



**REMUNERATION REPORT
OF THE
BOARD OF DIRECTORS
(PREPARED PURSUANT TO ARTICLES 123-*TER* OF THE TUF AND 84-*QUATER*
OF THE ISSUER'S REGULATION)**

APPROVED BY THE BOARD OF DIRECTORS OF ENAV S.P.A.

ON 16 MARCH 2017

GLOSSARY

ENAV	ENAV S.p.A.
Code of Corporate Governance or Code	The Code of Corporate Governance of listed companies, as most recently approved, in July 2015, by the <i>Corporate Governance</i> Committee established by Borsa Italiana S.p.A., ABI, Ania, Assonime, Confindustria and Assogestioni.
Remuneration and Appointments Committee or Committee	The Remuneration and Appointments Committee established through the Board of Director's resolution pursuant to Article 11- <i>bis</i> of the Company's By-Laws, in conformity with the recommendations of the Code of Corporate Governance.
Board	ENAV's Board of Directors
Senior Managers with Strategic Responsibilities	The senior managers pursuant to Article 65, paragraph 1- <i>quater</i> , of the Issuer's Regulation, as they may be identified by the Company.
Group	ENAV and its subsidiaries pursuant to Article 93 of the TUF.
Stock Exchange Regulation Instructions	The Regulation Instructions for Markets organised and managed by Borsa Italiana S.p.A.
Remuneration Policy or Policy	The Remuneration Policy for 2017, approved by the Board of Directors and described in Section I of this Report.
Committee Regulation	The Regulation of the Remuneration and Appointments Committee.
Issuer's Regulation	The Regulation issued by Consob through Resolution 11971 of 14 May 1999 regarding issuers, as later amended and supplemented.
Remuneration Report	This report on remuneration prepared pursuant to Article 123- <i>ter</i> of the TUF and Article 84- <i>quater</i> of the Issuer's Regulation.
Company	ENAV S.p.A.
TUF	Legislative Decree 58 of 24 February 1998 and subsequent amendments and additions.

TABLE OF CONTENTS

LETTER OF THE CHAIRMAN OF THE COMMITTEE	5
SECTION I: REMUNERATION POLICY FOR 2017	6
A) Bodies and parties involved in the preparation and approval of the Remuneration Policy, roles, bodies and parties responsible for the correct implementation of such policy	6
B) Intervention of the Remuneration and Appointments Committee, composition, responsibilities and operating procedures of this committee	6
C) Appointment of independent experts who may have intervened in the preparation of the Remuneration Policy	9
D) Objectives of the Remuneration Policy and guiding principles	9
E) Description of the fixed and variable remuneration policies, with special reference to the relative weighting of the components under the scope of the overall remuneration and distinguishing between short-term and medium/long-term variable components	10
F) Policy with regard to non-monetary benefits	12
G) Variable remuneration components, description of the performance targets on which they are awarded, distinguishing between short-term and medium/long-term variable components, and information on the correlation between performance and remuneration	12
H) Criteria used for the evaluation of performance targets underlying the allocation of shares, options, other financial instruments or other variable remuneration components and information aimed at highlighting the consistency of the Remuneration Policy with pursuing the long-term interests of the company and with the risk management policy	15
I) Vesting period, deferred payment systems, with indication of the deferral periods and criteria used for calculating these periods and ex post correction mechanisms	15
J) Information on clauses for maintaining financial instruments in the portfolio after their acquisition, with an indication of the retention periods and the criteria used for calculating these periods	16
K) Applicable policy for ending of office, termination of employment or non-renewal	17
L) Information on the presence of insurance or social security or pension cover, other than the mandatory ones	17
M) Remuneration policy with regard to: (i) independent directors, (ii) directors participating in committees and (iii) directors performing specific duties	17

N) Indications concerning the possible use, as a reference, of the remuneration policies of other companies	18
PART ONE – ITEMS WHICH COMPOSE THE REMUNERATION	19
1.1 Board of Directors	19
1.1.1 Chief Executive Officer	19
1.1.2. Chairman of the Board of Directors	21
1.1.3 Other members of the Board of Directors	21
1.1.4 Members of the Board of Directors' Committees	22
1.2 Board of Statutory Auditors	23
1.3 General Manager	24
1.4 Agreements which involve compensation in the case of the early termination of the relationship and effects of the termination of the relationship on the rights allocated under the scope of the incentive plans	24
PART TWO – TABLES	25
THE TABLE BELOW LISTS, BY NAME, THE INVESTMENTS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS AS WELL AS THE GENERAL MANAGER IN ENAV AND ITS SUBSIDIARIES.	29
DRAFT RESOLUTION	30

Letter of the Chairman of the Committee

Dear Shareholders,

It is my pleasure to share with you for the first time ENAV S.p.A.'s Remuneration Report, which does not only represent a formal exercise in compliance with existing obligations, but is also an opportunity to share, with the wider stakeholder community, the values and criteria that underpin the remuneration of our people.

This report comes at an extraordinary time in the life of ENAV, given its very recent listing on the MTA.

ENAV S.p.A. remuneration policy is built upon the belief that there is a close link between the remuneration of top management, company performance and the creation of value in the medium/long-term for shareholders, in addition to the transparency over the quality of remuneration systems. The policy adopted responds not only to regulatory requirements, but is also in line with best practices and the expectations of stakeholders, who look for the creation of value in the long-term, also in the light of the institutional mission of the Company.

The ENAV remuneration system shaped according to the principles of the Code of Corporate Governance is a vital instrument for:

- attracting, retaining and motivating highly qualified managers;
- recognising the responsibilities of managers;
- aligning the actions of management with the interests of shareholders;
- promoting the creation of value in the medium and long-term;
- complying with the principle of people development.

We have chosen to adopt practices and instruments capable of ensuring total consistency between the remuneration of management and the overall results which, in our opinion, is the vital prerequisite for satisfying the expectations of investors, a challenge that, through the listing process, this company has decided to accept.

This Report, prepared pursuant to Article 123-*ter* of the TUF, as amended, with regard to the transparency of the remuneration of directors of listed companies, was adopted by the Board of Directors, which approved its contents in the meeting of 16 March 2017.

Stefano Siragusa

SECTION I: REMUNERATION POLICY FOR 2017

A) Bodies and parties involved in the preparation and approval of the Remuneration Policy, roles, bodies and parties responsible for the correct implementation of such policy

The Remuneration Policy is approved annually by the Board of Directors following a proposal by the Remuneration and Appointments Committee (*see below under letter B*).

The Remuneration Policy for 2017, as described in this section of the Remuneration Report, is subject to the non-binding approval of the Shareholders' Meeting called pursuant to Article 2364, paragraph two, of the Italian Civil Code.

