

THE GREEN TRANSPORT SOLUTION

INTEGRATED ANNUAL REPORT
2019





Dear Reader,

As by now tradition we are pleased to share with you a glimpse of GTS Group's life, with great attention and detail in what have been the 2019's events, but without neglecting the prospects of the years to come for our company and our reference sector.

We like to remember that the IAR GTS in its five years of history has been awarded twice, 2016 and 2019 years, with the **Budget Oscar on the Italian Stock Exchange**. We have been recognized modernity, transparency, innovativeness in the style of communication with a particular focus on the

theme of sustainability. Even for this reason the document you are viewing on your digital support is totally paperless!

2019 was the year of records. All the indicators recorded the best performance ever in our company history. These results obviously flatter us, but far from us wanting to consider them a point of arrival. In our DNA there is growth, challenge, desire to build innovative solutions for our customers, creating value for the group, and making our services increasingly diversified and widespread.

Taking a summary look at the main 2019's indicators:

- Turnover went from 93 Millions to 105 Millionz with an increase compared to the previous year of 12,35%
- The EBIDTA grew by 34,27% to 17,2 millions.
- ROI equal to 10,77 and ROE equal to 32,39%.
- The investments made amounted to 23 millions.
- Shipments made with both the door2door and terminal2terminal formula were around 100.000 with an increase of 13,13% units.
- The total number of trains made was 3.909 with an increase of 400 journeys.

Our company continues its growth both in Italy and abroad where 60% of its turnover is achieved. Our reference market is confirmed to be the one that has the most promising growth prospects in the years to come, even through the moments of low economic cycle. The reason is soon to be said. Transport is a primary need for which in recent years, first slowly and recently in a more accelerated way, an inexorable modal switch is being created from situations that have become unsustainable, both from an economic and environmental point of view, to more modern ways, eco-friendly buildings that look to the future. And GTS is certainly attributable to the latter category. The modal share of rail / intermodal transport stands at around 12% at European level against a bleak 6% in Italy. Increasing this share by 1% means moving millions and millions of tons of goods from road to rail. Our imagination is the only limit to our growth.

Why does GTS work? The answer simply derives from the fact that the market presents limitless prospects, with a competitive arena characterized by very high barriers to entry which greatly limit

the presence of competitors. We have already successfully crossed those barriers. The vertically integrated GTS model has made it possible to create and exploit those economies of scale typical of production (which can easily be seen from our numbers), but also to be able to offer a qualitatively excellent service, reversing the paradigm that the railway "is unreliable by definition".

But perhaps even more important is to emphasize that we represent the link between the goods and the railway. Some years ago the big producers talked directly to the only railway company. The atomization process of transport has made this dialogue impossible; we have managed to overcome it thanks to our organization by combining the masses of the large (but few) with the smaller volumes of the small (but much more numerous); we have then become an aggregator.

The fact that sustainability has transformed from marketing slogan into a driver in the processes of choosing companies is now consolidated. Our mode of transport fits into this full-fledged strand. But the thing that gives us even more the certainty of being on the right track (railway) is the fact that the European Union itself has decided to base all its economic spending policy and policy on what has been presented as the "Green New Deal". An impressive Marshall plan that in the next 10 years plans to mobilize the remarkable amount of 1,000 billion Euros to achieve "climate neutrality" by 2050. That is, the economic and social behaviour of the five hundred million inhabitants of the EU will have to have zero impact on climate change and on raising the planet's temperature.

GTS NET is our network of open access railway services and has now become the most important intermodal network in Italy for the number of journeys. 12 terminals are connected (Zeebrugge (B), Rotterdam (NL), ULM (D), Milan Segrate, Melzo, Piacenza, Bologna, Parma, Padua, Pomezia, Marcianise, Bari) with 100 weekly trains for a

total capacity of 6,600TEUs . Customers have the opportunity to board their own intermodal transport units (also with ADR or waste) with competitive daily frequencies and transit times.

As mentioned, GTS has growth in its DNA.

For this reason, investments follow each other at a fast pace, especially in rolling stock. The possibility of extraordinary financial operations such as an infrastructure fund with long-term horizons or the stock exchange remain for us not an end but a tool to equip our company with the financial instruments necessary to support organic and balanced growth. Any opening capital operation will only take place in a minority share. Fortunately today our ability to access bank credit is excellent, but far from us wanting to go beyond the limits dictated by the good family man.

Sustainability remains one of the founding and fundamental drivers of our work. Our vision of a world where being sustainable is not a choice but an obligatory path to follow remains our guiding light. In 2019 we set another record with savings in terms of CO2 equal to 159 millions kg saved.

Our process of expanding the offer of services continues, alongside the “core” ones with two specific directions:

- Expansion of logistics services in order to offer all-round coverage of customer needs. Always keeping this in mind, the Road sector is rapidly growing, offering international all-road solutions in Europe. The Overseas sector for sea and air shipments Worldwide. All completed by our internal customs office.
- Enlargement to the different areas of the railway macrocosm. Making rail is not just traction as this world is dotted with a multitude of business activities that form a real ecosystem. For example, with our Rail Services it manages one of the most modern rolling stock

maintenance systems in Italy and with its mobile teams it guarantees assistance throughout the national territory. We are actively working in the world of education. But one of the epochal challenges we are focusing on is the passengers' world. The gestation times will not be short but this remains for us an unavoidable goal for the near future.

Our IAR 2019 aims to accurately describe what happened in 2019 but we cannot fail to highlight what will be the impact of the Covid-19 emergency born in China at the end of 2019 and rapidly spread to the rest of the world. The impact on the EU / Italian economy will be in the order of -9.5% of GDP.

A war scenario is envisaged for our production system and the most authoritative estimates indicate in a time interval from 3 to 4 years to return to the same levels as in 2019. During the emergency the railway system proved to be the most resilient and flexible managing to guarantee the influx of basic necessities both in Italy and for cross border transport. In terms of volumes, the impact on GTS will be a few percentage points. The most important aspect to highlight is that both the political decision maker and the customers have all been able to appreciate how our operating way is unquestionably the most efficient and effective from all points of view.

I just have to wish you a good read with the hope that this digital document will transfer, at least in part, the passion that animates our daily work.

CEO

Alessio Muciaccia




Guide to Reading the Integrated Report 2019

LEGENDA



External link



Internal link



Link Video

The GTS Group's Integrated Annual Report (IAR), now in its fifth edition, has been prepared according to the principles of the IR Framework and structured on capitals. The six capitals of the GTS Group are:

- **financial capital** - that is, the set of economic and financial performances that identify the value creation process and that are measured in some summary indicators, among which we highlight: turnover, production value, EBIT and EBITDA, net financial position and balance sheet ratios;
- **intellectual capital** - intellectual capital - that is, the set of intangible resources that allow to achieve competitive advantages compared to direct competitors and other players and which find expression in know-how, specific training projects provided, IT and digital innovation;
- **productive capital** - that is, the set of specific assets of the intermodal sector and rail transport that allow the group to provide highly complex services ranging from locomotives to rail cars, to reach the swap bodies transported;
- **human capital** - that is the set of collaborators and their skills that proactively contribute

to the generation of integrated thinking through the sharing of the same system of values and ethical principles;

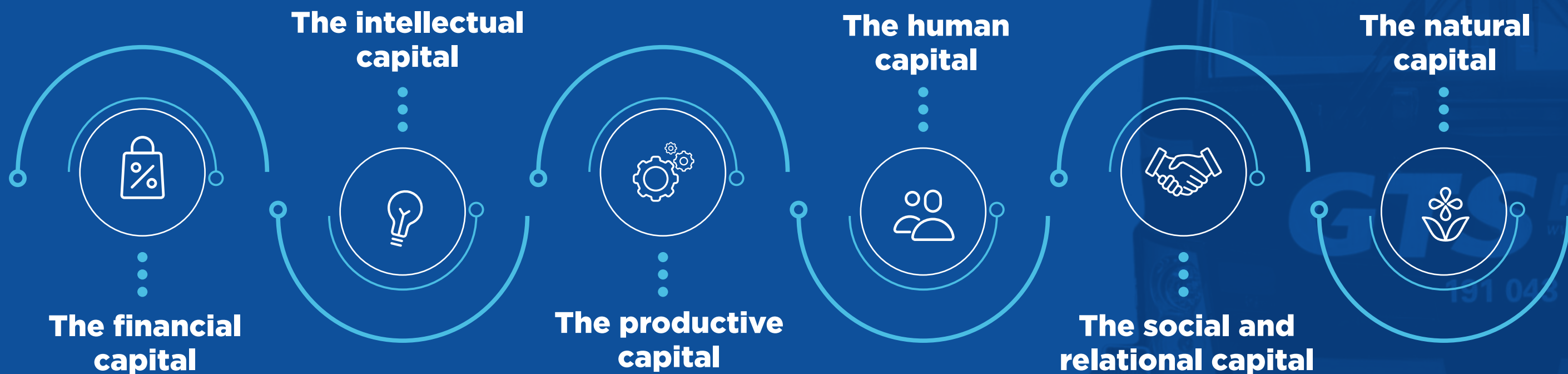
- **social and relational capital** - that is the set of relationships with different types of external stakeholders, including customers, suppliers and communities in a broad sense, who actively contribute, also through the materiality process, to the definition of the value strategy and the choice of information to report;
- **natural capital** - or the set of resources available in nature, impacted by the company business and which, therefore, represent an invaluable source of wealth, whose protection passes from the constant reduction of CO2 emissions, from the responsible management of the waste cycle, from the realization of sustainable investments and from the reduction of energy consumption.

The IAR 2018 therefore attempts to provide a fair response to stakeholder requests also through a reporting process that increasingly aims at SDG reporting, offering a representation of the effective contribution that the GTS Group made during 2019 to sustainable development.

To provide a faithful representation of company management and the impacts deriving from GTS Group's activities, the IAR was drawn up focusing the information on non-financial issues identified as relevant in the light of the materiality analysis. In addition, the different sections of the IAR 2019 have been linked with the SDGs in order to represent the contribution made by the Group to the United Nations 2030 Agenda.

IAR 2019 is structured into three macro-sections. The first section is aimed at representing the identity of the GTS Group through the description of the evolutionary path that has characterized the most recent past. Furthermore, this section aims to represent the Group's structure, as well as

in purely economic-financial terms, also in terms of vision, mission and values. The second section concerns the analysis of GTS's approach to socio-environmental issues. Specifically, this section aims to provide details regarding the value creation strategy adopted by GTS. In addition, with a view to accountability, this section contains information about the Sustainability Plan adopted by the Group. Finally, the third section focuses on the relevant topics, or on the specific information content that populates the six capitals according to the approach of the IR Framework.





The financial capital

The financial capital - that is the whole economic and financial performances that identify the process of worth creation and that find measurement in some summary indicators, among which we highlight; the turnover, the production worth, EBIT and EBITA, the net financial position and the balance sheet ratios.



2019' HIGHLIGHTS

PRODUCTION
WORTH

104,8
MLN DI €

EBIDTA

17,2
MLN DI €

ROE

32,39%

ROI

10,77%

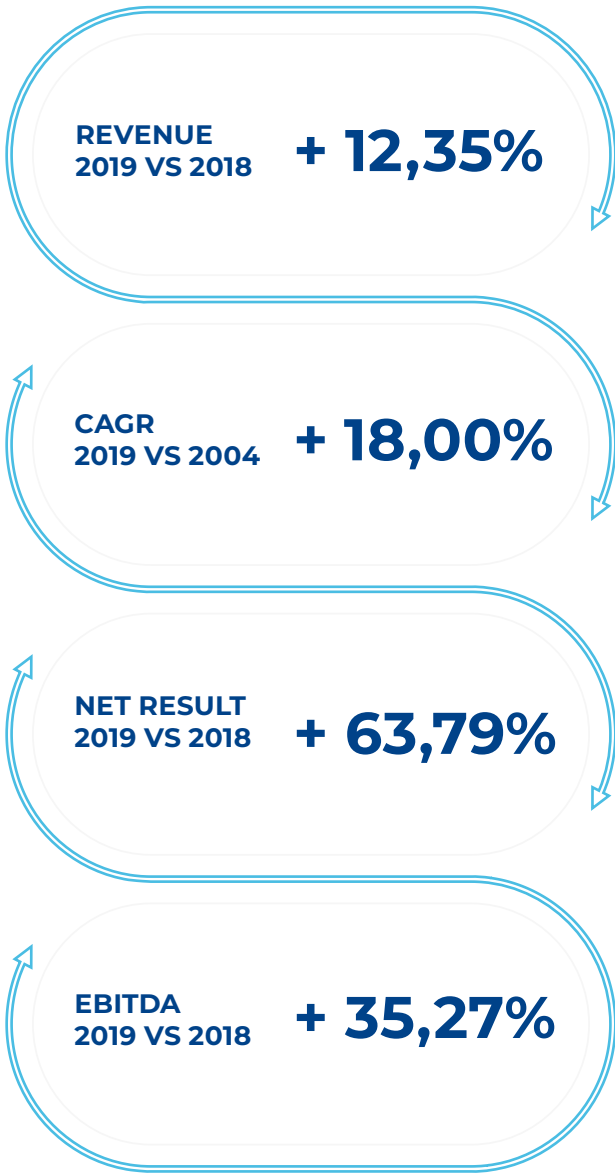
THE VALUE OF PRODUCTION

The trend of the production value expresses a precise evolutionary trend of the group, which allows to appreciate a consolidated development process of all the main value determinants of the same. An increase of 12.85% has been achieved on an annual basis and, around 100,000 shipments, GTS has guaranteed the movement of its customers' goods in Italy, in Europe but also in the rest of the world by offering intermodal transport services. Attention has always been paid, as an expression of a targeted operational risk mitigation policy, in trying to limit the degree of concentration of turnover on a few customers; in this sense, the commercial policies followed have produced the expected results.

