



PROSPECTUS

PERFORMANCE SHARE PLAN 2017-2019

Board of Directors of 16 March 2017

PROSPECTUS

PREPARED IN ACCORDANCE WITH ARTICLE 114-BIS OF ITALIAN LEGISLATIVE DECREE 58, DATED 24 FEBRUARY 1998, ("TUF") AND ARTICLE 84-BIS OF THE REGULATION ADOPTED BY CONSOB WITH RESOLUTION NO. 11971, DATED 14 MAY 1999 AS SUBSEQUENTLY SUPPLEMENTED AND AMENDED ("ISSUERS' REGULATION")

LONG-TERM EQUITY INCENTIVE PLAN 2017-2019

Whereas

This prospectus is prepared by ENAV S.p.A. ("ENAV" or "Company"), pursuant to Article 84-bis of the Issuers' Regulation and in accordance with the provisions of Appendix 3A – schedule No. 7, with the aim of informing its own shareholders and the market about the proposal for adopting the Performance Share Plan 2017-2019 ("Share Plan" or "Plan"), approved by ENAV's Board of Directors on 16 March 2017 and which will be submitted, in accordance with Article 114-bis of the TUF, for approval at the ordinary shareholders' Meeting convened on 28 April 2017, in a single call.

In this regard, following the listing of the Company on the stock exchange and with a view to creating a closer alignment between the remuneration of management and the creation of value for shareholders, the Remuneration and Appointments Committee proposed to the Board of Directors that, for a limited number of managers, it should adopt a plan based on the allocation of Company ordinary shares (called *Performance Shares*), to be implemented subject to the approval of the shareholders' Meeting.

The Plan applies to ENAV and its Subsidiaries, and is to be considered "of particular importance" pursuant to Article 84-bis, paragraph 2, of the Issuers' Regulation, as it also addresses the parties identified by Article 114-bis of the TUF, the Chief Executive Officer and "Executives with Strategic Responsibilities", upon identifying them, as well as other important managerial figures.

This prospectus is available to the public at the registered office of ENAV, and in the Governance section of the Company's website at www.enav.it as well as in the manner specified in Article 84-bis of the Issuers' Regulation.

Definitions

- **Share (s):** ordinary share issued by ENAV S.p.A., listed on Borsa Italiana S.p.A., ISIN code IT0005176406.
- **Beneficiaries:** the recipients of the Plan.
- **Remuneration and Appointments Committee:** the Remuneration and Appointments Committee of ENAV, consisting of two independent non-executive directors (including the Chairman) and a non-executive director, with consulting and advisory functions with respect to the Board of Directors, including on matters concerning remuneration for directors and executives with strategic responsibilities.
- **Executives with strategic responsibilities:** executives as per Article 65, paragraph 1-*quater* of the Issuers' Regulation, as they may possibly be identified by the Company.
- **Dividend equivalent:** consists of an additional number of shares granted to beneficiaries at the end of the vesting period equivalent to the ordinary and extraordinary dividends distributed by ENAV during the vesting period, which would be owed on the number of shares actually assigned to beneficiaries in proportion to the performance levels achieved in the terms and conditions stipulated by the Plan.
- **EBIT:** also referred to as "business operating income", is an indicator of profitability which expresses the income that the Company is able to generate before the return on capital, thus including debt capital and equity. It is therefore an expression of the operating result before tax and financial expenses.
- **Free Cash Flow:** represents the free cash flow of the Company and is the difference between the cash flow from operating activities and the cash flow for investments in fixed assets.
- **Allocated incentive:** is the maximum number of shares allocated to beneficiaries that can actually be awarded at the end of a predetermined period (*vesting period*) according to the pre-set conditions of *performance and retention*.
- **Assigned incentive:** indicates the number of shares actually assigned to Beneficiaries at the end of the period (vesting period) in the extent related to the performance levels achieved under the terms and conditions provided by the Plan.
- **Lock-up:** indicates the time period during which the assigned shares are subject to restrictions against sale and/or transfer.
- **Regulation:** the document that will be approved by the Board of Directors at the proposal of the Remuneration and Appointments Committee and after the Plan is approved at the Meeting, which will govern the conditions of each annual allocation of the Share Plan.
- **Issuers' Regulations:** this is CONSOB Regulation 11971, dated 14 May 1999, which sets out the rules for issuers of financial instruments.
- **Subsidiaries:** Subsidiaries of ENAV S.p.A. pursuant to Article 2359 of the Italian Civil Code.
- **The Consolidated Finance Act (TUF):** "Consolidated law of the provisions concerning financial intermediation" is Italian Legislative Decree no. 58 dated 24 February 1998 (and subsequent amendments).
- **Total Shareholder Return (TSR):** indicator representing the overall return for a shareholder given the increase in stock price during a three-year reference period and any dividends paid during the same period.
- **Vesting (vesting period):** period between the award and the completion of the possession of the right to receive the share award.

