.it.

For any further information or clarifications you may require, please contact the Wind Tre CSR Department at the following addresses:
[GRI 102-53]

Wind Tre S.p.A.
Via Cesare Giulio Viola, 48
00148 Roma
Corporate Responsibility, Public Affairs
corporatesocialresponsibility@windtre.it

TECHNICAL APPENDIX LINK

GRI Content Index
"In accordance - core" Option

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English language version of the report.

GRI 101: Foundation 2016
GRI 102: General Disclosures 2016

General Standard Disclosures

STANDARD	DESCRIPTION	CHAPTER / SECTION	
Organizational profile			
102-1	Name of the organization	The origins of this document	p. 84
102-2	Activities, brands, products, and services	About us Key players on the Italian telecommunications scene	p. 9
102-3	Location of headquarters	Technical appendix	p. 9
102-4	Location of operations	About us Key players on the Italian telecommunications scene	p. 9
102-5	Ownership and legal form	Technical appendix	p. 9
102-6	Markets served	TELCO: the dawn of a new paradigm	p. 15
102-7	Scale of the organization	About us Key players on the Italian telecommunications scene	p. 9-10
102-8	Information on employees and other workers	Technical appendix	p. 12
102-9	Supply chain	Operating responsibly A solid governance model Technical appendix	p. 35 p. 10
102-10	Significant changes to the organization and its supply chain	About us Key players on the Italian telecommunications scene Operating responsibly A solid governance model	p. 9 p. 35

STANDARD	DESCRIPTION	CHAPTER / SECTION	
102-11	Precautionary Principle or approach	Operating responsibly A solid governance model	p. 35
102-12	External initiatives	Operating responsibly A solid governance model	p. 33
102-13	Membership of associations	ASSTEL, the Confindustria organisation representing telecommunications companies; CONSEL, the ELIS Consortium for higher professional training, whose primary goal is to support young people in their transition to the world of employment. The Service Providers are no longer part of FUB's founding partners for reasons relating to the institution's compliance. FUB is an In-House foundation of the Italian Ministry of Education, Universities and Research (MISE).	
Strategy			
102-14	Statement from senior decision-maker	Letter to the stakeholders	p. 5
102-15	Key impacts, risks, and opportunities	TELCO: the dawn of a new paradigm	p. 13-18
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Operating responsibly A solid governance model	p. 33
102-17	Mechanisms for advice and concerns about ethics	Operating responsibly A solid governance model	p. 35
Governance			
102-18	Governance structure	Technical appendix	p. 9
102-22	Composition of the highest governance body and its committees	Technical appendix	p. 9
102-23	Chair of the highest governance body	Technical appendix	p. 9
102-29	Identifying and managing economic, environmental, and social impacts	The origins of this document	p. 85
Stakeholder Engagement			
102-40	List of stakeholder groups	Our stakeholders	p. 11
102-41	Collective bargaining agreements	Technical appendix	p. 12
102-42	Identifying and selecting stakeholders	Technical appendix	p. 19-21
102-43	Approach to stakeholder engagement	Our stakeholders Putting technology at the service of individuals Customer care and feedback	p. 11 p. 31
102-44	Key topics and concerns raised	Technical Appendix	p. 19-21
Reporting			
102-45	Entities included in the consolidated financial statements	The origins of this document	p. 84
102-46	Defining report content and topic Boundaries	The origins of this document	p. 84
102-47	List of material topics	Technical appendix	p. 22-23

STANDARD	DESCRIPTION	CHAPTER / SECTION	
102-48	Restatements of information	The data referring to years prior to 2018 have not changed with respect to those published during the previous years, with the exception of the data regarding the reduction of greenhouse gas emissions, which changed due to the updating of the conversion factors utilised. As indicated in the text, in certain cases the 2015 and 2016 data only refer to Wind Group, as the corresponding data for H3G Group are not available. This naturally limits the comparability of the performance levels over time.	
102-49	Changes in reporting	The origins of this document	p. 84
102-50	Reporting period	The origins of this document	p. 84
102-51	Date of most recent report	The origins of this document	p. 84
102-52	Reporting cycle	The origins of this document	p. 84
102-53	Contact point for questions regarding the report	The origins of this document	p. 85
102-54	Claims of reporting in accordance with the GRI Standards	The origins of this document	p. 84
102-55	GRI content index	GRI Content Index	p. 86-90
102-56	External assurance	The 2017 Sustainability Report was not subjected to external verification. The Materiality Disclosures Service of the Global Reporting Initiative (GRI) was however requested.	

Specific Standard Disclosures

DISCLOSURES	DESCRIPTION	CHAPTER / SECTION	
Network reliability and coverage			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Putting technology at the service of individuals The union makes the network	p. 21-22
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	The union makes the network	p. 21
Attention to our people			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Driving change Skill development A focus upon individual well-being	p. 46-48 p. 48-52
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 401: Employment 2016; GRI 403: Occupational Health & and Safety 2016; GRI 404: Training and Education 2016			
401-1	New employee hires and employee turnover	Technical Appendix A focus upon individual well-being Skill development	p. 12-13 p. 49 p. 46
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		
404-2	Programs for upgrading employee skills and transition assistance programs		

DISCLOSURES	DESCRIPTION	CHAPTER / SECTION	
Cities of the future			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Building a sustainable future Our contribution to the global agenda	p. 68-74
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Our contribution to the global agenda	p. 71
Customer care and customer satisfaction			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Putting technology at the service of individuals Customer care and feedback	p. 28-31
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Customer care and feedback	p. 28
Education for change			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Building a sustainable future Education for change	p. 65-68
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Education for change	p. 65
Innovazione e open innovation			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Building a sustainable future The ability to innovate	p. 75-81
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016			
203-1	Significant indirect economic impacts	Education for change Our contribution to the global agenda The ability to innovate Helping communities	p. 67 p. 69-71 p. 78-81 p. 82-83

DISCLOSURES	DESCRIPTION	CHAPTER / SECTION	
Privacy and data security			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Operating responsibly Privacy and data security	p. 37-41
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Technical appendix	p. 10
Reduction of CO$_2$ emissions and smart technologies			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Protecting the environment Energy consumption	p. 55-59
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 302: Energy 2016; GRI 305: Emissions 2016			
302-1	Energy consumption within the organization	Technical Appendix	p. 14
302-3	Energy intensity	Energy consumption	p. 57
302-4	Reduction of energy consumption	Technical Appendix	p. 15
305-1	Direct (Scope 1) GHG emissions	Technical Appendix	p. 15
305-2	Energy indirect (Scope 2) GHG emissions	Energy consumption; Technical Appendix	p. 57 p. 14
305-5	Reduction of GHG emissions	Technical Appendix	p. 15
Transparency and responsible marketing			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Putting technology at the service of individuals Customer care and feedback	p. 28-31
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 417: Marketing and Labeling 2016			
417-3	Incidents of non-compliance concerning marketing communications	Technical appendix	p. 8