In describing, in summary, the structural characteristics that have affected the dynamics of the sectors of freight and rail transport, we cannot ignore the macroeconomic scenario that can be inferred from the analysis of the main indicators, further exacerbated by the Covid 19 theme. On this point, it is useful to observe how the continuous organizational changes and the legislator's actions have been affecting the strategic

	2017	2018	2019
Revenue	84.697	92.034	104.805
Other income	11.127	11.483	11.535
Total value of production	97.624	103.517	116.340

Valori espressi in euro migliaia



structures of the entire sector and, consequently, on the work of the economic actors.

Today, in such a competitive arena, it is increasingly necessary to implement solid growth and development policies of the involved companies, insofar as it is possible to observe the positive trend of the transport of goods by rail, with a view to consolidate integration between rubber and iron. In this context, it is necessary to underline the centrality of ports, a key strategic element to increase more and more the flow of goods from distant countries. The division of the company operations with respect to the different geographical areas allows to fully perceive the progressive integration of the various destinations; this implies the need to adopt production policies that allow to respond quickly to the various customers needs, which in a turbulent economic context change very easily.

Recently, to give concrete answers to the needs expressed by the market, we must proceed in configuring a production structure that knows how to combine, in a suitable way, the presence of fixed capital with adequate flexibility. The trend in revenues for the period and the net results achieved make it possible to ascertain the “virtuosity” of the processes and the technical / production combination, whose results allow to remunerate all those who in various capacities participate in the implementation of the “production plan” . To

REVENUE BY COUNTRY	2017	2018	2019
Italy	45.362	40.885	52.549
Cee	21.930	44.535	40.342
Extra Cee	19.204	6.614	4.095

Valori espressi in euro migliaia

favor a full understanding of the management dynamics and to verify the functional conditions, we proceeded to reclassify the balance sheet and income statement schemes, and then subsequently developed a system of balance sheet indicators that could facilitate a quick reading of the performance achieved.

RECLASSIFIED INCOME STATEMENT

With reference to the income statement, it was preferred to opt for a reclassification with added value, which, through a series of intermediate measurements, allows us to understand the path of formation of the corporate “wealth”, together with the process of distributing it among the stakeholders. The informative scope of this scheme allows to appreciate how the group has perfectly combined the essential profile of economy, with that relating to the degree of sociability, which it is believed cannot be ignored when corporate profit must find accommodation among those who have participated in its production.

RECLASSIFIED INCOME STATEMENT	2017	2018	2019
Value of production	88.086	93.285	104.804
Production costs	(67.369)	(70.629)	(76.246)
Value added	20.717	22.656	28.558
Personnel costs	(9.339)	(9.909)	(11.314)
EBITDA	11.378	12.747	17.244
Amortizations, depreciations and write-downs	(3.640)	(3.694)	(4.255)
Operational income	7.740	9.053	12.989
Financial results	(379)	(347)	(574)
Earning (losses) before taxes	7.361	8.706	12.415
Income taxes	(2.136)	(2.424)	(2.775)
Net income/loss	5.255	6.282	9.640

Values expressed in euro thousand

THE BALANCE SHEET RECLASSIFIED FOR LIQUIDITY

The preparation of the reclassified balance sheet in financial terms determines the possibility of deepening the degree of correlation between sources and uses, together with the analysis of the liquidity profile.

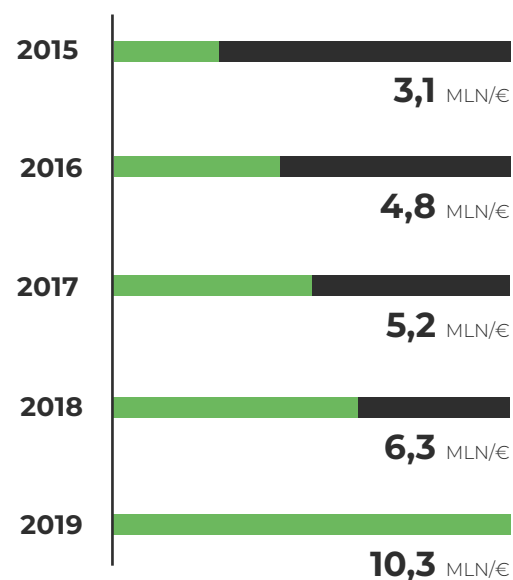
INVESTMENTS	2017	2018	2019	SOURCES	2017	2018	2019
Working capital	35.580	41.534	41.045	Liabilities	64.751	70.388	81.193
Cash	6.146	7.560	5.110	Current liabilities	34.565	29.091	32.358
Cash and cash equivalents	6.146	7.560	5.110	Short-term debts and overdrafts	33.337	27.916	31.411
Deferred cash	32.434	33.974	35.765	Accrued expenses and deferred income	1.228	1.175	1.175
Receivables from shareholders	-	-	-	Non-current liabilities	30.186	41.298	48.607
Short-term finance receivables	30.347	31.626	34.374	Medium and long-term debts	21.095	30.295	36.269
Short-term fixed receivables	-	-	-	Other liabilities	4.069	6.022	8.017
Accrued income and pre-paid expenses	1.866	1.882	1.391	Employees leaving entitlement	1.741	1.790	1.898
Inventories	221	466	170	Medium and long-term portions of accrued expenses and deferred income	3.281	3.191	2.423
Fixed assets	51.527	59.789	79.547	Equity	25.356	30.934	39.399
Intangible assets	359	269	257	Share capital	891	891	891
Tangible assets	50.083	58.252	78.026	Reserves	8.052	12.756	12.512
Financial investments	378	191	189	Net income (loss)	5.225	6.282	9.640
Medium- and long-term finance receivables	708	1.076	1.075	Con.to reserve	1.756	1.765	1.765
Advances to fixed assets	-	-	-	Third party equity	9.433	9.241	14.591
Total investments	90.107	101.322	120.592	Liabilities and equity	90.107	101.322	120.592

Values expressed in euro thousand

Values expressed in euro thousand

THE TREND OF OPERATING RESULTS 2014 > 2018

The GTS Holding Group's consolidated financial statement closed on 31 December 2019, from which the economic / financial measurements of this document derive, are subject to voluntary auditing whose assignment is entrusted to the Company PricewaterhouseCoopers. According to the auditors, the same provides a true and correct representation of the Group's equity and financial position, of the economic result and of the cash flows, in compliance with the Italian legislation that governs its drafting criteria and principles.



Values expressed in euro thousand

NET FINANCIAL POSITION

	2017	2018	2019
Cash	6.146	7.537	5.110
Current financial receivabl	-	-	-
Share of short-term financial credits	-	-	-
Short-term financial debts	(7.835)	(6.119)	(8232)
Bank overdrafts and advances	-	-	-
Short-term part of long-term debts	(2.477)	(3.828)	(3.956)
Short-term debts for leasing	(5.358)	(2.291)	(4.276)
Short-term financial position	(1.689)	1.418	3,122
Medium/long term financial receivables	-	-	-
Active loans	-	-	-
Other medium to long term financial securities	-	-	-
Medium and long-term financial debts	(21.095)	(29.035)	(34.925)
Loans from banks	(6.652)	(12.540)	(10.304)
Long-term debts for leasing	(14.443)	(16.495)	(24.621)
Non-current financial debt	(21.095)	(29.035)	(34.925)
Total financial debt	(22.784)	(27.617)	(38.047)

FINANCIAL STATEMENTS INDICATORS

A system of indicators needs to be defined to express the company's ability to operate adequately in relation to different aspects, where the management activity manifests itself. As a result, a set of indicators was identified and defined to illustrate the economic, financial and equity considerations that have been made in operational terms. The results for the 2018 financial year testify to the Group's commitment to continuous growth.

INDICATORS	2017	2018	2019
%Roe (return on equity)	26	25,5	32,39%
% Roi (return on investment)	8,8	8,9	10,77
% Ros (return on sales)	9,4	9,8	12,40
% Growth rate of net equity	34	22	27,37%
% Growth rate of assets	8,8	12,7	19,00

The overall picture outlined above clearly shows that economic/ administrative efficiency has been adequately achieved. This is evident from the joint examination of the three different but closely linked profiles referring to the following areas:

- **economic balance**, meaning the ability of an enterprise to produce economic benefits that regenerate the resources consumed;
- **capital balance**, translated in terms of an adequate qualitative/quantitative composition in the capital structure, with reference to all the relationships between sources and uses;
- **financial balance**, represented by a "virtuous" and rational financial structure, which characterises the management of monetary flows in a synchronic manner and attains economically viable liquidity levels in terms of the onerous nature of the capital acquired involving different degrees of constraints.

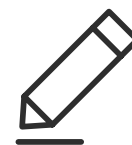


The intellectual capital

The intellectual capital – i.e. the set of intangible resources that help achieve a competitive advantage over direct competitors and other players, finding expression in know-how, the specific training projects provided, IT and digital innovation.

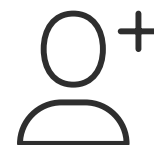


HIGHLIGHTS 2019



+ 350

TRAINING DAYS



+600

EMPLOYEES INVOLVED



81

COURSES PROVIDED



The productive capital

The productive capital – i.e. all the specific assets of the intermodal and rail transport sectors that enable the Group to provide highly complex services ranging from locomotives and railway wagons to transported swap bodies.



HIGHLIGHTS 2019

8,1

MLN/€ IMMOBILI E TERMINAL

47

MLN/€ LOCOS

26

MLN/€ CARRI FERROVIARI

14,7

MLN/€ CASSE MOBILI

THE LOCOMOTIVES

The representation of GTS' production capital cannot be separated from the representation of the locomotive fleet. In 2019, the Group chose to expand the number of locomotives through the acquisition of 4 new vehicles, bringing the number of available vehicles to 15.

	2017	2018	2019
KM TRAIN ITALY	1.700	1.756	2.152
KM TRAIN EUROPE	1.850	1.600	1.774
KM TRAIN EUROPE	3.360	3.499	3.909

By the end of 2019 the Group signed a contract for the purchase of 3 SIEMENS locos, and in the first mounth of 2020 bought more 5 locos, 3 diesel and 2 electrics.

RAILWAY WAGONS AND SWAP BODIES

The need to deal with the various requests of GTS' customers requires the preparation of a transport system capable of managing orders effectively and efficiently. In this sense, over the years the Group has invested significant resources in order to improve the timing of its operations through the use of railway wagons able to cope with the different characteristics of the orders.

On 31/12/2019, the Group has 350 distinct wagons in:

- **Platforms:** suitable for the transport of traffic units. They are not equipped with moving parts and can only be loaded vertically;
- **“Pocket”:** these are railway wagons equipped with a pocket (also known with the French word “poche”) intended to receive the axles of a semi-trailer. This type allows the loading of the semi-trailer as well as of the mobile body transported;

- **Semi-trailers** with profile P386 in exclusive transit on the Adriatic line.

In addition, the Group has 2,300 swap bodies with specific features suitable for the various classifications of transported goods. Specifically, the swap bodies available to GTS are distinguished by:

- Side openings: rear, lateral, open top;
- Structure: vans and tarpaulins;
- Dimensions: 20, 30 and 45 feet..

THE ROLLING STOCK MAINTENANCE WORKSHOP (OMR)

The Group has an internal workshop (OMR) which occupies approximately 19 thousand square meters of total area. Equipped with highly qualified personnel, the OMR is equipped with:

- two tracks of a total of 60 meters each;
- Column bridge crane lifting systems with a capacity of 16 tons or more;
- mobile scaffolding and inspection pits that allow viewing of the lower part of the vehicle;
- SAFOP UGL 30 / D pit lathe managed by Siemens control mounted on one of the two tracks.

The choice to organize a workshop within the Group derives from the need to raise the quality level of the service provided. In particular, the reduction of maintenance times is guaranteed by the total absence of assembly and reassembly of the rooms typical of the classic parallel lathes. In addition, the structural footprint allows you to carry out various maintenance activities simultaneously on freight wagons and locomotives. The ease of access, obtained with a pit of depth equal to 1m, allows the running of operations on the running gear in full respect of the ergonomics of the operators. In this sense, the GTS Group is able to reduce the timing of its services through the reduction of delays due to ordinary and extraordinary maintenance and repairs.

The goodness of the investment is confirmed by the recourse by third parties to the OMR maintenance services group. In fact, since spring 2018 with the entry into operation of the lathe, services have been provided to various third-party railway companies and external ECMs.

The services provided by the OMR are essentially attributable to:

- first level maintenance, deriving from functional failures or alterations or scheduled and defined in relation to deadlines or distances established by the manufacturer or the railway infrastructure manager;
- second level maintenance, meaning overhauling and / or renewal of mechanical parts or of the vehicle which require the use of complex equipment or knowledge.



The human capital

The human capital – i.e. the Group of employees and their skills that proactively contribute to the generation of integrated thinking through the sharing of the same value system and ethical principles.