The following are responsible for the correct implementation of the policy: first and foremost, the Remuneration and Appointments Committee, for the tasks described hereafter, as well as the Chief Executive Officer and the Board of Directors.

B) Intervention of the Remuneration and Appointments Committee, composition, responsibilities and operating procedures of this committee

On 7 July 2015, the Company's Board of Directors approved the establishment of the Remuneration Committee, with the task of submitting proposals to the Board of Directors with regard to determining the remuneration to be paid to directors of the Company with powers pursuant to Article 2389, paragraph 3 of the Italian Civil Code and in relation to the applicable regulations, as well as – where deemed helpful – with advisory powers, at the request of the Chief Executive Officer, with regard to the general remuneration policy and the incentives for the Company's top management.

From 7 July 2015 up to the first day of trading of the Company's shares on the Mercato Telematico Azionario (i.e. 26 July 2016) the Remuneration Committee was composed of the following Board directors: Alessandro Tonetti as Chairman, Nicola Maione and Maria Teresa Di Matteo.

In order to ensure that the Company's governance model conformed with the recommendations in Article 5, principle 5.P.1 and Article 6, principle 6.P.3 of the Code of Corporate Governance, on 8 June 2016 the Company's Board of Directors approved the establishment of the Remuneration and Appointments Committee which – effective from the first day of trading of the shares on the Mercato Telematico Azionario – replaced the Remuneration Committee, absorbing its functions and expanding them.

On the same date, the Board of Directors appointed the following Board directors as members of the Remuneration and Appointments Committee, with effect from the first day of trading of the Company's shares on the Mercato Telematico Azionario: Stefano Siragusa (non-executive, independent director) as Chairman, Nicola Maione

(non-executive, independent director) and Alessandro Tonetti (non-executive director). At least one member of the committee has adequate knowledge and experience of financial issues or remuneration policies, which is assessed by the Board of Directors at the time of appointment.

On 21 June 2016, the Board of Directors adopted the regulation in relation to the governance, composition, scope of activity and operation of the Remuneration and Appointments Committee.

On the topic of remuneration, the committee has the task of assisting the Board of Directors with the preliminary activity of documentation preparation and with proposal making and advisory functions, and specifically:

- (a) submitting proposals or providing opinions to the Board of Directors on the remuneration of executive directors and other directors who perform specific tasks, as well as on the establishment of performance targets related to the variable component of this remuneration;
- (b) periodically evaluating the adequacy, overall consistency and practical application of the remuneration policy for directors and senior managers with strategic responsibilities, making use of the information provided by the managing directors for this purpose;
- (c) examining the annual remuneration report that is made available to the public ahead of the annual Shareholders' Meeting for the approval of the financial statements;
- (d) monitoring the application of the decisions adopted by the Board of Directors, verifying, in particular, that the performance targets have actually been reached.

Under its responsibilities, the committee processes, submits to the Board of Directors and monitors the application of the incentive schemes intended for senior executives and top management (including any share-based remuneration plans), as instruments aimed at attracting and motivating high-calibre, experienced resources, developing loyalty and ensuring a constant commitment to the creation of value over time.

The Chairman of the committee reports on the meetings held by the committee at the first available Board Meeting. Additionally, the committee reports to shareholders on the procedures for exercising its functions. To this end, the Chairman or another member of the committee attend the annual Shareholders' Meeting.

With specific regard to the topic of "remuneration", in 2016 and in the first three months of 2017, the committee, among other activities, has:

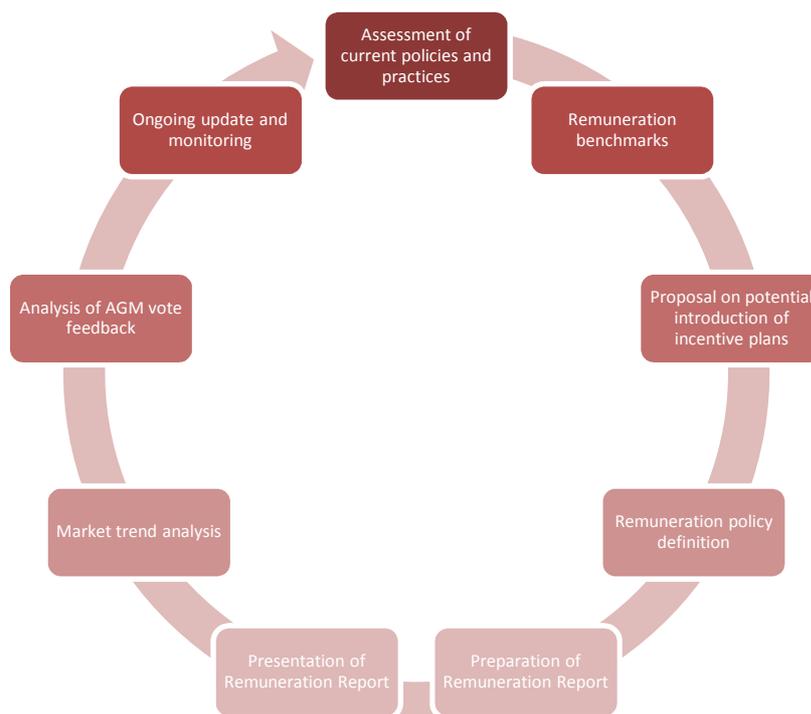
- submitted proposals to the Board on the remuneration structures of the executive directors of the Company, as well as proposals for the definition of

- a short-term variable incentive scheme tied to performance targets: in detail, the proposal for the definition of the base salary component, pursuant to Article 2389, paragraph 3 of the Italian Civil Code, as well as the proposal for the definition of the short-term incentive targets (*target bonuses*), in terms of parameters, accession thresholds and incentive curves, and for the awarding of a transaction bonus in relation to the IPO;
- submitted proposals to the Board on the guidelines for the definition of a medium/long-term incentive scheme for the Company's executive directors and senior managers with strategic responsibilities, where identified, including in particular the type of incentive plan, the performance measurement indicators and the incentive amount as a percentage on the base salary;
 - proposed to the Board the approval of the Remuneration Report (containing, among other things, the description of the Remuneration Policy for 2017 and the procedures governing the activities of the committee) to be presented to the Shareholders' Meeting;

No directors attended committee meetings in which proposals were formulated for the Board of Directors relating to their own remuneration, and all decisions relating to the remuneration of members of the committee were taken with the abstention of those involved; the committee meetings were attended by the Chairman of the Board of Statutory Auditors, with the exception of one instance where she was replaced by another statutory auditor, and, upon invitation on specific agenda items, by the Human Resources Director, at times accompanied by external consultants for in-depth analysis of specific issues.

