

# **FNM Group**

## **Strategic Plan 2024-2029**

19 November 2024



# Highlights

FNM aims to become the reference point in mobility infrastructure & services and energy to drive the competitiveness of regional territories with innovative, safe, and sustainable solutions

1

## BUSINESS GROWTH

- › **Gross CAPEX of €1.3bln over 2024-2029**, mainly driven by Motorway EFP, development of additional RES capacity and new rolling stock
- › **Improvement** of the economic and financial performance **on all the business segments** over the Plan horizon

2

## MOTORWAY CONCESSION

- › **Recognition of a take-over value** (est. ≈€400-450mln in 2028)
- › Assumed as most likely scenario a **technical extension beyond 2028**, in line with past track record across Italian concessions
- › **MISE will bid in the tender for the concession award when launched**

3

## FINANCIAL STRUCTURE

- › **Refinancing of bond maturing in 2026 and investment plan secured by formal support from a leading credit institution**
- › Commitment to maintain **investment grade rating**

4

## CAPITAL ALLOCATION

- › Focus on **low volatility** sectors with **stable cash flows**
- › **CAPEX shift** from rolling stock to motorway and energy **with higher IRR**
- › Avg. 3.5x Adj. NFP/EBITDA without including terminal value recognition
- › **Min. DPS of c.€2.3** up to a max. of c.€3.2 with attractive dividend yield

5

## SUSTAINABILITY

- › **-35% CO2 emissions** from busses and corporate consumption vs 2023
- › Target **≈650 GWh RES generation** by 2029
- › **Significant investments in security & safety** in motorway and railway infrastructure

## The FNM Group

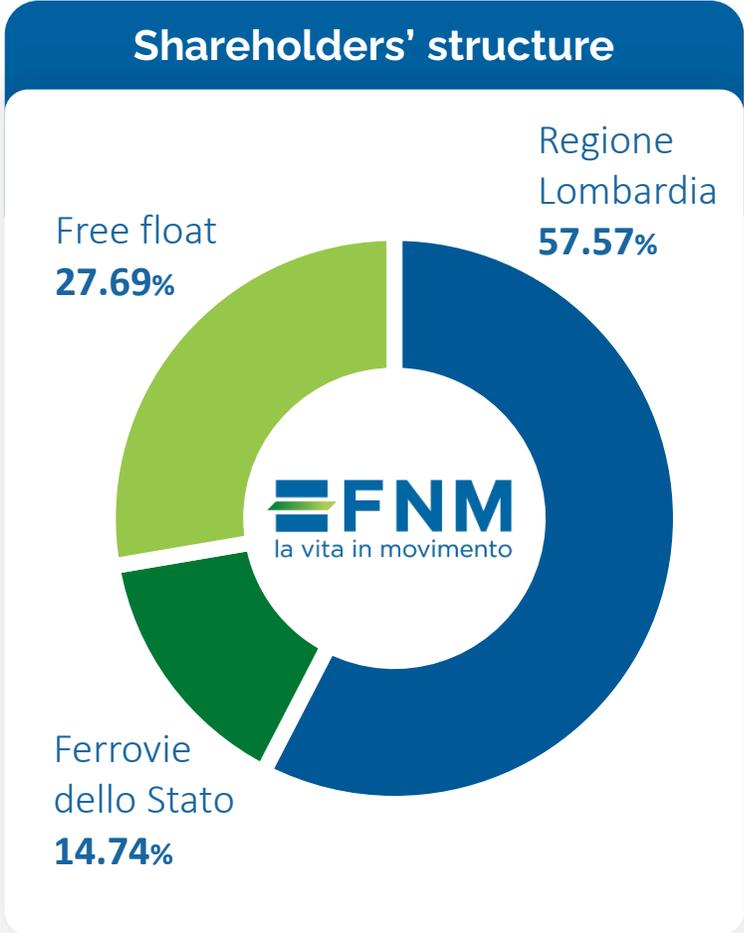
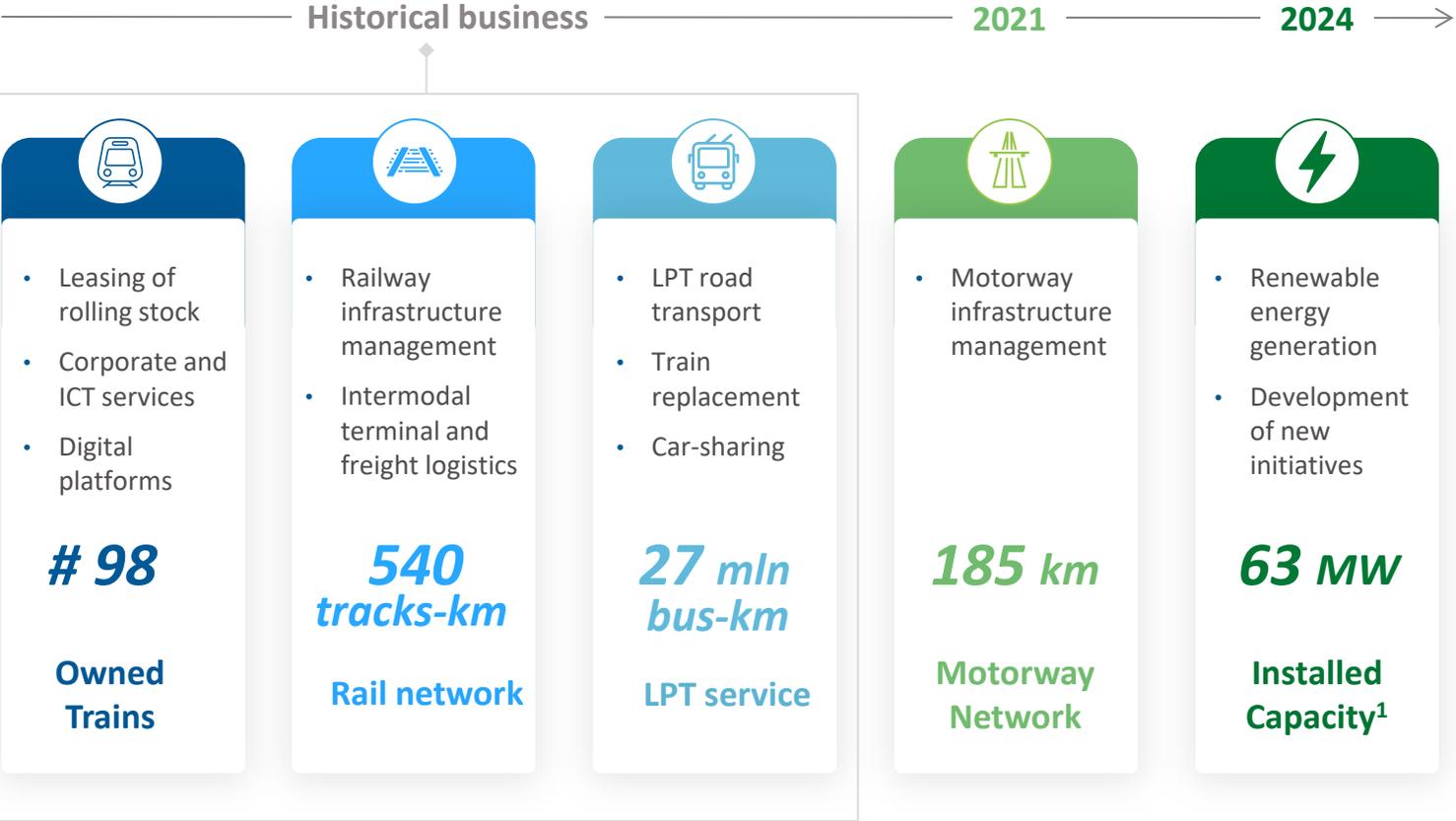
Strategic Plan Guidelines

Sustainability targets

Strategic Plan Projections

Appendix

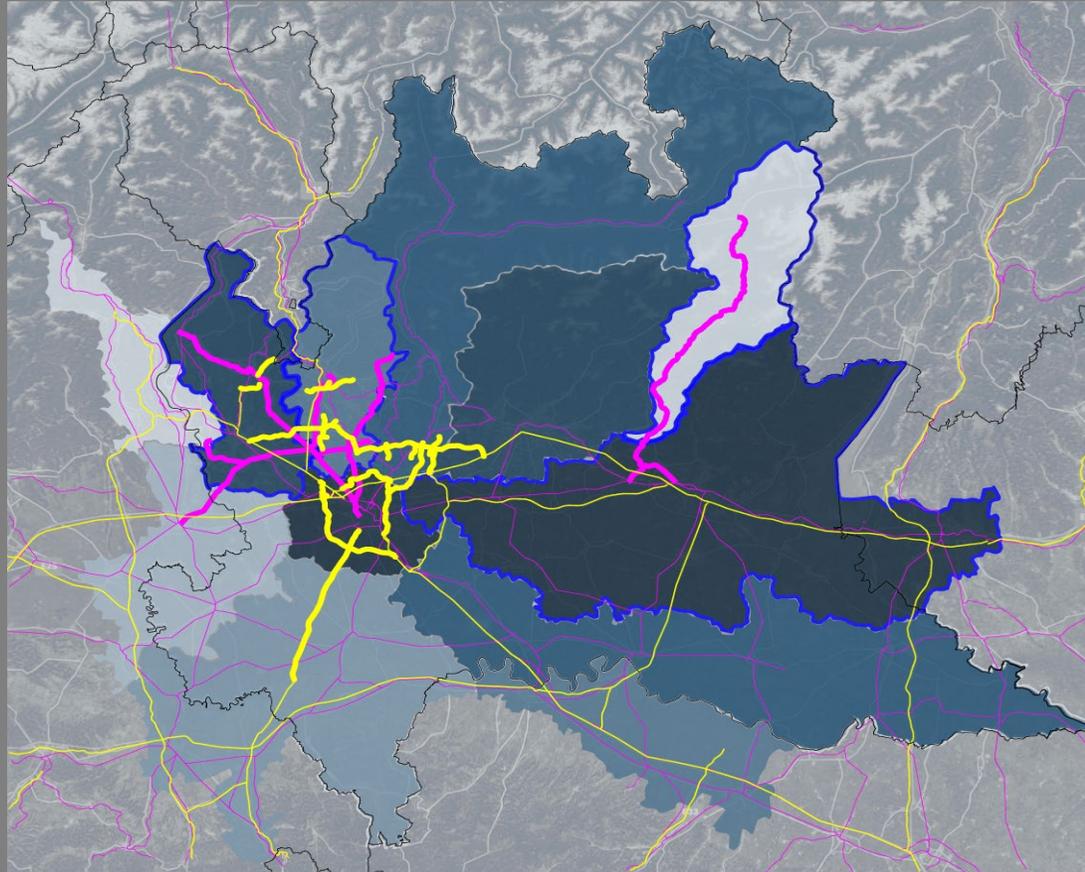
# An integrated player in infrastructure management and mobility services in Northern Italy



1 – Installed capacity at 30 September 2024

# Infrastructure portfolio of mobility assets...

## Motorways, Railways and LPT



low high

Transfer corridors - volume

Railway Network

FERROVIENORD  
Railway Network

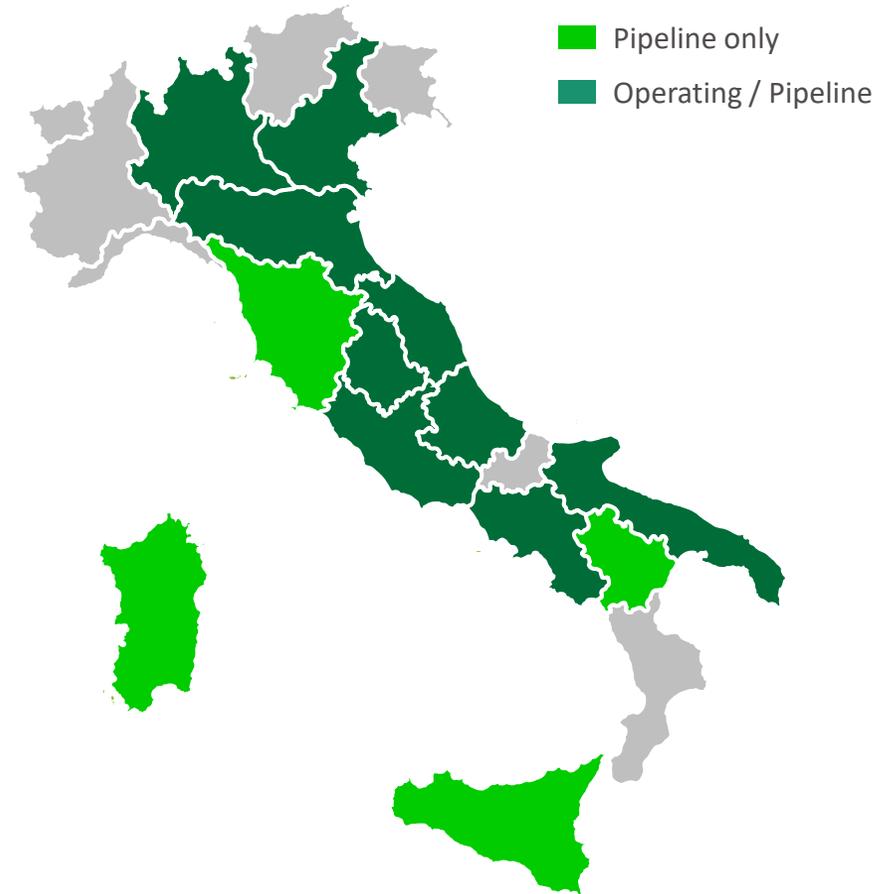
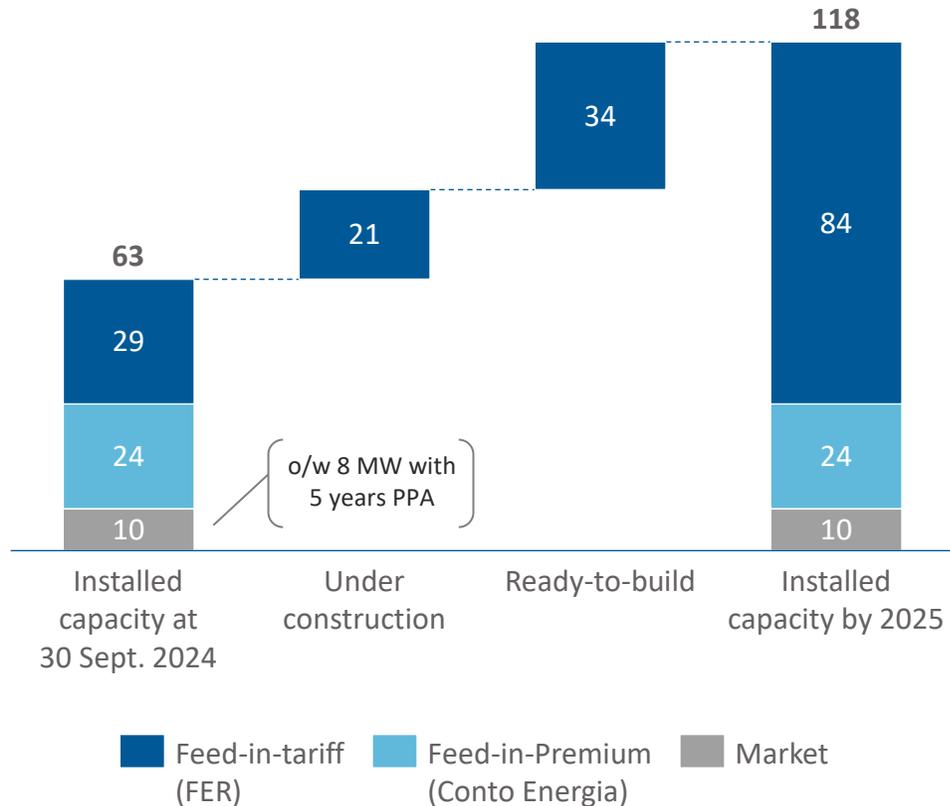
Motorway Network

MISE Motorway Network

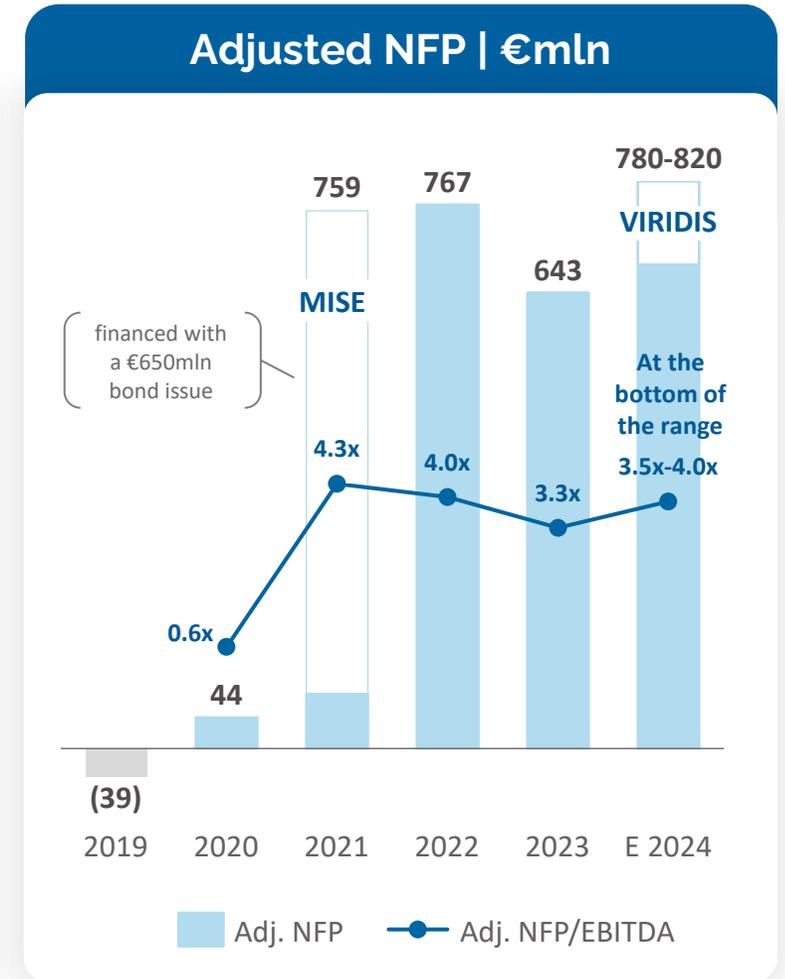
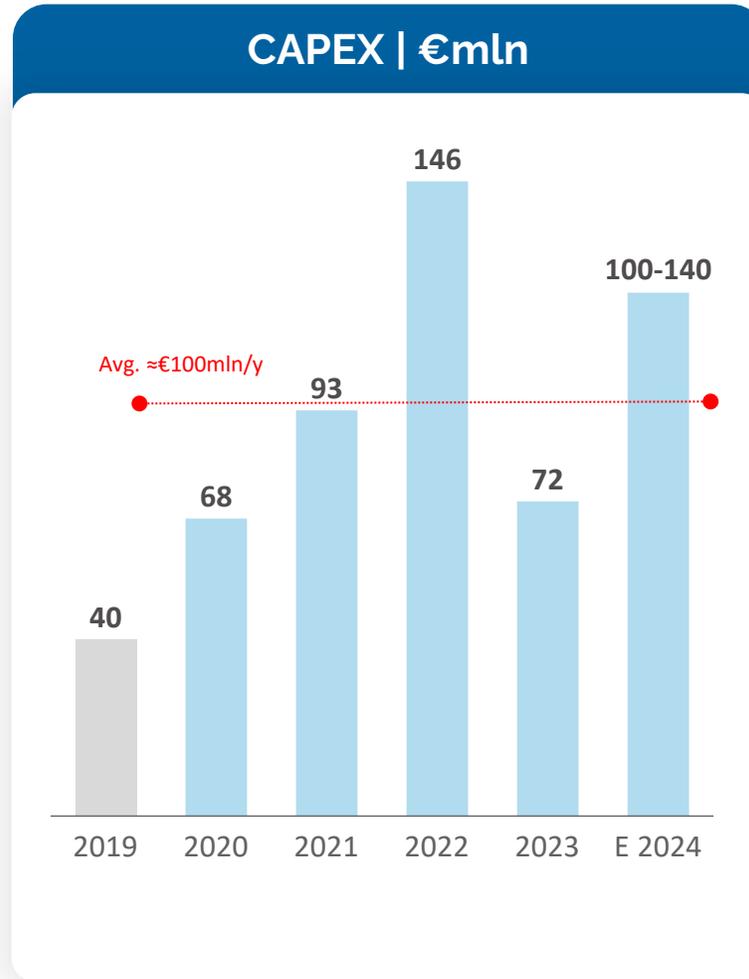
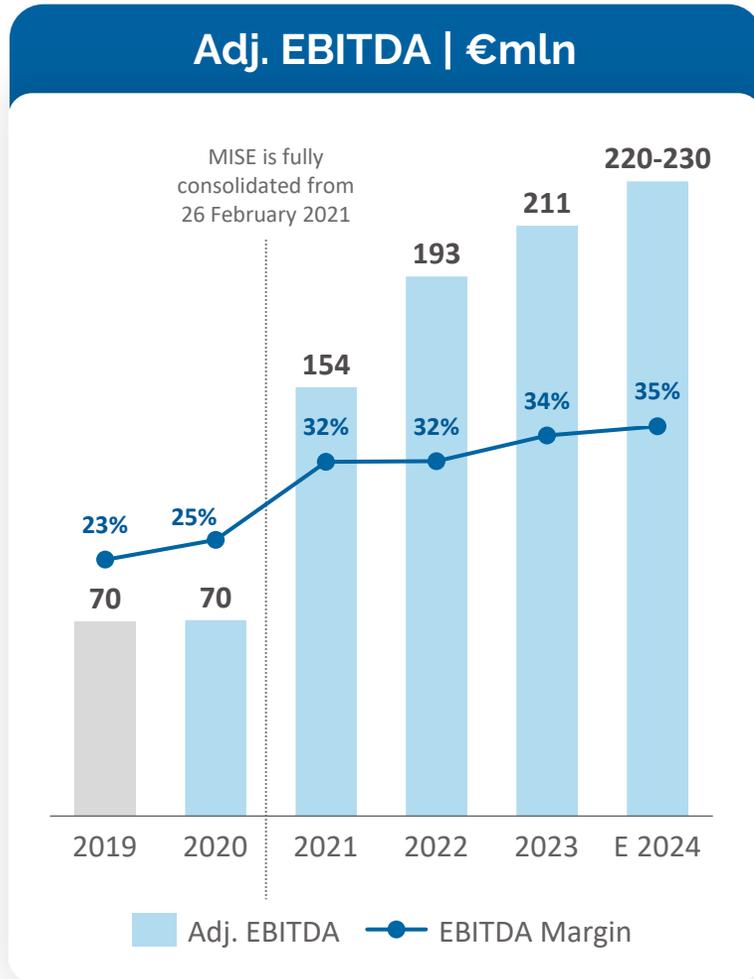
Area covered by bus  
service