HIGHLIGHTS 2019

INCREASE IN THE
TOTAL NUMBER OF
EMPLOYEES

32,33%

INCREASE IN
THE NUMBER
OF FEMALE
EMPLOYEES

12,5%

DIRECT PARTICIPATION
OF WORKERS IN GROUP
POLICIES

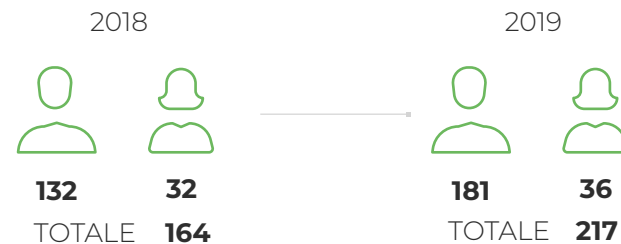
GTS' HUMAN RESOURCES

Our human capital is an integrated part of GTS's core business. In a geographical context characterized by a high youth unemployment rate, the Group has increased its human capital over the years through the recruitment of new professional figures.

COMPANY	WOMEN	MEN	TOTAL
GTS Generale Transport Service S.p.A.	23	44	67
GTS Rail Spa	6	125	131
GTS Servizi SRL	6	8	14
Rail Services SRL	1	4	5
TOTAL	36	181	217

The centrality of human resources is confirmed by the investments made by the group in order to encourage the achievement of a higher degree of work-life balance. In this sense, the company structure welcomes aggregation spaces aimed at improving working conditions.

The year 2019 saw a 32.33% increase in the human resources employed within GTS. Furthermore, this increase also favored the achievement of a greater degree of diversity within the organic plant through an increase in the female gender equal to approximately 12.5% compared to 2018. The attention with respect to gender issues is also confirmed by the failure to detect discrimination cases that occurred within the Group.



The increase in the human capital of GTS is the result of an overall average turnover rate of 0.67. Specifically, the year 2019 recorded a positive balance of 34 units compared to an annual hiring rate of 0.61 and a turnover rate of 0.14. GTS policies have favored the hiring of young people under 30. This choice follows the approach of the Group, which devotes specific attention to issues related to the development of human capital and the generation of intellectual capital. It should be noted, in fact, that 52% of the human resources acquired in the 2019 period are located within the Under 30 segment.

	INCOMING HUMAN RESOURCES		OUTGOING HUMAN RESOURCES	
	2018	2019	2018	2019
Women	6	7		4
Men	36	50	19	19
<30	28	30	7	3
30-50	13	25	11	12
>50	1	2	1	8
TOTAL	42	57	19	23

Given the high degree of complexity that characterizes the GTS business model, the employees are divided into different professional qualifications.

Qualification	WOMEN	MEN	TOTAL
APPR.PROFES. WORKERS 10%	4	4	8
MANAGERS EX INPDAL-MASSIM.IVS	-	2	2
MANAGERS IND. SINCE 01/01/2003	-	1	1
EMPLOYEES EX APPRENTICES	-	1	1
EMPLOYEES	26	43	69
WORKERS	125	1	126
EXECUTIVES	5	3	8
P.TIME EXECUTIVES	-	2	2
TOTAL	36	181	217

SAFETY IN THE WORKPLACE

The Group adopts within its subsidiaries GTS - GENERAL TRANSPORT SERVICE SPA and GTS RAIL SPA a Management System for Worker Health and Safety compliant with the international standard BS OHSAS 18001: 2007 implemented on a voluntary basis.

The risk assessment and hazard identification is done through:

- Inspection of the workplace;
- Analysis of how to carry out activities;
- Industrial accident events;
- Regulatory update.

The hierarchy of controls is formalized in the security organization chart with identification of the Employer Delegate (for GTS General Transport Service SPA and GTS RAIL SPA), Safety Manager, Head of the Prevention and Protection Service, Manager (RSPP). The RSPP manages the deadlines of the training certificates for the maintenance of the skills of the security figures.

The improvement of the Safety Management System takes place through the analysis of the performance indicators identified (primarily analysis of accidents, almost accidents and injuries) and objectives defined after the Management Review (annual) or the Periodic Meetings ex art 35 of Legislative Decree 81/08 and subsequent amendments. The formalization of these procedures takes place through representation within the Improvement Plan As part of this process, workers can report non-compliant situations or propose suggestions for improvement directly to the RSPP or RLS or Competent Doctor or Manager in charge. For 2020, a process of updating the Health and Safety Policy has been initiated in order to further disseminate the culture of participation among the works. Furthermore, within the same, the absence of possible retaliation against workers deriving from the use of whistleblowing mechanisms will be further clarified.

OCCUPATIONAL HEALTH SERVICES

The Group has a policy on occupational medicine services. As reported in the procedure PGS070804 - Health Surveillance, the worker has the right to request an extraordinary medical examination at any time. The Competent Doctor, in periodic inspections, and through medical visits (in compliance with the approved Health Surveillance Protocol), promotes health and safety through specific information according to the critical points highlighted. In addition, following the Covid-19 emergency, a Committee was set up within GTS Rail SPA in order to encourage interaction between RSPP, DL, competent doctor, RLS, RSA and union representatives.

This choice follows the vision of the Group, which privileges Prevention activities over those of Protection, also in relation to technological evolution. In particular. Dangerous products and substances must be replaced with others with a lower impact on the health and safety of the worker if on the market.

The occupational medicine services also provide for the promotion of healthy lifestyles among employees such as, by way of example, physical activity and nutrition.

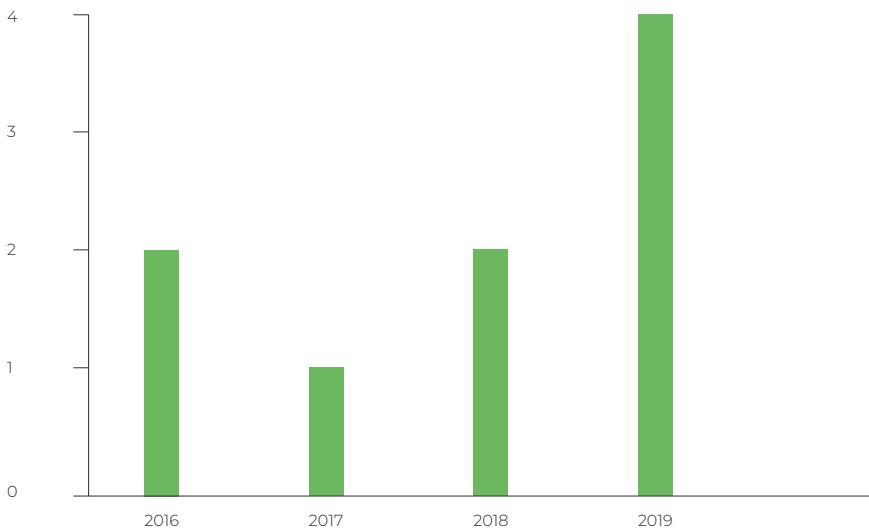
ACCIDENTS IN THE WORKPLACE

The year 2019 saw 4 accidents within GTS for 286.879hours of total work. Furthermore, no cases of employees suffering from occupational diseases were detected.

The rate of accidents at work that can be recorded, calculated in accordance with UNI 7249: 2007, is equal to 13,94.

In order to improve this KPI, the Group has implemented a monitoring system aimed at minimizing this risk by mapping the main causes. In addition, the Group has launched specific initiatives aimed at mitigating these critical issues, including:

- Launch of specific training programs on workplace safety;
- Adoption of information signs;
- Reorganization of the workspaces;
- Workplace surveillance.



MANAGEMENT SYSTEMS

The search for the best performances of the Group companies determines the determination in pursuing the certifications and maintaining them in relation to the environmental management systems, the quality management systems and the Occupational Health and Safety Management Systems.

The Group has decided for a long time to adopt a Company Management System to improve:

- the quality of the service offered to its customers;
- the management of direct and indirect environmental impacts, reducing as much as possible the externalities produced by its business on the surrounding environment and on citizens;
- the protection of the health and safety of its workers;
- the social and ethical responsibility of one's "doing business".

To achieve these results, the Group has chosen to adopt an integrated management system in line with specific international standards on the subject of: Quality - UNI EN ISO 9001: 2015, environmental management - UNI EN ISO 14001: 2015, Safety and health of workers - OHSAS 18001: 2007.

GTS' mission focuses on the sustainability of the service, the workers

and the customer: from this daily derives an integrated responsibility logic that keeps our Group's identity principles: passion, transparency, ethics and respect for market rules, quality , professionalism and safety guaranteed in the provided service. For this reason, over the years the GTS Group has been implementing several voluntary certification systems with the aim of maintaining and improving transport services, achieving ever higher performance and ensuring economic, environmental and social sustainability in daily management.

All systems are integrated with each other to ensure the best application in the various sectors in which the Group companies operate. The collaborators guarantee a rigorous application of the company self-control manuals, which in addition to containing laws and regulations describe the procedures aimed at achieving a maximum degree of safety. Systematic checks and checklists are periodically prepared by highly professional staff who carry out very accurate inspection visits.

	UNI EN ISO 9001:2015	UNI EN ISO 14001:2015	OHSAS 18001:2007
G.T.S. General Transport Service SpA	V	V	V
GTS Rail Spa	V	V	V
GTS Servizi SRL	V		



The social and relational capital

The social and relational capital – i.e. the set of relationships with different types of external stakeholders, including customers, suppliers and communities in the broader sense, which through the materiality process, also contribute to defining the value strategy and deciding on information to be reported.



HIGHLIGHTS AL 2019

**MORE THAN
3000 BUSINESS
RELATIONSHIPS**

**PARTICIPATION
IN INDUSTRIAL
DOCTORATES**

**SUPPORT TO THE
COMMUNITIES WHERE
GTS OPERATES**

THE CREATION OF A SHARED VALUE<

Creating shared value is an integrated part of the GTS business model. Over the years, the need to adopt a stakeholder oriented approach has been consolidated in order to take into account the different expectations of stakeholders with respect to the role played by GTS within the community. In this sense, in addition to the traditional financial reporting systems, the GTS Group has chosen to combine alternative detection systems aimed at promoting the representation of the “real” contribution of GTS to the company.

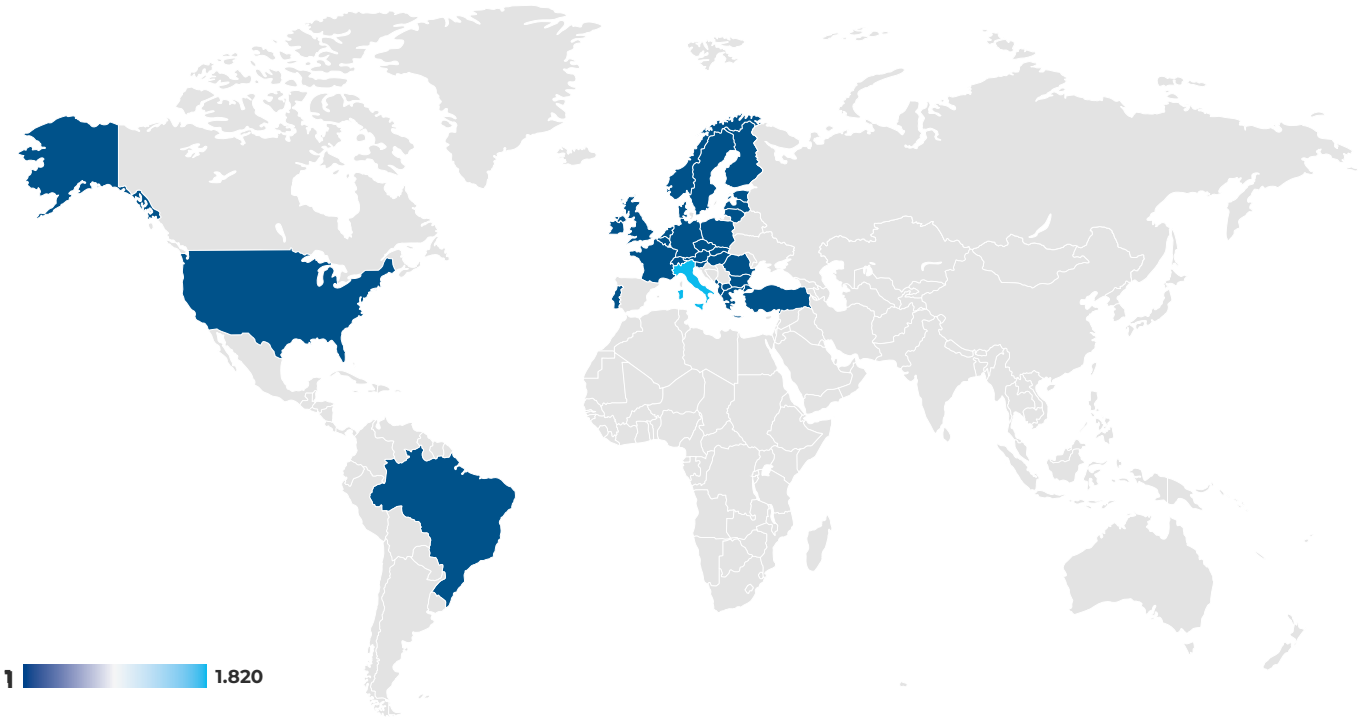
Starting from IAR 2017, the Group has started a process of measuring financial performance based on the guidelines for assessing the added value generated by the Group for Social Reporting (GBS) in 2013. This approach has allowed us to abandon the one strictly connected to accounting of the traditional reclassification methodologies of the financial statements in favor of a model capable of representing more effectively the Group’s contribution to its internal and external stakeholders.