In exercising its functions, the Committee was able to access all the required information and corporate functions in order to perform its duties properly. Specifically, the Board of Directors, having heard the Board of Statutory Auditors, approved an annual budget of €50,000 for the Committee.

It is worth noting that the activity of the Remuneration Committee was carried out within an ongoing and structured process, aimed at defining the new Remuneration Policy and the related compensation tools, as well as the preparation of the Annual Remuneration Report.



For further details on the meetings held by the Committee in 2016 and in the first months of 2017, please see the 2016 Report on Corporate Governance.

C) Appointment of independent experts who may have intervened in the preparation of the Remuneration Policy

The Company was advised by Willis Towers Watson in the preparation of the Remuneration Policy.

D) Objectives of the Remuneration Policy and guiding principles

The Company's Remuneration Policy is aimed at attracting, retaining and motivating high-calibre management with the professional expertise to manage the Company successfully.

Specifically, the Remuneration Policy for the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, where identified, aims at creating a strong link between remuneration and performance, providing incentives for achieving the medium/long-term interest of the Company, also through the introduction of a medium/long-term incentive scheme, as well as ensuring the loyalty of key personnel and sharing the increase in value of the Company with the key professional resources of the Group.

For Non-executive directors, the Remuneration Policy takes into account the commitment required from each of them and any participation in one or more committees and it is not linked to the economic results of the Company.

E) Description of the fixed and variable remuneration policies, with special reference to the relative weighting of the components under the scope of the overall remuneration and distinguishing between short-term and medium/long-term variable components

In order to reinforce the connection between remuneration and the medium/long-term interests of the Company, the Remuneration Policy for the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, where identified, provides that:

- the fixed component and the variable component should be adequately balanced;
- the fixed component is sufficient to reward the performance if the variable component is not paid;
- maximum thresholds are defined for the variable components;
- performance targets are predetermined, are measurable and are tied to the creation of value for shareholders over a medium/long-term time horizon;
- the payment of a significant portion of the variable remuneration component is deferred for an adequate period of time after its maturity.

With specific reference to share-based remuneration plans – as per the Information Document prepared pursuant to Article 84-*bis* of the Issuer's Regulation and submitted for approval by the Shareholders' Meeting pursuant to article 114-*bis*, paragraph 1, of Legislative Decree no. 58 of 24 February 1998, which will then, subject to approval by the Meeting, be practically implemented also through the relevant regulation – the Remuneration Policy of the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, where identified, provides that:

- the shares, options and any other rights assigned to the Directors, General Manager and Senior Managers with Strategic Responsibilities, where identified, to purchase shares or to be paid on the share price performance, has an average vesting period of at least three years. This principle is further reinforced by a rolling mechanism, which foresees that the plan is structured over several annual cycles, each connected to specific performance targets;
- the vesting referred to in the previous point is subject to predetermined performance targets which can be measured and which are identified in terms of: ENAV's relative share price performance (TSR – Total Shareholder Return – of ENAV compared with the TSR of the FTSE Italia MID CAP index), and financial and profitability metrics (FREE CASH FLOW and EBIT) in order to ensure an adequate

balance between the targets related to stock performance and the targets related to the economic and financial performance of the Company;

- a portion of the shares assigned to, or purchased by executives through the exercise of the above-mentioned rights, must be held until the end of their mandate as per applicable lock-up clauses;
- in line with market best practices and the provisions of the Code of Corporate Governance, special claw-back clauses have been included.

Based on the elements outlined above, the Remuneration Policy requires remuneration to be composed of:

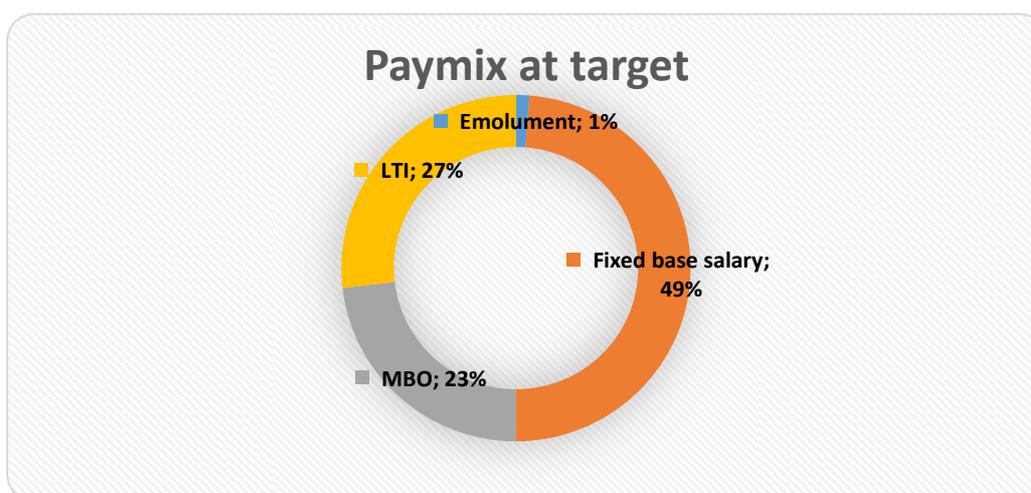
- a fixed component made up of:
 - (i) for the Chief Executive Officer:
 - the salary defined by the Ordinary Shareholders' Meeting during the appointment of the member of the Board of Directors;
 - the salary approved by the Board of Directors, upon proposal of the Remuneration and Appointments Committee and having sought the opinion of the Board of Statutory Auditors, for the Chief Executive Officer: calculated as the average of the value of the first-quartile of the Overall Peer Group¹ and the median of the Peer Group of "public capital" companies²;
 - (ii) for Non-executive directors, by the pay approved by the Ordinary Shareholders' Meeting at the appointment of the member of the Board of Directors;
 - (iii) for the General Manager and Senior Managers with Strategic Responsibilities, where identified, by the gross annual salary set out in the individual contract that they have signed, in conformity with the provisions of the applicable collective labour agreement;
- a variable component, applicable to the Chief Executive Officer, to the General Manager, and to Senior Managers with Strategic Responsibilities, where identified, made up of:
 - (i) a short-term incentive system (MBO), whose payment is subject to the achievement of performance targets defined for the year (see next point G);

¹ *Overall Peer Group*: composed of companies of similar size and complexity to ENAV. *Public Capital Companies Peer Group*: composed only of companies in which the Italian State has a shareholding

² If the CEO is linked by an executive employment relationship with ENAV, the fixed component is structured as a fee for the office of CEO and a consideration shall be due by virtue of the above-mentioned employment relationship, to be determined through a resolution of the Board of Directors, at the suggestion of the Remuneration and Appointments Committee.