1. Recipients

- 1.1. The designation by name of the recipients who are the members of the Board of Directors or the Management Board of the issuer financial instruments, the companies controlling the issuer and the companies directly or indirectly controlled by it.

The Plan applies to ENAV's Chief Executive Officer, currently identified in the person of Roberta Neri.

If the Beneficiaries referred to in section 1.2 include parties for which, in accordance with the applicable statutory provisions, identification by name is required, including in relation to the position of any Director working in the Subsidiaries, the Company will provide the market with the related information in the notifications required under Article 84-*bis*, fifth paragraph of the Issuers' Regulation.

- 1.2. The categories of employees or co-workers of the issuer financial instruments and the parent companies or subsidiaries of the issuer.

Up to a maximum of 20 executives at ENAV and its Subsidiaries, including the Chief Executive Officer, identified among those who hold positions with greater impact on business outcomes or with strategic importance for the purposes of achieving the Company's long-term objectives.

- 1.3. The designation by name of parties benefiting from the plan belonging to the groups referred to in paragraph 1.3 sections (a), (b), (c) of Appendix 3A, Schedule 7 of the Issuers' Regulations:

The designation by name of Beneficiaries will be made at the time of implementing the Plan by the Board of Directors.

- 1.4. Description and numerical designation, separated by categories:

- a) of executives with strategic responsibilities other than those specified in paragraph 1.3;

Executives with strategic responsibilities at ENAV, as of the date of publishing this Document, were not identified.

- b) in the case of "smaller-sized" companies, in accordance with Article 3, paragraph 1, sect. (f) of Regulation 17221, dated 12 March 2010, the designation in aggregate of all executives with strategic responsibilities of the issuer financial instruments;

Not applicable.

- c) any other categories of employees or co-workers for which differentiated features of the plan have been provided (for example, executives, managers, workers, etc.).

Not applicable.

2. The justifications for adopting the Plan

2.1. The objectives to be achieved by the award of the Plan.

The Plan is a tool aimed at promoting incentive and loyalty among the managerial figures most important to the Company and pursues the following objectives:

- ensuring the correlation between the creation of value for shareholders and management, by introducing an economic incentive into the Beneficiaries' remuneration structure that correlates to achieving challenging corporate performance targets;
- retaining the Beneficiaries during the time frame of the Plan, including by providing a three-year *vesting period*.

2.2. Key variables, also in the form of performance indicators, considered for the purposes of awarding the plans based on financial instruments.

The incentive levels are defined in terms of the maximum number of assignable Shares, consistent with the following remuneration policy principles adopted by ENAV:

- a management remuneration structure suitably balanced between: a fixed component consistent with the powers and/or responsibilities assigned; a variable component defined within maximum limits and aiming at linking remuneration to the performance actually achieved;
- consistency of the total remuneration with respect to market benchmarks for similar figures or positions with a similar level of responsibility and complexity, in a corporate panel comparable with ENAV;
- variable remuneration of management positions having greater influence on business outcomes, characterised by a significant impact of long-term incentive components, through an appropriate deferral in a time frame of at least three years in keeping with the long-term nature of ENAV's business.

2.3. The basis for the determination of the extent of remuneration based on financial instruments, that is, the criteria for its determination.

2.3.1. More detailed information

The maximum amount of the stock incentive allocated to each Beneficiary is differentiated in relation to the level of responsibility/criticality of their positions, also taking into account market practices.

The accrual of the right to receive the stock incentive is subject to the following performance conditions:

- EBIT, weighted 30%
- relevant TSR, weighted 40%
- Free Cash Flow, weighted 30%

- 2.4. The reasons forming the basis of any decision to award remuneration plans based on financial instruments not issued by issuer financial instruments such as securities issued by subsidiaries or, parent companies or other parties belonging outside the group; in the event that these instruments are not traded on regulated markets, information on the criteria used for determining the value awarded to them;

Not applicable.