	2018	2019
Production worth	93.285	104.804
Production costs	(70.432)	(76.034)
Additional worth	22.853	28.770
Staff’s wage	9.909	11.315
Credit Capital remuneration	745	785
PA’s wage	2.424	2.775
Risk Capital remuneration	6.562	9.640
Company remuneration	3.213	4.255

OUR CUSTOMERS

In recent years, intermodal transport has been the subject of considerable attention by the business world and policy makers. Despite these critical issues, the GTS Group has expanded its commercial volume by entering into partnerships aimed at establishing relationships and synergies with its customers. This vision is confirmed by our internal surveys, which highlighted how in 2019 the GTS Group interacted with over 3000 customers. Customers are one of the main assets for GTS and the establishment, maintenance and strengthening of commercial partnerships represent one of the main challenges within a sector characterized by a low innovation degree. In this sense, with a view to Customer Relationship Management (CRM), the Group has developed technological devices and tools in order to encourage communication to and from its customers.

The main GTS' commercial partnerships concern the Italian context, testifying how the Group has strengthened its position over time within a market segment characterized by few players. In 2019, the domestic market represented around 55% of the Group's customer portfolio. In addition, this centrality within the national context is strictly connected to a growing internationalization activity that has seen the GTS Group also operate with EU and non-EU operators. In fact, 2019 was characterized by an intense commercial activity that saw direct interaction between the Group and companies operating within 37 countries. In particular, the Group has been consolidating its commercial positioning within the Northern European market, with particular reference to Holland, Belgium, France and Great Britain. Last but not least, in the short term, the Group has established partnerships aimed at strengthening its positioning within the German market.



OUR SUPPLIERS

The Group has launched a process aimed at developing a sustainable supply chain. This approach follows what has been highlighted by the main world organizations on sustainable development. Specifically, the international debate attributes to the intermodal transport system a crucial role in these processes given the high environmental impact generated by the transport of goods by road.

Starting from 2018, the GTS Group has started a process of selecting and mapping its supplier register. Specifically, registration within the register requires a preliminary assessment in order to evaluate the economic, social and environmental sustainability suppliers' degree through the audit. The project saw a first trial on a sample of 100 suppliers, in order to evaluate:

- legality, fairness and transparency requirements;
- compliance with environmental and social regulations;
- compliance with quality standards to guarantee high safety profiles;
- la presenza di certificazioni di qualità riferite alla salute, sicurezza delle risorse umane e dei luoghi di lavoro.

In selecting its suppliers, the Group takes into account the needs of local communities. Over the years, the Group's growth has in fact led to the need to operate also through foreign suppliers or external to the Apulian context. However, the Group continued its activity in the Apulia region through the strengthening of its commercial synergies with over 170 local operators.

TRADE ASSOCIATIONS

GTS is involved in the economic debate through direct involvement in some of the main reference associations. In 2019, the Group contributed through its delegates to the initiatives conducted by Confindustria, Cifi, Fercargo and Assofer.

ASSOCIAZIONE	DESIGNAZIONE	DELEGATO
Confindustria	Member	Alessio Michele Muciaccia
Cifi	Member	Antonio Valenzano
Fercargo	Member	Alessio Michele Muciaccia
Assofer	Member	Anna Maria Felicia Miglio

TRAINING AND RESEARCH INSTITUTES

In 2019, the synergy between the Group and Apulian Universities has been strengthened. This synergy has materialized not only in internships and traineeships, but also through the direct involvement of the GTS Group within scientific research projects. Specifically, the Group hosted within its structure a researcher from the Ionic Department in "Legal and Economic Systems of the Mediterranean: society, environment, cultures" as part of a project related to an Industrial Doctorate. In addition, the Group has in the past been the subject of scientific research conducted by the University of Salento and the University of Calabria.

FAIRS

GTS takes part annually in trade fairs. This choice derives from the peculiarities of the sector, which sees in these events one of the main strategies to increase one's relational capital. Specifically, the Company took part in some of the main national and international events in order to develop new commercial synergies. Among the main 2019's activities the GTS Group has consolidated its presence in the context of the Transport Logistic event in Munich. With over 2,300 exhibitors and 64,000 visitors, this fair represents one of the main events for the benefit of companies operating in the logistics sector.

GTS STAKEHOLDERS MEETING

GTS networking also takes place in the context of informative and informal activities. On 13 December 2019, the Group hosted its stakeholders in its headquarters in order to promote interaction among them outside of conventional, institutional and commercial activities. This event saw the participation of academics, businesses and institutional investors from Italy and abroad. Furthermore, on this occasion the CEO's Group communicated the vision regarding the Group's future goals.

SASHA TROPHY

The Sasha Trophy, now in its sixth edition, represents one of the main national sport fishing competitions of the "Catch & Release" type. The event, organized by the amateur sports association "Pelagia Fishing Club" in collaboration with Fipsas and the Cus Bari University Sports Centre, saw the participation of qualified crews from different Italian regions. The trophy also combines elements of sustainability to protect marine biodiversity, bluefin tuna being one of the species with the highest fish multiplication coefficient. In addition, the "Catch & Release" mode provides for the immediate release of the catch.

PALLACANESTRO FIORENZUOLA

Since 2018 the GTS Group supports "Pallacanestro Fiorenzuola", a basket team, through its sponsorship. The choice to support this team originates from GTS' will to contribute to the development of the areas in which it operates.



The natural capital

The natural capital – namely, all the resources available in nature, impacted by the company's business and which, therefore, represent an inestimable source of wealth, with its protection involving the constant reduction of CO2 emissions, responsibly managing the waste cycle, making sustainable investments and reducing energy consumption.



HIGHLIGHTS AL 2019



1.304.131.876

876KG OF CO2 EQUIVALENT TONS
SAVED FROM 1977 TO 2019

EQUIVALENT TO THE ABSORPTION OF OVER
65 MILIONI TREES

INTERMODALITY AND SDGS

The topic of climate change is an integrated part of the global political agenda. Its importance derives from the close interrelation between climate change and fair and sustainable development. In this sense, the reduction of the impacts associated with climate change represents a challenge also for the world of companies, which are an integral part of the development objectives identified within the 2030 Agenda.

The transport sector represents one of the main strategic levers on which to operate in order to mitigate the risks of climate change. In addition, policy makers have highlighted how the transition towards more sustainable freight transport modes can favour the achievement of SDGs. In the present case, intermodality is a strategic lever on which to operate given the lower environmental impacts associated with the use of integrated logistics systems. These advantages are greater in the specific segment of intermodal rail transport, which is characterized by lower environmental impacts.

The centrality of the rail transport system within the sustainable development policies has also been highlighted by the European Commission in the context of the activities related to the European Green Deal (https://ec.europa.eu/commission/presscorner/api/files/attachment/862958/european-year-of-rail_en.pdf.pdf). In particular, the European Commission has envisaged initiatives aimed at raising awareness of citizens and businesses regarding the potential of the railway system, which is the means of transport with the lowest environmental impact in terms of GHG within the community context. In addition, data relating to the high degree of satisfaction from stakeholders with respect to the quality of the service are added to these environmental profiles.

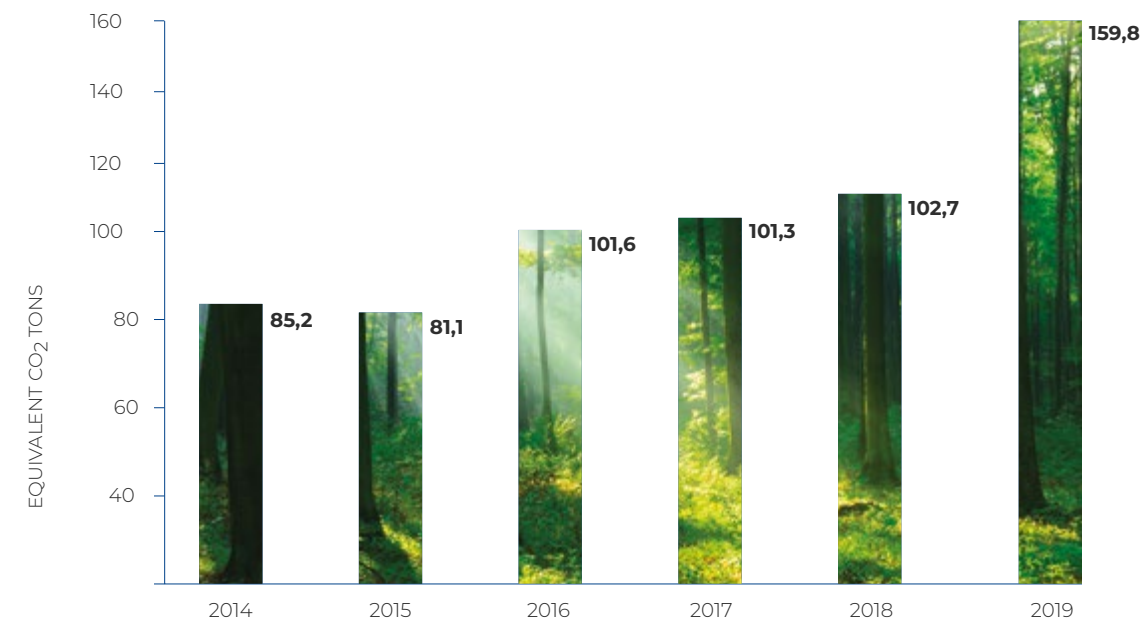
GTS' CONTRIBUTION TO THE FIGHT AGAINST CLIMATE CHANGE

The Italian context is characterized by a widespread use of road freight transport. The most recent ISTAT surveys show, in fact, that over 896 million tons of goods have been transported by road in the face of an appeal to intermodal transport equal to approximately 59 million tons. These data therefore highlight how GTS operates within a competitive context characterized by a high degree of complexity due to the existence of cultural as well as economic barriers to entry.

The Group's challenge therefore lies in the development of an integrated transport system capable of promoting the transition towards sustainable business models aimed at developing synergies with partner companies. It should be noted, in fact, how GTS has introduced environmental and social criteria within its own policies regarding the selection of suppliers and customers. In this sense, the Group operates through an integrated approach aimed at monitoring internal and external impacts on the ecosystem.

The GHG (Scope 1) emissions of the GTS Group amounted to 315 tons of CO2 equivalent. The emissions are mainly attributable to internal activities, with particular reference to air conditioning and engine power for crane and vehicle handling.

As regards activities related to the reduction of environmental impacts, in 2019 the Group reduced its impact by a value equal to approximately 159 tons of CO2 equivalent. This reduction was favored by the acquisition of three electric vehicles for urban travel, which generated a reduction in environmental impacts for a value of approximately 122 tons of CO2 equivalent. The 122 tons of CO2 equivalent follow the previous initiatives launched by the Group in order to reduce its environmental impact within the communities in which it operates.



THE MANAGEMENT OF ENERGY RESOURCES

In 2019, the Group used non-renewable sources during the year for a value of approximately 370 joules. This value is mainly attributable to the Group's internal activities, as the impacts generated externally are not significant. As far as electricity consumption is concerned, an annual consumption of 1072 MJ was recorded.

In order to reduce energy dependence on non-renewable sources, the recent past has seen the introduction of a photovoltaic system capable of producing 32,216.19 kWh. The integration of the plant within the company processes has favored the reduction of the group's environmental impacts for an estimated value of approximately 13 tons of CO2. Moreover, the implementation of this system has allowed the sale of energy for a quantity equal to 115,978 MJ.

WASTE MANAGEMENT

The GTS Group operates in full compliance with the waste management regulations deriving from the freight transport business. Specifically, the companies of the GTS Group provide for the transmission of the single environmental declaration form according to Law 70 of 1994 and subsequent amendments. In addition to this activity carried out on a regulatory basis, further activities voluntarily promoted within the Group are added, such as, by way of a nonexhaustive example, the dissemination of the culture of recycling.

Our history

The origins of GTS Group date back to 1977, when Mr Nicola Muciaccia bravely faced the entrepreneurial challenge to set up “his own” transport business. Since from the beginning great attention has been paid to a large number of clients, striving to offer the best transport service possible, based on the combination road+rail.

2010

Vertical integration of GTS Rail production.

2012

GTS RAIL gets to 6 locomotives with Zoe.

2017

A board of directors for GTS Holding is established and appointed.
“Elite” Certification.

2019

The GTS float reaches 15 locos and 315 rail cars..
Oscar di bilancio 2019

1977

The first company of GTS Group was founded by President Nicola Muciaccia.

2011

The safety certificate is extended to a wider territory. The Group services are extended to cover also dangerous goods. The safety certificate, issued by the Railway Safety National Agency, is obtained. Participation in the International trade fair “Transport Logistic” in Munich. The fleet of the railway company grows, to include Elettra and Zeus.

☆
2016

The Rolling Stock Maintenance Workshop is inaugurated and set in motion.
Balance sheet Oscar

2018

GTS receives from Confindustria Bari Bat the quality seal for the awork related learning experience. We make the future of Confindustria.