# ...and energy infrastructure assets

## Installed capacity by 2025 | MW



# Past performance – steady growth and strong resilience, despite extraordinary macro events



**The FNM Group**

**Strategic Plan Guidelines**

**Sustainability targets**

**Strategic Plan Projections**

**Appendix**

# Driving competitiveness in metropolitan and regional areas with innovative, safe, and sustainable solutions...



Our **VISION** is to be a **driving force for the development of metropolitan and regional areas**, enhancing the **quality of life for people**, cities, and businesses in an accessible and inclusive way, **creating connections that generate value...**

...for this reason, our **MISSION** is to **develop and manage infrastructure** and services for a **world in motion** and the **energy transition**, according to principles of **innovation, safety**, and economic, social, and environmental **sustainability**

We recognize the importance of our role in contributing to the Country's ecological transition

# ... thanks to sustainable infrastructures and services

## Long term trajectories

**DEVELOPMENT OF LARGE METROPOLITAN & REGIONAL AREAS**





- Population growth and aging
- Italian **GDP concentration** in Lombardy

**SUSTAINABLE & DIGITAL COLLECTIVE MOBILITY**





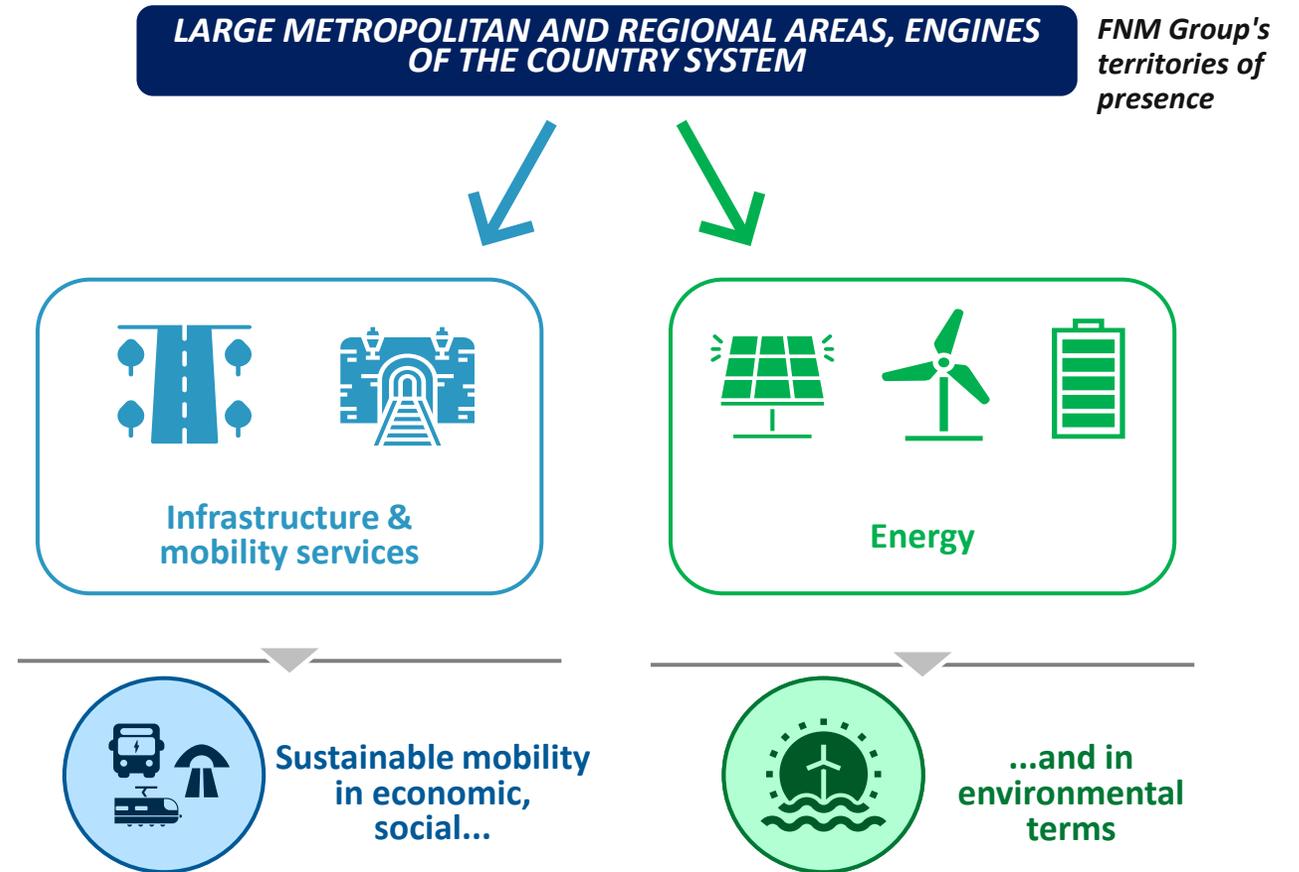
- Technologically advanced, safe, accessible, sustainable and interconnected transport infrastructure
- Dissemination of **innovative mobility models**

**GREEN TRANSITION**





- **Support from EU and Italian green regulation**
- Need to **increase renewable energy production** and contribute to the **energy transition plan**



# Ambition to become the reference point in mobility infrastructure & services and energy to drive the competitiveness of regional territories



## Sustainable Mobility

- **EXPANSION OF MULTIMODAL OFFERINGS**
  - Strengthen leadership in local rail and road public transport
  - Maintain presence in motorway concessions
  - Create an integrated partnership ecosystem (MaaC paradigm)
- **FLEET RENEWAL AND INCREASE CAPACITY TO IMPROVE THE QUALITY OF THE OFFER**
  - Invest in safety, regularization, and digitalization of networks and fleets
  - Continue as the implementing entity for investments funded by Regione Lombardia up to €1.8bln



## Renewable Energy

- **RENEWABLE ENERGY PRODUCTION CONTRIBUTING TO GREEN TRANSITION**
  - Develop and manage facilities for renewable energy production (solar and wind)
- **HYDROGEN DEVELOPMENT TO SUPPORT MOBILITY DECARBONIZATION**
  - Establish leadership in hydrogen production and distribution for transportation networks

# Group's strategic ambitions for 2029

## MULTIMODAL OFFER INCREASE

## FLEET RENEWAL AND INFRASTRUCTURE UPGRADE



### Sustainable Mobility

#### Motorway

≈**185** km  
maintain motorway  
concession

#### Bus services

>**27M** bus-km  
stable production  
vs 2023

#### Rolling stock

**111** trains  
+13% vs 2023

#### Railway

≈**565** tracks km  
+25 km vs 2023

## RENEWABLE ENERGY GENERATION

## HYDROGEN SUPPLY DEVELOPMENT



### Renewable Energy

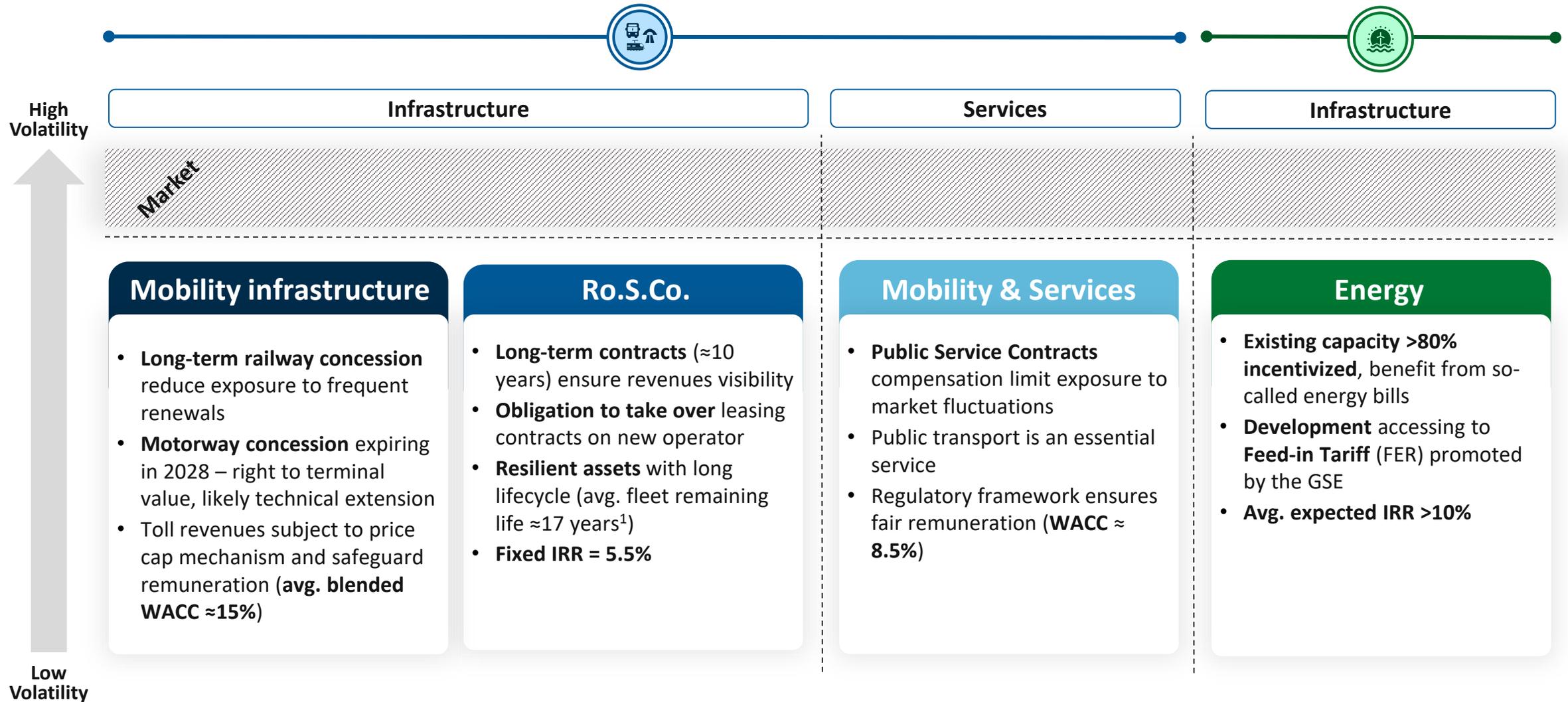
#### PV & Wind

≈**350** MW  
x5.5 vs today

#### Hydrogen

≈**830** tons/ year  
mostly replacing yearly diesel  
consumption of 1.5mln lt

# Strategic commitment to invest in businesses with low volatility profile



1 – Weighted average residual life based on net book value at 31 December 2023

# Core business segments overview



## Mobility infrastructure NEW



**milanoserravalle**  
**milanotangenziali**

↳ **Milano Serravalle Engineering S.r.l.**

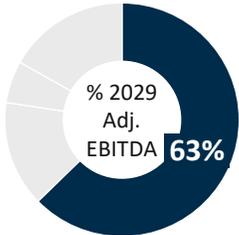


**FERROVIENORD**  
FNMGROUP

↳ **NORD\_ING**  
FNMGROUP

**MALPENSA INTERMODALE**  
FNMGROUP

**MALPENSA DISTRI PARK**  
FNMGROUP

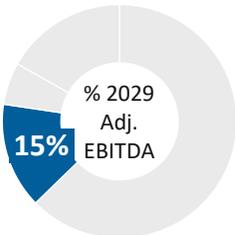


## Ro.S.Co.



**FNM**  
la vita in movimento

**NORDCOM**



## Mobility & Services



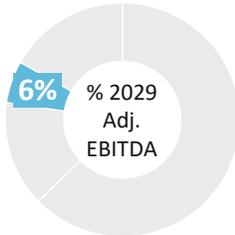
**FNMAUTOSERVIZI**  
FNMGROUP

**atv**  
Ateneo Trasporti Verso Srl

**e.vai**  
FNMGROUP

**FNMPAY**  
FNMGROUP

NEW



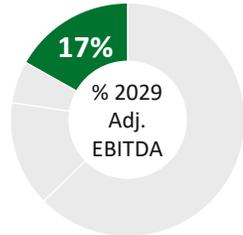
## Energy



**VIRIDIS ENERGIA**

**FNMPower**  
FNMGROUP

NEW



**The FNM Group**

**Strategic Plan Guidelines**

**Sustainability targets**

**Strategic Plan Projections**

**Appendix**

## ESG targets for the FNM Group at 2029

**E**nvironment

**S**ocial

**G**overnance

# ESG targets for the FNM Group at 2029

**E**nvironment

Social

Governance

# ESG targets for the FNM Group at 2029

## Environment



**ESRS  
E1**

Climate: reducing **direct emissions** and along the **value chain**

**≈35%**

reduction of emissions from buses and corporate consumption [CO2 tons/eq vs 2023]

**ESRS  
E4**

Climate: protecting **biodiversity**

**≈2**

m sqm areas affected by urban regeneration (FILI project), generating positive externalities for the area and fostering connections<sup>1</sup>

**ESRS  
E1**

Climate: contributing to the **ecological transition** in response to **climate change**

**≈650**

GWh RES production from photovoltaics and wind power

**ESRS: European Sustainability Reporting Standards**

1 – The Strategic Plan considers the 3 projects: Bovisa, Saronno and Busto Arsizio

# ESG targets for the FNM Group at 2029

**E**nvironment

**S**ocial

**G**overnance

# ESG targets for the FNM Group at 2029

## Social



**ESRS S1**

Own workforce: Invest in **human capital development**, implement policies to **attract talent** and aimed at **employee retention**

**Policy Adoption**

for **Diversity, Equality & Inclusion**, inspired by and consistent with the **European CER - ETF agreement "Women in Rail"**

**ESRS S4**

Consumers and end users: Increase **infrastructure accessibility**, creating value for the territory through connectivity

**≈2**

**m sqm areas affected by urban regeneration (FILI project), generating positive externalities for the area and fostering connections<sup>1</sup>**

**ESRS S4**

Consumers & end users: Increase and monitor **Security & Safety** at the station and on the move

**≈1.500**

thousands of euros per km for **investments** referred to the **safety of the highway network**

**≈270**

thousands of euros per km<sup>2</sup> for **investments** related to the **safety of the railway network**

**ESRS S4**

Consumers and end users: Increase **infrastructure accessibility**, creating value for the territory through connectivity

**≈25**

**additional tracks-km, in high concentration areas, benefiting service quality<sup>3</sup>**

**ESRS: European Sustainability Reporting Standards**

1 – The Strategic Plan considers the 3 projects: Bovisa, Saronno and Busto Arsizio 2 – KPI referring to 540 track-km and considered investments financed by RL; 3 – Activation of 3<sup>rd</sup> track between Affori and Cormano, T2-Gallarate, Seveso Node and Bovisa Node

# ESG targets for the FNM Group at 2029

Environment

Social

**Governance**

# ESG targets for the FNM Group at 2029

## Governance



### ESRS G1

Business conduct:  
Implement **social and environmental** criteria as a reward system in supplier selection

# 50%

of the orders @ '29 assigned to suppliers with an **ESG score** (excluding non-fungible ones), adopting a **Policy** to define enabling requirements and ESG-based rewarding criteria, fostering personnel **training**

### ESRS G1

Business conduct:  
Initiate **business impact analyses** to determine critical processes for individual companies to assess the appropriateness of having **Business Continuity Plans** in place

# Business Impact Analysis

in **business continuity management logic** and in the process toward the preparation of **Business Continuity Plans**<sup>1</sup>

**ESRS: European Sustainability Reporting Standards**

1 – Which identify the relevant processes and the resources/assets essential for their operation

# Mobility as a Community | The community-based approach as an innovative paradigm, exploiting new technologies

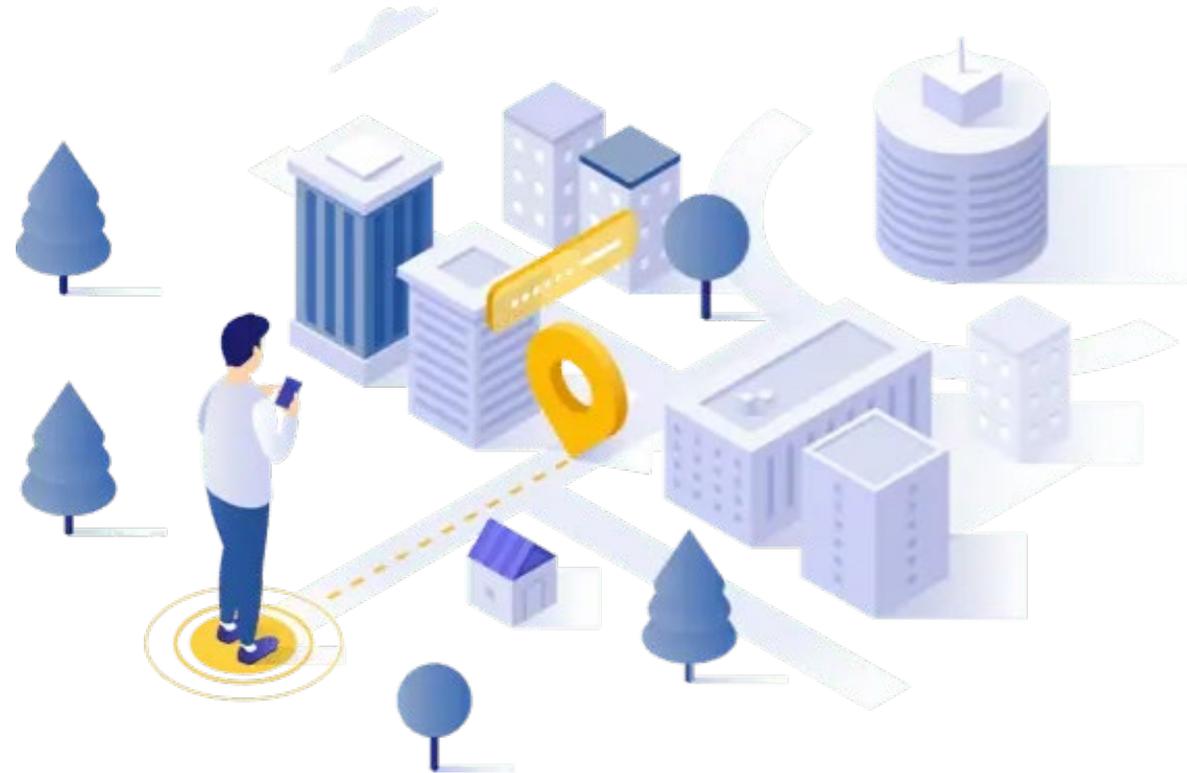
## MaaS Ecosystem

FNM has initiated a **VENTURE CAPITAL PATH**, investing in **STARTUPS** consistently with a clear industrial logic and a long-term approach, to complement traditional mobility business with **NEW PARADIGMS** and with a **DATA-DRIVEN APPROACH**