- 2.5. Evaluations of significant tax and accounting implications that have affected the definition of the plans;

The structure of the Plan has not been conditioned by the applicable tax law or by accounting implications.

- 2.6. Any support of the Plan from the Special Fund for encouraging the shareholding of workers in enterprises, as per Article 112, paragraph 4, of Law 350, dated 24 December 2003.

Not applicable.

3. Approval procedure and timing for assigning instruments

- 3.1. Scope of powers and functions delegated by the shareholders to the Board of Directors in order to implement the plan;

ENAV's Board of Directors, on 16 March 2017, resolved, on the proposal of the Remuneration and Appointments Committee and with the abstention of the Chief Executive Officer, to submit the Plan to the Shareholders' Meeting for approval in accordance with Article 144-*bis* of the TUF.

Following the shareholders' approval, the Board of Directors, in exercising the mandate that may be conferred by the Meeting, will implement the Plan, including through proxies appointed thereto, resolving on : i) the annual incentive award to the Chief Executive Officer; ii) approval of the Regulation of each annual allocation; iii) the identification of the Beneficiaries on the basis of the criteria defined; iv) and any other terms and conditions for implementation insofar as not in conflict with what was established by the Shareholders' Meeting.

- 3.2. Naming the persons responsible for administrating the plan and their functions and authority;

The Board of Directors is responsible for implementing the Plan with research and consulting support from the Remuneration and Appointments Committee, and is entitled to delegate the operational management of the Plan to the relevant ENAV Human Resources unit, within the limits of the Regulation implementing the Plan, on the basis of the research and/or advice of the Remuneration and Appointments Committee and with it remaining firmly understood that any decision relating and/or pertaining to the allocation and implementation of the Plan for the Chief Executive Officer as beneficiary shall remain exclusively under the authority of the Board of Directors.

3.3. Any existing procedures for the revision of the plans, also related to any changes in basic objectives;

Without prejudice to the authority of the General Meeting in the cases provided for by law, the Board of Directors, after hearing the opinion of the Remuneration and Appointments Committee, is the body responsible for making any changes to the Plan.

In the implementation phase of the Plan, the Board of Directors will determine, at the proposal of the aforementioned Committee, the Regulation of the Plan that will also include, *inter alia*, any procedures, terms and conditions for revising the Plan. These procedures, terms and conditions may provide the option for the Board of Directors to change the Plan's performance conditions in the presence of extraordinary and/or unforeseen situations or circumstances that might significantly affect the results and/or the scope of ENAV's business.

3.4. Description of the methods for determining the availability and allocation of the financial instruments on which the plans are based).

The Plan envisages awarding of free Shares in a number that varies according to the individual allocation and to the extent of achievement of the performance conditions of the Plan. These Shares may consist of Shares already issued to be purchased in accordance with Article 2357 et seq. of the Italian Civil Code or already held by ENAV.

In this regard, the Board of Directors, at its meeting on 16 March 2017, resolved to submit to the Shareholders' Meeting the proposal authorising the purchase of treasury Shares, partly to service the Plan.

3.5. The positions held by each director in determining the features of those Plans; any occurrence of situations of conflict of interest for the directors involved;

In line with the recommendations of the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana, which ENAV adopts, the Plan's conditions were determined at the proposal of the Remuneration and Appointments Committee. The proposal to submit the Plan to the Shareholders' Meeting, in accordance with Article 114-*bis* of the TUF, was then approved by the Board of Directors, with the abstention of the Chief Executive Officer, following the approval of the Control, Risk and Related-Party Committee and that of the Board of Statutory Auditors in accordance with Article 2389, paragraph 3, of the Italian Civil Code.

3.6. For the purposes of the requirements of Article 84-*bis*, paragraph 1, of the Issuers' Regulations, the date of the decision taken by the body authorised for proposing the approval of plans at the meeting and any proposal of the remuneration committee;

The Board of Directors on 16 March 2017, at the proposal prepared by the Remuneration and Appointments Committee on 9 March 2017, resolved to submit the Plan for approval at the Shareholders' Meeting.