- (ii) a long-term variable component (LTI, *Long Term Incentive*) aimed at ensuring a correlation between the creation of value for shareholders and for management, through the introduction of multi-year targets on relative share price performance and on financial and profitability metrics (see next point G);

Below is an example of a pay mix for the Chief Executive Officer based on the 2017 Policy – which highlights the weight of the various remuneration components (net of non-monetary benefits) at the target value.



F) Policy with regard to non-monetary benefits

The CEO, the General Manager and Senior Managers with Strategic Responsibilities, where identified, are assigned a car for private and business use plus a company fuel card as well as the following benefits on account of their executive employment relationship with ENAV: (i) meal vouchers; (ii) life and accident insurance policies covering permanent disability as a result of accidents, illness from a work-related cause and other causes; (iii) healthcare insurance; (iv) annual health check-up; (v) defined-contribution supplementary pension scheme.

G) Variable remuneration components, description of the performance targets on which they are awarded, distinguishing between short-term and medium/long-term variable components, and information on the correlation between performance and remuneration

Short-term incentive plan MBO

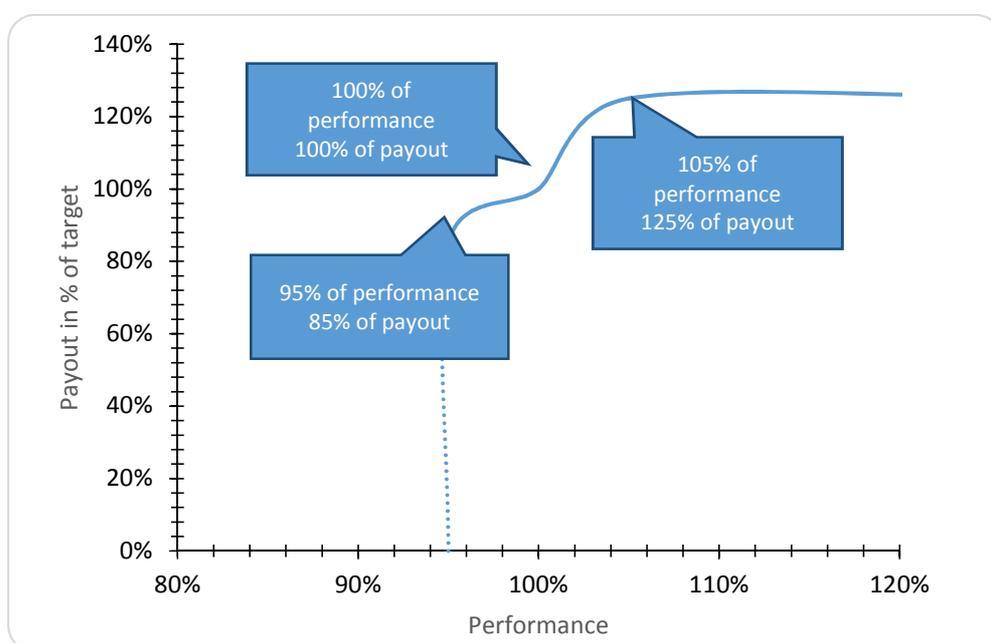
The MBO plan makes it possible to evaluate the performance of ENAV and the beneficiaries (Chief Executive Officer, General Manager and Senior Managers with

Strategic Responsibilities) on an annual basis and to drive management's actions towards strategic targets in line with the business priorities.

The Board of Directors, at the suggestion of the Remuneration and Appointments Committee, defines the MBO targets for the CEO, with these targets connected to the annual performance of the Group.

The payment of the compensation linked to the MBO plan is subject to verification of the above-mentioned annual performance targets having been reached.

For 2017, depending on the achievement of the objectives assigned to the CEO (Group EBITDA, Group Net Income, Operational Performance) the variable incentive will have the following curve in correlation with performance:



The incentive mechanism provides that no payment is due if performance is 5% lower than the expected target performances (access level). Conversely, a reward of between 85% and 125% of the basic reward is paid out depending on the achievement of results that are between -5% and +5% of the target performance.

The percentage of the value at target attributable to the CEO is defined between 45% and 50% of the annual fixed gross salary.

Long-Term Variable Component (LTI, Long Term Incentive)

The rolling "Long-Term Incentive Plan" (hereinafter for the sake of brevity, the "Plan") is intended to be awarded to the Chief Executive Officer and to the Group managers who hold responsibilities that have an impact on the achievement of

strategic results for the Group. More information can also be found in the Information Document prepared pursuant to Article 84-*bis* of the Issuer's Regulation, available on the Company's website in the Governance section, that, subject to approval by the Shareholder's Meeting, shall be implemented also through the adoption of a regulation for the Plan.

The Plan foresees the assignment of ENAV shares, subject to the achievement of targets linked to the following performance indicators:

- ENAV Total Shareholder Return, with a weight of 40%;
- Free Cash Flow, with a weight of 30%;
- EBIT, with a weight of 30%;

With reference to the Total Shareholder Return, ENAV's performance will be measured on a relative basis in relation to the TSR of the FTSE Italia MID CAP Index.

In order to contribute to the achievement of the long-term interest of the Company, the Plan will aim to:

- guarantee the correlation between the creation of value for shareholders and for management, through the introduction into the remuneration structure of the beneficiaries of an economic incentive related to reaching challenging company performance targets;
- ensure the loyalty of beneficiaries, over the time horizon of the Plan, also through the three-year vesting period;

Furthermore, following the expiry of the above-mentioned vesting period, the remuneration policy foresees a lock-up clause for a period of 1 or 2 years on a portion of the shares assigned to the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, where identified, the details of which are to be established by the Board of Directors, at the suggestion of the Remuneration and Appointments Committee.

The percentage of the value that can be delivered at the target for the Chief Executive Officer is set at 55% of the annual fixed gross salary. As this is a performance share plan, such value represents the value on which the shares are freely awarded.

The percentage of the value that can be delivered at the target for Senior Managers with Strategic Responsibilities is set at 35% of the annual fixed gross salary. As this is a performance share plan, such value represents the value on which the shares are freely awarded.

Below is a summary of the performance indicators, aggregated by type, for the Chief Executive Officer underlying the different variable incentive systems.

Indicators	MBO	LTI
of profitability	Group EBITDA Group Net Income	EBIT
of financial performance		FREE CASH FLOW
of operations	Operating performance	
of growth in value		Relative TSR

H) Criteria used for the evaluation of performance targets underlying the allocation of shares, options, other financial instruments or other variable remuneration components and information aimed at highlighting the consistency of the Remuneration Policy with pursuing the long-term interests of the company and with the risk management policy

In general terms, the target objectives and values are defined taking into account the specific activity carried out by ENAV and are consistent with the risk management policy adopted by the Company, as they must take into account the risks undertaken by the latter, and the capital and liquidity needs to manage the Company.