- **FNM joined CDP Venture Capital Sgr's Corporate Partners I Fund in 2023:** the Group is investing **€10mln** in the **Infratech Compartment**
- **FNM invested €7.5mln** in **startups** with market-based business models, integrating these business with FNM's core activities and **increasing their value** (synergies) - further support within Plan's horizon
- **Continuous innovation, people training and new operating models as pillars of the Group's Plan**
- Development of an innovative **mobility platform, Flexymob**, evolving the **Mobility-as-a-Service** paradigm towards the **Mobility-as-a-Community** one

# Flexymob | the platform that aggregates mobility services

- Flexymob is a digital platform designed for **B2B clients**, aggregating mobility services to meet the needs of businesses, large events and stadiums
- **Key Features:**
  - Centralized platform for **planning, booking, and paying** for mobility solutions
  - Tailored solutions based on mobility habits and specific needs
  - Enhanced community experience through seamless service integration
- **Goals:**
  - Support the full transition to green mobility
  - Provide efficient, user-friendly access to sustainable transport options
- The platform simplifies mobility management while promoting eco-friendly practices



**The FNM Group**

**Strategic Plan Guidelines**

**Sustainability targets**

**Strategic Plan Projections**

- **Segments**
- Consolidated economic and financial projections
- Dividend policy & Outlook
- Focus on ESG

**Appendix**

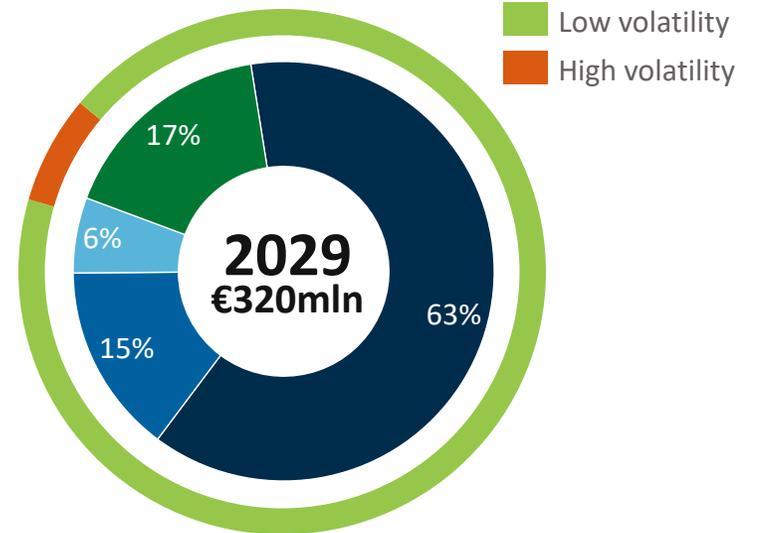
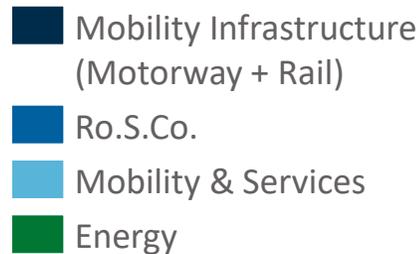
# Main assumptions driving 2024-2029 economic and financial performance



# Business diversification with focus on low-volatility segments

- 1 Progressive redistribution of EBITDA weight across segments, leading to a rebalancing of margin-related risk
- 2 Shift includes a growth in exposure to market-driven businesses, especially through intermodal and mobility services
- 3 Low-volatility sectors remain the core focus of the Group

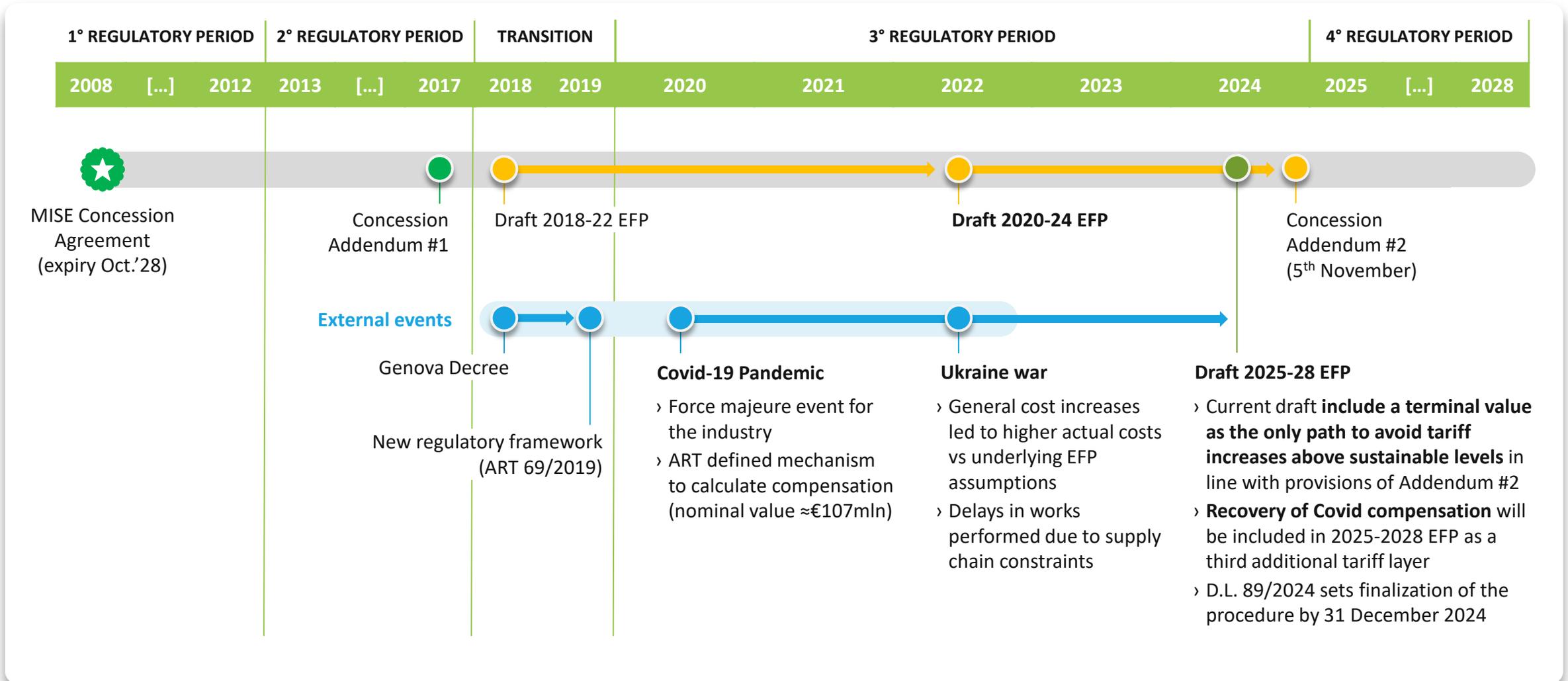
## EBITDA breakdown by segment





# Mobility infrastructure – Motorways

# Unfolding the MISE concession – a journey shaped by external events



# Addendum #2 from 2020-2024 EFP acknowledges MISE's right to receive a terminal value at concession expiry...

## Concession Addendum #1

- › Regulatory period 2013-2017
- › Full completion and amortization of investments

## Concession Addendum #2

- › Regulatory period 2020-2024, **signed on 5<sup>th</sup> November**
- › **Right to receive a terminal value equal to non-amortized assets**
- › Does **NOT** take into account the recovery of the “Covid-19 effect” and any “Inflationary effect” – they will be included in the 2025-2028 EFP

## Concession Addendum #3

- › Regulatory period 2025-2028, will formalize the approved new 2025-2028 EFP
- › MISE has included a **terminal value as the only path to avoid tariff increases above sustainable levels**, in line with provisions of Art.8 of Addendum #2
- › **Current draft envisages a take-over value ≈€430mln** related to planned investments that won't be amortized by 2028

## NEW ELEMENT: APPROVED RIGHT TO TAKE-OVER VALUE

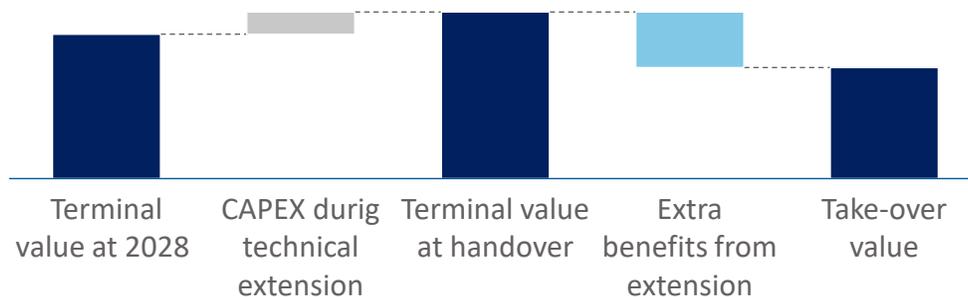
### ARTICLE 8.3

*“Per le opere assentite che il Concessionario ha già eseguito e non ancora ammortizzato alla scadenza della concessione, il Concessionario uscente ha diritto a un indennizzo di tali poste dell'investimento da parte del subentrante, pari al costo effettivamente sostenuto, al netto degli ammortamenti, dei beni reversibili non ancora ammortizzati come risultante dal bilancio di esercizio alla data dell'anno in cui termina la concessione, e delle variazioni eseguite a fini regolatori. L'importo del valore di subentro è a carico del Concessionario subentrante”*

# ... and the duty to continue ordinary operations with a right to apply tariff increases until concession hand over

ILLUSTRATIVE ONLY

- › **Applicable tariffs**
  - Operational charge: based on the “carryover” of the tariff in force
  - Construction charge: determined with art.21 of ART n.69/2019
- › **Starting RAB = Takeover value at concession expiry**
  - decreased annually by the average depreciation of the last 3 years
  - increased annually by necessary capex
- › **Allowed rate of remuneration = WACC at concession expiry**
  - remunerated through the construction tariff
  - Excess of collected cash flows vs amount allowed by ART, reduce the final terminal value



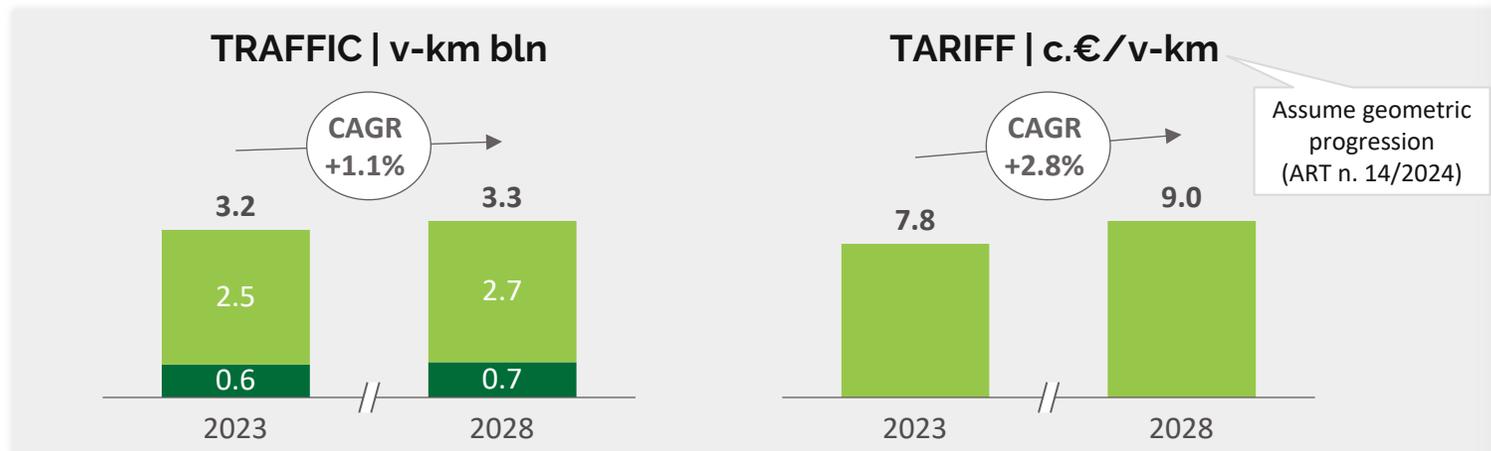
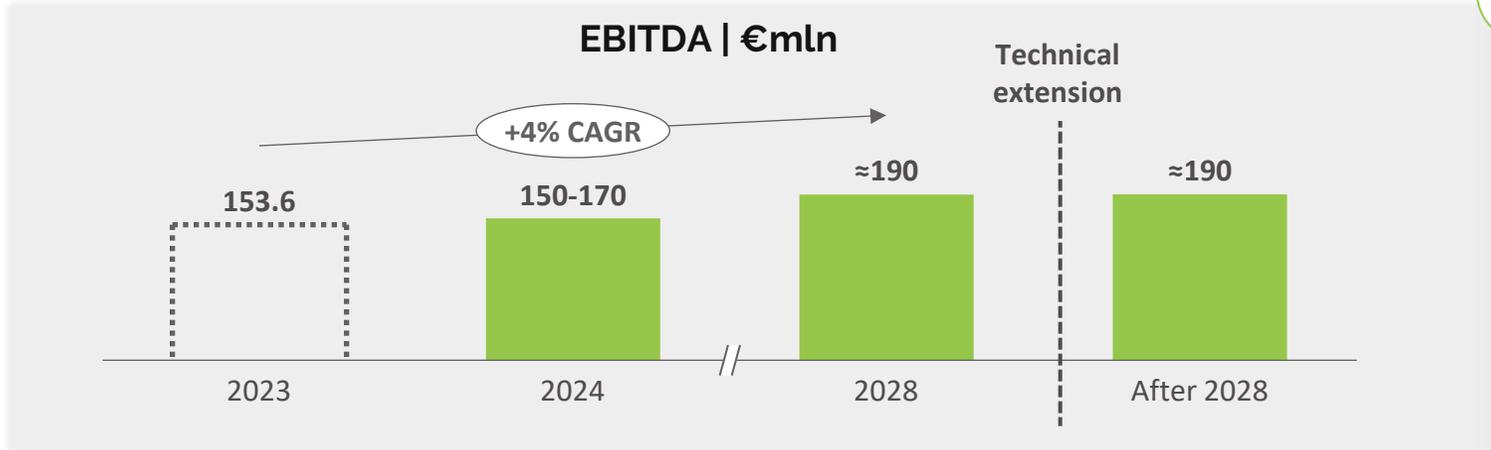
## FOCUS: ART DEFINES TECHNICAL EXTENSION MECHANISM

### ARTICLE 8.1

“[...] Alla scadenza della concessione, salva diversa indicazione del Concedente, **il Concessionario resta obbligato a proseguire nella gestione ordinaria delle autostrade e delle relative pertinenze, alle condizioni della presente Convenzione come modificata con il presente Atto aggiuntivo e dalla Misura 29 dell'allegato A della delibera ART n. 69 del 2019 [...]**”

Il Concessionario uscente **resta, altresì, titolare delle tariffe di pedaggio autostradale** di cui all'art. 16 del presente Atto Aggiuntivo **e del relativo diritto di conseguire gli eventuali aggiornamenti tariffari maturati** nel periodo [...].”

# Motorway | Financial and operating highlights



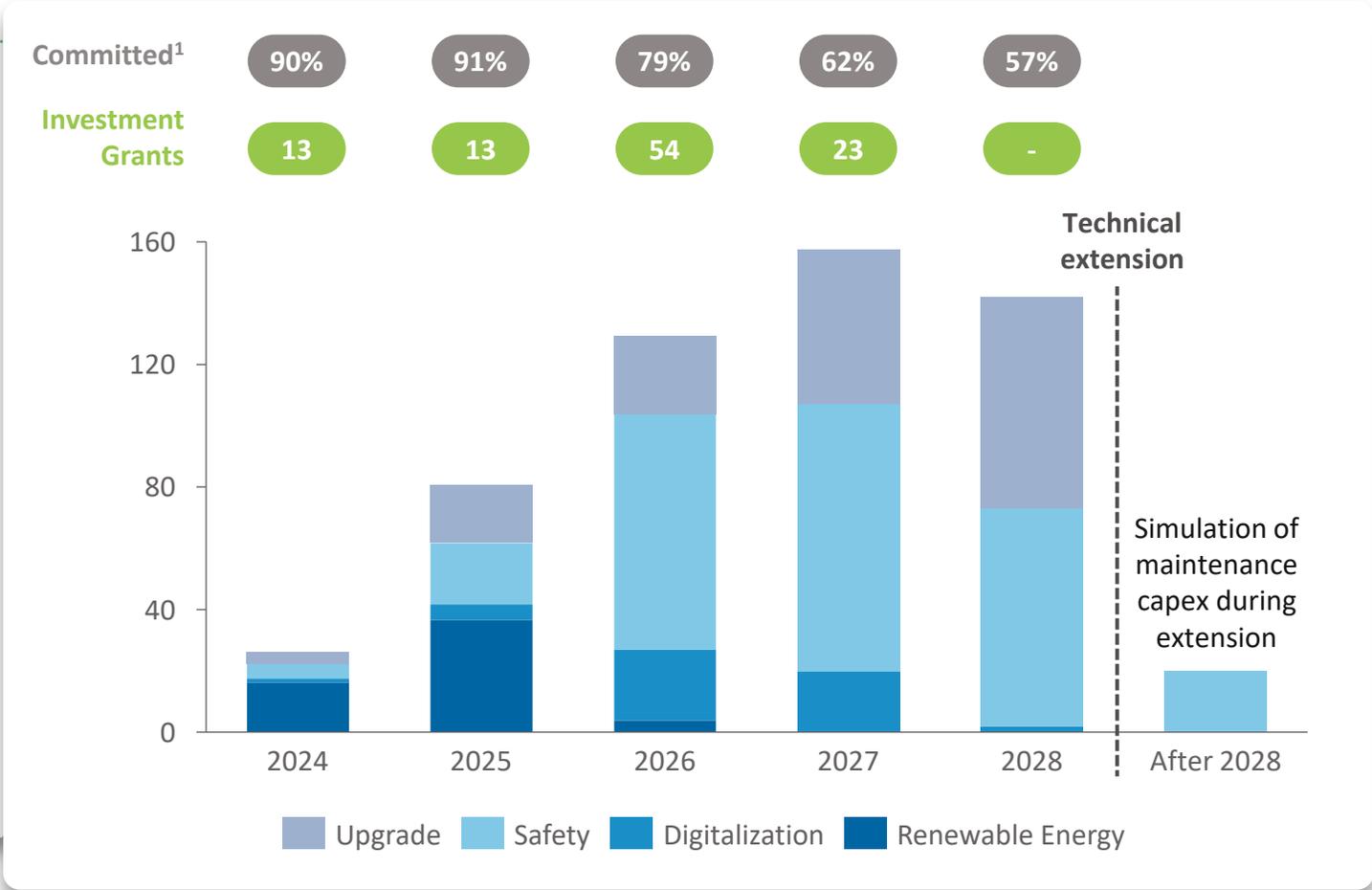
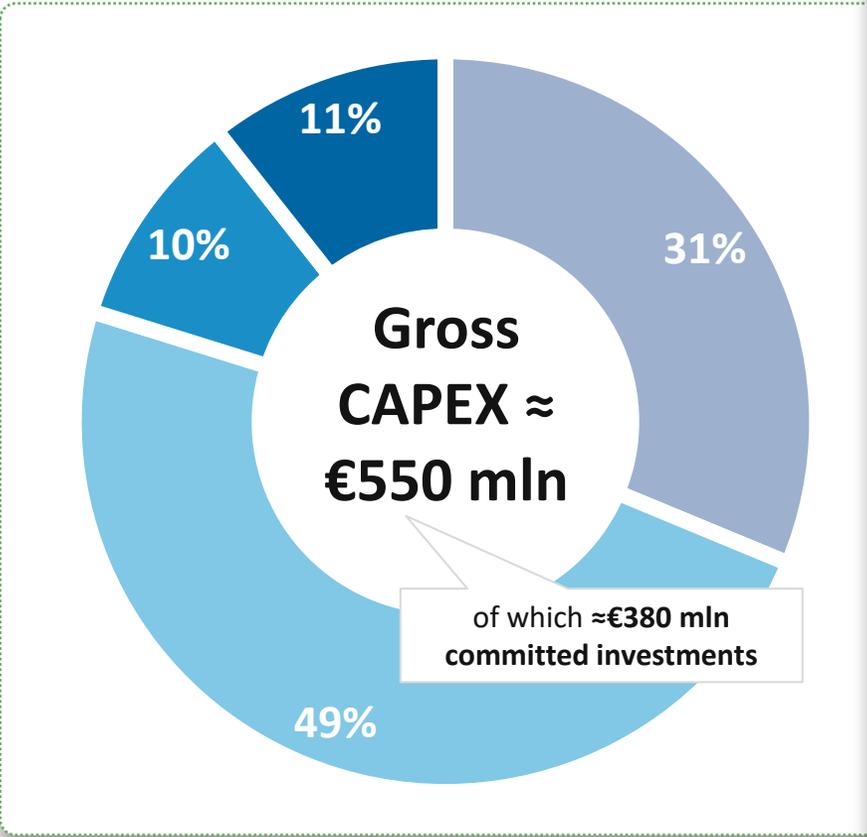
## STRATEGIC OBJECTIVE