3.7. For the purposes of the requirements of Article 84-*bis*, paragraph 5, sect. (a) of the Issuers' Regulation, the date of the decision taken by the body authorising the allocation of the instruments and any proposal to that body prepared by any remuneration committee;

The Plan and the financial instruments for its implementation are submitted to the approval of the

Shareholders' Meeting called on 28 April 2017. Subsequently, if the Plan is approved by the Shareholders' Meeting, the Board of Directors will meet to adopt the relevant decisions for implementing the Plan.

3.8. The market price, recorded on the aforementioned dates, for the financial instruments on which the plans are based, if traded on regulated markets;

The official price of ENAV shares on 16 March 2017 (date of the adoption by the Board of Directors of the decision to submit the proposal of the Plan to the Shareholders' Meeting): € 3.51.

3.9. If the plans are based on financial instruments traded on regulated markets, within what terms and by what procedures does the issuer take into account, in the context of identifying the timing of assigning the instruments for implementing the plans, the possible coincidence in time between:

- i. this assignment or any decisions made in this regard by the remuneration committee;
- ii. the dissemination of any relevant information in accordance with Article 114, paragraph 1; for example, in the event that such information is: a. not already public and able to positively influence market prices, or b. already published and able to adversely affect market prices.

Decisions concerning the allocation of Shares will be adopted in one or more times by the Board of Directors, subject to the prior approval of the Plan by the Shareholders' Meeting, after hearing the opinion of the Remuneration and Appointments Committee and consulting the Board of Statutory Auditors, in accordance with the laws in force. It should be noted that the Beneficiaries' right to receive Shares accrues after a vesting period of three years and only subject to the achievement of predetermined performance conditions.

4. The features of the instruments allocated

4.1. The description of the forms in which the remuneration plans based on financial instruments are structured;

The Plan provides for three annual allocations of the right to receive a maximum number of Shares that will actually be assigned after three years, to the extent linked with the performance conditions achieved according to pre-established criteria and parameters and other conditions provided for by the Plan. The maximum number of Shares to be allocated is determined by dividing the incentive by the average price of the Share recorded in the month preceding the award.

It is also envisaged that a number of additional Shares – defined as dividend equivalent – will be assigned on Shares actually assigned to the extent linked with the achievement of the performance conditions. The number of additional Shares to be assigned shall be determined by dividing the sum of the dividends paid during the vesting period by the average price of the Share recorded in the previous month.

4.2. Indication of the actual implementation period of the Plan with reference to any different cycles expected;

The Plan provides for three annual allocations for the period 2017-2019. Each allocation is subject to a three-year vesting period and consequently any actual assignment of Shares shall take place between 2020 and 2022, as shown in the table below.

Allocation	Term of vesting	Assignment of Shares
2017	2019	2020
2018	2020	2021
2019	2021	2022

For the Chief Executive Officer and for the Executives involved it is provided that 20% of Shares assigned is subject to a lock-up period. The Shares assigned subject to lock-up cannot be transferred and/or sold off for a period of 1 or 2 years after the end of the vesting period. The lock-up does not apply to additional Shares assigned to Beneficiaries as dividend equivalents.

4.3. The term of the Plan;

The Plan will end in 2022, at the expiry of the vesting period of the last allocation provided in 2019.

4.4. The maximum number of financial instruments, also in the form of options assigned in each fiscal year in relation to subjects identified by name or the stated categories;

The Board of Directors has determined the maximum number of treasury Shares to be purchased, *inter alia* to service the Plan, at 850,000.

4.5. The procedures and the implementation terms of the Plan, specifying whether the actual allotment of instruments is subject to conditions or achieving certain results also of performance; description of these conditions and results;

The actual accrual of the allocated Shares is subject to the achievement of specific performance conditions as a result of a detailed process of verification of the results achieved, to be carried out by the Remuneration and Appointments Committee, in support of the resolutions to be adopted by the Board of Directors.

The performance conditions of the Plan are linked to the following parameters:

- EBIT, weighted 30%
- relevant TSR, weighted 40%
- Free Cash Flow, weighted 30%

With reference to the relevant TSR, ENAV's performance will be measured in relation to ENAV's TSR compared to the TSR of the FTSE Italy MID CAP index.

During the implementation of the Plan, its performance scales as well as its calculation mechanisms will be further detailed.

The Plan provides for the adoption of "clawback" mechanisms which will be specified in the Regulation implementing the Plan.