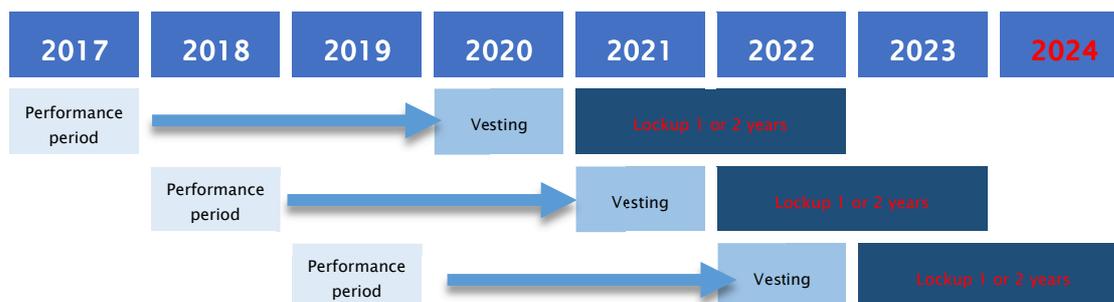
As far as the short-term incentive plan is concerned, the definition of the target levels underlying the annual objectives is usually linked to achieving economic and financial performance targets defined in the annual budget. The comparison between the final results and the targets assigned determines the extent of the variable remuneration component that can be delivered.

As far as the medium/long-term variable component is concerned, the definition of the targets is aimed at the creation of value for shareholders over a medium/long-term time horizon and is therefore usually linked to financial and economic targets with reference to the business plan, as well as to achieving targets linked to relative share price performance and the economic return for shareholders in the medium/long-term through the Total Shareholder Return indicator.

I) Vesting period, deferred payment systems, with indication of the deferral periods and criteria used for calculating these periods and ex post correction mechanisms

With reference to the vesting period and the deferral period, in addition to what is indicated in letter E) and in letter G), the Remuneration Policy includes a three-year vesting period for every award cycle under the performance share plan. More information can also be found in the Information Document prepared pursuant to Article 84–bis of the Issuer's Regulation which will be available on Company's website in the Governance section.

The image below contains an example of the timeline for the LTI Plan



The vesting and the deferral period are calculated in order to align the interests of management in pursuing the creation of value for shareholders in the medium/long-term, taking into account the specific activity carried out by the Company, which is mainly based on multi-year plans and contracts, including, specifically, the Programme Contract agreed by ENAV and the Ministry of Infrastructure and Transport, in conjunction with the MEF (Ministry of Economy and Finance) and the Ministry of Defence, pursuant to Article 9 of Law 665 of 21 December 1995, as well as the five year Performance Plan pursuant to European regulations.

The Remuneration Policy establishes that – with regard to the variable remuneration components paid to the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, where identified, there are contractual agreements that allow the Company to ask for the return, in full or in part, of variable remuneration components paid (or to keep amounts subject to deferral), calculated on the basis of data which are later ascertained by the competent corporate functions to be manifestly incorrect (so-called claw-back clauses), within a three-year period. The application of claw-back clauses should be subject to a binding evaluation by the Company's Board of Directors.

J) Information on clauses for maintaining financial instruments in the portfolio after their acquisition, with an indication of the retention periods and the criteria used for calculating these periods

As indicated in letters E), G) and I) with regard to the Chief Executive Officer, the General Manager and Senior Managers with Strategic Responsibilities, the Plan requires that following the vesting period the beneficiary is obliged to defer any sale

of a portion of the Issuer's shares received for a further period (of one or two years). More information on this are given in the Information Document prepared pursuant to Article 84-*bis* of the Issuer's Regulation which will be available on the Company's website in the Governance section.

K) Applicable policy for ending of office, termination of employment or non-renewal

The Remuneration Policy includes agreements between the Company and the CEO – presently not yet signed – involving compensation in the case of resignation, dismissal/laying off without just cause, non-renewal or in case of the termination of the employment following a takeover bid in line with market practices and in consideration of the obligations under any reference employment agreement.

Specifically, in line with the provisions of the Code of Corporate Governance, any severance pay that is provided cannot exceed 24 months of the fixed and short term variable remuneration.

As far as the General Manager is concerned, if his/her employment relationship with the Company is terminated, there are no provisions for any compensation except for compensation in lieu of notice, which is due if the employer has not complied with the contractually-agreed period of notice (between 8 and 12 months depending on length of service) and the payment of further compensation (so-called supplementary compensation) if the dismissal is unjustified, as governed by the Collective Labour Agreement for ENAV S.p.A. Senior Executives.

L) Information on the presence of insurance or social security or pension cover, other than the mandatory ones

The Company has an insurance policy protecting the capital losses of Directors, Senior Managers and Statutory Auditors as a result of legal action against them involving criminal, regulatory or civil matters.

As indicated in letter F), the Remuneration Policy includes for the General Manager and for Senior Managers with Strategic Responsibilities, where identified, life and accident insurance policies and policies covering permanent disability as a result of accidents, illness from a work-related cause, death and permanent disability from natural causes, defined-contribution pension cover, as well as healthcare insurance.

M) Remuneration policy with regard to: (i) independent directors, (ii) directors participating in committees and (iii) directors performing specific duties

In the light of the recommendations of the Code of Corporate Governance, the remuneration of Non-executive directors is not linked to the economic results of the Company and/or the Group.

The remuneration of Non-executive directors, as reported in the previous letter D), is represented exclusively by a fixed component, approved by the Ordinary Shareholders' Meeting.

At the date of this Report, in addition to the Chief Executive Officer, there are no other executive directors (which means directors with management duties within the meaning of Application Criterion 2.C.1 of the Code of Corporate Governance).

By virtue of the above, all of the Company's Independent Directors are non-executive. The Company's remuneration policy with regard to these Directors is therefore the same as that for Non-executive directors.

With regard to the remuneration of Directors who participate on Board of Directors' committees (the Control, Risks and Related-Parties Committee and the Remuneration and Appointments Committee), the policy provides that they receive an additional payment for participation on each committee that is calculated by the Board of Directors at the suggestion of the Remuneration and Appointments Committee.

On 8 June 2016, the Board of Directors, at the suggestion of the Remuneration Committee, defined the following payments: (i) for the Remuneration and Appointments Committee, €31,000 gross per year for the Chairman and €22,000 gross per year for the other members; and (ii) for the Control and Risks and Related-Parties Committee, €32,000 gross per year for the Chairman and €23,000 gross per year for the other members.