- Strengthen position in motorway concessions, leveraging recent know-how and O&M expertise
- **Participate in upcoming concession tender for MISE when launched**

## MAIN ASSUMPTIONS

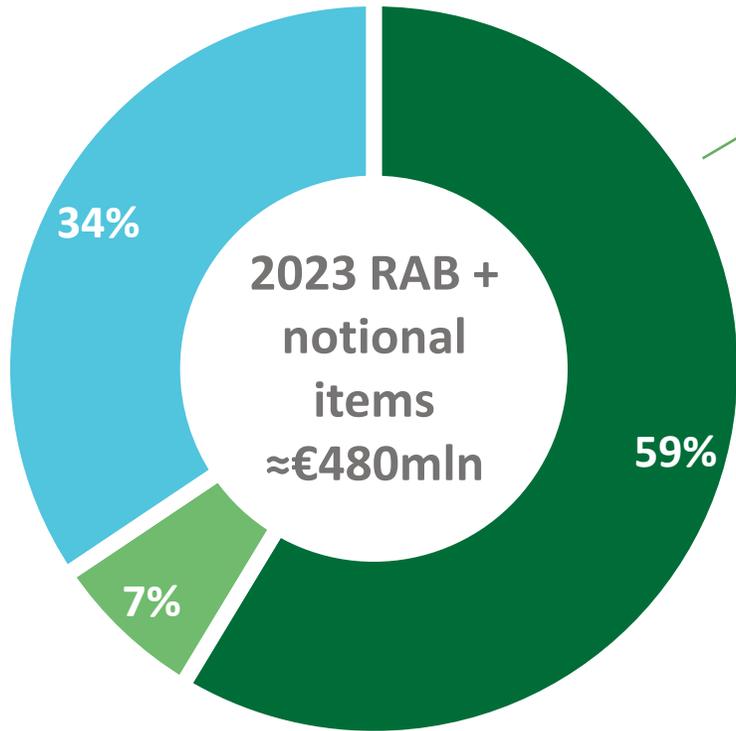
- Management of MISE concession expiring in Oct.'28 through a **technical extension (Art. 29 – ART 69/2019)**
- Delivery of €555mln investment plan
- Approval by CIPESS and Court of Auditors of **EFP 2025-2028 with quantification of the take-over value**, which could be reduced for the net benefits deriving from the technical extension

# CAPEX plan back-end loaded and short remaining concession life...

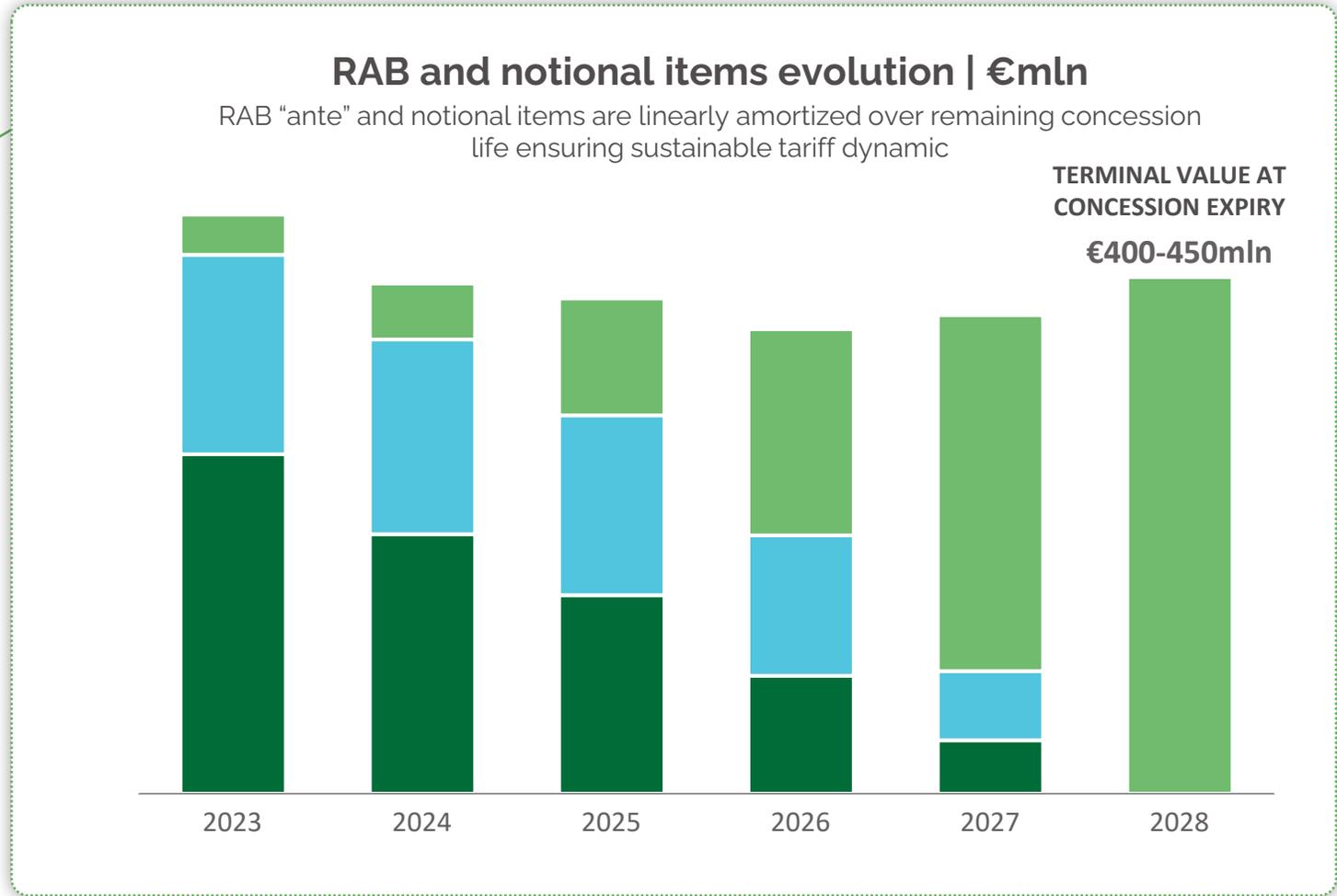


1 – “committed” is defined as investments with selected contractor and/or executive project, “uncommitted” is the remainder

# ... determine terminal value at concession expiry



- RAB "ante" (before 2020)
- RAB "post"
- Notional items (poste figurative)





**ENERGY**

# The acquisition of Viridis initiates a strategic path that brings multiple benefits to the FNM Group...

1

## Diversify mobility infrastructure portfolio and enhance growth potential:

- › Expands FNM's portfolio with a **different risk/return profile**, mitigated by incentivized contracts (CFDs/energy bills) for energy production
- › Overall more balanced portfolio thanks to **higher expected IRR**, longer duration and **uncorrelated revenue streams**
- › Fully aligned with strategic objectives for **sustainable growth**, advancing ESG targets and **supporting energy transition**

2

## Agile operational structure which allows for a flexible development approach:

- › **Existing asset portfolio** and **agile structure** with proven know-how in the sector immediately operational and able to generate operating cash flows
- › **Well-diversified pipeline** allowing flexible growth based on external conditions and financial availability
- › Selective greenfield development leveraging on significant existing opportunities and **strong project success rates** leads to attractive IRR, also improved by in-house project development

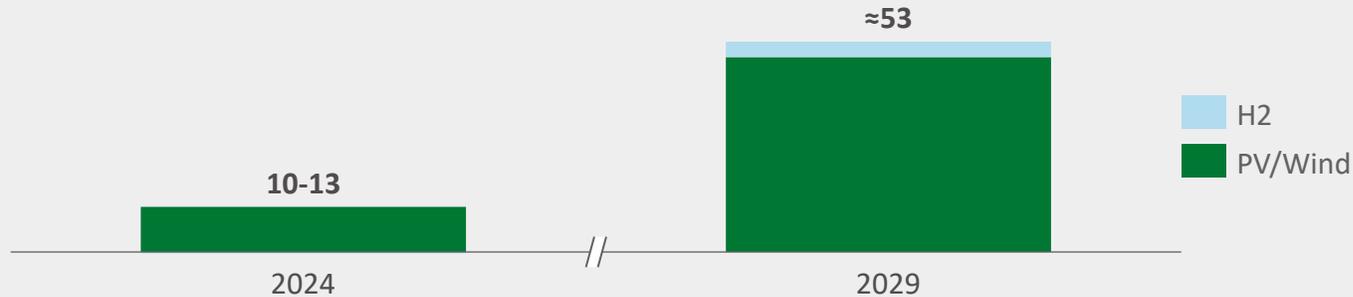
3

## A team with extensive renewable energy experience and a solid track record:

- › Acquisition of an industrial entity that has the ability to grow, develop and manage investments over time with a **successful track record**
- › Management with proven capabilities in leading energy organizations with **average experience of 16 years** in clean energy
- › **Developed and revamped ≈150 MW** of greenfield and brownfield projects, with **≈110 MW sold** to major renewable investment funds

# Energy | Financial and operating highlights

## EBITDA | €mln



## Gross CAPEX



≈0.7  
€mln/MW



≈1.5  
€mln/MW



>99%  
plant availability



≈39 FTE



>81%  
performance ratio



## STRATEGIC OBJECTIVE

Expanding its presence in renewable energy, investing in both PV and Wind power, to actively contribute to the energy transition

## MAIN ASSUMPTIONS

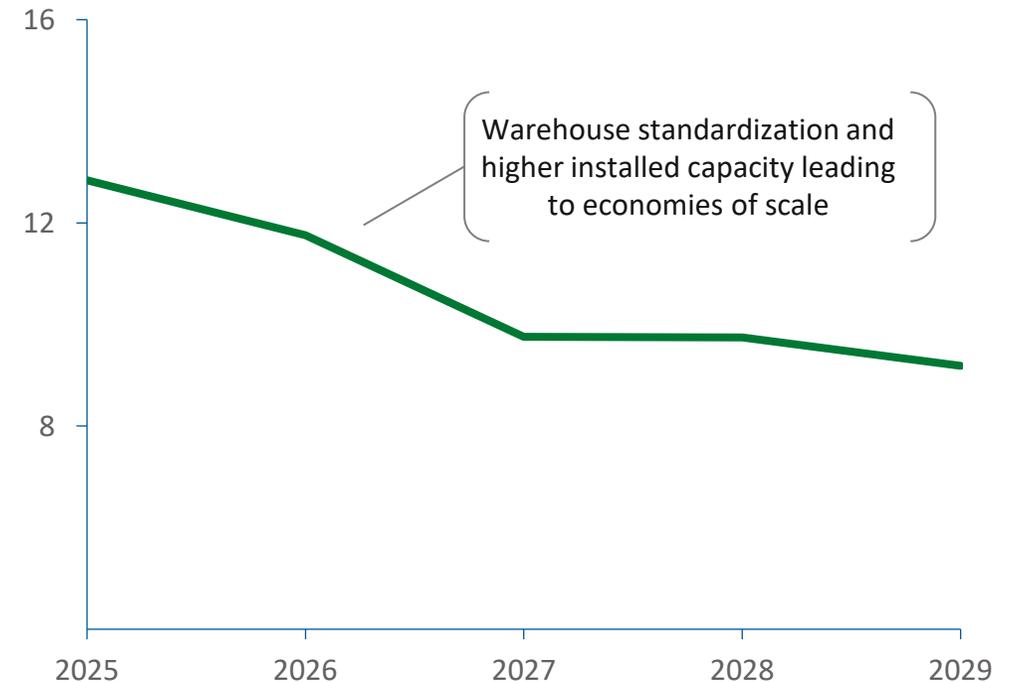
- **Realize and operate ≈350 MW of PV and Wind plants** by end of 2029, accessing incentivized tariffs (FER1 and FERX)
- **No self consumption assumed**, energy sold to third parties
- Potential pipeline of up to ≈700 MW (≈100 MW authorized and/or nearly authorized)
- Manage biogas facilities until incentives expire in 2028
- **Start hydrogen production** for rail transport and distribution for motorway network

# Industry-leading asset management and O&M

## Achieved through...

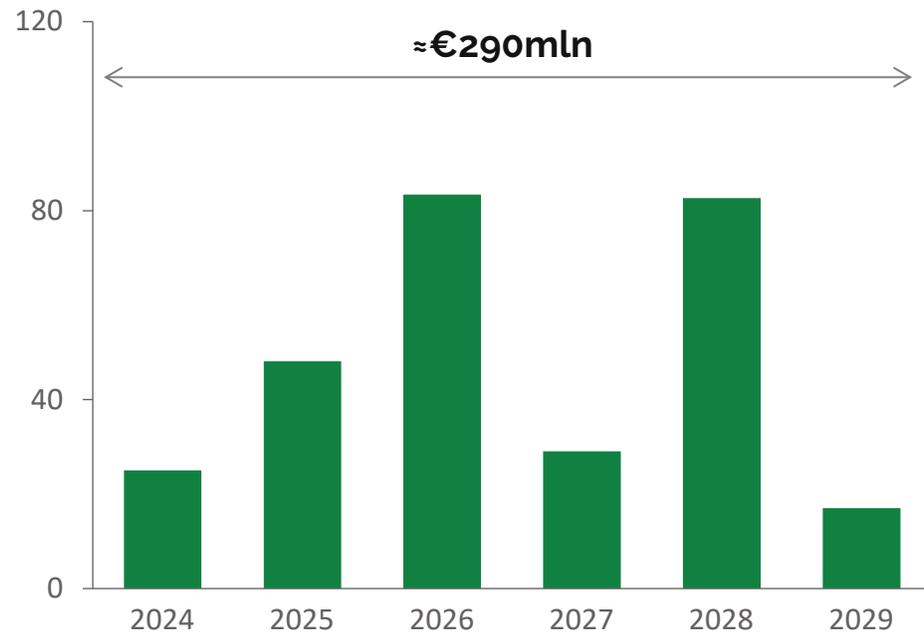
- **Flexible O&M:** In-house asset management combining outsourced O&M activities performed by prime suppliers with 24/7 availability and premium/penalty for emergencies
- Maximize plants availability and efficiency and spending rationalization
- **Overhead costs on average ≈€2/3mIn per year<sup>1</sup>**
- **Selected technologies and quality of EPC components:**
  - Tier 1 panel and inverter suppliers
  - Technological Evolution: starting with mono and bifacial panels. **Mono-PERC technology is used up to 2024** with efficiency improvements expected through the transition to **mono-TopCon from 2025 onwards**, targeting >23% module efficiency