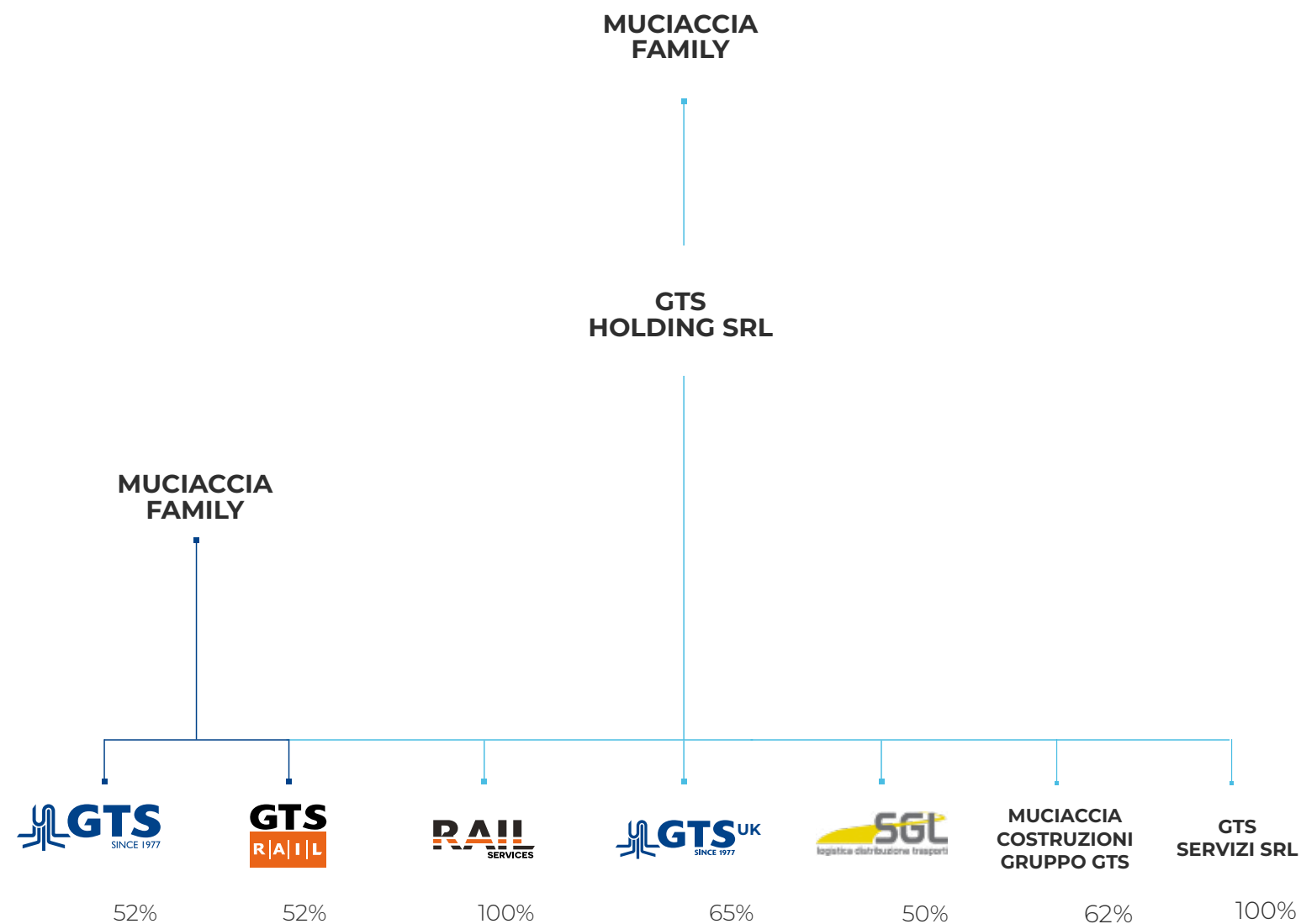
2020

+ 5 locos
+ 40 rail cars
Locos float = 23
Cars float = 355

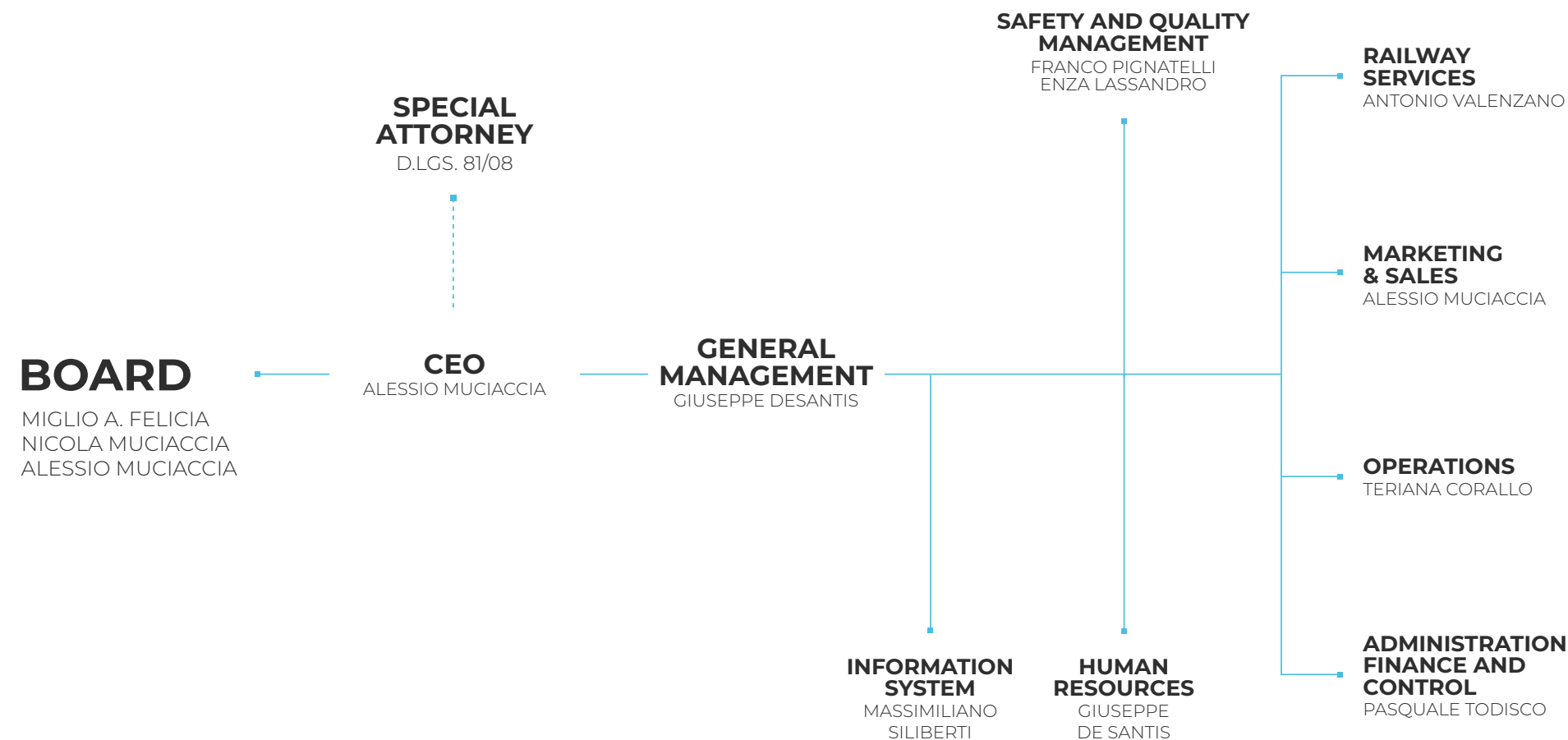
Group

- > [Group's shareholding](#)
- > [Group's organisational structure](#)
- > [GTSNET](#)
- > [Governance](#)

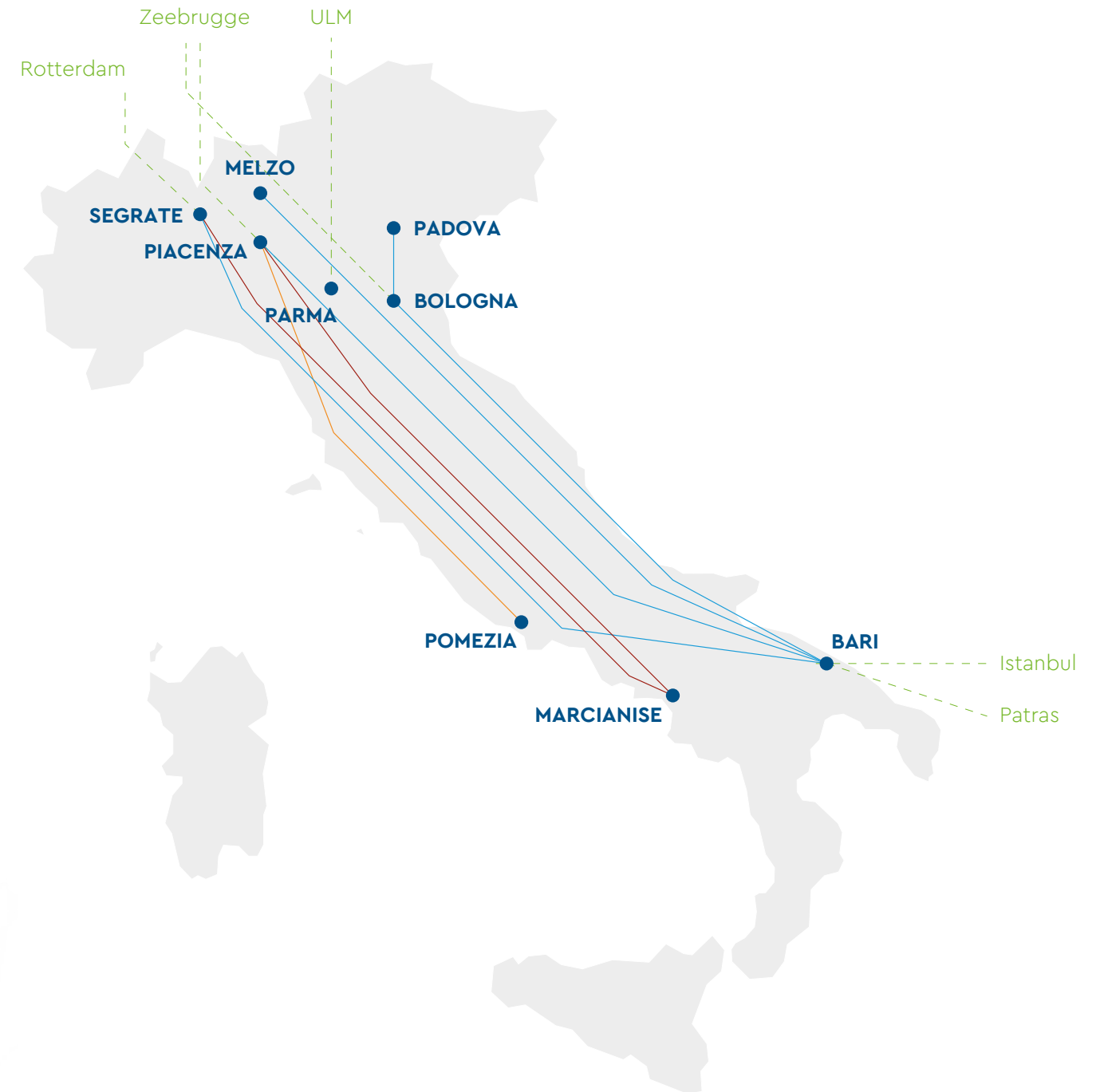
Group's shareholding



Group's organisational structure



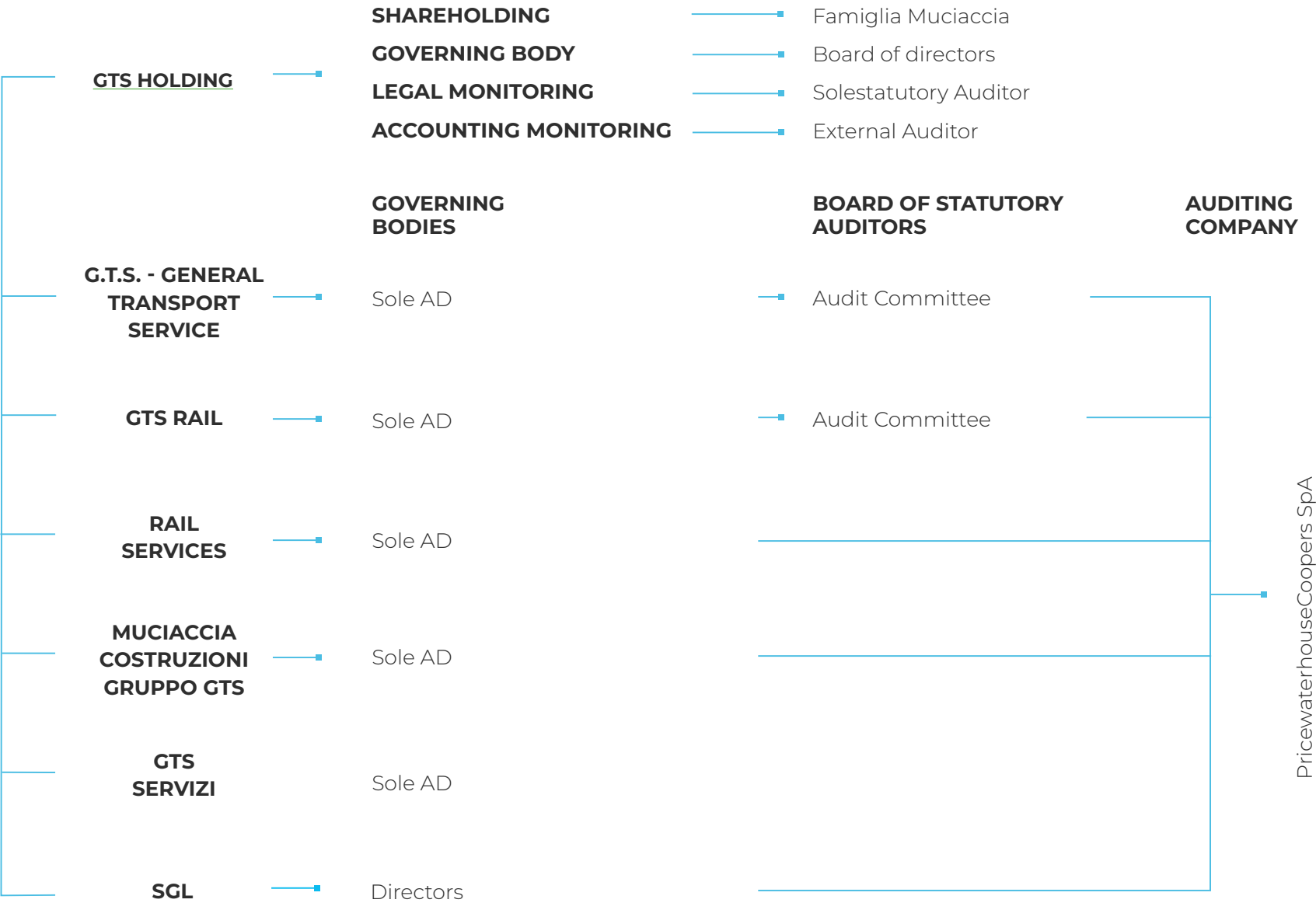
GTSNET: a network as big as Europe.