As the Chairman of the Board of Directors does not have any management responsibilities, he/she qualifies as a Non-executive director of the Company and receives a fixed payment as decided by the Ordinary Shareholders' Meeting.

Specifically, the pay for the office of Chairman for 2017 is defined as follows:

- €33,700.00 as approved pursuant to Article 2389, paragraph 1, of the Italian Civil Code, by the Shareholders' Meeting of 30 June 2015;
- €57,600.00 as approved pursuant to Article 2389, paragraph 3, of the Italian Civil Code by the Board of Directors on 30 September 2015, at the suggestion of the Remuneration Committee³ and following the opinion of the Board of Statutory Auditors.

N) Indications concerning the possible use, as a reference, of the remuneration policies of other companies

³ It is noted that at the meeting of the Board of Directors of 8 June 2016, the Remuneration Committee proposed to redefine the remuneration for the office of Chairman, pursuant to Article 2389, paragraph 3, of Italian Civil Code, at €123,000 from the the first day of trading of the Company's shares on the Mercato Telematico Azionario; concurrently, the Chairman announced that he wished to renounce this recalculation .

The Remuneration Policy was prepared by the Company without using the policy of other companies as a reference.

* * * * *

SECTION II – PAYMENTS RECEIVED IN 2016 BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS AND BY THE GENERAL MANAGER

With reference to 2016, this section of the Report illustrates, by name, the pay due to parties who, over the course of the year, or even for part of the period, held the post of Director, Statutory Auditor and/or General Manager. In 2016, the Company did not identify any Senior Managers with Strategic Responsibilities ⁽⁴⁾.

* * * * *

PART ONE – ITEMS WHICH COMPOSE THE REMUNERATION

In this part of Section II there is a description of each of the items that make up the remuneration of parties who have been a member of the Board of Directors, a member of the Board of Statutory Auditors or a General Manager in 2016.

These items are reported in the tables in Part Two of this Section.

1.1 Board of Directors

1.1.1 Chief Executive Officer

In 2016, the position of Chief Executive Officer was held by the Director Roberta Neri, appointed as a member of the Board of Directors by the Shareholders' Meeting of 30 June 2015 and as Chief Executive Officer of the Company by the Board of Directors at the meeting of 7 July 2015.

Below is a description of each of the items that compose the remuneration of Ms. Roberta Neri in 2016.

- Fixed component composed of:
 - a payment of €16,800.00 as a member of the Board of Directors, approved by the Shareholders' Meeting of 30 June 2015;
 - a payment for the office of Chief Executive Officer, pursuant to Article 2389, paragraph three, of the Italian Civil Code (i) equal to €192,000.00 gross per

⁴ At the date of the Report, the process of identifying Senior Managers with Strategic Responsibilities, launched by the Company following the start of trading of its shares on the Mercato Telematico Azionario, is still in progress.

year, paid *pro rata temporis* for the period from 1 January 2016 to 9 March 2016 as approved by the Board of Directors on 20 July 2015 at the suggestion of the Remuneration Committee following the opinion of the Board of Statutory Auditors; (ii) equal to €410,000.00 gross per year, paid *pro rata temporis* for the period from 10 March 2016 to 31 December 2016, as approved by the Board of Directors on 29 March 2016, at the suggestion of the Remuneration Committee and following the opinion of the Board of Statutory Auditors.

- Non-monetary benefits: use of a car for personal and business use and a company fuel card.
- Variable component: a significant part of Ms. Neri's remuneration is linked to achieving specific Company performance targets. Specifically, in 2016, Ms. Neri was a recipient under a one-year 2016 MBO Plan, with the following performance targets: Group EBITDA, Group Net Income, Service Quality. The measurement of the actual performance versus the objectives was based on the draft financial statements and the consolidated financial statements for 2016 approved by the Board of Directors. The incentive awarded, equal to a total of €174,463, will be paid in 2017, following the approval of the 2016 Financial Statements by the Shareholders' Meeting.
- Transaction bonus: on 8 June 2016, in the context of the listing process which led to the trading of the Company's shares on the Mercato Telematico Azionario, the Board of Directors, at the suggestion of the Remuneration Committee and having listened to the Board of Statutory Auditors – in pointing out that the payment of a transaction bonus does not preclude, but rather foresees that a long-term incentive scheme should be structured in line with the best practices and with the provisions of the Code of Corporate Governance – approved the allocation to the Chief Executive Officer, in place of the variable part of the long-term incentive, of a transaction bonus equal to 75% of the fixed salary pay pursuant to Article 2389, paragraph 3 of the Italian Civil Code (of €307,500 gross). The transaction bonus was divided into two *tranches*, the first of which, equal to 50%, payable upon the successful listing of the Company as well as with the subscription of the capital offered and its placement with investors as set out in the Securities Note, and the second tranche, equal to 50%, to be paid on the approval of the 2016 financial statements based on the performance achieved for three parameters: the actual operating costs compared with the budget, the Net Financial Debt and the Free Cash Flow compared with the values in the Business Plan. Through the resolution of 26 September 2016, the Board of Directors, at the suggestion of the Remuneration and Appointments Committee, following the positive opinion of the Control and Risks and Related-Parties Committee and the Board of Statutory Auditors, having verified the related prerequisites, approved the payment to the CEO of the first *tranche* of the transaction bonus equal to 50% of the total amount, consequently €153,750

gross. Later, on 16 March 2017, the Board of Directors, at the suggestion of the Remuneration and Appointments Committee, following the positive opinion of the Control and Risks and Related-Parties Committee and the Board of Statutory Auditors, having verified the related prerequisites, approved, subject to the approval of the 2016 financial statements by the Shareholders' Meeting, the payment to the CEO of the second *tranche* of the transaction bonus equal to the remaining 50% of the total amount, equal to €153,750 gross.

The emoluments paid to the CEO for the office of Chairman and member of the Board of Directors of the subsidiary Techno Sky are transferred in full to ENAV.

1.1.2. Chairman of the Board of Directors

The remuneration of the Chairman of the Board of Directors is not linked to the economic results of the Company and, therefore, is composed solely of a fixed payment determined, pursuant to Article 2389, paragraph one, of the Italian Civil Code, by the Ordinary Shareholders' Meeting for the office of Chairman and by a further fixed payment decided by the Board of Directors pursuant to Article 2389, paragraph three, of the Italian Civil Code, at the suggestion of the Remuneration Committee and following the opinion of the Board of Statutory Auditors with regard to the further powers conferred.

In 2016, the post of Chairman of the Board of Directors was held by Director Ferdinando Franco Falco Beccalli, appointed as Chairman of the Board of Directors on 30 June 2015. On 20 July 2015, the Board of Directors, following authorisation by the Shareholders' Meeting held on the same date, conferred some non-executive duties on the Chairman of the Board of Directors.