Direct OPEX PV & Wind | €/MWh

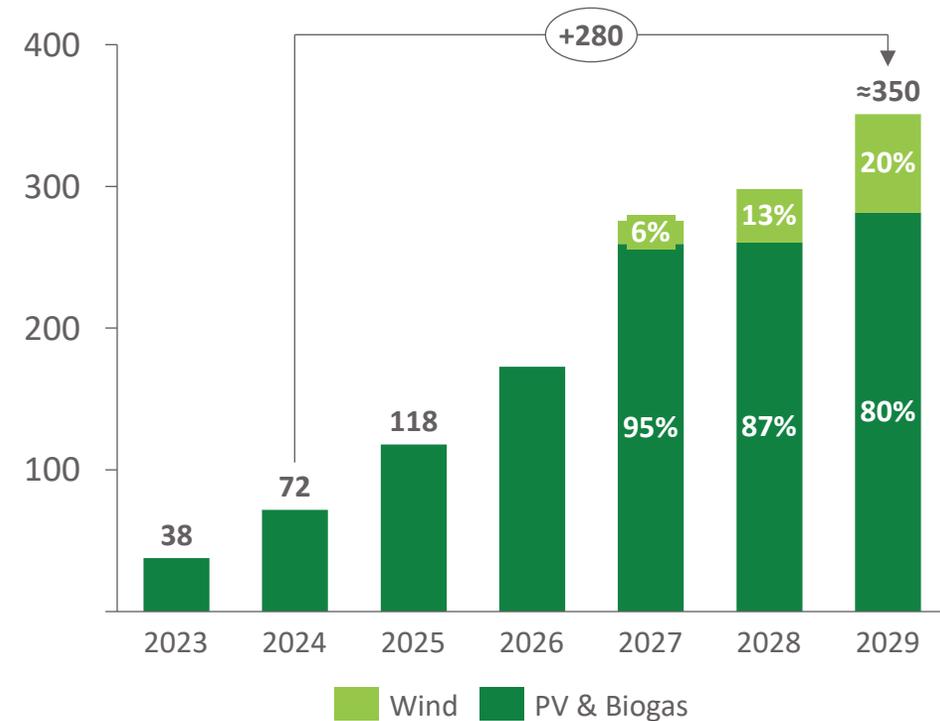


# Goal to develop pipeline for additional 280 MW by 2029

## Gross CAPEX | €mln

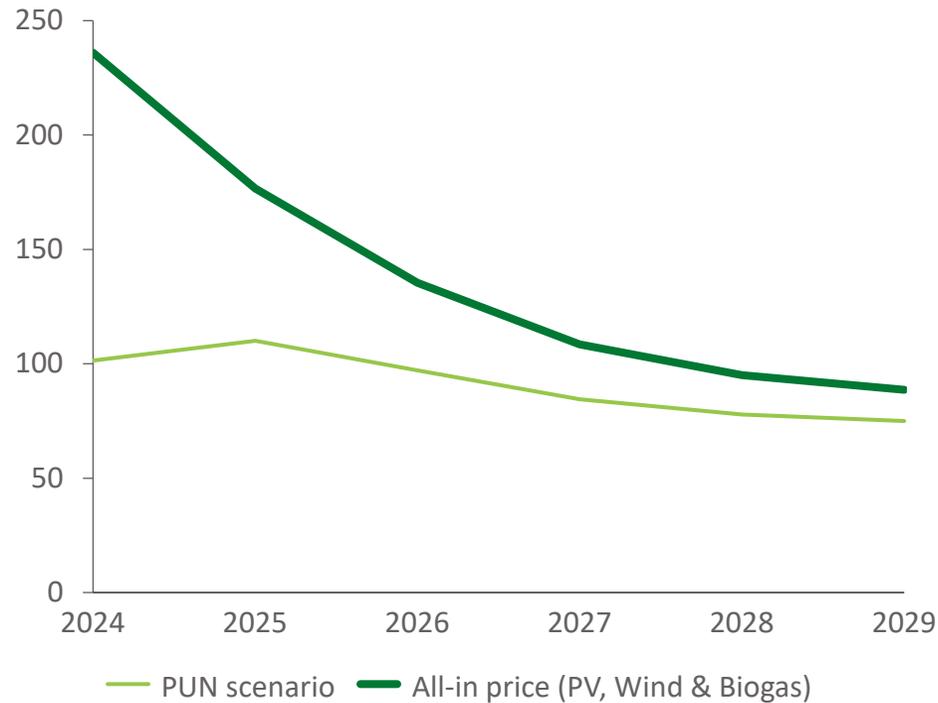


## Installed capacity | MW

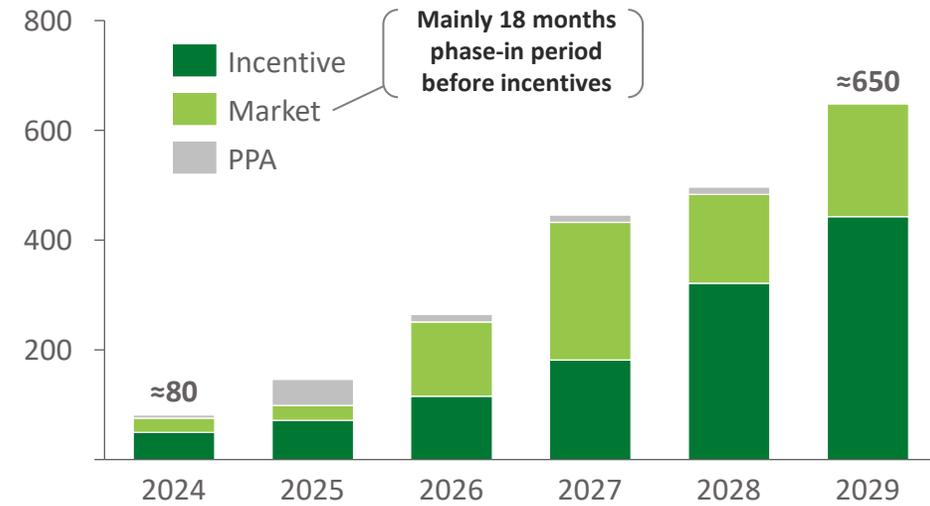


# Production maximization and route to market

Energy scenario | €/MWh



RES production | GWh



All new developments use single-axis trackers, delivering >20% avg. production



**Ro.S.Co**



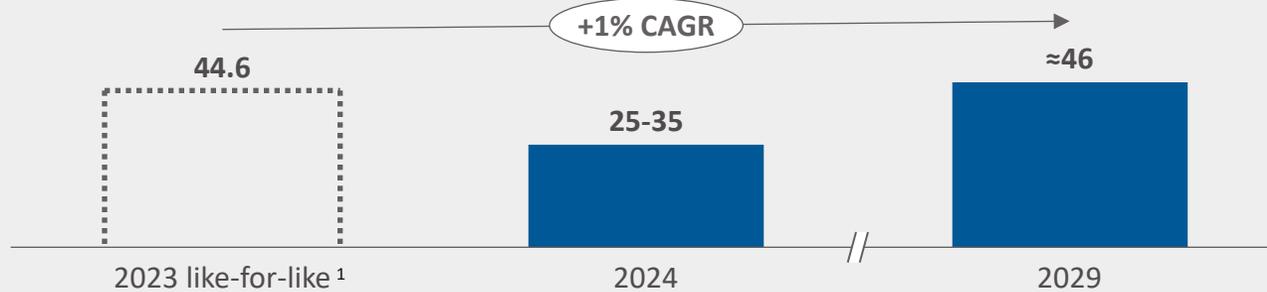
**RAILWAY INFRASTRUCTURE**



**MOBILITY & SERVICES**

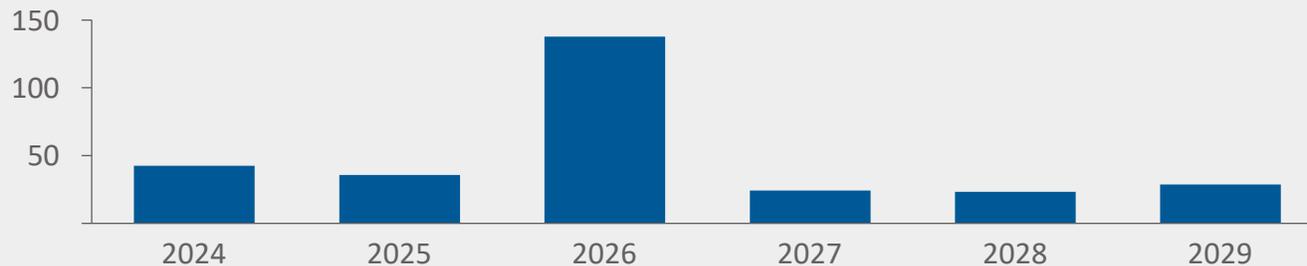
# Ro.S.Co | Financial and operating highlights

## EBITDA | €mln



## Gross capex | €mln

Total cumulated investments ≈€280mln



### STRATEGIC OBJECTIVE

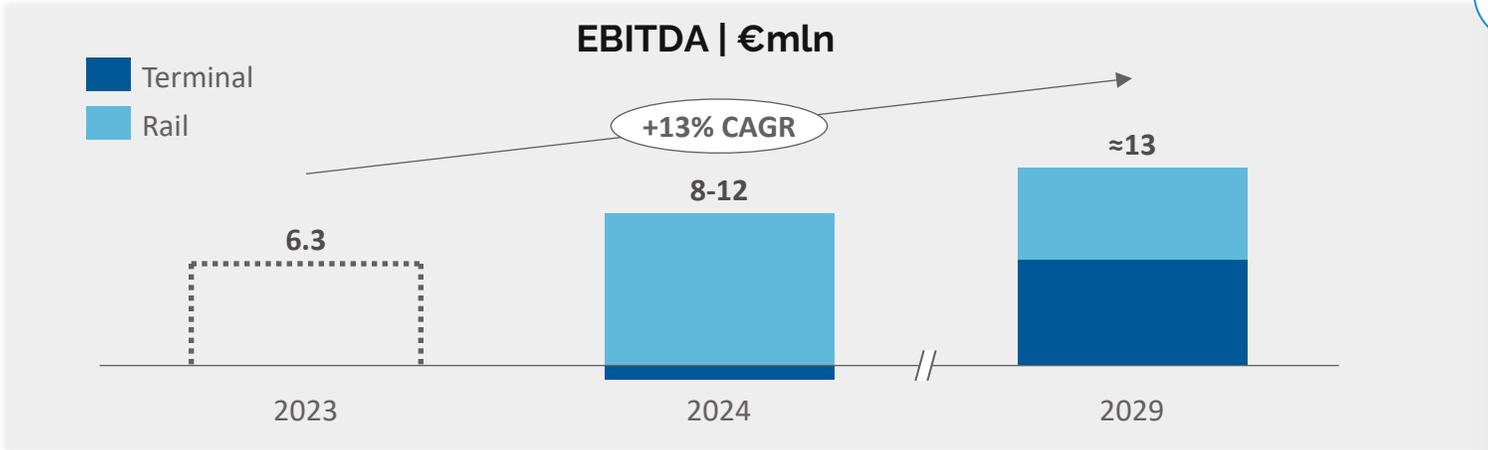
- Consolidate its role as **Ro.S.Co. for Local Public Transport** by pursuing criteria of environmental and economic sustainability

### MAIN ASSUMPTIONS

- **Remuneration:**
  - All rolling stock capex remunerated at the same fixed IRR of 5.5%, with potential upside
- **Capex:**
  - **13 new electric trains** for ≈€130mln
  - **H2 trains purchased with PNRR, National and Regional funds** (Capex managed-only by FNM Group)

1 – Include Nordcom acquired in 2024 and exclude FNMPAY and FNM POWER, now categorized in the Mobility & Services and Energy segment respectively

# Mobility infrastructure - Railway | Financial and operating highlights



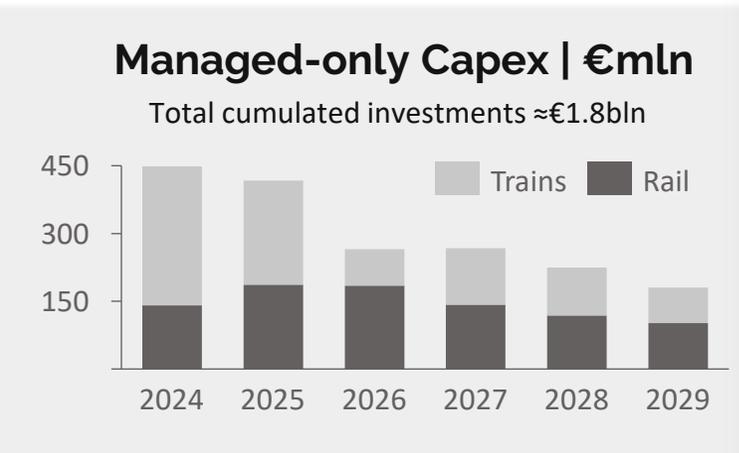
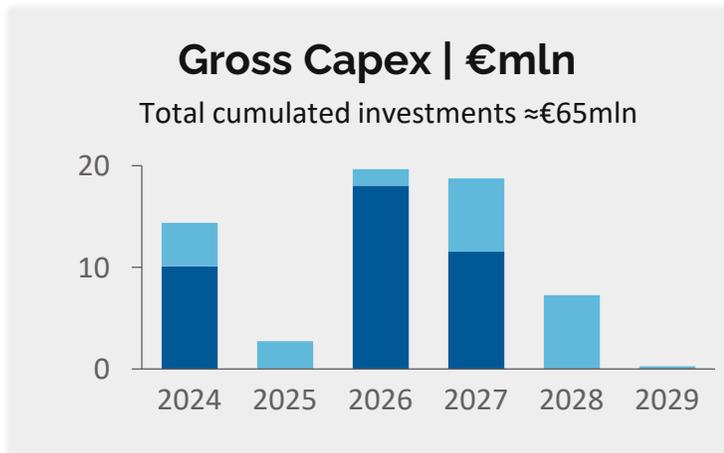
### STRATEGIC OBJECTIVE

- Strengthen rail network management under concession
- Execute funded investments in railway network and rolling stock

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### MAIN ASSUMPTIONS

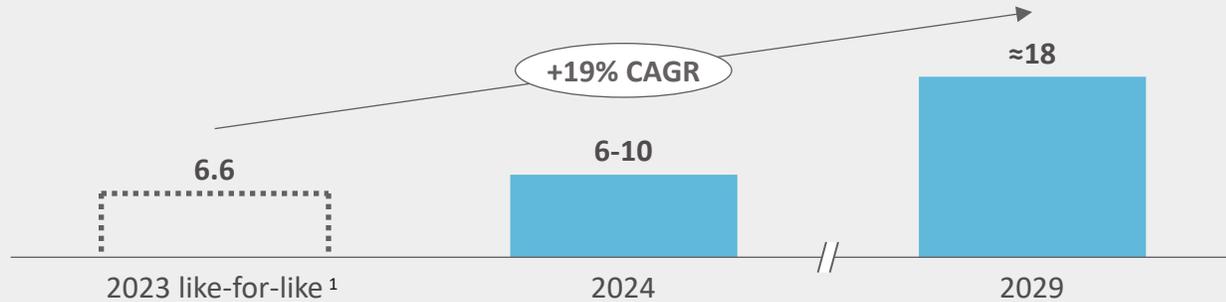
- **Complete Sacconago (Busto Arsizio) logistics hub** with associated investments
- **Manage the regional rail network** under concession from Regione Lombardia
- **Procure new trainsets** to renew Trenord fleet on behalf of RL (**managed-only**)
- **Enhance rail infrastructure** – investments fully funded by RL (**managed-only**)



# Mobility & Services | Financial and operating highlights



## EBITDA | €mln



## STRATEGIC OBJECTIVE

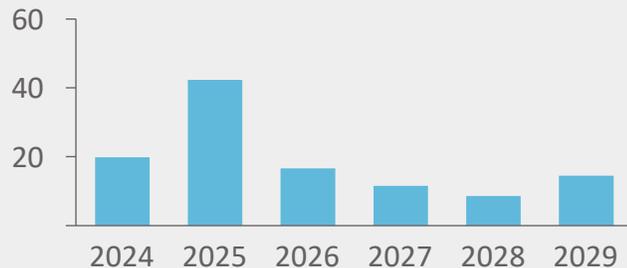
Consolidate **positioning in the LPT sector** and prepare for the **new tenders** planned after 2029 to create a **“Lombardy hub” of mobility**

## MAIN ASSUMPTIONS

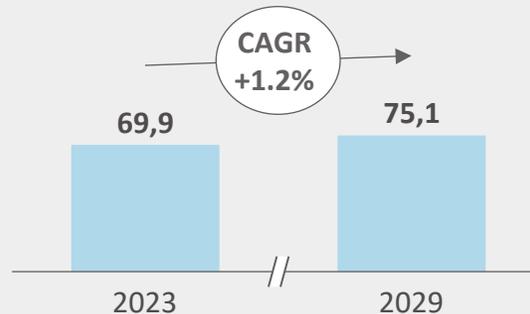
- Verona:
  - **EFP renewal assumptions for 2026-2029** with current remuneration (WACC= 8.5%)
  - Starting trolleybus operation from 2027
  - **Investment grants** ≈€75mln
- Lombardy<sup>2</sup>: concession extension hypothesis until 2029, with investment in electric buses in 2025 and 2029
- **Payment system** with positive margins from 2027

## Gross Capex | €mln

Total cumulated investments ≈€115mln



## Bus transport | mln pax/year



1 – Include FNMPAY, previously categorized in the Ro.S.Co. & Services Segment, and exclude La Linea/Martini sold in 2023 2 – Brescia, Como, Varese and Lecco

The FNM Group

Strategic Plan Guidelines

Sustainability targets

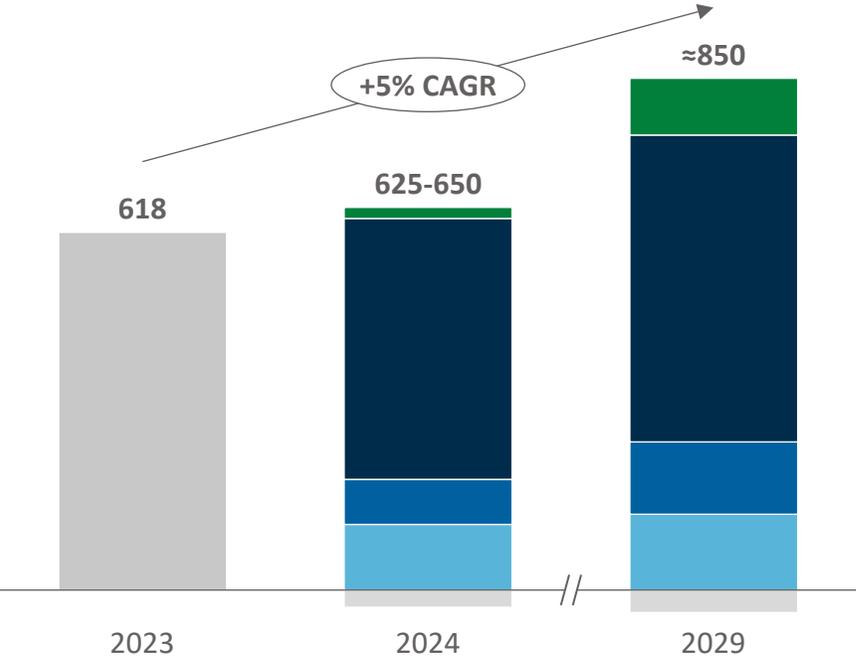
## Strategic Plan Projections

- Segments
- **Consolidated economic and financial projections**
- Dividend policy & Outlook
- Focus on ESG