Governance

GTS has adopted a traditional administration and control model. The system is built in accordance with the most advanced regulatory provisions and standards of corporate governance. The GTS Group has undertaken a continuous improvement process to voluntarily comply with the Borsa Italiana SpA self-discipline code approved by the Corporate Governance Committee in March 2006, reviewed and updated in July 2015.

The governance model thus structured lays the foundations for a long-term policy of sustainable value creation directed at creating value for all stakeholders. By assigning mandatory competencies to the Shareholders' Meeting, it allows for a constant monitoring between management and shareholders with regard to some governance key issues, such as the appointment and withdrawal of directors, the appointment of the members of the board of auditors, the assignment of the mandate to a statutory auditor, establishing the related remunerations. The Board of Directors of the holding company facilitated the discussion and approval of the Group's management policies, with particular reference to the corporate and strategic structure.



OUR GOALS

Sustainability Plan. The Sustainability Plan is configured through a three-year planning of the main activities that the Group intends to pursue in order to actively contribute to the pursuit of the different objectives set out in the 2030 Agenda. The plan is subject to annual review, in order to constantly monitor the progress of the processes started over time.

2019 saw the achievement of part of the objectives set for the three-year period 2018-2021. Specifically, the Group has pursued its objectives regarding:

- Obtaining SQAS (Safety and Quality Assessment System), ACEP-CSC certifications
- Implementation of an HACCP system with Food Defense and Crisis Management;
- Adoption of the Overseas project;
- AEO (Authorized Economic Operator) authorization n. IT AEOF 19 1610 of 18/08/2019 obtained, issued by the Customs and Monopolies Agency.

The future challenges of the Group for the period 2019-2021 will see the maintenance of the objectives not achieved in 2019, together with new issues such as obtaining new certifications and the implementation of further management systems.



OUR GOALS 2018 > 2020

GOALS	DONE	SCOPE
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>SQAS CERTIFICATIONS (SAFETY AND QUALITY ASSESSMENT SYSTEM). This is a system for assessing the environmental, safety, security and quality performance of suppliers of logistics services to chemical companies. It is an independent and harmonized monitoring system of logistics service providers, in order to guarantee uniformity of assessment at all levels, the verification is in fact always carried out by independent, recognized and qualified auditors</p>		
<p>HACCP ISO 22000, (FOOD SAFETY MANAGEMENT SYSTEM), voluntarily adopted by operators in the food chain, directly or indirectly involved in the food production process. Each operator of the production chain is responsible for the application of the standard, which is not aimed at certification of the entire supply chain but of the service of each competence.</p>		
<p>GDP, to offer greater guarantees to customers regarding the good distribution practice of medicines for human use (BPD / GDP), to take into account recent progress in the storage and distribution practices of medicines within the European Union, as well as the new provisions introduced by the EU Directive.</p>		
<p>ACEP-CSC, to guarantee maximum safety to all operators who, in an international context, carry out container handling and transport activities..</p>		
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>ACEP-CSC, to guarantee maximum safety to all operators who, in an international context, carry out container handling and transport activities.</p>		
<p>WHISTLEBLOWING, this is the voluntary adoption of measures aimed at the prevention and repression of corruption and illegality. In particular, the measure aims to protect the employee who, in the course of his work, reports illegal activities of which he has become aware.</p>		

GOALS	DONE	SCOPE
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>ADOPTION OF THE OVERSEAS PROJECT, in other words the establishment of a department capable of offering customers the shipping service by sea and by air.</p>		
<p>AEO (AUTHORIZED ECONOMIC OPERATOR), the status of AEO allows economic operators to take advantage of direct and indirect advantages and concessions in relation to the customs-related operations carried out.</p>		
<p>UPDATE FROM BS OHSAS 18001 TO UNI ISO 45001 ON MANAGEMENT SYSTEMS FOR HEALTH AND SAFETY AT WORK, in order to improve safety, reduce risks in the workplace and improve workers' health and well-being.</p>		
<p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p> <p>GDP, offer greater guarantees to customers regarding the good distribution practice of medicines for human use (BPD / GDP), to take into account recent progress in the storage and distribution practices of medicines within the European Union, as well as the new provisions introduced by the EU directive.</p>		
<p>15 LIFE ON LAND</p> <p>IMPLEMENTATION OF A UNI EN ISO 14001 SYSTEM, in order to introduce a further environmental management system within the Group.</p>		
<p>GMP + E QS (FEED SAFETY ASSURANCE) CERTIFICATION, in order to guarantee the quality of agri-food products of animal origin through the transport of feed in compliance with the highest standards.</p>		
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>IMPLEMENTAZIONE DI UN SISTEMA ISO/IEC 27001, in order to introduce a management system for the security of company information</p>		
<p>WHISTLEBLOWING, this is the voluntary adoption of measures aimed at the prevention and repression of corruption and illegality. In particular, the measure aims to protect the employee who, in the course of his work, reports illegal activities of which he has become aware.</p>		

Our activities

- > [The international context in which GTS operates](#)
- > [The corporate business model](#)

The international context in which Gts works



The gear has started, although often, as it is natural, there are resistances to change and innovation. The **“Green Transport Solution”**, i.e. identifying freight transport solutions that protect the environment is underway, is alive and growing.

The target n. 3 of the European Community's White Paper on Transport, “30% of the transport of goods by road for more than 300 km should go to other means of transport such as rail or inland waterway transport by 2030, and more by 50% by 2050 “which a few years ago seemed so utopian, if not illusory, begins to turn into something concrete with the measures adopted by the various national governments.

Analyzing the situation at national borders, starting from the Swiss Confederation, whose Constitution in art. 84 reads “Transalpine traffic for the transport of goods through Switzerland

takes place by rail. The Federal Council takes the necessary measures”, the prohibitions applicable to heavy vehicles increase and the taxes on heavy traffic increase proportionally. Switzerland has for years initiated and invested in a modal shift policy with the aim of reducing transalpine traffic reached in 2010 to over 1.4 million TIR and with the aim of bringing this value below the threshold of 650 thousand.

Austria, and in particular the Land of Tyrol, announced at the end of 2019 the introduction, starting from January 1, 2020, of further restrictions and barriers to heavy traffic (Tir) in transit on its territory. All these measures, aimed at moving freight transport by rail, translate in the event of failure to adapt the logistics system of our country into a reduction in export traffic.



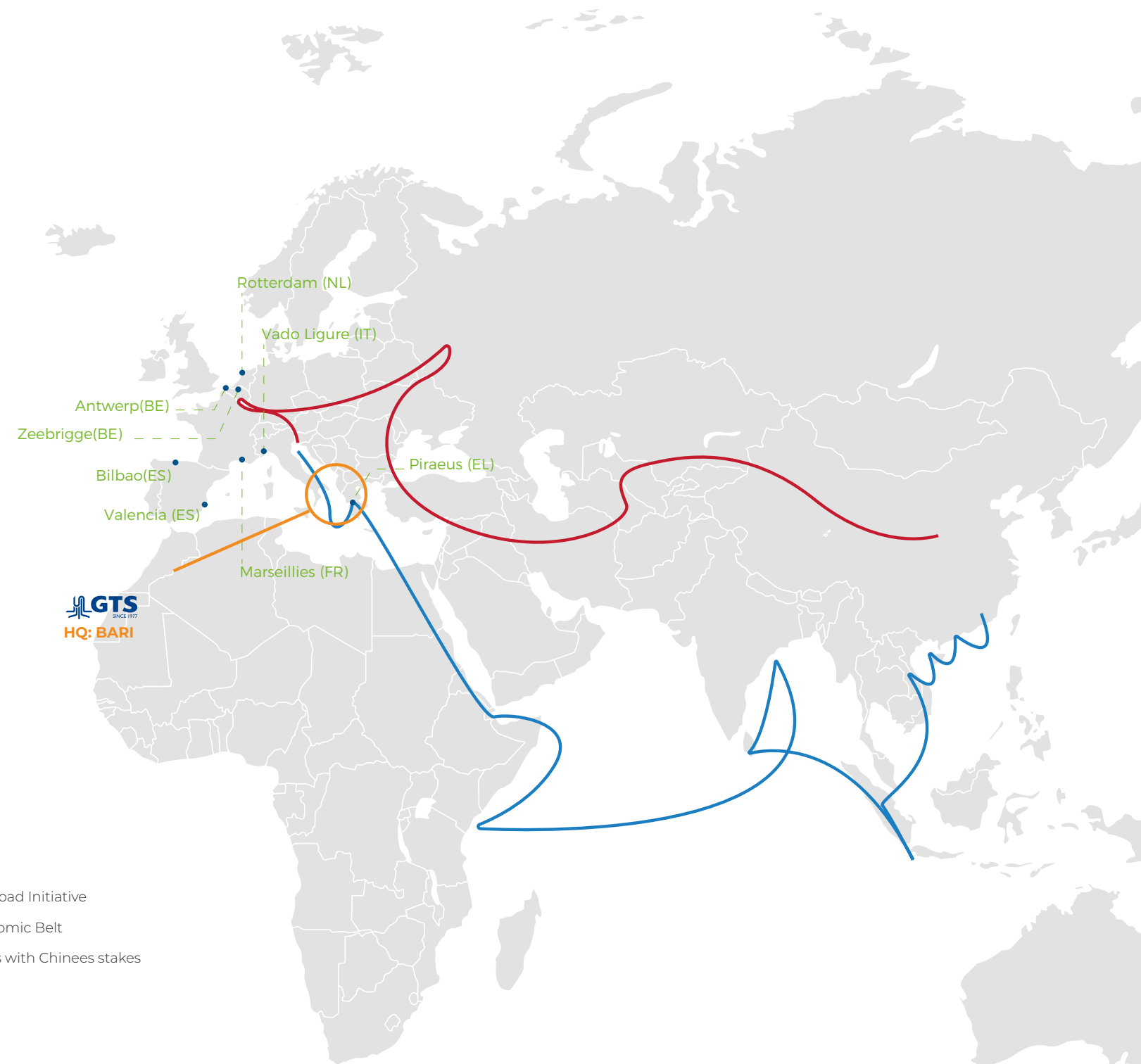
At national level, rail freight transport is still in last position in Europe, however a series of legislative interventions have established incentives to encourage the modal switch, favoring a recovery of intermodal freight traffic since 2015. The CD. Ferrobonus, article 1, paragraph 111 of the law of 27 December 2019, n. 160 provides for a contribution per Km, whose the 50% benefits must be transferred to final customers. This is a measure which, even if to a small extent, has allowed a recovery of costs to MTO customers and businesses.

The Article 47, paragraph 11-quinquies of the decree-law n. 50 of 24 April 2017, converted, with amendments, by law 21 June 2017, no. 96, has established, in the estimates of the Ministry of Infrastructure and Transport, a Fund with a budget of 2 million Euros for each of the years 2017, 2018 and 2019, intended for the training of personnel employed in railway traffic activities, with particular reference to the professional figure of the drivers of the freight sector, in order to support companies in the process of staff's high training.

“The Iron cure” referred to in art. 1 paragraph 294 of Law 190/2014, established the compensation of tolls for railway freight companies, contributing to reducing the still high production costs of the rail transport service, which we remember actually need for huge investments both in productive and intangible assets. A series of further measures, foreseen by the Climate Decree, including the cutting of excise duties for the most polluting vehicles aim to push towards a modal shift.