Specifically, the pay for the office of Chairman for 2016 is composed as follows:

- €33,700.00 as approved pursuant to Article 2389, paragraph 1, of the Italian Civil Code, by the Shareholders' Meeting of 30 June 2015;
- €57,600.00 as approved pursuant to Article 2389, paragraph 3, of the Italian Civil Code by the Board of Directors on 30 September 2015, at the suggestion of the Remuneration Committee and following the opinion of the Board of Statutory Auditors.

At the Board of Directors meeting of 8 June 2016, the Remuneration Committee proposed to redefine the payment for the post of Chairman, pursuant to Article 2389, paragraph 3, at €123,000 from the first day of trading of the Company's shares on the Mercato Telematico Azionario; concurrently, the Chairman announced he wished to renounce this recalculation.

There is no severance pay in the case of the ending of this office.

1.1.3 Other members of the Board of Directors

In 2016, in addition to the Directors Roberta Neri and Ferdinando Franco Falco Beccalli, the following persons were members of the Board of Directors:

- for the period from 1 January 2016 to 31 December 2016: Maria Teresa Di Matteo, Nicola Maione and Alessandro Tonetti, appointed by the Shareholders' Meeting of 19 September 2014;
- for the period from 29 April 2016 to 31 December 2016: Stefano Siragusa and Mario Vinzia, appointed by the Shareholders' Meeting of 29 April 2016.

The remuneration of the above-mentioned members of the Board of Directors, all non-executive, is not linked to the economic results of the Company and, therefore, it comprises a fixed part only.

With reference to Directors Maria Teresa Di Matteo, Nicola Maione and Alessandro Tonetti the payment for 2016 for the office of member of the Board of Directors is equal, for each of them, to €16,800.00, as approved by the Shareholders' Meeting of 19 September 2014.

With reference to the Directors Stefano Siragusa and Mario Vinzia, the payment for 2016 for the office of member of the Board of Directors is equal to €16,800.00, as approved by the Shareholders' Meeting of 29 April 2016, paid *pro rata temporis* for the period from 29 April 2016 to 31 December 2016.

1.1.4 Members of the Board of Directors' Committees

The members of the Board of Directors' committees receive an additional fixed payment decided by the Board.

On 7 July 2015, the Company's Board of Directors approved the establishment of the Remuneration Committee and defined the pay at 30% of the pay approved for the office of director by the Shareholders' Meeting, and, therefore at €5,040 gross per year.

On 8 June 2016 the Board of Directors, as a result of the establishment on the same date of the Remuneration and Appointments Committee and of the Control, Risks and Related-Parties Committee, both with effect from the first day of trading of the Company's shares on the Mercato Telematico Azionario, at the suggestion of the Remuneration Committee, defined the pay as follows: (i) for the Remuneration and Appointments Committee, €31,000 gross per year for the Chairman and €22,000 gross per year for the other members; and (ii) for the Control and Risks and Related-Parties Committee, €32,000 gross per year for the Chairman and €23,000 gross per year for the other members.

As a result, in 2016:

- the members of the Remuneration Committee received the following payments:
 - Alessandro Tonetti, €2,870

- Maria Teresa Di Matteo, €2,870
- Nicola Maione, €2,870
- the members of the Remuneration and Appointments Committee received the following payments:
 - Stefano Siragusa, €13,347
 - Nicola Maione, €9,472
 - Alessandro Tonetti, €9,472
- the members of the Control, Risks and Related-Parties Committee received the following payments:
 - Nicola Maione, €13,778
 - Stefano Siragusa, €9,903
 - Mario Vinzia, €9,903

1.2 Board of Statutory Auditors

In 2016, the Board of Statutory Auditors was composed of the following standing auditors:

- from 1 January 2016 to 29 April 2016: Paola Ferroni (Chair), whose annual pay was approved by the Shareholders' Meeting of 11 June 2013 at €27,000 gross per year.
- from 1 January 2016 to 16 June 2016: Gennaro Pappacena (standing auditor), whose pay was approved by the Shareholders' Meeting of 20 July 2015 and 29 April 2016 at €18,000 gross per year;
- from 1 January 2016 to 31 December 2016: Donato Pellegrino (standing auditor), whose pay was approved by the Shareholders' Meeting of 20 July 2015 and 29 April 2016 at €18,000 gross per year;
- from 29 April 2016 to 31 December 2016; Franca Brusco (Chair), whose annual pay was approved by the Shareholders' Meeting of 29 April 2016 at €27,000 gross per year.
- from 21 June 2016 to 31 December 2016; Mattia Berti (standing auditor), whose annual pay was calculated by the Shareholders' Meeting of 20 June 2016 as €18,000 gross per year.

On the basis of the above, the pay received by statutory auditors in 2016 was as follows:

- Paola Ferroni, €8,925;
- Franca Brusco, €18,150;

- Donato Pellegrino, €18,000;
- Gennaro Pappacena, €8,300;
- Mattia Berti, €9,500.

Following the resignation of the standing auditor Gennaro Pappacena he was temporarily replaced, until the appointment of a new standing auditor (i.e. from 17 June 2016 to 20 June 2016), by the alternate auditor Maria Teresa Cuomo, who received a *pro rata temporis* payment of €200.

1.3 General Manager

In 2016, the post of General Manager was held by Massimo Bellizzi.

Below is a description of each of the items that compose the remuneration of the General Manager in 2016.

- Fixed gross annual salary set out in the individual contract signed by the General Manager, in conformity with the provisions of the applicable collective agreement, for a total value equal to €305,309 gross per year.
- Non-monetary benefits: meal vouchers, use of a car for private and business use and company fuel card, life and accident insurance also covering death and permanent disability as a result of accidents, illness from a work-related cause and other causes, health cover and annual health check-up, defined-contribution supplementary pension;
- Variable component: a significant part of the General Manager's remuneration is linked to achieving specific individual and Company performance targets. Specifically, in 2016, the General Manager was a recipient under a one-year 2016 MBO Plan, subject to the individual performance targets being reached at the end of 2016. The measurement of the performance was evaluated on the basis of the draft financial statements and the consolidated financial statements for 2016 approved by the Board of Directors. The incentive accrued, equal to a total of €58,311, will be paid in 2017.
- *Bonus*: €40,000

1.4 Agreements which involve compensation in the case of the early termination of the relationship and effects of the termination of the relationship on the rights allocated under the scope of the incentive plans

No compensation is paid if the employment relationship with members of the Board of Directors is terminated.