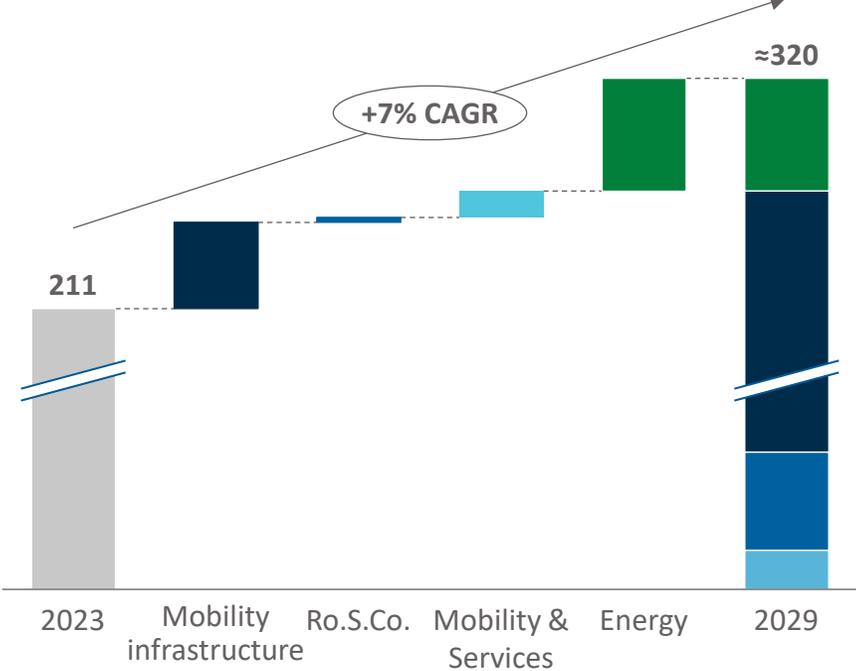
Appendix

# Consolidated financial projections show progression driven by mobility infrastructure and energy

Revenues | €mln

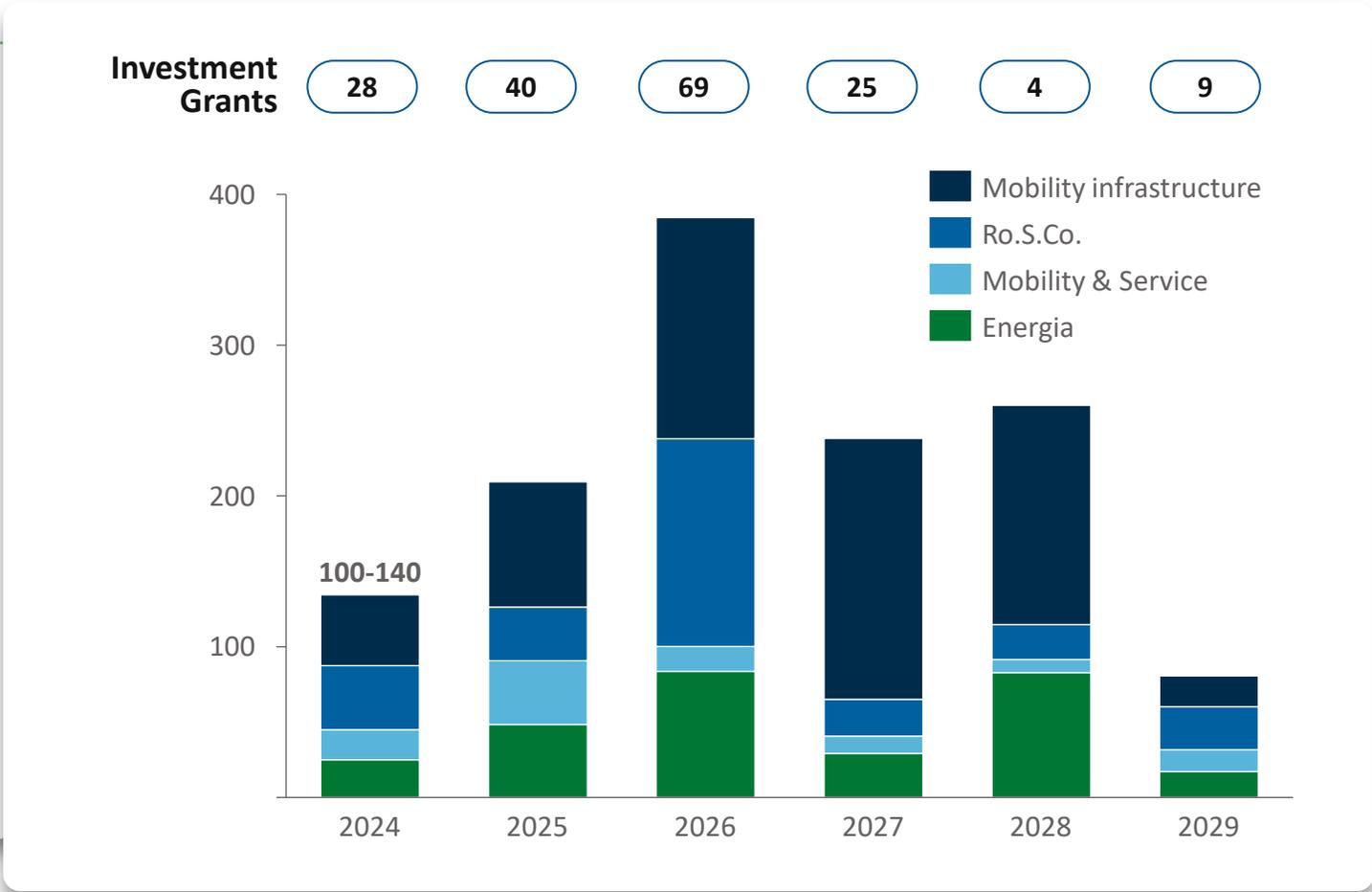
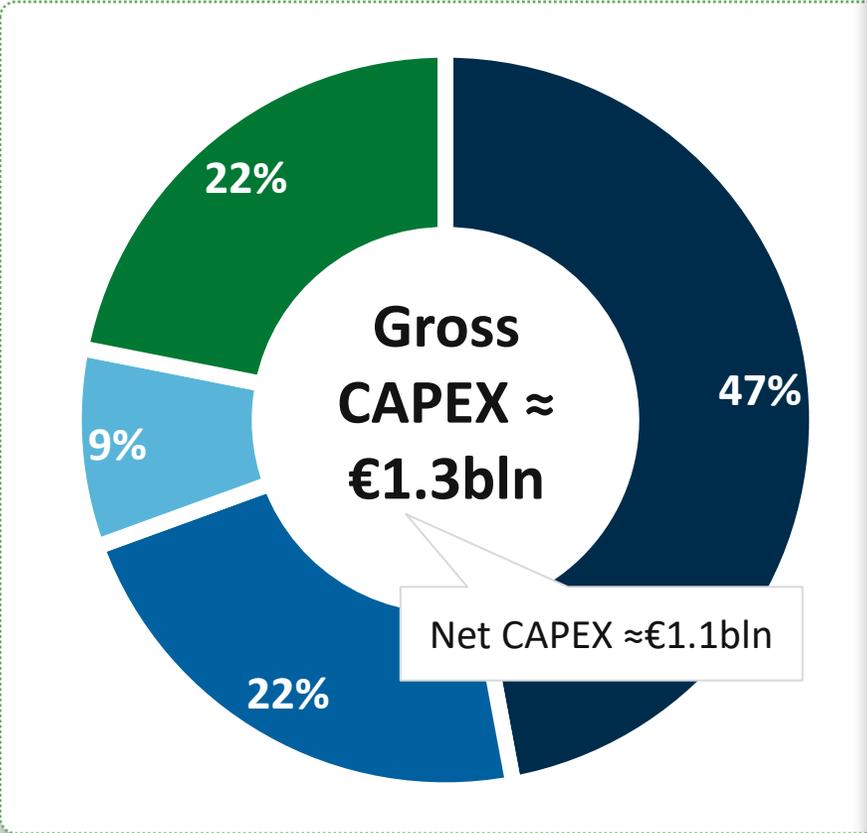


Adj. EBITDA | €mln



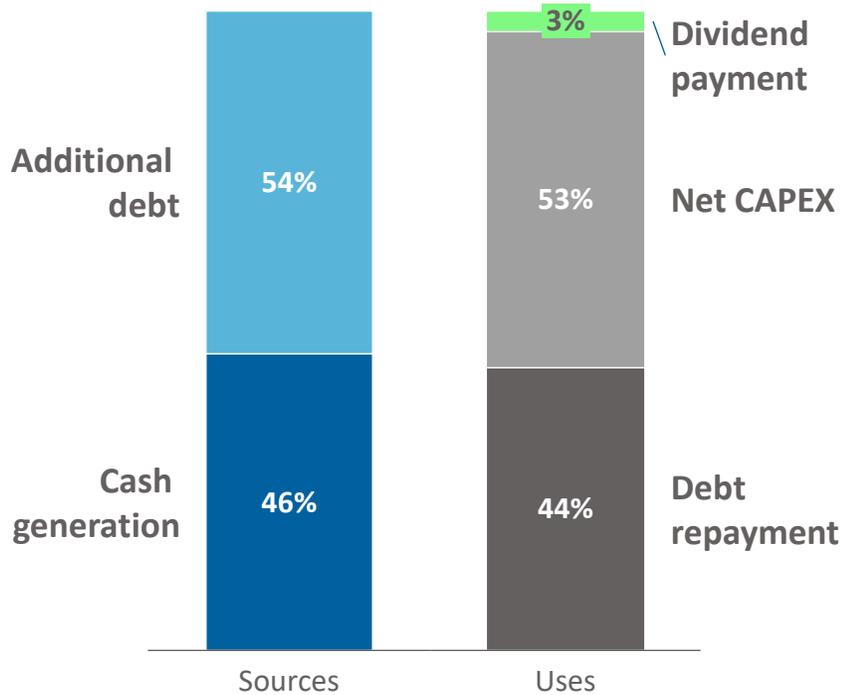
■ Energy 
 ■ Mobility infrastructure 
 ■ Ro.S.Co. 
 ■ Mobility & Services 
 ■ Intercompany elisions

# Investments focused on low-volatility businesses

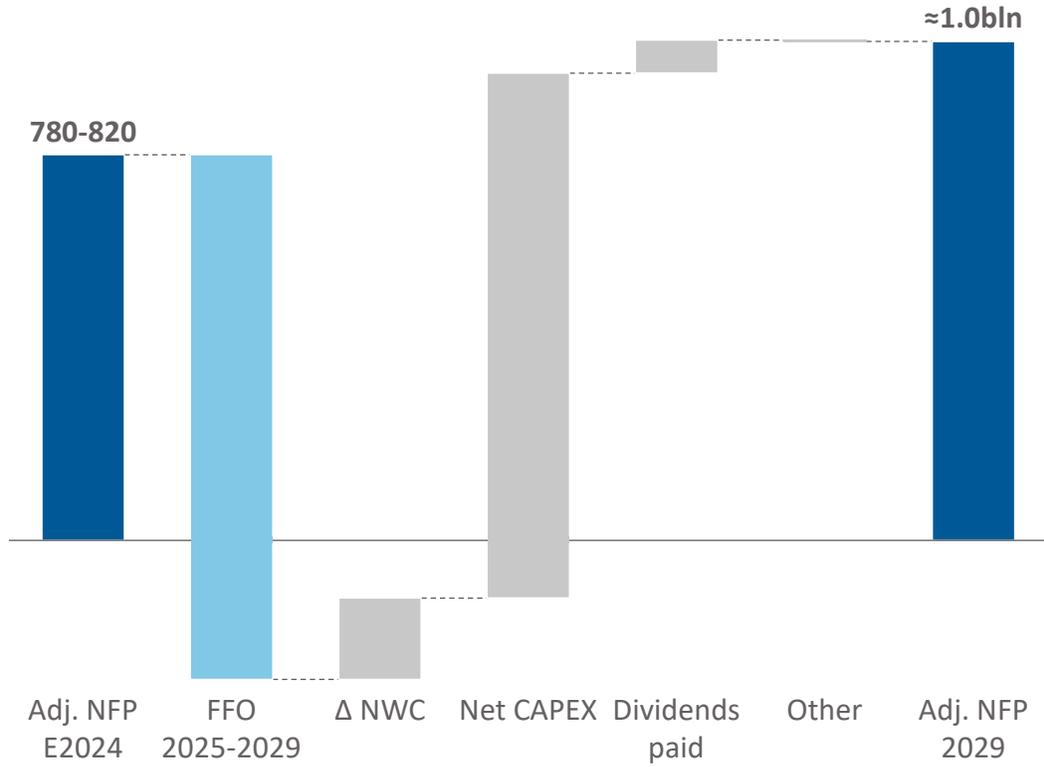


# Cash flow generation support investment plan

## Sources & Uses 2024-2029

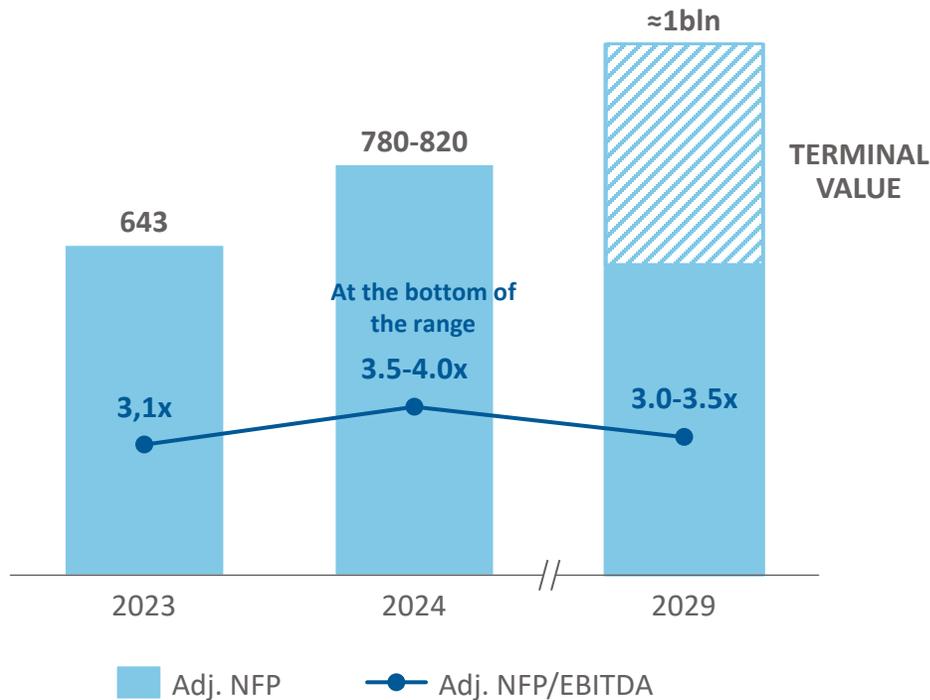


## Cumulated cash flow



# Financial sustainability

## Net Financial Position | €mln



## Commitment to investment grade rating

MOODY'S  
INVESTORS SERVICE  
FitchRatings

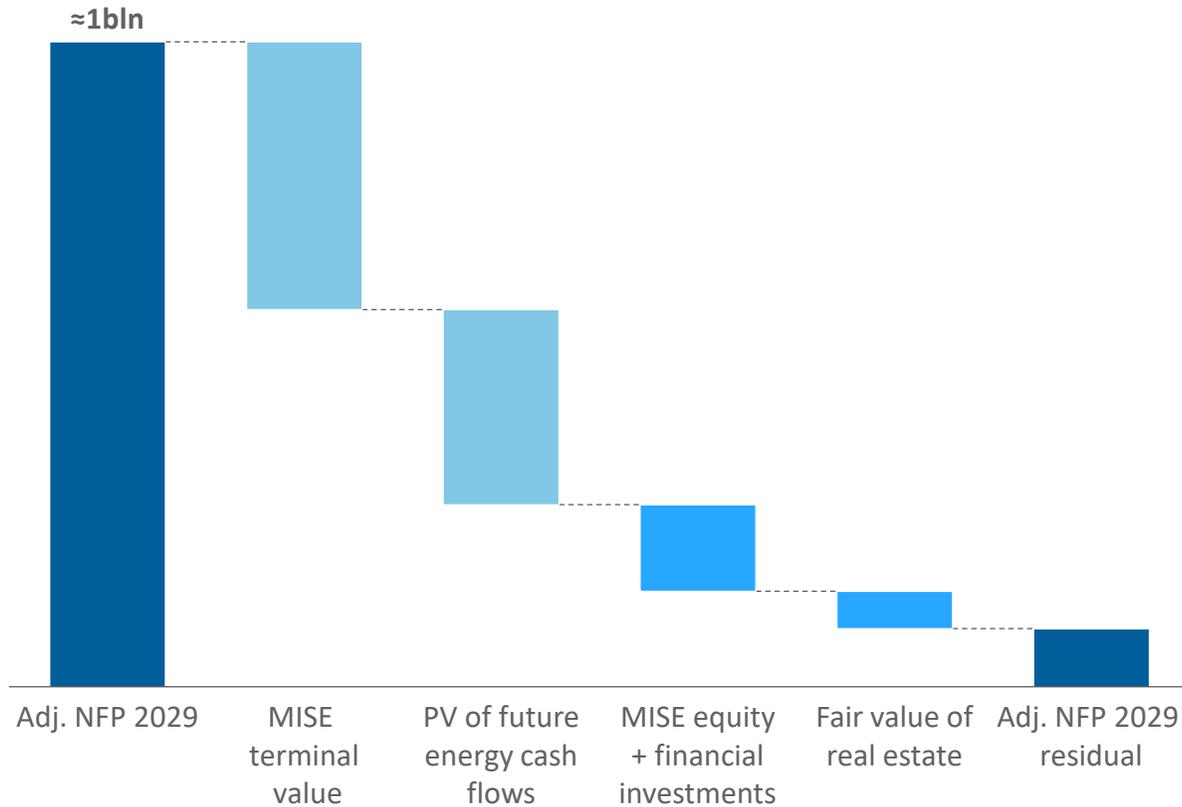
Baa3  
BBB

Negative  
Stable

- As a proof of the strategic value of the project, a **leading financial institution has already confirmed its availability to support FNM's Strategic Plan**, on terms and conditions to be defined, **also through the full underwriting** of the credit facilities necessary to allow the refinancing of the Bond expiring in 2026 and the development of the investments envisaged in the plan
- Aim to **make recourse to a mix of financial instruments consistent with the business profile** with the objective to dilute and **extend debt maturities**

# Adj. NFP at 2029 covered by readily ascertainable assets value

## Net Financial Position | €mln



- Exclude:
  - Trenord valorization (i.e. cash accumulated up to 2033)
  - PV of future rolling stock cash flows / net book value
  - Net book value of busses
- **MISE investments and real estate fair value account for >100% of current market capitalization<sup>1</sup>**

1 — Calculated on closing price at 16 November 2024

The FNM Group

Strategic Plan Guidelines

Sustainability targets

## Strategic Plan Projections

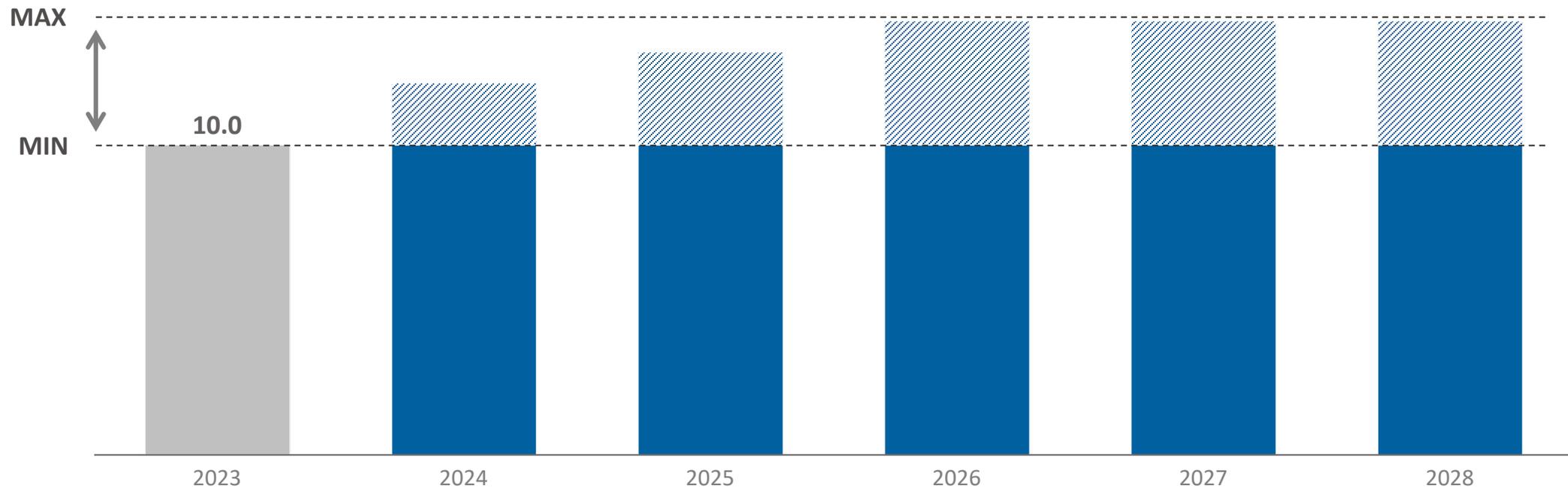
- Segments
- Consolidated economic and financial projections
- **Dividend policy & Outlook**
- Focus on ESG

Appendix

# Dividend Policy

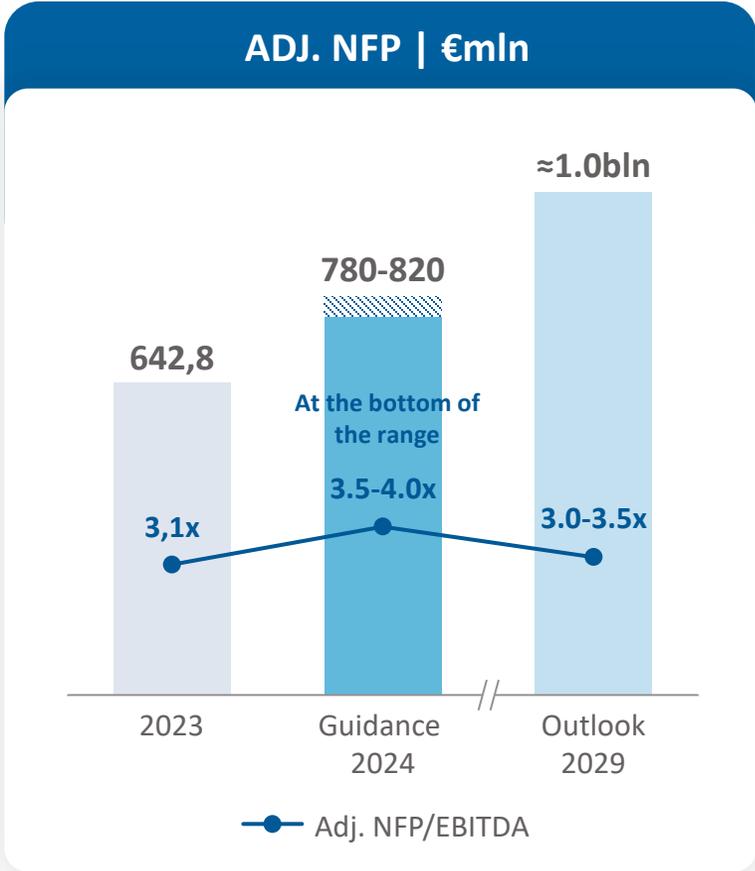
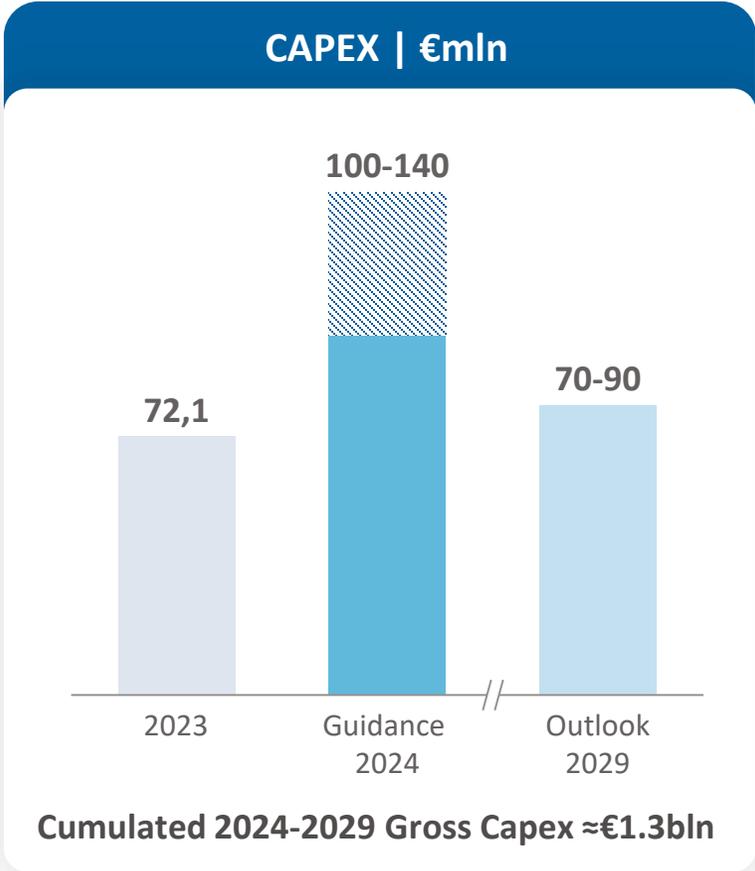
## Accrued dividends evolution | €mln