- 4.6. The indication of any constraints of availability imposed on the allocated instruments or on the instruments stemming from exercising options, with particular reference to the period within which subsequent transfer to the same company or others is allowed or prohibited;

For the Chief Executive Officer and for the Executives involved it is provided that 20% of Shares assigned is subject to a lock-up period. The Shares assigned subject to lock-up cannot be transferred and/or sold off for a period of 1 or 2 years after the end of the vesting period. The *lock-up* does not apply to additional Shares assigned to Beneficiaries as dividend equivalents.

- 4.7. Description of any decisive conditions in relation to allocation of the plans in case the recipients perform hedging transactions that allow neutralising any prohibitions for selling the financial instruments, also in the form of options. i.e., the financial instruments stemming from exercising these options;

Not applicable.

- 4.8. The description of the effects caused by the termination of employment;

In the implementation phase of the Plan, the Regulation that will be approved by the Board of Directors at the proposal of the Remuneration and Appointments Committee will detail the effects caused by the possible termination of employment.

- 4.9. The indication of other possible causes for cancellation of the plans;

Any causes for cancellation of the Plan will be specified by the Regulation during the Plan's implementation phase.

- 4.10. The reasons concerning the provision of a "redemption", by the company, of the financial instruments under the plans, provided in accordance with Articles 2357 et seq. of the Italian Civil Code; the beneficiaries of the redemption by indicating whether the same is intended only for particular categories of employees; the effects of termination of employment on that redemption;

There is no right to redemption of Shares by the Company.

- 4.11. Any loans or other benefits which are granted for the purchase of the shares in accordance with Article 2358 of the Italian Civil Code;

No loans are expected to be granted.

- 4.12. The indications of assessments on the expense expected by the company at the date of the related assignment as can be determined based on predefined terms and conditions, for the total amount and in relation to each plan's instrument;

The cost of the Plan will be estimated at the time of its approval by the Shareholders' Meeting; at present, on the basis of the terms and conditions already defined, it is expected that the maximum number of assignable Shares is 850,000 shares.

- 4.13. The indication of any dilutive effects on the capital caused by the remuneration plans.

Considering that the Shareholders' Meeting called to approve the Plan was also convened to authorise the Board of Directors to purchase treasury Shares *inter alia* for the Plan, no dilutive effects are currently expected.

4.14. Any limits for exercising voting rights and for allocating the property rights

The Shares assigned will produce regular dividends as limits on the exercise of company rights or the inherent assets are not provided.

4.15. In the event that the shares are not traded on regulated markets, all the information useful for calculating their attributable assessment value

Not applicable, as the shares are admitted to trading on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A.

4.16 - 4.23

Not applicable because the Plan does not concern the award of *stock options*.

4.24. The shares issuers are combined in the prospectus of attached Table 1:

The following table shows the information referred to in Section 2, Box 1 of the of the Table in Schedule 7 of Appendix 3A of the Issuers' Regulations, based on the features that are already defined by the Company's Board of Directors. The table will be more detailed by the time of implementing the Plan and more information will be made available in the manner and terms set out in Article 84-*bis*, paragraph 5, section a) of the Issuers' Regulation.

SURNAME AND GIVEN NAME OR CATEGORY	POSITION (TO BE INDICATED ONLY FOR THE PARTIES LISTED BY NAME)	LONG-TERM EQUITY INCENTIVE PLAN 2017-2019						
		FINANCIAL INSTRUMENTS OTHER THAN STOCK OPTIONS						
		SECTION 2						
		NEWLY-ASSIGNED INSTRUMENTS BASED ON THE DECISION OF THE BOARD OF DIRECTORS AT THE PROPOSAL FOR THE MEETING						
		DATE OF MEETING RESOLUTION	TYPE OF FINANCIAL INSTRUMENTS	NUMBER OF FINANCIAL INSTRUMENTS	ASSIGNMENT DATE	EVENTUAL PURCHASE PRICE OF THE INSTRUMENTS	MARKET PRICE AT ASSIGNMENT DATE	VESTING PERIOD
Chief Executive Officer of ENAV S.p.A.		28/04/2017	Shares of ENAV S.p.A.	T.B.D.	T.B.D.	n/a	Average price of the share recorded in the month prior to the assignment	Three-year
Executives with Strategic Responsibilities (if identified)				T.B.D.	T.B.D.			
Other Executives				T.B.D.	T.B.D.			