As far as the General Manager is concerned, if his/her employment relationship with the Company is terminated, there are no provisions for any compensation except for compensation in lieu of notice, which is due if the employer has not complied with the contractually-agreed period of notice (between 8 and 12 months

depending on length of service) and the payment of further compensation (so-called supplementary compensation) if the dismissal is unjustified, as governed by the Collective Agreement for ENAV S.p.A. Senior Executives.

Without prejudice to the above, there are no existing agreements which involve the allocation or maintaining of non-monetary benefits in favour of parties who have left office or for the signing of consulting agreements for a period following the termination of the relationship.

* * * * *

PART TWO – TABLES

The tables below give the breakdown of payments for members of the Board of Directors and the Board of Statutory Auditors as well as for the General Manager paid or to be paid by the Company and by subsidiaries and associates with regard to 2016.

Rome, 16 March 2017

For the Board of Directors
The Chairman
Ferdinando Franco Falco Beccalli

Table 1: Payments made to the members of the Board of Directors and the Board of Statutory Auditors as well as to the General Manager in 2016

Name and Surname	Role	Period in office	Expiry of the office	Fixed compensation	Compensation for committee participation	Variable non-equity Compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
Ferdinando Franco Falco Beccalli	CHAIRMAN OF THE BOARD	01/01/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 33.700 (1)						€ 33.700		
				€ 57.600 (2)						€ 57.600		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 91.300	€ -	€ -	€ -	€ -	€ -	€ 91.300	€ -	€ -
Roberta Neri	Chief Executive Officer	01/01/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 16.800 (1)						€ 16.800		
				€ 36.800 3a.		€ 164.000 (8)		€ 3.213 (12)		€ 204.013		
				€ 331.417 (3b)		€ 307.500 (9)				€ 638.917		
Compensation in subsidiaries and associated companies				€ 56.000 (14)						€ 56.000		
(III) Total				€ 441.017	€ -	€ 471.500	€ -	€ 3.213	€ -	€ 915.730	€ -	€ -
Maria Teresa Di Matteo	Director, CR Member	01/01/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 16.800 (1)	€ 2.870 (4)					€ 19.670		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 16.800	€ 2.870	€ -	€ -	€ -	€ -	€ 19.670	€ -	€ -
Nicola Maione	Director, CR Member, CRN Member, CCRPC Chair	01/01/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 16.800 (1)	€ 2.870 (4)					€ 19.670		
					€ 9.472 (5)					€ 9.472		
					€ 13.778 (6)					€ 13.778		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 16.800	€ 26.120	€ -	€ -	€ -	€ -	€ 42.920	€ -	€ -
Alessandro Tonetti	Director, CR Chair, CRN Member	01/01/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 16.800 (1)	€ 2.870 (4)					€ 19.670		
					€ 9.472 (5)					€ 9.472		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 16.800	€ 12.342	€ -	€ -	€ -	€ -	€ 29.142	€ -	€ -
Stefano Siragusa	Director, CRN Chair, CCRPC Member	29/04/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 11.293 (1)	€ 13.347 (5)					€ 24.641		
					€ 9.903 (6)					€ 9.903		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 11.293	€ 23.250	€ -	€ -	€ -	€ -	€ 34.543	€ -	€ -
Mario Vinzia	Director, CCRPC Member	29/04/2016 - 31/12/2016	Shareholders' meeting to approve the 2016 financial statements									
(I) Compensation in the company that drafts the financial statements				€ 11.293 (1)	€ 9.903 (6)					€ 21.196		
										€ -		
Compensation in subsidiaries and associated companies										€ -		
(III) Total				€ 11.293	€ 9.903	€ -	€ -	€ -	€ -	€ 21.196	€ -	€ -

Table 2: Monetary incentive plans for the directors and statutory auditors, the general managers and other executives with strategic responsibilities

Surname and name:	Role	Plan	Year bonus			Bonuses in previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/Paid	Deferred	Deferment period	No longer payable	Payable/Paid	Still deferred	
Roberta Neri	Chief Executive Officer								
(I) Compensation in the company that drafts the financial statements		MBO 2016 (Board of Directors 29 March 2016)	€ 174.463,00						
		Transaction Bonus (Board of Directors 8 June 2016)	€ 153.750,00 (1)						
			€ 153.750,00 (2)						
Compensation in subsidiaries and associated									
(III) Total			€ 481.963,00	€ -		€ -	€ -	€ -	€ -
Massimo Bellizzi	General Manager								
(I) Compensation in the company that drafts the financial statements		MBO 2016 (CCNL ENAV Executives)	€ 58.311,24						
		Bonuses:							€ 40.000,00
Compensation in subsidiaries and associated									
(III) Total			€ 58.311,24	€ -		€ -	€ -	€ -	€ 40.000,00

Notes to Table 2:

- (1) 1st tranche of the Transaction Bonus paid in relation to the completed listing of the company on the stock exchange
(2) 2nd tranche of the Transaction Bonus to be paid upon approval of the 2016 financial statements

SECTION III: INFORMATION ON THE INVESTMENTS OF MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS AS WELL AS THE GENERAL MANAGER

The table below lists, by name, the investments held by members of the Board of Directors and the Board of Statutory Auditors as well as the General Manager in ENAV and its subsidiaries.

Surname and name:	Role	Period in office	Subsidiary	No. of shares held at the end of the 2015 financial year ⁽¹⁾	No. of shares bought	No. of shares sold	No. of shares held at the end of the 2016 financial year ⁽¹⁾
/	/	/	ENAV	/	/	/	/

Notes to Table 3:

(1) Shares held as owners

DRAFT RESOLUTION

That having been stated, we are submitting the following resolution for your approval:

“The Ordinary Shareholders' Meeting of ENAV S.p.A.:

- having examined and discussed the section of the remuneration report required by Article 123-ter, paragraph 3, of Legislative Decree 58/98, approved by the Board of Directors at the suggestion of the Remuneration and Appointments Committee, illustrating the Company's policy with regard to the remuneration of members of the governing bodies, the general manager and senior managers with strategic responsibilities, where identified, as well as the procedures used for the adoption and implementation of this policy, and having made it available to the public according to the procedures and times required by existing legislation;*
- having considered that the above section of the remuneration report and the policy described therein conform with the provisions of the applicable legislation on the remuneration of members of the board of directors, the general manager and senior managers with strategic responsibilities, where identified,*

resolves

favourably on the first section of the remuneration report pursuant to above-mentioned Article 123-ter, paragraph 3 of Legislative Decree 58/98, approved by the Board of Directors on [16 March 2017] and illustrating the Company's policy on the remuneration of members of the board of governing bodies, the general manager and [managers with strategic responsibilities, where identified, as well as the procedures used for the adoption and implementation of this policy”.