Dividend per share<sup>1</sup> of a minimum of 2.3 euro cents up to 3.2 euro cents, equivalent to a dividend yield<sup>2</sup> of 5.2% up to 7.2%



1 – Dividend per ordinary share outstanding (equal to 434,902,568 shares) 2 – Calculated on the average daily closing price from 15 May 2024 and 15 November 2024

# Strategic Plan Outlook



The FNM Group

Strategic Plan Guidelines

Sustainability targets

## Strategic Plan Projections

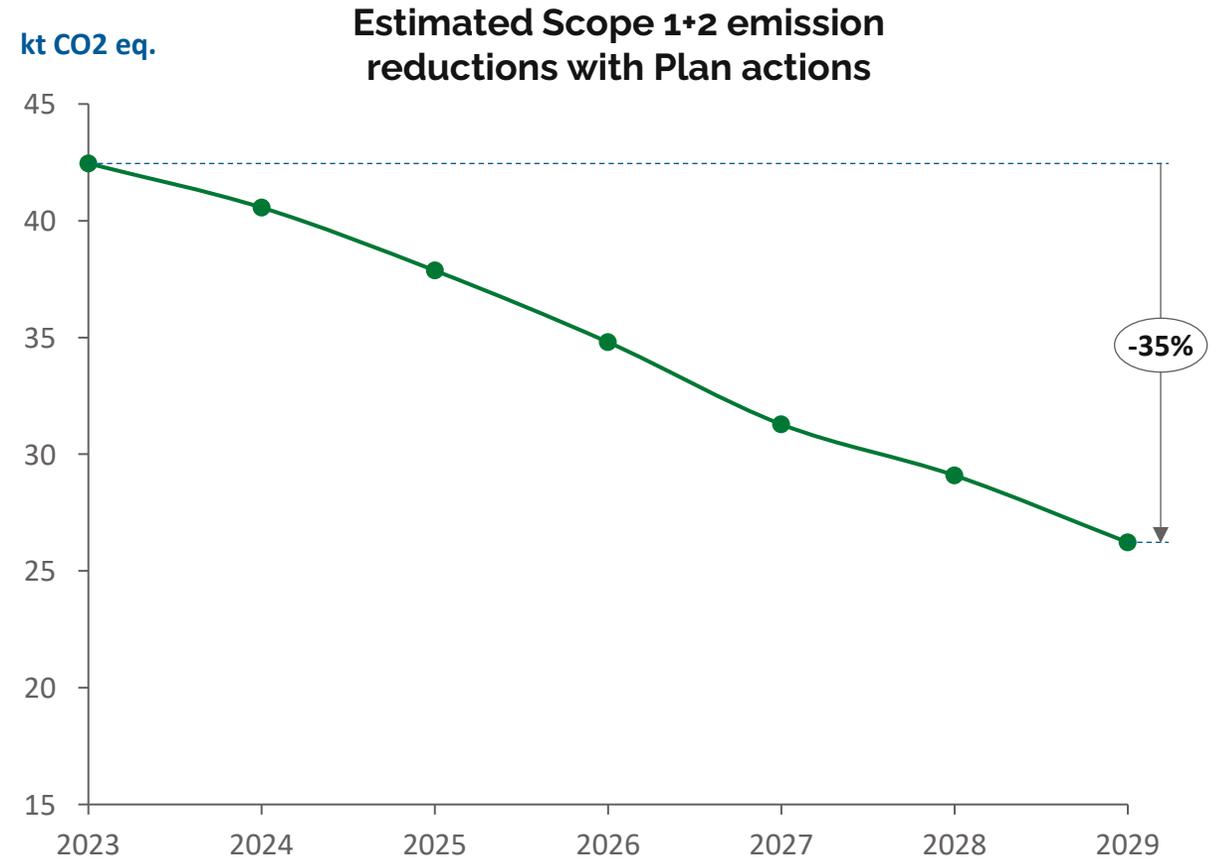
- Segments
- Consolidated economic and financial projections
- Dividend policy & Outlook
- **Focus on ESG**

Appendix

# Path to energy transition

## CO<sub>2</sub>eq reduction plan

- **Scope 1 & 2<sup>1</sup>:**
  - mainly related to road LPT (84% of the total)
  - bus fleet replacement
  - using electricity from renewable sources
  - using biomethane for road LPT (Guarantee of Origin)
- The Group has initiated a preparatory process for goal setting for the purpose of SBTi
- **Scope 3<sup>2</sup>:**
  - initiating a system for reporting emissions at motorway and railroad construction sites (area identified as high emission Scope 3)
  - introducing a **Transition Plan to achieve “zero” net emissions by 2050**



# FIL | one of the largest regeneration projects in Europe



- P.01 MILANO CADORNA RAIL STATION  
O<sub>2</sub>F OXYGEN FACTORY**  
Construction of a railway tracks' cover of about 60,000 sqm, including 30,000 sqm of green areas with the presence of Oxygen Factory, a synthetic forestable to absorb CO<sub>2</sub> aimed at improving the air quality
- P.02 MILANO BOVISA RAIL STATION  
RAIL CITY**  
Infrastructural development and urban regeneration of the "Bovisa Interchange Node" promoted by Team Mo.Le.Co.La. in partnership with the Municipality of Milan, in the context of the project Reinventing Cities
- P.03 SARONNO HUB  
URBAN REDESIGN**  
Reorganisation of the technological/maintenance hub, regeneration of the station area, new location of the museum area
- P.04 BUSTO ARSIZIO RAIL STATION  
NEW NEIGHBOUTHOOD UR.BA.MI.**  
Urban regeneration to connect the north and the south of the city through a new urban center with large green areas equipped for collective activities
- P.05 FERROVIENORD RAILWAY NETWORK  
PIANTALALI**  
An intervention of planting and reforestation of thousands of trees in Lombardy municipalities crossed by the railway network of FERROVIENORD. The first phase covers an area of about 41,000 acres crossing 24 municipalities in two provinces of Lombardy.
- P.06 FROM MILANO CODORNA TO MALPENSA  
SUPER CYCLE TRACK**  
The cycle superhighway runs for 54 km between Milano Cadorna and Malpensa Airport without interruption.

# H<sub>2</sub> | Hydrogen projects

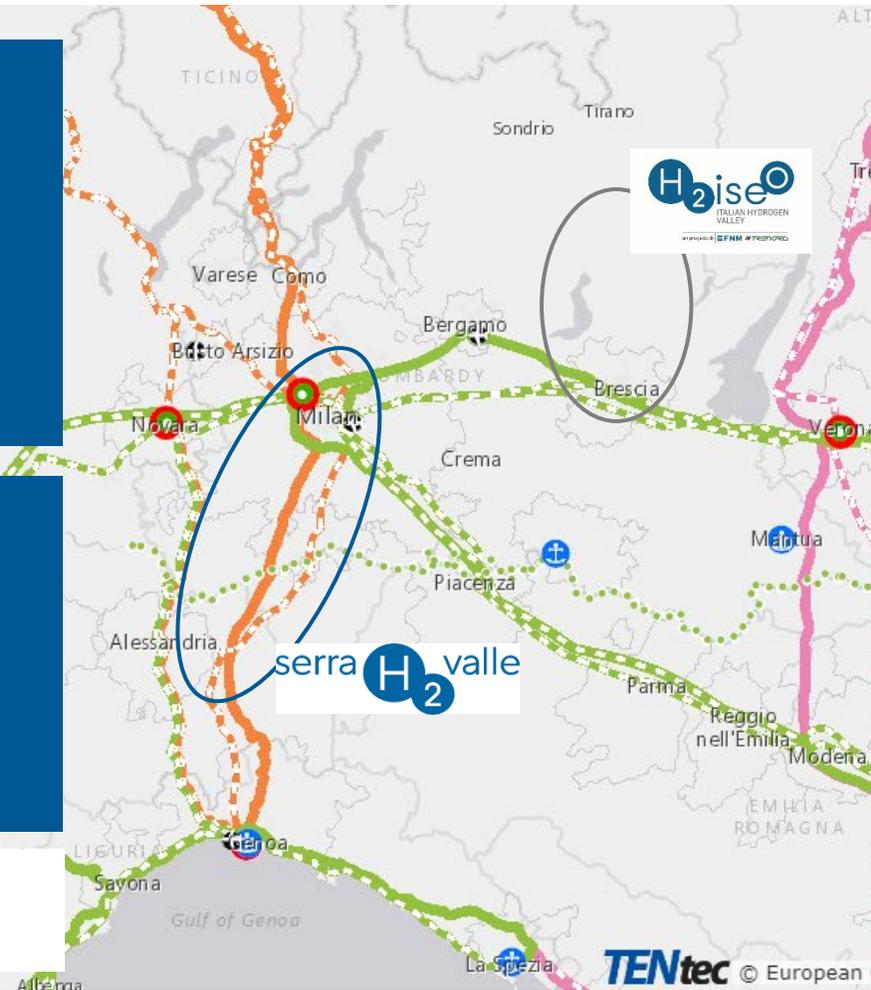
## H2iseO

- Commissioning of 14 hydrogen trains along the Brescia-Edolo line
- 3 hydrogen production plants
- 4 hydrogen distribution plants
- PNRR and Lombardy Region funding

## SerraH2Valley

- 5 highway refueling stations for hydrogen
- Funding PNRR and CEF
- Opening 2025

- Mediterraneo
- Reno Alpi
- Scandinavia-Mediterraneo



Capex	Total (€mln)	Funded FNM (€mln)	Grants (€mln)	To be funded (€mln)
Hydrogen facilities and related rail infrastructure	177,6	0,0	177,3	0,3
Trains	184,8	0,0	184,8 <sup>1</sup>	0,0
Buses and related infrastructure	30,0	0,0	0,0	30,0
<b>Autobus and Trains total</b>	<b>392,4</b>	<b>0,0</b>	<b>362,1</b>	<b>30,3</b>
Motorway stations	55,4	35,0	20,4	0,0
<b>Total</b>	<b>447,8</b>	<b>35,0</b>	<b>382,5</b>	<b>30,3</b>
<i>Total %</i>	<i>100%</i>	<i>8%</i>	<i>85%</i>	<i>7%</i>

1 – preliminary amounts pending Regione Lombardia resolution

**The FNM Group**

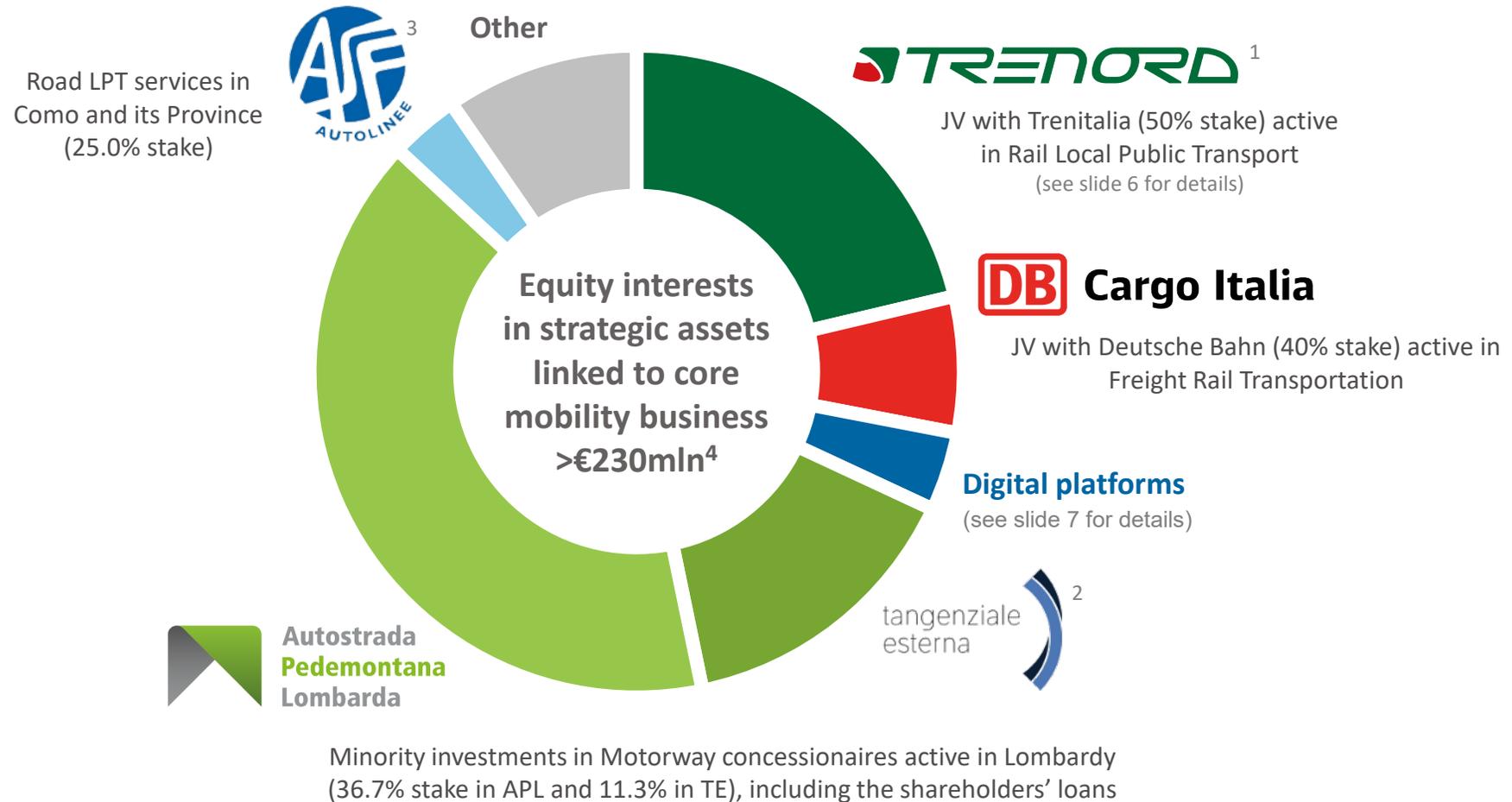
**Strategic Plan Guidelines**

**Sustainability targets**

**Strategic Plan Projections**

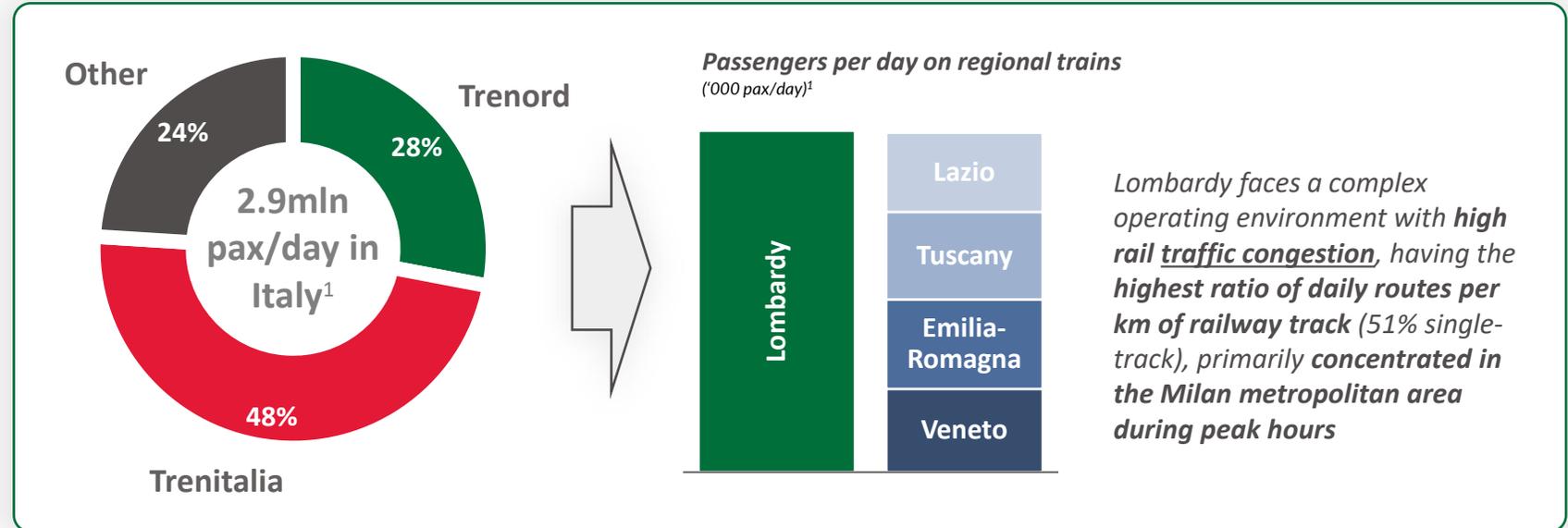
**Appendix**

# Key investments in Associates and Joint Ventures



1 – includes the indirect participation in TILO SA (50% controlled by Trenord and 50% by Swiss Federal Railways SBB); 2 – FNM owns 22.55% of Tangenziali Esterne di Milano S.p.A. which holds a single shareholding equal to 48.4% of the highway concessionaire Tangenziale Esterna S.p.A., and directly 0.386% of the concessionaire; 3 – FNM owns 50% of Omnibus Partecipazioni S.r.l. with Arriva Italia, holding company which in turn owns about 50% of ASF Autolinee. The remaining 50% is held by S.P.T. Holding S.p.A. whose shareholders are local public entities; 4 – the total value of >€230m is composed as follows: 70% represent the value of equity investments and 30% consist of shareholder loans, which can be considered as quasi-equity

# Trenord | Among the most important LPT railway players in Europe excluding the National train operatorsties



- Trenord is a **50:50 JV between Trenitalia and FNM Group** and operates passengers rail services in Lombardy region
- Trenord, established in 2011, is a leading suburban and regional rail operator in Europe, servicing 460 stations over 2,000 km of network. It covers 77% of Lombardy's municipalities, benefiting 92% of its citizens. Additionally, Trenord manages the Milan rail link (Passante Milanese), the connections to the Canton of Ticino (in partnership with Swiss Federal Railways), and the Malpensa Express to Malpensa International Airport
- Trenord operates **467 trains** leased from FNM Group, Trenitalia and Regione Lombardia with a production for LPT services of 40.7mln trains-km in 2023

1 – Legambinete, Rapporto Pendolaria 2022 (Pre-Covid figures: data refer to 2019)

# Trenord | P&L guidelines

	ACT 2023 (€mln)	Avg. '24-33 (€mln)	
<b>Fare revenues</b>	383.2	2033 +65% vs 2023	} PSC contribution may be revised upward/downward depending on actual traffic performance, in order to balance economic-financial equilibrium and reasonable profit of the Contract
<b>PSC contribution</b> <small>Revenues accrued in P&amp;L based on current EFP assumptions, subject to annual review</small>	438.4	510 / 520 <sup>1</sup>	
<b>Revenues</b>	897.1	1.000 / 1,100	
<b>EBITDA</b>	200.8	≈ 170	
<b>EBIT</b>	35.2	30 / 35	
<b>Net Result</b>	19.0	≈ 15	