The battle to cut costs is however mitigated by the significant reduction in fuel costs, which makes the cost of the real competitor of intermodal transport even more attractive. The conclusion is that intermodality must leverage on one hand on costs, and on the other on the quality of the service in terms of efficiency. Then there is the fundamental third pillar, a real and concrete desire to protect the environment and public health. The Adriatic Sea has

become a “core route” to reach Central European countries. An active demonstration of this is the acquisition by Cosco Shipping of Piraeus Port which took place in 2016 and the subsequent acquisition of Valencia port. Italy also presents itself as a natural hub of the Mediterranean with its 8,000 km of coastline, crossed by 4 European TEN-T corridors and at the centre of the trans-Mediterranean maritime networks. For its development it is essential to integrate the Italian logistics network, therefore the port system with the various railway and road systems and the related logistics platforms (interports). The recovery of the efficiency of the Italian port systems has become a strategic element for the relaunch of the country, (see in this sense [the national strategic plan of ports and logistics](#)) and with it the efficient port-rail link, computerization customs procedures, less bureaucratization in procedures, in order to make the country's infrastructure more competitive.



GTS sustainable business model

Sustainability is an integrated part of the GTS Group's business model. Over the years, the Group has based its business on paradigms aimed at combining socio-environmental as well as financial profiles within corporate strategies. In this sense, the growing attention paid by policy makers and civil society to the topic of the 2030 Agenda has represented a further stimulus for growth for GTS.

The Group bases its strategy on the constant interaction between the six capitals envisaged by the IIRC model and the 17 SDGs that make up the 2030 Agenda. This choice follows the path taken in the context of IR 2018 which marked the first step towards a new concept of "sustainable business model". In fact, 2019 saw the start of new challenges for the Group such as the development of commercial synergies based on agreements aimed at pursuing common sustainability goals.

The business activities of the GTS Group are based on the following business units:

- Intermodal freight transport – this is the core activity of the group consisting in combining different forms of transport, namely rail, road and sea, in order to provide a Door to Door service to the customer;
- Railway traction - strongly developing activity, concerns the traction activity of third-party railway convoys often in connection with ports or logistics centers.

- Overseas and forwarding activities; with the AEO Certification a path ends to offer our customers transport solutions on international routes not covered by our networks.
- Management of rolling stock maintenance - ancillary activity to keep the company's assets efficient, has found a favorable response on the market thanks to the presence of a workshop equipped with a lathe in the pit that allows an efficient profiling of the rolling stock;
- Intercompany service activities - administrative support, monitoring and control activities;
- Logistic & Real Estate - Management and maintenance of buildings intended for logistics services.

In addition, the Group has launched an integrated reporting process that combines within it, in addition to the outcomes, also a scheme of needs, or needs to be satisfied by external stakeholders. This choice aims to develop industrial symbiosis with strategic partners, in order to generate positive externalities that can encourage the pursuit of benefits within the value production chain. The idea of GTS is that the challenges deriving from the integration of sustainability objectives within company strategies cannot be separated from the involvement of stakeholders outside governance.



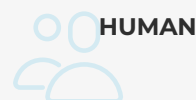
CAPITALS/INPUTS

BUSINESS ACTIVITIES

OUTPUT

OUTCOME

NEEDS



HUMAN

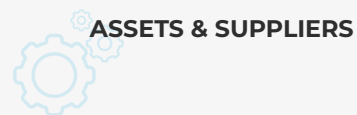
Our employees' passion and strength are essential elements to plan and manage the transport process . It's thanks to them if we can plan and match effective and sustainable solutions for a top service.



Salary Policy aiming to recognize credits so to guarantee the fullfilment of personal needs and the development of personal passions . Skill Development in a high-growth and in staffing need sector, we set personal and economical growth targets for long-term relationships.



Reduction of CO2 emissions, traffic congestion and consequent reduction of mortality risks on the roads.



ASSETS & SUPPLIERS

We create long-term relationships with our suppliers encharged of transporting our goods, maintenaing effective all our assets , providing the raw material necessarie al processo produttivo.
I nostri assets principali, locomotive, cassi ferroviari e casse mobili ci permettono di mettere "il trasporto" a supporto della logistica e creare i convogli che trasportano le merci.



We handle more than 100.000 deliveries per year , with a 72% turnover worth distribution on our suppliers.



We contribute to the Wealth and Development of the Local Economy, with the strong choice to strengthen the territory where we have our roots.



Intelligent Mobility, Basic School Education and Higher Education, Efficient Healthcare Facilities & Safety.



FINANCIALS

The growth of our Group is strictly connected with the investment capabilities in Assests, most of them in Tangibles Assets, such as locomotives, railway wagon and swap bodies . Fondamentali sono le politiche di distribuzione di utili e raccolta di fonti di finanziamento. Con la trasparenza dei rapporti e la certificazione dei dati finanziari costruiamo relazioni efficaci con gli Istituti di Credito,.



We employ leverage in order to increase our productive capacity and fund the growth of the group . More than 78 milion investments in manufacturing assets. Roe del 34,58% ed un ROI del 10,77% il risultato delle operations.



Social development is a normal consequence of the distribution of wealth. We encourage cultural exchange and personal growth with initiatives and collaborations with the territory.



Support for the development of the family and female emancipation with services that favor family-work balance.

The public contribution of financial resources is an important lever for the modal shift. This process requires adequate and integrated infrastructures in order to reduce the inefficiencies still present.



NATURAL

To produce our services we use electric energy to power our locos, while in order to power our workshop we use solar power too .



We reduce the use of fuels and favor the modal shift from road to rail. Over 100,000 containers has been removed from the street.



Our Growth is accompanied by the growth of our historical suppliers, by engaging a virtuous mechanism for creating value and jobs in related industries.



SOCIAL & RELATIONSHIPS

Our relationships are based on respect and frankness e valore per gli azionisti. Mettiamo a disposizione il nostro know how alle varie Istituzioni, con le quali collaboriamo attivamente.



In 2019, 4 training internships started, 1 PhD in progress. In 2019, the Integrated Report received the recognition of the Financial Statements Oscar.



We contribute, together with other regional excellences, to the growth of the sector, and to attract the interest of investors and financiers, with important local development opportunities.



INTELLECTUAL

We try to bring innovation to the sector through the digitalization of processes and document flows. We provide our customers with an IT sector to encourage the integration of distributed systems.



"4 Big Clients, with integrated information systems, 50% of the integrated railway terminals. Dedicated KPIs for our customers. Portal Dedicated to our customers for monitoring services and administrative management. GTS Go portal with over 1400 connected suppliers. "



Iterations with the Scientific community, Training and Research Institutes allow to create the basis for the development of new training courses for future professionals



Risk management and compliance

The highly complex context in which GTS operates inevitably determines exposure to different types of risk. Over the years, the Group has consolidated its approach to risk management and containment through the use of ERM (Enterprise Risk Management) systems.

The ERM system implemented by GTS also includes sustainability risks. This choice follows what has been highlighted at international level regarding the need to integrate financial and non-financial issues within company processes.



01. EXTERNAL CONTEXT RISKS

This category includes the areas relating to the risks arising from the country context within which the company intends to operate, introduction of new regulations, technological innovations, evolution of demand, competitor strategies. These risks get together with the absence of company's management levers.

COVID-19	Covid-19 represents not only an economic but also a social phenomenon. Indeed, it should be noted that the pandemic has significantly affected the liquidity of a large number of companies. Furthermore, social distancing has also affected citizens' consumption habits, thus generating a physiological increase in the demand for specific goods. From this analysis it emerges, therefore, how the pandemic has meant for companies active in the field of transport the need to revisit their distribution processes in order to face the liquidity crisis of companies and new market needs	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
OIL PRICE	The first half of 2020 was characterized by a collapse in the price of oil, mainly due to the effects of the Covid-19 policies which favored the contraction of the prices of this resource. However, as the future implications of Covid-19 are uncertain, it is not easy to understand the future dynamics related to the price of oil. In this sense, the drop in oil prices could favor a momentary recovery of competitor sectors based on the use of oil or derivatives.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
BREXIT	The repercussions deriving from UK's exit policies from the EU, in particular, highlighted its effects of considerable uncertainty already during the first quarter of the current year. Britain's exit from the European Union, as sanctioned by the referendum which took place on 23 June 2016, has triggered a climate of profound uncertainty, marking the import-export trade towards this country. To date, the outcomes deriving from this policy are uncertain given the failure of Great Britain to leave the European Union on 31 October 2019.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
NEW COMPETITORS	Very high barriers to entry, characterized by stringent regulations and powerful investments make the sector practically closed to the entrance of new intermodal operators. However, the great interest placed by investment funds could favor the development of the sector.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>

02. STRATEGIC RISKS

Strategic risks consist in the deterioration of the capital position and in the profitability deriving from wrong business decisions, from an inadequate implementation of the business plans and strategies, from the inadequacy and from the lack of reactivity to changes in the external environment such as to entail a substantial variation of the Group's risk profile.

CREDIT	The credit rating achieved by the Group companies allows GTS to find the resources necessary to finance growth on the capital market.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
HUMAN RESOURCES	The Group has invested in indispensable incubators for the training of talents to be added later to the staff.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
REPUTAZIONAL	This is the risk of deterioration of the corporate image, due to a negative perception of the corporate image among customers, counterparties, shareholders and / or supervisory authorities. The level of attention that the GTS Group reserves to this risk class is high, in consideration of the numerous acknowledgments and increasingly frequent certifications it obtains in terms of best practices in the field of responsible management and sustainability reporting.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>

03. OPERATIONAL RISKS

Important losses for GTS can result from the inadequacy of internal processes, human resources and technological systems or from external adverse events. This category includes the legal risk, i.e. the risk of losses deriving from violations of laws or regulations, contractual or extra-contractual liability or other disputes.

IT	Since 2018, the GTS Group has an IT department responsible for researching and developing IT integration solutions for customers and suppliers. It also constantly develops solutions capable of optimizing the services provided as well as the corporate decision-making processes.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
INFRASTRUCTURE MANAGEMENT	The issue of infrastructure management has been the subject of great attention by policy makers given the high number of accidents that have occurred over the past three years. In this sense, the next few years could be characterized by an increase in infrastructure.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>

04. SUSTAINABILITY RISKS

The need to preserve the environmental and social value of the GTS Group has led the Board to act in advance on the issues relating to this type of risk.

This cluster includes all potential from the social sphere, company personnel, human rights and anti-corruption. With particular reference to reputational risk, the level of attention remains high in order to consolidate the GTS Group's image on the market.

FIGHT AGAINST CORRUPTION	Job rotation in the positions most exposed to this risk profile. Monitoring of particular concentrations of turnover for a small number of suppliers. Segregation of supplying processes and other sensitive ones among many people.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
CO ₂ EMISSIONS	Purchase of electric vehicles for moving people. Territorial marketing policies aimed at the use of public transport by collaborators to reach the workplace.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
WORKER HEALTH AND WORKPLACE SAFETY	Increase in training sessions for employees in order to illustrate the specific risks and the related safeguards useful to mitigate these risks.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>
ENVIRONMENTAL PROTECTION	The scope of voluntary compliance with environmental protection standards has been extended to other Group companies.	<div><div>RISK</div><div>RELEVANCE</div><div>CONTROL</div></div>

GLO- BAL GOALS



THE GLOBAL GOALS

- > [GTS for Agenda 2030](#)
- > [The “sustainable” management plan](#)



GTS for Agenda 2030

Over the past few years, the attention paid by policy makers to sustainable development has become more important. The 2030 Agenda represents one of the main initiatives that have accompanied the recent past given the accession by the 169 member states of the United Nations. Among the main innovations of the 2030 Agenda is the active involvement of the private sector, which represents a central, as well as strategic, element in the achievement of the 17 SDGs..

The transport sector represents one of the main strategic levers on which to build a more sustainable future. The centrality of the same is confirmed, in addition to the various initiatives carried out by non-governmental organizations, by the specific provision of the SDG 9, which sets itself the objective of “Building a resilient infrastructure and promoting innovation and a fair, responsible and sustainable industrialization “. In addition, the contribution of the transport sector extends to all SDGs given their close interconnection and interdependence.

The GTS Group actively contributes to this process through its activities. However, in a logic of transparency and accountability, since 2017 GTS has started a reporting process aimed at relating the group's contribution to the 17 SDGs. In this sense, also in the year 2019, the Group renewed its commitment by identifying specific goals to contribute through its activities.