1 – Average variable PSC contribution applicable from 1 December 2023 to 30 November 2033 based on current EFP assumptions, excluding the interest accrued on the cumulated figurative credit/(debit) deriving from the linearization of PSC contribution paid by Regione Lombardia

# Digital platforms | A new approach to mobility built around existing services but tailored to the needs of specific communities

Improve accessibility to services and related transportation according to the **Mobility as a Community (MaaC)** approach, delivering an integrated transport framework based on existing services mixed with customized services



- The first online platforms to custom-build mobility services to reach and visit a location
- Services: **LARGE EVENTS** (B2C services and B2B services for accredited users with dedicated login area) + **CORPORATE** (mobility solutions for home-to-work travel)



- invested €1.0mln for a 40% stake in **BusForFun** in 2020/2021
- Provider of alternative mobility through the FlexyMob model, targeted mainly to companies (B2B) through a web platform that offers tailor-made event packages that can be booked and purchased on the platform

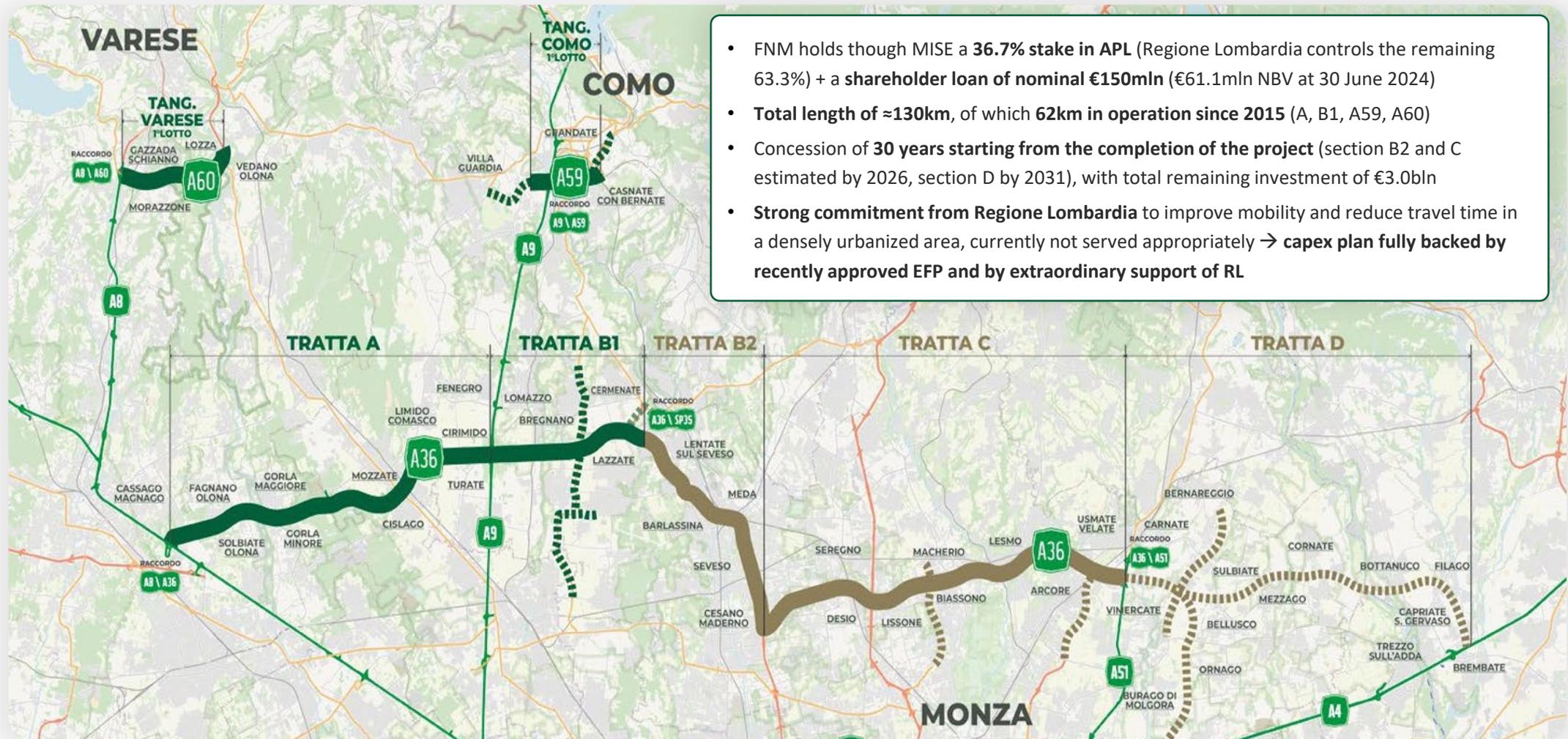


- invested €2.5mln for a 33% stake in **Sportit** in 2021
- Active in the Winter Tourism sector, targeting communities of sports enthusiasts through digital platforms that allow fans to plan and purchase a vacation with all services related to winter sports and the mountains. The company operates mainly under the Snowit and Bikeit brands



- invested €1.0mln for a 30.8% stake in **Mbility** in 2023
- Facilitates the availability and increases the provision of transportation services, including accompanied transportation, for frail or disabled people through its proprietary digital platform

# APL | A strategic infrastructure for Lombardy's road system

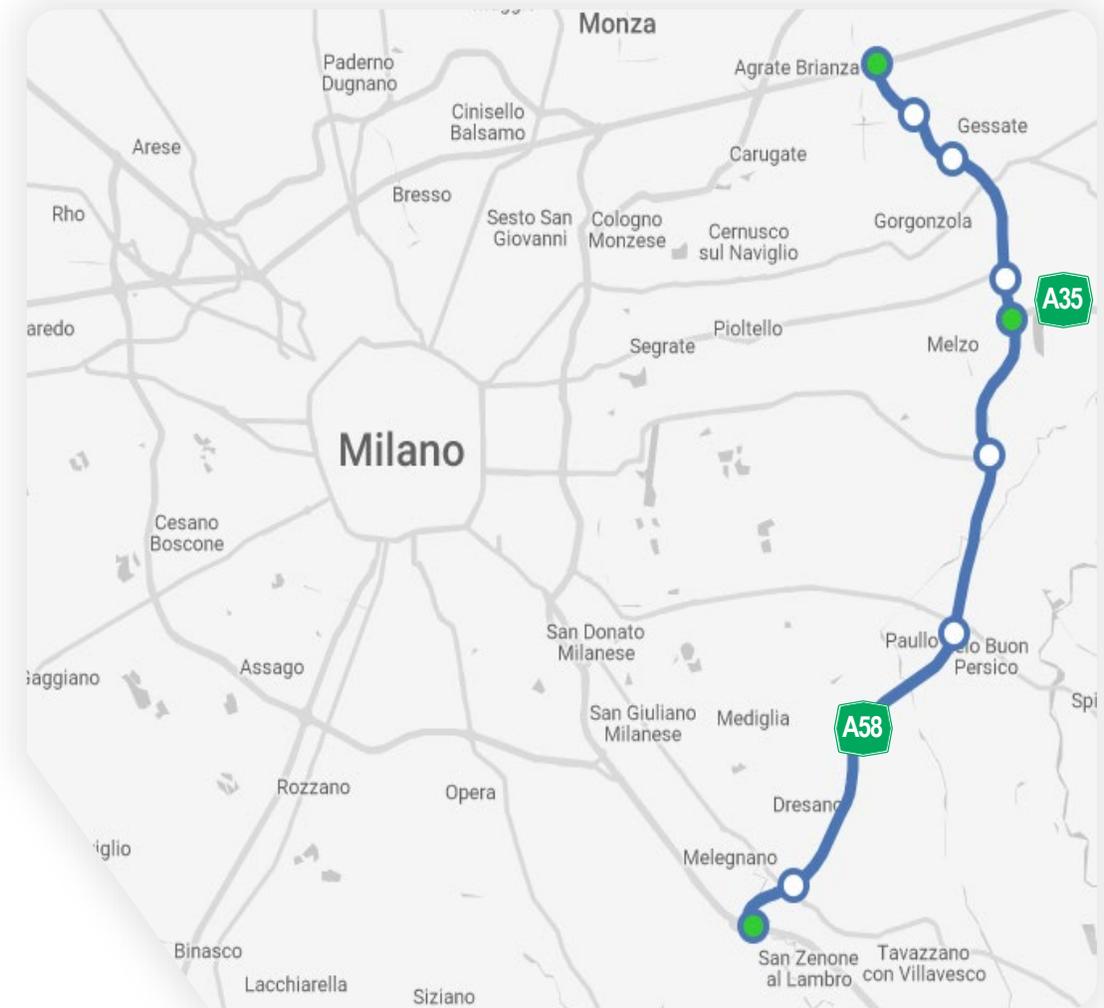


- FNM holds through MISE a **36.7% stake** in APL (Regione Lombardia controls the remaining 63.3%) + a **shareholder loan of nominal €150mIn** (€61.1mIn NBV at 30 June 2024)
- **Total length of ≈130km**, of which **62km in operation since 2015** (A, B1, A59, A60)
- Concession of **30 years starting from the completion of the project** (section B2 and C estimated by 2026, section D by 2031), with total remaining investment of €3.0bln
- **Strong commitment from Regione Lombardia** to improve mobility and reduce travel time in a densely urbanized area, currently not served appropriately → **capex plan fully backed by recently approved EFP and by extraordinary support of RL**

Source: APL, Sustainability Report 2023

# TEM | The new outer road system in Milan

- FNM holds through MISE a **11.3% stake in TE<sup>1</sup>** (ASTM controls the remaining 88.7%)
- The new outer ring road system was needed to improve traffic flow:
  - ✓ **rationalize the congested mobility following significant urban expansion**, especially towards the east, integrating the route of the existing ring roads
  - ✓ geographical area with a **strong industrial vocation**, connecting the A35 – BreBeMi with the existing Milan ring road system (East, West and North) managed by MISE
- **Total length of 32km**, as well as 38km of interchanges and related works
- Concession is set at **50 years starting from the entry into operation of the entire motorway link in May 2015**

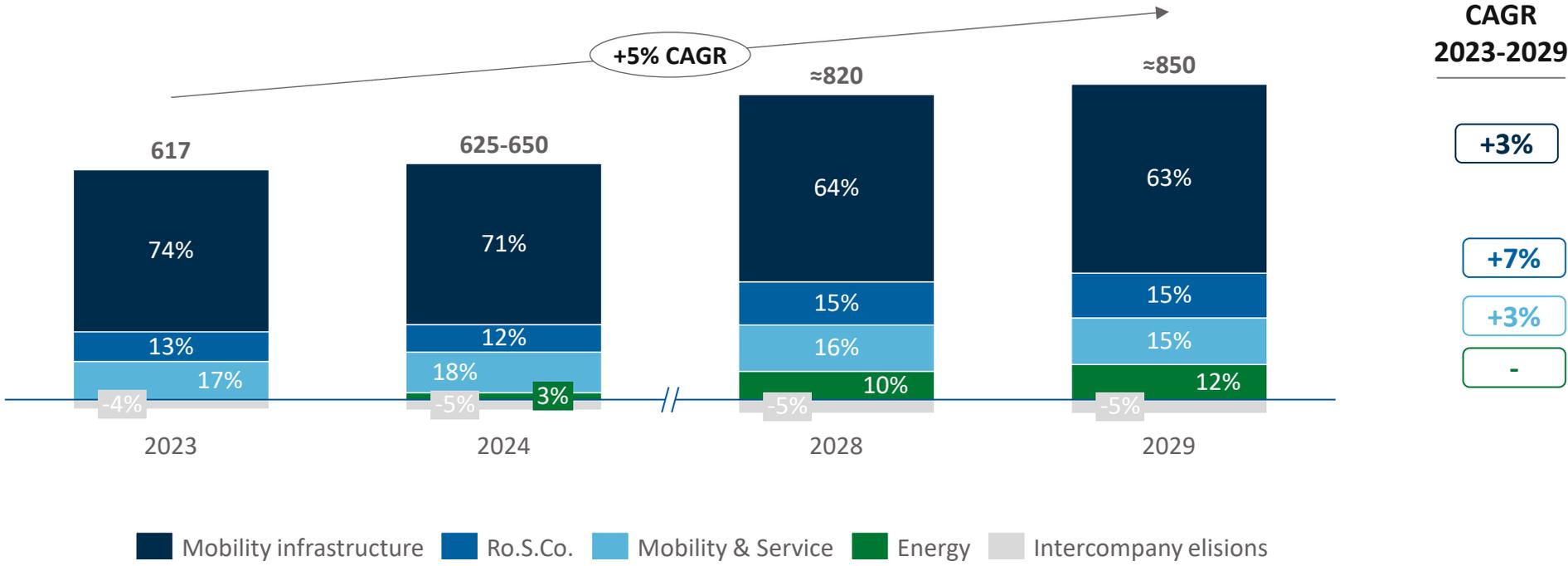


Source: TE, Charter of Services 2024

1 – FNM holds through MISE a 22.55% stake in TEM - which in turn owns a single shareholding of 48.4% in TE - and a direct stake of 0.4% in TE

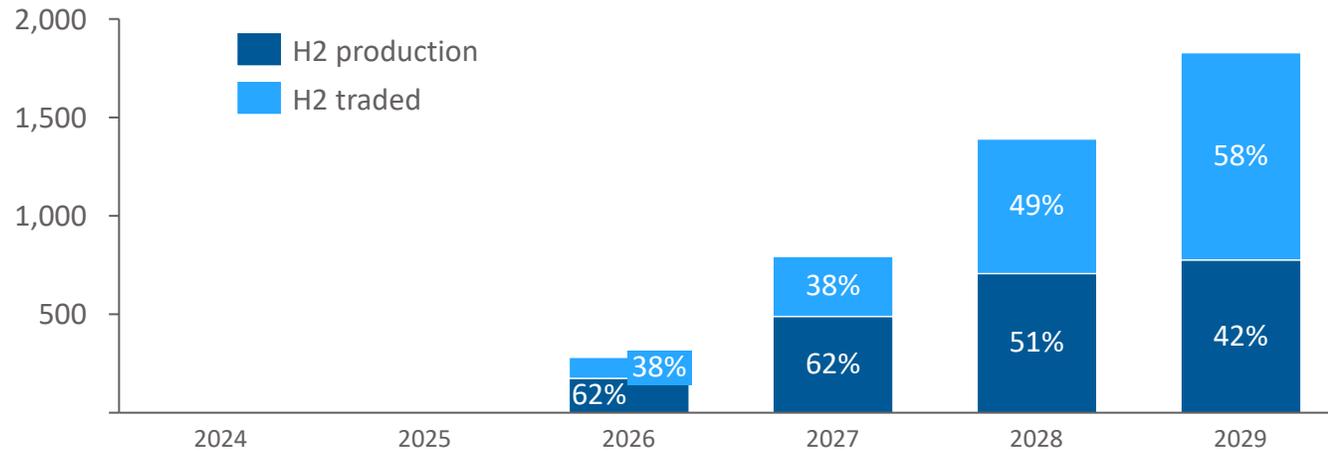
# Consolidated revenue projections

Revenues | €mln



# FNM POWER

## H2 produced and commercialised | Ton



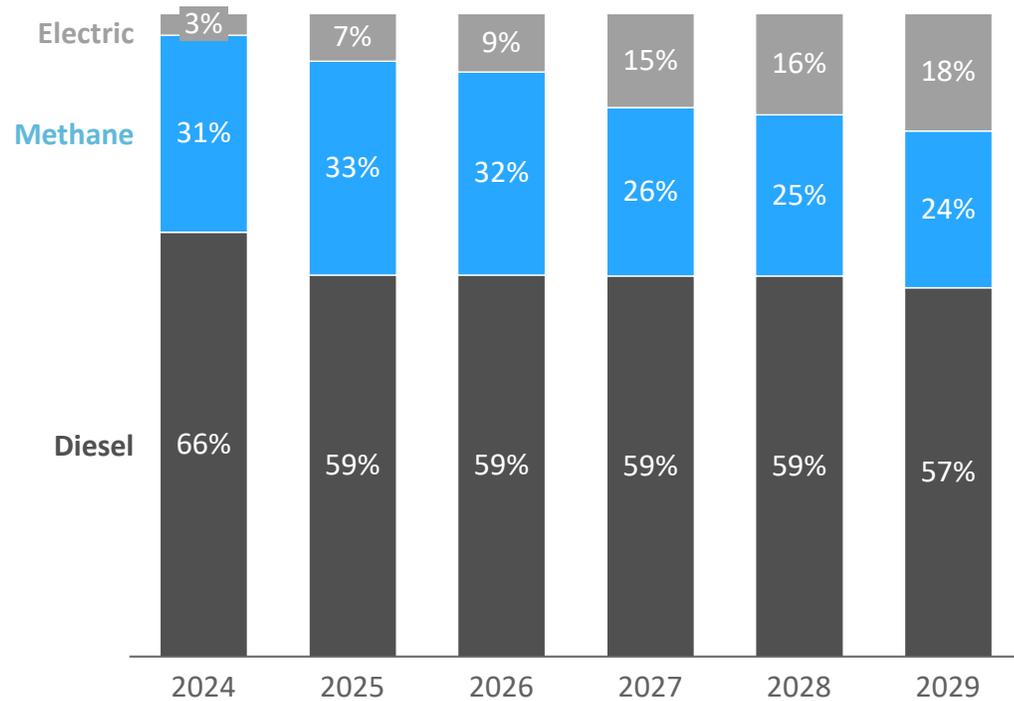
Max. production capacity at full capacity [Ton/ y]



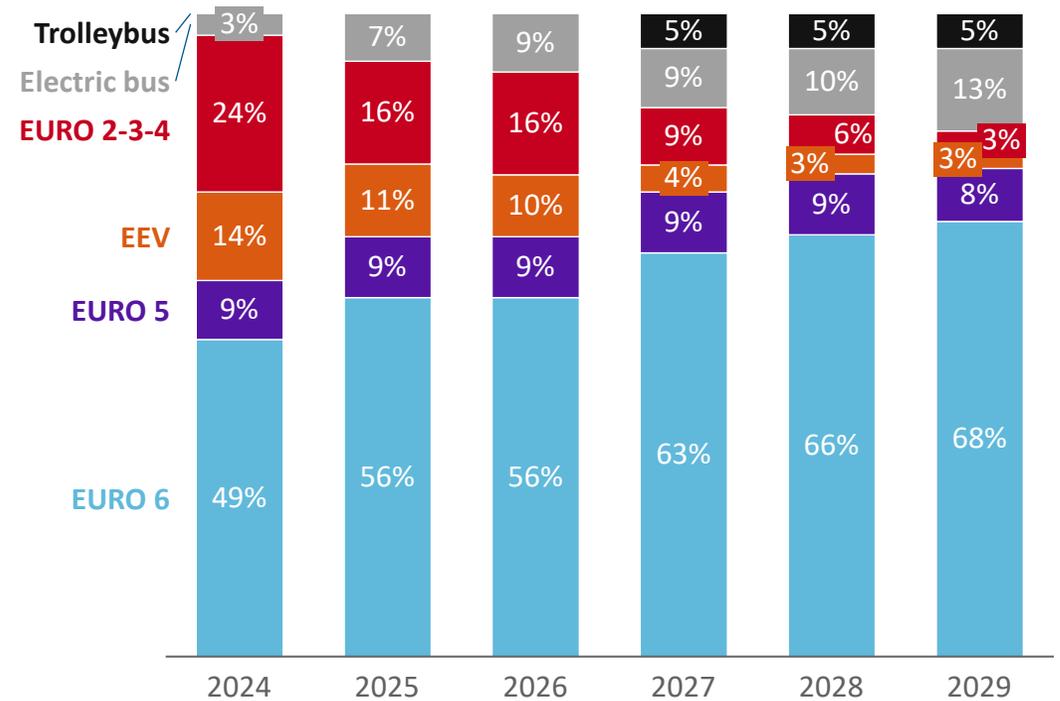
- Hydrogen will be produced in three different plants located in Brescia, Iseo and Edolo
- Production will cover the needs of the group's future fleets, starting with the first planned trains

# LPT bus fleet evolution at 2029

## Bus evolution by fuel



## Bus evolution by fuel



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