GOAL		TEMI MATERIALI	AZIONI INTRAPRESE
	DEFEAT POVERTY	<ul style="list-style-type: none">• Work-life balance	<ul style="list-style-type: none">• Creation of a shared value
	HEALTH AND WELLNESS	<ul style="list-style-type: none">• Health and Safety in the workplace	<ul style="list-style-type: none">• Implementation of Occupational Health and Safety Management Systems
	QUALITY EDUCATION	<ul style="list-style-type: none">• Risk Management• Training	<ul style="list-style-type: none">• Forefront training activities
	GENDER EQUALITY	<ul style="list-style-type: none">• Diversity and equal opportunities	<ul style="list-style-type: none">• Presence of women in the management
	CLEAN AND ACCESSIBLE ENERGY	<ul style="list-style-type: none">• Environmental externalities	<ul style="list-style-type: none">• Reduction of dependence on non-renewable energy sources
	DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none">• Reputation	<ul style="list-style-type: none">• Positive employment turnover rate
	BUSINESSES, INNOVATION AND INFRASTRUCTURES	<ul style="list-style-type: none">• Reputation• Risk Management• Sustainable transport	<ul style="list-style-type: none">• Acquisition of new vehicles

GOAL		TEMI MATERIALI	AZIONI INTRAPRESE
	REDUCE INEQUALITIES	<ul style="list-style-type: none">• Work-life balance	<ul style="list-style-type: none">• Increase in the number of female employees
	SUSTAINABLE CITIES AND COMMUNITIES	<ul style="list-style-type: none">• Sustainable transport	<ul style="list-style-type: none">• Investments within communities
	FIGHT AGAINST CLIMATE CHANGE	<ul style="list-style-type: none">• Sustainable transport	<ul style="list-style-type: none">• Environmental performance improvement
	UNDER WATER LIFE	<ul style="list-style-type: none">• Environmental externalities	<ul style="list-style-type: none">• Promoters of the Sasha Trophy
	LIFE ON EARTH	<ul style="list-style-type: none">• Environmental externalities	<ul style="list-style-type: none">• Reduction of environmental impacts
	PEACE, JUSTICE AND SOLID INSTITUTIONS	<ul style="list-style-type: none">• Anti-corruption	<ul style="list-style-type: none">• Respect for best practices
	PARTNERSHIP PER GLI OBIETTIVI	<ul style="list-style-type: none">• Anti-corruption• Reputation	<ul style="list-style-type: none">• Partnerships based on shared principles

INTE- GRA- TED THIN- KING



- > [Integrated thinking in the Group's business model](#)
- > [Stakeholder engagement](#)
- > [Reporting standards](#)
- > [Materiality analysis](#)
- > [GRI Content Index](#)



Integrated thinking in the Group's business model

The strengthening of the sustainability processes within the main GTS Group's activity has been tracing for some time in a path aimed at integrating the reporting processes, on the basis of the assumption that "integrated reporting means integrated thinking". This means that the activation of an organic control has to be integrated with the market, authorities and public opinion's requests in order to receive the widest, most transparent and responsible corporate information in a way that stakeholders can have a fuller vision of risks, opportunities and challenges facing companies today.

The need to create shared value for all stakeholders has led the GTS Group over time to rewrite the concept of sustainability as a means to pursue its mission or to move goods in Europe with full respect for the environment. The pillars on which the strategy adopted by the Group rests firmly is strongly oriented towards merging the economic dimension with the social and environmental dimension:

- **the moments of dialogue with its stakeholders follow;**
- **continuous updating of the benchmarking of good practices in terms of sustainability operating by other players in the reference sector;**
- **the structure of the integrated report was consolidated, marking the transition from financial reporting to integrated reporting.**

The "integrated" report is an expression of the degree of importance attributed by the Group to the implementation of structured and organic communication policies.

The characteristics of the work team indicate the presence of different professional contributions.

TERIANA CORALLO

Operations manager
[G.T.S. General Transport Service](#)

STEFANO STEA

Chief technical Officer
[Rail Services](#)

GIUSEPPE DESANTIS

General manager
[G.T.S. General Transport Service](#)

PASQUALE TODISCO

Chief financial officer
[GTS Servizi](#)

VINCENZA LASSANDRO

Safety manager
[GTS Rail](#)

MASSIMILIANO SILIBERTI

Responsabile Sistemi informativi
[Gts General Transport Service](#)

FRANCO PIGNATELLI

Sustainability manager
[G.T.S. General Transport Service](#)


ANTONIO VALENZANO

Chief operation officer
[GTS Rail](#)

Stakeholder engagement

GTS operates through a stakeholder oriented approach. The choice to operate in compliance with this principle originates from the need to include social and environmental profiles within its growth strategies. In this sense, the Group aims to generate shared value for the benefit of all the stakeholders involved within the corporate processes.

The implementation of an accountability system requires stakeholder involvement. Indeed, it is clear that the definition of policies, strategies and initiatives with respect to socio-environmental issues cannot be separated from listening to and dialogue with the various stakeholders of the Group. This perspective is confirmed by the recent initiatives carried out by the Group in order to [encourage networking among stakeholders](#).

 Furthermore, communication from and to stakeholders was also favored by an increasingly frequent use of the main social media:

[LINKEDIN](#)



[YOUTUBE](#)



[FACEBOOK](#)



The heterogeneity of the Group's stakeholders requires the identification of different ways of listening and involving them. Over time, the Group has defined engagement strategies aimed at classifying them based on their influence on the Group's business dynamics. It should be highlighted, in fact, how a conscious approach to issues related to sustainable development also requires the inclusion of subjects who indirectly suffer from the positive and / or negative outcomes generated by the company.

STAKEHOLDER

MAIN INITIATIVES

HUMAN RESOURCES

- Periodic sector meetings with the CEO
- Monthly house organ published since 2008
- Company Intranet
- Periodic mailing

CUSTOMERS

Thematic and periodic meetings

- inspections and technical checks
- verification audit
- Dedicated Internet website
- periodic updated newsletter

SUPPLIERS

- Periodic meetings
- Verification Audit

REGULATORY BODIES

- Periodic checks and inspections

REPRESENTATIVE ASSOCIATIOS

- Periodic meetings
- Participation in the work of the technical groups

EDUCATION AND TRAINING INSTITUTIONS

- Business case in various scientific publications and degree theses
- Participation in scientific committees of pre and post graduate training courses



CUSTOMERS

The virtuous GTS Group's growth path cannot be separated from meeting customer expectations. The continuous improvement of the service offered through the adoption of a strategy attentive to the rapid reading of the customer's needs, has produced over the years an improvement in the fluidity of collaboration. The enhancement of non-financial reporting was made possible thanks also to the solicitation received from this cluster of stakeholders, increasingly attentive and demanding to the impacts deriving from the choice of rail transport instead of traditional road transport.



HUMAN RESOURCES

The category includes all GTS Group's collaborators. The involvement of the staff is considered an essential theme to better integrate the company objectives with the expectations of the collaborators.



SUPPLIERS

The strong propensity in wanting to create solid and lasting partnership relationships has allowed the GTS Group to be part of a wider system that involves a plurality of subjects, many of them suppliers. This approach has allowed us to create relationships over time that allow us to look to the future by focusing on long-term, even sustainable, investments.



REGULATORY BODIES

GTS Group's companies are periodically subjected to audits by the control authorities. Among others, the National Railway Safety Agency (ANSF) provides the subsidiary GTS RAIL SpA with provisions and regulations on the subject so that it maintains high railway safety standards.



REPRESENTATIVE ASSOCIATIONS

The GTS Group maintains constant relationships and actively participates in moments of formal dialogue with its representatives, spending itself directly in the CSR awareness activity at regional and national level. The willingness is to create shared value in the long term by respecting the legality, integrity, fairness, transparency and dignity of people.




EDUCATION AND TRAINING INSTITUTIONS


The multiple agreements signed with Italian universities, school-work alternation programs, partnerships with higher technical institutes testify to the commitment and the utmost attention to the research and training world.



Reporting standards

ACCOUNTING STANDARDS


-  → The GTS Grous Integrated Annual Report (IAR) 2019 is drafted through the GRI Standards issued by the [Global Reporting Initiative](#) in 2016 . For the year 2019, the GTS Group has chosen to draw up its report in compliance with the Core option, i.e. through the reporting of the minimum information necessary to understand the nature of the organization, its material issues and their related impacts, and how these are managed. In addition, the document was prepared in compliance with the contents of the international Framework, prepared by the [International Integrated Reporting Council](#).

-  → Lastly, IAR 2019 has introduced a new element compared to the Group's previous non-financial reporting experiences. Specifically, the Group has chosen to adhere to the [Sustainable Development Goals Disclosure \(SDGD\)](#) Recommendations.

The choice to adhere to these guidelines derives from the Group's desire to make explicit the initiatives carried out in support of the SDGs through timely and systemic reporting.

REPORTING SCOPE

The reporting scope of non-financial reporting, on 31 December 2018, includes quantitative and qualitative information from the parent company GTS Holding srl and the three subsidiaries G.T.S. General TransportService SpA, GTS Rail SpA, GTS Servizi Srl. This integrated report, now in its fourth edition, reports the comparison, where possible, between the 2018's data and the previous year's ones.

-  → The prospectus for determining the economic value generated was calculated according to the method proposed by the standard of the Study Group for Social Reporting (GBS) and provides, in particular, for the use of prospectuses for the determination and destination of [Added Value](#).

THE REPORTING PROCESS

To get to draft the IAR in 2018 all those corporate functions responsible for providing the non-financial information subject to reporting in respect of their area of competence were involved. This took place in the kick-off phase of the project and in subsequent moments during the collection and processing of the specific information sections of the document.

Materiality analysis

The topic of the sustainable development is an integrated part of the GTS Group business model.

In a constant research for permanent improvements, the 2019 IR's rafting forecasted an update of the material issues for the Group and its internal and external stakeholders.

Such choice comes from the need to renew the interactive relationship with the stakeholders, in order to direct the company strategies towards a shared and participated model of sustainability.

The definition of the material issues took place through the IR 2018 previous consultation. Moreover, in order to consider the main topics of interest in the intermodal transport sector, a monitoring activity of the best International practises has been implemented.

Thus this analysis has helped identify 15 issues that can be connected to the informational area of interest related to governance and compliance, economical responsibility, responsibility towards employees, product responsibility, responsibility towards suppliers, responsibility towards the community and environmental responsibility. Moreover these 15 issues has been related to the Sustainable Development Targets (SDGs) of 2030 Agenda.

The detection activity took place through the preparation of a questionnaire aimed at collecting information regarding the relevance of the 15 areas for internal and external stakeholders of the GTS group. Stakeholders were asked to assign a score from 1 (least relevant) to 5 (most relevant) for each of the 15 topics.

In order to encourage stakeholder involvement, part of the administration of the questionnaire took place in the context of the traditional GTS Meeting that was celebrated on 13th December 2019 at the Group's headquarter. This activity allowed the collection of 105 questionnaires aimed at identifying the material issues to structure IR 2019.

The internal survey activity took place through the direct involvement of top management and management figures. As far as external detection is concerned, the survey saw the active participation of representatives coming from different categories of stakeholders, including banks, suppliers, customers, public and academic institutions. The prioritization of the issues to be included within IR 2019 took place through the preparation of a materiality matrix. The materiality matrix allowed, therefore, to identify on a multidimensional scale the most relevant issues for the year 2019



As for 2018, the materiality analysis showed a great sensitivity on the part of GTS and its Stakeholders with regard to ESG issues. In fact it's important to notice that all the identified issues have achieved a degree of recognition of more than 80%. In this sense, it was decided to prioritize the 9 most relevant issues within a broader debate about GTS' contribution to the community.



	TEMI SELEZIONATI	DESCRIZIONE	GTS	STAKEHOLDER	MATERIAL
A	Governance and compliance	IT e safety	4,14	4,43	
B	Governance and compliance	Anti-Corruption	4,71	4,66	✓
C	Governance and compliance	Reputation	4,71	4,77	✓
D	Governance and compliance	Risk Management	4,57	4,65	✓
E	Environmental Responsibility	Sustainable transport	4,86	4,47	✓
F	Environmental Responsibility	Environmental Externality	5,00	4,54	✓
G	Product Responsibility	Research, Development and digitalization	4,29	4,58	
H	Economical Responsibility	Price	4,00	4,38	
I	Responsibility toward employees	Internal climate	4,43	4,35	
J	Responsibility toward employees	Health and safety in the workplaces	5,00	4,80	✓
K	Responsibility toward employees	Conciliate life and job	4,71	4,60	✓
L	Responsibility toward employees	Diversity and equal-opportunities	4,86	4,62	✓
M	Responsibility toward employees	Training	4,57	4,75	✓
N	Responsibility toward suppliers	Supply Chain	4,57	4,30	
O	Responsibility towards the community	Support to the local community and families	4,43	4,47	

The materiality analysis also made it possible to prioritize the reference SDGs for GTS. The choice to use this approach follows what is highlighted by the guidelines issued by the Global Reporting Initiative regarding SDG Reporting. In the present case, the process took place following these steps:

- Analysis of the 17 SDGs and 169 targets;
- Identification of the reference SGs for GTS through stakeholder engagement activities;
- Identification of metrics able to facilitate the representation of the contributions made by GTS to the 2030 Agenda.
- The activities conducted led to the identification of 14 reference SDGs for the group. In this sense, 2019 saw a progressive alignment of the Group with the contents of the 2030 Agenda.

	TEMI SELEZIONATI	DESCRIZIONE	SDG'S
B	Governance e compliance	Anti-Corruption	 
C	Governance e compliance	Reputation	  
D	Governance e compliance	Risk Management	 
E	Environmental Responsibility	Sustainable transport	  
F	Environmental Responsibility	Environmental Externality	  
J	Responsibility toward employees	Health and safety in the workplaces	
K	Responsibility toward employees	Conciliate life and job	 
L	Responsibility toward employees	Diversity and equal-opportunities	
M	Responsibility toward employees	Training	

Attachamentes



[GTS HOLDING S.R.L CONSOLIDATO](#)



[G.T.S. GENERAL TRANSPORT SERVICE S.P.A](#)



[GTS RAIL S.P.A.](#)



[GTS HOLDING S.R.L SEPARATO](#)



[RAIL SERVICE S.R.L.](#)



[SGL S.R.L.](#)





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